

DIVISION OF ALCOHOLIC BEVERAGE CONTROL

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
Special Revenue-Other	17,038,000	17,556,000	518,000	3.0%
Total for AGENCY SUMMARY:	17,038,000	17,556,000	518,000	3.0%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
All Other Funds:	165	165	0
TOTAL:	165	165	0

Agency Mission

(Executive Budget: pp. 345-347)

The Division of Alcoholic Beverage Control (ABC) regulates and controls the manufacture, sale and distribution of alcoholic beverages within the State. The Division also issues and renews licenses and permits to manufacturers, distributors, wholesalers and retailers and works with local law enforcement agencies to ensure compliance with the ABC law.

This agency is included in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive proposes an All Funds State Operations appropriation of \$17,556,000 reflecting a net increase of \$518,000 or 3.0 percent over State Fiscal Year (SFY) 2007-08.

The Executive recommends no changes for full-time equivalent positions in SFY 2008-09 Budget.

State Operations

Proposed Increases

The Executive's proposes a Special Revenue Fund-Other appropriation of \$17,556,000, an increase of \$518,000 or 3.0 percent over SFY 2007-08, which encompasses the following increases:

- a \$200,000 one-time increase for the services and expenses of the New York State Law Revision Commission review of the State's Alcoholic Beverage Control (ABC) Law. This funding will support the Commission's statutorily mandated study of the ABC law. A final report of recommended changes to the law is expected in September 2008;
- an additional \$280,000 Personal Service to reflect the cost of maintaining existing workforce; and
- an additional \$38,000 to accommodate net fringe and indirect cost adjustment.

Article VII

The Executive recommends Article VII legislation that would:

- permanently extend the seven day alcohol license sales law; and
- apply the tax on flavored malt beverages at the low liquor tax rate.

DEPARTMENT OF AUDIT AND CONTROL

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	175,752,000	182,987,000	7,235,000	4.1%
Special Revenue-Other	85,838,000	77,978,000	(7,860,000)	-9.2%
Internal Service Fund	3,487,000	4,101,000	614,000	17.6%
Total for Agency:	265,077,000	265,066,000	(11,000)	0.00%
Total Contingency:	88,500,000	93,704,000	5,204,000	5.9%
Total for AGENCY SUMMARY:	353,577,000	358,770,000	5,193,000	1.5%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	1,617	1,708	91
All Other Funds:	912	935	23
TOTAL:	2,529	2,643	114

Agency Mission

(Executive Budget: pp. 349 -354)

The Department of Audit and Control is responsible for paying the State's bills and payrolls, verifying all financial transactions of the State, reviewing the financial and management practices of State agencies, supervising the fiscal affairs of local governments, investing State funds and issuing bonds and notes, and administering the retirement program for State and most local government employees. The Department has its main office in Albany and regional offices in New York City, Buffalo, Rochester, Syracuse, Binghamton, Glens Falls, Newburgh, and Hauppauge.

The Department is included in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive proposes an All Funds appropriation of \$358,770,000, representing a net increase of \$5,193,000 from the State Fiscal Year (SFY) 2007-08 funding level.

The Executive proposal reflects a workforce of 2,643 full-time equivalent (FTE) positions reflecting an increase of 114 FTE positions over the current SFY 2007-08 levels.

State Operations

The Executive recommends a State Operations appropriation of \$244,969,000, which includes the following:

Proposed Increases

- General Fund appropriations totaling \$141,186,000 which reflects the following increases:
 - \$3,070,000 for a net adjustment for personal service (PS) costs of continuing existing programs, including salary and other fixed cost increases. There are 91 additional FTEs associated with this funding.
 - \$2,364,000 for a net adjustment for additional non-personal service (NPS) costs.
- Special Revenue Fund-Other appropriations in the amount of \$5,978,000 and Internal Service Fund appropriations of \$4,101,000 mirroring the following actions:
 - a \$103,000 increase reflecting a net adjustment to continue existing programs, including salary and other fixed cost increases;
 - a \$400,000 increase reflecting a Banking Service Fund increase for potential Office of Court Administration (OCA) Credit Card Expansion;
 - a \$150,000 increase reflecting reimbursement for Office of State Comptroller (OSC) sponsorship of statewide training provided to State Agencies and Public Authorities; and
 - a \$100,000 increase reflecting Audits of Child Performer Protection Fund.
- Fiduciary Fund appropriations in the amount of \$93,704,000, an increase of \$5,204,000 or 5.88 percent over the current year funding level of \$88,500,000 which represents:
 - a \$3,214,000 increase reflecting various initiatives including continuation of a retirement system business redesign process, back file conversion for electronic storage and retrieval, and workload increases. There are 23 additional FTEs associated with this funding; and

- a \$1,990,000 increase reflecting a revised compensation structure for the Division of Pension and Cash Management.

Aid to Localities

The Executive recommends a \$113,801,000 appropriation in Aid to Localities which includes the following:

Proposed Increase

- a General Fund Aid to Localities appropriation of \$41,801,000 reflecting an increase of \$1,801,000 above SFY 2007-08 funding levels for the current payment of benefits to survivors of police officers and firefighters in New York City who died during the performance of their duties.

Proposed Decrease

- a Special Revenue Funds-Other Aid to Localities appropriation of \$72,000,000, reflecting a decrease of \$8,000,000 below current year funding level to fund Indigent Legal Services. The funding reduction reflects a capped reimbursement to counties under current formula, in order to reserve funds for distribution in 2009-10 from new Office of Indigent Defense Services.

DIVISION OF THE BUDGET

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	33,407,000	33,407,000	0	0.0%
Special Revenue-Other	74,204,000	64,204,000	(10,000,000)	-13.5%
Internal Service Fund	1,650,000	1,650,000	0	0.0%
Total for AGENCY SUMMARY:	109,261,000	99,261,000	(10,000,000)	-9.2%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	297	297	0
All Other Funds:	68	88	20
TOTAL:	365	385	20

Agency Mission

(Executive Budget: pp. 355-357)

The Division of the Budget (DOB) prepares the Governor's proposed budget and executes the budget as enacted by the Legislature. The Division also serves as the Governor's primary advisor on such fiscal matters as local government and public authority finances.

This agency is included in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive recommends All Funds appropriations totaling \$99,261,000, reflecting a net reduction of \$10,000,000 in funding from the State Fiscal Year (SFY) 2007-08 base funding level.

The Executive recommends 385 full-time equivalent (FTE) funded positions reflecting an increase of 20 FTE positions over current staffing levels. This increase is attributable to 15 additional positions needed to staff the Statewide Financial System Program. Another 5 positions are for new information technology positions in an effort to begin reducing the reliance on consultants.

State Operations

The Executive continues funding for programs at the following:

- an appropriation of \$14,854,000 in the Special Revenue Funds-Other Revenue Arrearage Account;
- a \$7,200,000 appropriation in Special Revenue Funds-Other to continue funding for the Systems and Technology Account, reflecting no change from the current year's funding level. This appropriation funds expenses for the modification of statewide personnel, accounting, financial management, budgeting and related information systems to accommodate the management and information needs of the DOB;
- a \$4,000,000 General Fund appropriation for the Cash Management Improvement Act Program, reflecting no change from the SFY 2007-08 funding level. This appropriation allows the State to accept and pay any interest liabilities owed to the federal government under the Federal Cash Management Improvement Act. The Executive also recommends \$2,000,000 in Special Revenue-Other funding, again reflecting no change in spending from SFY 2007-08. This appropriation allows the State to accept and spend any Federal interest liabilities owed to the State;
- an Internal Service Fund/Federal Single Audit Account appropriation of \$1,650,000, for an annual independent audit of federal programs performed by KPMG;
- an appropriation of \$150,000 in Special Revenue Funds-Other for the purpose of making loans to eligible not-for-profit organizations; and
- a \$866,000 maintenance undistributed appropriation for services and expenses related to membership dues in various organizations including the Conference of Northeast Governors (\$90,000); Council of Great Lakes Governors (\$40,000); Council of State Governments (\$510,000); Federal Funds Information for states (\$12,000) and the National Governors Association (\$214,000).

Proposed Decreases

The Executive proposes the following:

- A decrease of \$10,000,000 in Special Revenue Funds – Other supports the continued development of a Statewide Financial System Program from the current year's appropriation level of \$40,000,000. A reappropriation of \$89,200,000 is also provided for this purpose. The funding is needed to support services and expenses related to the development of enterprise technology solutions.

CAPITAL DEFENDER OFFICE

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	1,300,000	368,000	(932,000)	-71.7%
Total for AGENCY SUMMARY:	1,300,000	368,000	(932,000)	-71.7%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	7	0	(7)
TOTAL:	7	0	(7)

Agency Mission

(Executive Budget: pp. 359-360)

The Capital Defender Office (CDO) is an independent entity which was created to provide legal, investigatory and expert services to indigent persons who are eligible to be prosecuted for murder, and to otherwise ensure that offenders who face the death penalty receive the full legal protection to which they are entitled under law.

Programmatic Highlights

- The State Fiscal Year (SFY) 2008-09 Executive Budget includes the closure of the CDO by July 2008 absent reenactment of a death penalty statute.

Budget Detail

The Executive Budget recommends a General Fund State Operations appropriation of \$368,000, a \$932,000 decrease from its State Fiscal Year (SFY) 2007-08 funding level. The Executive proposes partial-year support for a workforce of 7 full-time equivalent (FTE) positions.

State Operations

On June 24, 2004, in *People v. LaValle*, the New York State Court of Appeals determined that certain provisions of the death penalty statute were unconstitutional, and determined that first degree murder charges could not proceed as capital cases absent an amendment of the statute by the legislature. In October 2007, in *People v. Taylor*, the same court declined to overturn its earlier decision. As a result of this latter decision, and since the legislature has not enacted a statute to reestablish the death penalty, the last individual was moved off of New York's death row. As such, there remains no need for the continued existence of the CDO in the State of New York.

Proposed Decreases

- The Executive recommendation reduces General Fund support by \$932,000 to reflect the closing of the Office. The appropriation that remains will be used to support limited staffing and nonpersonal service costs.

DEPARTMENT OF CIVIL SERVICE

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	22,791,000	23,025,000	234,000	1.0%
Special Revenue-Other	2,300,000	2,322,000	22,000	1.0%
Internal Service Fund	32,960,000	36,155,000	3,195,000	9.7%
Total for Agency:	58,051,000	61,502,000	3,451,000	5.9%
Total Contingency:	6,500,000	6,500,000	0	0.0%
Total for AGENCY SUMMARY:	64,551,000	68,002,000	3,451,000	5.3%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	336	339	3
All Other Funds:	237	245	8
TOTAL:	573	584	11

Agency Mission

(Executive Budget: pp. 361-365)

The Department of Civil Service is charged with providing human resource management services to State and local governments.

The Department is included in the Public Protection and General Government appropriation bill.

Budget Detail

State Operations

The Executive proposes a State Fiscal Year (SFY) 2008-09 All Funds appropriation of \$68,002,000, an increase of \$3,451,000 or 5.3 percent over SFY 2008-09 levels. The Executive proposal also includes an increase of 11 full-time equivalents (FTE) positions, resulting in 584 FTEs in the Department.

Proposed Increases

The Executive includes State Operations appropriation increases as follows:

- \$2,528,000 to reflect salary and other fixed cost increases;
- \$410,000 in appropriation authority to support non-personal service expenditures for the Diversity Commission;
- \$401,000 to support five health insurance audit staff, resulting in anticipated savings of \$2,000,000 in SFY 2008-09 from providers audits;
- \$104,000 for one FTE to review the plan for MyNYSHIP, which allows State employees to access health plan information online;
- \$104,000 to support one FTE to develop options available to the State when it rebids the Empire Plan; and
- \$104,000 to support one FTE to perform an audit of eligibility for employee benefits.

Proposed Decreases

- The Executive recommends a reduction of \$200,000 in General Fund appropriation authority related to management efficiencies taken in non-personal services.

Article VII

The Executive recommends Article VII legislation that would authorize the Department of Civil Service to recover costs associated with the Department's statutory mandate for review, approval and monitoring of the plan of New York City and other public employers to reduce the number of provisional employees.

STATE CONSUMER PROTECTION BOARD

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	0	320,000	320,000	–
Special Revenue-Other	4,438,000	4,778,000	340,000	7.7%
Total for AGENCY SUMMARY:	4,438,000	5,098,000	660,000	14.9%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	0	5	5
All Other Funds:	32	34	2
TOTAL:	32	39	7

Agency Mission

(Executive Budget: pp. 367-369)

The Consumer Protection Board's (CPB) current mission is to protect and advance the rights of New York State's consumers. The CPB handles consumer complaints and mediates consumer disputes, engages in consumer education activities and fraud prevention, and represents consumer interests in utility rate cases before the Public Service Commission.

This agency is included in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive proposes an All Funds appropriation of \$5,098,000 reflecting an increase of \$660,000 or 14.87 percent over State Fiscal Year (SFY) 2007-08 funding levels.

The Executive recommends 39 full-time equivalent funded positions reflecting an increase of seven FTEs over current staffing levels.

State Operations

Proposed Increases

- The Executive proposal includes \$320,000 in new General Fund resources is recommended to establish the Office of Airline Consumer Advocates which is comprised of the following:
 - \$300,000 for five new FTEs to carry out the work of the Office ensuring the health and safety of New York's traveling public.
 - \$20,000 associated with non personal service costs.
- The Executive proposal includes a \$4,778,000 Special Revenue Funds Other appropriation, reflecting an increase of \$340,00 over current year funding levels for the following:
 - \$235,000 reflects inflationary costs and net adjustments for the cost of continuing existing programs, including salary and other fixed cost increases.
 - \$105,000 reflects the cost for two new FTEs associated with the agency's Product Recall Initiative to ensure that New Yorkers are better informed of potentially dangerous products.

Article VII

The Executive continues the annual authorization which provides that services and expenses of the CPB related to consumer protection activities are deemed an expense of the Department of Public Service within the meaning of Section 18-a of the Public Service Law and are funded accordingly.

COMMISSION OF CORRECTION

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	2,645,000	2,807,000	162,000	6.1%
Total for AGENCY SUMMARY:	2,645,000	2,807,000	162,000	6.1%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	35	35	0
TOTAL:	35	35	0

Agency Mission

(Executive Budget: pp. 371-373)

The State Commission of Correction Commission serves to promote a safe, secure and stable correctional system and to provide for the accountability of corrections officials. The Commission regulates and oversees the operation and management of 70 State correctional facilities, 60 county jails, 16 New York City correctional facilities and 316 locally-operated police department detention facilities. The Commission's role also includes the oversight of four secure detention facilities operated by the Office of Children and Family Services.

The Commission is included in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive Budget recommends a General Fund State Operations appropriation of \$2,807,000, a \$162,000 increase over its State Fiscal Year 2007-08 funding level. The Executive proposes continued support for a workforce of 35 full-time equivalent positions.

State Operations

Proposed Increases

- The Executive proposal provides an additional \$162,000 to reflect anticipated increases in salary, fringe benefits, fixed costs and the cost of continuing current programming.

DEPARTMENT OF CORRECTIONAL SERVICES

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	2,479,337,000	2,511,951,000	32,614,000	1.3%
Special Revenue-Other	1,450,000	19,950,000	18,500,000	1,275.9%
Special Revenue-Federal	36,800,000	38,300,000	1,500,000	4.1%
Enterprise	44,347,000	44,347,000	0	0.0%
Correctional Facilities Capital Improvement Fund	300,000,000	320,000,000	20,000,000	6.7%
Internal Service Fund	79,711,000	74,208,000	(5,503,000)	-6.9%
Total for AGENCY SUMMARY:	2,941,645,000	3,008,756,000	67,111,000	2.3%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	30,568	30,492	(76)
All Other Funds:	1,188	1,111	(77)
TOTAL:	31,756	31,603	(153)

Agency Mission

(Executive Budget: pp. 375-381)

The Department of Correctional Services (DOCS) is responsible for the operation of the State's 70 correctional facilities and the supervision of an under-custody population of approximately 63,000 inmates who have been sentenced to a term of incarceration which is greater than one year.

DOCS is included in the Public Protection and General Government Budget appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes the following:

- The scheduled closure of four correctional facilities by January 2009
- Retooling of the Edgecombe Correctional Facility to establish a parole violator facility
- Continued expansion of mental health treatment programs and services

Budget Detail

The Executive Budget recommends an All-Funds appropriation of \$3,008,756,000, a \$67,111,000 increase from its State Fiscal Year (SFY) 2007-08 funding level. The Executive proposes support for a workforce of 31,603 full-time equivalent (FTE) positions, an increase of 153 FTE positions.

State Operations

The Executive proposes funding to support State Operations in the amount of \$2,682,756,000, an increase of \$47,520,000 from SFY 2007-08 funding levels.

Prison Closure Proposal

In January 2008, the Executive provided the Legislature with notice to close four correctional facilities by January 2009 in compliance with prison closure notification requirements codified under sections 79-a and 79-b of the Corrections Law. These proposed closures come as a result of continued decline of the undercustody population and a desire to make resources available to support new programming.

The following correctional facilities are slated for closure:

- Camp Gabriels in Franklin County, currently staffed with 138 FTE positions;
- Camp Pharsalia in Chenango County, currently staffed with 101 FTE positions;
- Camp Mt. McGregor in Saratoga County, currently staffed with 66 FTE positions; and
- The Hudson Correctional Facility in Columbia County, currently staffed with 236 FTE positions. The work release facility at Hudson will remain in operation.

The Executive projects that these facility closings would generate a net \$10,400,000 in savings in SFY 2008-09, with annualized savings totaling \$33,500,000. The Executive further projects that an additional \$30,000,000 would result from these closures by avoiding additional capital expenditures.

All staff impacted by the prison closings will be offered jobs at other correctional facilities or at other State agencies in accordance with civil service rules and union contractual agreements.

Proposed Increases

General Fund support for DOCS is increased accordingly:

- \$24,082,000 is provided to address nonpersonal service costs associated with facility operations, including expenses for food, utilities and technology projects.
- \$14,645,000 is provided for increased medical costs. These costs are partially offset by \$7,400,000 in anticipated savings arising from internal control improvements at central pharmacies (\$1,600,000), the expanded use of telemedicine (\$400,000), and an Article VII proposal to ease the medical parole process, thereby reducing pharmaceutical and outside hospitalization costs (\$5,400,000).
- \$12,120,000 is provided to meet mandated personal service increases, the transfer of Correction Officers from correctional industries (Corcraft), and the hiring of additional staff (117 FTE).
- \$6,002,000 is associated with the continued mental health programming expansions, providing resources to support additional personnel (238 FTE).
- \$2,474,000 is provided to annualize the costs of implementing the Sex Offender Management and Treatment Act.

The Executive also provides \$2,100,000 in General Fund support for re-entry initiatives, including:

- \$1,200,000 for 45 information technology FTE positions to develop applications to assist in re-entry efforts;
- \$450,000 for nine FTE's at three additional correctional facility re-entry units;
- \$250,000 for four FTE's at the Edgecombe correctional facility, which will begin to operate as a Parole Violator Facility in SFY 2008-09, and house up to 100 parole violators for periods of up to 30 days while providing access to substance abuse treatment services; and
- \$200,000 for the expansion of Family Reunion Center programs, including six FTE positions.

The Executive budget increases appropriations for the Food Production Center Account by \$18,500,000 to allow for DOCS to offer its cook/chill products to local jails.

Proposed Decreases

- The Executive budget claims \$10,000,000 in savings from anticipated reductions in staff overtime.

Aid to Localities

The Executive proposes funding to support State Operations in the amount of \$6,000,000, a decrease of \$409,000 from SFY 2007-08 funding levels. This decrease is attributable to the elimination of legislative initiatives.

Capital Projects

The Executive proposal includes a capital appropriation of \$320,000,000, a \$20,000,000 increase over SFY 2007-08 levels. The increase in appropriation authority reflects the rising cost of construction materials, the need to maintain an aging infrastructure and an increased ability to achieve quicker project development. The capital appropriation for Preservation of Facilities includes \$36,000,000 for mental health projects.

Article VII

The Executive recommends Article VII legislation that would:

- revise the medical parole statute to authorize the release of State inmates who are seriously ill and incapacitated.

CRIME VICTIMS BOARD

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
Special Revenue-Other	37,534,000	39,187,000	1,653,000	4.4%
Special Revenue-Federal	38,448,000	38,448,000	0	0.0%
Total for AGENCY SUMMARY:	75,982,000	77,635,000	1,653,000	2.2%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	70	0	(70)
All Other Funds:	33	103	70
TOTAL:	103	103	0

Agency Mission

(Executive Budget: pp.383-386)

The Crime Victims Board (CVB) awards compensatory damages to victims of crime, focusing mainly on those whose victimization was violent in nature, and also serves as the State's advocate for crime victims' rights, needs and interests. Damages are awarded to victims for loss of earnings, essential property loss, and costs associated with medical treatment or counseling services. The CVB currently administers approximately 200 contracts with other State agencies, local governments and not-for-profit agencies to provide direct services to crime victims and witnesses.

The CVB is included in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive Budget recommends an All Funds appropriation of \$77,635,000, a \$1,653,000 increase over its State Fiscal Year (SFY) 2007-08 funding level. The Executive proposes continued support for a workforce of 103 full-time equivalent (FTE) positions.

State Operations

The Executive proposes funding to support State Operations in the amount of \$10,891,000, an increase of \$3,443,000 from SFY 2007-08 funding levels.

In SFY 2007-08, the Executive shifted all operating expenses of the CVB from the General Fund to the Criminal Justice Improvement Account; a Special Revenue Fund which is wholly supported by fines and fees remitted by convicted offenders, and whose principle use is to support crime victim programming. The Executive proposes to repeat this fund shift in SFY 2008-09.

Proposed Increases

- The Executive recommendation increases appropriations for fringe benefits and fixed costs by \$1,867,000, and provides an additional \$286,000 to reflect the cost of maintaining current programming.

Aid to Localities

The Executive proposes funding to support Aid to Localities in the amount of \$66,744,000, a decrease of \$1,790,000 from SFY 2007-08 funding levels.

Proposed Decreases

- The Executive eliminates a \$500,000 appropriation to support a grant program which serves victims of sexual assault.
- The Executive offers a technical reduction to local assistance funding of \$260,000 to allow for a sub-allocation to the Division of Criminal Justice Services to support State Operations costs.
- Special Revenue-Federal appropriations are reduced by \$1,030,000.

Article VII

The Executive recommends Article VII legislation that would expand the use of funds deposited to the Criminal Justice Improvement Account.

DIVISION OF CRIMINAL JUSTICE SERVICES

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	158,589,127	126,406,000	(32,183,127)	-20.3%
Special Revenue-Other	50,100,000	55,401,000	5,301,000	10.6%
Special Revenue-Federal	45,350,000	49,300,000	3,950,000	8.7%
Total for AGENCY SUMMARY:	254,039,127	231,107,000	(22,932,127)	-9.0%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	623	629	6
All Other Funds:	109	109	0
TOTAL:	732	738	6

Agency Mission

(Executive Budget: pp. 375-381)

The Division of Criminal Justice Services (DCJS) is the administering agency for both State and federal monies that support programs designed to combat crime, drug abuse and violence across the State. DCJS maintains criminal history and statistical data for federal, State and local law enforcement agencies, identifies criminals through fingerprints, maintains the sex offender registry and provides training and management services to local law enforcement agencies.

This agency is included in the Public Protection and General Government appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive recommendation includes the following:

- Commensurate support for District Attorney salaries, should judicial salaries be authorized.
- Increased support for re-entry services.
- Support for a new Witness Protection Program.

Budget Detail

The Executive recommends an All Funds appropriation of \$231,107,000, a \$22,932,127 decrease from the agency's State Fiscal Year (SFY) 2007-08 funding level. The Executive proposes support for a workforce of 738 full-time equivalent (FTE) positions, an increase of six FTE positions.

State Operations

The Executive proposes funding to support State Operations in the amount of \$115,844,000, an increase of \$3,353,000 from SFY 2007-08 funding levels.

Proposed Increases

The Executive proposal increases General Fund appropriations by a net \$673,000 to support the following:

- \$1,100,000 for an agency-wide replacement of servers and computing networks.
- \$886,000 to provide for personal service adjustments and to support six FTE positions associated with staffing Local Crime Analysis Centers.
- \$560,000 for information technology maintenance;
- \$214,000 for increases in rental and real estate expenses; and
- \$163,000 for non-personal service expenses, including travel, supplies and materials.

These General Fund expenses are offset by a \$2,250,000 reduction of one time start-up funding for Local Crime Analysis Centers that were authorized during SFY 2007-08.

Special Revenue Funds-Other State Operations appropriations total \$26,079,000—a \$70,000 reduction from SFY 2007-08 funding levels.

Special Revenue Funds-Federal appropriations for State Operations are proposed at \$25,750,000. This \$2,750,000 year-to-year increase in appropriation authority is shared among six federal funding streams. As with local assistance, large cuts in federal assistance are anticipated.

Aid to Localities

The Executive proposes funding to support local assistance in the amount of \$115,263,000, a decrease of \$26,285,000 from SFY 2007-08 funding levels.

Proposed Increases

- A contingent \$3,500,000 is provided for reimbursement of District Attorney salaries, should legislation to increase compensation to members of the judiciary be enacted.
- An additional \$800,000 is provided to support local re-entry task forces, resulting in a \$4,300,000 appropriation.
- A \$500,000 appropriation is made for services and expenses associated with a Witness Protection Initiative to operate in consultation with local District Attorneys. This program will provide victims and witness with the full range of protective services when cooperating with an investigation or trial.

Proposed Decreases

Through the following actions, the Executive provides General Fund support for local assistance in the amount of \$62,391,000—a net decrease of \$22,925,500:

- A \$300,000 reduction is made to the New York Prosecutors' Training Institute (NYPTI), resulting in a SFY 2008-09 appropriation of \$3,210,000. The funds were transferred to provide partial support the Executive's \$500,000 Witness Protection Initiative.
- An appropriation in the amount of \$285,000 for the Drug Abuse Resistance for Education (DARE) program is eliminated.
- \$2,000,000 in funding for the DNA Training Program is eliminated.
- Legislative additions totaling \$5,600,000 are eliminated.

General Fund support for the following programs is also reduced, but these programs will be supported or augmented by Special Revenue Funds, as indicated:

- Local Aid to Prosecution support is reduced by \$1,000,000. The Legal Services Assistance Fund (LSAF) will offset the reduction in prosecution aid and will be augmented by \$1,500,000 in funding previously allocated to a District Attorney recruitment and retention program. The Aid to Prosecution program is funded at \$19,884,000 in the Executive proposal—a \$1,500,000 increase over SFY 2007-08.
- Local Aid to Defense support is reduced by \$1,000,000, and an appropriation from the LSAF would offset this reduction in its entirety, maintaining local defense funding levels of \$11,174,000—representing no change from SFY 2007-08.

- Aid to Crime Labs funding is reduced by \$9,000,000. This reduction is partially offset with funding from the Federal Edward Byrne/Justice Assistance Grant (JAG) program in the amount of \$8,000,000—providing a total commitment of \$9,247,000 to crime labs in SFY 2008-09, a year-to-year decrease of \$1,000,000.
- The Operation IMPACT appropriation is reduced by \$6,551,000, and a \$2,000,000 Upstate Crime Initiative is eliminated. The Executive provides \$8,551,000 in revenue from the Criminal Justice Improvement Account (CJIA) to support Operation IMPACT at \$17,459,000 in SFY 2008-09.

The Executive Budget includes a net increase in Special Revenue—Other appropriations totaling \$5,371,000, largely attributable to the offsets noted above. The Executive eliminates legislative support for domestic violence legal services and related programming (\$1,250,000) and legislative support for a variety of legal service providers (\$3,000,000). Appropriations made for the Motor Vehicle Theft and Insurance Fraud Prevention (MVTIFP) program are reduced by \$930,000.

Under the Executive proposal, federal appropriations are reduced by a net \$1,200,000, to more accurately reflect the value of anticipated awards. While appropriations made for the Byrne/JAG program are made at \$12,000,000, due to federal reductions to the program, it is unknown whether this appropriation level will be realized.

Article VII

The Executive recommends Article VII legislation that would:

- Enhance protective services offered to victims and witnesses who are at risk of physical or emotional harm, intimidation or retaliatory violence as a result of their cooperation with law enforcement.
- Amend and repeal applicable laws to authorize a judicial salary increase, with a provision to include a salary increase for District Attorneys as well.
- Expand the use of revenue deposited to the Criminal Justice Improvement Account.

STATE BOARD OF ELECTIONS

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	7,230,000	9,326,000	2,096,000	29.0%
Special Revenue-Other	8,600,000	2,000,000	(6,600,000)	-76.7%
Special Revenue-Federal	23,500,000	11,000,000	(12,500,000)	-53.2%
Total for AGENCY SUMMARY:	39,330,000	22,326,000	(17,004,000)	-43.2%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	74	83	9
All Other Funds:	9	0	(9)
TOTAL:	83	83	0

Agency Mission

(Executive Budget: pp. 383-396)

The State Board of Elections executes and enforces the Election Law and oversees the disclosure of campaign financing practices. This agency is in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive recommends an All Funds appropriation of \$22,326,000, reflecting a decrease of \$17,004,000 or 43.2 percent from the State Fiscal Year (SFY) 2007-08 funding level. This appropriation includes \$9,326,000 in General Fund Support, \$11,000,000 in Special Revenue

Funds – Federal and \$2,000,000 in Special Revenue Funds – Other to enable the State to carry out its work related to implementation of the Help America Vote Act of 2002 (HAVA).

The Executive recommends funding 83 full-time equivalent (FTE) positions in SFY 2008-09 representing no change in FTEs over the current fiscal year funded levels.

State Operations

The Executive recommends \$9,326,000 in State Operations General Fund spending, reflecting a net increase of \$2,096,000 or 28.99 percent over current year funding. Also the Executive Budget proposes a reappropriation of \$12,000,000 in State Operations Special Revenue Fund-Other Funds for expenses including prior year liabilities related to satisfying the matching funds requirement of HAVA and for services and expenses related to the examination of electronic voting and ballot counting machines.

Proposed Increases

The Executive proposes the following increases:

- \$292,000 in General Fund spending over the SFY 2007-08 level to reflect the cost of continuing current programs, including salary and other fixed costs; and
- \$1,804,000 to reflect a rental increase associated with additional space needed to support:
 - continuing maintenance and licensing costs of the voter registration database at \$900,000;
 - expanded staff at \$425,000;
 - a nonpersonal service adjustment to reflect cost of continuing current programs at \$179,000;
 - election year costs at \$50,000; and
 - campaign finance database development \$250,000.
- The Executive also proposes a \$2,000,000 appropriation in State Operations Special Revenue Funds – Other, representing a 76.74 percent reduction from current year. This is a net increase of \$1,400,000 for contractual services related to the testing and certification for HAVA-compliant machines.

Proposed Decreases

- The Executive proposes an \$8,000,000 reduction to reflect a non-recurring appropriation related to satisfying the matching fund requirements in HAVA.

Aid to Localities

The Executive Budget includes reappropriations of \$241,500,000 in Special Revenue Fund-Federal Funds needed to implement provisions of HAVA, including services and expenses related to poll worker training and voter education, the purchase of voting machines, and assistance to local voting districts to implement HAVA. In addition, the Executive Budget proposes a reappropriation of \$5,000,000 in General Fund Aid to Localities for services and expenses related to the Local Assistance accessibility for disabled voters.

The Executive proposes \$11,000,000 in Special Revenue Funds – Federal spending which include the following increases:

- \$1,000,000 to reflect additional funds to support continued federal funding for Poll Site Accessibility; and
- \$10,000,000 to reflect appropriate additional interest for distribution to counties for the purchase of voting machines, including handicapped accessible ballot marking devices.

OFFICE OF EMPLOYEE RELATIONS

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	4,129,000	4,298,000	169,000	4.1%
Special Revenue-Other	150,000	125,000	(25,000)	-16.7%
Internal Service Fund	2,587,000	2,768,000	181,000	7.0%
Total for AGENCY SUMMARY:	6,866,000	7,191,000	325,000	4.7%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	43	43	0
All Other Funds:	27	27	0
TOTAL:	70	70	0

Agency Mission

(Executive Budget: pp. 397-399)

In accordance with the Public Employees' Fair Employment Act (the Taylor Law), the Office of Employee Relations (OER) represents the Governor in collective bargaining with public employee unions and directs the State's employee relations policies so that agencies and employees provide high quality, uninterrupted State government services.

The OER is included in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive recommends a State Fiscal Year (SFY) 2008-09 All Funds appropriation of \$7,191,000, representing an increase of \$325,000 or 4.7 percent over the SFY 2007-08 level. The Executive also proposes continuing 70 full-time equivalent positions within the Office.

State Operations

Proposed Increases

The Executive proposes the following increases:

- The Executive proposal includes \$169,000 in General Fund increases related to personal service and fixed cost increases; and
- The Executive proposal includes \$181,000 in Internal Service Fund increases related to personal service increases and corresponding fringe and indirect rate adjustments, as well as an increase in fixed costs.

Proposed Decreases

- The Executive recommends a reduction of \$25,000 in Special Revenue Fund appropriation authority, attributable to re-estimates of current spending need. The appropriation provides for management and employee training materials and participation in the National Association of State Directors of Employee Relations.

EXECUTIVE CHAMBER

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	21,978,000	21,978,000	0	0.0%
Special Revenue-Other	100,000	100,000	0	0.0%
Total for AGENCY SUMMARY:	22,078,000	22,078,000	0	0.0%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	204	204	0
TOTAL:	204	204	0

Agency Mission

(Executive Budget: pp. 401-404)

The Executive Chamber is the Office of the Governor and includes the immediate staff that assists him in developing Executive policies.

The Executive Chamber is included in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive proposes All Funds appropriations of \$22,078,000 to support the activities of the Office of the Governor and the Office of the Lieutenant Governor. The requested appropriation reflects no change from the current State Fiscal Year (SFY) 2007-08 base funding levels.

The Executive's recommendation reflects a workforce of 204 full-time equivalent positions, representing no change in staffing levels from SFY 2007-08.

State Operations

The Executive recommends a flat year-to-year appropriation of \$100,000 to fund the Special Revenue Other Community Relations Account to permit the use of private grants within the Office of Community Affairs. A General Fund appropriation of \$300,000 is also provided for activities authorized pursuant to the Moreland Act.

The Executive proposes a General Fund appropriation of \$1,378,000, reflecting no change from the current SFY 2007-08 base funding levels, for support of the Office of the Lieutenant Governor.

OFFICE OF GENERAL SERVICES

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	156,201,800	158,091,000	1,889,200	1.2%
Special Revenue-Other	22,446,000	23,103,000	657,000	2.9%
Special Revenue-Federal	8,230,000	8,230,000	0	0.0%
Enterprise	1,976,000	2,006,000	30,000	1.5%
Capital Projects Fund	71,050,000	70,000,000	(1,050,000)	-1.5%
Internal Service Fund	215,274,000	225,114,000	9,840,000	4.6%
Capital Projects Fund - Authority Bonds	11,300,000	10,000,000	(1,300,000)	-11.5%
Total for Agency:	486,477,800	496,544,000	10,066,200	2.1%
Total Contingency:	1,425,000	1,925,000	500,000	35.1%
Total for AGENCY SUMMARY:	487,902,800	498,469,000	10,566,200	2.2%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	1,093	1,118	25
All Other Funds:	658	658	0
TOTAL:	1,751	1,776	25

Agency Mission

(Executive Budget: pp. 405-410)

The Office of General Services (OGS) supports the operation of State agencies by providing space planning and leasing; real property management and maintenance; centralized contracting for commodities, printing and equipment maintenance services; employee and visitor parking

management; and interagency mail and courier assistance. OGS also provides a number of smaller agencies with various centralized administrative and information processing services.

This agency is included in the Public Protection and General Government Budget Bill.

Budget Detail

The Executive recommends an All Funds appropriation of \$498,469,000, reflecting a decrease of \$10,566,200,000 or 2.2 percent from the State Fiscal Year (SFY) 2007-08 funding level.

The Executive recommends funding for 1,776 full-time equivalent (FTE) positions, reflecting an increase of 25 FTEs over SFY 2007-08 staffing levels. Nineteen of the total FTEs represent the in-sourcing of trades people to achieve savings. Six FTEs are added to assist localities in identifying contracts that localities can share thereby reducing their costs.

State Operations

The Executive recommends an All Funds appropriation for State Operations of \$418,469,000, representing a \$13,085,000 or 3.23 percent increase above the SFY 2007-08 funding level.

Proposed Increases

The Executive proposes the following:

- a net increase of \$3,253,000 in General Fund support reflecting an adjustment for the cost of continuing current programs, including salary and other fixed costs;
- a \$23,000 increase in Executive Direction Special Revenue Funds - Other funding reflecting an adjustment for the cost of continuing current Special Events programs, including salary and other fixed costs;
- a \$560,000 increase in Real Property Management and Development Special Revenue Funds – Other support reflecting an adjustment for the cost of continuing current programs, including salary and other fixed costs;
- a \$74,000 increase in Procurement Services Special Revenue Funds reflecting an adjustment for the cost of continuing current programs, including salary and other fixed costs;
- an increase of \$2,781,000 increase in Executive Direction Internal Service Fund reflecting an adjustment for the cost of continuing current programs, including funding salary and other fixed costs increases, including energy costs;

- a \$1,233,000 increase in Design and Construction Internal Service Fund support reflecting an adjustment for the cost of continuing current programs, including salary and other fixed cost increases and increased business due to customer demand;
- an increase of \$1,193,000 in Procurement Services Internal Service Fund reflecting an adjustment for the cost of continuing current programs, including salary and other fixed costs increases;
- a \$2,424,000 increase in Real Property Management and Development Internal Service Fund reflecting the OGS takeover of operating costs for offices at 44 Holland Avenue, Albany, and charging tenant agencies the Office of Mental Health (OMH) and the office of Mental Retardation and Developmental Disabilities (OMRDD) these costs;
- a \$2,209,000 increase in Real Property Management and Development Internal Service Fund support reflecting an adjustment for the of continuing current programs, including salary and other fixed costs increases less in-sourcing savings;
- a \$500,000 increase in appropriation for the Empire State Plaza Art Commission account; and
- a \$30,000 increase in Enterprise Funds associated with the Empire Plaza Convention Center reflecting an adjustment for the cost of continuing current programs, including salary and other fixed costs.

Proposed Decreases

- The Executive proposes a decrease of \$1,195,000 reflecting savings from in-sourcing of 19 FTE trades positions. Six FTEs for a local government procurement initiative to be funded from a Shared Municipal Services Incentive grant.

Capital Projects

The Executive recommends \$80,000,000 in funding for Capital projects, a reduction of \$2,350,000 from the SFY 2007-08 funding level for the following:

- \$20,000,000 for the preservation of facilities;
- \$12,600,000 for design and construction supervision of State facilities;
- \$10,700,000 for the health and safety of existing facilities;
- \$10,000,000 for new facilities purposes;
- \$10,000,000 for the Empire State Plaza repair/Lienroc faced replacement;
- \$8,700,000 for preventative maintenance on State facilities;
- \$5,000,000 for State Capital Building rehabilitation; and
- \$3,000,000 for energy conservation purposes.

Aid to Localities

The Executive proposes eliminating \$168,000 in General Fund Aid to Localities funding.

Article VII

The Executive proposes Article VII legislation that would:

- make permanent the Procurement Stewardship Act, to expand the role of the State Procurement Council and to recapture the cost of providing centralized contracts;
- revise the Powers and duties of the Empire State Plaza Arts Commission; and
- that would amend the Arts and Cultural Affairs Law, in relation to the composition of the board of directors of the Executive Mansion Trust.

OFFICE OF HOMELAND SECURITY

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	11,382,000	11,041,000	(341,000)	-3.0%
Special Revenue-Other	9,543,000	10,543,000	1,000,000	10.5%
Special Revenue-Federal	360,000,000	350,000,000	(10,000,000)	-2.8%
Internal Service Fund	1,500,000	1,500,000	0	0.0%
Total for AGENCY SUMMARY:	382,425,000	373,084,000	(9,341,000)	-2.4%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	110	110	0
All Other Funds:	76	82	6
TOTAL:	186	192	6

Agency Mission

(Executive Budget: pp. 411-414)

The State Office of Homeland Security (OHS) is responsible for developing and implementing a comprehensive statewide strategy to detect, protect against and respond to terrorist threats and events. The Office maintains strong ties with federal homeland security-related agencies including the United States Department of Homeland Security. OHS is charged with assessing the vulnerability of critical assets, systems and material; assisting in policy development; allocating of Federal homeland security and related funds; and detecting and preventing cyber events.

This agency's budget is located in the Public Protection and General Government bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes \$350,000,000 to accept Federal funds for homeland security-related grants.

Budget Detail

The Executive Budget recommends an All Funds appropriation of \$373,084,000, a \$9,341,000 decrease from its SFY 2007-08 funding levels. The Executive proposes support for a workforce of 192 full-time equivalent (FTE) positions, an increase of 6 FTE over SFY 2007-08.

State Operations

The Executive proposes funding to support State Operations in the amount of \$23,084,000, an increase of \$659,000 from SFY 2007-08 funding levels.

Proposed Increases

The Executive increases State Operations appropriations by \$674,000 to accommodate the following:

- \$280,000 is provided to address broadened responsibilities of the Office in relation to aviation fuel and pipeline measures required pursuant to Chapter 630 of the Laws of 2007;
- \$234,000 is provided to accommodate lease increases to OHS property in New York City; and
- \$160,000 is recommended for personal service increases.

Proposed Decreases

- Nonpersonal service efficiencies are proposed to result in \$1,015,000 in savings in SFY 2008-09.

Aid to Localities

The Executive proposes funding to in support of Aid to Localities in the amount of \$350,000,000, a decrease of \$10,000,000 from SFY 2007-08 funding levels.

Proposed Increases

- The Executive proposal maintains current year support for the anticipated hiring of 6 FTE positions to staff a Federally-required and Federally-funded grants management unit.

Proposed Decreases

- The Executive reduces Domestic Incident Preparedness Account appropriations by \$10,000,000 an amount that was provided in SFY 2007-08 for port security.

OFFICE OF THE INSPECTOR GENERAL

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	6,915,000	7,125,000	210,000	3.0%
Special Revenue-Other	100,000	100,000	0	0.0%
Total for AGENCY SUMMARY:	7,015,000	7,225,000	210,000	3.0%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	70	70	0
TOTAL:	70	70	0

Agency Mission

(Executive Budget: pp. 415-417)

The Office of the Inspector General is responsible for investigating instances of fraud, abuse, criminal activity, and corruption in State agencies.

This agency is included in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive recommends an All Funds appropriation of \$7,225,000 reflecting a net increase of \$210,000 or 3.0 percent over the State Fiscal Year (SFY) 2007-08 funding level. The increase reflects the ongoing costs for the agency to meet the demands of increasingly sophisticated investigations of alleged fraudulent activity within State government.

A workforce of 70 full-time equivalent (FTE) funded positions is recommended reflecting no change in funded positions from SFY 2007-08.

State Operations

The Executive recommends \$100,000 in Special Revenue Fund-Other funding, reflecting no change from the SFY 2007-08 base funding level.

Proposed Increases

- The Executive recommends State Operations General Fund appropriations of \$7,125,000, a net increase of \$210,000 or 2.95 percent over SFY 2007-08 funding levels. This increase reflects a net adjustment associated with costs of continuing current programs, including salary and other fixed costs.

NEW YORK INTEREST ON LAWYERS ACCOUNT

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	3,000,000	0	(3,000,000)	-100.0%
Special Revenue-Other	18,822,000	72,134,000	53,312,000	283.2%
Total for AGENCY SUMMARY:	21,822,000	72,134,000	50,312,000	230.6%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
All Other Funds:	9	13	4
TOTAL:	9	13	4

Agency Mission

(Executive Budget: pp. 419-421)

The Interest on Lawyer Account (IOLA) Fund was established in 1983 to finance civil legal services for low-income New Yorkers. IOLA revenues are derived from the interest accrued on trust accounts in which attorneys hold certain funds for their clients. This earned interest is pooled, and a fifteen-member Board of Trustees allocates the funds to not-for-profit, tax-exempt entities who provide civil legal services to the indigent, elderly, disabled, and others.

This agency is included in the Public Protection and General Government appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes a \$70,000,000 appropriation to support grants to civil legal service providers

Budget Detail

The Executive Budget recommends an All Funds State Operations appropriation of \$72,134,000, a \$50,312,000 increase over its SFY 2007-08 funding level. The Executive proposes support for a workforce of 13 full-time equivalent (FTE) positions, an increase of 4 FTE positions over SFY 2007-08.

State Operations

The Executive proposes funding to support State Operations in the amount of \$2,134,000, an increase of \$312,000 from SFY 2007-08 funding levels.

Proposed Increases

- An additional \$184,000 is provided to the support costs of hiring 4 FTE positions to assist in the administration and distribution of a significant increase in grants to civil legal service providers.

Aid to Localities

In August 2007, the Executive changed regulations to ensure that banking institutions pay a fair interest rate on IOLA escrow accounts—a rate that is not less to the rates paid on similar types of bank accounts. As a result, the IOLA Fund can offer a significantly-increased volume of funds to civil legal service providers.

Proposed Increases

- An additional \$53,000,000 is provided in support of grants to civil legal service providers.

Article VII

The Executive recommends Article VII legislation that would clarify and expand the responsibilities of the Board of Trustees administering the IOLA Fund.

TEMPORARY STATE COMMISSION OF INVESTIGATION

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	3,642,000	3,689,000	47,000	1.3%
Special Revenue-Other	287,000	287,000	0	0.0%
Total for AGENCY SUMMARY:	3,929,000	3,976,000	47,000	1.2%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	32	32	0
TOTAL:	32	32	0

Agency Mission

(Executive Budget: pp. 423-424)

The Temporary State Commission of Investigation is a bipartisan fact-finding agency which investigates and reports on organized crime, racketeering, the conduct of public officers, and other matters affecting public peace, safety and justice.

This agency is included in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive proposes an All Funds appropriation of \$3,976,000, reflecting a net increase of \$47,000 or 1.2 percent over the State Fiscal Year 2007-08 funding level.

- The Commission was scheduled to sunset on September 1, 2008. Instead, the Governor proposes to continue the Commission until March 31, 2009 in order to allow the Commission time to complete its ongoing investigations.

Thirty-two full-time equivalent positions General Fund funded positions are continued until March 31, 2009 when the Commission sunsets.

Article VII

The Executive recommends Article VII legislation that would extend the sunset date of the Temporary State Commission of Investigations until March 31, 2009.

JUDICIAL COMMISSIONS

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	4,843,000	5,241,000	398,000	8.2%
Total for AGENCY SUMMARY:	4,843,000	5,241,000	398,000	8.2%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	55	55	0
TOTAL:	55	55	0

Agency Mission

(Executive Budget: pp. 425-427)

New York State's three Judicial Commissions serve to maintain the integrity of the court system. The Commission on Judicial Nomination and the Governor's Judicial Screening Committees screen potential nominees for high-level judicial appointments by the Governor. The Commission on Judicial Conduct investigates and acts upon allegations of judicial misconduct.

The Commissions are included in the Public Protection and General Government bill.

Budget Detail

The Executive Budget recommends an All Funds State Operations appropriation of \$5,241,000, a \$398,000 increase over its State Fiscal Year (SFY) 2007-08 funding level. The Executive proposes continued support for a workforce of 55 full-time equivalent positions.

State Operations

Proposed Increases

- The Executive recommendation includes an additional \$378,000 in General Fund support to reflect cost adjustments to maintain current programming within the Commission of Judicial Conduct.
- An additional \$20,000 is provided in the Judicial Nomination Program in anticipation of additional costs to be incurred from the judicial nomination process in SFY 2008-09.

DEPARTMENT OF LAW

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	134,360,000	134,360,000	0	0.0%
Special Revenue-Other	68,152,000	75,801,000	7,649,000	11.2%
Special Revenue-Federal	37,480,000	39,434,000	1,954,000	5.2%
Total for AGENCY SUMMARY:	239,992,000	249,595,000	9,603,000	4.0%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	1,287	1,287	0
All Other Funds:	684	745	61
TOTAL:	1,971	2,032	61

Agency Mission

(Executive Budget: pp. 429-433)

The Department of Law provides legal counsel to the State and represents the State in many court proceedings. The Department protects State agencies and citizens through the investigation of organized and white-collar crime as well as Medicaid fraud. It also protects consumers from fraudulent business practices and brings civil and/or criminal actions against violators of anti-trust laws. The Department defends the public interest through protecting charitable donors and beneficiaries, enforcing laws that prohibit discrimination, and pursuing actions against violators of environmental law.

This agency is included in the Public Protection and General Government bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes the following:

- funding for the continued roll-out of Project Sunlight, a consolidated public information database; and
- the “Nowhere to Hide” program would hold landlords accountable when they allow for criminal activity to occur on their property.

Budget Detail

The Executive Budget recommends an All Funds State Operation appropriation of \$249,595,000, a \$9,603,000 increase from its State Fiscal Year (SFY) 2007-08 funding levels. The Executive proposal supports a workforce of 2,032 full-time equivalent (FTE) positions, an increase of 61 FTE positions over SFY 2007-08 funding levels.

State Operations

Proposed Increases

The Executive recommendation holds General Fund support at SFY 2007-08 levels and includes additional Special Revenue Fund – Other support for the following:

- \$4,530,000 is provided in the Counsel for the State Program to reflect the cost of continuing current programming, including salary increases and other fixed costs;
- an additional \$1,200,000 is provided for the Real Estate Finance Bureau to hire additional staff of 10 FTE positions to assist in reviewing plans to build or convert existing buildings to, co-ops or condominiums. Revenue to support the Bureau would be increased under recently-introduced legislation which would increase the fees paid by the real estate community pursuant to Article 23-A of the General Business Law;
- the Project Sunlight program is augmented with an additional \$1,046,000 support “Version 2.0”, the second phase of the projects development, which will double the amount of databases in the search and will include Spanish language edition. Appropriations will support 12 FTE additional positions for Project Sunlight;
- the new “Nowhere to Hide” program would be funded at \$373,000. This program seeks to hold landlords accountable when they allow for their properties to be used for drug dealing and other criminal activity. The Attorney General would dedicate

investigatory staff (4 FTE) to collect evidence to support a case and would assign Assistant Attorney Generals to advance lawsuits.

- a \$1,500,000 appropriation is made for the Medicaid Fraud Control Unit to hire additional investigators and auditors (26 FTE). A \$500,000 State match is also provided to hire additional staff (9 FTE) to support Medicaid Fraud prosecution efforts; and
- appropriations made for the Medicaid Fraud Control Unit are further increased by \$454,000 to reflect net adjustments in the cost of continuing current programming.

DIVISION OF MILITARY AND NAVAL AFFAIRS

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	114,779,150	24,671,000	(90,108,150)	-78.5%
Special Revenue-Other	12,515,000	17,915,000	5,400,000	43.1%
Special Revenue-Federal	357,830,000	54,041,000	(303,789,000)	-84.9%
Capital Projects Fund	10,100,000	13,100,000	3,000,000	29.7%
Federal Capital Projects Fund	26,000,000	17,600,000	(8,400,000)	-32.3%
Total for AGENCY SUMMARY:	521,224,150	127,327,000	(393,897,150)	-75.6%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	256	258	2
All Other Funds:	396	396	0
TOTAL:	652	654	2

Agency Mission

(Executive Budget: pp. 435-441)

The Division of Military and Naval Affairs (DMNA) has two primary missions. Through the State's militia, DMNA maintains a well-trained military force ready to respond to civil emergencies, natural disasters and threats to national security. Through the State Emergency Management Office (SEMO), DMNA prepares the State and local governments to deal effectively with potential disasters and coordinates the State's response to disasters.

Budget Detail

The Executive Budget recommends an All-Funds appropriation of \$127,327,000, a \$393,897,150 decrease from its State Fiscal Year (SFY) 2007-08 funding level. The Executive proposes support for a workforce of 654 full-time equivalent (FTE) positions, an increase of 2 FTE positions.

State Operations

The Executive proposes funding to support State Operations in the amount of \$86,977,000, an increase of \$4,927,000 from SFY 2007-08 funding levels.

Proposed Increases

General Fund appropriations are increased accordingly:

- \$205,000 is provided for the expenses of the New York Guard, to assist the efforts of the New York National Guard when emergencies occur in New York State.
- \$200,000 is provided to support 2 FTE positions in SEMO to serve as permanent coordinators at disaster recovery centers.
- A new appropriation in the amount of \$5,400,000 is proposed to allow SEMO to contract with and accept funds from private entities for sending emergency information over the NY-Alert system.

Proposed Decreases

The Executive proposes:

- a \$500,000 reduction to eliminate legislative funding for marine security patrol boats.

Aid to Localities

Funding for Aid to Localities is proposed in the amount of \$9,650,000, a decrease of \$393,424,150 from SFY 2007-08 funding levels.

Proposed Decreases

The Executive proposes the following reductions:

- Non-recurring General Fund support for disaster relief in the amount of \$90,000,000 is eliminated.

- A \$300,000,000 appropriation to accept Federal funds following a disaster is also eliminated.
- Due to Federal funding reductions to the Homeland Security Grant Program, a \$3,411,000 appropriation to accept Federal Emergency Management Performance Grants is eliminated.
- Discontinuing support for \$13,150 in legislative initiatives.

Capital Projects

The Executive request includes \$30,700,000 for capital projects, reflecting a \$5,400,000 net decrease from SFY 2007-08 funding levels. These appropriations provide both State and Federal support for a multi-year military construction plan to replace or expand armories and equipment maintenance facilities across the State, in addition to other maintenance and rehabilitation projects.

Article VII

The Executive recommends Article VII legislation that would impose an assessment on nuclear power plant licensees to enable the State to recoup costs associated with National Guard security missions.

DIVISION OF PAROLE

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	213,717,000	215,766,000	2,049,000	1.0%
Special Revenue-Other	825,000	825,000	0	0.0%
Special Revenue-Federal	500,000	500,000	0	0.0%
Internal Service Fund	9,250,000	9,250,000	0	0.0%
Total for AGENCY SUMMARY:	224,292,000	226,341,000	2,049,000	0.9%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	2,154	2,273	119
TOTAL:	2,154	2,273	119

Agency Mission

(Executive Budget: pp. 443-447)

The Division of Parole, which consists of the Board of Parole and its staff, is responsible for preparing inmates for release from prison and for supervising nearly 60,000 offenders serving a term of community based supervision. Offenders are released from prison and placed under parole supervision by Parole Board action, conditional release, a presumptive release determination by the Department of Correctional Services or when determinately-sentenced inmates reach their maximum expiration date of sentence. Parole operations staff are located throughout the State's 70 correctional facilities and operate from 38 community-based field offices.

This agency is included in the Public Protection and General Government appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes the following:

- A total of \$7,000,000 to support the supervision requirements of the Sex Offender Management and Treatment Act

Budget Detail

The Executive Budget recommends an All Funds appropriation of \$226,341,000, a \$2,049,000 increase over its State Fiscal Year (SFY) 2007-08 funding levels. The Executive proposes support for a workforce of 2,273 full-time equivalent (FTE) positions, an increase of 199 FTE over SFY 2007-08.

State Operations

The Executive proposes funding to support State Operations in the amount of \$175,241,000, a net increase of \$6,545,000 over SFY 2007-08 funding levels.

Proposed Increases

The Executive Proposes the following increases:

- \$3,788,000 is provided to support required personal service increases, and to partially support the hiring of 108 FTE parole staff positions;
- \$3,491,000 is provided to maintain current programming and to support rent increases;
- \$623,000 is provided to support an additional 27 FTE for increased strict and intensive supervision caseloads necessitated by the continued implementation of provisions included in the Sex Offender Management and Treatment Act; and
- \$600,000 is provided to support costs associated with the hiring of 27 FTE reentry coordinators to be assigned in each of the Division's field offices and at the newly-proposed parole violator center at the Edgecombe Correctional Facility.

Proposed Decreases

The Executive recommends the following decreases:

- The elimination of 45 FTE clerical positions for a savings of \$632,00;

- A \$525,000 savings is claimed due to the elimination of leased space in the Bronx;
- The Division will attempt to constrain overtime, netting \$500,000 in savings; and
- A \$300,000 reduction is anticipated due to increased operational efficiencies through the use of technology.

Aid to Localities

The Executive proposes funding for local support in the amount of \$51,100,000, a decrease of \$4,496,000 from SFY 2007-08 funding levels.

Proposed Increases

- The Executive proposes an additional \$4,504,000 to fund temporary housing for sex offenders being supervised in the community.

Proposed Decreases

- The Executive proposes the continuation of administrative actions adopted during SFY 2007-08 to streamline the parole violation process, netting an additional \$7,900,000 in savings; and
- the utilization of Edgecombe Correctional Facility to house low-risk parolees who would ordinarily be subject to the Division's parole violation process while housed on Rikers Island. This action will result in a savings to the Division in the amount of \$1,100,000.

Article VII

The Executive recommends Article VII legislation that would:

- revise the medical parole statute to authorize the release of State inmates who are seriously ill and incapacitated.

OFFICE FOR PREVENTION OF DOMESTIC VIOLENCE

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	2,526,000	2,549,000	23,000	0.9%
Special Revenue-Other	70,000	70,000	0	0.0%
Special Revenue-Federal	100,000	100,000	0	0.0%
Internal Service Fund	890,000	890,000	0	0.0%
Total for AGENCY SUMMARY:	3,586,000	3,609,000	23,000	0.6%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	15	15	0
All Other Funds:	18	18	0
TOTAL:	33	33	0

Agency Mission

(Executive Budget: pp. 453-455)

The Office for the Prevention of Domestic Violence develops statewide policies to protect victims of domestic violence and provides domestic violence training and information to judges, attorneys, law enforcement officers, and social services and health care providers.

The agency is included in the Public Protection and General Government appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget continues funding for the Battering Prevention Program at the SFY 2007-08 level of \$210,000.

Budget Detail

The Executive proposes total All Funds appropriations for the Office of \$3,609,000, an increase of \$23,000 or 0.6 percent over SFY 2007-08. The Executive continues funding to support a workforce of 33 full-time equivalent positions.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$2,682,000, an increase of \$23,000 over the SFY 2007-08 level.

Proposed Increases

- The Executive proposes a General Fund appropriation of \$1,622,000, an increase of \$23,000 over the SFY 2007-08 level, which reflects higher personal service costs pursuant to collective bargaining agreements, as well as other fixed cost increases related to inflation.

Aid to Localities

The Executive recommends level funding of \$927,000 in General Fund Aid to Localities. The proposed appropriations include continued funding of \$210,000 for the Battering Prevention Program; \$547,000 for the domestic violence hotlines; and consolidated funding of \$170,000 for the Capital District domestic violence law clinic and the Western New York family violence clinic.

PROBATION AND CORRECTIONAL ALTERNATIVES, DIVISION OF

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	76,020,631	80,387,000	4,366,369	5.7%
Total for AGENCY SUMMARY:	76,020,631	80,387,000	4,366,369	5.7%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	33	37	4
All Other Funds:	4	0	(4)
TOTAL:	37	37	0

Agency Mission

(Executive Budget: pp. 449-451)

The Division of Probation and Correctional Alternatives (DPCA) oversees county probation departments, providing them with training and technical assistance related to the supervision and treatment of offenders who are serving a term of community-based supervision.

The Division is included in the Public Protection and General Government appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes the following:

- \$3,000,000 in additional support for Local Probation Aid; and
- \$4,000,000 for alternatives to incarceration programs which serve the indigent.

Budget Detail

The Executive Budget recommends a General Fund State Operations appropriation of \$80,387,000 a \$4,366,369 increase over its State Fiscal Year 2007-08 funding level. The Executive proposes continued support for a workforce of 35 full-time equivalent positions.

State Operations

The Executive proposes funding to support State Operations in the amount of \$2,671,000, an increase of \$513,000 from SFY 2007-08 funding levels.

Proposed Increases

- An additional \$313,000 is provided meet fixed cost increases and to reflect the cost of continuing current programming.
- An additional \$200,000 is provided for the enhancement of risk/needs assessment tools to assist probation departments to determine supervision requirements and make appropriate service referrals.

Aid to Localities

The Executive proposes funding to support Aid to Localities in the amount of \$77,716,000, an increase of \$3,853,369 from SFY 2007-08 funding levels.

Proposed Increases

- An additional \$3,000,000 is provided in probation aid for county probation departments.
- A \$4,000,000 appropriation for alternatives to incarceration projects formerly funded through the Temporary Assistance to Needy Families surplus is shifted to the Division from the Office of Temporary and Disability Assistance, and instead supported with General Fund support.

Proposed Decreases

- A \$1,000,000 legislative initiative in support of sex offender GPS monitoring in certain counties is eliminated.

PUBLIC EMPLOYEES RELATIONS BOARD

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	3,886,000	4,041,000	155,000	4.0%
Special Revenue-Other	257,000	257,000	0	0.0%
Total for AGENCY SUMMARY:	4,143,000	4,298,000	155,000	3.7%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	37	37	0
TOTAL:	37	37	0

Agency Mission

(Executive Budget: pp. 457-459)

The Public Employees Relations Board resolves major labor disputes between public employers and employees. The Board provides mediation, fact-finding, and arbitration in contract disputes for approximately 4,760 negotiating units in New York State. In addition, the Board settles questions of union representation, conducts hearings on charges of improper practices, designates Management/Confidential positions, and acts as a clearinghouse for information on wages, benefits, and employment practices.

The Board is included in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive proposes an All Funds appropriation of \$4,298,000 for State Fiscal Year (SFY) 2008-09, an increase of \$155,000 or 3.7 percent over SFY 2008-09 levels. There are 37 full-time equivalent positions within the Board. The Executive recommends no change to staffing levels.

State Operations

Proposed Increases

- The Executive proposes a \$185,000 increase in the General Fund, related to salary and other fixed cost increases, offset by \$30,000 in management efficiencies related to non-personal service expenses.

PUBLIC INTEGRITY, COMMISSION ON

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	4,946,000	5,779,000	833,000	16.8%
Total for AGENCY SUMMARY:	4,946,000	5,779,000	833,000	16.8%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	57	62	5
TOTAL:	57	62	5

Agency Mission

(Executive Budget: pp. 461-463)

The Commission on Public Integrity Commission was established in 2007 and is a merger of the State Ethics Commission and the Temporary State Commission on Lobbying. The Commission administers and enforces the State's ethics and lobbying statutes. The Commission combines all powers, duties, functions, and staff of the State Ethics Commission and the Temporary State Commission on Lobbying into a single autonomous agency to ensure compliance with the ethical standards to which public officials and lobbyists must adhere in order to promote confidence and public trust in government.

This agency is included in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive recommends an All Funds appropriation of \$5,779,000 reflecting a net increase of \$833,000 or 16.8 percent in State Operations funding from the State Fiscal Year (SFY) 2007-08 base funding level.

The Executive recommends funding for 62 full time equivalent (FTE) funded positions representing an increase of 5 FTEs from the combined SFY 2007-08 staffs level of the prior agencies.

State Operations

The Executive recommends a General Fund appropriation of \$5,779,000, reflecting an increase of \$833,000 over the combined SFY 2007-08 budgets of the two formerly separate agencies.

Proposed Increases

The Executive recommends the following increases:

- \$150,000 for five additional FTEs to conduct investigations in a more timely manner and address an increase in the anticipated caseload of the Commission as a result of an expanded jurisdiction;
- \$20,000 as net adjustments to reflect the cost of continuing current programs including negotiated salary increases and fixed costs; and
- \$663,000 to cover rental and other costs related to moving costs of this new combined agency into non-governmental office space.

OFFICE OF REAL PROPERTY SERVICES

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	20,800,000	3,825,000	(16,975,000)	-81.6%
Special Revenue-Other	44,808,000	63,052,000	18,244,000	40.7%
Total for AGENCY SUMMARY:	65,608,000	66,877,000	1,269,000	1.9%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
All Other Funds:	392	384	(8)
TOTAL:	392	384	(8)

Agency Mission

(Executive Budget: pp. 465-469)

The Office of Real Property Services (ORPS) is responsible for supervising local real property tax administration in the State. This office is included in the Public Protection and General Government appropriation bill.

Programmatic Highlights

The Executive proposes to delay the scheduled increases in the Basic Middle Class STAR rebate and the New York City Personal Income Tax Credit programs which will generate a combined savings to the State of \$209,000,000. Scheduled increases in the Enhanced STAR rebate program for seniors will not be affected by this proposal.

Budget Detail

The Executive proposal includes an appropriation of \$66,877,000 for the ORPS; reflecting a \$1,300,000 increase from SFY 2007-08; of which \$1,034,000 will be allocated for local assistance funding in an ongoing effort to reform local property tax administration. In addition, the budget recommendation provides for a staffing level of 384 full-time employees, a decrease of eight full-time employees from SFY 2007-08. The reduction in staffing needs is largely attributed to agency restructuring.

State Operations

Proposed Increases

- The Executive proposes a Special Revenue appropriation for Policy and Organization Support Services of \$45,043, 000, an increase of \$235,000 or 1 percent over the SFY 2007-08. The increase is intended to reflect actual operating costs for non-personal service.

Aid to Localities

The Executive proposes a General Fund appropriation of \$3,825,000 for Aid to Localities and Special Revenue Funding of \$18,009,000 to provide a net increase of \$1,034,000 from SYF 2007-08. The change reflects a restructuring of local assistance funding as part of an overall effort to reform real property tax administration.

Proposed Increases

- Within the Special Revenue Funds appropriation, the Executive proposes an increase of \$18,009,000 over SFY 2007-08. The increase reflects the necessary funding for STAR, assessor training and local administration maintenance aid.

Proposed Decreases

- Within the General Fund appropriation, the Executive proposes a decrease of \$16,975,000 or 82% below SFY 2007-08. The decrease represents the actual payments to local governments pursuant to the Rail Infrastructure Investment Act.

Article VII

The Executive recommends Article VII legislation that would:

- delay for one year the scheduled increase in benefits for the Basic Middle Class STAR rebate. The Executive estimates that this one year delay will reduce General Fund spending

by \$169,000,000 in SFY 2008-09 and \$175,000,000 in SFY 2009-10. The scheduled Enhanced STAR rebate provisions remain in tact;

- delay schedule increases in the New York City Personal Income Tax credit by one year until 2009. The Executive estimates that this delay will save the State \$40,000,000;
- eliminate the New York City STAR income tax credit for taxpayers with incomes in excess of \$250,000. The Executive estimates a savings to the State of \$20,000,000;
- allow the State to offset against the Middle Class STAR rebates certain legal debt obligations such as delinquent child support payments and delinquent taxes. The Executive projects this proposal would generate \$15,000,000 in revenue annually;
- increase the “floor” adjustment used in computation of STAR exemption benefits from 5 to 10 percent. The Executive projects this will provide an addition \$110,000,000 in savings; and
- authorize a targeted increase in the real property transfer tax fee that is paid whenever a deed is recorded. The fee increase is not applicable to property valued at \$175,000 or less. The Executive estimates this proposal will generate an additional \$30,000,000 in special revenue funding which will be used to fund the new targeted local aid programs, to provide the necessary funding to invest in technology to improve real property tax administration and to ensure adequate support for Office of Real Property Services operations.

DIVISION OF STATE POLICE

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	478,678,000	426,145,000	(52,533,000)	-11.0%
Special Revenue-Other	181,522,000	223,328,000	41,806,000	23.0%
Special Revenue-Federal	12,700,000	7,235,000	(5,465,000)	-43.0%
Capital Projects Fund	6,200,000	5,500,000	(700,000)	-11.3%
Capital Projects Fund - Authority Bonds	56,000,000	6,000,000	(50,000,000)	-89.3%
Total for AGENCY SUMMARY:	735,100,000	668,208,000	(66,892,000)	-9.1%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	5,499	5,499	0
All Other Funds:	490	490	0
TOTAL:	5,989	5,989	0

Agency Mission

(Executive Budget: pp. 471-475)

The Division of State Police (Division) is responsible for protecting the life and property of New Yorkers by patrolling the State's highways and performing specialty and investigative police services throughout the State. The Division is also part of several counter-terrorism initiatives.

This agency is included in the Public Protection and General Government appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes the following:

- redeployment of 200 Troopers to assist localities in policing high crime areas; and
- an increase in Motor Vehicle Law Enforcement Fee to provide for a General Fund offset for the Division.

Budget Detail

The Executive Budget recommends an All Funds appropriation of \$668,208,000, a \$66,892,000 decrease from its State Fiscal Year (SFY) 2007-08 funding levels. The Executive proposal supports a workforce of 5,989 full-time equivalent positions, which includes 4,939 troopers and investigators.

State Operations

The Executive proposes funding to support State Operations in the amount of \$656,708,000, a decrease of \$16,192,000 from SFY 2007-08 funding levels.

The Executive's proposal recommends the redeployment of 200 Troopers to assist policing agencies in Operation IMPACT jurisdictions throughout New York State. The Division will reallocate 90 Troopers presently assigned to posts at video lottery centers and 92 Troopers currently serving as school resource officers to meet the demands of this proposal. The remaining Troopers will be reassigned from other posts.

Proposed Increases

The Executive increases General Fund spending accordingly:

- \$1,790,000 is provided to reflect increased costs of maintaining the current workforce;
- \$1,034,000 will support nonpersonal service fixed costs increases; and
- \$600,000 will support the nonpersonal service needs of 30 Troopers whose expenses were assumed when the Division began the patrol of I-84 without reimbursement from the Thruway Authority.

Appropriations made for Special Revenue Funds are proposed to increase by \$53,400,000 which is primarily attributable to an Executive proposal to utilize revenue derived from an increase in the Motor Vehicle Law Enforcement Fee to provide for a \$48,400,000 offset to the Division's General Fund expenses. Paid upon renewal of auto insurance policies, the Motor Vehicle Law Enforcement Fee is currently assessed at \$5 per auto policy. The

Executive proposal would increase the fee by \$15, from the current \$5 to a new \$20. Five dollars of the increase would be allocated to the Division to provide for a General Fund offset, while \$10 of the increase would be allocated to the dedicated Highway and Bridge Trust fund to support bridge safety initiatives. The Executive anticipates this fee increase will generate \$145,600,000 in SFY 2008-09, and \$194,000,000 when annualized.

The Executive's request also includes a one-time \$5,000,000 appropriation to accept an increased level of asset forfeiture receipts.

Proposed Decreases

The Executive reduces General Fund appropriations accordingly:

- A \$48,400,000 reduction associated with a proposal to utilize Motor Vehicle Law Enforcement fee revenues to offset General Fund costs;
- \$3,000,000 in non-personal savings will be achieved through deferring low priority technology projects and through the purchase of fuel-efficient vehicles;
- A \$2,000,000 reduction is proposed to discontinue the State's participation in the New England Regional Forensic Institute at SUNY Albany;
- A \$1,700,000 reduction is associated with a non-recurring appropriation for automated external defibrillators in patrol vehicles; and
- An \$857,000 reduction reflects a non-recurring retroactive payment provision included in a New York State Correctional Officers Police Benevolent Association pay bill.

The Executive proposal reduces Special Revenue--Other funds in the following manner:

- A one-time \$10,000,000 appropriation for the purchase of radios for the Statewide Wireless Network is eliminated;
- Cost adjustments for nonpersonal service will yield \$1,394,000 in savings; and
- \$200,000 reduction in the Training Academy Account will coincide with the close of the Division's most recent recruitment drive.

Reductions in federal appropriation authority totaling \$5,465,000 are also recommended to reflect anticipated decreases in Federal awards for the Motor Carrier Safety Assistance Program (\$4,500,000) and National Institute of Justice DNA Grants (\$965,000).

Capital Projects

A capital appropriation of \$11,500,000 is advanced, with \$6,000,000 in authority bond support for the consolidation of dispatch centers in Troops D, E, and F. The additional \$5,500,000 in appropriations authority will support the maintenance and improvement of existing facilities.

Article VII

The Executive recommends Article VII legislation that would increase the Motor Vehicle Law Enforcement Fee to \$20, expand its uses and make permanent various related provisions.

OFFICE FOR TECHNOLOGY

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	25,614,000	30,551,000	4,937,000	19.3%
Special Revenue-Other	31,549,000	20,573,000	(10,976,000)	-34.8%
Capital Projects Fund	0	40,000,000	40,000,000	-
Internal Service Fund	266,200,000	319,260,000	53,060,000	19.9%
Capital Projects Fund - Authority Bonds	0	21,000,000	21,000,000	-
Total for AGENCY SUMMARY:	323,363,000	431,384,000	108,021,000	33.4%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	138	158	20
All Other Funds:	591	591	0
TOTAL:	729	749	20

Agency Mission

(Executive Budget: pp. 477-480)

The Office for Technology (OFT) is responsible for developing the State's technology resources and policies. The mission of the OFT is to provide centralized technology services, shape technology policy, and coordinate statewide technology initiatives to improve the efficiency of New York State government. The Office for Technology provides oversight of the design and construction of New York State's largest technology project, the Statewide Wireless Network (SWN).

The Office is included in the Public Protection and General Government appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes the following:

- an additional \$15,000,000 to support a Universal Broadband Access Initiative;
- \$50,000,000 to centralize the procurement and delivery of technology services for state agencies.

Budget Detail

The Executive Budget recommends an All-Funds appropriation of \$431,384,000, a \$108,021,000 increase over SFY 2007-08 funding levels. The Executive proposes support for a workforce of 749 full-time equivalent (FTE) positions, an increase of 20 FTE positions.

State Operations

The Executive proposes funding to support State Operations in the amount of \$365,384,000, an increase of \$47,021,000 from SFY 2007-08 funding levels.

Proposed Increases

- The Executive provides \$20,573,000 in appropriation authority to support the costs of the Statewide Wireless Network (SWN), a \$10,976,000 decrease from SFY 2007-08 funding levels. In April 2008, the State is scheduled to determine whether Phase I of the SWN build-out meets the benchmarks required under the contract for the project, the value of which exceeds \$2 billion. The amount provided herein assumes the project is on schedule, and that the project is accepted.
- \$3,600,000 is provided in General Fund support for improvements at existing data centers.
- \$730,000 is provided for OFT to augment staff to better serve customer agencies and to implement statewide technology projects (20 FTE's). These new positions may be used to support project management offices on large-scale projects, to assist in the implementation of the Universal Broadband Initiative or to assist in streamlining the technology procurement process.
- \$607,000 is provided to reflect the cost of continuing current programming.

The Executive proposal includes a new Centralized Technology Services Account which would serve to centralize the procurement and delivery of technology services to participating state agencies. This \$50,060,000 Internal Service Fund appropriation would serve to accept interagency payment for such services.

Aid to Localities

The Executive proposes funding to support local assistance in the amount of \$5,000,000, maintaining the same level of funding as SFY 2007-08.

Proposed Increases

- A new \$5,000,000 appropriation is provided to support the continued implementation of a Universal Broadband Access initiative. These funds, in conjunction with \$10,000,000 in capital assistance for the same purpose, would be awarded on a competitive basis to projects that would seek to increase broadband access, make broadband more affordable, or seek to enhance overall digital literacy.

Capital Projects

The Executive request includes new capital appropriations in the amount of \$61,000,000:

- A \$40,000,000 appropriation is provided to support system development costs and to acquire user equipment associated with SWN. The subscriber costs include land acquisition (\$1,000,000), vendor payment (\$3,200,000) and the construction of Systems Operation Centers throughout the State (\$5,400,000). User equipment would be purchased on behalf of the Division of Parole, the Division of State Police, the Department of Environment Conservation and the Office of Parks, Recreation and Historic Preservations (\$28,800,000).
- An \$11,000,000 appropriation will authorize the use of authority bonds to renovate existing state-owned office space to house an interim data center until a Consolidated Data Center is constructed. A \$99,500,000 appropriation was authorized for its construction in SFY 2006-07, and a detailed study is currently underway to determine the location of the Center.
- A new \$10,000,000 capital appropriation is made to support those activities that seek to increase broadband access, make such access more affordable, or to enhance digital literacy. This appropriation is augmented by an additional \$5,000,000 in General Fund support for the same purpose.

DIVISION OF VETERANS' AFFAIRS

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	14,742,300	15,678,000	935,700	6.3%
Special Revenue-Federal	2,354,000	2,354,000	0	0.0%
Total for AGENCY SUMMARY:	17,096,300	18,032,000	935,700	5.5%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
General Fund:	100	101	1
All Other Funds:	12	12	0
TOTAL:	112	113	1

Agency Mission

(Executive Budget: pp. 481-484)

The Division of Veterans' Affairs (DVA) assists, counsels, and advocates for veterans, military personnel and their families. DVA coordinates with State agencies and the federal government on programs affecting veterans. The Division serves more than 1,100,000 New Yorkers who are veterans, including their dependents and those on active duty. The DVA's central office is located in Albany, and it has regional offices in New York City and Buffalo.

This agency is included in the Public Protection and General Government appropriation bill.

Budget Detail

The Executive recommends an All Funds appropriation of \$18,032,000 reflecting a net increase of \$935,700 over State Fiscal Year (SFY) 2007-08 funding levels.

The Executive recommends funding 113 full-time equivalent (FTE) funded positions reflecting one additional FTE position in the Administration Program.

State Operations

The Executive proposes \$8,332,000 for State Operations in SFY 2008-09, which reflects a net increase of \$405,000 from the current year funding level.

Proposed Increases

The Executive proposes the following increases:

- a \$55,000 increase in funding for a net Personal Service adjustment to reflect the cost of continuing existing programs; and
- a \$40,000 increase in funding for a net Non Personal Service adjustment to reflect the cost of continuing existing programs.

The Executive proposes a \$1,854,000 appropriation for State Operations from Federal Special Revenue Funds in SFY 2008-09, which reflects a decrease of \$500,000 or 21.24 percent below the current year funding level.

Proposed Decreases

The Executive proposes the following decreases:

- a \$500,000 decrease in State Operations Special Revenue Fund – Federal to reflect the transfer of veterans counseling and outreach grants to Aid to Localities.

Aid to Localities

The Executive recommends \$9,700,000 in Aid to Localities funding, representing a net increase of \$1,340,700 or 16.04 percent over SFY 2007-08 funding levels.

Proposed Increases

The Executive recommends the following increases:

- \$2,350,000 is recommended in the Administration Program for the Gold Star Annuity Program to provide assistance to eligible families of deceased veterans in the amount of \$650,000; and for the payment of Merchant Marine Bonus benefits to World War II merchant marines veterans, in the amount of \$1,700,000.
- \$220,000 is recommended for the Blind Veteran Annuity Assistance Program to accommodate the annual cost of living adjustments.
- \$500,000 is recommended for the Veterans Counseling Services Program to reflect the transfer of veteran counseling and outreach grants to Aid to Localities.

Proposed Decreases

- The Executive recommends \$1,729,300 in funding reductions related to Community Projects.

WORKERS' COMPENSATION BOARD

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
Special Revenue-Other	212,803,000	201,793,000	(11,010,000)	-5.2%
Total for AGENCY SUMMARY:	212,803,000	201,793,000	(11,010,000)	-5.2%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2007-08	Requested 2008-09	Change
All Other Funds:	1,539	1,539	0
TOTAL:	1,539	1,539	0

Agency Mission

(Executive Budget: pp. 485-487)

The Workers' Compensation Board (Board) is responsible for safeguarding the well-being of New York's labor force. The Board reviews claims for workers' compensation benefits, reports of injuries filed and medical reports from physicians and other health care providers. The Board also investigates fraudulent claims and assists in resolving disputed claims.

The Board is included in the Public Protection and General Government appropriation bill.

Budget Detail

State Operations

The Governor recommends a State Fiscal Year (SFY) 2008-09 All Funds appropriation of \$202,793,000, compared to \$212,803,000 in SFY 2007-08, a net decrease of \$11,010,000 or 5.2 percent. The number of full-time equivalent positions is projected to remain at 1,539.

Proposed Increases

The Executive proposes a net increase of \$1,990,000 in Special Revenue Funds to reflect the cost of salary and other fixed cost increases.

Proposed Decreases

The Executive recommends reducing \$13,000,000 in Special Revenue Fund appropriation authority to reflect a change in the anticipated response by the Board to defaults in group trusts that are self-insured for Workers' Compensation purposes. The Executive is planning on introducing legislation outside of the budget to establish a long-term mechanism to smooth the fiscal impact to the State of defaults of group self-insured trusts.

GENERAL STATE CHARGES

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	1,653,273,000	1,644,706,000	(8,567,000)	0.5%
Fiduciary	224,775,000	241,300,000	16,525,000	7.4%
Total for AGENCY SUMMARY:	1,878,048,000	1,886,006,000	7,958,000	0.4%

Agency Mission

(Executive Budget: pp. 499-502)

General State Charges are primarily the costs of providing fringe benefits to most State employees which are authorized in collective bargaining agreements and various statutes. The General State Charges budget also includes miscellaneous fixed costs such as litigation settlements and taxes on State-owned lands.

The General State Charges budget is included in the Public Protection and General Government appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2008-09 Executive Budget includes the following a Fiduciary Fund appropriation of \$241,300,000 related to funds generated from interest and dividend reimbursements that support spending for State employee health insurance premiums. The Fiduciary Fund appropriation was added by the Legislature in the SFY 2007-08 Enacted Budget to bring the spending on-budget.

Budget Detail

The Executive proposes a SFY 2008-09 appropriation of \$1,886,006,000, compared to \$1,878,048,000 in SFY 2007-08, an increase of \$7,958,000 or 0.4 percent. A \$1.5 billion downward adjustment was made to the General State Charges appropriation in both SFY 2007-08 and SFY 2008-09 to reflect a proposed Medicaid appropriation restructuring initiative that assigns fiscal responsibility for Employee Fringe benefits to specific State Mental Hygiene agencies instead of to the General Fund.

State Operations

Proposed Increases

The Executive proposes the following spending increases:

- \$98,191,000 for health insurance premiums, representing a 5.5 percent increase in premium costs;
- \$36,558,000 for the State's pension payment, which reflects a contribution rate of 8.8 percent and a reconciliation to the SFY 2007-08 bill due to larger than expected salary growth; and
- \$16,525,000 related to the new Fiduciary Fund due to higher than anticipated dividend reimbursements that support on-budget spending for State employee health insurance premiums.

Article VII

The Executive recommends Article VII legislation that would:

- Expand the Optional Retirement Program (ORP) investment choices to include mutual funds or companies that distribute mutual funds; and
- Clarify the funding arrangements for the enhanced ORP benefits provided by Chapter 617 of the Laws of 2007.

MISCELLANEOUS: PUBLIC PROTECTION & GENERAL GOVERNMENT

	Adjusted Appropriation 2007-08	Executive Request 2008-09	Change	Percent Change
AGENCY SUMMARY				
General Fund	3,881,557,100	4,021,943,668	140,386,568	3.6%
Special Revenue-Other	8,067,000	8,524,000	457,000	5.7%
Special Revenue-Federal	1,050,000,000	1,050,000,000	0	0.0%
Capital	20,000,000	111,000,000	91,000,000	455.0%
Fiduciary	35,506,549,000	36,666,700,000	1,160,151,000	3.3%
Emergency	209,319,000	237,873,000	28,554,000	13.6%
Total for AGENCY SUMMARY:	40,675,492,100	42,096,040,668	1,420,548,568	3.5%

Budget Detail

(Executive Budget: pp. 188-239)

State Operations

Aid and Incentives for Municipalities

The Executive recommends \$945,129,000 in General Fund appropriations for the AIM program. This represents an increase of \$199,894,000 from State Fiscal Year (SFY) 2007-08.

Authority Budget Office

The Executive proposes that the Authority Budget Office (ABO) appropriation increase to \$1,500,000 from \$700,000 in SFY 2007-08. The Legislature approved \$700,000 in SFY 2007-08 in nonpersonal service for the ABO. The personal service had been funded by the Division of Budget along with a waiver for fringe benefits and indirect costs. The Executive proposes that the entire ABO budget be funded by appropriation to include personal service, nonpersonal service (with fringe benefits and indirect costs) at a cost of \$1,500,000.

Collective Bargaining Agreements

The Executive recommends a General Fund appropriation of \$4,600,000 for SFY 2008-09, a decrease of \$15,422,000 or 77.05 percent from SFY 2007-08. The appropriated funds are used to pay for statutorily mandated programs when a labor-management contract is late. The Executive anticipates that a new contract along with the necessary appropriation to implement the contract will be in place by April 1, 2008 for members of the Civil Service Employees Association (CSEA), which reduces the need to pay for the mandated programs out of the Collective Bargaining Agreements appropriation.

Reserve for Federal Audit Disallowances

The Executive recommends a General Fund appropriation of \$200,000,000 to provide any state department or agency with necessary spending authority to replace revenue as a result of a federal audit disallowance.

Special Emergency Appropriation

The Executive provides \$100,000,000 in All-Funds appropriation authority for the disbursement of State funds in the event of an unanticipated emergency affecting the State of New York, such as a natural disaster—an increase of \$25,000,000 over SFY 2007-08 appropriation levels.

Aid to Localities

Aid and Incentives for Municipalities

The Executive proposes:

- a General Fund appropriation increase of \$50,618,000 in AIM for all 61 cities outside of New York City, as well as most towns and villages. New York City would receive an increase of \$143,900,000 in AIM. The increases will vary from between three percent to nine percent of each municipality's SFY 2007-08 base funding, with the size of the increase segmented based upon indicators of fiscal distress; and
- a per capita equity adjustment General Fund appropriation increase of \$5,827,000 for 26 distressed cities, towns and villages that receive significantly less on a per capita basis than their municipal class average. The per capita equity adjustment represents an increase of 4.5 percent for each eligible municipality's SFY 2007-08 base funding.

Municipal Assistance Tax Fund

The Executive recommends a Fiduciary Fund appropriation of \$20,463,000,000 for the MACs of New York City and Troy pursuant to Section 92-e of the State Finance Law. This

represents an increase of \$584,151,000 from SFY 2007-08 funding related to additional sales tax revenue and increased activity in the financial markets.

Stock Transfer Tax Fund

The Executive recommends a Fiduciary Fund appropriation of \$15,448,000,000 for the MAC of New York City pursuant to Section 92-d of the State Finance Law. This represents an increase of \$576,000,000 from SFY 2007-08 related to increased activity in the financial markets.

Contingency Appropriation for the City of New York

The Executive recommends a General Fund appropriation of \$384,355,000. This represents a decrease of \$143,945,000 from SFY 2007-08. These monies would go to meet the debt service or other obligations related to New York City, including authorization for payments to the Municipal Assistance Corporation (MAC) in the event the City cannot meet its obligations.

Efficiency Incentive Grants

The Executive recommends a General Fund appropriation of \$10,000,000 to support cost-saving investments in Erie County and the City of Buffalo. The grants are subject to approval of each municipality's fiscal oversight authority. This represents a decrease of \$2,000,000 from SFY 2007-08.

Small Government Assistance

The Executive recommends a General Fund appropriation of \$2,131,600. This represents a decrease of \$47,500 from appropriations available in SFY 2007-08 to reflect non-recurring payments to the villages of South Blooming Grove and Woodbury in Orange County.

Flood Relief

The Executive recommends a \$5,000,000 appropriation authorized in SFY 2007-08 is no longer required in SFY 2008-09. This is due to the fact that it was a one-time Flood Relief program.

Article VII

Aid and Incentives for Municipalities

The Executive would amend the Aid and Incentives for Municipalities (AIM) program to improve equity in funding fiscally distressed municipalities, create a new Local Government Efficiency Grant program, expand local government financial accountability requirements, and

phase-in a scheduled increase in aid for the City of New York. Additionally, the Executive would amend the State Finance Law 54 to create a new Local Government Efficiency Grant (LGEG) program that restructures financial incentives for municipalities to consolidate and share services previously funded under the Shared Municipal Service (SMSI) program.

Local Government Efficiency Grants

The Executive proposes an appropriation of \$25,000,000 for a shared municipal services incentive award program administered by the Department of State. The provisions are as follows:

- provides countywide and regional demonstration project grants to municipalities in the amount of \$6,000,000;
- establishes \$4,000,000 in funding for high priority planning grants and general efficiency planning;
- provides \$9,000,000 for efficiency implementation;
- allocates \$4,000,000 for the encouragement of municipal mergers and highway services and;
- allocates \$2,000,000 for the Department of State agencies to provide regional technical assistance.

Local Revenue Proposals

The Executive proposes additional revenue opportunities to local governments, including an option for counties to increase mortgage recording fees, authorization for cities and villages to collect utilities gross receipts tax on mobile phone services, and authorization for certain cities and counties to establish red light traffic safety programs.

- The increase in recording fees is expected to raise annual revenue with \$69,600,000 for counties and \$27,000,000 for New York City.
- Utilities gross receipts tax to telecommunications is estimated to provide \$8,000,000 for cities and villages outside of New York City.
- Expand revenue by roughly \$3,500,000 annually through the Red Light Traffic Safety Program to include the cities of Buffalo, Rochester, Syracuse and Yonkers, and the counties of Nassau and Suffolk.

Video Lottery Terminal (VLT) Municipal Aid

The Executive proposed amending the VLT Municipal Aid established in SFY 2006-07, for SFY 2008-09 to permanently exclude New York City and to limit the program to municipalities' existing facilities. The Executive provides \$34,200,000 in VLT Municipal aid to certain localities. Yonkers will continue to receive a \$20,000,000 annual payment under this program to support the City's school district pursuant to Section 54-1 of the State Finance Law.

- Aid is limited to local governments where video lottery gaming facilities are currently operating;
- Sets payments in SFY 2008-09 at amounts paid in SFY 2007-08; and
- Transitions to a reimbursement program outside of the City of Yonkers with a 50 percent reduction in aid for SFY 2009-10, followed in SFY 2010-11 and thereafter with payments to reimburse local governments for the net costs incurred as a result of video lottery gaming operations.

Mandate Relief

The Executive budget included mandate relief proposals that include Wicks Law reform and granting local governments greater flexibility in the procurement process.

- Wicks Law reform would raise the current \$50,000 threshold to \$3,000,000 for New York City, \$1,500,000 for Nassau, Suffolk and Westchester Counties and \$500,000 to all remaining localities.
- The Wicks Law reforms will save the State an estimated \$1,600,000, and will save New York City nearly \$9,000,000 in debt service costs by the close of its 2010 fiscal year.
- Allow for procurement flexibility that includes making permanent existing authorization to use electronic bidding tools, increasing competitive bidding thresholds for commodities and public works projects, allowing contracts for services to be awarded on "best value" rather than lowest bid, using Federal guidelines for cooperative purchasing for information technology products and services and allowing localities to purchase materials and equipment through pre-existing State and local government contracts.

Enact the recommendations of the Commission on Local Government Efficiency and Competitiveness

The Executive proposes certain statutory changes with respect to municipal health benefit plan cooperatives, improved coordination of State and local highway services, certain inter-county functions, special districts, and petitions for municipal consolidations and dissolution.

- Relax the requirements for forming a municipal cooperative health benefit plan;
- Allow multiple counties to share one Director of Weights and Measures pursuant to an intermunicipal agreement;
- Facilitate shared service agreements among municipalities and between municipalities and State agencies;
- Allow certain county and part-county health districts to share the same commissioner/director; and
- Bring special district commissioners into conformity with school board members and fire district commissioners who are barred from receiving compensation for their services.

New York State Financial Control Board

The Executive proposed continuing State oversight of New York City finances by extending the powers of the New York State Financial Control Board (FCB) until the year 2033. The FCB will have greater flexibility regarding implementation of General Accepted Accounting Principles (GAAP) by expanding its existing power to delay implementation to also allow phase-in or waiver of any change to GAAP that would negatively impact the City's budget. Furthermore, under this proposal, the FCB will have its authority to impose a control period in the event that it becomes necessary.

Capital Projects

State Equipment Finance Program

The Executive has proposed an increase from \$20,000,000 in SFY 2007-08 to \$111,000,000 in SFY 2008-09. This requested increase is for \$65,000,000 for new software initiatives and \$46,000,000 for regular State equipment purchases.

Article VII

State Equipment Finance Program

The Executive adds the new financial management system to the list of items that can be bonded for certificates of participation.