

**OVERVIEW OF ASSEMBLY BUDGET PROPOSAL
State Fiscal Year 2011-12**

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2011-12
Assembly Budget Proposal
Financial Plan Overview

FISCAL OVERVIEW

Disbursements

All Funds disbursements contained in the Assembly proposed plan for State Fiscal Year (SFY) 2011-12 budget are projected at \$133.0 billion, a net decrease of \$3.1 billion or 2.3 percent over SFY 2010-11.

On a State Fund basis the Financial Plan projects disbursements to total \$93.3 billion for SFY 2011-12, a net increase of \$2.1 billion or 2.3 percent over SFY 2010-11.

General Fund disbursements are projected at \$57.3 billion for SFY 2011-12, a net increase of \$2.2 billion or 4.1 percent over SFY 2010-11. The increase is primarily due to State Medicaid share, Education and Human Services.

Receipts

The proposed Financial Plan projects General Fund receipts for SFY 2011-12 of \$57.9 billion, a net increase of \$3.8 billion or 7.1 percent over SFY 2010-11.

All Funds receipts are projected at \$133.3 billion, a net decrease of \$1.2 billion or a decrease of 0.9 percent over SFY 2010-11.

The Assembly Budget includes an extension of the surcharge on taxable income of one million or more, increasing General Fund Revenue by \$706 million in SFY 2011-12.

Closing Balance and Reserves

The Assembly's proposed Financial Plan estimates a SFY 2011-12 General Fund closing balance of \$2.0 billion.

Restricted Reserves are estimated to be \$1.5 billion and an estimated \$558 million in unrestricted reserves.

General Fund
Executive 30-day 2011-12 vs Legislative 2011-12
(\$ Millions)

	Executive 30-Day	Assembly Plan
Opening fund balance	\$1,357	\$1,357
Receipts		
Taxes		
Personal Income Tax	25,701	26,347
User taxes and fees	9,153	9,153
Business taxes	6,101	6,079
Other taxes	1,030	1,030
Miscellaneous receipts	3,088	3,088
Federal grants	60	60
Transfers from other funds	11,885	12,190
Total Receipts	57,018	57,947
Disbursements:		
Grants to local governments	38,333	38,874
State operations	7,511	7,483
General State charges	4,658	4,658
Transfers to other funds	6,264	6,264
Total Disbursements	56,766	57,279
Change in fund balance	252	668
Closing fund balance	1,609	2,025

State Funds
Executive 30-day 2011-12 vs Legislative 2011-12
(\$ Millions)

	Executive 30-Day	Assembly Plan
Opening fund balance	\$3,681	\$3,681
Receipts		
Taxes	64,758	65,442
Miscellaneous receipts	23,485	23,461
Federal grants	145	145
Total Receipts	88,388	89,048
Disbursements:		
Grants to local governments	59,211	59,729
State operations	16,830	16,791
General State charges	6,529	6,529
Debt service	6,021	6,021
Capital Projects	4,247	4,247
Total Disbursements	92,838	93,317
Other financing sources (uses)		
Transfers from other funds	27,543	27,848
Transfers to other funds	(22,949)	(22,859)
Bond and note proceeds	488	488
Net other financing sources (uses)	5,082	5,477
Deposit to/(use of) Community Projects Fund	0	0
Deposit to/(use of) Prior Year Reserves	0	0
Change in fund balance	632	1,208
Closing fund balance	4,313	4,889

All Funds
Executive 30-day 2011-12 vs Legislative 2011-12
(\$ Millions)

	Executive 30-Day	Assembly Plan
Opening fund balance	\$3,823	\$3,823
Receipts		
Taxes	64,758	65,442
Miscellaneous receipts	23,485	23,461
Federal grants	44,302	44,302
Total Receipts	132,677	133,337
Disbursements:		
Grants to local governments	95,789	96,307
State operations	18,548	18,509
General State charges	6,841	6,841
Debt service	6,021	6,021
Capital Projects	5,335	5,335
Total Disbursements	132,534	133,013
Other financing sources (uses)		
Transfers from other funds	27,236	27,541
Transfers to other funds	(27,258)	(27,168)
Bond and note proceeds	488	488
Net other financing sources (uses)	466	861
Deposit to/(use of) Community Projects Fund	0	0
Deposit to/(use of) Prior Year Reserves	0	0
Deposit to/(use of) Debt Reduction Reserve	0	0
Change in fund balance	609	1,185
Closing fund balance	4,432	5,008

**Assembly Budget Growth 2011-12 Over 2010-11
(\$ Millions)**

	General Fund	State Funds	All Funds
Disbursements			
SFY 2010-11 Estimate	\$55,049	\$91,196	\$136,114
Assembly 2011-12	\$57,279	\$93,317	\$133,013
Assembly Year-Over-Year Difference	\$2,230	\$2,121	(\$3,101)
Assembly Year-Over-Year Percent Change	4.1%	2.3%	-2.3%

**Assembly Budget Difference from Executive, SFY 2011-12
(\$ Millions)**

	General Fund	State Funds	All Funds
Disbursements			
Executive	\$56,766	\$92,838	\$132,534
Assembly	\$57,279	\$93,317	\$133,013
Difference	\$513	\$479	\$479
Percent Difference	0.9%	0.5%	0.4%

2011-12
Assembly Budget Proposal
List of Proposed
Modifications

2011-12 Assembly Budget Proposal Proposed Modifications

Agency	Purpose	Fund	Title	Amount
AGMKTS	Aid to Localities	GEN	Cornell "Core" Diagnostic Lab	360,000
AGMKTS	Aid to Localities	GEN	Cornell Agriculture in the Classroom	24,000
AGMKTS	Aid to Localities	GEN	Cornell Association of Ag Educators	20,000
AGMKTS	Aid to Localities	GEN	Cornell Diagnostic Lab	3,750,000
AGMKTS	Aid to Localities	GEN	Cornell Farm Family Assistance.	384,000
AGMKTS	Aid to Localities	GEN	Cornell Future Farmers	86,000
AGMKTS	Aid to Localities	GEN	Cornell Golden Nematode	7,000
AGMKTS	Aid to Localities	GEN	Cornell Integrated Pest Management.	375,000
AGMKTS	Aid to Localities	GEN	Cornell--Avian Disease	252,000
AGMKTS	Aid to Localities	GEN	Cornell--Johnes Disease	480,000
AGMKTS	Aid to Localities	GEN	Cornell--NYS Cattle Health Insurance	360,000
AGMKTS	Aid to Localities	GEN	Cornell--Quality Health Milk (Mastitis)	1,174,000
AGMKTS	Aid to Localities	GEN	Cornell—Rabies	50,000
AGMKTS	Aid to Localities	GEN	Dairy Excellence	29,000
AGMKTS	Aid to Localities	GEN	Farm Viability	300,000
AGMKTS	Aid to Localities	GEN	Local Fairs	255,000
AGMKTS	Aid to Localities	GEN	NYS Apple Growers Association	155,000
AGMKTS	Aid to Localities	GEN	NYS Wine & Grape Foundation	535,000
AGMKTS	Aid to Localities	GEN	Rejection of the Governor's elimination of Ag Re-approps	951,000
AGMKTS	Aid to Localities	GEN	Elimination of a new consolidated appropriation for Cornell Diagnostic Lab Programs	(6,066,000)
AGMKTS	Aid to Localities	GEN	Reject New Competitive Grant Program for Agriculture	(1,061,000)
CUNY	Aid to Localities	GEN	CUNY Community College Base Aid	6,568,000
DCJS	Aid to Localities	GEN	Aid to Crime Labs	6,605,216
DCJS	Aid to Localities	GEN	Aid to Defense	5,481,587
DCJS	Aid to Localities	GEN	Aid to Prosecution	10,631,400
DCJS	Aid to Localities	GEN	Alternatives to Incarceration	3,229,746
DCJS	Aid to Localities	GEN	Alternatives to Incarceration - Demonstration Projects	3,954,698
DCJS	Aid to Localities	GEN	Alternatives to Incarceration for TANF eligible individuals.	2,610,192
DCJS	Aid to Localities	GEN	District Attorney Salaries	2,091,453
DCJS	Aid to Localities	GEN	Drug Diversion	614,972
DCJS	Aid to Localities	GEN	Drug and Alcohol	1,905,404
DCJS	Aid to Localities	GEN	New York State Defenders Association Restoration.	1,086,512

DCJS	Aid to Localities	GEN	New York State Prosecutors Institute	2,293,083
DCJS	Aid to Localities	GEN	Operation IMPACT	14,373,470
DCJS	Aid to Localities	GEN	Probation Aid	43,304,625
DCJS	Aid to Localities	GEN	Re-entry Task Forces	3,049,196
DCJS	Aid to Localities	GEN	Soft Body Armor	510,491
DCJS	Aid to Localities	GEN	Special Narcotics Prosecutor	821,184
DCJS	Aid to Localities	GEN	Supervision and Treatment	466,499
DCJS	Aid to Localities	GEN	Supervision and Treatment	814,769
DCJS	Aid to Localities	GEN	Westchester County Policing Program	1,975,058
DCJS	Aid to Localities	GEN	Witness Protection Program	302,445
			Elimination of New DCJS Competitive Grant Program	(106,122,000)
DCJS	Aid to Localities	GEN		
DHCR	Aid to Localities	GEN	NPP / RPP Restoration	6,000,000
			New York City Housing Authority Capital Improvements	6,400,000
DHCR	Capital Projects	CAP		
DHCR	Capital Projects	CAP	Public Housing Modernization Program	(6,400,000)
DOH	Aid to Localities	GEN	Brain Trauma Foundation	188,000
DOH	Aid to Localities	GEN	Cardiac Services Access	518,000
DOH	Aid to Localities	GEN	Center for Workforce Studies	150,000
			Comprehensive Care Centers for Eating Disorders	98,000
DOH	Aid to Localities	GEN		
DOH	Aid to Localities	GEN	Falls Prevention	225,000
DOH	Aid to Localities	GEN	Gateway Institute - CUNY	83,000
DOH	Aid to Localities	GEN	Health Promotion Initiatives	428,000
			Infertility Services, Treatments & Procedures	1,515,000
DOH	Aid to Localities	GEN	Interim Lead Safe Housing (Lead Poisoning Prevention)	98,000
DOH	Aid to Localities	GEN	Latino Health Outreach Initiative	30,000
DOH	Aid to Localities	GEN	Long Term Care Community Coalition	23,000
			Maternal Mortality Review and Safe Motherhood Initiative	53,000
DOH	Aid to Localities	GEN		
DOH	Aid to Localities	GEN	Medicaid Collaborative Studies	525,000
			Medicaid Early Intervention: Medicaid billing provision	200,000
DOH	Aid to Localities	GEN		
DOH	Aid to Localities	GEN	Medicaid Early Intervention: reimbursement rates	6,690,000
DOH	Aid to Localities	GEN	Minority Male Wellness and Screening	23,000
DOH	Aid to Localities	GEN	Office of Minority Health	203,000
DOH	Aid to Localities	GEN	Osteoporosis Prevention & Education	23,000
			Public Awareness Campaign to Promote Donor Registry (Statewide)	90,000
DOH	Aid to Localities	GEN		
DOH	Aid to Localities	GEN	Public Health Early Intervention: Medicaid billing provision	300,000
			Public Health Early Intervention: reimbursement rates	4,400,000
DOH	Aid to Localities	GEN		
DOH	Aid to Localities	GEN	Public Health Genomics	23,000
			Public Health Management Leaders of Tomorrow	210,000

DOH	Aid to Localities	GEN	Quality Improvement Initiatives (& Patient Health Information)	135,000
DOH	Aid to Localities	GEN	Racial Disparities Study	225,000
DOH	Aid to Localities	GEN	Statewide Health Broadcasts	30,000
DOH	Aid to Localities	GEN	Sudden Infant Death Syndrome Centers	15,000
DOH	Aid to Localities	GEN	Tick-borne Disease Institute	113,000
DOH	Aid to Localities	GEN	Upstate Medical University - SUNY	15,000
DOH	Aid to Localities	SRO	Audit of Resident Teaching Programs	1,155,000
DOH	Aid to Localities	SRO	Maternity and Early Childhood Foundation	225,000
DOH	Aid to Localities	SRO	Elderly Pharmaceutical Insurance Coverage (EPIC)	34,300,000
DOH	Aid to Localities	GEN	Medicaid- Reject the increase of co-pays for Family Health Plus and Child Health Plus	7,500,000
DOH	Aid to Localities	GEN	Reject Elimination of Medicaid part D Drug Wrap	2,800,000
DOH	Aid to Localities	GEN	Reject the Expansion of the definition of estate	1,100,000
DOH	Aid to Localities	GEN	Reject the Elimination of funding for HIV Specialty Pharmacy (MOMS)	600,000
DOH	Aid to Localities	GEN	Reject New Department of Health Local Competitive Grant Program	(3,870,000)
DOH	Aid to Localities	SRO	Eliminate Tobacco Prevention and Control Program Support	(52,100,000)
DOH	Aid to Localities	SRO	Sweep: EPIC Account Fund Balance	(37,100,000)
DOL	Aid to Localities	GEN	Repeal of DOL Reapprops	2,700,000
HESC	State Operations	GEN	New York State Higher Education Loan Program (NYHELPS)	(4,037,000)
JUD	State Operations	GEN	Reduction to the Judiciary	(100,000,000)
LOTTERY	Aid to Localities	SRO	Reject Executive Proposal to Remove Restrictions for Quick Draw	(10,000,000)
LOTTERY	Aid to Localities	SRO	Reject the Executive proposal authorizing multi-jurisdictional VLTs	(2,000,000)
OCFS	Aid to Localities	GEN	Caseload Reduction Programs	1,009,000
OCFS	Aid to Localities	GEN	Community Optional Preventive Services (COPS)	16,203,000
OCFS	Aid to Localities	GEN	Home Visiting Programs	17,466,000
OCFS	Aid to Localities	GEN	Hoyt Family Trust Fund	829,000
OCFS	Aid to Localities	GEN	Kinship Programs	339,000
OCFS	Aid to Localities	GEN	Post-Placement Services	312,000
OCFS	State Operations	GEN	Reject an Increase in the Fee for Child Abuse Background Checks	12,000,000
OCFS	Aid to Localities	GEN	Restore Discretionary Title XX Funding	22,000,000
OCFS	Aid to Localities	GEN	Restore State Share of CSE Placements for In-State Placements	47,604,610
OCFS	Aid to Localities	GEN	Runaway and Homeless Youth (RHYA)	2,361,000
OCFS	Aid to Localities	GEN	Settlement Houses	451,000

OCFS	Aid to Localities	GEN	Youth Delinquency and Development Program/Special Delinquency and Development Program (YDDP/SDDP)	14,154,000
OCFS	Aid to Localities	GEN	Elimination of New Primary Prevention Incentive Program (PPIP)	(35,420,000)
OCFS	State Operations	SRO	Reject an Increase in the Fee for Child Abuse Background Checks	(12,000,000)
OFA	Aid to Localities	GEN	Community Empowerment Initiative	128,000
OFA	Aid to Localities	GEN	Congregate Services Initiative	338,000
OFA	Aid to Localities	GEN	EAC/Nassau Senior Respite	128,000
OFA	Aid to Localities	GEN	Elderly Abuse Education & Outreach	255,000
OFA	Aid to Localities	GEN	Enriched Social Adult Day Centers	128,000
OFA	Aid to Localities	GEN	Foster Grandparent Program	105,000
OFA	Aid to Localities	GEN	Long Term Care Senior Respite	75,000
OFA	Aid to Localities	GEN	NY Foundation Home Sharing	90,000
OFA	Aid to Localities	GEN	Patients' Rights Hotline	30,000
OFA	Aid to Localities	GEN	Regional Caregivers Centers for Excellence	120,000
OFA	Aid to Localities	GEN	Retired and Senior Volunteer Program (RSVP)	225,000
OFA	Aid to Localities	GEN	Reject New Aging Local Competitive Grant Program	(770,000)
OLS	Aid to Localities	SRO	Additional support for grants to counties for assigned counsel expenses	6,000,000
OTADA	Aid to Localities	GEN	Additional GF costs associated with restoring TANF Programs	36,320,000
OTADA	Aid to Localities	GEN	Delay in the Public Assistance Grant Increase	27,800,000
OTADA	Aid to Localities	GEN	Reject Full Family Sanctions	12,500,000
SED	Aid to Localities	GEN	GED Testing	700,000
SED	Aid to Localities	GEN	Regents Testing	9,000,000
SED	Aid to Localities	GEN	Additional General Support for Public Schools	140,000,000
SED	Aid to Localities	GEN	High Needs Nursing Program	675,000
SED	Aid to Localities	GEN	Increased General Fund Support to reflect the rejection of the Executive Proposal to authorize multi-jurisdictional VLT Games	2,000,000
SED	Aid to Localities	GEN	Increased General Fund Support to reflect the rejection of the Executive proposal to eliminate restrictions to quick draw National Board for Professional Teaching Standards	10,000,000
SED	Aid to Localities	GEN	Primary Mental Health Program	368,000
SED	Aid to Localities	GEN	Schools for the Blind and Deaf (4201 Schools)	671,000
SED	Aid to Localities	GEN	Schools)	90,800,000
SED	Aid to Localities	GEN	Student Mentoring and Tutoring	368,000
SED	Aid to Localities	GEN	Summer School Special Education	52,600,000
SED	Aid to Localities	GEN	Teacher Centers	22,750,000
SED	Aid to Localities	GEN	Teacher Opportunity Corps	450,000

SED	Aid to Localities	GEN	Elimination of New Education Incentive Grant Program	(1,730,000)
SUNY	Aid to Localities	GEN	SUNY Community College Base Aid	16,587,000
SUNY	State Operations	GEN	SUNY Hospital Subsidy	64,350,000
UDC	Aid to Localities	GEN	Additional services and expenses of the EAP	1,274,000
UDC	Aid to Localities	GEN	Community Development Financial Institutions	1,495,000
UDC	Aid to Localities	GEN	Minority and Women-Owned Business Development and Lending Program	(2,769,000)

**PUBLIC PROTECTION
&
GENERAL GOVERNMENT**

**Summary of Recommended Changes
By Agency**

**Assembly Budget Proposal SFY 2011-12
Alcoholic Beverage Control (ABC)**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Part E

The Assembly accepts the Executive's proposal to modify the compensation structure for the Commissioners of the State Liquor Authority. The new compensation structure would replace the annual salary of the commissioners with per diem reimbursement; however, the Chairman of the State Liquor Authority would be exempt from such provisions.

**Assembly Budget Proposal SFY 2011-12
Department of Audit and Control**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Division of the Budget (DOB)**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Department of Civil Service**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- The Assembly accepts the Executive proposal to change the compensation for commissioners of the State Civil Service Commission, other than the President, from an annual salary of \$90,800 to a \$250 per diem plus reimbursement for actual and necessary expenses, and recommends no changes.

Assembly Budget Proposal SFY 2011-12
Department of Corrections and Community Supervision

State Operations

- The Assembly accepts the Executive proposal to merge the supervision functions of the Division of Parole and the Department of Correctional Services (DOCS) into a new Department of Corrections and Community Supervision (DCCS) but the Assembly proposal retains the State Board of Parole as an independent entity. The Board of Parole will maintain responsibility for determining discretionary parole release for persons serving indeterminate sentences and for revocations of supervision.
- The Assembly amends appropriation language to include authorization for a task force to select correctional facilities for closure in the upcoming state fiscal year.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly rejects the proposal to permanently eliminate a statutory requirement that twelve months notice be provided prior to closing a correctional facility.

Assembly Budget Proposal SFY 2011-12
Division of Criminal Justice Services

State Operations

- The Assembly rejects the proposed consolidation of the Office for the Prevention of Domestic Violence, the Office of Victim Services, and the State Commission on Corrections with the Division of Criminal Justice Services. Under the Assembly proposal, each of these agencies are budgeted as separate entities as in prior years.

Aid to Localities

- The Assembly rejects an Executive proposal to consolidate all General Fund local assistance grants into a single \$106 million appropriation that would be awarded at the discretion of the Commissioner. The Assembly accepts the Executive proposal to reduce local assistance by \$9.7 million but provides discrete appropriations for all programs that received support in SFY 2010-11.
- The Assembly accepts the Executive proposal to reduce Special Revenue Fund appropriations for Aid to Defense, Aid to Prosecution, and an attorney loan forgiveness program by 10 percent but provides discrete appropriations for each purpose.

Capital Projects

- Not applicable.

Article VII

- The Assembly rejects the Executive's proposal to merge the Office for the Prevention of Domestic Violence, the Office of Victim Services, and the State Commission on Corrections with the Division of Criminal Justice Services.
- The Assembly accepts the Executive proposal to extend various criminal justice programs for three years that would otherwise expire. The Assembly adds two additional provisions to extend authorization for the interstate compact for adult supervision and to allow the housing of local inmates in state correctional facilities.

- The Assembly modifies the Executive proposal to allow district attorneys to retain pre-indictment settlement funds by adding a one year sunset.

**Assembly Budget Proposal SFY 2011-12
State Board of Elections (SBOE)**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- The Assembly rejects the Executive's proposal which repeals language requiring the State Board of Elections to annually compile revised election laws and transmit them, in hard-copy form, to each county board of election.
- The Assembly accepts the Executive's proposal, which substitutes digital for newspaper publication of certain pre- and post-election related information, such as the text of proposed ballot questions, constitutional amendments, and the results of general elections.

**Assembly Budget Proposal SFY 2011-12
Office of Employee Relations**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Executive Chamber**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Department of Financial Regulation (DFR)**

State Operations

- The Assembly accepts the Executive proposal to establish a Department of Financial Regulation. The Assembly transfers funding (\$2,508,000) and personnel from Department of State (DOS) into the Consumer Services Program of this agency.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- The Assembly accepts the Executive proposal and modifies the Executive Article VII language for the Department of Financial Regulation (DFR). The Assembly modifications:
 - provide for the transfer of all existing Consumer Protection Board functions and duties to the DFR under a new Consumer Protection Unit;
 - limit the applicability of the “financial fraud” offense and related processes to entities currently regulated by the Insurance and Banking Departments;
 - remove provisions authorizing the DFR to seek restitution in financial fraud prosecutions;
 - require funds generated by financial fraud fines to go to the General Fund;
 - remove Wildcard Law provisions; and
 - make several technical and conforming changes.

**Assembly Budget Proposal SFY 2011-12
Office of General Services**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- Not applicable.

Assembly Budget Proposal SFY 2011-12
Division of Homeland Security and Emergency Services

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly modifies an Executive proposal to permanently eliminate the annual \$1.5 million deposit of cellular surcharge revenue into the Emergency Services Revolving Loan Fund. Instead the Assembly proposal would suspend the annual \$1.5 million deposit into the Emergency Services Revolving Loan Fund for a period of two years.

**Assembly Budget Proposal SFY 2011-12
Office of Indigent Legal Services**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly provides an additional \$6 million to provide reimbursement to counties for expenses associated with the provision of assigned counsel.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Office of the Inspector General (IG)**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
New York Interest on Lawyer Account**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Judicial Commissions**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Articles VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Department of Law**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Division of Military and Naval Affairs**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Public Employment Relations Board**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Commission On Public Integrity (CPI)**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Division of State Police**

State Operations

- Not applicable.

Aid to Localities

- Not applicable.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Statewide Financial System (SFS)**

State Operations

- The Assembly makes changes consistent with prior years to the appropriation language in the Statewide Financial System Program to provide for the coordination and joint implementation of the integrated development of the Statewide Financial System by the mutual agreement of the Director of the Division of the Budget and the State Comptroller.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Office for Technology**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Division of Veteran Affairs (DVA)**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Workers' Compensation Board**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- The Assembly accepts the Governor's proposal which implements the findings of the Task Force on Group Self Insurance. The Assembly proposal would eliminate, except under limited circumstances, the provisions of workers' compensation coverage for private employers by group self-insured trusts and removing group self-insured trusts as a separate category for workers' compensation assessments. The Assembly amends provisions related to the repeal of certain assessments on fully-funded trusts, and to provide mechanisms to encourage the settlement or payment of outstanding liabilities related to underfunded trusts.

**Assembly Budget Proposal SFY 2011-12
General State Charges**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- The Assembly accepts the Executive proposal that would authorize payments owed by the State for lands acquired by the Department of Environmental Conservation within the Hemlock and Canadice Lakes watershed to be made through appropriations for taxable State-owned lands pursuant to RPTL §§532 - 546 and recommends no changes.

**Assembly Budget Proposal SFY 2011-12
Office for the Prevention of Domestic Violence**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- The Assembly rejects the Executive's proposal that would merge the Office for the Prevention of Domestic Violence, the Office of Victim Services, and the State Commission on Corrections with the Division of Criminal Justice Services.

**Assembly Budget Proposal SFY 2011-12
Office of Victim Services**

State Operations

- Not applicable.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- The Assembly rejects an Executive proposal to merge the Office of Victim Services (OVS) and other agencies with the Division of Criminal Justice Services. As such, the Assembly restores appropriations to allow OVS to operate as an independent Office.

**Assembly Budget Proposal SFY 2011-12
State Commission of Correction**

State Operations

- Not applicable.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- The Assembly rejects an Executive proposal to merge the State Commission of Correction (SCOC) with the Division of Criminal Justice Services. In addition, the Assembly restores appropriations to allow SCOC to operate as an independent entity.

**Assembly Budget Proposal SFY 2011-12
State Board of Parole**

State Operations

- The Assembly accepts the consolidation of the Division of Parole's community supervision functions into the new Department of Corrections and Community Supervision (DCCS) but would reject the merging of the Parole Board with the new entity to preserve the independence of the Board. In addition, under the Assembly proposal the State Board of Parole is budgeted as a separate entity.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- The Assembly proposal would amend the Executive proposal to merge the Department of Correctional Services (DOCS) as noted above.

**Assembly Budget Proposal SFY 2011-12
Local Government Assistance**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- The Assembly accepts the Executive proposal to reduce Aid and Incentives for Municipalities (AIM) funding by two-percent for all cities (other than the City of New York), towns and villages, and to permanently eliminate AIM funding to the City of New York.
- The Assembly accepts the Executive proposal to eliminate Video Lottery Terminal (VLT) aid to all eligible municipalities other than the City of Yonkers.
- The Assembly accepts the Executive proposal to promote and support local government consolidation, dissolution, shared services and other efficiencies through Citizen Empowerment Tax Credits, Citizen Reorganization Empowerment Grants, the Local Government Performance and Efficiency Program, and the Local Government Efficiency Grant Program.
- The Assembly accepts the Executive proposal to alter the State recovery of governmental costs from public benefit corporations, public authorities and industrial development agencies (IDAs).
- The Assembly modifies the Executive proposal to change the way funds received from the Tribal State Compact are dispersed by requiring all funds to be dispersed within 35 days and rejects the Executive proposal to limit the amount of funds received by the Niagara Falls Underground Railroad Heritage Commission.

**EDUCATION, LABOR
&
FAMILY ASSISTANCE**

**Summary of Recommended Changes
By Agency**

**Assembly Budget Proposal SFY 2011-12
New York State Council on the Arts**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- The Assembly recommends Article VII legislation that would modify the Executive's proposal to eliminate the statutory authority for the New York State Theatre Institute (NYSTI) and provide for the transfer of its rights and property to the Office of General Services (OGS) to also include the transfer of all liabilities to OGS and to authorize the Commissioner to transfer all personal and real property previously owned by NYSTI to The Sage Colleges for compensation of one dollar.

**Assembly Budget Proposal SFY 2011-12
City University of New York**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly restores 50 percent of the Executive Base Aid reduction to CUNY Community Colleges. This results in a \$113 per FTE restoration from \$2,034 to \$2,147 providing an additional \$6.6 million.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly modifies the Executive's proposal to remove prior State Comptroller and Attorney General approval of CUNY contracts for goods, services and printing. The Assembly accepts the removal of this prior approval for goods, construction services, computer technology services and printing.
- The Assembly rejects the Executive's proposal to authorize the CUNY Construction Fund to adopt their own procurement guidelines and remove prior State Comptroller and Attorney General approval of contracts.

**Assembly Budget Proposal SFY 2011-12
State Education Department**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly proportionally restores \$200,000,000 of the Gap Elimination Adjustment (GEA) to school districts.
- The Assembly restores SY \$32,500,000 to Teacher Resource and Computer Training Centers.
- The Assembly rejects the Executive's proposal to change the status of Blind and Deaf schools from primarily State supported schools to approved private schools for students with disabilities. The Assembly rejects the cost shift to school districts and restores \$90,800,000.
- The Assembly rejects the Executive's proposal to use wealth as a factor when determining state reimbursement to school districts for the Summer School Special Education program. The Assembly restores \$86,000,000 of funding to this program.
- The Assembly accepts the Executive's creation of two new competitive grant programs totaling \$500,000,000. The Assembly increases the \$250,000,000 for School District Performance Improvement Awards to \$350,000,000. The Assembly decreases the \$250,000,000 for School District Management Efficiency Awards to \$150,000,000.
- The Assembly eliminates the Executive's Local Competitive Grant program of \$1,730,000 and would restore funding for the following. In addition, the Assembly provides for the following:
 - The Assembly restores the Primary Mental Health Project to \$671,000.
 - The Assembly restores the National Board for Professional Teaching Standards Certification to \$368,000.
 - The Assembly restores \$368,000 to the Mentoring and Tutoring program.
 - The Assembly restores \$675,000 to the High Needs Nursing Program.

- The Assembly restores \$450,000 to the Teacher Opportunity Corp Program.
- The Assembly increases the Consortium for Worker Education (CWE) set aside by \$1,500,000 to \$13,000,000.
- The Assembly provides \$9,000,000 to the State Education Department (SED) for services and expenses relating to state assessments.
- The Assembly provides \$700,000 to the State Education Department (SED) for services and expenses relating to GED.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly accepts the Executive proposal to continue the Contract for Excellence (C4E) program but factors in both the 2010-11 and the 2011-12 Gap Elimination Adjustments (GEAs) when calculating the amount a district must spend.
- The Assembly rejects the Executive proposal to reclassify State Supported Schools for the Blind and Deaf into approved private schools for students with disabilities and the associated cost shift onto school districts.
- The Assembly modifies the Executive proposal to alter the calculation of payments for County Vocational Education and Extension Boards (CVEEBs) by removing language relating to limiting the approved courses of study that are eligible for state aid. The Assembly also modifies the Executive proposal to impose a statute of limitation for claims by CVEEBs by beginning this policy in the 2010-11 School Year instead of the 2009-10 School Year.
- The Assembly modifies the Executive proposal to only allow school districts to enter into school bus leases for longer than a year if those leases would be less expensive than buying the buses by incorporating the cost of maintenance into determining the cost effectiveness of leasing.
- The Assembly modifies the Executive proposal to alter the eligibility for the purchase of school buses to replace an existing bus. The Assembly would reimburse districts if the bus being replaced is more than ten years old or has more than 120,000 miles unless a waiver is granted by the Commissioner.

Buses with a seating capacity of less than ten passengers can be replaced after six years or 75,000 miles.

- The Assembly rejects the Executive proposal to change the BOCES Aid ratio beginning in the 2012-13 School Year.
- The Assembly rejects the Executive proposal to eliminate reimbursement for certain non-instructional services within BOCES.
- The Assembly rejects the Executive proposal to transform Building Aid from a reimbursable aid to a competitive grant program. The Assembly also rejects the Executive proposal to eliminate the use of the Select Building Aid Ratio.
- The Assembly rejects the Executive proposal to put a statute of limitations on the calculation of the Foundation Aid base.
- The Assembly accepts the Executive recommendation to hold Foundation Aid flat in the 2011-12 School Year. However, the Assembly would begin phasing in Foundation Aid in 2012-13. The growth in School Aid would be determined by the growth of personal income in the State.
- The Assembly would continue the Gap Elimination Adjustment in 2012-13 at its current level.
- The Assembly rejects the Executive proposal to reduce support to school districts for not adopting certain required transportation efficiencies beginning in the 2012-13 School Year and instead will have the State Education Department create transportation guidelines on efficiency and best practices for school districts to follow. School districts and the Commissioner will be required to report on the implementation of these transportation management efficiencies.
- The Assembly modifies the Executive proposal to hold school districts to a maximum aid amount as determined on the Executive run.
- The Assembly rejects the Executive proposal to create a new \$1.7 million Competitive Education Improvement Performance grant.
- The Assembly rejects the Executive proposal to change the current reimbursement to school districts for Summer School Special Education programs from 70 percent reimbursement by the State to a wealth adjusted formula which would range from 10 to 80 percent.
- The Assembly modifies the Chapter 1 Advance language to allow districts to expand the advance by the size of their 2011-12 Gap Elimination Adjustment.

- The Assembly continues a set aside within Employment Preparation Education (EPE) for students with high school diplomas that do not have basic skills.
- The Assembly would continue the authority of the Commissioner of Education to award discretionary grants to public educational entities pursuant to streamlined contracting procedures developed in conjunction with the Office of the State Comptroller.
- The Assembly provides authorization for BOCES to transfer excess Employee Benefit Accrued Liability Reserve (EBALR) funds to component districts.
- The Assembly modifies the Executive proposal to allow interchange among textbook, hardware and software aid. The Assembly would not allow school districts to spend Library Materials Aid on any of these other uses.
- The Assembly accepts the Executive proposal to create the School District Management Efficiency Awards Program with the following modifications:
 - Expands the eligibility of districts to include districts that can demonstrate future implementation of efficiencies and also districts that have implemented efficiencies within the last three years.
 - Does not disqualify efficiencies that may have a short term implementation cost to the state or locality so long as the efficiency is long term and results in cost savings.
 - A total of \$150 million in grants are to be awarded over a four year period.
- The Assembly accepts the Executive proposal to create the School District Performance Improvement Awards Grants with the following modifications:
 - Allows school districts to also apply for grant funds if they submit a high-quality plan to implement strategies that have the most potential for improvements in narrowing the student achievement gap and increasing academic performance in traditionally underserved student groups.
 - Directs that grants shall be distributed to predominately benefit students with the greatest educational needs, including but not limited to students in traditionally underserved student groups, students with limited English proficiency and students who are English language learners, students in poverty, students with disabilities, and students with low academic achievement.
 - Expands the eligibility of districts to not only include school districts that currently participate in the Race to the Top program but also districts that have replicated the Race to the Top programs.

- A total of \$350 million in grants are to be awarded over a four year period.

**Assembly Budget Proposal SFY 2011-12
Office of Children and Family Services**

State Operations

- The Assembly rejects the Executive proposal that would increase the fee for individuals who currently pay for State Central Register (SCR) clearance checks for employment purposes from \$5 to \$60. In addition, the Assembly also rejects the Executive proposal to extend this \$60 fee on individuals who are currently exempt from the fee. The Assembly restores \$12 million for this purpose.

Aid to Localities

- The Assembly modifies the Executive proposals related to juvenile justice that would have replaced open-ended funding for local secure and non-secure detention facilities with a capped detention program. The Assembly also modifies the Executive proposal that would have established a new Supervision and Treatment Services for Juveniles program.
 - The Assembly delays the implementation of the capped detention program until January 1, 2012 and the Supervision and Treatment Services for Juveniles program until October 1, 2011. The Assembly fully funds open-ended State reimbursement for detention for the calendar year with an appropriation value of \$76.2 million and implements the Supervision and Treatment Services for Juveniles Program with a reduced appropriation value of \$8.4 million.
 - The Assembly proposed modifications would maintain the same net financial plan value as proposed by the Executive.
- The Assembly rejects the Executive proposal that would establish a \$35 million Primary Prevention Incentive Program and provides split funding for the following nine discrete prevention programs in the OCFS budget:
 - Home Visiting - \$17.5 million, which allows New York State to maintain eligibility for Federal home visiting funding as part of the federal health care reform law;
 - Community Optional Preventive Services (COPS) - \$16.2 million;
 - Youth Development & Delinquency Prevention/Special Delinquency Prevention Program (YDDP/SDPP) - \$14.2 million;

- Runaway and Homeless Youth - \$2.4 million;
 - Kinship - \$339,000;
 - Settlement Houses - \$451,000;
 - Hoyt Children & Family Trust - \$829,000;
 - Post Placement Services - \$312,000 and;
 - Caseload Reduction - \$1 million.
- The Assembly rejects the Executive Proposal that would have mandated that the entire \$36 million in discretionary Title XX funds be used to offset State and local expenditures on child welfare services and restores \$22 million for this purpose.
 - The Assembly modifies the Executive Proposal that would have eliminated State support for Committee on Special Education (CSE) placements. The Assembly provides \$47.6 million to restore the State share of support for in-state residential placements only.
 - The Assembly restores \$3 million for the Safe Harbour program.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly accepts with modifications the Executive proposal to eliminate the State share of funding for Committee on Special Education placements. The Assembly would eliminate the State share of funding only for out-of-State placements, and keep the current cost sharing structure for placements made within the State.
- The Assembly modifies the Executive proposal to repeal the twelve month notice requirement prior to an OCFS facility closure/downsizing, establish the Supervision and Treatment Services for Juveniles Program (STSJP) for funding of alternative to detention and placement programs, and create a capped appropriation to reimburse localities for detention placements to:
 - reject the permanent repeal of the twelve month notice requirement and put in place criteria OCFS must consider prior to facility reductions;

- authorize programming for Persons in Need of Supervision (PINS) out of the new STSJP and delay implementation of such program until October 1, 2011;
 - authorize PINS detention in foster care programs beginning January 1, 2012; and
 - delay implementation of the local detention cap until January 1, 2012.
- The Assembly rejects the Executive proposal to create the Primary Prevention Incentive Program to fund evidence based programs through competitive grants.
 - The Assembly rejects the Executive proposal to increase and expand the fee for clearances through the Statewide Central Register of Child Abuse and Maltreatment (SCR).

Assembly Budget Proposal SFY 2011-12
Office of Temporary and Disability Assistance

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly modifies the Executive Proposal that would delay the third phase of the public assistance grant increase from the scheduled July 1, 2011 implementation date until July 1, 2012. The Assembly provides \$27.8 million in General Fund support to allow for the full 10 percent public assistance grant increase to take effect November 15, 2011.
- The Assembly rejects the Executive Proposal that would authorize full family sanctions; the withholding of a public assistance household's grant in the second and subsequent instances in which the head of the household does not comply with employment requirements. The Assembly restores \$12.5 million General Fund for this purpose.
- The Assembly makes \$36.3 million in General Fund restorations for the following Legislative Initiatives, typically funded with TANF money, that were eliminated from the Executive Budget:
 - Child Care Demonstration Projects - \$5.3 million;
 - Child Care SUNY/CUNY - \$949,000;
 - Various Transportation programs:
 - Community Solutions for Transportation - \$318,000;
 - Centro of Oneida - \$72,000;
 - Rochester-Genesee Regional Transportation Authority - \$233,000;
 - Non-Residential Domestic Violence Services - \$1.4 million;
 - Bridge - \$289,000;
 - Summer Youth Employment Program - \$15.5 million;
 - Displaced Homemakers - \$927,000;

- Wage Subsidy Program - \$5.2 million;
- Preventive Services - \$1.7 million;
- Supplemental Homelessness Intervention Program (SHIP) - \$581,000;
- ACCESS – Welfare to Careers - \$144,000;
- Emergency Homeless - \$500,000;
- Disability Advocacy Program (DAP) - \$279,000;
- Supportive Housing for Families and Young Adults (SHFYA) - \$1.4 million;
- Caretaker Relative/Kinship - \$144,000;
- Refugee Resettlement - \$289,000; and
- Settlement Houses - \$1 million.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly accepts the Executive proposal to implement a Social Security Income Cost of Living Adjustment which becomes effective on or after January 1, 2012 and recommends no changes.
- The Assembly rejects the Executive proposal that would authorize all family sanctions, the withholding of a public assistance household grant in the second and subsequent instances in which the head of household does not comply with employment requirements.
- The Assembly modifies the Executive proposal to delay for one year the final ten percent increase to the public assistance grant by delaying such increase to November 15, 2011.

Assembly Budget Proposal SFY 2011-12 Higher Education Services Corporation

State Operations

- The Assembly eliminates \$4.0 million from the New York Higher Education Loan Program (NYHELPS).

Aid to Localities

- The Assembly modifies the Executive proposal for the Tuition Assistance Program by exempting public community colleges from the reduction of maximum TAP awards from \$5,000 to \$4,000.
- The Assembly modifies the Executive proposal for the Tuition Assistance Program by changing the definition of remedial for the proposed for increase of academic eligibility standards.

Capital Projects

- Not applicable.

Article VII

- The Assembly modifies the Executive's proposal to reduce the maximum Tuition Assistance Program (TAP) award from \$5,000 to \$4,000 for students enrolled at two-year degree granting institutions, excluding nursing programs, which do not offer four-year degrees from \$5,000 to \$4,000 by clarifying that public institutions are not captured.
- The Assembly accepts the Executive's proposal to modify TAP award calculations to include the first \$20,000 of private pension and annuity income, of those persons 59 ½ and older.
- The Assembly accepts the Executive's proposal to modify TAP eligibility requirements to prohibit students in default on statutory New York State and federal student loans not guaranteed by the Higher Education Services Corporation from receiving TAP awards until the student cures the default.

- The Assembly accepts the Executive's proposal to modify the TAP award schedule and decrease maximum awards for married students without children from \$5,000 to \$3,025.
- The Assembly modifies the Executive's proposal to increase the credit and grade point average requirement for non-remedial students receiving TAP as a measure of determining award eligibility.
- The Assembly accepts the Executive's proposal to eliminate TAP eligibility for graduate students.
- The Assembly accepts the Executive's proposal to extend the Patricia K. McGee Nursing Faculty Scholarship, the Nursing Faculty Loan Forgiveness Program, the Social Worker Loan Forgiveness Program and the Regents Physician Loan Forgiveness Program until 2016.

Assembly Budget Proposal SFY 2011-12
Division of Housing and Community Renewal

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly rejects the Executive proposal to convert the existing Neighborhood Preservation Program (NPP) and Rural Preservation Program (RPP) into a single, competitive grant based program and eliminates \$6,010,000 that the Executive proposed for the combined program. In addition, the Assembly provides the following:
- \$8,479,000 in funding for the NPP, restoring the program to the State Fiscal Year (SFY) 2010-11 funding level.
- \$3,539,000 in funding for the RPP restoring the program to the SFY 2010-11 funding level.

Capital Projects

- The Assembly reduces \$6,400,000 in capital funding for the Public Housing Modernization Funding, bringing total funding to \$6,400,000.
- The Assembly provides \$6,400,000 in capital funding for the costs associated with capital improvements and maintenance of housing facilities owned and operated by the New York City Housing Authority.

Article VII

- The Assembly rejects the Executive's proposed language that would eliminate the current Neighborhood and Rural Preservation Programs, and create a new program to replace the eliminated programs.

**Assembly Budget Proposal SFY 2011-12
Division of Human Rights**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Department of Labor**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly provides \$2.7 million to restore prior year funding for Employment and Training Programs that were added by the Assembly, including the Displaced Homemaker Program and the Jobs for Youth Program. The Executive Budget proposed to repeal all Employment and Training Programs that were added by the Legislature in prior years.

Capital Projects

- Not applicable.

Article VII

- The Assembly accepts the Executive proposal to make permanent the authorization of the Commissioner of Labor to assess employers to pay interest on unemployment insurance loans borrowed from the Federal government when the State Unemployment Insurance Trust Fund is insolvent.

**Assembly Budget Proposal SFY 2011-12
State University of New York**

State Operations

- The Assembly restores \$64.35 million of the state subsidy for SUNY Hospitals eliminated in the Executive proposal.
- The Assembly proposes to expand the purposes authorized for the Educational Opportunity Centers to include their educational outreach programs.

Aid to Localities

- The Assembly restores 50 percent of the Executive Base Aid reduction to SUNY Community Colleges. This results in a \$113 per FTE restoration from \$2,034 to \$2,147 providing an additional \$16.6 million.

Capital Projects

- The Assembly recommends authorizing the transfer of capital projects funds for the Center for Advanced Technology at SUNY-IT to the Fort Schuyler Management Corporation.
- The Assembly would authorize the re-allocation of capital projects funds for the Alms House at Broome County Community College to the Wales Building at Broome County Community College.

Article VII

- The Assembly modifies the Executive's proposal to remove prior State Comptroller and Attorney General approval of SUNY contracts for goods, services, construction services, computer technology services and printing.
- The Assembly modifies the Executive's proposal to remove prior State Comptroller and Attorney General approval of SUNY Health Science Center contracts for goods, services and joint/group purchasing arrangements. The Assembly rejects the removal of this prior approval for revenue contracts.
- The Assembly accepts the Executive's proposal to authorize SUNY to accept conditional gifts of real and personal property.

- The Assembly rejects the Executive's proposal to create the State University Asset Maximization Review Board.
- The Assembly rejects the Executive's proposal to authorize the SUNY Health Science Centers to create joint/cooperative arrangements and managed care networks.
- The Assembly rejects the Executive's proposal to authorize the SUNY Health Science Centers to purchase or lease facilities without prior State Comptroller and Attorney General approval of contracts.
- The Assembly rejects the Executive's proposal to authorize the SUNY Construction Fund to use alternative construction delivery methods, adopt their own procurement guidelines and remove prior State Comptroller and Attorney General approval of contracts.
- The Assembly rejects the Executive's proposal to authorize the Dormitory Authority of the State of New York to finance and construct dorms and facilities on behalf of campus affiliated not-for-profits, foundation and corporations at SUNY campuses and to finance and construct dorms and facilities on behalf of community colleges.
- The Assembly accepts the Executive's proposal to authorize SUNY Downstate Medical Center to enter into a long-term lease with a not-for-profit corporation for use of facilities to be acquired from Long Island College Hospital, including provisions for lease payments sufficient to fund the debt obligations assumed by such not-for-profit.

**Assembly Budget Proposal SFY 2011-12
State University Construction Fund**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Office of Welfare Inspector General**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
State of New York Mortgage Agency**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
National and Community Service**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**HEALTH
&
MENTAL HYGIENE**

**Summary of Recommended Changes
By Agency**

**Assembly Budget Proposal SFY 2011-12
State Office for the Aging**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly rejects the Executive proposal for the creation of a single \$1,550,000 local competitive grant program and provides funding to the following programs:
 - Community Empowerment Initiative - \$183,750;
 - Congregate Services Initiative - \$604,500;
 - EAC/Nassau Respite - \$177,750;
 - Elderly Abuse Education and Outreach - \$367,500;
 - Enriched Social Adult Day Centers - \$183,750;
 - Foster Grandparent Program - \$147,000;
 - Long Term Care Senior Respite - \$106,500;
 - NY Foundation Home Sharing - \$129,000;
 - Patients' Rights Hotline - \$47,250;
 - Regional Caregivers Centers for Excellence - \$172,500; and
 - Retired and Senior Volunteer Program - \$324,750.

Capital Projects

- Not applicable.

Article VII

- The Assembly rejects the Executive's proposal to establish a local competitive grant program of \$1,550,000.
- The Assembly proposes to extend the Enriched Social Adult Day Program for three years.
- The Assembly accepts the Executive proposal to eliminate the Human Services Cost of Living Adjustment (COLA) for one year, and recommends no changes.

**Assembly Budget Proposal SFY 2011-12
Developmental Disabilities Planning Council**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Department of Health**

State Operations

- The Assembly accepts the recommendations of the Executive proposal and recommends no changes.

Aid to Localities

Proposed Medicaid Restorations

The Assembly provides \$18,890,000 to support the following:

- a restoration of \$7,500,000 to reject an increase in co-payments for Medicaid and Family Health Plus, and to reject the establishment of co-payments for Child Health Plus;
- a restoration of \$6,890,000 to reject an Executive proposal to reduce Early Intervention rates and to require certain providers to bill Medicaid directly;
- a restoration of \$2,800,000 for Medicaid “wrap around” coverage for pharmaceutical under the Medicaid Part D Drug Wrap;
- a restoration of \$1,100,000 to reject a proposal to expand the definition of “estate”; and
- a restoration of \$600,000 to continue state support for the HIV Specialty Pharmacy Program.

Proposed Public Health Restorations

The Assembly provides \$39,000,000 in support for the following:

- a restoration of \$34,300,000 to maintain the full range of benefits under the Elderly Pharmaceutical Insurance Coverage (EPIC) Program; and
- a restoration of \$4,700,000 to reject an Executive proposal to reduce Early Intervention rates and require certain providers to bill Medicaid directly.

The Assembly also rejects an Executive proposal to consolidate several Public Health programs into a single competitive grant program. Instead, the Assembly provides discrete appropriations for each entity that received State support in SFY 2010-11, at the following amounts:

- Infertility Program - \$1,515,000;
- Audit of Resident Teaching Programs - \$1,155,000;
- Medicaid Collaborative Studies - \$525,000;
- Cardiac Services - \$517,000;
- Health Promotion Initiatives - \$427,000;
- Falls Prevention Program - \$225,000;
- Maternity and Early Childhood Foundation - \$225,000;
- Racial Disparities Study - \$225,000;
- Public Health Management Leaders of Tomorrow - \$210,000;
- Office of Minority Health - \$203,000;
- Brain Trauma Foundation - \$187,000;
- Workforce Studies Program - \$150,000;
- Quality Improvement - \$135,000;
- Tick-Borne Disease Program - \$112,000;
- Eating Disorders Program - \$97,000;
- Interim Lead Safe Housing Program - \$97,000;
- Public Awareness Campaign for Donor Registry Letter - \$90,000;
- Minority Participation in Medical Education Program - \$82,000;
- Maternal Mortality Review and Safe Motherhood Initiative - \$52,000;
- Latino Outreach Program - \$30,000;
- Statewide Health Broadcasts - \$30,000;
- Long-Term Care Community Coalition - \$22,000;

- Minority Male Wellness Program - \$22,000;
- Osteoporosis Prevention - \$22,000;
- Public Health Genomics Program - \$22,000;
- Sudden Infant Death Syndrome - \$15,000; and
- Minority Participation in Medical Education Program - \$15,000.

Proposed Public Health Reductions

The Assembly provides for the following:

- a \$52,100,000 reduction by eliminating appropriations for the Tobacco Use Prevention and Control Program.

Other Actions

The Assembly proposal would also authorize a \$37,100,000 transfer of EPIC program fund balances to the General Fund.

Capital Projects

- The Assembly accepts the recommendations of the Executive proposal but rejects legislation to allow the Department of Health to allocate remaining HEAL-NY funds at its own discretion.

Article VII

Part A - Public Health Services

The Assembly proposal would:

- reject the Executive's recommendation to eliminate EPIC program benefits;
- accept the Executive's recommendation to clarify provisions related to the Early Intervention (EI) Individualized Family Service Plan;
- reject the proposal to expand the mandate for commercial insurance coverage of EI services;
- reject provisions to reduce EI rates by 10 percent, and to require EI providers to bill Medicaid directly;

- accept the Executive's recommendation to eliminate reimbursement for certain services under the General Public Health Work (GPHW) program;
- reject the establishment of the Local Competitive Performance Grant Program in DOH and SOFA;
- accept the Executive's recommendation to de-link the funding for the Empire State Stem Cell Fund from any potential health plan conversion proceeds;
- accept the Executive's recommendation to update and clarify the cost components of the methodology used to finance clinical laboratories and blood banks;
- reject provisions giving the Commissioner of Health authority to distribute HEAL-NY funding without a competitive process;
- include legislation to extend for three years the Enriched Social Adult Day Services Demonstration Program;
- accept the Executive's recommendation to extend authorization to allow the use of Office of Professional Medical Conduct funds to support patient safety initiatives for an additional two years;
- accept the Executive's recommendation to provide a three year extension of the health occupation development and work place demonstration programs;
- accept the permanent extension of the statute authorizing a streamlined process for contracts for the purchase of goods and services for state hospitals operated by DOH; and
- accept the permanent extension of a statute to permit the Dormitory Authority of the State of New York to bundle Primary Care Development Corporation projects and refinance them at lower cost.

Part B – Medicaid Cost Containment

The Assembly recommends Article VII legislation that would:

- accept the Executive's recommendation to authorize supplemental Medicaid payments for professional services provided by physicians, nurse practitioners, and physician assistants participating in practice plans affiliated with SUNY hospitals;

- accept the Executive's recommendation to require hospitals to submit additional data to the Department of Health for the purpose of calculating provider-specific disproportionate share hospital caps;
- accept the Executive's recommendation to suspend implementation of the nursing home rebasing methodology until July 1, 2011;
- accept the extension of the \$210 million gross annual cap on nursing home rate increases through March 31, 2012;
- accept the establishment of a statewide pricing methodology for nursing homes, adjusted for regional wages and acuity and amend the Executive proposal to provide authorization for quality of care incentive pools;
- accept the Executive's recommendation to authorize Medicaid payments for nursing homes with discrete units for treating patients with Huntington's disease;
- accept the Executive's recommendation to authorize prior year Medicaid payments to adult day health care providers treating patients with AIDS; and
- accept the Executive's recommendation to permanently extend the authorization to collect nursing home gross receipts assessments.

Part C – Extend the Health Care Reform Act (HCRA) for three years.

- The Assembly accepts an Executive recommendation to extend HCRA and its financing components through March 31, 2014 and amend provisions in order to maximize the use of available revenue sources.

Part D – Extension of Previously Enacted Medicaid Savings Initiatives

The Assembly recommends Article VII legislation that would:

- accept the Executive's recommendation to permanently extend authorization for up to \$300 million in nursing home upper payment limit payments for non-state operated public nursing homes;
- accept the Executive's recommendation to permanently extend unconsolidated law to authorizing intergovernmental transfer payments to non-New York City disproportionate share hospitals;
- accept the Executive's recommendation to extend authorization for bad debt and charity care allowances for certified home health agencies through 2013;

- accept the Executive's recommendation to permanently extend provisions relating to Medicaid capital cost reimbursement and remove references to Medicare that are no longer relevant;
- accept the Executive's recommendation to permanently continue the exclusion of the 1996-97 trend factor from nursing home and inpatient rates;
- accept the Executive's recommendation to permanently continue the 0.25 percent trend factor reduction for hospitals and nursing homes;
- accept the Executive's recommendation to extend the requirement that nursing homes, hospitals, certified home health care and long term home health care providers maximize Medicare revenues through February 1, 2013;
- reject the Executive's recommendation to permanently extend provisions related to the certified home health care agency administrative and general expense cap and instead modifies to extend for two years;
- accept the Executive's recommendation to extend the requirement that parties to a contract between a hospital and a managed care organization continue to abide by the terms of the contract for two months from the effective date of contract termination or non-renewal, unless certain circumstances are met, through June 30, 2013;
- reject the Executive's recommendation to extend provisions related to the long term home health care program administrative and general costs and instead modifies to extend for two years;
- accept the Executive's recommendation to permanently extend certain income and benefit expansions relating to Child Health Plus and facilitated enrollment;
- accept the Executive's recommendation to permanently extend authorization for partially capitated managed care plans to provide primary care and preventive services to Medicaid recipients as well as HIV special needs plans;
- accept the Executive's recommendation to extend authorization for the Commissioner of Health to establish utilization thresholds for Medicaid services through July 1, 2014;
- accept the Executive's recommendation to permanently extend authorization for the Medicaid program, subject to the availability of federal financial participation, to cover Medicaid Managed Care (MMC) premiums for the six-month period beginning with enrollment in a MMC plan, even if the enrollee loses eligibility for Medicaid before the end of such period;

- accept the Executive’s recommendation to continue the statutory requirement that establishes limited licensed home care service agencies in adult homes or enriched housing programs as providers of personal care and limited medical services;
- accept the Executive’s recommendation to permanently extend the Medicaid Managed Care program; and
- reject the Executive’s recommendation to permanently extend Medicaid co-payments and instead modifies to extend for three years.

Part H – Medicaid Redesign Team Recommendations

The Assembly proposal would:

- accept the Executive’s recommendation to discontinue the use of provider inflationary trend factors for hospitals, nursing homes, outpatient services and diagnostic and treatment centers and home and personal care providers;
- accept the implementation of provider specific aggregate annual spending caps on services provided by Certified Home Health Agencies (CHHAs);
- accept the implementation of an episodic pricing methodology for CHHAs, to begin on April 1, 2012;
- accept the authorization to manage pharmacy benefits under Medicaid managed care;
- accept the Executive’s recommendation to conduct a study to determine actual costs incurred by school districts and counties providing school and pre-school supportive health services to leverage additional federal financial participation;
- accept the Executive’s recommendation to discontinue reimbursement of equity in the capital component of the rate for proprietary nursing homes;
- propose new language to require managed care organizations providing Medicaid pharmacy benefit to comply with the preferred drug program and the clinical and review program;
- accept the Executive’s proposal to modify certain pharmacy reimbursement provisions but modifies to restore funding for the HIV specialty pharmacy program;
- propose new language to establish a fiduciary relationship between Pharmacy Benefit Managers and health plans or providers to improve transparency and improve prescription costs;

- reject provisions related to authorizing pharmacists to administer immunizations;
- accept the Executive's recommendation to make various changes to provisions related to the Pharmacy and Therapeutics Committee;
- reject the elimination of Medicaid wrap around coverage for Medicare Part D-covered pharmaceuticals;
- accept the Executive's recommendation to require prior authorization for exempt drug classes;
- accept the Executive's recommendation to establish utilization controls for enteral formula, prescription footwear and compression stockings and require prior authorization for more than four opioid prescriptions in a thirty day period;
- reject the Executive's recommendation to prohibit spousal refusal but modify to prohibit spousal refusal for legally responsible relatives who are not absent when income and resources of the relative exceed two hundred percent of the impoverishment levels;
- accept the Executive's recommendation to limit the processing of nursing home rate appeals and permanently extend the Commissioner of Health's authority to resolve multiple pending rate appeals using negotiated settlements;
- accept the Executive's recommendation to implement behavioral health utilization controls;
- accept the Executive's recommendation to establish utilization limits for physical therapy, occupational therapy, nurse practitioner and speech therapy and pathology services;
- accept the Executive's recommendation to eliminate the AIDS nursing adjustment for home care services provided by a certified home health agency or a long term home health care program;
- accept the Executive's recommendation to establish the Public Health Services Corps program to support public health professionals and underserved communities;
- accept the Executive's recommendation to expand Medicaid coverage for smoking cessation counseling;
- accept the Executive's recommendation to de-link workers compensation and no fault rates from hospital inpatient rates;

- accept the Executive's recommendation to establish home care worker wage parity requirements for home and community based long term care;
- accept the Executive's recommendation to establish guidelines for managed care contracting with home care agencies;
- accept the Executive's recommendation to assist safety net hospitals, nursing homes and clinics in developing plans to make critical decisions to either close, merge or restructure;
- accept the Executive's recommendation to expand the patient centered medical home program;
- accept the Executive's recommendation to authorize regulations relating to potentially preventable conditions, inappropriate use of certain services and audits of cost reports;
- accept the Executive's recommendation to allow the State to coordinate care for high cost chronic populations through Health Homes;
- propose new language to expand the Statewide planning and research cooperative system;
- propose new language to require DOH to make Medicaid waiver and plan amendment applications public;
- accept the Executive's recommendation to expand screening, brief intervention and referral to treatment (SBIRT) for alcohol or drug use beyond the emergency room setting;
- accept the Executive's recommendation to require mandatory enrollment in Medicaid managed long term care for persons twenty-one years or older residing in the community in need of home and community-based long term care services and to accelerate State assumption of Medicaid administration by centralizing responsibility for enrollment and disenrollment;
- accept the Executive's recommendation to authorize the State to contract with a behavioral health organization to coordinate care for Medicaid recipients with behavioral health diagnoses;
- reject provisions related to increases in, or establishment of new Medicaid, FHP and CHP co-payments;
- accept the Executive's recommendation to require hospitals, nursing homes, and assisted living residences to provide access to palliative care and pain

management services for people with advanced, life-limiting illnesses and conditions;

- reject the proposal to allow the establishment of a state authority/public benefit corporation for state and county nursing homes;
- reject the Executive's recommendation to provide for a \$250,000 cap on non-economic damages related to medical malpractice actions, to establish the NYS Medical Indemnity Fund, and make various changes to provisions related to the Civil Practice Law.
- Modify the Executive's proposal to establish a New York State neurological impairment fund to be managed by a nine member Board made up of appointees by the governor and the Legislature. The purpose of the fund is to mitigate or subsidize costs related to medical malpractice or medical malpractice insurance premiums related to obstetric services of qualified hospitals. The Board would certify qualified hospitals as those hospitals that implement an obstetrical patient safety assessment program approved by the New York Obstetrical Patient Safety Assessment workgroup. Such workgroup shall be created within the Department of Health and shall be comprised of medical, hospital and academic experts, patient representatives and other stakeholders as the commissioner deems necessary and appropriate. Such workgroup would be charged with establishing initiatives and guidance to general hospitals to encourage the reduction of birth-related neurological impaired injuries and approving obstetrical patient safety programs of such general hospitals;
- reject a proposal to expand the definition of estate in regard to Medicaid recoveries;
- accept the Executive's recommendation to establish a disregard for retirement assets to incentivize participation in the Medicaid Buy-In for the Working Poor and Disabled;
- reject the elimination of certain surveillance activities for laboratory and hospital psychiatric units;
- accept the Executive's recommendation but modify adverse event reporting provisions;
- reject several provisions related to capital access, including expansion of Industrial Development Agency (IDA) financing for health care facilities;
- reject a provision requiring adverse event reporting in adult homes or residences for adults only in circumstances other than those related to the natural course of illness or disease;

- accept the Executive's recommendation to define verification organization, exception report, conflict report and require Medicaid home care providers to utilize a verification organization to review services representing a claim prior to submission;
- accept the Executive's recommendation to limit the Medicaid co-insurance for Medicare covered Part B services when the total co-insurance amount would exceed the amount Medicaid would have paid using a Medicaid rate;
- accept the Executive's recommendation to authorize the establishment of Accountable Care Organizations (ACOs);
- accept the Executive's recommendation to extend the HCRA surcharge amnesty through December 31, 2011;
- accept the Executive's recommendation to extend the HCRA surcharge to surgery and radiation physician services under certain circumstances;
- accept the Executive's recommendation to limit payments for reserved days to nursing homes only if at least fifty percent of the facility's residents eligible to participate in managed care plans that include Medicare are enrolled;
- reject provisions to allow approved Department of Health, Office of Mental Health, Office for Alcohol and Substance Abuse Services and Office for People with Developmental Disabilities facilities to add services licensed by another agency through a streamlined process;
- accept the Executive's recommendation to establish a housing disregard as incentive to join Medicaid managed long term care plans;
- accept the Executive's recommendation to make various modifications to provisions populations required to enroll and exempt from enrolling in a Medicaid managed care plan; and amend other Medicaid managed care provisions;
- accept the Executive's recommendation to promote the use of the Partnership for Long Term Care Insurance Program and other long term care insurance products by reducing the residential health care facility benefit and increasing the tax credit available for LTC insurance products;
- accept the Executive's recommendation to convert certain family planning benefits as a State Plan service;
- accept the Executive's recommendation to authorize the Commissioner of Health to establish utilization thresholds for the personal care program;

- accept the Executive's recommendation to authorize a uniform across the board reduction equal to two percent of Medicaid payments or by an alternative reduction, provided a reduction plan is made available to the Legislature prior to implementation;
- accept the Executive's recommendation to limit year-to-year State Medicaid spending growth to a ten-year rolling average of the medical component of the consumer price index;
- accept the Executive's recommendation to authorize contingent Medicaid reductions if enacted Medicaid savings do not materialize, provided a Medicaid savings allocation plan is made available to the legislature prior to implementation; and
- propose new language to provide supplemental physician payments and managed care increases for the New York City Health and Hospitals Corporation (HHC).

**Assembly Budget Proposal SFY 2011-12
Office of the Medicaid Inspector General**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Department of Mental Hygiene**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

Assembly Budget Proposal SFY 2011-12
Office for Alcoholism and Substance Abuse Services

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly continues a \$15,549,568 allocation within school based prevention services appropriation for the New York City Department of Education school-operated prevention programs by Substance Abuse Prevention and Intervention Specialists (SAPIS), consistent with what has been provided in previous fiscal years. The overall Executive recommended appropriation of \$42,552,000 is accepted.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly accepts the Executive proposal to suspend rather than terminate Medicaid eligibility for individuals in Institutions for Mental Diseases (IMDs) and recommends no changes.
- The Assembly accepts the Executive proposal to eliminate the Human Services Cost of Living Adjustment (COLA) for one year, and recommends no changes.

**Assembly Budget Proposal SFY 2011-12
Office of Mental Health**

State Operations

- The Assembly modifies appropriation language that would allow for facility closures and consolidations without criteria, but accepts appropriation levels recommended by the Executive.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly accepts the Executive proposal to suspend rather than terminate Medicaid eligibility for individuals in Institutions for Mental Diseases (IMDs) and recommends no changes.
- The Assembly accepts the Executive proposal to eliminate the Human Services Cost of Living Adjustment (COLA) for one year, and recommends no changes.
- The Assembly modifies the Executive proposal to repeal the 12 month notice for mental health facility closures, consolidation and service reductions by establishing criteria to minimize the impact on access to mental health services, and providing notification to the legislature prior to taking such action.
- The Assembly accepts the Executive proposal to convert Brooklyn Children's Psychiatric Center from a children's psychiatric hospital to a community-based program for children with serious emotional disturbances.

**Assembly Budget Proposal SFY 2011-12
Office for People With Developmental Disabilities**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly accepts the Executive proposal to eliminate the Human Services Cost of Living Adjustment (COLA) for one year, and recommends no changes.

Assembly Budget Proposal SFY 2011-12
Commission on Quality of Care and Advocacy for Persons with Disabilities

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**TRANSPORTATION,
ECONOMIC
DEVELOPMENT
&
ENVIRONMENTAL
CONSERVATION**

**Summary of Recommended Changes
By Agency**

**Assembly Budget Proposal SFY 2011-12
Adirondack Park Agency**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Department of Agriculture and Markets**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly rejects the consolidation of programs associated with the Cornell Diagnostic Lab into a single, \$6,066,000 appropriation and separately lines out each program preserving 2010-2011 funding levels.
- The Assembly rejects the Executive proposal for a new \$1,222,000 Competitive Local Assistance Grants Program and replaces it with discrete appropriations for the following programs:
 - Farm Viability - \$300,000;
 - Dairy Excellence - \$114,000;
 - Local Fairs - \$255,000;
 - Farm Family Assistance - \$384,000;
 - Integrated Pest Management - \$375,000;
 - Golden Nematode - \$48,000;
 - Future Farmers - \$144,000;
 - Ag. In the Classroom - \$60,000;
 - Association of Ag. Educators - \$50,000;
 - NYS Apple Growers Association - \$155,000; and
 - NY Wine & Grape Foundation - \$535,000.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly rejects the Executive's proposal to create a Competitive Local Grant Program to replace discrete Aid-to-Localities appropriations.
- The Assembly accepts the Executive's Share New York Food Initiative, which seeks to expand access to farmers' markets in underserved areas.

**Assembly Budget Proposal SFY 2011-12
Department of Economic Development**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- The Assembly accepts the recommendations of the Executive proposal and recommends no changes.

**Assembly Budget Proposal SFY 2011-12
Energy and Research Development Authority**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII Legislation

- The Assembly accepts the Executive proposal to transfer \$913,000 from NYSERDA to the General Fund to fund New York's debt service obligations associated with the West Valley nuclear facility.
- The Assembly rejects the Executive proposal to increase the utility assessment pursuant to Section 18-a of the Public Service Law used to fund NYSERDA's Research, Development and Demonstration Program, as well as its policy and Planning Program.
- The Assembly accepts the Executive proposal to authorize the Department of Health to finance public service education activities with revenues generated from an assessment on cable companies.

**Assembly Budget Proposal SFY 2011-12
Department of Environmental Conservation**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly accepts the Executive proposal to make permanent the current pesticide product fees and registration timetable and recommends no changes.

**Assembly Budget Proposal SFY 2011-12
Environmental Facilities Corporation**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- Not applicable.

Assembly Budget Proposal SFY 2011-12
Division of Lottery

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- The Assembly accepts the Executive's proposal which authorizes the issuance of "free-play" Video Lottery Terminal credits of up to 10 percent of net machine income for the purpose of promoting video lottery terminals. This proposal is estimated to yield \$38 million in additional revenue for the support of education annually.
- The Assembly accepts the Executive's proposal that authorizes the Division of the Lottery to offer two additional scratch-off games with payouts of up to 75 percent of sales. This proposal will yield an additional \$4 million annually.
- The Assembly rejects the Executive's proposal to eliminate Quick Draw restrictions that would remove the current requirements that if a vendor has a license to sell alcoholic beverages for consumption on the premises, that 25 percent of sales must be from food and that any player must be 21 years of age or older. It would also repeal the requirement that the premises has more than 2,500 square feet if it does not have a license to sell alcohol for on-premises consumption. This proposal is estimated to yield \$10 million in SFY 2011-12 and \$44 million annually thereafter.
- The Assembly rejects the Executive's proposal that would authorize higher payouts for Multi-Jurisdictional games, including Mega-Millions and Power Ball, when more than two-thirds of participating states concur. There is no fiscal impact associated with this proposal.

- The Assembly rejects the Executive's proposal that would authorize progressive multi-state Video Lottery Gaming. It is estimated to generate \$2 million in SFY 2011-12 and \$3 million annually thereafter.

**Assembly Budget Proposal SFY 2011-12
Department of Motor Vehicles**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly accepts the Executive's proposal to make provisions of law relating to the suspension of drivers' licenses pending the prosecution of certain alcohol offenses permanent.
- The Assembly accepts the Executive's proposal to make provisions of law relating to the suspension of drivers' licenses for certain drug-related offenses permanent.
- The Assembly accepts the Executive's proposal to make provisions of law relating to motor vehicle financial security requirements permanent.
- The Assembly modifies the Executive's proposal to amend provisions of law relating to operators of commercial vehicles. The Assembly recommendations include:
 - clarifications of provisions relating to the retention of commercial vehicle operator records, application and issuance of commercial drivers' licenses, suspension and revocation of licenses, and filings of convictions of out-of-state commercial drivers in New York, and
 - provisions relating to recording adjournments in contemplation of dismissal.

**Assembly Budget Proposal SFY 2011-12
Olympic Regional Development Authority**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

Assembly Budget Proposal SFY 2011-12
Office of Parks, Recreation and Historic Preservation

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly accepts the Executive's proposal to discontinue reimbursements paid to localities for the enforcement of navigation laws.

**Assembly Budget Proposal SFY 2011-12
Department of Public Service**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
State Racing and Wagering Board**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- The Assembly modifies the Executive proposal for a new 2.75 percent surcharge on thoroughbred and harness purses by reducing such surcharge and adding a new surcharge on certain racetracks to make up the difference. The surcharge would be used to fund Racing and Wagering Board operations and would sunset in one year.

**Assembly Budget Proposal SFY 2011-12
Governors Office of Regulatory Reform (GORR)**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- The Assembly accepts the Executive's proposal that would eliminate all statutory references to the Governor's Office of Regulatory Reform (GORR) and modifies the Executive proposal by placing the responsibilities for review of regulations in the Department of State.

**Assembly Budget Proposal SFY 2011-12
Department of State**

State Operations

- The Assembly rejects the Executive proposal to transfer the Do Not Call Registry from the Consumer Protection Board into the Department of State. Instead, the Assembly would provide \$2.5 million in funding within the newly established Department of Financial Regulation for such purposes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- The Assembly accepts the recommendations of the Executive proposal and recommends no changes.

Article VII

- The Assembly accepts the Executive proposal that would make permanent the funding distribution formula for the Community Services Block Grant program.
- The Assembly modifies the Executive's proposal that would make the Department of State's authority to charge an enhanced fee for expedited handling of documents permanent. Instead, the Assembly proposes a two-year extension of the Department of State's authority.
- The Assembly accepts the Executive proposal that would eliminate funding for the Tug Hill Commission.
- The Assembly accepts the Executive proposal to eliminate the salary of the Chair of the State Athletic Commission.
- The Assembly accepts the Executive proposal that would increase the renewal term for the appearance enhancement disciplines and barbers from two years to four years and double the associated fee.

Assembly Budget Proposal SFY 2011-12
Department of Taxation and Finance

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- The Assembly accepts the Executive's proposal to implement a "Tax Modernization Program" with the following amendments:
 - The Assembly removes language authorizing "open-ended" administrative electronic communications. In addition, the authorization would be limited to exemption applications, applications for administrative review, judicial review of assessments, application for correction of errors, payment and receipt of taxes, and required notifications and certificates.
 - The Assembly removes language mandating assessors to utilize electronic communications with the Department of Taxation and Finance; however, the assessor will be permitted to do so if they so choose.
 - The Assembly removes language mandating all assessment inventory records to be maintained electronically as prescribed by the Commissioner of Taxation and Finance.
 - The Assembly removes language mandating an e-government data system as prescribed by the Commissioner of Taxation and Finance.
 - The Assembly reduces the electronic filing non-compliance fee for individual taxpayer from \$50 to \$25.

- The Assembly includes a one-year sunset related to e-filing tax returns and the sales tax provisions.
- The Assembly accepts the Executive proposal to authorize the renouncement of real property tax exemptions provided the look-back period is reduced from twenty years to three years.
- The Assembly accepts the Executive proposal to limit the annual increase in the STAR exemption benefit to no more than two percent over the prior year for school years beginning in 2011-12 and the proposal to add interest to the repayment amount of a revoked STAR benefit.
- The Assembly accepts the Executive proposal that would authorize the Commissioner of Tax and Finance (T&F) to adopt rules prescribing a uniform state-wide system of parcel identification numbers, but rejects the proposal to authorize the Commissioner to adopt rules prescribing a uniform assessment calendar.
- The Assembly rejects the Executive proposal to authorize local governments to contract with a third party vendor for the collection of fines, civil penalties, rent, rates, taxes, fees, charges and other amounts via the internet.

**Assembly Budget Proposal SFY 2011-12
Division of Tax Appeals**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Thruway Authority**

State Operations

- Not applicable.

Aid to Localities

- Not applicable.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Department of Transportation**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- The Assembly accepts the Executive proposal and recommends no changes.

Article VII

- The Assembly accepts the Executive's proposal for the Consolidated Highway Improvement Program (CHIPs) including the annual authorization of \$363.097 million, as well as the annual authorization of \$39.7 million for the Marchiselli Program.
- The Assembly accepts the Executive's proposal to make provisions of law relating to the New York State Department of Transportation single audit program permanent.

**Assembly Budget Proposal SFY 2011-12
Empire State Development Corp.**

State Operations

- Not applicable.

Aid to Localities

- The Assembly reduces the appropriation for the Minority Women Owned Business Lending program from \$3,404,000 to \$635,000.
- The Assembly restores \$1,495,000 in funding for the Community Development Financial Institutions.
- The Assembly restores \$1,274,000 in funding for additional services and expenses of the Entrepreneurial Assistance Program.

Capital Projects

- The Assembly accepts the Executive proposal for \$230.5 million in new capital projects appropriation.
- The Assembly rejects the Executive proposal to re-allocate existing capital projects appropriation and maintain current statutory authorization for such program funding.

Article VII

- The Assembly modifies the Executive's Article VII language granting permanent loan powers to the Empire State Development Corporation by proposing a one year extender.
- The Assembly accepts the Executive's proposal to increase the aggregate cap from \$1 million to \$2 million for qualified projects under the Linked Deposit Program.
- The Assembly accepts the Executive's proposal to consolidate the Foundation for Science, Technology, and Innovation into the Empire State Development Corporation. The proposal includes incorporating existing NYSTAR programs into the Corporation in order to effectuate savings through improved efficiencies.

- The Assembly accepts the Executive's proposed language authorizing the Department of Economic Development with continuing authority to monitor Empire Zone Program compliance and to decertify non-complying businesses. The proposal would ensure that firms decertified by the Department of Economic Development after July 1, 2010 would be denied tax credits as intended by amendments enacted in the SFY 2010-2011 Budget language.
- The Assembly accepts the Executive's proposal to provide enhanced benefits to participants of the Excelsior Jobs Program. The proposal would increase the benefit period from five years to ten years and enhance the current tax credits in the areas of investment, job creation, real property costs, and research and development activities.

**Assembly Budget Proposal SFY 2011-12
Green Thumb**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Greenway Heritage Conservancy for the Hudson River Valley**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Hudson River Valley Greenway Communities Council**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

**Assembly Budget Proposal SFY 2011-12
Metropolitan Transportation Authority (MTA)**

State Operations

- Not applicable.

Aid to Localities

- The Assembly accepts the Executive proposal and recommends no changes.

Capital Projects

- Not applicable.

Article VII

- Not applicable.

DEBT SERVICE

**Assembly Budget Proposal SFY 2011-12
Debt Service**

State Operations

- The Assembly accepts the Executive proposal and recommends no changes on debt service.

Aid to Localities

- Not applicable.

Capital Projects

- Not applicable.

Article VII

- Not applicable.