

## ADIRONDACK PARK AGENCY

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	5,869,000	5,457,000	(412,000)	-7.0%
Special Revenue-Federal	700,000	700,000	0	0.0%
<b>Total for AGENCY SUMMARY:</b>	<b>6,569,000</b>	<b>6,157,000</b>	<b>(412,000)</b>	<b>-6.3%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
General Fund:	72	72	0
<b>TOTAL:</b>	<b>72</b>	<b>72</b>	<b>0</b>

#### Agency Mission

(Executive Budget: pp. 167-169)

The Adirondack Park Agency (APA) is charged with insuring the optimum overall protection, development and use of the unique scenic, aesthetic, wildlife, recreational, open space, ecological and natural resources of the Adirondack Park. The APA is responsible for the administration of the Adirondack Park State Land Master Plan and the Adirondack Park Land Use and Development Plan. The APA administers the State's Wild Scenic and Recreational River System, operates two Visitor Interpretive Centers, and helps local governments develop land use plans consistent with the State Land Master Plan.

This agency is included in the Transportation, Economic Development and Environmental Conservation appropriations bill.

## **Budget Detail**

The State Fiscal Year (SFY) 2009-10 Executive Budget includes an All Funds appropriation of \$6,157,000, a \$412,000 decrease or 6.3 percent from the SFY 2008-09 funding level. The Executive also provides for 72 full-time equivalent positions, maintaining the current staffing levels of the agency.

### **State Operations**

The Executive proposes a State Operations appropriation totaling \$6,157,000, a \$412,000 decrease or 6.3 percent from the SFY 2008-09 funding level. This decrease primarily reflects the continuation of the across-the-board reductions implemented by the Executive in SFY 2008-09.

## DEPARTMENT OF AGRICULTURE AND MARKETS

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	67,428,208	47,722,000	(19,706,208)	-29.2%
Special Revenue-Other	45,523,000	48,424,000	2,901,000	6.4%
Special Revenue-Federal	49,778,000	49,644,000	(134,000)	0.3%
Enterprise	24,208,000	24,361,000	153,000	0.6%
Misc. Capital Projects	2,000,000	2,000,000	0	0.0%
Capital Projects Fund	11,750,000	1,750,000	(10,000,000)	-85.1%
Fiduciary	1,865,000	1,836,000	(29,000)	-1.6%
<b>Total for AGENCY SUMMARY:</b>	<b>202,552,208</b>	<b>175,737,000</b>	<b>(26,815,208)</b>	<b>-13.2%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
General Fund:	389	355	(34)
All Other Funds:	227	256	29
<b>TOTAL:</b>	<b>616</b>	<b>611</b>	<b>(5)</b>

#### Agency Mission

(Executive Budget: pp. 171-175)

The Department of Agriculture and Markets is charged with fostering a competitive and safe New York food and agricultural industry. Its major responsibilities include: encouraging the growth and prosperity of the State's agricultural and food industry; conducting various inspection and testing programs to enforce laws on food safety and animal and plant health; and accuracy in labeling. The Department also acts to preserve the use of agricultural resources, to improve soil

and water quality, and to operate the annual State Fair in concert with the Industrial Exhibit Authority.

This Department is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

### **Programmatic Highlights**

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- a proposal to provide additional funding in the amount of \$1,071,000 for the Agribusiness Child Development Program, also known as the Migrant Child Care Program;
- a proposal to increase food inspection penalties for violations that represent a risk to public health. This increase is anticipated to generate approximately \$1,200,000 to provide relief for the State General Fund; and
- a proposal to increase food safety inspection and licensing fees, as well as require the licensure of seed labelers and distributors. These fee increases are estimated to generate a total of approximately \$3,600,000 in additional revenue that would be deposited in the Consumer Food Services Account and the Plant Industry Account in order to finance a greater portion of the Department's inspection and licensing activities, thus reducing the burden on the General Fund.

### **Budget Detail**

The Executive recommends All Funds appropriations totaling \$175,737,000 for SFY 2009-10, which represents a decrease of \$26,815,208 or 13.2 percent from SFY 2008-09 levels. The SFY 2009-10 Executive Budget Proposal also includes funding support for 611 full-time equivalent (FTE) positions, a net decrease of five positions from staffing levels in the current fiscal year.

### **State Operations**

The SFY 2009-10 Executive Budget includes State Operations appropriations totaling \$137,227,000, a decrease of \$1,848,000 or 1.3 percent from SFY 2008-09 appropriated levels. This decrease reflects the implementation of administrative efficiencies. For SFY 2009-10, this includes the decrease of five FTEs resulting from attrition.

The Executive provides an increase of \$153,000 for the State Fair, an increase of approximately 1.5 percent in non-personal service expenses.

## Aid to Localities

The Executive proposes Aid to Localities appropriations totaling \$34,760,000 in SFY 2009-10, a decrease of \$14,967,208 or 30.1 percent from funding levels in the current fiscal year. This primarily reflects reductions totaling \$13,438,800 in General Fund local assistance distributed through the Department's Agricultural Business Services Program.

### Proposed Increases

The Executive proposes the following increases:

- an increase of \$1,071,000 for the Agribusiness Child Development Program, or Migrant Child Care Program, bringing the total appropriation to \$6,521,000 in SFY 2009-10;
- an increase of \$58,900 for the Johnes Disease Program at the New York State Veterinary Diagnostic Laboratory at Cornell University, bringing the total appropriation to \$480,000 in SFY 2009-10; and
- an increase of \$58,900 for the Cornell University Farm Family Assistance Program, bringing the total appropriation to \$480,000 in SFY 2009-10.

### Proposed Decreases

The Executive proposes the following decreases:

- a decrease of \$7,490,000 is recommended for General Fund local assistance programs funded under the Agricultural Business Service Program, including programs such as the New York State Seed Improvement Project, the Hudson Valley Fruit Laboratory, Wine marketing and promotion programs, Cornell Phythophthora Research, Rabies Research, and Tractor Rollover Protection Program, and
- a decrease of \$1,527,000 in appropriations for community projects included in the budget for the previous fiscal year is removed in the SFY 2009-10 Budget Proposal.

The Executive also recommends agency reductions totaling \$4,049,000 for SFY 2008-09 as part of the Deficit Reduction Program proposal. These reductions have all been taken from local assistance programs funded from the General Fund under the Agricultural Business Services Program. This reflects the Governor's proposal to reduce SFY 2008-09 Legislative additions by 50% from enacted levels.

## **Capital Projects**

The Executive recommends an overall capital appropriation of \$3,750,000, a decrease of \$10,000,000 or 72.7 percent from SFY 2008-09 funding levels. This large decrease is explained by the elimination of a one-time capital appropriation of \$10,000,000 in SFY 2008-09 for the Cornell University Grape Genomics Research Facility.

## **Article VII**

The Executive recommends Article VII legislation that would:

- increase the maximum penalties which may be imposed for health deficiency findings made during food inspections; and
- increase food safety inspection and licensing fees, and require the licensure of seed labelers and distributors.

## BANKING DEPARTMENT

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
Special Revenue-Other	105,110,000	105,110,000	0	0.0%
<b>Total for AGENCY SUMMARY:</b>	<b>105,110,000</b>	<b>105,110,000</b>	<b>0</b>	<b>0.0%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
All Other Funds:	545	545	0
<b>TOTAL:</b>	<b>545</b>	<b>545</b>	<b>0</b>

#### Agency Mission

(Executive Budget: pp. 177-179)

The New York State Banking Department is charged with overseeing and monitoring the banking industry and approximately 3,600 State chartered banking institutions for the benefit of balancing the interests of New York State consumers, businesses, and the banking industry as a whole. Responsibilities include regulation of New York State banking companies and their products, monitoring the financial stability of such institutions, and ensuring compliance with banking laws and regulations.

This Department is included in the Transportation, Economic Development, and Environmental Conservation appropriation bill.

## **Budget Detail**

The Executive recommends an All Funds appropriation of \$105,110,000 for the Banking Department for State Fiscal Year (SFY) 2009-10, reflecting no change from the current State Fiscal Year (SFY) 2008-09 funding level.

The Executive recommends a workforce of 545 full-time equivalent funded positions reflecting no change from current year levels.

### **State Operations**

The Executive proposes an appropriation of \$101,610,000 in State Operations funding reflecting no change in funding from the current year.

#### **Proposed Increases**

The Executive proposes the following:

- a \$233,259 increase in the Regulation program to reflect increases in contractual services; and
- a \$163,510 increase in the Analysis and Compliance program to reflect increases in Personal Services.

#### **Proposed Decreases**

The Executive proposes the following:

- a \$396,769 decrease in the Administration program to properly reflect a reduced level of contractual services and equipment.

### **Aid to Localities**

The Executive proposes an appropriation of \$3,500,000 which reflects no change from SFY 2008-09.

### **Article VII**

The Executive recommends Article VII legislation that would:

- authorize an \$8,000,000 transfer to the General Fund for 2009-10; and
- authorize a \$6,000,000 transfer to the General Fund for 2008-09.

# NYS ENERGY RESEARCH AND DEVELOPMENT AUTHORITY

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
Special Revenue-Other	17,959,020	16,230,000	(1,729,020)	-9.6%
Special Revenue-Federal	45,000	0	(45,000)	-100.0%
Capital Projects Fund - Authority Bonds	13,500,000	13,500,000	0	0.0%
<b>Total for AGENCY SUMMARY:</b>	<b>31,504,020</b>	<b>29,730,000</b>	<b>(1,774,020)</b>	<b>-5.6%</b>

### Agency Mission

(Executive Budget: pp. 191-193)

The New York State Energy Research and Development Authority (NYSERDA) is a public benefit corporation responsible for the management of energy research, development and demonstration programs which are funded by assessments on gas and electric utilities. NYSEERDA also administers federal grant programs related to energy efficiency, issues tax-exempt bonds on behalf of private energy supply companies for environmental improvements, and carries out the programmatic and regulatory functions of the former State Energy Office. In addition, NYSEERDA administers the Systems Benefit Charge (SBC) and manages the former nuclear fuel reprocessing plant at West Valley in Cattaraugus County and Saratoga Technology and Energy Park (STEP) in Saratoga County.

NYSERDA is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

### Budget Detail

The State Fiscal Year (SFY) 2009-10 Executive Budget proposal makes an All Funds appropriation totaling \$29,730,000, a decrease of \$1,774,020 or 5.6 percent from SFY 2008-09 levels.

### State Operations

The Executive recommends State Operations appropriations of \$6,996,000, a decrease of \$994,000 or 12.4 percent from SFY 2008-09 funding levels. This reduction primarily reflects a

decrease in funding requirements due to one-time costs associated with the updating of the State Energy Plan in SFY 2008-09.

### **Aid to Localities**

The SFY 2009-10 Executive Budget proposal also includes a total Aid to Localities appropriation of \$9,234,000, a decrease of \$780,020 or 7.8 percent from the SFY 2008-09 appropriation levels. This reflects the elimination of prior year legislative additions and programs previously funded by special revenue appropriations.

### **Capital Projects**

The Executive proposes \$13,500,000 in capital appropriations for ongoing work at the West Valley Nuclear Fuel Reprocessing Facility, maintaining SFY 2008-09 funding levels. The State's share of the costs for West Valley is 10 percent of the Federal contribution.

### **Article VII**

The Executive recommends Article VII legislation that would:

- authorize NYSERDA to make \$913,000 available to the General Fund to offset New York State's debt service requirements related to West Valley; and
- authorize NYSERDA to finance its Research, Development and Demonstration Program and its Policy and Planning Program with revenues from utility assessments collected pursuant to Section 18-a of the Public Service Law.

## DEPARTMENT OF ENVIRONMENTAL CONSERVATION

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	161,439,440	144,596,900	(16,842,540)	-10.4%
Special Revenue-Other	298,703,000	280,391,700	(18,311,300)	-6.1%
Special Revenue-Federal	68,440,000	64,400,000	(4,040,000)	-5.9%
Capital Projects Fund	31,884,000	47,084,000	15,200,000	47.7%
Capital Projects Fund - Advances	10,000,000	0	(10,000,000)	-100.0%
Federal Capital Projects Fund	154,000,000	149,250,000	(4,750,000)	-3.1%
Clean Water-Clean Air Implementation Fund	1,050,000	1,050,000	0	0.0%
Environmental Protection Fund	255,000,000	205,000,000	(50,000,000)	-19.6%
Internal Service Fund	60,000	60,000	0	0.0%
Cap Proj Fund - DEC Regular Auth Bonds	12,000,000	12,000,000	0	0.0%
Cap Proj Fund - State Revolving Fund Auth Bonds	29,600,000	29,600,000	0	0.0%
Capital Project Fund - Onondaga Lake (Auth. Bonds)	10,000,000	10,000,000	0	0.0%
Hazardous Waste Remedial Fund - Oversight and Assessment	15,275,000	12,250,000	(3,025,000)	-19.8%
Hazardous Waste Remedial Fund - Cleanup	120,000,000	120,000,000	0	0.0%
<b>Total for AGENCY SUMMARY:</b>	<b>1,167,451,440</b>	<b>1,075,682,600</b>	<b>(91,768,840)</b>	<b>-7.9%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
General Fund:	1,435	1,423	(12)
All Other Funds:	2,312	2,083	(229)
<b>TOTAL:</b>	<b>3,747</b>	<b>3,506</b>	<b>(241)</b>

### **Agency Mission**

(Executive Budget: pp. 195-206)

The Department of Environmental Conservation (DEC) is responsible for conserving and improving the State's natural resources and environment, as well as controlling water, land, and air pollution to enhance the health, safety and general welfare of New York State residents. DEC responsibilities also include the administration of a portion of the State's Environmental Protection Fund (EPF) and the Clean Water/Clean Air Bond Act of 1996.

This agency is included in the Transportation, Economic Development, and Environmental Conservation appropriation bill.

### **Programmatic Highlights**

The State Fiscal Year (SFY) 2009-10 Executive Budget includes:

- a proposal to amend the Returnable Container Act (Bottle Bill) by expanding the statute to include all non-carbonated beverages, with the exception of liquor, wine, infant formula and milk, as well as authorize the State to deposit unclaimed deposits to the credit of the Environmental Protection Fund (EPF). Annual anticipated revenues of \$118,000,000 are projected to be paid into the EPF beginning in SFY 2009-10;
- a proposal to amend the current revenue structure for the Environmental Protection Fund. This proposal would reduce the amount of the Real Estate Transfer Tax (RETT) that is currently deposited to the credit of the EPF from \$287 million to \$80 million beginning in SFY 2009-10, and replace RETT revenues with revenues generated from expansion of the Bottle Bill;
- a proposal to increase fees for permits issued under the State Pollution Discharge Elimination System (SPDES) to private, commercial, institutional, and industrial facilities, as well as to amend provisions regarding permits for concentrated animal feeding operations (CAFOs);
- a proposal to establish a new trout and salmon stamp. This proposal would require all persons fishing for trout and salmon to possess such a stamp, issuance of which would require payment of a ten dollar fee; and
- a proposal to establish a recreational marine fishing license. This proposal would require all persons fishing in the marine and coastal district, or for migratory fish of the sea in any waters of the State, to possess such a license.

## Budget Detail

The Executive proposes an All Funds appropriation of \$1,075,682,600, a decrease of \$91,768,840 or 7.9 percent from SFY 2008-09 levels. The SFY 2009-10 Executive Budget provides funding to support 3,506 full-time equivalent (FTE) positions, a net decrease of 241 positions from staffing levels in the current fiscal year.

### State Operations

The SFY 2009-10 Executive Budget includes State Operations appropriations totaling \$487,569,800, a decrease of \$30,647,500 or 5.9 percent from SFY 2008-09 appropriated levels. Much of this decrease is attributable to proposed decreases in personal service (PS) and non-personal service (NPS) appropriations. State Operations Special Revenue appropriations from the 18-a utility assessment are now shifted to the General Fund along with the associated revenue.

These PS and NPS reductions are, in turn, reflective of the proposed net decrease of 241 positions through attrition, ultimately reducing the DEC workforce from 3,747 FTEs to 3,506 FTE positions in SFY 2009-10.

#### Proposed Increases

- The Executive recommends a slight increase of \$300,000, a 6.3 percent increase over SFY 2008-09 appropriation levels, for the maintenance undistributed (MU) appropriation within the Fish, Wildlife and Marine Resources Program. This MU is funded out of the Conservation Fund which finances services and expenses related to programs such as the Return a Gift to Wildlife Program, DEC's automated computer license system, and activities related to the Federal Electronic Duck Stamp Act of 2005.

#### Proposed Decreases

The Executive recommends the following NPS and PS decreases:

- \$24,149,200, a decrease of 9.5 percent from SFY 2008-09 NPS appropriations; and
- \$6,798,300, a decrease of 2.6 percent from SFY 2008-09 PS appropriations.

### Aid to Localities

The Executive recommends Aid to Localities appropriations in the amount of \$1,878,800 for SFY 2009-10, which represents a decrease of \$8,546,340 or 81.9 percent from appropriation levels in the current fiscal year.

## Proposed Decreases

The Executive recommends the following decreases:

- a reduction of \$6,237,943, reflecting the elimination of continued funding for specific, local environmental projects listed in the SFY 2008-09 amended budget, including funding for the Sea Grant Institute and the Children's Environmental Health Centers, also known as the Healthy Schools Network;
- a reduction of \$1,795,790, reflecting the elimination of continued funding for specific grants to localities out of the Community Projects Fund; and
- an overall reduction of \$512,607 in appropriations directed to the Susquehanna, Interstate Environmental, Delaware River Basin, Ohio River Basin, Great Lakes, and New England Interstate Commissions.

The Executive also recommends reductions totaling \$2,246,310 for SFY 2008-09 as part of the proposal to reduce Legislative additions by 50 percent within the Deficit Reduction Program bill. The SFY 2008-09 additions impacted by the deficit reduction program are all local environmental projects funded out of the Local Assistance Account of the General Fund under DEC's Administration Program.

## Capital Projects

The Executive recommends capital appropriations totaling \$586,234,000, a decrease of \$52,575,000 or 8.2 percent from SFY 2008-09 appropriation levels.

The SFY 2009-10 Executive Budget provides \$120,000,000 to support the State Superfund program to continue the clean-up of inactive hazardous waste sites. An additional \$10,000,000 is recommended to support staff costs related to the Brownfield Clean-up Program, as well as \$2,250,000 for non-bondable expenses associated with brownfield clean-up and hazardous waste remediation projects.

## Environmental Protection Fund (EPF)

The Executive proposes \$205,000,000 in appropriations from the EPF, a decrease of \$50,000,000 or 19.6 percent from the \$255,000,000 appropriation included in the SFY 2008-09 Enacted Budget. These appropriations provide funding for high priority environmental projects which include open space preservation, continued implementation of the Hudson River Estuary Management Plan, the Hudson River Park, and the Walkway over the Hudson River project.

The Executive concurrently recommends reductions to EPF appropriations totaling \$50,000,000 for SFY 2008-09 as part of the proposal to reduce Legislative additions by 50 percent in the Deficit Reduction Program bill. Thus, the \$255,000,000 EPF appropriation included in the SFY 2008-09

Enacted Budget, would be reduced to a total appropriation of \$205,000,000, and the year-to-year change between SFY 2008-09 and SFY 2009-10 would be reduced to zero.

The individual SFY 2009-10 EPF appropriations, as well as the proposed changes to the SFY 2008-09 EPF appropriations impacted by the Deficit Reduction Program, are outlined in the table below.

EPF Category & Account	Enacted 2008-09	2008-09 Deficit Reduction	Executive Proposed 2009-10	Change (Enacted vs. Proposed)	Percent Change (Enacted vs. Proposed)
<b>Solid Waste</b>					
Landfill Closure	2,000	2,000	1,500	-500	-25.0%
Municipal Recycling	10,825	10,825	10,825	0	0.0%
Pollution Prevention Institute	1,000	1,000	1,000	0	0.0%
Secondary Materials Marketing	8,750	1,750	2,250	-6,500	-74.3%
Hudson River Natural Resource Damages	1,500	500	900	-600	-40.0%
Pesticide Program	2,025	1,025	1,500	-525	-25.9%
Cornell BCERF	450	450	0	-450	-100.0%
<b>Subtotal Solid Waste</b>	<b>26,550</b>	<b>17,550</b>	<b>17,975</b>	<b>-8,575</b>	<b>-32.3%</b>
<b>Parks, Recreation &amp; Historic Preservation</b>					
Waterfront Revitalization	27,250	26,250	9,000	-18,250	-67.0%
<i>Inner City/Underserved</i>	6,813	6,813	2,500	-4,313	-63.3%
<i>Hudson and Champlain Docks*</i>	0	0	750	750	
<i>Rensselaer County</i>	1,000	1,000	0	-1,000	-100.0%
<i>Beacon Institute</i>	1,625	1,625	0	-1,625	-100.0%
<i>Long Island</i>	1,000	1,000	0	-1,000	-100.0%
<i>Upper Susquehanna Coalition</i>	250	250	250	0	0.0%
Municipal Parks	21,225	21,225	8,400	-12,825	-60.4%
<i>Inner City/Underserved</i>	6,000	6,000	2,000	-4,000	-66.7%
Hudson River Park	1,000	1,000	5,000	4,000	400.0%
Catskill Interpretive Center	1,000	1,000	0	-1,000	-100.0%
Public Access & Stewardship	5,750	4,750	38,000	32,250	560.9%
DEC	5,000	4,000	19,000	14,000	280.0%
OPRHP	0	0	19,000	19,000	
Belleayre	750	750	0	-750	-100.0%
Hudson-Fulton-Champlain Quadricentennial	3,000	3,000	3,000	0	0.0%
Walkway Over the Hudson*	0	0	4,000	4,000	
Solar Initiatives	2,000	2,000	0	-2,000	-100.0%
Zoos, Botanical Gardens, & Aquaria	9,000	4,000	0	-9,000	-100.0%
<b>Subtotal Parks &amp; Rec</b>	<b>70,225</b>	<b>63,225</b>	<b>67,400</b>	<b>-2,825</b>	<b>-4.0%</b>

continued

EPF Category & Account	Enacted 2008-09	2008-09 Deficit Reduction	Executive Proposed 2009-10	Change (Enacted vs. Proposed)	Percent Change (Enacted vs. Proposed)
<i>continued</i>					
<b>Open Space</b>					
Land Acquisition	66,575	63,075	58,000	-8,575	-12.9%
<i>Land Trust Alliance</i>	1,575	1,575	1,200	-375	-23.8%
<i>Urban Forestry</i>	500	500	500	0	0.0%
Smart Growth	2,500	2,500	2,000	-500	-20.0%
Farmland Protection	30,000	20,000	17,500	-12,500	-41.7%
Agricultural Waste Management	350	350	350	0	0.0%
Biodiversity Stewardship	1,500	500	0	-1,500	-100.0%
Albany Pine Bush Commission	2,000	2,000	1,400	-600	-30.0%
Invasive Species	5,000	3,500	1,500	-3,500	-70.0%
<i>Lake George</i>	250	250	250	0	0.0%
Long Island Pine Barrens Commission	1,100	1,100	700	-400	-36.4%
Oceans & Great Lakes Initiative	5,000	2,000	2,000	-3,000	-60.0%
Water Quality Improvement Program	12,000	7,000	11,000	-1,000	-8.3%
Long Island South Shore Estuary Reserve	900	900	675	-225	-25.0%
Non-Point Source Pollution Control	19,500	9,500	15,500	-4,000	-20.5%
<i>Agricultural</i>	13,000	8,000	12,500	-500	-3.8%
<i>Non-Agricultural (Municipal)</i>	6,500	1,500	3,000	-3,500	-53.8%
Soil & Water Conservation District	3,000	3,000	3,000	0	0.0%
Finger Lakes - Lake Ontario Watershed	2,300	2,300	1,200	-1,100	-47.8%
Hudson River Estuary Plan	6,500	6,500	4,800	-1,700	-26.2%
<b>Subtotal Open Space</b>	<b>158,225</b>	<b>124,225</b>	<b>119,625</b>	<b>-38,600</b>	<b>-24.4%</b>
<b>Total EPF Appropriations</b>	<b>255,000</b>	<b>205,000</b>	<b>205,000</b>	<b>-50,000</b>	<b>-19.6%</b>
* 2009-10 New categories					

The EPF is projected to begin SFY 2009-10 with an \$8,169,000 opening balance and to end the fiscal year with a \$23,169,000 closing balance.

In SFY 2009-10, the Executive proposes that \$50,000,000 in EPF disbursements will be financed by bond proceeds.

One of the proposed disbursements from the EPF in SFY 2009-10 is a transfer of \$95,000,000 from the cash balance in the EPF to the General Fund in SFY 2009-10. The Executive proposal does not increase the existing General Fund guarantee provided for under Section 92-s of the State Finance Law (EPF statute).

## Article VII

The Executive recommends Article VII legislation that would:

- reduce the amount of the Real Estate Transfer Tax (RETT) that is currently deposited to the credit of the Environmental Protection Fund (EPF) from \$287 million to \$80 million beginning in SFY 2009-10;
- increase certain State Pollution Discharge Elimination System (SPDES) permit fees for private, commercial, institutional, and industrial facilities;

- establish a trout and salmon stamp and require all persons fishing for trout and salmon to possess such a stamp;
- establish a recreational marine fishing license and require all persons fishing in the marine and coastal district, or for migratory fish of the sea in any waters of the State to possess such a license; and
- amend the Returnable Container Act (Bottle Bill) by expanding the statute to include all non-carbonated beverages, with the exception of liquor, wine, infant formula and milk, as well as authorize the State to deposit unclaimed deposits to the credit of the EPF.

## ENVIRONMENTAL FACILITIES CORPORATION

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
Special Revenue-Other	14,536,000	13,031,000	(1,505,000)	-10.4%
Clean Water-Clean Air Implementation Fund	343,000	343,000	0	0.0%
<b>Total for AGENCY SUMMARY:</b>	<b>14,879,000</b>	<b>13,374,000</b>	<b>(1,505,000)</b>	<b>-10.1%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
All Other Funds:	100	97	(3)
<b>TOTAL:</b>	<b>100</b>	<b>97</b>	<b>(3)</b>

### Agency Mission

(Executive Budget: pp. 207-211)

The Environmental Facilities Corporation (EFC) is a public benefit corporation responsible for assisting local governments, State agencies and private businesses in their compliance with State and Federal environmental laws and regulations. EFC assists in the design, construction, operation, and financing of air pollution control, drinking water and wastewater treatment, and solid and hazardous waste disposal facilities. The Corporation administers the Clean Water State Revolving Loan Fund which provides interest-free, short-term and low-interest rate, long-term financing to assist in the planning, design and construction of water quality protection projects. The Corporation also jointly administers the Safe Drinking Water State Revolving Loan Fund with the New York State Department of Health.

The EFC is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

## **Budget Detail**

The State Fiscal Year (SFY) 2009-10 Executive Budget includes an All Funds appropriation of \$13,374,000, a decrease of \$1,505,000 or 10.1 percent from the SFY 2008-09 appropriation level. This includes funding support for 97 full-time equivalent (FTE) positions, a decrease of three positions from the SFY 2008-09 staffing level.

### **State Operations**

For SFY 2009-10, the Executive recommends appropriations totaling \$13,031,000 to fund State Operations for the EFC. This represents a decrease \$1,505,000 or 10.35 percent from the prior fiscal year. This decrease is primarily a result of the continuation of the agency spending reductions implemented by the Executive in the current budget year and would be achieved through actions such as reducing travel expenses, minimizing the purchase of office supplies and materials, and delaying non-essential equipment purchases.

### **Capital Projects**

Maintaining funding at the SFY 2008-09 appropriation levels, the Executive recommends Capital Projects appropriations totaling \$343,000 to finance clean water and air quality activities set forth in accordance with the 1996 Clean Water/Clean Air Bond Act.

## DIVISION OF HOUSING AND COMMUNITY RENEWAL

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	94,856,444	68,795,000	(26,061,444)	-27.5%
Special Revenue-Other	66,928,102	69,936,000	3,007,898	4.5%
Special Revenue-Federal	106,802,000	130,607,000	23,805,000	22.3%
Housing Assitance Fund	0	31,000,000	31,000,000	--
Housing Program Fund	167,300,000	74,200,000	(93,100,000)	-55.6%
<b>Total for AGENCY SUMMARY:</b>	<b>435,886,546</b>	<b>374,538,000</b>	<b>(61,348,546)</b>	<b>-14.1%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
General Fund:	358	308	(50)
All Other Funds:	582	615	33
<b>TOTAL:</b>	<b>940</b>	<b>923</b>	<b>(17)</b>

#### Agency Mission

(Executive Budget: pp. 59-66)

The Division of Housing and Community Renewal (DHCR) supervises, maintains and develops affordable housing for New York State residents. This is accomplished by providing construction and rehabilitation loans and grants, administering rent control, rent stabilization and rent subsidy programs and supervising the management of State-assisted housing stock.

This agency is included in the Education, Labor, and Family Assistance appropriation bill.

## Budget Detail

The Executive Budget recommends an All-Funds appropriation of \$374,538,000, a \$61,748,546 decrease from its State Fiscal Year (SFY) 2008-09 funding level. The Executive proposes support for 923 full-time equivalent (FTE) positions, a reduction of 17 FTE positions.

The Executive recommends a Deficit Reduction Plan (DRP) that makes adjustments to agency appropriations that would reduce General Fund support for local assistance programs by \$3,480,000 in SFY 2008-09. The DRP would also increase DHCR's capital appropriations by \$31,000,000 to eliminate hard-dollar support for certain programs administered by the Housing Trust Fund. While these two actions would result in a net increase to DHCR's All-Funds appropriations of \$27,520,000 in SFY 2008-09, these measures would simultaneously provide for \$25,000,000 in General Fund relief in SFY 2008-09 and no additional savings thereafter.

## State Operations

The Executive proposal includes an All Funds State Operations appropriation of \$106,206,000, a net decrease of \$1,820,000 from SFY 2008-09 funding levels.

### Proposed Increases

- The Executive increases Special Revenue Fund appropriations by \$5,100,000 to shift support for 14 FTE positions from the General Fund to the other sources (\$1,670,000), and to accommodate negotiated salary increases and other inflationary costs (\$3,430,000).

### Proposed Decreases

The Executive proposal includes the following actions to reduce General Fund appropriations:

- support for a total 26 FTE positions is transferred to Special Revenue Fund sources to achieve a savings of \$2,510,000;
- the closure of three Rent Administration Offices in Nassau, Rockland and Richmond Counties would result in a reduction of \$450,000. Through this action, 7 FTE positions would be eliminated through attrition, and the remaining 7 FTE positions would be supported with Special Revenue Funds;
- the attrition of an additional 10 positions throughout DHCR would yield an additional \$500,000 in reductions; and
- an across-the-board reduction to various programs would result in a reduction of \$1,030,000 in support for DHCR, offset by a \$32,000 increase in spending for inflationary costs associated with non-personal service.

The Executive proposal reduces Special Revenue Fund appropriations by \$2,100,000 to reflect Financial Management Plan and fringe benefit adjustments.

The Executive proposal also increases Federal appropriations by \$2,660,000 to provide for 5 FTE positions, negotiated salary increases and other nonpersonal service costs increases.

### **Aid to Localities**

The Executive proposes an All Funds Aid to Localities appropriation of \$163,132,000, a net increase of \$2,571,454 from SFY 2008-09 funding levels.

#### **Proposed Increases**

- The Executive proposal augments Federal appropriations by \$42,500,000 to reflect an anticipated increase in support for the Weatherization Assistance Program, which assists low-income families in making their homes more energy efficient.

#### **Proposed Decreases**

The Executive proposal reduces General Fund support totaling \$18,580,000 to reflect the following:

- Neighborhood and Rural Preservation Programs are reduced by \$5,321,866 and \$2,549,735, respectively;
- an operating subsidy for the New York City Housing Authority (NYCHA) is eliminated (\$3,000,000);
- the Rural Rental Assistance Program is reduced by \$2,670,752 through the elimination of subsidies for 75 new units scheduled to come on line in SFY 2008-09, the reduction of subsidies for existing units and the transfer of 394 existing units to the Federal HUD Housing Choice Voucher program;
- funding for the funding for the NYCHA Tenant Security Program is eliminated (\$928,220);
- funding for the Urban Homeownership Assistance Program is eliminated (\$916,500);
- funding for the Downtown Heritage Restoration Program is eliminated (\$564,000);
- funding for the Lead Paint Poisoning Prevention Program is eliminated (\$188,000); and
- support for other Legislative initiatives is eliminated (\$2,440,030).

The Executive proposes a Deficit Reduction Plan that reduces various Legislative additions by 50 percent, totaling \$3,480,000 in savings in SFY 2008-09.

### **Capital Projects**

The Executive recommends a capital appropriation of \$105,200,000, representing a \$62,500,000 decrease from SFY 2008-09 levels. The following capital assistance programs would receive support under the Executive submission:

- the Low Income Housing Trust Fund is allocated \$29,000,000 – a \$31,000,000 decrease from SFY 2008-09;
- the Affordable Housing Corporation is allocated \$25,000,000 – a \$20,000,000 decrease from SFY 2008-09;
- the Public Housing Modernization Program is allocated \$12,800,000 – a \$5,000,000 decrease from SFY 2008-09;
- the Homes for Working Families Program is allocated \$7,000,000 – a \$10,000,000 decrease from SFY 2008-09; and
- HOPE/Restore is allocated \$400,000 – a \$4,000,000 decrease from SFY 2008-09.

Additionally, the Executive's capital projects fund proposal contains an appropriation for the "Housing Assistance Fund" in the amount of \$31,000,000 to provide capital support for programs that were previously supported on a cash-basis, as prescribed in the Deficit Reduction Plan.

The Executive Budget eliminates appropriations for the Main Street Program (\$5,000,000), the Housing Program Fund (\$9,000,000), the Rural Revitalization Program (\$6,000,000) and the Urban Initiatives Program (\$3,500,000).

### **Article VII**

The Executive recommends Article VII legislation that would:

- increase the aggregate amount of State Low Income Tax Credits that the Commission of DHCR may allocate by \$4,000,000; and
- eliminate the requirement for DHCR to maintain local rent administration offices.

# HUDSON RIVER PARK TRUST

---

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
Capital Projects Fund - Advances	25,000,000	6,000,000	(19,000,000)	-76.0%
<b>Total for AGENCY SUMMARY:</b>	<b>25,000,000</b>	<b>6,000,000</b>	<b>(19,000,000)</b>	<b>-76.0%</b>

---

## **Agency Mission**

(Executive Budget: p. 213)

The Hudson River Park Trust (the Trust) is a public benefit corporation that was established to design, develop and maintain the 550-acre, five-mile long Hudson River Park along Manhattan's West Side from Battery Park to 59<sup>th</sup> Street.

The Trust is included in the Transportation, Economic Development and Environmental Conservation appropriations bill.

## **Budget Detail**

The State Fiscal Year (SFY) 2009-10 Executive Budget includes an All Funds appropriation of \$6,000,000, a decrease of \$19,000,000 or 76 percent from the SFY 2008-09 appropriation level.

### **Capital Projects**

Traditionally, the capital appropriations for Hudson River Park Trust represent advance payments for New York City's (NYC's) share of costs associated with the Park. These advance payments typically serve as a match to State contributions from previous or current State fiscal years.

For SFY 2009-10, the \$6,000,000 appropriation for Capital Projects serves as the usual advance for NYC's share of costs. The year-to-year decrease between the financing level in the current fiscal year and SFY 2009-10 is primarily explained by the fact that in SFY 2008-09, a \$25,000,000 advance of NYC's share was made to match State payments of \$5,000,000 from the Environmental

Protection Fund (EPF) in SFY 2007-08, and \$20,000,000 in State economic development capital payments in SFY 2008-09.

Similarly, the proposed \$6,000,000 appropriation in SFY 2009-10 matches the \$1,000,000 appropriation in SFY 2008-09 from the EPF, as well as an anticipated additional \$5,000,000 in State EPF payments proposed for SFY 2009-10.

Ultimately, a total proposed allocation of \$11,000,000 is made to finance the Hudson River Park in SFY 2009-10, composed of the \$6,000,000 advance on NYC's share of costs and an additional \$5,000,000 EPF allocation made through the Department of Environmental Conservation.

## INSURANCE DEPARTMENT

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	100,061,000	0	(100,061,000)	-100.0%
Special Revenue-Other	250,090,000	541,924,900	291,834,900	116.7%
Special Revenue-Federal	150,000	150,000	0	0.0%
<b>Total for AGENCY SUMMARY:</b>	<b>350,301,000</b>	<b>542,074,900</b>	<b>191,773,900</b>	<b>54.7%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
General Fund:	12	0	(12)
All Other Funds:	925	925	0
<b>TOTAL:</b>	<b>937</b>	<b>925</b>	<b>(12)</b>

#### **Agency Mission**

(Executive Budget: pp. 215-218)

The Insurance Department oversees and monitors the insurance industry to balance the interests of New York State consumers, companies and producers. The Department's responsibilities include approving formations, consolidations, and mergers of New York State insurance companies; all new insurance products; monitoring financial stability; ensuring compliance with insurance laws and regulations through enforcement, education, testing, and licensing of insurance employees; and commencing disciplinary actions against firms and employees that violate such laws. The Department primarily receives its operating revenue from assessments levied on the insurance industry.

The Department is included in the Transportation, Economic Development, and Environmental Conservation appropriation bill.

### **Programmatic Highlights**

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- an increase of \$70,900,000 related to shifts of Tobacco Control Costs from the Department of Health to the Insurance Department;
- an increase of \$21,700,000 related to shifts of Early Intervention costs from the Department of Health to the Insurance Department;
- an increase of \$99,800,000 related to shifts of various public health programs from the Department of Health to the Insurance Department; and
- the elimination of an insurance assessment exemption for policies written by out-of-state insurers.

### **Budget Detail**

The Executive proposes an All Funds appropriation of \$542,074,900, an increase of \$191,773,900 or 54.7 percent from SFY 2008-09 levels. This increase includes no General Fund support. The Executive recommendation includes funding to support 925 full-time Equivalent (FTE) positions, a decrease of 12 positions related to the completion of work by the Commission to Modernize the Regulation of Financial Services and the Universal Health Care Task Forces.

The Executive also recommends a Deficit Reduction Plan that makes adjustments to agency appropriations which result in no savings in SFY 2008-09 and \$644,800,000 in savings for SFY 2009-10.

### **State Operations**

The Executive proposes an All Funds State Operations appropriation of \$230,564,000, a decrease of \$93,716,000, or 28.9 percent from SFY 2008-09 funding levels.

The Executive proposes eliminating the insurance assessment exemption for policies written by out-of-state insurers, which will realize a savings of \$134,800,000 in SFY 2010-11.

### **Proposed Increases**

The Executive proposal includes increases to Special Revenue Fund support totaling \$6,345,000 for the following:

- an additional \$4,180,000 is provided to augment the Department of State fire program;
- an additional \$1,265,000 is provided for expenses related to the administration of Timothy's Law, including \$861,000 for negotiated salary increases and \$404,000 for fringe and indirect costs; and
- an increase in support of \$900,000 related to equipment for the Department of Criminal Justice Services' TraCS program.

### Proposed Decreases

The Executive proposal includes an elimination of all General Fund support for State Operations, representing a \$100,061,000 reduction.

### Aid to Localities

The Executive proposes an All Funds-Aid to Localities appropriation of \$311,510,900, an increase of \$285,489,900, or 1,097.2 percent from SFY 2008-09 funding levels. This increase is supported entirely by funding from Special Revenue sources.

### Proposed Increases

The Executive proposal includes:

- an increase of \$70,900,000 related to shifts of Tobacco Control Costs from the Department of Health to the Insurance Department; and
- an increase of \$21,700,000 related to shifts of Early Intervention costs from the Department of Health to the Insurance Department.

The Executive proposal also includes a Deficit Reduction Plan that makes the following reductions:

- an increase in Special Revenue Fund appropriations resulting from a shift of selected public health programs from the Department of Health, yielding no savings to the Insurance Department in SFY 2008-09 but achieving \$99,800,000 in savings during SFY 2009-10; and
- an increase in Special Revenue Fund appropriations to support small businesses with the implementation of Timothy's Law. While this action would not result in any State savings in SFY 2008-09, it would provide \$179,000,000 in savings in SFY 2009-10.

## **Article VII**

The Executive recommends Article VII legislation that would:

- increase fines and penalties for various violations of the Insurance Law;
- authorize the Superintendent of Insurance to issue cease and desist orders;
- increase the length of time that an individual, corporation, firm or association must wait to obtain a license after revocation; and
- require applicants for licensure as an insurance agent, broker, adjuster, consultant or intermediary to submit their fingerprints as part of a background check.

## DIVISION OF THE LOTTERY

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
Special Revenue-Other	122,552,100	117,552,101	(4,999,999)	-4.1%
<b>Total for AGENCY SUMMARY:</b>	<b>122,552,100</b>	<b>117,552,101</b>	<b>(4,999,999)</b>	<b>-4.1%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
All Other Funds:	361	358	(3)
<b>TOTAL:</b>	<b>361</b>	<b>358</b>	<b>(3)</b>

### Agency Mission

(Executive Budget: pp. 219-221)

The Division of Lottery is responsible for administering New York State Lottery games and video terminal (VLTs), which raise revenue used to support education. The agency is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

### Budget Detail

The Executive proposes an All Funds appropriation of \$177,552,101, a decrease of \$4,999,999 or 4.1 percent from the State Fiscal Year (SFY) 2008-09 level.

The Executive recommends funding support for 358 full-time equivalent (FTE) positions, a decrease of three FTE's from SFY 2008-09.

## State Operations

The Executive recommends State Operations appropriations totaling \$117,552,101, a decrease of \$4,999,999 from SFY 2008-09 levels.

### Proposed Increases

The Executive proposes the following:

- appropriations of \$106,142,013 for the administration of the Lottery Program, an increase of \$242,193 in Special Revenue Fund – Other (SRO) from SFY 2008-09.

### Proposed Decreases

The Executive proposes the following:

- appropriations of \$11,410,088 for the administration of the Video Lottery Terminal Program, a decrease of \$5, 242,192 in SRO funding from SFY 2008-09.

## Article VII

The Executive recommends Article VII legislation that would:

- expand the parameters under which the Division of Lottery is permitted to invest on long-term lottery prizes. The Executive estimates this will generate an additional \$37,000,000 in SFY 2009-10 and \$50,000,000 in SFY 2010-2011;
- eliminate the sunset date for Video Lottery Terminal (VLT) gaming operations as well as restrictions related to hours of operation; such hours will be determined by the Division of Lottery. The Executive estimates this will generate \$45,000,000 in SFY 2009-10 and thereafter;
- eliminate the sunset date for Quick Draw as well as restrictions related to hours of operation as well as age restrictions and location of Quick Draw gaming. The Executive estimates these provisions will generate \$40,000,000 in SFY 2009-10 and \$59,000,000 in SFY2010-11 to support education;
- authorize the operation of VLTs at Belmont Park and set the commission rate paid to the operators of VLTs at Belmont at 36.5 percent. The Executive anticipates that the sale of Belmont Park VLT development rights will produce \$370,000,000 in SFY 2010-11; and
- authorize the Lottery Director to participate in more than one joint, multi-jurisdiction, and out-of-state lottery program at any single time. The Executive estimates participation in multiple jurisdictions will generate an additional \$11,000,000 in revenue in SFY 2009-10 and \$21,000,000 in SFY 2010-11.

# STATE OF NEW YORK MORTGAGE AGENCY

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	331,809,000	233,300,000	(98,509,000)	-29.7%
<b>Total for AGENCY SUMMARY:</b>	<b>331,809,000</b>	<b>233,300,000</b>	<b>(98,509,000)</b>	<b>-29.7%</b>

## Agency Mission

(Executive Budget: pp. 547-548)

The State of New York Mortgage Agency (SONYMA) is a public benefit corporation created to increase the affordability of homeownership for low to moderate-income residents of New York State. This is accomplished by the Agency's issuance of taxable and tax exempt bonds and the use of proceeds to purchase low-interest rate mortgage loans. SONYMA receives no direct operating support from the State.

This Agency is included in the Education, Labor and Family Assistance appropriation bill.

## Budget Detail

The Executive Budget recommends an All Funds appropriation for SONYMA in the amount of \$233,300,000, a \$98,509,000 decrease from the State Fiscal Year (SFY) 2008-09 funding level. No cash disbursements are projected to be made from this appropriation. All SONYMA programs and operations are supported by mortgage income, application fees, insurance premiums and investment proceeds.

The Executive proposes continued support for a workforce of 121 full-time equivalent (FTE) positions.

## **State Operations**

The Executive provides a \$61,800,000 appropriation for the SONYMA Homeowners Mortgage Revenues Reimbursement Program and a \$15,000,000 appropriation for the Mortgage Insurance Fund Reimbursement Program, maintaining SFY 2008-09 funding levels.

## **Aid to Localities**

### Proposed Decreases

The Executive recommends a General Fund appropriation of \$156,500,000 for the Mortgage Insurance Fund Reimbursement Program, a decrease of \$98,509,000 related to a reduction in mortgage recording tax collections because of decreased home sales across New York State.

## DEPARTMENT OF MOTOR VEHICLES

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
Special Revenue-Other	103,479,000	93,202,000	(10,277,000)	-9.9%
Special Revenue-Federal	32,207,000	35,400,000	3,193,000	9.9%
Dedicated Highway and Bridge Trust Fund	231,782,000	219,035,000	(12,747,000)	-5.5%
Internal Service Fund	10,500,000	10,500,000	0	0.0%
<b>Total for AGENCY SUMMARY:</b>	<b>377,968,000</b>	<b>358,137,000</b>	<b>(19,831,000)</b>	<b>-5.2%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
All Other Funds:	2,861	2,876	15
<b>TOTAL:</b>	<b>2,861</b>	<b>2,876</b>	<b>15</b>

#### Agency Mission

(Executive Budget: pp. 227-231)

The New York State Department of Motor Vehicles (DMV) is responsible for registering vehicles to identify and authorize use, providing vehicle titles to establish vehicle ownership, licensing and regulating the motor vehicle industry, and licensing drivers to protect consumers and promote traffic safety. The DMV Traffic Violations Bureau also helps to adjudicate traffic infractions. The DMV collects fees and generates non-tax revenues to support these objectives.

The DMV is included in the Transportation, Economic Development, and Environmental Conservation appropriation bill.

### **Programmatic Highlights**

- The State Fiscal Year (SFY) 2009-10 Executive Budget includes a provision authorizing the Commissioner of Motor Vehicles to replace the written examination for non-commercial driver's licenses with the completion of either a five-hour pre-licensing course or a driver education course as the prerequisite to obtain a driver's permit. It is anticipated that this action will generate approximately \$1,400,000 in annual savings.
- The Executive proposal increases vehicle registration fees and the fees charged by DMV for the issuance of distinctive license plates by an average of 25 percent. This additional revenue would be directed to relieve the burden on the Dedicated Highway and Bridge Trust Fund (DHBTF) which finances transportation capital projects as well as some DMV expenses. It is projected that the registration fee increases will generate \$60,500,000 in SFY 2009-10 and \$103,700,000 each year thereafter.
- The budget would also increase all driver's license and renewal fees at rates ranging between 25 to 30 percent with the resulting new revenue being directed to the DHBTF. Approximately \$21,900,000 in additional revenue would be generated in SFY 2009-10, while \$37,600,000 would be generated each subsequent year.
- The SFY 2009-10 Executive Budget would increase the vehicle license plate fee by \$10 from \$15 to \$25. It should be noted, however, that the fee increase would not take effect until April 1, 2010. There would be no impact upon individuals registering or re-registering their vehicles in SFY 2009-10. This fee increase would coincide with an overall license plate re-issuance which is planned for April of 2010. The re-issuance would put into use new reflectorized number plates; Old plates would be surrendered over the course of SFY 2010-11 and SFY 2011-2012 and by 2013 all vehicles registered in New York would be equipped with the new plates. It is estimated that an additional \$129,000,000 will be credited to the General Fund over the course of the 2010-11 and 2011-12 fiscal years as a result of the fee increase and reissuance.

### **Budget Detail**

The Governor proposes a total All Funds appropriation of \$358,137,000, a decrease of \$19,831,000 or 5.2 percent from the adjusted SFY 2008-09 Budget. The Executive recommends funding to support 2,876 full-time equivalent (FTE) positions, an increase of 15 positions over the previous fiscal year.

#### **State Operations**

The Executive proposes a total All Funds State Operations appropriation of \$119,562,000, a decrease of \$9,360,000 or 7.3 percent from the SFY 2008-09 level. This decrease is primarily the result of further administrative efficiencies in the Administration, Administrative Adjudication, Clean Air, and Compulsory Insurance Programs.

## **Aid to Localities**

The Executive proposes an Aid to Localities appropriation in the amount of \$19,540,000, representing a \$2,276,000 or 13.2 percent increase over the SFY 2008-09 funding level. This increase reflects the projection of additional Federal grants for the Governor's Traffic Safety Committee which administers State highway safety programs.

## **Capital Projects**

The Executive proposes an appropriation of \$219,035,000 from the Dedicated Highway and Bridge Trust Fund for Capital Projects. This represents a decrease of \$12,747,000 or 5.5 percent from the SFY 2008-09 level. Of the total amount, \$100,280,000 (45.8 percent) would be used to support personal service and an additional \$48,944,000 (22.4 percent) would be used for fringe benefits, indirect costs and travel costs, rather than traditional capital expenditures.

The overall Capital Projects appropriation in DMV is intended for the Transportation Support Program under which many of DMV's administrative functions and initiatives are implemented. The Executive Budget proposal provides funding to support an increase of 15 FTE positions over the previous fiscal year. These new FTEs are included to aid DMV in handling the influx of drivers' license renewals that is projected for SFY 2009-10, with is the first year of the four-year license renewal cycle.

## **Article VII**

In the Transportation, Economic Development and Environmental Conservation bill, the Executive recommends Article VII legislation that would:

- permanently extend authority for the suspension of driver's licenses for certain alcohol-related convictions to conform State penalties with Federal law;
- permanently extend the suspension of driver's licenses for certain drug-related convictions to conform State penalties with Federal law;
- make permanent the authorization to pay DMV costs from the Dedicated Highway and Bridge Trust Fund;
- increase all driver's license and renewal fees at rates ranging between 25 to 30 percent;
- increase by an average of 25 percent vehicle registration fees and the fees charged by DMV for the issuance of distinctive license plates;
- increase the fee for the issuance of vehicle license plates by \$10, raising the current fee of \$15 to a total of \$25;

- eliminate the current \$100 cap on surcharges imposed on those individuals convicted of two or more infractions arising from the same traffic incident;
- extend for two years the provisions of the Motor Vehicle Financial Security Act which requires motorists to maintain vehicle insurance at all times;
- conform Vehicle and Traffic Law with Federal requirements governing operators of commercial motor vehicles;
- establish a \$50 fee to be paid by driving course providers for each book of pre-licensing classroom certificates (MV-278) issued to such driving schools;
- extend for two years the authorization and provision for collecting State surcharges on traffic violations;
- authorize the Commissioner of Motor Vehicles to replace the written examination for non-commercial drivers' licenses with the completion of either a five-hour pre-licensing course or a driver education course as the prerequisite to obtain a driver's permit;
- increase the civil penalty for repair shops, inspection stations, certified inspectors, and automobile dealers who falsify safety and emission inspections or vehicle repairs, from the current maximum of \$350 to a new minimum of \$350 for the first violation, \$500 for a second violation and \$1,000 for a third violation; and
- increase by 100 percent the license suspension fee, license reinstatement fee, license suspension fee for driving after consuming alcohol, and the fine for failing to appear for a ticket or pay a summons/fine.

In the Public Protection and General Government bill, the Executive recommends Article VII legislation that would:

- increase the Motor Vehicle Law Enforcement fee applied to the purchase of vehicle insurance from \$5 to \$10 to support the cost of State Police operations; and
- expand New York City's Red Light Camera Traffic Safety program and provide certain cities and counties with populations of 125,000 or more with the authorization to administer similar programs.

The Executive also recommends Article VII legislation in the Education, Labor and Family Assistance bill that would permanently extend provisions relating to the suspension and disqualification of driving privileges for individuals failing to make child support payments.

# OLYMPIC REGIONAL DEVELOPMENT AUTHORITY

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	8,626,000	7,826,000	(800,000)	-9.3%
Special Revenue-Other	400,000	400,000	0	0.0%
<b>Total for AGENCY SUMMARY:</b>	<b>9,026,000</b>	<b>8,226,000</b>	<b>(800,000)</b>	<b>-8.9%</b>

### Agency Mission

(Executive Budget: pp. 233-235)

The Olympic Regional Development Authority (ORDA) administers the post-1980 Winter Olympic program for the facilities in Lake Placid and the surrounding areas. These facilities include: the Olympic Ice Center; the Olympic Speed-Skating Oval; the Whiteface Mountain Ski Area; Veteran's Memorial Highway; the Mt. Van Hoevenberg Complex; the Olympic Ski Jumping Complex; and the U.S. Olympic Training Center. ORDA also manages the Gore Mountain Ski Center in Warren County. ORDA's activities are supported by revenue generated by venue marketing, fees, and ticket sales to athletic and other events, as well as through appropriation in the State Budget.

ORDA is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

### Budget Detail

The State Fiscal Year (SFY) 2009-10 Executive Budget includes an All Funds appropriation of \$8,226,000, a decrease of \$800,000 or 8.9 percent from the SFY 2008-09 Enacted Budget. This includes a decrease of three positions resulting from regular attrition, thus reducing the overall size of the ORDA workforce to a total of 200 full-time positions.

## **State Operations**

State Operations is the only category of expenditure included in the State budget for ORDA. The 8.9 percent decrease in appropriations from the current fiscal year is attributable to the attrition of the three staff positions, as well as administrative and operational efficiencies such as curtailed purchasing of supplies and materials.

## OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	169,577,110	143,555,600	(26,021,510)	-15.3%
Special Revenue-Other	78,714,400	86,184,900	7,470,500	9.5%
Special Revenue-Federal	10,320,900	9,320,900	(1,000,000)	-9.7%
Enterprise	1,500,000	1,500,000	0	0.0%
Misc. Capital Projects	3,800,000	3,800,000	0	0.0%
State Parks Infrastructure Fund	129,200,000	38,200,000	(91,000,000)	-70.4%
Federal Capital Projects Fund	4,000,000	4,000,000	0	0.0%
Fiduciary Funds - Misc Combined Expendable Trust Fund	10,000,000	10,000,000	0	0.0%
<b>Total for AGENCY SUMMARY:</b>	<b>407,112,410</b>	<b>296,561,400</b>	<b>(110,551,010)</b>	<b>-27.2%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
General Fund:	1,743	1,687	(56)
All Other Funds:	528	527	(1)
<b>TOTAL:</b>	<b>2,271</b>	<b>2,214</b>	<b>(57)</b>

#### Agency Mission

(Executive Budget: pp. 237-243)

The Office of Parks, Recreation and Historic Preservation (OPRHP) provides recreational and interpretive opportunities for New York State residents and visitors at 178 parks and 35 historic sites across the State. The Office also hosts cultural and educational programs and provides a

variety of recreational programs, including the Empire State Summer and Winter Games. The parks and historic sites serve over 60 million visitors annually.

OPRHP is located in the Transportation, Economic Development and Environmental Conservation appropriations bill.

### **Programmatic Highlights**

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- an appropriation of \$4,000,000 from the State Park Infrastructure Fund to support the Walkway over the Hudson River project;
- a recommendation to reduce the level of funding proposed for the SFY 2009-10 under the Parks Capital Plan by \$95,000,000, bringing the total capital appropriation for OPRHP to \$56,000,000 in SFY 2009-10 – which includes the aforementioned \$4,000,000 in funding for the Walkway over the Hudson River project; and
- a proposal to administratively increase State Park fees for a number of activities including camping, cabin rentals, golf, marina usage, Empire passports, passes and permits.

### **Budget Detail**

The Executive recommends All Funds appropriations totaling \$296,561,400 for SFY 2009-10, a decrease of \$110,551,000 or 27.2 percent from the levels in the SFY 2008-09 Enacted Budget. The Executive proposes funding support for 2,214 full-time equivalent (FTE) positions, a decrease of 57 positions from current staffing levels.

### **State Operations**

The SFY 2009-10 Executive Budget includes a total State Operations appropriation of \$226,886,400, a decrease of \$1,029,500 or 0.5 percent from funding levels in the current fiscal year. Much of this decrease is reflective of the continuation of measures taken in the SFY 2008-09 agency spending reduction plan to increase administrative efficiencies and generate cost reductions for the State. State operations funded by the 18-A utility assessment are being transferred to the General Fund along with the revenue from the assessment.

The Executive also recommends that OPRHP assume the responsibilities of the Northeastern Queens Nature and Historic Preserve Commission, which is proposed to be eliminated. The Executive anticipates that this transfer of responsibilities to OPRHP can be met within existing funding.

### Proposed Decreases

The Executive proposes the following decreases:

- a decrease of 57 FTE positions, reducing OPRHP staff levels from 2,271 to 2,214 positions in SFY 2009-10; and
- a recommendation to continue reductions in State park and historic site operations implemented as part of the SFY 2008-09 agency spending reduction plan. Examples of these actions include the consolidation of services, reduced hours of operations, shorter seasons of peak operations and reduced levels of patron and program services at State parks and historic sites.

### Aid to Localities

The Executive recommends total appropriations of \$13,675,000, a decrease of \$18,521,510 or 57.5 percent from SFY 2008-09 appropriated levels.

### Proposed Decreases

The Executive proposes the following major decreases:

- a decrease of \$16,440,510, reflecting the elimination of all community projects ; and
- a decrease of \$1,081,000, reflecting the elimination of the Natural Heritage Trust Program, which includes the following SFY 2008-09 initiatives: the French and Indian War 250<sup>th</sup> Anniversary Commemoration Commission; the celebration of the Hudson-Fulton Champlain Quadricentennial; the Long Island North Shore Heritage area; Historic Cherry Hill; the Historic Saratoga-Washington on the Hudson Partnership; New York City parks in Queens County; and the Mohawk Valley Heritage Corridor Commission.

The Executive also recommends reductions totaling \$37,300 for SFY 2008-09 as part of the proposal to reduce Legislative additions by 50 percent through the Deficit Reduction Program (DRP). The SFY 2008-09 additions impacted by the DRP include most of the projects funded under the Natural Heritage Trust Program.

### Capital Projects

The SFY 2009-10 Executive Budget Proposal includes overall capital projects appropriations of \$56,000,000, a decrease of \$91,000,000 or 61.9 percent from the SFY 2008-09 Enacted Budget.

Most of the decrease is the result of a recommendation to reduce funding by \$95,000,000 for the 2009-10 fiscal year under the proposed Parks Capital Plan. The Parks Capital Plan is a multi-year

capital investment proposal introduced in SFY 2008-09 that listed over \$650 million in State Parks infrastructure needs. Due to lack of funding, many of the investments that had been originally proposed for SFY 2009-10 are not included in the Executive Budget proposal.

The Executive also recommends a \$4,000,000 appropriation from the State Park Infrastructure Fund to support the Walkway over the Hudson River project. An additional appropriation of \$4,000,000 from the Environmental Protection Fund (EPF) is included for the Walkway over the Hudson project in the Department of Environmental Conservation (DEC) budget. Overall, the Executive recommends a total of \$8,000,000 in appropriation to complete the project.

## **Article VII**

The Executive recommends Article VII legislation that would:

- eliminate the Northeastern Queens Nature and Historical Preserve Commission and transfer the responsibilities of the Commission to the Office of Parks, Recreation and Historic Preservation (OPRHP); and
- authorize OPRHP to provide merchandise, goods, commodities or food services for retail sale in the absence of a willing external vendor, and provide that the proceeds from such sales be deposited into the patron service account to support park maintenance and general operations.

## DEPARTMENT OF PUBLIC SERVICE

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
Special Revenue-Other	83,830,000	81,111,000	(2,719,000)	-3.2%
Special Revenue-Federal	1,814,000	1,847,000	33,000	1.8%
<b>Total for AGENCY SUMMARY:</b>	<b>85,644,000</b>	<b>82,958,000</b>	<b>(2,686,000)</b>	<b>-3.1%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
All Other Funds:	540	560	20
<b>TOTAL:</b>	<b>540</b>	<b>560</b>	<b>20</b>

#### Agency Mission

(Executive Budget: pp. 259-261)

The Department of Public Service (DPS) is the staff arm of the Public Service Commission (PSC) and has the mandate of ensuring New Yorkers' access to reliable and low cost utility services. The PSC is responsible for regulating the rates and services of the State's public utilities, overseeing the siting of major electric and gas transmission lines and facilities, and ensuring the safety of natural gas and liquid petroleum pipelines. The Department is also responsible for the oversight and regulation of the cable television industry.

The DPS is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

## **Budget Detail**

The State Fiscal Year (SFY) 2009-10 Executive Budget includes an All Funds appropriation of \$82,958,000, a decrease of \$2,686,000 or 3.1 percent from the SFY 2008-09 Enacted Budget level. This includes funding to support 560 full-time equivalent (FTE) positions, an increase of 20 positions.

### **State Operations**

The Executive proposes a total State Operations appropriation in the amount of \$82,408,000, which is a decrease of \$2,686,000 or 3.2 percent from SFY 2008-09. This decrease is primarily a result of the continuation of the Executive's agency spending reductions implemented in the current fiscal year. The Executive proposes further cost savings of \$6,207,000 in SFY 2009-10 by reducing travel expenses and minimizing the purchase of supplies and materials.

Despite the proposed decrease in State Operations funding, \$1,374,000 is provided to support 20 additional FTEs for the department. The increase in staff level is recommended to support high priority programs within DPS such as consumer protection and to enhance the State's energy efficiency programs.

### **Aid to Localities**

The Executive proposes an overall Aid to Localities appropriation of \$550,000, maintaining the funding level of the current fiscal year.

### **Article VII**

The Executive recommends Article VII legislation that would:

- authorize the PSC to restructure its current review process to confirm cable franchises, exercise greater discretion in the application of certain telecommunications and cable regulations, serve PSC orders by e-mail, and modify shared meter requirements in an attempt to improve administrative efficiency and prioritize resources; and
- increase the utility assessment cap imposed by Section 18-a of the Public Service Law, establish a temporary State energy and utility service conservation assessment, and authorize the Office of General Services (OGS) and the Power Authority of the State of New York (PASNY) to facilitate aggregate energy purchases on behalf of State agencies.

It should also be noted that, included in the Public Protection and General Government Article VII bill, there is a proposal to increase the fee paid by nuclear electricity generating facility operators to support radiological emergency preparedness activities in order to provide additional funding for the Coalition of Nuclear Counties and to provide General Fund support.

## STATE RACING AND WAGERING BOARD

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
Special Revenue-Other	25,829,000	25,203,000	(626,000)	-2.4%
<b>Total for AGENCY SUMMARY:</b>	<b>25,829,000</b>	<b>25,203,000</b>	<b>(626,000)</b>	<b>-2.4%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
All Other Funds:	122	105	(17)
<b>TOTAL:</b>	<b>122</b>	<b>105</b>	<b>(17)</b>

#### **Agency Mission**

(Executive Budget: pp. 263-265)

The State Racing and Wagering Board (Board) regulates all legalized gambling activities in New York State with the exception of the State Lottery. The Board also has shared responsibility for the oversight of bingo and other permitted games of chance conducted by not-for-profit and religious organizations.

The Board is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

## Budget Detail

The Executive recommends an All Funds appropriation of \$25,203,000 for State Fiscal Year (SFY) 2009-10, reflecting a net decrease of \$626,000 or 2.42 percent below SFY 2008-09.

- A workforce of 105 full-time equivalent (FTE) positions is proposed, representing a reduction of 17 FTE positions below the current level.

### State Operations

#### Proposed Decreases

The Executive proposes the following:

- Special Revenue Fund-Other appropriations of \$14,784,000 for the support of the Regulation of Racing program representing a \$329,000 or 2.18 percent net reduction in funding below SFY 2008-09 ; and
- a \$10,419,000 in Special Revenue Fund Other appropriations for the support of the Regulation of Wagering program reflecting a \$297,000 or 2.77 percent net reduction in funding below SFY 2008-09 .

### Article VII

The Executive recommends Article VII legislation that would:

- impose a \$10 fee for the entry of every horse in a pari-mutual race in New York State. The fee is expected to raise approximately \$1 million and which would fund regulatory activities including equine testing;
- extend for one year pari-mutual tax rates and rules governing simulcasting of out-of-state races; and
- authorize video lottery gaming at Belmont Park and modify commission rates at Aqueduct Racetrack.

### Racing Reform

The Executive recommends \$2,000,000 in General Fund reappropriations to support costs and expenses associated with the Racing Reform Program as provided in Chapters 18 and 140 of the Laws of 2008.

## GOVERNOR'S OFFICE OF REGULATORY REFORM

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	3,773,000	3,072,521	(700,479)	-18.6%
<b>Total for AGENCY SUMMARY:</b>	<b>3,773,000</b>	<b>3,072,521</b>	<b>(700,479)</b>	<b>-18.6%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
General Fund:	36	23	(13)
<b>TOTAL:</b>	<b>36</b>	<b>23</b>	<b>(13)</b>

#### Agency Mission

(Executive Budget: pp. 267-269)

The Governor's Office of Regulatory Reform (GORR) was created in 1995 and focuses on the oversight, review and streamlining of State regulations, providing information on regulatory requirements, and expediting regulatory approval.

This Office is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

## **Budget Detail**

The Executive recommends an All Funds appropriation of \$3,072,521 for State Fiscal Year (SFY) 2009-10 reflecting a net reduction of \$700,479 or 18.57 percent below State Fiscal Year (SFY) 2008-09 funding levels.

The Executive recommends a workforce of 23 full-time equivalent (FTE) funded positions reflects the elimination of 13 FTE funded positions below SFY 2008-09 staffing levels.

## **State Operations**

The Executive proposal includes \$3,072,521 in State Operations General Fund appropriations reflecting the following changes in General Fund spending:

### **Proposed Decreases**

- a \$254,650 reduction in Personal Service funding in the Administration program; and
- a \$445,829 reduction in Non-Personal Service funding in the Administration program.

Decreases in funding reflect recurring savings taken as a result of current year financial management plan initiatives and the restructuring of GORR to gain operational efficiency.

## DEPARTMENT OF STATE

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	54,594,696	22,923,000	(31,671,696)	-58.0%
Special Revenue-Other	62,125,700	60,011,700	(2,114,000)	-3.4%
Special Revenue-Federal	72,802,000	72,735,000	(67,000)	0.1%
Hazardous Waste Remedial Fund - Oversight and Assesment	0	2,750,000	2,750,000	--
<b>Total for AGENCY SUMMARY:</b>	<b>189,522,396</b>	<b>158,419,700</b>	<b>(31,102,696)</b>	<b>-16.4%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
General Fund:	212	185	(27)
All Other Funds:	695	675	(20)
<b>TOTAL:</b>	<b>907</b>	<b>860</b>	<b>(47)</b>

#### Agency Mission

(Executive Budget: pp. 270-292)

The Department of State (DOS) is the State's oldest agency, and is responsible for programs relating to services to local governments and community based organizations. The Department protects public safety by managing arson investigation, fire prevention, building and energy code programs; administers programs for community development and local government service activities; and supports businesses through various licensing and registration activities.

This Department is located in the Transportation, Economic Development and Environmental Conservation appropriation bill.

## Programmatic Highlights

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- a transfer of \$2,750,000 for the New Brownfield Opportunity Areas Program from Department of Environmental Conservation to DOS;
- elimination of the Civil Legal Services Program, New York City Automated Defibrillator Program and Indigent Civil Legal Program reflecting a net decrease of \$6,941,396; and
- funding for the Law Revision Commission in the amount of \$168,000 is reinstated under Division of Budget.

## Budget Detail

The Executive Budget recommends an All Funds appropriation of \$158,419,700, a decrease of \$31,102,696 below the SFY 2008-09 level. The Executive recommends funding support of 860 full-time equivalent (FTE) positions, a decrease of 47 positions. The Executive recommends a Deficit Reduction Plan that makes adjustments to agency appropriations resulting in total agency savings of \$1,800,000 for SFY 2008-09 and \$3,900,000 in savings in SFY 2009-10.

## State Operations

The Executive proposes an All Funds State Operations appropriation of \$80,143,000, a decrease of \$2,433,000 from the SFY 2008-09 level.

### Proposed Decreases

The Executive Proposes the following decreases:

- a \$369,000 decrease in funding for Fire Prevention Programs, Manufactured Housing Programs and Cigarette Fire Safety Programs due to historical underspending;
- a \$615,000 decrease in the Business and Licensing Program for costs associated with personal and non-personal services;
- a \$320,000 decrease in funding for the Tug Hill Commission for costs associated with contractual services and non-personal services;
- a \$764,000 decrease for Local Government and Community Services attributed to the attrition of 24 FTE and other non-personal services;

- a \$67,000 decrease in Special Revenue Funding-Federal for the Community Services Block Grant Program's administrative component, Appalachian Technical Assistance and Coastal Zone Management attributed to a reduction in anticipated Federal aid;
- a \$130,000 decrease for the Lake George Park Commission attributed to decreases in personal service and non-personal service costs; and
- a \$168,000 decrease from the transfer of the Law Revision Commission to the Division of the Budget.

### **Aid to Localities**

The Executive proposes an All Funds Aid to Localities appropriation of \$75,526,700, a decrease of \$31,419,696 from the SFY 2008-09 level.

#### **Proposed Decreases**

The Executive proposes the following:

- the Executive proposal eliminates the New York City Automated Defibrillator Program in the amount of \$1,974,000;
- the Executive proposal eliminates the Indigent Civil Legal Program in the amount of \$980,000;
- the Executive proposal eliminates \$24,478,300 in Community Projects funding; and
- the Executive proposal includes a Deficit Reduction Plan that reduces funding for Civil Legal Services in the amount of \$1,848,396 for SFY 2008-09 and eliminates the program in 2009-10 for a savings of \$3,987,396.

### **Article VII**

The Executive recommends Article VII legislation that would:

- extend for one year the authority of the Secretary of State to charge increased fees for expedited handling of documents;
- increase the examination fees for certain disciplines licensed and regulated by DOS; and
- extend for one year the funding distribution formula for the Community Services Block Grant Program.

## DEPARTMENT OF TAXATION AND FINANCE

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	335,383,000	349,554,000	14,171,000	4.2%
Special Revenue-Other	87,060,000	87,342,000	282,000	0.3%
Special Revenue-Federal	2,582,000	2,582,000	0	0.0%
Internal Service Fund	46,202,000	46,202,000	0	0.0%
<b>Total for AGENCY SUMMARY:</b>	<b>471,227,000</b>	<b>485,680,000</b>	<b>14,453,000</b>	<b>3.1%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
General Fund:	4,261	4,561	300
All Other Funds:	775	775	0
<b>TOTAL:</b>	<b>5,036</b>	<b>5,336</b>	<b>300</b>

#### Agency Mission

(Executive Budget: pp. 279-283)

The Department of Taxation and Finance is responsible for the administration and collection of various State taxes and related local taxes. The Department also manages the State Treasury and administers the State's Middle Class STAR Property Tax Rebate Program.

The Department is included in the Transportation, Economic Development and Environmental Conservation Budget appropriation bill.

## Programmatic Highlights

The State Fiscal Year (SFY) 2009-10 Executive Budget includes an increase of 300 Full-Time Equivalent (FTE) positions. The additional staff is needed for the Department to achieve its goal of "universal voluntary compliance". The additional staff will be assigned to the Department's Audit, Collections and Enforcement program.

## Budget Detail

The Executive proposes an All Funds appropriation of \$485,680,000, an increase of \$14,453,000 over SFY 2008-09. The Executive Budget recommendation provides for a staffing level of 5,336 FTE positions, an increase of 300 positions from SFY 2008-09 levels.

## State Operations

### Proposed Increases

The Executive proposes the following:

- an increase of \$38,829,886 in the General Fund for Audit, Collection and Enforcement; and,
- an increase of \$403,000 in the Special Revenue Funds-Other for increases in Personal and Non-personal Services related to Treasury Management (to finance participation in a new OSC accounting system).

### Proposed Decreases

The Executive proposes the following:

- a decrease of \$9,337,573 in Central Operations Support (non-personal services);
- a decrease of \$30,769 in Conciliation & Mediation Services (personal services);
- a decrease of \$633,533 in Management Administration and Council (personal services);
- a decrease of \$732,476 in Revenue Processing and Reconciliation (personal services);
- a decrease of \$492,876 in Tax Policy, Revenue Accounting and Taxpayer Guidance (personal services); and
- a decrease of \$13,552,659 in Technology and Information Services (non-personal).

## Article VII

The Executive recommends Article VII legislation that would:

- impose a fee of \$75 on persons entering into an installment agreement with the Department or where installment agreements are modified or reinstated;
- impose a \$50 fee in the event a taxpayer's check, money order or electronic fund is returned without payment;
- impose a paper filing fee of \$10 on individuals and joint filers who do not file personal income tax documents electronically. Individuals filers with incomes of \$15,000 or less and joint filers with incomes of \$30,000 or less are exempt from the \$10 fee; and
- require commercial tax preparers to electronically register with the Department and impose a \$100 annual registration fee. A commercial tax preparer is a tax return preparer who prepares ten or more New York tax returns in a calendar year.

## DIVISION OF TAX APPEALS

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	3,503,000	3,353,000	(150,000)	-4.3%
<b>Total for AGENCY SUMMARY:</b>	<b>3,503,000</b>	<b>3,353,000</b>	<b>(150,000)</b>	<b>-4.3%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
General Fund:	31	30	(1)
<b>TOTAL:</b>	<b>31</b>	<b>30</b>	<b>(1)</b>

#### Agency Mission

(Executive Budget: pp. 285-287)

The Division of Tax Appeals provides taxpayers with a system of due process for resolving disputes with the Department of Taxation and Finance. The separation of tax administration from tax adjudication promotes the impartial and timely hearing of taxpayers' disputes.

This Department is included in the Transportation, Economic Development and Environmental Conservation Budget appropriation bill.

#### Budget Detail

The Executive Budget recommendation provides for a staffing level of 30 full-time equivalent (FTE) positions, a decrease of one FTE.

## State Operations

The Executive recommends State Operations appropriations totaling \$3,353,000, resulting in a reduction of \$150,000 or 4.3 percent below SFY 2008-09 levels.

### Proposed Decreases

- The Executive proposes a decrease of \$150,000 to reflect a reduction in employee costs of \$130,000 in personal service and \$20,000 in non-personal service expenditures.

# NEW YORK STATE THRUWAY AUTHORITY

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
NYS Canal System Development Fund	2,000,000	2,000,000	0	0.0%
<b>Total for AGENCY SUMMARY:</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>0</b>	<b>0.0%</b>

## Agency Mission

(Executive Budget: pp. 289)

The New York State Thruway Authority (TA) is responsible for operating a 641-mile toll highway system, along with the New York State Canal System. Through its subsidiary, the New York State Canal Corporation, the Authority maintains, operates, develops, and makes capital improvements to the 524-mile canal system which includes 57 locks, 16 lift bridges, and numerous dams, reservoirs, and water control structures.

The Canal Development Program is the only Authority Program reflected in the Executive Budget. All other Thruway and Canal System programs are supported by TA revenues and are not included in the Executive Budget.

The Thruway Authority is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

## Budget Detail

The Executive proposes an appropriation of \$2,000,000 for the Canal Development Program, unchanged from the State Fiscal Year (SFY) 2008-09 funding level. The revenues deposited into the Canal System Development Fund (CSDF) are generated by canal tolls and other user fees. CSDF reappropriations of \$10,041,000 are also requested. Revenues from the CSDF are available strictly for the development, promotion, maintenance, and construction of the canals.

## DEPARTMENT OF TRANSPORTATION

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	109,992,656	77,551,700	(32,440,956)	-29.5%
Special Revenue-Other	2,864,305,000	2,602,599,000	(261,706,000)	-9.1%
Special Revenue-Federal	71,666,000	70,668,000	(998,000)	-1.4%
Capital Projects Fund	5,000,000	0	(5,000,000)	-100.0%
Federal Capital Projects Fund	2,071,000,000	2,006,000,000	(65,000,000)	-3.1%
Dedicated Mass Transportation Trust Fund	70,471,000	71,471,000	1,000,000	1.4%
Dedicated Highway and Bridge Trust Fund	2,004,290,000	1,926,200,000	(78,090,000)	-3.9%
NY Metro Transportation Account	19,094,000	19,597,000	503,000	2.6%
Cap. Proj. Fund - Rebuild Renew NY 2005 - Bondable	337,000,000	232,000,000	(105,000,000)	-31.2%
Miscellaneous New York State Agency Fund	50,000,000	50,000,000	0	0.0%
Regional Aviation Fund	4,000,000	0	(4,000,000)	-100.0%
<b>Total for AGENCY SUMMARY:</b>	<b>7,606,818,656</b>	<b>7,056,086,700</b>	<b>(550,731,956)</b>	<b>-7.2%</b>

### ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2008-09	Requested 2009-10	Change
All Other Funds:	9,897	9,925	28
<b>TOTAL:</b>	<b>9,897</b>	<b>9,925</b>	<b>28</b>

#### Agency Mission

(Executive Budget: pp. 291-301)

The Department of Transportation (DOT) maintains and improves the State's more than 40,000 highway lane miles and 7,500 bridges. In addition, DOT partially funds locally operated transit

systems, local government highway and bridge construction, as well as rail and aviation programs. DOT closely coordinates with other State transportation agencies and authorities with the goal of creating an interconnected statewide transportation system that addresses environmental and community concerns and efficiently moves people and goods throughout the State.

The Department is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

### **Programmatic Highlights**

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- a recommendation to decrease the size of the current 2005-2010 DOT Capital Program by approximately \$569,000,000, from an overall size of \$18,520,000,000 to \$17,950,000,000, in order to begin to address the projected large out-year funding gaps that continue to exist in the current five-year program. Presently, these funding gaps are subsidized by General Fund transfers to the Dedicated Highway and Bridge Trust Fund (DHBTF). In SFY 2009-10, capital spending under the 2005-2010 Capital Program is reduced by \$508 million from the original plan;
- a recommendation to transfer \$308,000,000 in General Fund monies to the DHBTF to address the estimated funding shortfall for the SFY 2009-10 fiscal year of the 2005-2010 DOT Capital Program. A proposal to increase funding for snow and ice removal and preventive maintenance, by approximately \$61,800,000 to a total of \$665,200,000 in SFY 2009-10 is also included. This funding would support 36 new full-time equivalent (FTE) positions over the SFY 2008-09 staffing levels; and
- a proposal which supports 15 new FTE positions to replace consultant contracts for information technology.

### **Budget Detail**

The Executive recommends a total All Funds appropriation of \$7,056,086,700 for SFY 2009-10, which represents a decrease of \$550,731,956 or 7.2 percent from funding levels in the current fiscal year. The Executive also recommends funding to support 9,925 FTE positions, a net increase of 28 positions over SFY 2008-09 staffing levels.

### **State Operations**

The Executive Budget includes \$48,429,000 in SFY 2009-10 total State Operations appropriations, representing a decrease of \$6,913,000 or 12.5 percent from the SFY 2008-09 funding levels. These changes are attributable primarily to increased efficiencies in the Office of Passenger and Freight Transportation program, as well as the elimination of several Legislative initiatives from the SFY 2008-09 Enacted Budget:



### Proposed Decreases

The Executive proposes the following:

- a decrease of \$3,000,000 for expenses related to the establishment of express train service between Albany/Rensselaer and New York City pursuant to the plan prepared by DOT and the Senate Task Force on High Speed Rail; and
- a decrease of \$1,050,000 for the purchase of Highway Emergency Local Patrol (HELP) program equipment and services.

### Aid to Localities

The Governor recommends Aid to Localities appropriations totaling \$2,702,389,700, a decrease of \$288,231,956 or 0.96 percent from SFY 2008-09 appropriation levels. Funds from these appropriations provide transit operating aid to local transit operators throughout New York State.

As a point of reference, it should be noted that the Metropolitan Transportation Authority (MTA) Board recently approved the Authority's 2009 Final Proposed Budget. According to the MTA, the Authority will close its 2009 budget year with an estimated \$1,200,000,000 baseline deficit barring the implementation of any deficit-closing measures. In an attempt to close this gap, the MTA recommends a combination of administrative and service reductions, as well as the implementation of an increase of 23 percent in farebox revenue yield.

### Proposed Decreases

The Executive proposes the following decreases:

- the MTA, which serves the New York City Metropolitan Commuter Transportation District, will receive \$2,337,133,000 in operating aid, a decrease of \$259,712,595 or 10 percent from SFY 2008-09 appropriation levels;
- appropriations in operating aid for Upstate transit systems will total \$162,613,500, a decrease of \$13,319,206 or 7.6 percent from SFY 2008-09 funding levels;
- non-MTA Downstate transit systems will receive total appropriations of \$179,052,200 in operating aid, a decrease of \$12,611,155 or 6.6 percent from SFY 2008-09 funding levels;
- the Executive also proposes a State General Fund appropriation of \$25,251,000 to aid the MTA in financing the costs of the reduced fare for school children program. This represents a decrease of \$18,592,000, or 42.4 percent, from SFY 2008-09 funding levels; and

- the Executive seeks to reduce operating aid to Upstate transit systems, Capital District Transportation Authority (CDTA) and Rochester Genesee Regional Transportation Authority (RGRTA) that was included in the SFY 2008-09 enacted budget and in the amount of \$3,760,000 for RGRTA and \$1,739,000 for CDTA.

## **Capital Projects**

Currently entering its final year, the 2005-2010 DOT Capital Program is a five-year plan to improve and rehabilitate critical components of the State's transportation infrastructure by providing funds for State and local roads and bridges, transit systems, the State's freight and passenger rail network, airports, ports and canals. In 2005, the Legislature approved the 2005-2010 Capital Program totaling \$17,900,000,000. In SFY 2007-2008, the size of the 2005-2010 Capital Program was increased to over \$18,500,000,000 to reflect the addition of approximately \$800,000,000 in additional Federal aid for transportation capital projects. For SFY 2009-10, the Executive recommends decreasing the size of the current Capital Program by approximately \$569,000,000, to address the projected large out-year funding gaps that continue to exist in the program.

In this fifth year of the 2005-2010 Capital Program, the Executive proposes a total of \$4,305,268,000 in appropriations for capital projects. This represents a decrease of \$255,587,000 or 5.6 percent, from prior year appropriation levels, as well as a decrease of \$508,000,000 in planned capital spending allocated under the original plan.

Major components of the \$508,000,000 reduction from originally planned spending are listed below:

- spending for highway construction contracts is reduced by \$274,300,000 from planned levels of \$1,891,000,000 to \$1,617,000,000;
- engineering and administration costs associated with construction contracts are reduced by \$108,400,000 from planned levels of \$815,200,000 to \$706,800,000;
- the Consolidated Local Highway Improvement Program (CHIPs) would be reduced by \$58,500,000 from planned levels of \$309,700,000 to \$250,900,000. It should be noted that due to the Legislature's provision of additional CHIPs funding in SFY 2008-09, the year-to-year reduction to CHIPs is \$112,200,000, a 3.1 percent decrease from SFY 2008-09 funding levels. However, the Municipal Streets and Highway Program ("Marchiselli") will be maintained at its current funding level of \$39,700,000;
- funding for the Multi-Modal Program totaling \$50,000,000 which was to have been made available in SFY 2009-10 is eliminated. The Executive also recommends eliminating the \$50,000,000 Multi-Modal allocation from SFY 2008-09 which was available via reappropriation;

- funding for rail projects is reduced by \$12,500,000 from planned levels of \$78,700,000 to \$66,200,000; and
- funding for aviation projects is reduced by \$4,000,000 from planned levels of \$23,000,000 to \$19,000,000.

Despite these overall reductions to the Capital Program, the Executive Budget still projects a \$308,000,000 funding shortfall for the SFY 2009-10 fiscal year of the current Capital Program. Therefore, to subsidize this shortfall, the Executive recommends a transfer of \$308,000,000 from the General Fund.

The Executive has also recommended the following appropriations in major programmatic areas pursuant to the provisions of the 2005 Transportation Bond Act:

- funding of \$168,600,000 for Highway Facilities Capital Projects;
- funding of \$27,000,000 for Rail and Port Capital Projects;
- funding of \$16,400,000 for Aviation Capital Projects;
- funding of \$10,000,000 for Canals and Waterways Capital Projects; and
- funding of \$10,000,000 for Non-MTA Mass Transit Capital Projects.

Following course with the SFY 2008-09 Budget, the Industrial Access Program (IAP) is not continued in the Executive's SFY 2009-10 Budget Proposal.

In addition, a new proposal for the 2010-2015 Capital Program is anticipated to be submitted prior to the close of 2009.

The Executive also proposes a SFY 2008-09 Deficit Reduction Bill recommending the elimination of the \$3,000,000 reappropriation from SFY 2006-07 for diesel emission reduction activities for non-MTA transit systems.

## **Article VII**

The Executive recommends Article VII legislation that would:

- extend for one year the Department of Transportation's Single Audit Program;
- provide the annual authorization for the CHIPs and Marchiselli programs;
- modify the requirements related to the content of the Dedicated Highway and Bridge Trust Fund financial report; and

- permanently extend the current distribution of certain revenues presently directed to the Dedicated Highway and Bridge Trust Fund.

There is also Article VII legislation proposed in the Public Protection and General Government bill that would authorize the Division of State Police to establish a program utilizing automated photo-monitoring equipment for the enforcement of speed limits in work zones and on designated stretches of highway.

# URBAN DEVELOPMENT CORPORATION

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	153,983,220	144,960,000	(9,023,220)	-5.9%
Special Revenue-Other	5,939,000	5,070,000	(869,000)	-14.6%
Special Revenue-Federal	1,000,000	1,000,000	0	0.0%
Misc. Capital Projects	355,000,000	0	(355,000,000)	-100.0%
Capital Projects Fund - Authority Bonds	1,285,000,000	100,000,000	(1,185,000,000)	-92.2%
<b>Total for AGENCY SUMMARY:</b>	<b>1,800,922,220</b>	<b>251,030,000</b>	<b>(1,549,892,220)</b>	<b>-86.1%</b>

### **Agency Mission**

(Executive Budget: pp. 183-190)

The Empire State Development Corporation (ESDC) – formerly the Urban Development Corporation (UDC) – is a New York State public benefit corporation. The mission of ESDC is to promote economic and real estate development by providing financial assistance to local governments, businesses and not-for-profit corporations engaged in economic development activities. In addition, ESDC is engaged in housing portfolio maintenance as well as other special projects. ESDC administers its projects and programs through regional offices in both New York City and the City of Buffalo.

This agency is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

### **Programmatic Highlights**

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- the consolidation of the Department of Economic Development (DED) and the Foundation for Science, Technology, and Innovation (NYSTAR) into ESDC. The functions of DED and NYSTAR would be transferred to ESDC. The Executive estimates \$11,000,000 in administrative spending reductions and;
- funding of \$50,000,000 for the New York GAINS (Growth, Achievement and Investment Strategy) Fund.

## **Budget Detail**

The Executive proposes an All Funds appropriation of \$251,030,000, a decrease of \$1,549,892,220 or 86.1 percent, from the SFY 2008-09 level. The Executive recommends funding support of 364 full-time equivalent (FTE) positions, reflecting the transfer of 116 staff from DED. The Executive recommends a Deficit Reduction Plan that makes adjustments to agency appropriations resulting in total agency savings of \$14,700,000 for SFY 2008-09.

### **State Operations**

The Executive proposes an All Funds State Operations appropriation of \$6,070,000, a decrease of \$869,000 or 12.5 percent from the SFY 2008-09 level.

### **Aid to Localities**

The Executive proposes an All Funds Aid to Localities appropriation of \$144,960,000 a decrease of \$5,882,220 or 5.9 percent from the SFY 2008-09 level. These funds include programs transferred from DED and NYSTAR. The Executive Proposal maintains funding for the following ESDC programs at the same level as SFY 2008-09:

- funding of \$6,934,000 for the operating expenses of the Centers of Excellence;
- funding of \$3,404,000 for the Urban and Community Development Program in economically distressed areas;
- funding of \$3,404,000 for the Minority and Women Owned Business Development and Lending Program;
- funding of \$2,940,000 for retention of professional football in Western New York;
- funding of \$980,000 for the University at Buffalo's Krabbe Disease Research Institute;
- funding of \$980,000 for the Albany Institute for Nanoelectronics Discovery and Exploration (INDEX); and
- funding of \$980,000 for military base retention efforts.

The Executive Proposal maintains funding for the following programs transferred from DED at the same level as SFY 2008-09:

- funding of \$1,200,000 for the Small Business Pollution Prevention and Environmental Compliance Program;

- funding of \$196,000 for the Gateway Center in Beekmantown; and
- funding of \$196,000 for the Gateway Center in Binghamton.

The Executive Proposal maintains funding for the following programs transferred from NYSTAR at the same level as SFY 2008-09:

- funding of \$5,000,000 for Security Through Advanced Technology;
- funding of \$1,500,000 for the Federal Manufacturing Extension Partnership Program;
- funding of \$690,900 for SUNY Albany Semiconductor Research Corporation;
- funding of \$490,000 for Cornell University National Science Foundation (NSF) Nanoscale Science and Engineering Center;
- funding of \$490,000 for Cornell University NSF Nanotech Infrastructure Network;
- funding of \$490,000 for Columbia University NSF Nanoscale Science and Engineering Center;
- funding of \$490,000 for Rensselaer Polytechnic Institute NSF Nanoscale Science and Engineering Center;
- funding of \$245,000 for Cornell University NSF Materials Research Center;
- funding of \$343,000 for the Science and Technology Law Center Program;
- funding of \$294,000 for Cornell University NSF Nanobiotechnology Center;
- funding of \$245,000 for Columbia University NSF Materials Research Science and Engineering Center; and
- funding of \$69,000 for CUNY Optical Sensing Imaging Center.

### Proposed Increases

The Executive proposes the following increases:

- a \$50,000,000 appropriation to create the new NY GAINS Fund to assist emerging industries that demonstrate job growth;
- a \$16,392,080 increase in administrative spending, from \$2,366,920 in SFY 2008-09 to \$18,759,000 in SFY 2009-10, relating to the staff increase through the consolidation of DED and NYSTAR;
- a \$750,000 increase to the University at Albany Institute for Nanoelectronics Discovery and Exploration (INDEX) to support the nanoelectronics industry in New York State;
- a \$500,000 increase to the RPI Smart Lighting Systems Engineering Research Center to advance biological imaging, adaptive lighting, increased productivity and energy conservation; and
- a \$250,000 increase to the Stony Brook University Semiconductor High-Energy Radiation project to develop new methods to detect radiation for homeland security purposes.

### Proposed Decreases

The Executive proposes the following decreases from the SFY 2008-09 ESDC budget:

- a \$12,790,000 decrease to the Empire State Development Fund from \$18,970,000 in SFY 2008-09 to \$6,000,000 in SFY 2009-10;
- a \$1,274,000 decrease to the Entrepreneurial Assistance Program (EAP) from \$1,764,000 in SFY 2008-09 to \$490,000 in SFY 2009-10;
- a \$1,495,000 decrease from the elimination of the Community Development Financial Institutions Program;
- a \$1,316,000 decrease from the elimination of Griffiss Air Force Base Redevelopment funding;
- a \$940,000 decrease from the elimination of the Plattsburgh Air Force Base funding;
- a \$940,000 decrease from the elimination of Luther Forest Technology funding;

- a \$940,000 decrease from the elimination of Seneca Army Infrastructure Improvement funding;
- a \$470,000 decrease from the elimination of the Hudson Valley Economic Corporation funding;
- a \$376,000 decrease from the elimination for the MDA Central Events Fund funding;
- a \$376,000 decrease from the elimination of the Syracuse Chamber of Commerce Revolving Loan funding;
- a \$235,000 decrease from the elimination the New York Industrial Retention Network funding;
- a \$235,000 decrease from the elimination of the Upstate Tooling and Contract Manufacturing Cluster funding;
- a \$197,400 decrease from the elimination of the Watervliet Arsenal Revitalization funding;
- a \$188,000 decrease from the elimination of the MDA Community Events Fund funding;
- a \$143,820 decrease from the elimination of the Bronx Business Alliance funding;
- a \$141,000 decrease from the elimination of the Queens Minority & Women's Business Center funding;
- a \$117,500 decrease from the elimination of the New York Indoor Environmental Quality Center funding;
- a \$94,000 decrease from the elimination of Niagara Air Force Base Redevelopment funding;
- a \$94,000 decrease from the elimination of the Niagara Falls Airport funding;
- a \$94,000 decrease from the Queens Chamber of Commerce funding;
- a \$89,300 decrease from the elimination of the Metropolitan Development Association-Vision 2010 funding;
- a \$47,000 decrease from the elimination of the Jamaica Chamber of Commerce funding; and

- a \$47,000 decrease from the elimination of for the Canisius College Women's Business Center funding.

The Executive proposes a Deficit Reduction Plan decreasing SFY 2008-09 ESDC appropriation by \$4,813,020 which include:

- a 50 percent reduction to all legislative adds totaling \$3,313,020; and
- a \$1,500,000 reduction to JOBS NOW reappropriations.

The Executive proposes the following decreases from the SFY 2008-09 DED budget:

- a \$6,000,000 decrease to the I Love NY program from \$17,015,000 in SFY 2008-09 to \$11,015,000 in SFY 2009-10;
- a \$2,000,000 decrease to International Trade from \$3,500,000 in SFY 2008-09 to \$1,500,000 in SFY 2009-10;
- a \$1,000,000 decrease to the Local Tourism Matching Grants Program from \$4,171,000 in SFY 2008-09 to \$5,171,000 in SFY 2009-10;
- a \$2,162,000 decrease from the elimination of the Empire Zone Administration program funding;
- a \$980,000 decrease from the elimination of Explore NY;
- a \$875,000 decrease from the elimination of the Business Marketing Program;
- a \$470,000 decrease from the elimination of Broome County Community Charities funding;
- a \$282,000 decrease from the elimination of Adirondack North Country funding;
- a \$282,000 decrease from the elimination of Western NY Regional Marketing funding;
- a \$141,000 decrease from the elimination of Griffiss Local Development Corporation funding;
- a \$141,000 decrease from the elimination of Corning Classic Charities funding; and
- a \$94,000 decrease from the elimination of Glen Street/South Falls Revitalization funding.

The Executive proposes a Deficit Reduction Plan decreasing SFY 2008-09 DED appropriation by \$2,672,000. These cuts include:

- a 50 percent reduction to all legislative adds totaling \$1,672,020; and
- a \$1,000,000 reduction to Local Tourism Matching Grants.

The Executive proposes the following decreases from the SFY 2008-09 NYSTAR budget:

- a \$4,263,000 decrease to the Centers for Advanced Technology (CATs) from \$13,818,000 in SFY 2008-09 to \$9,555,000 in SFY 2009-10. This decrease represents the elimination of funding for the Stony Brook University Sensor Research and Development CAT and the Rensselaer Polytechnic Institute Automation Technologies and Systems and a 20 percent reduction for all remaining CATs;
- a \$2,606,000 decrease to the Focus Centers from \$4,606,000 in SFY 2008-09 to \$2,000,000 in SFY 2009-10;
- a \$1,000,000 decrease to the Incentive Program from \$3,920,000 in SFY 2008-09 to \$2,920,000 in SFY 2009-10;
- a \$1,000,000 decrease to the Faculty Development Program from \$3,684,800 in SFY 2008-09 to \$2,684,800 in SFY 2009-10;
- a \$1,381,800 decrease from the elimination of funding for the College Applied Research and Technology Centers;
- a \$705,000 decrease from the elimination of the Center for Integrated Manufacturing Systems funding;
- a \$705,000 decrease from the elimination of funding for Excell Partners;
- a \$470,000 decrease from the elimination of the Institute for Excellence in Manufacturing funding;
- a \$376,000 decrease from the elimination of the Center for Remanufacturing funding;
- a \$314,000 decrease from the elimination of funding for the Syracuse University Sensing, Analyzing, Interpreting and Deciding Center (SAID);
- a \$235,000 decrease from the elimination of the Center for Economic Growth; and

- a \$141,000 decrease from the elimination of NY Loves Bio funding

The Executive proposes a Deficit Reduction Plan decreasing SFY 2008-09 NYSTAR appropriation, by \$7,204,000. These include:

- a 50 percent reduction to all legislative adds, totaling \$1,232,000;
- a \$2,894,000 reduction the Focus Center;
- a 1,078,000 reduction to the College Applied Research Centers;
- a \$1,000,000 reduction to the Incentive Program; and
- a \$1,000,000 reduction to the Faculty Development Program;

### **Capital Projects**

The Executive recommends \$100,000,000 for Capital projects reflecting a decrease of \$1,285,000,000 from the SFY 2008-09 Budget. The Executive's proposal includes the following economic development projects:

- \$50,000,000 for the IBM Wafer Packaging Center;
- \$25,000,000 for Albany Nanotech; and
- \$25,000,000 for the Economic Development Fund.

### **Article VII**

The Executive recommends Article VII legislation that would:

- make permanent the general loan powers of the New York State Urban Development Corporation;
- authorize the New York State Urban Development Corporation to make contributions to the General Fund;
- establish the New York Growth, Achievement and Investment Strategy Fund;
- authorize the development of an economic development capital spending reduction and strategic reinvestment plan; and

- authorize the consolidation of the Department of Economic Development and the Foundation for Science, Technology, and Innovation into the Empire State Development Corporation.

## MISCELLANEOUS: TRANSPORTATION, ECONOMIC DEVELOPMENT & ENVIRONMENTAL CONSERVATION

	Adjusted Appropriation 2008-09	Executive Request 2009-10	Change	Percent Change
<b>AGENCY SUMMARY</b>				
General Fund	4,975,000	2,831,000	(2,144,000)	-43.1%
Special Revenue-Other	40,045,000	47,600,000	7,555,000	18.9%
Cap. Proj. Fund - Rebuild Renew NY 2005 - Bondable	487,000,000	82,000,000	(405,000,000)	-83.2%
Total for Agency:	532,020,000	132,431,000	(399,589,000)	-75.1%
Total Contingency:	636,000,000	951,654,000	315,654,000	49.6%
<b>Total for AGENCY SUMMARY:</b>	<b>1,168,020,000</b>	<b>1,084,085,000</b>	<b>(83,935,000)</b>	<b>-7.2%</b>

### Programmatic Highlights

(Executive Budget: pp. 511-527)

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- a recommendation to establish a New York Power Authority (NYPA) Asset Transfer Program, which would allow for the transfer of a total of \$476,000,000 from the Power Authority to the General Fund for fiscal relief;
- a recommendation to consolidate State agency operations by eliminating the Northeastern Queens Nature and Historical Preserve Commission and transferring responsibilities of the Commission to the Office of Parks Recreation and Historic Preservation (OPRHP); and
- a recommendation to consolidate State agency operations by eliminating the Hudson River Valley Greenway Council and Conservancy and transferring certain functions of the Greenway Council to the Department of State.

## Budget Detail

### State Operations

#### Proposed Increases

##### **Power Authority of the State of New York (NYPA)**

In SFY 2009-10, the Executive proposes a NYPA Asset Transfer Program to provide for a transfer of \$476,000,000 from NYPA to the General Fund for the purpose of providing fiscal relief. Of this amount, \$306,000,000 is included as a transfer in the SFY 2008-09 Deficit Reduction Plan, while \$170,000,000 is included under the SFY 2009-10 Executive Budget, and an additional \$128,000,000 which has been previously authorized across both State fiscal years.

The proposal provides that such funds will eventually be repaid to NYPA upon certification by the Director of the Budget. Article VII legislation is also proposed that would require similar appropriations to be annually included in the Executive Budget submission until such time that NYPA has been reimbursed for assets transferred to the State.

#### Proposed Decreases

##### **Green Thumb**

The Executive proposes an appropriation of \$2,831,000 for the Green Thumb Program, which provides income-eligible seniors with part-time employment in State agencies. In SFY 2009-10, the Office of Parks, Recreation and Historic Preservation will no longer participate in the program, generating a decrease of \$1,028,000 or 26.83 percent in the Green Thumb Program.

##### **Hudson River Valley Greenway Heritage Conservancy (Heritage Conservancy)**

The Executive Budget includes a decrease of \$256,000 due to the elimination of the Heritage Conservancy and consolidation of its liabilities, assets, and responsibilities to the Department of State.

##### **Hudson River Valley Greenway Communities Council (Greenway Council)**

The Executive Budget includes a decrease of \$404,000 reflecting a proposal to eliminate the Greenway Council and consolidate its liabilities, assets, and responsibilities with the Department of State. This also includes removal of support for the three full-time equivalent (FTE) positions funded under the Greenway Council.

## **Northeastern Queens Nature and Historical Preserve Commission**

The Executive Budget includes a decrease of \$125,000 reflecting a proposal to eliminate the Northeastern Queens Nature and Historical Preserve Commission and transfer its responsibilities to the Office of Parks, Recreation and Historic Preservation. This also includes the removal of funding for the two FTE positions supported by the Commission.

## **Statewide Energy Improvement**

The Executive discontinues the one-time appropriation of \$45,000 from the SFY 2008-09 budget which provided funding for energy efficiency and clean energy projects. The funding was disbursed by the New York Power Authority. The appropriation is no longer continued since revenue was derived from a petroleum overcharge settlement with several oil companies and has been completely appropriated.

## **Aid to Localities**

### **Proposed Increases**

#### **Tribal State Compact Revenue**

The Executive Budget proposes a Special Revenue Fund-Other appropriation of \$47,600,000 for Tribal State Compact Revenue for purposes identified in Section 99-h of the State Finance Law. This represents an increase of \$7,600,000 over the SFY 2008-09 appropriation.

### **Proposed Decreases**

#### **Hudson River Valley Greenway Community Council (Greenway Council)**

The Executive Budget includes a decrease of \$120,000 reflecting a proposal to eliminate the Greenway Council and consolidate its liabilities, assets, and responsibilities to the Department of State.

#### **Metropolitan Transportation Authority**

The Executive proposes a contingency appropriation for the Metropolitan Transportation Authority (MTA) in the amount of \$633,654,000, a decrease of \$2,346,000, or 0.37 percent, from the SFY 2008-09 Enacted Budget. This contingency appropriation can be used to support operating costs as well as debt service payments for the MTA in SFY 2010-11 in the event the State budget for that fiscal year is not enacted by April 1, 2010.

## **Capital Projects**

### **Metropolitan Transportation Authority**

The Executive proposes an appropriation of \$82,000,000 for the purpose of funding MTA Capital projects. This represents a decrease of \$405,000,000, or 83.2 percent, from the appropriation in the SFY 2008-09 Enacted Budget in accordance with the provisions of the MTA five-year Capital Plan. These funds were generated by the sale of bonds authorized by the Renew and Rebuild New York Transportation Bond Act which was approved by voters in November of 2005. The \$82,000,000 appropriation for SFY 2009-10 represents the remainder of Bond Act monies planned to be allocated to the MTA. The MTA Capital Program funds maintenance, rehabilitation, and expansion projects related to mass transit in the Metropolitan Commuter Transportation District.

This year, the MTA is required to submit a new five-year capital program plan in October for consideration by both the MTA Board and the Capital Program Review Board (CPRB). This new five-year program would span the period from 2010-2014.

## **Article VII**

The Executive recommends Article VII legislation that would:

- dedicate the full local share of State revenues received from the Seneca Nation's Buffalo Creek Casino to the City of Buffalo;
- require an annual appropriation to be included in the Executive Budget that reflects the value of assets transferred from the Power Authority of the State of New York (NYPA) to the State, pursuant to a memorandum of understanding between NYPA and the State;
- eliminate the Northeastern Queens Nature and Historical Preserve Commission and transfer its responsibilities to the Office of Parks, Recreation and Historic Preservation; and
- eliminate the Hudson River Valley Greenway Communities Council (Greenway Council) and Hudson River Valley Greenway Heritage Conservancy (Heritage Conservancy) and transfer liabilities, assets, and responsibilities of the Greenway Council and Heritage Conservancy to the Department of State.