

## APPROPRIATION BUDGET BILLS

A. 9800/S.6800	Public Protection and General Government
A. 9801/S. 6801	Legislature and Judiciary
A. 9802/S. 6802	Debt Service
A. 9803/S. 6803	Education, Labor and Family Assistance
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Budget Bill #1	Deficiency Appropriations for State Fiscal Year 2007-08

## NON-APPROPRIATION BUDGET BILLS

Section 22 of the State Finance Law requires the Executive Budget to include a list of proposed legislation submitted pursuant to Article VII of the State Constitution. In addition to the major appropriation bills, the following Article VII bills have been submitted that set forth the policy initiatives contained in the Executive Budget.

### A.9800/S.6800 - PUBLIC PROTECTION AND GENERAL GOVERNMENT

PART	DESCRIPTION	SUMMARY
A	Revise the powers and duties of the Empire State Plaza Arts Commission.	This part would revise the powers and duties of the Commission to include the authority to solicit gifts, grants, and loans of works of art for the collection, as well as solicit and accept gifts of funds.
B	Amend the Arts and Cultural Affairs Law, in relation to the composition of the Board of Directors of the Executive Mansion Trust.	This part would empower the corporate directors of the Board to solicit and accept donations and to increase and stagger the board terms as well as to eliminate the Chair of the New York State Historical Society as an ex officio board member.
C	Create a State office to monitor the provision of indigent defense services statewide and to consider and recommend measures to improve the delivery of such services.	This part would create an Office of Indigent Defense Services in the Department of State. The office would be responsible for: examining, evaluating, and collecting information on the existing public defense system in the counties; developing a case management system to facilitate the collection and reporting of such information; ensuring that indigent criminal defendants receive constitutionally effective counsel; developing a plan to improve the delivery of defense services; distributing available State funding; and planning, coordinating, and providing free or low-cost practice training to public defense counsels.

PART	DESCRIPTION	SUMMARY
D	Enhance protective services offered to victims and witnesses who are at risk of harm as a result of their cooperation with law enforcement.	This part would: require the Division of Criminal Justice Services to develop a witness protection program to provide assistance to district attorneys in protecting witnesses and victims who may be at risk of harm as a result of their cooperation with law enforcement; expand the ability of the court to prevent disclosure of the identity and location of victims and witnesses; increase the existing criminal penalties for tampering with or intimidating a victim or witness; and require the transmission of orders of protection issued at sentencing to the agency responsible for an offender's custody and supervision.
E	Increase judicial salaries.	This part would set the salary of a State Supreme Court justice at \$165,200 and would apply retroactively to April 1, 2006, and provide an additional 2.5 percent salary increase effective April 1, 2008. Salaries for all other judges, including Housing Court judges, would be established at set percentages of a Supreme Court justice's salary.
F	Amend the State Finance Law to make permanent the Procurement Stewardship Act, to expand the role of the State Procurement Council, and to recapture the cost of providing centralized contracts.	This part would make permanent the Procurement Stewardship Act (PSA), which governs the purchasing of services and commodities. PSA is currently set to expire on June 30, 2008. This part would increase the size of the State Procurement Council from nineteen to twenty-five members and would provide the Council with a policy-making role. This part would also require contractors to include a 0.5 percent surcharge on the purchase price charged to entities using centralized contracts in order to recapture the cost of developing such contracts.
G	Extend the sunset date of the Temporary State Commission on Investigation.	This part would extend the authorization of the Temporary State Commission on Investigation for seven months past the current sunset date of September 1, 2008, and establish a new sunset date of March 31, 2009.

PART	DESCRIPTION	SUMMARY
H	Extend the monthly surcharge on wireless communication devices to prepaid cellular phones and make additional conforming and clarifying amendments.	This part would authorize New York City and certain New York State counties to extend monthly surcharges on wireless communications services to prepaid wireless communication services, and would establish a method for wireless communication service suppliers to calculate the surcharge for prepaid wireless communications services. It would consolidate provisions of law authorizing certain counties to impose such surcharges and would allow such counties to use surcharge revenues only for the payment of “eligible wireless 911 service costs” until there is compliance with enhanced wireless 911 service standards.
I	Authorize recovery of costs for review, approval, and monitoring of plans to reduce provisional employees.	This part would: allow the Civil Service Department to charge New York City for costs associated with approving and monitoring plans to reduce the number of provisional employees; allow New York City to collect from New York City Department of Citywide Administrative Service employers their cost; and authorize the New York State Comptroller to capture the funds from State aid to the City if the City does not pay.
J	Expand the use of the Criminal Justice Improvement Account (CJIA).	This part would allow the funds deposited in the Criminal Justice Improvement Account (CJIA) to be used for law enforcement purposes, including Operation IMPACT. This part would also allow the CJIA funds to be used to support the operation of the Crime Victims Board. The statute currently allows the CJIA funds to support crime victim services and compensation.
K	Require nuclear power plant owners to pay the costs of security provided by the New York National Guard.	This part would establish the Power Plant Security Account and would impose an assessment on operators of nuclear electric generating facilities, in an amount equal to the costs to the State for the deployment of members of the State organized militia, primarily the New York National Guard, to provide security at such facilities. The assessment for each licensee would be based on costs to the State of providing security at each facility.

PART	DESCRIPTION	SUMMARY
L	Revise the medical parole statute to authorize the release of inmates who are seriously ill and incapacitated.	This part would expand the use of medical parole to allow for the release of inmates with significant and permanent non-terminal conditions who are so physically or cognitively incapacitated that they do not pose a threat to public safety. This part would also allow an inmate’s family and prison staff to initiate an application for medical parole and allow the Department of Health to assist the Department of Correctional Services and the Parole Board in developing and implementing an appropriate medical discharge plan.
M	Increase the Motor Vehicle Law Enforcement fee, expand its uses, and make permanent various related provisions.	This part would raise the Motor Vehicle Law Enforcement fee charged to insured motor vehicles to \$20 from \$5. It would direct that one-half be deposited in the Dedicated Highway and Bridge Trust Fund to fund a bridge maintenance program. Of the other half, \$4.7 million would be deposited in the motor vehicle theft and insurance fraud prevention fund and the remainder in the state police motor vehicle law enforcement account. This program, which currently sunsets on July 1, 2008, would be made permanent.
N	Add to the powers of the board that administers the Interest on Lawyer Account Fund (IOLA).	This bill would clarify and refine the duties and responsibilities of IOLA's board concerning oversight of lawyer escrow accounts and the provision of civil legal services. The bill would establish criteria so grants can be awarded through an evaluative process.
O	Modify the Aid and Incentives for Municipalities (AIM) Program, create a new Local Government Efficiency Grant Program, and expand local government financial reporting requirements.	This part would reform the AIM program, increase funding for fiscally distressed municipalities that receive significantly less aid per capita than their peers, and include a partial restoration in AIM funding to New York City. This part would also establish a Local Government Efficiency Grant program to replace the Shared Municipal Services Incentive Program and expand reporting requirements for municipalities to include requiring the posting of financial reports on websites, requiring the State Comptroller to report on new fiscal performance data for all local governments, and requiring fiscally distressed municipalities to obtain independent audits.

<b>PART</b>	<b>DESCRIPTION</b>	<b>SUMMARY</b>
P	Offer additional revenue opportunities to local governments, including an option for counties to increase mortgage recording fees, authorization for cities and villages to collect utilities gross receipts tax on mobile phone services, and authorization for certain cities and counties to establish red light camera traffic safety programs.	This part would amend various provisions of §1111-a of the Vehicle and Traffic Law to authorize cities with a population of 125,000 or more and counties with a population of one million or more to adopt a local law to install and operate traffic-control signal photo violation-monitoring devices at up to fifty intersections.
Q	Provide mandate relief for local governments.	This part would include several provisions that would have an impact on local governments including: increases in the competitive bidding thresholds and other modifications to the Wick’s Law; changes related to municipal purchasing provisions; and increases to the debt limit of the New York City Transitional Finance Authority.
R	Restructure State aid provided to municipalities in which a video lottery gaming facility is located.	This part would phase out the current aid formula for local governments with video lottery gaming facilities and would replace it with a program to reimburse localities for actual costs.
S	Extend the powers of the New York State Financial Control Board (FCB) and make changes to the Board’s authority.	This part would extend the power of the New York State Financial Control Board’s (FCB’s) power to impose a control period that would terminate with the termination of the Board itself. This provision would also grant the FCB the ability to delay implementation of changes to Generally Accepted Accounting Principles.
T	Reform the administration of local property taxes.	This part would increase the real property transfer fee and change it from a flat fee to a graduated, sale-price based fee. This part would also grant new authority to the State Board of Real Property Services and restructure several local aid programs in order to promote consolidation of assessment units and practices.

<b>PART</b>	<b>DESCRIPTION</b>	<b>SUMMARY</b>
U	Enact certain recommendations made by the Commission on Local Government Efficiency and Competitiveness.	This part would advance a variety of local-government related provisions including: modifications to municipal health benefit plan cooperatives; authorization for counties to enter into intermunicipal agreements to share one individual Director of Weights and Measures; coordination of State and local highway services; authorization for citizen petitions; and consolidation of certain special districts.
V	Authorize transfers, temporary loans, and miscellaneous capital/debt provisions, including certain bond caps	This part would provide statutory authorization for the administration of funds and accounts included in the 2008-09 Executive Budget authorizing the transfer of funds budgeted in the financial plan but that do not have permanent statutory authorization, as well as providing for other transactions, including temporary loans from the State Treasury for cash flow purposes, necessary to maintain a balanced Financial Plan. This part would also provide statutory authorization necessary to reimburse projected Capital Projects Funds spending, including authorizing the issuance of certificates of participation, increasing existing bond caps for various capital projects, maximizing debt service savings from State-supported refunding, setting debt policy, ensuring the continued tax-exempt status, and reducing borrowing costs for certain debt.

**A.9803/S.6803 - EDUCATION, LABOR AND FAMILY ASSISTANCE**

<b>PART</b>	<b>DESCRIPTION</b>	<b>SUMMARY</b>
A	Amend the accountability provisions enacted in the SFY 2007-2008 budget.	This part would amend the accountability provisions enacted in the SFY 2007-2008 budget, including: amending the Contracts for Excellence criteria to target schools identified as academically deficient for two consecutive years; expanding the menu of options for which Contract funding can be used to include programs for students with limited English proficiency; requiring initial Contracts to be updated annually for two years; modifying the School Leadership and School Progress Report Cards to include new excellence standards; altering the Maintenance of Effort requirement for the Big Four City School Districts to include county sales tax revenues; and creating incentive grants for school districts to model English Language Learner educational plans after effective programs.
B	Amend several fiscal provisions relating to the enacted SFY 2007-2008 budget, modify and expand financial initiatives, and other changes.	This part would modify the Foundation Aid formula and make adjustments to Library Systems aid, High Tax aid, Charter School Transitional aid, and Building aid. This part would increase Special Services aid, amend the Board of Cooperative Educational Services aid, and modify the preschool special education program by capping the annual growth costs to counties located outside of New York City and shifting the evaluation responsibilities and expenses to school districts. This part also would link New York City academic achievement grants with building and transportation aid, expand the Yonkers supplemental educational improvement plan grant, maintain the magnet school set-aside within the foundation aid, and continue investments in the Universal Prekindergarten program with the addition of allowing providers to prioritize the participation of children with limited English proficiency.



PART	DESCRIPTION	SUMMARY
C	Create the Healthy Schools Act.	This part would direct the Department of Health to establish recommendations for school food nutritional and dietary standards, which would be promulgated by the State Education Department. School districts participating in the National School Lunch Program would be required to adhere to the promulgated standards, develop a local school wellness policy, and offer breakfast in middle and high schools. In October 2008, additional State reimbursement would be provided to increase access to free school meals, and, beginning October 2009, an additional seven cents per meal would be made available to schools in order to subsidize the purchase of healthy foods.
D	Grant regulatory flexibility to the State University of New York (SUNY) and the City University of New York (CUNY).	This part would exempt SUNY and CUNY from obtaining prior review when purchasing goods and services, entering into revenue contracts, and entering into contracts with affiliated non-profits. This part would also allow SUNY to sell or exchange property, subject to the approval of the director of budget, and to lease land to private or public entities for the purposes of constructing or rehabilitating facilities. Additionally, this part would allow non-profits affiliated with SUNY to participate in centralized commodity and services contracts maintained by the Office of General Services and allow the State University Construction Fund to choose its own project delivery methods and procurement guidelines.
E	Lease or transfer of lottery operations.	This part would authorize the Director of the Lottery to lease or transfer Lottery operations in exchange for advance payments to create endowments and trusts for funding elementary, secondary, and higher education.
F	Eliminate Tuition Assistance Program (TAP) eligibility for students in default of loans.	This part would eliminate TAP eligibility for all students in default on federal loans.
G	Allow the State Education Department (SED) to retain physician license renewal fees.	This part would allow the SED to retain a two percent credit card transaction fee for each biennial registration payment for physician license renewals made online.

PART	DESCRIPTION	SUMMARY
H	Recover costs relating to enforcement of the Student Lending Accountability, Transparency, and Enforcement Act (SLATE).	This part would allow the SED to enter into a memorandum of understanding with the New York State Attorney General's Office to recover cost for expenses in the enforcement of SLATE.
I	Extend Regents Scholarship programs.	This part would extend the Regents Professional Opportunity and Regents Health Care Professional Opportunity Scholarship programs through the 2008-09 academic year.
J	Change the pay basis of the State Employment Relations Board (SERB).	This part would change the pay basis of members from full-time annual salaried to per diem positions. Currently, member's salaries are \$90,800; the new rate would be \$350 per day. The chair of SERB would continue to have an annual salary.
K	Extend the Unemployment Insurance (UI) interest assessment surcharge.	This part would extend to December 31, 2009, the authorization to assess a surcharge against employers for interest payments on federal loans to support the Unemployment Insurance program.
L	Create the University Capital Projects Review Board (UCPRB).	This part would create the University Capital Projects Review Board (UCPRB) to approve capital projects for strategic investments at the State University of New York and the City University of New York. The board would include three voting members, including the Director of the Budget, Temporary President of the Senate, Speaker of the Assembly, or their respective designees, and two non-voting members appointed by the minority leaders of the Assembly and Senate.
M	Provide the Higher Education Services Corporation (HESC) with tax information on borrowers in default of loans.	This part would allow the New York State Department of Taxation and Finance to provide HESC with income tax information relating to borrowers in default on government education loans for purposes of default prevention, collection, and use of income tax refunds to satisfy loans' past due-balances.

PART	DESCRIPTION	SUMMARY
N	Provide tuition assistance for veterans.	This part would provide New York State combat veterans of the hostilities in Vietnam, Afghanistan, and the Persian Gulf with tuition assistance up to the cost of undergraduate tuition at the State University of New York at any institution of higher education in New York.
O	Expand the optional retirement investment choices.	This part would authorize the State University of New York, the City University of New York, and the State Education Department to expand the investment choices of their employees who participate in Optional Retirement Program by allowing these members to invest in mutual funds.
P	Clarify funding arrangements for the enhanced Optional Retirement Program (ORP) benefits.	This part would clarify that the enhanced benefits provided to the State University of New York (SUNY), the City University of New York (CUNY), and community college employees enrolled in ORP that provide for the employer to pick up three percent of member contribution after ten years of membership would be funded from the budgets of SUNY, CUNY, and the community colleges, and not from a non-existent fund called the "State fringe benefit fund."
Q	Allow offsets against basic Middle Class School Tax Relief Program (STAR) rebates.	This part would allow offsets against Basic Middle Class STAR rebates for certain debts owed to the State such as delinquent taxes, past-due child support, and certain State overpayments.
R	Eliminate the New York City School Tax Relief Program income tax credit for high-income taxpayers and delay a scheduled increase in the credit.	This part would repeal the New York City school tax credit for taxpayers with incomes above \$250,000 and delay a scheduled increase in such credit.

PART	DESCRIPTION	SUMMARY
S	Delay the increase in Basic Middle Class STAR rebate benefits for one year.	This part would delay for one year the Middle Class STAR Rebate Program's scheduled increase from sixty percent, forty-five percent, and thirty percent in school year 2007-08 to seventy percent, fifty-two and one-half percent, and thirty-five percent in school year 2008-09, and to eighty percent, sixty percent, and forty percent for school years 2009-2010 and beyond.
T	Create a new State Employment Relations Board (SERB) arbitration fee.	This part would create a SERB arbitration fee of \$750 per party to offset SERB's current reliance on the General Fund.
U	Transfer cost to Local Social Services Districts for Juvenile Detention Placements.	This part would require local social services districts to assume the full cost of locally administered and operated secure and non-secure detention facilities, including the cost of placing youth alleged and adjudicated persons in need of supervision in foster care facilities in New York City. The proposal would require all administering agencies to submit a youth detainee report annually instead of quarterly.
V	Increase Office of Temporary and Disability Assistance (OTDA) access to the Department of Taxation and Finance Wage Reporting System records.	This part would expand access to the State's Wage Reporting System records by OTDA to administer Public Assistance programs, to determine eligibility of recipients and former recipients for transitional food stamps, to locate absent parents or other persons legally responsible for the support of former recipients, and to determine the eligibility of foster care children for federal IV-E funds. The part also would limit access to former recipients' wage reporting information to a period of three-and-a-half years and require OTDA to post certain outcomes on its website on a quarterly basis.
W	Change the School Tax Relief Program (STAR) "floor" adjustment from five percent to ten percent and make other changes to the STAR administration.	This part would increase the "floor" adjustment used in the computation of STAR exemption benefits from five percent to ten percent, and make various technical changes to the administration of the STAR program including: the extension of benefits to limited partnerships where one or more owner claims primary residency, the amendment of the filing date deadline from May 1 to August 1 and the requirement that school district budget notice proposals are sent to homeowners include basic STAR savings during a proposed budget.

<b>PART</b>	<b>DESCRIPTION</b>	<b>SUMMARY</b>
X	Increase Supplemental Security Income (SSI) Cost of Living Adjustment (COLA).	This part would increase the SSI rates for 2009 by passing through the annual federal (COLA) to all SSI recipients and would implement the statutorily required COLA on the State SSI supplement for recipients in Congregate Care Level 3 facilities.
Y	Modify cost share of Public Assistance.	This part would increase the county share of Public Assistance and Safety Net Assistance expenditures.
Z	Implement child support fees and pass-through.	This part would implement a \$25 service fee for “never assistance” child support clients (non-Public Assistance) when annual collections reach at least \$500. The service fee would apply to each child in households where a custodial parent has children with different non-custodial parents. The part would also increase the child support pass-through for Public Assistance (PA) recipients from \$50 to \$100 and would assign to the state and local social services districts any right to support that accrue during the period that a family receives PA (Family Assistance and Safety Net).
AA	Establish performance reporting requirements for programs in the Office of Temporary and Disability Assistance (OTDA) and the Office of Children and Family Services (OCFS).	This part would require the creation of performance data for certain programs operating under OCFS and OTDA. The part would also require each agency to post the performance data, allocations, awards, and other contract information on the respective agency’s website.

**A.9804/S.6804 - HEALTH AND MENTAL HYGIENE**

<b>PART</b>	<b>DESCRIPTION</b>	<b>SUMMARY</b>
A	Change the public health services programs.	This part would, among other provisions, implement public health measures relating to the Elderly Pharmaceutical Insurance Coverage (EPIC) and Targeted Expanded In-home Services for the Elderly, create an Adult-Day Blended Model, mandate a study of the feasibility and cost-efficiency of providing immunizations for children without charge, clarify what constitutes a “municipality” related to the General Public Health Works Program in regards to state aid for public health emergencies, laboratories, and laboratory certification, expand the Public Health Management Leaders of Tomorrow Program, and transfer of the Adolescent Pregnancy Prevention from the Office of Children and Family Services to the Department of Health.
B	Extend and modify the Health Care Reform Act (HCRA).	This part would extend HCRA through March 31, 2011. HCRA is currently scheduled to sunset on March 31, 2008. This part also would authorize state-only payments for the Child Health Plus income eligibility expansion to 400 percent of the Federal Poverty Level and other modifications.
C	Medicaid	This part would change reimbursement methodology for inpatient, ambulatory, and nursing home care. It also would implement pharmacy-related measures, including changes to the Preferred Drug List and removing pharmacy costs from the Family Health Plus program benefit package to enhance State drug rebates. It further would: change the home and community-based services programs, promote care coordination for medically complicated and high cost individuals, and strengthen the State’s anti-fraud capabilities. It would simplify enrollment and income standards for Medicaid, Child Health Plus, and Family Health Plus, expand Medicaid to cover foster children up to 21 years of age and implement prior-year cost containment for hospitals, and extend various expiring laws.

PART	DESCRIPTION	SUMMARY
D	Office of Alcoholism and Substance Abuse Services (OASAS) responsible for compulsive gambling programs.	This part would make OASAS permanently responsible for the oversight and funding of New York State's compulsive gambling programs.
E	Enable Medicaid to reimburse providers the higher of the Medicare co-pay or up to the Medicaid rate for outpatient programs licensed by the Office of Mental Health (OMH) for the Medicaid/Medicare crossover population.	This part would allow, in cases where a mental health patient is both Medicaid and Medicare eligible, Medicaid to be used to reimburse OMH-licensed service providers either the Medicare co-pay or the Medicaid rate minus the amount paid by Medicare, whichever is greater.
F	Extend the authority of the Office of Mental Health (OMH) to certify the Comprehensive Psychiatric Emergency Program (CPEP).	This part would allow OMH to continue to certify CPEP facilities until July 1, 2012. These facilities provide a dedicated alternative to standard emergency rooms for persons in acute psychiatric distress, where patients can receive critical emergency care from mental health experts.
G	Clarify that mental health outpatient services provided by dually-licensed general hospitals are not considered specialty services under the Public Health Law.	This part would clarify that services that are reimbursed at rates set by the Commissioner of Mental Health are not considered specialized services, regardless of the setting in which the services are delivered. This would ensure that rates for all mental health outpatient services, whether delivered in hospitals with licenses issued pursuant to both Article 28 of the Public Health Law and Article 31 of the Mental Hygiene Law or in other settings, will be reimbursed at the same levels for the delivery of the same services.

<b>PART</b>	<b>DESCRIPTION</b>	<b>SUMMARY</b>
H	<p>Allows the Office of Mental Health (OMH), the Office of Mental Retardation and Developmental Disabilities (OMRDD), and the Office of Alcoholism and Substance Abuse Services (OASAS) to expand their ability to create housing opportunities that are integrated into communities.</p>	<p>This part would allow OMH, OMRDD, and OASAS to participate with the Housing Finance Agency or the Division of Housing and Community Renewal in financing integrated housing development by voluntary agencies. Currently the mental hygiene agencies can only provide financing for housing for persons with mental disabilities in conjunction with the Dormitory Authority of the State of New York.</p>
I	<p>The Office of Mental Health, the Office of Mental Retardation and Developmental Disabilities, the Office of Alcoholism and Substance Abuse Services, the Department of Health, the State Office for the Aging, the Office of Temporary and Disability Assistance, and the Office of Children and Family Services continue the current cost of living adjustment (COLA) for eligible services providers.</p>	<p>This part would extend the COLA until March 31, 2012. This part also would recognize new programs eligible for the COLA and eliminate the Early Intervention program from being eligible for the COLA.</p>



**A.9805/S.6805 - TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION**

<b>PART</b>	<b>DESCRIPTION</b>	<b>SUMMARY</b>
A	Provide the annual authorization for the CHIPS and Marchiselli programs.	This part would authorize \$303.097 million in capital for CHIPS and \$39.7 million for the Marchiselli program for State Fiscal Year 2008-09.
B	Increase the Environmental Protection Fund General Fund guarantee and expand the purposes for which the Fund may be used.	This part would amend the State Finance Law to: increase the aggregate amount of allowable transfers in the event the Environmental Protection Fund faces a fund shortfall from \$322.171 million to \$422.171 million; add three new funding categories; and make several existing funding categories permanent.
C	Require transit systems, other than the Metropolitan Transportation Authority (MTA), participating in the State's Omnibus and non-MTA capital programs to purchase replacement buses through the use of consortiums or demonstrate they can achieve similar savings without the use of a consortium, in order to receive the maximum State grant.	This part would require public transportation systems (excluding the MTA) meeting federal standards for replacement systems receiving State assistance that contract for replacement buses to procure the replacement buses through a consortium of two or more public transportation systems or demonstrate a unit cost equal to or less than the unit cost available through the consortium. In the event that the sponsor cannot demonstrate the aforementioned, the State matching share would not be more than twenty-five percent of the nonfederal share, but in no event would the State share exceed five percent of the project costs. The same provisions would apply to bus replacements funded from the Dedicated Mass Transportation Trust Fund. The commissioner could use his or her discretion to waive the requirements.
D	Extend the Department of Transportation's Single Audit Program.	This part would make permanent the Department of Transportation (DOT) single audit program, which requires municipalities and public authorities that are subject to a single audit of federal aid to prepare and have audited a schedule of State transportation assistance expended, provided that the total of such assistance exceeds \$100,000 in a fiscal year.

PART	DESCRIPTION	SUMMARY
E	Modify the Dedicated Highway and Bridge Trust Fund (DHBTF) reporting requirements.	This part would amend various provisions of DHBTF reporting requirements, including changing the requirement to report appropriations to reporting actual and proposed disbursements and transfers from the DHBTF, removing requirements to provide “probable life” data, allowing the governor, the Senate majority leader, and the Assembly Speaker to agree on the forms of reports to be submitted to the Office of the State Comptroller, changing reports on bond coverage ratio from biennial to annual, adding a provision to report appropriations from DHBTF and the planned disbursements pursuant to such appropriations, removing from the report information as to what part of an appropriation would be paid on a pay-as-you-go basis and the statutory authority for using DHBTF money for a project, extending by 10 days the time for the Comptroller to give a quarterly report to the Division of Budget, and eliminating a requirement that DOB make a report to OSC and the legislative fiscal committees.
F	Amend the Vehicle and Traffic Law and the Transportation Law, in relation to the disqualifications of commercial driver’s license holders.	This part would modify various provisions of the Vehicle and Traffic Law and the Transportation Law relating to the operation of commercial motor vehicles (CMVs).
G	Amend the Vehicle and Traffic Law in relation to fees for driver’s licenses and non-driver identification cards.	This part would establish an additional fee of \$20 for any driver’s license or non-driver identification card issued to a New York State resident who is a United States citizen that can be used for certain land and sea border crossings pursuant to the Intelligence Reform and Terrorism Prevention Act of 2004 or regulations promulgated thereunder. It also would authorize county clerks to retain thirty percent of such \$20 fee.

PART	DESCRIPTION	SUMMARY
H	Transfer the adjudication of all traffic infractions in the City of Buffalo from the New York State Department of Motor Vehicles Traffic Violations Bureau to the City of Buffalo.	This part would remove the City of Buffalo from Vehicle and Traffic Law provisions relating to State adjudication of traffic infractions in certain municipalities and would authorize the City of Buffalo to enact a local law providing for the adjudication of traffic infractions which would be punishable by a civil penalty.
I	Eliminate the return of the deposit for plans and specifications associated with Department of Transportation capital project bids.	This part would make the deposit paid for copies of project plans and specifications nonrefundable for the successful bidder on Department of Transportation projects.
J	Establish the Local Bridge Preservation Program.	This part would establish the “Local Bridge Preservation Program” for the provision of assistance to improve or maintain the condition and/or functionality of local bridges, subject to application to, and project funding approval by, the Department of Transportation. The part would require municipalities to pay twenty percent of a project’s costs, and would require project sponsors to make certain certifications.
K	Amend Highway Law, §10-c, to remove a disincentive to certain transfers of maintenance jurisdiction between municipalities.	This part would allow any municipality that has agreed to accept jurisdiction and maintenance responsibility for another municipality’s roads, streets, and highways to receive no less in consolidated local highway apportionments than the municipality that owns such roads, streets, and highways would have received if it had performed the maintenance itself.
L	Establish the Traffic Congestion Mitigation Fund.	This part would create and establish the Traffic Congestion Mitigation Fund, which would consist of the Metropolitan Transportation Authority Account.” The Metropolitan Transportation Authority would deposit into the metropolitan transportation authority account the moneys received that relate to traffic congestion mitigation.

PART	DESCRIPTION	SUMMARY
N	Amend the Agriculture and Markets Law in relation to establishing risk based food-safety inspections.	This part would eliminate the requirement that retail food stores be inspected annually, substituting a “risk-based” frequency determined by the Commissioner of Agriculture and Markets, based upon size of the business, type of food offered for sale, and other factors that may affect public health.
O	Increase State cost recovery fees from Public Authorities.	This part would increase the maximum amount that the State Comptroller is required to allocate among State public authorities for the State costs of supporting such authorities from \$40 million to \$50 million.
P	Subject Industrial Development Agencies (IDAs) to State cost recovery fees.	This part would enact a new provision that would subject IDAs to State cost recovery under the Public Authorities Law. The aggregate cap on funds collected would be \$5 million.
Q	Permanently authorize the Secretary of State to charge increased fees for expedited handling of documents.	This part would make permanent the Department of State’s authority to offer expedited service on a same-day and two-hour basis to the public for higher fees. The Executive Law currently authorizing the Secretary of State to charge increased fees for expedited handling expires on March 31, 2008.
R	Permanently extend the formula for distribution of the federal Community Services Block Grant program and conform the State’s Community Block Grant Program to the federal Community Services Block Grant program.	This part would make permanent the formula for the distribution of the State’s Community Services Block Grant Program, which will expire on September 30, 2008. Provisions would be added to govern funding reductions, eligible entity decertification, and the designation of new entities to serve unserved areas.
S	Authorize annual utility and cable television assessments to provide funds to certain agencies.	This part would authorize certain State agencies to finance their activities with revenues from assessments on utility and cable corporations, pursuant to Section 18-a and Section 217, respectively, of the Public Service Law.

<b>PART</b>	<b>DESCRIPTION</b>	<b>SUMMARY</b>
T	Authorize and direct the New York Energy Research and Development Authority (NYSERDA) to make certain payments.	This part would authorize NYSERDA to make a payment of up to \$913,000 to the General Fund for debt service requirements relating to the West Valley Nuclear Fuel Reprocessing Facility.
U	Authorize NYSERDA to finance a portion of its programs with utility assessments.	This part would authorize NYSERDA to finance its Research, Development, and Demonstration Program and its Policy and Planning Program with revenues from assessments on gas and electric corporations, pursuant to Section 18-a of the Public Service Law.
V	Establish a \$150 million Investment Opportunity Fund.	This part would create an Investment Opportunity Fund to be administered by the New York State Urban Development Corporation to provide financial assistance to support major projects. Eligible projects would be those that provide significant regional economic development benefits or benefits to distressed areas.
W	Make permanent the general loan powers of the New York State Urban Development Corporation (UDC).	This part would make permanent the general loan powers of the UDC, which are set to expire on July 1, 2008.
X	Increase the maximum penalties for insurance law violations.	This part would: increase the maximum civil penalties for various violations of the Insurance Law; allow for the issuance of cease and desist orders; and increase the length of time, from one to three years, that a producer or other licensee whose license has been revoked must wait for a license renewal.
Y	Extend the Power For Jobs (PFJ) and Energy Cost Savings Benefit (ECSB) Programs until June 30, 2009, and create the Electricity Cost Discount Program.	This part would extend the current PFJ and ECSB programs one year, until June 30, 2009. It would also authorize the Power Authority of the State of New York to make a \$25 million contribution to the General Fund to compensate the State for the loss of gross receipts tax revenues associated with PFJ. This part would also create a new economic development power program, the Electricity Cost Discount Program, to replace PFJ and ECSB, beginning June 30, 2009.

PART	DESCRIPTION	SUMMARY
Z	Authorize a Housing Opportunity Fund.	This part would authorize a Housing Opportunity Fund within the Mortgage Insurance Fund of the State of New York Mortgage Agency (SONYMA). SONYMA would be authorized to award money deposited in the new fund in the form of loans, grants, or other subsidies to support the creation, preservation, and rehabilitation of affordable, supportive, and workforce housing.
AA	Dedicate the local share of receipts from the Seneca Buffalo Creek Casino.	This part would specify that the City of Buffalo will receive the local share of state revenue from the tribal casino in Buffalo.
BB	Amend the Jacob K. Javits Convention Center enabling legislation.	This part would enable the Convention Center Development Corporation (CCDC) to terminate any leases and dispose of property owned by the CCDC that is deemed unnecessary for current or future expansion plans for the Javits Center and transfer the proceeds of any disposition of property to the New York State Urban Development Corporation or the State of New York Mortgage Agency.
CC	Establish the Omnibus Economic Development Investment Act of 2008.	This part would establish the Upstate Regional Blueprint Fund, the Downstate Revitalization Fund, the Upstate Agricultural Economic Development Fund, the New York State Arts and Cultural Capital Grants Program, and the New York State Economic and Community Reinvestment Program. This part would also authorize the sale of the Manhattan Developmental Center and certain land located in Brooklyn, New York.
DD	Authorize and direct the State Comptroller to deposit to the credit of the Office of Parks, Recreation and Historic Preservation certain payments from the Power Authority of the State of NY (PASNY).	This part would authorize PASNY to transfer \$8,000,000 to the Office of Parks, Recreation, and Historic Preservation for the maintenance of certain state parks near the Niagara and St. Lawrence Power Projects.

<b>PART</b>	<b>DESCRIPTION</b>	<b>SUMMARY</b>
EE	Authorize the Department of Environmental Conservation to increase certain fees.	This part would increase the Title V facility per ton operating permit fee on regulated air contaminants from \$45 to a maximum of \$80, eliminate the current annual 6,000 ton per-contaminant cap, and establish a minimum fee of \$5,000 per operating permit facility.
FF	Make permanent the current time frames for review of pesticide product registration applications and fees.	This part would eliminate the July 1, 2008, sunset for the Commissioner of the Department of Environmental Conservation to review pesticide product registration applications and establish fees.
GG	Expand the bottle bill to cover additional beverage containers and provide for the return of unclaimed deposits on beverage containers to the State Environmental Protection Fund (EPF).	This part would amend the Returnable Container Act (Bottle Bill) by expanding the statute to cover all non-carbonated beverages, with the exception of liquor, wine, infant formula, and milk. The part would authorize the State to deposit unclaimed deposits in the EPF, establish a Returnable Container Act Advisory Board, and include provisions to increase redemption rates, ease burdens on retailers, encourage the establishment of new redemption centers, clarify the rights and responsibilities of consumers, dealers, and deposit initiators, and facilitate enforcement.

## A.9810/S. 6810 - REVENUE

PART	DESCRIPTION	SUMMARY
A	Eliminate the sunset of Quick Draw.	This part would eliminate the sunset provisions of Quick Draw and eliminate the daily operation restrictions that currently limit daily operations to no more than thirteen hours daily. It seeks to increase accessibility of Quick Draw by removing restrictions that limits Quick Draw ticket sales to places that are licensed for the sale of alcoholic beverage for on-premises consumption where at least twenty-five percent of the gross sales are from food or to facilities that do not sell alcoholic beverage with at least 2500 square feet.
B	Permanently extend the seven day alcohol license sales law.	This part would make the seven-day alcohol sales license law permanent and would repeal the State Liquor Authority reporting requirement relating to the number of retailers applying for the new seven day license. The law currently is set to sunset on May 15, 2008. Fiscal: Preserves current license revenue stream.
C	Apply tax on flavored malt beverages at low liquor tax rate.	This part would create a new category of alcoholic beverage excise tax for flavored malt beverages and impose the excise tax on these products at a rate of \$2.54 per gallon, the equivalent rate in gallons for low alcohol liquor taxed at a rate of \$0.67 per liter. Fiscal: \$15 million in SFY 008-09, \$18 million when fully implemented.
D	Reform Brownfields Cleanup Program and limit certain tax credits.	This part would provide administrative guidelines for the Department of Environmental Conservation and amend the Tax Law by placing a cap of \$10 million on the tangible property tax credit available for participation in the Brownfield Cleanup Program (BCP) for a taxpayer that was issued a notice of acceptance into the BCP or if a taxpayer received a certificate of completion from another taxpayer on or after July 1, 2007. Fiscal: Provides additional revenues in future fiscal years.



PART	DESCRIPTION	SUMMARY
E	Reform the Brownfields Cleanup Program.	<p>This part would modify the Brownfield Cleanup Program structure to allow a site preparation credit for twenty-five to seventy-five percent of cleanup costs, depending on the extent of cleanup. It also would establish an on-site groundwater remediation credit for fifty to seventy-five percent of cleanup costs and a tangible property credit for fifteen to fifty percent of the development costs, not to exceed \$15 million. It would allow the award of more generous credits to projects in an Environmental Zone, a qualified census tract, in conformance with a Brownfield Opportunity Area plan, a local waterfront revitalization plan, or a comprehensive plan for "smart growth."</p> <p>Fiscal: Provides additional revenues in future fiscal years.</p>
F	Repeal private label credit card law.	<p>This part would repeal the tax law that allows private label credit card companies to receive a refund of sales tax paid when an account is written off as uncollectible. This section of law was enacted in 2006. Fiscal: \$7 million in SFY 2007-08; \$9 million when fully implemented.</p>
G	Require a tax stamp on illegal drugs.	<p>This part would require a tax stamp on all marihuana and controlled substances acquired or possessed by a dealer in New York State. This part would exempt from the tax all marihuana and controlled substances acquired or possessed by a government agency or pursuant to the Public Health Law. Fiscal: \$13 million in SFY 2007-08; \$17 million when fully implemented.</p>
H	Merge motor fuel tax, petroleum business tax, and sales tax on fuel into one petroleum business tax.	<p>This part would consolidate and reform the State and local taxes on motor fuel, diesel motor fuel, and other petroleum products that are currently imposed under Tax Law, Article 12-A (the tax on gasoline and motor fuel) and Article 13-A (the tax on petroleum businesses), and the sales and use taxes on those products. In order to do so, Article 12-A would be repealed and amendments would be made to Article 13-A to impose a new excise tax on motor fuel, highway diesel motor fuel, non-highway diesel motor fuel, and residual petroleum product. Fiscal: Revenues would be increased by \$13.2 million in 2008-09 and \$55.9 million in 2009-10.</p>

PART	DESCRIPTION	SUMMARY
I	Decouple from federal Qualifying Production Activities Income (QPAI) deduction.	This part would require general business corporation taxpayers under the corporate franchise tax, unrelated business income tax, personal income tax, banking corporation franchise tax, and insurance corporation franchise tax, as well as the New York City general corporation tax, financial corporation tax, and personal income tax to add back the amount of the deduction allowed under Internal Revenue Code, § 199, for Qualifying Production Activities Income (“QPAI”) when determining entire net income. Fiscal: An increase of \$56 million annually.
J	Reduce corporation franchise tax capital base rate and eliminate liability cap under this base.	This part would amend the corporation franchise tax, by reducing the tax rate of the capital base from 0.178 percent to 0.15 percent and eliminating the \$1 million cap on that tax base for non-manufacturers. It also would amend the definition of “manufacturer” under the capital base to conform to the definition under the entire net income base. Fiscal: Increase of \$98 million in SFY 2008-09 and \$70 million in SFY 2009-10.
K	Include for-profit health maintenance organizations as insurance corporations subject to article 33 of the tax law.	This part would amend the definition of an “insurance corporation” in the Tax Law to include a health maintenance organization (HMO). Non-life insurance corporations are subject to a premiums-only tax under Article 33 for taxable years beginning on or after January 1, 2003. Fiscal: Net increase in revenue by \$247 million in SFY 2008-09 and \$288 million in SFY 2009-10.
L	Require non-profit tax-exempt organizations to collect sales tax on additional sales.	This part would require non-profit tax exempt organizations to collect sales tax on additional retail sales including on-line, mail order catalogue, auction sales, and rentals or leases of tangible personal property. Fiscal: \$7.5 million in SFY 2007-08; \$15 million when fully implemented.
M	Low-income housing tax credit.	This part would increase the aggregate amount of low-income housing tax credits that the Commissioner of Housing and Community Renewal may allocate by \$4 million. Fiscal: \$4 million cost.

PART	DESCRIPTION	SUMMARY
N	Require taxpayers to pay the fee charged by the federal government and other states for offsetting tax refunds to pay for the New York state income tax debts owed by those taxpayers.	This part would allow the State to recover fees and charges imposed by the Federal government and other states for remitting tax overpayments to the State in satisfaction of the taxes owed by the taxpayer. The cost of the fee, currently paid by New York, would be considered part of the taxpayers' New York State tax debt. Fiscal: Will increase revenue by \$1.3 million annually beginning in SFY 2008-09.
O	Clarify the Commissioner of Taxation and Finance's powers under article 21 of the Highway Use Tax.	This part would allow the Commissioner to utilize license plate recognition software and related visual detection equipment as a method to check, verify, and ascertain the number of miles traveled by and the weight of each vehicular unit on the public highways in this state. Fiscal: Revenues would be increased by \$7.5 million in 2008-09 and \$15 million thereafter.
P	Amend definitions of the tax law and New York City Administrative Code pertaining to the determination of residency status of taxpayers.	This part would alter the definition so that the spouse or children of a taxpayer need only spend ninety days in New York, not specifically in the taxpayer's principle place of abode, in order for the taxpayer to be considered a "resident." Under current law a taxpayer who is mostly out of the country can still be classified as a resident if that taxpayer's spouse or children spend more than ninety days in the taxpayer's principle place of abode that is located in New York. Fiscal: Increase tax revenues by \$5 million annually beginning in SFY 2009-10.
Q	Extend for two years the credit for taxicabs and livery service vehicles made accessible for individuals with disabilities.	This part would extend for two years the tax credit for expenses associated with taxicab and livery services upgrading vehicles to make them accessible for individuals with disabilities, so that the credit would expire on December 31, 2010. The credit would be capped at \$10,000 per vehicle. The credit currently is set to sunset on December 31, 2008. Fiscal: Reduce revenues by \$3.0 million in SFY 2009-10 and 2010-11.
R	Extend the Metropolitan Transit Authority (MTA) surcharges on business taxes for four years.	This part would extend for four years the temporary MTA business tax surcharges currently scheduled to sunset in taxable years ending before December 31, 2009. Fiscal: None

PART	DESCRIPTION	SUMMARY
S	Restructure and reform the fees and minimum taxes imposed on Limited Liability Companies (LLC).	This part would change the way LLC filing fees are calculated. Currently the fees are based on the number of members within the LLC. The amended calculation would be based on New York source income to better reflect the level of New York activity. The minimum fee is \$50 if New York source income is less than \$100,000 with a maximum fee of \$2,500 if New York source income exceeds \$25 million. Fiscal: Increase revenue by \$75.0 million beginning in SFY 2008-09.
T	Include gain from the sale of partnerships and similar entities as New York source income to nonresidents where gain is from real property in New York.	This part would amend current law to direct that the sale of a taxpayers interest in New York real property is taxable to the extent his or her interest is tied to New York real property. Under current law, a nonresident can avoid taxation by placing New York real property in an entity and then selling his or her interest in the entity. Sale of this interest is treated as the sale of an intangible asset and not taxed. Fiscal: Increase revenues by \$10.0 million annually beginning in 2009-10.
U	Make statutory technical corrections to eliminate remaining Real Estate Investment Trust (REIT) and Regulated Investment Company (RIC) loopholes.	This part would require all captive REITs and captive RICs to file a combined return with the closest corporation that directly or indirectly owns or controls them. Fiscal: Restore 2007-08 budget estimates.
V	Change mandatory first estimated tax installment payment for all business taxes from twenty-five percent to thirty percent.	This part would require every corporation taxpayer whose tax or the Metropolitan Commuter Transportation District (MCTD) surcharge for the preceding year was in excess of \$100,000 to remit thirty percent (instead of twenty-five percent) of its preceding year's corporation tax or surcharge as its mandatory first installment, This would apply to taxpayers under the State corporation tax, corporate franchise tax, banking corporation franchise tax, and insurance corporation franchise tax. Fiscal: Increase revenue by an estimated \$100 million in SFY 2008-09.

PART	DESCRIPTION	SUMMARY
W	<p>Increase the percent, annual credit cap, and refundable portion of the Empire State Film Production tax credits.</p>	<p>This part would: increase the percentage of qualified production costs allowed to be claimed under the Empire State Film Production credit from ten percent to fifteen percent; increase the aggregate amount of tax credits allowed annually from \$60 million to \$65 million in 2008, \$70 million in 2009, and \$75 million in 2010 and 2011; make the credit fully refundable from fifty percent refundable in the first tax year earned; and amend the definition of “production costs” to include total budget costs, with some limited exceptions. Fiscal: Decrease annual tax receipts by \$5 million in SFY 2008-09, \$10 million in SFY 2009-10, and \$15 million in SFY 2010-11 and 2011-12.</p>
X	<p>Establish evidentiary presumption that certain sellers using New York residents to solicit sales in the state are “vendors” required to collect sales and use tax.</p>	<p>This part would establish a presumption that sellers that enter into agreements with New York residents pursuant to which the residents are compensated for referring customers to the sellers are vendors under the Tax Law and are therefore required to register with Taxation and Finance and collect and remit sales tax to the State. Fiscal: \$43 million in SFY 2008-09; \$73 million when fully implemented.</p>
Y	<p>Classify certain credit card companies as taxpayers under article 32 of the Tax Law.</p>	<p>This part would amend the Tax Law to provide that a banking corporation will be deemed to be doing business in New York if: it has issued credit cards to 1,000 or more customers with mailing addresses in New York State; it has 1,000 or more merchant customers located in New York State; it has receipts of \$1,000,000 or more from customers who have been issued credit cards and have mailing addresses within New York; it has receipts of \$1,000,000 or more from merchant customers located in New York during the taxable year arising from credit card transactions; or it has either 1,000 or more customers who are card holders or merchants in New York or receipts of \$1 million or more from customers who are cardholders or merchants in New York arising from credit card transactions. The part would also define the term “credit card” to include various forms of cards that are generally considered credit cards, including bank, travel, and entertainment cards. The amendments would provide that interest, fees, and penalties in the nature of interest, service charges, and other fees are earned within New York State if the mailing address of the card holder is within the State. Fiscal: Increase of \$95 million in SFY 2008-09 and \$75 million in SFY 2009-10.</p>

PART	DESCRIPTION	SUMMARY
Z	Create comprehensive program to encourage voluntary disclosure to increase compliance with Tax Law.	This part includes a number of subparts intended to make compliance initiatives and penalties more effective. The provisions would make the voluntary disclosure of tax avoidance methods permanent, grant the commissioner the authority to require electronic filing of sales tax, and change the criminal penalties for tax crimes to make them comparable to larceny charges, as well as other provisions. Fiscal: fully enacted the provisions are expected to increase revenue by \$78.5 million in 2008-09.
AA	Provide tax credits for bioheat for residential purposes.	This part would reinstate the bioheat credit that expired on June 30, 2007. The credit is for the purchase of bioheat for residential purposes and would equal to \$0.01 per percent of biodiesel per gallon of bioheat, not to exceed twenty cents per gallon. The credit would be available for four years beginning in tax year commencing on or after January 1, 2008, and ending December 31, 2011. Fiscal: reduces revenues by \$1.0 million annually from SFY 2009-10 to SFY 2012-13.
BB	Authorize New York City to impose a four percent sales and use tax after August 1, 2008.	This part would impose a four percent sales and use tax in New York City upon expiration of the four percent local sales and use tax dedicated to the Municipal Assistance Corporation. Fiscal: None.
CC	Classify little cigars as cigarettes under the Tax Law.	This part would require that little cigars that are practically indistinguishable from cigarettes be treated and taxed the same as cigarettes. Fiscal: \$3.6 million in SFY 2007-08; \$4.8 million when fully implemented.
DD	Authorize video gaming lottery at Belmont Park	This part would allow the operation of video lottery gaming at Belmont Park and set the commission rate paid to a track located in Nassau or Queens Counties at thirty-two percent of the total revenue wagered after payout of prizes.