

2012-13 NEW YORK STATE EXECUTIVE BUDGET

PUBLIC PROTECTION AND GENERAL GOVERNMENT
ARTICLE VII LEGISLATION

MEMORANDUM IN SUPPORT

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MEMORANDUM IN SUPPORT

A BUDGET BILL submitted by the Governor in
Accordance with Article VII of the Constitution

AN ACT to amend the executive law, in relation to the DNA testing of certain offenders Convicted of a crime (Part A); to repeal section 396-ff of the general business law, relating to the pistol and revolver ballistic identification databank (Part B); to amend the vehicle and traffic law, in relation to the administration of traffic infractions (Part C); to amend the penal law, the correction law, and the criminal procedure law, in relation to terms of probation and probation detainer warrants (Part D); to amend the penal law, the civil practice law and rules and the criminal procedure law, in relation to the seizure and forfeiture of proceeds of felony and misdemeanor crimes (Part E); to amend chapter 503 of the laws of 2009, relating to the disposition of monies recovered by county district attorneys before the filing of an accusatory instrument, in relation to the effectiveness thereof (Part F); to amend the executive law, in relation to disaster preparedness (Part G); to amend the retirement and social security law, the education law and the administrative code of the city of New York, in relation to persons joining the New York state and local employees' retirement system, the New York state and local police and fire retirement system, the New York state teachers' retirement system, the New York city employees' retirement system, the New York city teachers' retirement system, the New York city board of education retirement system, the New York city police pension fund, or the New York city fire pension fund on or after April 1, 2012 (Part H); to amend the civil service law, in relation to the reimbursement of medicare premium charges for employees and retired employees of

the state, public authorities, public benefit corporations or other quasi-public organizations of the state (Part I); to amend the state finance law, in relation to reappropriation bills (Part J); to amend the public lands, in relation to state aid on certain state leased or state-owned land (Part K); to amend the state finance law, in relation to the exemption of centralized contracts from audit prior to finalization, the ability to designate an agency contract as a statewide contract, the expansion of state contract rights for local governments and non-profit organizations, amending the definition of best value and lowest price for procurement and in relation to modifications of contracts by not-for-profit corporations; to amend the general municipal law, in relation to expanding contract use rights for local governments; to amend the New York state printing and public documents law, the state finance law, the not-for-profit corporation law, the education law and the general municipal law, in relation to the procurement of department printing; to amend chapter 741 of the laws of 1985 relating to authorizing certain organizations to purchase commodities under contracts let by the state office of general services, in relation to purchases by charitable organizations; to amend chapter 83 of the laws of 1995 amending the state finance law and other laws relating to bonds, notes, and revenues, in relation to the effectiveness of certain provisions thereof; and to repeal sections 6 and 7 of the New York state printing and public documents law, relating to department printing (Part L); to amend the civil service law, in relation to authorizing term appointments without examination for certain information technology positions; filling vacancies by open competitive or upon promotion examination; certification of eligible lists from an open promotion examination; departmental and interdepartmental promotion lists; promotion examination opportunities for employees in non-

competitive or labor class; promotion and transfer to administrative positions in the state service; transfer of employees in the non-competitive class where possession of credentials, licenses or certifications is required; and transfer of personnel upon consolidation or merge of departments or agencies (Part M); to provide for the administration of certain funds and accounts related to the 2012-13 budget; authorizing certain payments and transfers; to amend the state finance law, in relation to school tax relief fund; to amend the state finance law, in relation to issuance of certificates of participation, variable rate bonds, payments, transfers and deposits of funds and investment of general funds, bond proceeds, and other funds not immediately required; to amend the public authorities law, in relation to state environmental infrastructure projects; to amend chapter 61 of the laws of 2005, relating to providing for the administration of certain funds and accounts related to the 2005-2006 budget, in relation to the Division of Military and Naval Affairs Capital Projects; to amend chapter 389 of the laws of 1997, relating to the financing of the correctional facilities improvement fund and the youth facility improvement fund, in relation to the issuance of bonds; to amend the private housing finance law, in relation to housing program bonds and notes; to amend chapter 329 of the laws of 1991, amending the state finance law and other laws relating to the establishment of the dedicated highway and bridge trust fund, in relation to the issuance of bonds; to amend the public authorities law, in relation to courthouse improvements and training facilities, metropolitan transportation authority facilities, peace bridge projects and issuance of bonds by the dormitory authority; to amend the New York state urban development corporation act, in relation to funding project costs for the state university of New York college for nanoscale and science engineering and the NY-SUNY 2020

challenge grant program; to amend chapter 57 of the laws of 2008, relating to providing for the administration of certain funds and accounts related to the 2008-2009 budget, in relation to the effectiveness thereof; to amend chapter 56 of the laws of 2009, relating to providing for the administration of certain funds and accounts related to the 2009-10 budget, in relation to the effectiveness thereof; to amend chapter 56 of the laws of 2010, relating to providing for the administration of certain funds and accounts related to the 2009-10 budget, in relation to the effectiveness thereof; to amend chapter 61 of the laws of 2000, amending the public authorities law relating to the metropolitan transportation authority, the New York city transit authority, and the Triborough bridge and tunnel authority, in relation to authorizations to issue bonds and notes; to repeal sections 90-b, 91-g, 92-a, 92-i, 92-j, 92-m, 92-w, 94-c, 94-d, 96, 97-n, 97-o, 97-cc, 97-ff, 97-ss, 97-fff, 97-uuu, 97-www, 97-aaaa, 97-bbbb, 99-g and 99-i of the state finance law relating thereto; to repeal subdivision 5 of section 233-a and subdivision 3-a of section 378 of the education law relating thereto; to repeal paragraph f of subdivision 31 of section 1680 of the public authorities law relating to the reserve funds of private not-for-profit schools established with the dormitory authority; to repeal section 1022 of the private housing finance law relating to the rural housing assistance fund; to repeal section 12 of chapter 1040 of the laws of 1981 relating to penalties for violations of the lobbying act; to repeal chapter 50 of the laws of 1993 relating to making appropriations for the support of government; and providing for the repeal of certain provisions upon expiration thereof (Part N); to amend the state technology law, the civil service law, the executive law, the state finance law, the tax law, and the county law, in relation to renaming the office for technology the office

of information technology services (Part O); to amend the state finance law, in relation to aid and incentive to municipalities (Part P); and to pay the metropolitan transportation authority the costs associated with reimbursements for E-ZPass tolls paid by the residents of Broad Channel and the Rockaway Peninsula for travel over the Cross Bay Veterans Memorial Bridge (Part Q)

PURPOSE:

This bill contains provisions needed to implement the Public Protection and General Government portions of the 2012-13 Executive Budget.

This memorandum describes Parts A through Q of the bill which are described wholly within the parts listed below.

Part A - Expand the list of offenses for which DNA samples will be collected and entered into the State DNA Databank.

Purpose:

This bill will expand the amount of information in the DNA Databank, which will help solve more crimes and establish the innocence of some suspects.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Currently, DNA samples are collected from persons convicted of all Penal Law felonies and some Penal Law misdemeanors. In addition, existing law does not make clear which officials are responsible for collecting DNA samples in various cases, which has resulted in some offenders not providing DNA samples as ordered.

The DNA Databank is a powerful tool both for crime fighting and for establishing a defendant's innocence. Since its inception in 1996, there have been more than 10,000 hits against the Databank resulting in over 2,700 convictions. The Databank also plays a significant role in helping to determine who did not commit a crime. There have been 27 individuals exonerated in New York through DNA evidence, as well as countless suspects who have been excluded and cleared, most often at the earliest stages of an investigation.

Despite the fact that DNA is a proven tool that solves cold cases, prevents crime and exonerates the innocent, 52% of Penal Law crimes are still ineligible for DNA collection, including at least 200 misdemeanors, as well as all crimes defined outside the Penal Law. To further the important goals served by the DNA Databank, this bill would further expand the number of crimes for which convicted defendants must provide DNA samples to include all felonies defined in any chapter of the laws of New York, as well as all misdemeanors defined in the Penal Law. Based on New York's prior experiences with expansion of the Databank, which demonstrated that inclusion of additional DNA samples is a useful tool in fighting and preventing crime and exonerating the innocent, this further expansion will assuredly result in more cases being solved, more crimes being prevented and more opportunities for convicted offenders to establish their innocence.

To ensure that DNA samples are actually collected, and collected in a timely manner, the bill also specifies which officials are responsible for sample collection. The most difficult collections are those involving a non-incarcerative/non-supervised sentence, such as sentences of conditional discharge, time-served and fines. Twenty-eight percent of offenders receiving these sentences fail to provide samples because the law does not specify who is to collect the sample. A statewide process that requires courts to order offenders to a sheriffs' office and for that office to collect the sample will remedy this problem.

Budget Implications:

Enactment of this bill is expected to cost approximately \$700,000 in 2012-13, with a full annual cost of \$1.4 million. This amount includes the cost of additional personnel in the Division of Criminal Justice Services and of DNA test kits and State Police forensic laboratory consumables.

Effective Date:

This bill takes effect October 1, 2012.

Part B - Repeal the requirement for a pistol and revolver ballistic identification database, known as CoBIS and replaced with a nationally recognized alternative.

Purpose:

This bill will permit the Division of State Police to terminate maintenance of a pistol and revolver ballistic identification database, known as CoBIS.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Under current statute, the State Police is required to maintain a pistol and revolver ballistic identification database, which has become known as CoBIS (Combined Ballistic

Identification System). It was designed to identify guns used in crimes by comparing unique markings on the shells of the expended casings with the marks made on all reference shells that gunsmiths and dealers send the State Police for every firearm sold in the State. Against the ballistic information for thousands of weapons entered into the system since its inception, only a few matches have been made and no associated crimes have been solved. Given the frequency of violent crimes being committed with firearms that are either reported stolen or were transported into the State illegally, CoBIS is an ineffective crime-solving tool and cannot be viewed as cost effective.

This bill would repeal section 396-ff of the General Business Law to permit the State Police to eliminate CoBIS. Rather than continue support for this ineffective database, the State will invest in enhanced systems and equipment that will permit local and State crime laboratories to maximize their use of the National Integrated Ballistics Information Network (NIBIN). This system, which is already used by New York State law enforcement as an effective crime-solving tool, allows firearms technicians to compare markings on bullets and cartridges recovered from a crime scene with similar evidence recovered from crime scenes in other jurisdictions.

Budget Implications:

This measure will generate approximately \$200,000 in savings associated with discontinuing maintenance of CoBIS. These savings will be re-invested in upgraded systems and equipment that will permit more effective use of NIBIN by local and State crime laboratories.

Effective Date:

This bill takes effect immediately.

Part C - Require that the trial date for a traffic violation must be a date subsequent to the date of an initial appearance.

Purpose:

This bill would prohibit the practice of issuing a subpoena to compel a police officer to appear at the initial court appearance on a traffic violation.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Under section 610.10 of the Criminal Procedure Law, a court may only issue a subpoena to compel a police officer to appear as a “witness” at a court proceeding; it cannot compel an officer to simply “attend” a proceeding. Moreover, section 1806 of the Vehicle and Traffic Law (VTL), which sets forth the procedures governing initial appearances on traffic

violations for alleged violators who do not enter a guilty plea by mail, provides no guidance on scheduling trials for traffic violations.

This bill would amend section 1806 of the VTL to clarify that a trial date must be set for a date after the date of an initial appearance. The first appearance cannot be the date of trial although the right to plead on the initial appearance is not impacted. Thus, an officer cannot be subpoenaed to simply “attend” an initial appearance, because no trial is possible.

Budget Implications:

Enactment of this bill is necessary to implement the 2012-13 Executive Budget, because it would appreciably reduce the number of appearances that police officers make in certain jurisdictions where officers are routinely subpoenaed to appear on the initial appearance date of a simplified traffic information where no trial is realistically possible. This will result in significant cost avoidance for certain State and local law enforcement agencies with no diminution of an accused’s constitutional rights.

Effective Date:

This bill takes effect immediately.

Part D - Provide more flexible probation sentencing options for the courts.

Purpose:

This bill would amend the Penal Law, the Criminal Procedure Law and the Correction Law to give courts discretion in setting the length of a probation term.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

With certain exceptions, current law requires that the probation sentence for defendants convicted of a felony must be five years and the probation sentence for defendants convicted of a class A misdemeanor or an unclassified misdemeanor must be three years. This bill would give sentencing judges the discretion to impose a determinate probation sentence of three, four or five years for a felony conviction, and a determinate probation sentence of two or three years for a class A or unclassified misdemeanor conviction.

The current probation terms do not reflect that all felonies and misdemeanors are not deserving of the same punishment, nor are offenders convicted of these crimes in need of the same period of supervision. This bill would give judges the flexibility to impose probation sentences commensurate with the seriousness of a particular offense and the surrounding circumstances.

Research has demonstrated that the risk of recidivism is greatest immediately following the imposition of a probation sentence, but wanes during the succeeding months. Thus, giving judges the discretion to impose a probation term of 24 months for misdemeanor offenders and 36 months for felony offenders allows supervision during times when recidivism is greatest, while giving a court the option to impose an appropriate sanction for a violation, including a longer term of probation or a prison or jail term.

This bill also adds a new section 410.92 to the Criminal Procedure Law to authorize a probation director or deputy director to issue a warrant for the temporary detention of an alleged probation violator when a judge is not immediately available to issue such a warrant. This authority would strengthen probation's capacity to respond swiftly and certainly to probationers' violations of terms and conditions of probation.

Budget Implications:

Enactment of this bill is necessary to implement the 2012-13 Executive Budget because the provisions are expected to generate cost savings to local probation departments.

Effective Date:

This bill takes effect immediately; however, the provisions of section one of this bill will only apply to offenses committed on or after such effective date.

Part E - Expand the authority of State judges to order the forfeiture of proceeds in a sentencing.

Purpose: This bill would facilitate the use of the State's criminal courts for the forfeiture of the proceeds of crimes rather than its civil courts.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Under State law, offenders retain the proceeds of their misdemeanor-level crimes, and in felonies, a district attorney must sue convicted criminals in civil court under Civil Practice Law and Rules Article 13-A to obtain such proceeds. In 2008, over \$4 million dollars was seized by police in New York City and returned to the defendants who were convicted of various misdemeanor offenses, including trademark counterfeiting and gambling. Thus, the law often allows a convicted criminal to retain the proceeds of criminal activity.

This bill would provide a mechanism for criminal forfeiture that closely mirrors federal law by empowering a judge to order a forfeiture of the fruits of a crimes at the time of a defendant's sentencing whether a defendant is sentenced for a felony or misdemeanor conviction.

Budget Implications:

Currently, funds forfeited under State law are shared as follows after the payment of restitution to the victim, fines and other costs: the district attorney's office as the claiming authority receives 27%; local law enforcement/investigative agency, as the claiming agent receives 41%; and the State's Chemical Dependence Fund which supports programs of the Office of Alcoholism and Substance Abuse Services (OASAS) receives 32%.

Under the revenue sharing formula contained in this bill, the district attorney's office, as the claiming authority, would receive 35%; local law enforcement/investigative agency, as the claiming agent, would receive 40%; and the State General Fund would receive 25%.

OASAS has annually used approximately \$5 million in asset forfeiture funds primarily to support the ongoing provision of chemical dependence prevention programs through its voluntary provider network. The 2012-13 Executive Budget holds OASAS harmless by substituting General Fund support to maintain that level of funding. This bill is expected to produce a net benefit of \$2 million to the General Fund in 2012-13.

Effective Date:

This bill takes effect immediately.

Part F - Continue provisions relating to the disposition of certain monies recovered by county district attorneys.

Purpose:

This bill will continue, for another year, the existing formula for distribution of certain monies recovered by county district attorneys.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

This bill amends Chapter 503 of the Laws of 2009, as amended by Part B of Chapter 57 of the Laws of 2011, to extend the effective date of that provision until March 31, 2013. Pursuant to that law, a county district attorney in New York City may retain a portion of settlement monies paid before the filing of an accusatory instrument, and the remaining amount is distributed equally between the State and the City of New York. The existing statute will expire on March 31, 2012.

During the past four years, the Manhattan District Attorney's Office has recovered significant monies from pre-indictment settlements (i.e., pursuant to deferred prosecution agreements). For the past three years, the State and the City of New York have received equal distributions from the Manhattan District Attorney's recoveries. This equal distribution will not be altered by this bill.

Budget Implications:

Enactment of this bill is necessary to implement the 2012-13 Executive Budget. It is necessary to ensure the receipt of revenues that were anticipated in 2011-12 but which have not yet been received. By continuing the distribution rules, this bill ensures that there will be a State share in the event of a recovery in 2012-13 or any subsequent fiscal year.

Effective Date:

This bill takes effect immediately.

Part G - Improve emergency response and disaster preparedness.

Purpose:

This bill would improve emergency responses under the Intrastate Mutual Aid Plan and will enable the State to better prepare and respond to disasters.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

The Intrastate Mutual Aid Program (IMAP) encourages local governments to assist each other in responding to emergencies and disasters, by providing personnel and equipment that may be needed to protect safety and support recovery efforts.

This bill will clarify the responsibilities and obligations of both the municipality that is requesting assistance and the responding municipality. It will: (1) authorize the local emergency management director to request and accept assistance and deploy resources; (2) make the requesting local government liable and responsible for costs for loss of any materials, supplies or equipment, and for salaries of responders from other municipalities; (3) provide that emergency response personnel of the assisting local government remain under the administrative control of their employer, but under the operative direction and control of officials of the incident management team of the requesting local government; (4) provide employees of the assisting local government the same immunities and privileges as if such duties were performed in their home jurisdiction; (5) provide that an assisting local government shall be liable for the negligence of its assisting employees; and (6) provide that employees of an assisting local government responding to a request for assistance who sustain injury or death are

entitled to all applicable benefits as if they were responding in their home jurisdiction (consistent with mutual aid protection afforded under the General Municipal Law for fire and police).

The bill also amends Article 2-B of the Executive Law to allow better coordination of disaster response at the State level. It will: (1) update the composition of the Disaster Preparedness Commission (DPC) to reflect current agency names and to remove those that no longer exist; (2) create an operational arm (an “incident management team”) of any temporary organization established by the DPC to coordinate a disaster response; (3) delegate some authority to the director of the Office of Emergency Management to act on behalf of the DPC; and (4) eliminate the requirement that the Governor seek the advice of the DPC to temporarily suspend certain provisions of the law that hinder disaster response and recovery. Finally, the bill will limit local state of emergency declarations to renewable 30-day periods.

Budget Implications:

The bill will ensure that when local governments assist each other in responding to emergencies, disasters, and acts of terrorism, they can do so with a complete understanding of the impact on their employees and their budgets.

Effective Date:

This bill takes effect immediately.

Part H - Establish a Tier VI retirement benefit for new employees of the State and local governments.

Purpose:

This bill would establish a Tier VI retirement benefit for new employees of the State and local governments thereby providing billions of dollars of fiscal relief to taxpayers, local governments and the State.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Pension costs are one of the fastest growing expenses for both the State and local governments. This bill would stabilize local property taxes and provide significant mandate relief to public employers - including school districts, counties, cities, towns and villages - saving billions to taxpayers over time.

The proposed Tier VI for new employees includes fair and equitable reform by: increasing employee contributions in a progressive fashion based on salary, raising the retirement age, decreasing the pension multiplier, excluding overtime and other payments from the

formula used to calculate final average salary for pension allowances, and by making a defined contribution option available to all employees.

The defined benefit plan component of this reform would:

- Increase the employee contributions to the pension system from 3% to 4%, 5% or 6% depending on salary and further allow for modifications to employee contributions, within limits, tied to economic conditions;
- Require that an employee be employed for 12 rather than 10 years before having a vested pension benefit;
- Raise the retirement age for full member benefits from age 62 to age 65 and prohibit early retirements; and
- Decrease the pension multiplier from 2% to 1.67% for each year of credited service.

A new defined contribution option would be voluntary for new employees and improve financial planning for public employers. The new option would:

- Provide a minimum employer contribution of 4% of salary ;
- Provide for additional employer contributions of up to 3% of salary when matched by the employee;
- Limit employer contributions to a maximum of 7% affording public employers financial stability; and
- Create new portability and vesting features not available with defined benefit options.

These reforms would save billions of dollars and keep pension costs affordable for the State and local governments, school districts, and other public employers by lessening this onerous burden, help drive down property taxes, reward hardworking government employees and maintain the fiscal integrity of localities and the State.

The following bill sections would impact members who first become members of the New York State and Local Employees' Retirement System (ERS), the New York State and Local Police and Fire Retirement System (PFRS), the New York State Teachers' Retirement System (TRS), the New York City Employees' Retirement System (NYCERS), the New York City Teachers' Retirement System (NYCTRS), the New York City Board of Education Retirement System (NYCBERS), New York City Police Pension Fund, the New York City Fire Pension Fund or other optional retirement systems established under the Education Law, on or after April 1, 2012:

Section 1 of the bill would amend Retirement and Social Security Law ("RSSL") § 41 so that such members of the ERS or TRS would not be granted any additional service credit for unused sick leave.

Section 2 of the bill would amend RSSL § 376 so that members of the PFRS with less than 20 years of service would need at least 12 years of service before becoming eligible for retirement benefits and need to reach the age of 65 before receiving the vested

retirement allowance. Tier 6 PFRS members would retain the right to retire upon the completion of 20 or 25 years of service, regardless of age.

Section 3 of the bill would amend RSSL § 440 to close Tier 2 to new investigator members of NYCERS in order to give them modified Tier 3 police/fire benefits.

Sections 4 and 5 of the bill would amend RSSL § 501 to give new NYC uniformed correction, uniformed sanitation and investigator members modified Tier 3 police/fire benefits. Also, Section 4 would amend RSSL § 501 (24) so that wages upon which retirement benefits are based for such members of the ERS and NYCERS would not include overtime, wages in excess of the annual salary paid to the Governor pursuant to joint resolution of both houses of the Legislature (\$179,000), and lump sum payments for deferred compensation, sick leave, accumulated vacation time or other credits for time not worked, as well as any termination pay and any additional compensation paid in anticipation of retirement, and to exclude overtime compensation and certain lump sum and terminal leave payments from pensionable earnings.

Section 6 of the bill would amend RSSL § 502 so that members of the ERS would need at least 12 years of creditable service before being eligible for retirement benefits.

Section 7 of the bill would amend RSSL § 503 so that members of the ERS would need to reach the age of 65 before becoming eligible to receive the normal service retirement benefit. It would also give new NYCERS uniformed correction members modified Tier 3 police/fire service retirement benefits rather than current Tier 3 uniformed correction service retirement benefits.

Section 8 of the bill would amend RSSL § 504 so that members of the ERS, at normal retirement age would receive a pension equal to 1/60 of the final average salary multiplied by years of credited service (not in excess of 30 years). In addition, the ability to retire prior to reaching the normal retirement age would be eliminated.

Sections 9, 10 and 11 of the bill would amend RSSL §§ 504-a, 504-b and 504-d, respectively, so that new NYC uniformed correction members would get the benefits of a modified Tier 3 police/fire plan rather than the current uniformed correction plans.

Section 12 of the bill would amend RSSL § 505 to give new NYC uniformed correction, uniformed sanitation and investigator members modified police/fire service retirement benefits.

Section 13 of the bill would amend RSSL § 507 to give new NYC uniformed correction, uniformed sanitation and investigator members modified police/fire accident disability retirement benefits.

Sections 14 and 15 of the bill would amend RSSL § 507-a and section 16 would amend RSSL § 507-c to give new NYC uniformed correction members Tier 3 police/fire disability benefits.

Section 17 of the bill would amend RSSL § 508 to give new NYC uniformed correction, uniformed sanitation and investigator members police/fire ordinary death benefits.

Section 18 of the bill would amend RSSL § 510 to give new NYC uniformed correction, uniformed sanitation and investigator members who receive a service retirement benefit after 25 years full escalation of benefits currently applicable to Tier 3 police/fire members.

Section 19 of the bill would amend RSSL § 511 to give new NYC uniformed correction members the same coordination with Social Security benefits that is applicable to current Tier 3 police/fire members, and which also would be applicable to new NYC uniformed sanitation and investigator members.

Section 20 of the bill would amend RSSL § 512 so that affected members would have their final average salary based on the average wages earned by such member during five consecutive years which provide the highest average wage. If wages in any one such year exceed the average of the previous four years by more than 8%, the amount in excess of 8% would be excluded from the computation of the final average salary.

Section 21 of the bill would amend RSSL § 513 to make new NYC Tier 3 uniformed correction members ineligible to obtain service credit for child care leave in order to equate their benefits with Tier 3 police/fire benefits.

Section 22 of the bill would amend RSSL § 513 to prohibit new police/fire, uniformed correction, uniformed sanitation and investigator members from receiving service credit for undocumented sick leave used as terminal leave.

Section 23 of the bill would amend RSSL § 516 so that affected employees who have 12 or more years of credited service will be entitled to a “deferred vested benefit” equal to 1/60 of their final average salary multiplied by years of credited service.

Section 24 of the bill would amend RSSL § 517 so that affected members of ERS, NYCERS, the New York City Police Pension Fund, and the New York City Fire Pension Fund would be required to contribute 4%, 5%, or 6% of annual wages, depending on income levels, as their employee contribution.

Section 25 of the bill would amend RSSL § 517-c to prohibit new NYC uniformed correction, uniformed sanitation and investigator members from borrowing on their member contributions in order to equate their benefits with Tier 3 police/fire benefits.

Section 26 of the bill would add a new RSSL § 517-d to implement a variable “risk/reward” system for affected members of ERS, NYCERS, the New York City Police Pension Fund and the New York City Fire Pension Fund that would decrease or increase, within limits, tied to economic conditions.

Section 27 of the bill would amend RSSL § 600 to put new NYC uniformed sanitation members in Tier 3 in order to give them modified Tier 3 police/fire benefits.

Section 28 of the bill would amend RSSL § 601 so that wages upon which retirement benefits are based for affected employees would not include overtime, wages in excess of the annual salary paid to the Governor, and lump sum payments for deferred compensation, sick leave, accumulated vacation time or other credits for time not worked, as well as any termination pay and any additional compensation paid in anticipation of retirement.

Section 29 of the bill would amend RSSL § 601 to define members who join the NYCERS, NYCTRS or NYCBERS on or after April 1, 2012 as “New York City revised plan members”.

Section 30 of the bill would amend RSSL § 602 so that affected employees would need at least 12 years of creditable service before being eligible for retirement benefits.

Sections 31 of the bill would amend RSSL § 603 (a) so that affected employees would need to reach the age of 65 before becoming eligible to receive the normal service retirement benefit.

Section 32 of the bill would amend RSSL § 603 (i) by making conforming changes and limiting retirement benefits available under Tier 5 to employees who joined such systems before April 1, 2012.

Section 33 of the bill would amend RSSL § 603 (t) so that members of the TRS would not be eligible for the early retirement benefit provided in Ch. 504, L. 2009 to members who retire at age 57 with at least 30 years of creditable service.

Section 34 of the bill would amend RSSL § 604 by adding a new subdivision b-1 so that affected employees would be entitled to a pension equal to 1/60 of their final average salary multiplied by years of credited service (not in excess of 30 years) plus an additional retirement allowance equal to 3/200 of the final average salary for each year of credited service in excess of 30 years.

Sections 35 and 36 of the bill would amend RSSL § 604-b (transit operating age 55/25-year plan); sections 37 and 38 would amend RSSL § 604-c, as added by Chapter 472 of the Laws of 1995 (TBTA 20-year/age 50 plan); sections 41 and 42 would amend RSSL § 604-e, as amended by Chapter 576 of the Laws of 2000 (dispatchers 25-year plan); sections 43 and 44 would amend RSSL § 604-e, as added by Chapter 577 of the Laws of 2000 (EMT 25-year plan); sections 45 and 46 would amend RSSL § 604-f, as added by Chapter 559 of the Laws of 2001 (deputy sheriff 25-year plan); sections 47 and 48 would amend RSSL § 604-f, as added by Chapter 582 of the Laws of 2001 (special officers 25-year plan); sections 49 and 50 would amend RSSL § 604-g (automotive members 25-year/age 50 plan); and sections 51 and 52 would amend RSSL § 604-h (police communications members 25-year plan) to provide 12-year vesting, payable at age 65,

for new members of such special plans who do not reach the required service thresholds of their retirement plan. New members with 20 or 25 years of service retain the right to retire with an unreduced pension benefit, regardless of age. The benefits for all members in these plans would be calculated using the service fractions applicable to such plans under current law, and the 5-year final average salary provisions proposed in this bill. All participants in such plans would also contribute 4%, 5%, or 6% of salary for all years of service, depending on salary levels, plus the rates for additional member contributions established under current law.

Section 39 of the bill would amend RSSL § 604-c, as added by Chapter 96 of the Laws of 1995, to make the age 55/25-year plan inapplicable to new members of NYCERS and BERS; section 40 would amend RSSL § 604-d to make the age 57/5-year plan inapplicable to new members of NYCERS and BERS; and section 53 would amend RSSL § 604-i to make the age 55/27-year plan inapplicable to new members of NYCTRS and BERS. It is necessary to make new members ineligible for those special plans so that new non-uniformed members (other than those eligible for the other special plans discussed above) will have payability of service retirement and vested benefits at age 65. The only benefit of such special plans is to permit participants to retire early with an unreduced benefit.

Section 54 of the bill would amend RSSL § 608 so that affected employees would have their final average salary based on the average wages earned during the five consecutive years which provide the highest average wage. If wages in any one such year exceed the average of the previous 4 years by more than 8%, the amount in excess of 8% would be excluded from the computation of the final average salary.

Section 55 of the bill would amend RSSL § 609 so that affected employees could obtain credit for previous service in Tier VI by paying 6% of wages earned for service which predate entry into the system with interest at the rate of 5% per annum compounded annually.

Section 56 of the bill would amend RSSL § 609 to prohibit new NYCERS non-uniformed members from receiving service credit for undocumented sick leave used as terminal leave.

Section 57 of the bill would amend RSSL § 612 so that affected employees who have 12 or more years of creditable service upon termination would be entitled to a “deferred vested benefit” after reaching the age of 65 pursuant to the benefit set forth in new RSSL § 604.

Section 58 of the bill would amend RSSL § 613 so that affected members of ERS, TRS, NYCERS, NYCTERS, and NYCBERS would be required to contribute 4%, 5%, or 6% of annual wages, depending on income levels, as their employee contribution. It would also bar affected employees from withdrawing contributions if they have accrued at least 12 years of creditable service.

Section 59 of the bill add a new RSSL § 613-c to implement a variable “risk/reward” system for affected members of ERS, TRS, NYCERS, NYCTERS, and NYCBERS under which the baseline employee contributions would decrease or increase, within limits, tied to economic conditions.

Section 60 of the bill would amend RSSL § 650 to make new Triborough Bridge and Tunnel Authority (“TBTA”) members ineligible for early retirement with immediate payability. This amendment does not affect the right of new TBTA members to participate in the 20-year/age 50 TBTA plan discussed above.

Sections 61 and 62 of the bill would amend RSSL § 911 to eliminate the 10-year cutoff of basic member contributions for new non-uniformed members of NYCERS, NYCTRS and BERS, so that such new members would be required to contribute 4%, 5%, or 6% of salary for all credited service.

Section 63 of the bill would amend RSSL § 1000 by adding a new subdivision (10) so that affected employees could obtain credit for military service by paying into such funds a sum equal to the product of the number of years of military service being claimed and 6% of such member’s contribution earned during the 12 months of credited service immediately preceding the date that the member applied for credit pursuant to this section.

Section 64 of the bill would amend RSSL § 1202 so that such members of the PFRS would need at least 12 years of creditable service before being eligible for retirement benefits. Further, the vested retirement allowance payable without modification could not be less than the actuarial equivalent of the total of the member’s contributions accumulated with interest at 5% per annum, compounded annually.

Section 65 of the bill would amend RSSL § 1204 so that PFRS members would be required to contribute 4%, 5%, or 6% of annual wages, depending on income level, as their employee contribution. It would also bar affected employees from withdrawing contributions if they have accrued at least 12 years of creditable service.

Section 66 of the bill would amend the RSSL by adding a new § 1208 to implement a variable “risk/reward” system for PFRS members under which the baseline employee contributions would decrease or increase, within limits, tied to economic conditions.

Section 67 of the bill would amend the RSSL by adding a new § 1209 so that such members of the PFRS would have their final average salary based on 1/5 of the highest total wages during any continuous period of employment for which the member was credited with 5 years of service credit. If wages in any one such year exceed the average of the previous 4 years by more than 8%, the amount in excess of 8% would be excluded from the computation of the final average salary. Moreover, any wages in excess of the annual salary paid to the Governor would be excluded from the computation of final average salary.

Section 68 of the bill would amend the RSSL by adding a new § 1210 so that wages upon which retirement benefits are based for such members of the PFRS would not include overtime, wages in excess of the annual salary paid to the Governor, and lump sum payments for deferred compensation, sick leave, accumulated vacation time or other credits for time not worked, as well as any termination pay and any additional compensation paid in anticipation of retirement.

Sections 69 and 70 of the bill would amend the RSSL § 23-a and § 323-a to modify the required employer contribution rate, so that employers and employees may receive equal financial relief from this bill.

Section 71 of the bill would amend the RSSL by adding a new Article 23 that would create a voluntary defined contribution plan for newly hired public employees. This voluntary defined contribution plan would be available to all new State and local government employees. This plan would provide required employer contributions of 4% of an employee's salary, provide matching employer contributions of up to an additional 3%, and afford public employers financial stability by limiting employer contributions to a maximum of 7%.

Section 72 of the bill would amend the Education Law ("Ed. L.") § 182 so that for such members of the Education Department Optional Retirement Program (ORP), the State would make contributions at the rate of 4% of salary earned. For members of the ORP who so elected, the State would match the contribution of the member in an amount not exceeding 3% of such member's wages. In addition, employee contributions would no longer be required, although employees could elect to contribute up to the amounts authorized in federal law.

Section 73 of the bill would amend Ed. L. § 392 with respect to such employees who would be eligible for membership in the Optional Retirement Program established pursuant to Article 8-B of the Ed. L. ("State University Optional Retirement Program"), and would require the State (with respect to employees of the state university system) and "electing employers" (with respect to employees of community colleges) to make contributions at the rate of 4% of salary earned. For members who so elected, the State would match the contribution of such member in an amount not exceeding 3% of such member's wages. In addition, employee contributions would no longer be required, although employees could elect to contribute up to the amounts authorized in federal law.

Section 74 of the bill would amend Ed. L. § 6252 with respect to such employees who would be eligible for membership in the Optional Retirement Program established pursuant to Article 125-A of the Ed. L. ("Board of Higher Education Optional Retirement Program"), and would require the employer with respect to employees of the colleges administered by the Board of Higher Education of the City of New York to make contributions at the rate of 4% of salary earned. For members who so elected, the employer would match the contribution of such member in an amount not exceeding 3% of such member's wages. In addition, employee contributions would no longer be

required, although employees could elect to contribute up to the amounts authorized in federal law.

Sections 75, 76 and 77 of the bill would amend New York City (“NYC”) Administrative Code § 13-101 subdivisions 86, 87 and 89 to make conforming amendments to permit new uniformed sanitation members, who will be in Tier 3 under the bill, to pay their member contributions of a pre-tax basis in accordance with section 414 (h) of the Internal Revenue Code.

Section 78 of the bill would amend NYC Administrative Code § 13-638.4 (e)(14) to provide a 5-year final average salary for new members of NYCERS and BERS.

Section 79 of the bill would provide that the benefits conferred by sections 75, 76 and 77 of the bill, if enacted, are completely contingent upon the existence of benefits contained in the Internal Revenue Code.

Section 80 of the bill would provide that members of an employee organization who are eligible to join a special retirement plan pursuant to a collectively negotiated agreement with any State or local employer, would be able to continue to enroll in that special plan after the enactment of this bill, until the date on which such agreement terminates. Upon the expiration of such collective bargaining agreement, not including the period after the expiration of such agreement in which in its provisions continue to be in effect, pursuant to Civil Service Law 209-a (1)(e), the full provisions contained within this bill will take effect. It clarifies that it may not be construed to permit new NYCERS members to participate in the current Tier 3 uniformed correction 20-year plans, the Tier 4 uniformed sanitation 20-year plan, the Tier 2 investigator member 20-year and 25-year plans, the NYCERS and BERS age 55/25-year and age 57/5-year plans or the TRS and BERS age 55/27-year plan. It is necessary to make new NYCERS members ineligible for such plans because: (1) new uniformed correction members, uniformed sanitation members and investigator members will be getting Tier 3 police/fire benefits so that they will not receive greater benefits than new NYC police officers and firefighters; and (2) new NYCERS non-uniformed members are to receive “payability” of service retirement and vested benefits at age 65. It would be inequitable to charge such employees additional member contributions under the special plans when they would not be allowed to retire early.

Section 81 of the bill provides that no enhancements, increases, or changes to the bill’s benefit structure shall be authorized.

Section 82 of the bill is the severability clause.

Section 83 of the bill provides for an effective date of April 1, 2012 and would add a proviso to the effective date provisions of that section so that the provisions of sections 27-a, 27-b and 27-c remain in force only so long as member contributions picked up under such sections are not includable as gross income under federal tax law provisions.

Budget Implications:

The enactment of this bill would result in a significant reduction in the long-term expected annual employer contribution rate in the ERS which is 9.4% under Tier 5. The expected annual employer contribution rate for Tier 4 employees is 11.6%.

This proposal will also cause a similar reduction in the long-term expected annual employer contribution rate for most employers in the PFRS which is 14.8%-15.1% under Tier 5. The expected annual employer contribution rate for employees hired before the enactment of Tier 5 is 18.5%-19.0%.

For newly hired members of the NYSTRS, the long-term expected cost will fall significantly below the 8.9% Tier 5 expected rate. The expected annual employer contribution rate for Tier 4 employees is 11.8%.

This bill would save the State and public employers outside of New York City more than \$83 billion in pension costs over a 30-year period. Furthermore, New York City would realize additional savings over a 30-year period.

Effective Date:

This bill takes effect on April 1, 2012, and would apply to individuals who become members of an impacted retirement system on or after that date.

Part I - Expand 2010 Medicare Part B reform to include employees and retirees of public authorities.

Purpose:

This bill would achieve savings in the New York State Health Insurance Program (NYSHIP) by requiring employees and retirees of certain public authorities to contribute toward the cost of Medicare Part B premiums.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Enactment of this bill is necessary to reduce spending in NYSHIP in order to provide fiscal relief to the State.

This bill would incorporate the cost of reimbursing Medicare Part B premiums to public authority retirees into the rates paid by employees and retired employees of public authorities, public benefit corporations, and other quasi-public organizations of the State. This extends the provisions of Chapter 56 of the Laws of 2010 which applied to employees and retirees of State agencies.

Budget Implications:

Enactment of this bill is necessary to implement the 2012-13 Executive Budget. If enacted, it would save the State an estimated \$10.5 million annually.

Effective Date:

This bill takes effect April 1, 2012.

Part J - Lapse aged State and local reappropriations.

Purpose:

This bill would require that all reappropriations, with the exception of reappropriations for capital projects and federal purposes, lapse five years after the close of the fiscal year in which they were appropriated.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

This bill would “clean-up” budget legislation to ensure that aged reappropriations, an abundance of which are no longer relevant or have cashed-out, are eliminated. The bill would employ sound budgetary and accounting principles by ensuring that appropriations are used within a reasonable amount of time or are revisited by decision-makers to determine their relevance and necessity.

The bill would require that all reappropriations, with the exception of reappropriations for capital projects and federal purposes, lapse five years after the date on which the original legislation would lapse in accordance with State Finance Law § 99-d. This bill would take effect April 1, 2013, to ensure that State agencies and the Legislature have sufficient time to manage this change.

Budget Implications:

This bill would not have direct budget implications; however, it is necessary to enact appropriate reform beginning with the 2012-13 Executive Budget.

Effective Date:

This bill takes effect April 1, 2013.

Part K - Modify the schedule of payments in lieu of taxes (PILOTs) made to the City of Albany.

Purpose:

This bill would increase PILOTs to the City of Albany by \$7.85 million in FY 2013 and reduce PILOTs by \$7.85 million in FY 2033.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Enactment of this bill is necessary to provide fiscal relief to the City of Albany in FY 2013.

This bill would increase PILOTs to the City of Albany by \$7.85 million in FY 2013 and reduce PILOTs by \$7.85 million in FY 2033.

Similar amendments have been made to the PILOT schedule in section 19-A of Public Lands Law:

- Chapter 692 of the Laws of 2002 increased payments in the original schedule (Chapter 56 of the Laws of 2000) by \$5.35 million in FY 2004 and FY 2005 and reduced payments commensurately in FY 2029 and FY 2030.
- Chapter 670 of the Laws of 2004 increased payments by \$7 million in FY 2005 and FY 2006 and reduced payments commensurately in FY 2027 and FY 2028.
- Chapter 63 of the Laws of 2005 increased payments by \$6 million in FY 2006 and reduced payments thereafter by \$720,000 annually.
- Chapter 56 of the Laws of 2006 increased the total schedule of payments by adding an additional \$6 million in FY 2007.
- Chapter 109 of the Laws of 2006 increased the total schedule of payments by \$233 million. This schedule provided payments to the City of Albany of nearly \$23 million in FY 2008 through FY 2011 and payments of \$15 million in FY 2012 through FY 2033.

Budget Implications:

Enactment of this bill is necessary to implement the 2012-13 Executive Budget. This bill would restore \$7.85 million in reduced aid to the City of Albany in exchange for an out-year reduction in aid. This bill would cost the State \$7.85 million in FY 2013.

Effective Date:

This bill takes effect April 1, 2012.

Part L - Modify outdated Statewide procurement procedures and printing practices.

Purpose:

This bill would modify outdated and redundant procurement provisions of the State Finance Law and related statutes. Specifically, it would amend the definitions of “lowest price” and “best value” for statewide procurements, authorize the Office of General Services (OGS) to designate any contract as a centralized contract, expand contract “piggyback” rights for local governments and non-profit organizations, exempt centralized contracts from the Office of the State Comptroller (OSC) pre-audit, and categorize electronic information as a commodity. In addition, this bill would amend the State Printing and Public Documents Law so that printing could be treated as a service or a commodity and to otherwise modernize that law.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Sections 1 and 2 of the bill would amend the definitions of “best value” and “lowest price” with respect to procurement of commodities and services through centralized contracts. This amendment would help ensure that contracts are awarded to the best vendor for the State. In addition, section two would permit the State, for evaluation purposes, to add a quantitative factor for small businesses or certified minority or women-owned businesses applying for State business.

Sections 3 through 6 of the bill would authorize commodities procurement on the basis of best value when in the discretion of the Commissioner of OGS (Commissioner), such procurement would be less costly to the State. Together, sections three through six would expand the use of State centralized contracts by allowing additional piggybacking rights to local governments, non-profit organizations and other authorized users. This proposed amendment should lead to increased use of centralized contracts for various services and commodities, in turn reducing costs of procurement for authorized users.

Sections 7 through 9 of the bill would authorize the Commissioner, upon his or her determination, or at the request of an agency, to use a centralized contract to procure a service, and would set the rules of priority for purchasing such service. Section eight allows the procurement of services on the basis of low price in cases where the Commissioner determines such procurement would be less costly to the State. Together, sections seven through nine would also authorize OGS to designate any agency contract a centralized contract, helping multiple state agencies and local governments to save money by granting them access to what are generally the best contracts in the State.

Section 10 of the bill would amend State Finance Law (SFL) §163 to empower State agencies to accept bids for commodity and service contracts electronically.

Section 11 of the bill would increase from \$15,000 to \$50,000, the dollar amount of procurement at and above which public notice is required. This is consistent with other current procurement statutes.

Section 12 of the bill would exempt centralized contracts, purchase orders, and other procurement transactions let by OGS from OSC pre-audit prior to contract finalization. This would create an incentive for agencies to utilize centralized contracts as a way to maximize savings. New York is one of only two States that requires a pre-audit of the procurement record on a contract before it can be deemed final.

Sections 13 through 24 of the bill would redefine printing as a State service, give OGS the ability to negotiate a competitive, centralized contract for printing on behalf of all State agencies, allow contracts to be awarded based on best value or lowest price, and set the contract amounts at and above which competitive bidding will be required. The current State Printing and Public Documents Law is anachronistic and has been subject to only minimal revision since 1917.

Sections 25 and 26 of the bill would expand the definition of a commodity to include electronic information resources. Public libraries and State universities have encountered barriers when purchasing electronic information resources (e.g., electronic database subscriptions) for academic purposes because electronic information is currently defined as a “service”. As most academic research and information is in electronic form, it is in the best interest of the State to redefine “commodity” to include electronic information resources. This will help achieve savings in State purchasing while at the same time supporting the State's academic and library organizations.

Section 27 of the bill would add new definitions to the SFL for “authorized user” and “non-state agency purchaser.”

Section 28 of the bill would amend the SFL by making permanent the Procurement Stewardship Act of 1995, which is set to expire on June 30, 2012. SFL § 163, which sets forth technical and procedural requirements with respect to State agency procurement of commodities and services, would remain in full force and effect.

Section 29 of the bill is the effective date.

Budget Implications:

Enactment of this bill is necessary to implement the Executive Budget in the 2012-13 fiscal year and achieve required savings. Such savings will be realized in future procurements, contract development, negotiations and management.

Effective Date:

This bill takes effect immediately.

Part M - Make various reforms to the Civil Service Law to provide increased flexibility with respect to hiring and transferring State employees.

Purpose:

This bill would enable the Department of Civil Service (“Civil Service”) to authorize the appointment of highly skilled information technology, professional, scientific, technical or other employees with specialized skills into the State workforce. It would also provide increased flexibility with respect to hiring, transferring or re-deploying employees to meet agency missions more effectively.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Section 1 of the bill would create a new Civil Service Law (“CSL”) § 66 allowing Civil Service to authorize five-year term appointments without examination for positions that require special expertise or qualifications to professional, scientific, technical, information technology or other employees with specialized skills. The appointments would be used when it is deemed impracticable to hold a skills-based examination because of the type of services to be rendered or the uniqueness of such services needed. The period for such appointments would be no longer than sixty months, and the maximum number of persons in such appointments could not exceed five hundred at any one time.

Sections 2 through 3 of the bill set forth a procedure for certifying a new type of promotion list, titled “open promotion”, using existing active “open competitive” and “promotion” lists. This would enable the State to expand the diversity of its workforce, create more opportunities for existing State employees, increase its ability to attract highly skilled outside talent and give the State increased flexibility to manage its workforce more effectively and efficiently.

Section 4 of the bill would allow agencies to utilize other State agency “interdepartmental promotion” eligible lists for a specific position in cases where it is in the best interests of State service, irrespective of whether the hiring agency’s existing interdepartmental list is exhausted.

Section 5 of the bill would permit non-competitive State employees to participate in competitive promotional exams. Allowing more employees into opportunistic exams would increase flexibility in the management of the State workforce.

Sections 6 through 8 of the bill would make it possible for non-competitive State employees to transfer into competitive positions, with the approval of Civil Service, provided the employees meet minimum qualifications. This will increase flexibility in the management of the State’s workforce and help ensure that agencies can obtain the “right” employee for the job.

Section 9 of the bill would amend CSL § 70 to authorize agencies to transfer State employees upon a merger or consolidation, and allow the reclassification of the employees, without further examination or qualification, in order to align them with the new department or agency. In addition, transferred employees on an existing promotion list would be added to the promotion eligible list of the new department or agency, as Civil Service deems appropriate.

Budget Implications:

Enactment of this bill is necessary to implement the 2012-2013 Executive Budget. Savings will be realized through the increased flexibility afforded to Civil Service and State agencies as this will allow them to manage their workforce more efficiently and effectively.

Effective Date:

This bill takes effect immediately except section one which shall be deemed to have taken effect on December 31, 2011. A previous version of section one of the Civil Service Law was repealed as of December 31, 2011, and this new section must be retroactively enacted to ensure continued authorization.

Part N - Authorize transfers, temporary loans, and amendments to miscellaneous capital/debt provisions, including bond caps.

Purpose:

This bill would provide the statutory authorization necessary for the administration of funds and accounts included in the fiscal year 2012-13 Executive Budget, and propose certain modifications to improve the State's General Fund position within the upcoming fiscal year. Specifically, it would: (1) authorize temporary loans and the deposits of certain revenues to specific funds and accounts, (2) authorize the transfers and deposits of funds to and across various accounts, (3) extend various provisions of Chapter 56 of the Laws of 2011 in relation to capital projects and certain certifications, (4) authorize modifications to various debt provisions, and (5) modify various bond authorizations necessary to implement the budget.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Section 1 of this bill would authorize the Comptroller to make temporary loans to specific State funds and accounts during fiscal year 2012-13.

Section 1-a of this bill would authorize the Comptroller to make temporary loans to accounts within specific Federal funds during fiscal year 2012-13.

Sections 2 and 3 of this bill would authorize the Comptroller to make transfers between designated funds and accounts.

Section 4 of this bill would authorize the Dormitory Authority of the State of New York (DASNY) to transfer \$7 million to the health care reform act (HCRA) Resources Fund - HCRA Resources Account.

Section 5 of this bill would authorize the Comptroller to deposit funds into the Banking Services Account.

Section 6 of this bill would authorize the Dormitory Authority of the State of New York (DASNY) to transfer \$22 million to the State University of New York for bondable equipment costs, which in turn would be re-paid to the State General Fund.

Section 6-a of this bill would authorize the State University to transfer up to \$16 million to the General Fund for debt service costs related to capital project costs for the NY-SUNY 2020 Challenge Grant program.

Section 7 of this bill would authorize the State University Chancellor to transfer the estimated tuition revenue balances from the State University Collection Fund to the State University Fund, State University Revenue Offset Account.

Section 8 of this bill would authorize the Comptroller, at the request of the State University Chancellor, to transfer up to \$60 million from the State University Income Fund, State University Hospitals Income Reimbursement Account.

Section 9 of this bill would authorize the Comptroller, at the request of the Director of the Budget, to transfer \$968 million from the General Fund to the State University Income Fund, State University General Revenue Offset Account.

Section 10 of this bill would authorize the Comptroller, at the request of the State University Chancellor or her designee, to transfer up to \$50 million from the State University Income Fund, State University Hospitals Income Reimbursable Account, for Hospital Income Reimbursable for services and expenses of hospital operations and capital expenditures at the State University Hospitals, and the State University Income Fund, Long Island Veterans' Home Account, to the State University Capital Projects Fund.

Section 11 of this bill would authorize the Comptroller to transfer monies from the State University Collection Fund, Stony Brook Hospital Collection Account, Brooklyn Hospital Collection Account, and Syracuse Hospital Collection Account, to the State University Income Fund, State University Hospitals Income Reimbursable Account, in amounts sufficient to permit the full transfer of moneys authorized for transfer to the General Fund for SUNY Hospitals debt service.

Section 12 of this bill would authorize the Comptroller to make transfers between the Miscellaneous Special Revenue Fund, the Patient Income Account, the Miscellaneous Special Revenue Fund, the Mental Hygiene Program Fund Account, or the General Fund in any combination, up to \$350 million.

Section 13 of this bill would authorize the Comptroller to transfer the unencumbered balance of any Special Revenue Fund to the General Fund, up to \$500 million.

Section 14 of this bill would authorize the transfer of \$65 million from the Power Authority of the State of New York (NYPA) to the credit of the General Fund, in an amount not less than \$25 million by June 30, 2012, with the remainder, up to \$40 million, by January 31, 2013.

Section 15 of this bill would authorize a public benefit corporation to make voluntary contributions to the General Fund or any other public benefit corporation at any time from available public benefit corporation funds in such amounts as deemed to be feasible and advisable by such public benefit corporation's governing board after due consideration of the public benefit corporation's legal and financial obligations.

Section 16 of this bill would amend State Finance Law (SFL) §97-rrr to allow the State Comptroller to make deposits in the School Tax Relief Fund in fiscal year 2012-13, and each fiscal year thereafter.

Section 16-a of this bill would repeal the existing School Tax Relief Fund deposit authorization, which provided limitations to deposits by amount and by fiscal year, as it is replaced by Section 16 of this bill.

Section 17 of this bill would authorize the Comptroller to deposit reimbursements for certain capital spending from appropriations into the correctional facilities capital improvement fund by a chapter of the laws of 2012.

Section 18 of this bill would amend SFL §4(6) to authorize the Comptroller to receive for deposit moneys to funds and accounts as identified by the Director of the Budget.

Section 18-a of this bill would authorize and direct the Comptroller to abolish or consolidate certain funds with the General Fund. These funds/accounts are no longer active and are recommended for abolition by the State Comptroller.

Section 18-b of this bill would repeal the sections of State Finance Law that created the funds and/or accounts abolished by Section 18-a of this bill.

Section 18-c of this bill would repeal the sections of the Education Law that created the funds and/or accounts abolished by Section 18-a of this bill.

Section 18-d of this bill would repeal the section of the Public Authorities Law that created the fund abolished by Section 18-a of this bill.

Section 18-e of this bill would repeal the section of the Private Housing Finance Law that created the fund abolished by Section 18-a of this bill.

Section 18-f of this bill would repeal Section 12 of Chapter 1040 of the Laws of 1981 and Chapter 50 of the Laws of 1993, which created certain funds abolished by Section 18-a of this bill.

Section 19 of this bill would amend SFL §40(4) to permit payment of prior years' liabilities.

Sections 20 through 33 of this bill would authorize the Comptroller to deposit reimbursements for certain capital spending from multiple appropriations contained in various chapters of the laws of 2002 through 2012 into various funds, including the Capital Projects Fund.

Section 34 would continue the authorization to use excess debt service appropriation for Mental Hygiene facilities to make rebates necessary to protect the tax-exempt status of the bonds.

Section 35 would continue authorizations for disbursements for hazardous waste site remediation projects.

Section 36 of this bill would amend SFL §68-a(2) to extend the authorization to issue mental health bonds under the PIT credit structure.

Section 36-a of this bill would amend SFL §73 to authorize the Comptroller to deposit any federal interest subsidy payments received for Build America Bonds (BABs) or Qualified School Construction Bonds (QSCBs) to their respective debt service funds. This would ensure that Federal interest subsidy payments received by the State for QSCBs are accounted for consistent with interest subsidies for BABs.

Section 37 of this bill would amend SFL §72(4) to make permanent the authority to set-aside monies in the General Debt Service Fund in advance of payments, to ensure scheduled debt service payments on State general obligation and service contract bonds are made on time and in full.

Section 38 of this bill would increase the bond cap for financing environmental infrastructure projects from \$916 million to \$1.119 billion.

Section 39 of this bill would increase the bond cap for financing of capital projects for the Division of Military and Naval Affairs from \$21 million to \$24 million.

Section 40 of this bill would increase the bond cap for financing correctional facilities from \$6.490 billion to \$6.817 billion.

Section 41 of this bill would increase the bond cap for financing housing programs from \$2.636 billion to \$2.741 billion.

Section 42 of this bill would increase the bond cap for financing local highway projects from \$6.695 billion to \$7.106 billion.

Section 43 of this bill would increase the bond cap for financing certain economic development projects from \$180.6 million to \$715.6 million.

Section 44 of this bill would decrease the bond cap for courthouse improvements and training facilities from \$85.9 million to \$76.1 million.

Sections 45, 45-a and 45-b of this bill would make certain technical changes relating to the effective date of the cultural educational facilities bond cap.

Section 46 of this bill would authorize a new \$770 million bond cap for financing MTA transportation facilities.

Section 47 of this bill would amend the Metropolitan Transportation Authority's (MTA) existing service contract bond authorization to make it consistent with other bond caps, clarifying that no further bonds may be issued against it except to refinance existing debt.

Section 48 of this bill would authorize a new \$15 million bond cap for financing Peace Bridge projects.

Section 49 of this bill would increase the NY-SUNY 2020 bond cap from \$80 million to \$110 million.

Section 50 of this bill would increase the bond cap for library facilities from \$84 million to \$98 million.

Section 51 of this bill would increase the bond cap for SUNY upstate community colleges from \$536 million to \$623 million.

Section 52 of this bill would increase the bond cap for SUNY educational facilities from \$10.089 billion to \$10.304 billion.

Section 53 of this bill would make it effective immediately, deemed in full force and effect on and after April 1, 2012, provided further that sections one through seven, sections ten through fifteen, and section seventeen would expire March 31, 2013.

This bill is necessary to execute a balanced Financial Plan in accordance with the 2012-13 Executive Budget. Similar legislation is enacted annually to authorize the transfer of

funds budgeted in the financial plan (such transfers do not have permanent statutory authorization), and to provide for other transactions necessary to maintain a balanced financial plan.

In addition, the SFL requires statutory authorization for funds and accounts to receive temporary loans from the State Treasury. Similar provisions were enacted to implement the fiscal year 2011-12 Budget, and they must be extended to implement the fiscal year 2012-13 Budget.

Budget Implications:

Enactment of this bill is necessary to implement the 2012-13 Executive Budget. Similar legislation is enacted annually to authorize the transfer of funds budgeted in the financial plan, and to provide for other transactions, including temporary loans from the State Treasury for cash flow purposes. This bill is also necessary to reimburse projected Capital Projects Fund spending with the proceeds of bonds sold by public authorities, to ensure the continued borrowing necessary for certain State-supported debt issuances to implement the budget, and to permit the State to carry out basic administrative functions.

Effective Date:

This bill takes effect immediately and would be deemed in full force and effect on and after April 1, 2012.

Part O - Rename the Office for Technology as the Office of Information Technology Services.

Purpose:

This bill would change the name of the Office for Technology (OFT) to the Office of Information Technology Services.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Since its inception, the responsibilities of OFT have shifted from policy and advisory to a more operational, service-oriented role. This bill would amend the State Technology Law, among others, to change the name of OFT to the Office of Information Technology Services to represent the transformation of OFT into a full-service agency.

Budget Implications:

Enactment of this bill is necessary to implement the 2012-13 Executive Budget as it would support the transformation of OFT into a statewide service center which will drive down overall State technology costs.

Effective Date:

This bill takes effect on the sixtieth day after enactment.

Part P - Accelerate Aid and Incentives for municipalities funding for the City of Rochester.

Purpose:

This bill would accelerate Aid and Incentives for Municipalities (AIM) funding for the City of Rochester beginning in State fiscal year 2013-14.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

This bill would provide the City of Rochester with up to an additional \$28 million in AIM funding for its 2012-13 local fiscal year.

Budget Implications:

There is no State fiscal impact from this bill as payments associated with this bill remain within the State's 2013-14 fiscal year.

Effective Date:

This bill takes effect immediately.

Part Q - Pay the MTA for costs associated with promoting access to employment through reimbursements for E-ZPass tolls paid by residents of Broad Channel and the Rockaway Peninsula that travel over the Cross Bay Veterans Memorial Bridge.

Purpose:

This bill would provide that the State pay to the Metropolitan Transportation Authority (MTA) the costs associated with the establishment and implementation of a rebate program for E-ZPass tolls paid by the residents of Broad Channel and the Rockaway Peninsula, for travel over the Cross Bay Veterans Memorial Bridge.

Statement in Support, Summary of Provisions, Existing Law, and Prior Legislative History:

Notwithstanding any other law to the contrary, for the purpose of promoting access to employment, the State shall pay to the MTA the costs associated with establishment and implementation by the metropolitan transportation authority of a rebate program for E-

ZPass tolls paid by the residents of Broad Channel and the Rockaway Peninsula who live within zip codes 11691, 11692, 11693, 11694, 11695, and 11697, for travel over the Cross Bay Veterans Memorial Bridge.

Budget Implications:

Enactment of this bill is necessary to implement the 2012-13 Executive Budget because it promotes access to employment for residents of Broad Channel and the Rockaway Peninsula.

Effective Date:

This bill takes effect immediately.

The provision of this act shall take effect immediately, provided, however, that the applicable effective date of each part of this act shall be as specifically set forth in the last section of such part.