

MISCELLANEOUS

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ALL STATE DEPARTMENTS AND AGENCIES

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2003-04	Appropriations Recommended 2004-05	Change	Reappropriations Recommended 2004-05
State Operations	0	0	0	0
Aid To Localities	200,000,000	0	(200,000,000)	200,000,000
Capital Projects	0	0	0	0
Total	200,000,000	0	(200,000,000)	200,000,000

ALL STATE DEPARTMENTS AND AGENCIES SERVICES, EXPENSES OR GRANTS

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2003-04	Appropriations Recommended 2004-05	Change	Reappropriations Recommended 2004-05
State Operations	0	0	0	0
Aid To Localities	0	0	0	6,416,000
Capital Projects	0	0	0	0
Total	0	0	0	6,416,000

AUTOMATED SPEED ENFORCEMENT IN WORK ZONES

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2003-04	Recommended 2004-05	Change
Special Revenue Funds - Other	0	3,000,000	3,000,000
Total	0	3,000,000	3,000,000

COLLECTIVE BARGAINING AGREEMENTS

PROGRAM HIGHLIGHTS

Negotiations for successor collective bargaining agreements began in January 2003. A \$21.5 million General Fund appropriation is recommended to continue certain programs until new agreements are reached with the unions. A total of \$6.5 million in reappropriations is also recommended.

A total of \$250,000 in Special Revenue-Other funding is again recommended for the administrative costs of the NYS Flex Spending Accounts. These costs are funded by those employees who participate in this program, which allows participating employees to make pre-tax payroll deductions for child and elder care expenses.

MISCELLANEOUS

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2003-04	Appropriations Recommended 2004-05	Change	Reappropriations Recommended 2004-05
State Operations	2,460,700	21,750,000	19,289,300	6,555,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	2,460,700	21,750,000	19,289,300	6,555,000

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2003-04 Estimated FTEs 03/31/04	2004-05 Estimated FTEs 03/31/05	FTE Change
Labor Management Programs			
General Fund	53	53	0
Total	53	53	0

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2003-04	Recommended 2004-05	Change
General Fund	2,085,700	21,500,000	19,414,300
Special Revenue Funds - Other	375,000	250,000	(125,000)
Total	2,460,700	21,750,000	19,289,300
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(85,700)		
Appropriated 2003-04	2,375,000		

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2003-04	Recommended 2004-05	Change
Labor Management Programs			
General Fund	2,085,700	21,500,000	19,414,300
Special Revenue Funds - Other	375,000	250,000	(125,000)
Total	2,460,700	21,750,000	19,289,300

MISCELLANEOUS

STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2004-05 RECOMMENDED
(dollars)

Program	Total		Contractual Services	
	Amount	Change	Amount	Change
Labor Management Programs	21,500,000	19,414,300	0	(75,000)
Total	21,500,000	19,414,300	0	(75,000)

Program	General State Charges		Maintenance Undistributed	
	Amount	Change	Amount	Change
Labor Management Programs	0	(10,700)	21,500,000	19,500,000
Total	0	(10,700)	21,500,000	19,500,000

STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2004-05 RECOMMENDED
(dollars)

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Labor Management Programs	250,000	(125,000)	250,000	(125,000)
Total	250,000	(125,000)	250,000	(125,000)

COMMUNITY SERVICE PROVIDER ASSISTANCE PROGRAM

ALL FUNDS
APPROPRIATIONS
(dollars)

Category	Available	Appropriations	Change	Reappropriations
	2003-04	Recommended 2004-05		Recommended 2004-05
State Operations	0	0	0	0
Aid To Localities	0	0	0	33,300,000
Capital Projects	0	0	0	0
Total	0	0	0	33,300,000

DEFERRED COMPENSATION BOARD

MISSION

The Deferred Compensation Board oversees the administration of public employee Deferred Compensation Plan assets.

ORGANIZATION AND STAFFING

The Board consists of three members, one each appointed by the Governor, the Senate Majority Leader and the Assembly Speaker. The Board has four staff and contracts with a law firm, a financial management firm and an accounting firm which collectively advise the Board on plan administration. In addition, the Board contracts with a third-party administrator to operate the Plan and serve as its record keeper.

MISCELLANEOUS

FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

The Executive Budget recommendations for 2004-05 will provide continued support for the current operations of the Deferred Compensation Board. The recommended funding includes \$152,000 in State tax dollars from the General Fund for the costs of providing legal advice and assistance to local governments on the establishment and maintenance of deferred compensation plans. The balance of funds needed to operate the Plan are derived from a participant fee and administrative rebates that the Plan receives from the investment firms. An amount of \$585,000 in Special Revenue funding is included to pay for the Plan's operating expenses.

PROGRAM HIGHLIGHTS

The Board continues to pursue the highest and safest return for Plan assets that total more than \$5 billion. The State Deferred Compensation Plan has experienced numerous changes due to the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA). The Board will continue to provide guidance to local governments on compliance issues related to Federal statutory changes and the State's Model Deferred Compensation Plan. The Board introduced several improvements to the statewide Deferred Compensation Plan for public employees during the 2003-04 fiscal year, including investment advice and education for participants, and new investment options.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2003-04	Appropriations Recommended 2004-05	Change	Reappropriations Recommended 2004-05
State Operations	737,000	737,000	0	158,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	737,000	737,000	0	158,000

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Full-Time Equivalent Positions (FTE)

Program	2003-04 Estimated FTEs 03/31/04	2004-05 Estimated FTEs 03/31/05	FTE Change
Operations			
Special Revenue Funds - Other	4	4	0
Total	4	4	0

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2003-04	Recommended 2004-05	Change
General Fund	152,000	152,000	0
Special Revenue Funds - Other	585,000	585,000	0
Total	737,000	737,000	0

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2004-05 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations	585,000	0	284,000	2,000
Total	585,000	0	284,000	2,000

Program	Nonpersonal Service	
	Amount	Change
Operations	301,000	(2,000)
Total	301,000	(2,000)

GENERAL STATE CHARGES

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

BUDGET AND PROGRAM HIGHLIGHTS

Pension fund investment losses and the continued escalation of health care costs are causing significant increases in spending for employee pension benefits and health insurance. Absent policy changes, the State's pension contribution rate for 2004-05 is scheduled to increase by 8 percent of State workforce salaries and 2004 health insurance premiums are rising 13 percent. In an effort to contain these costs, the 2004-05 Executive Budget includes legislation to support more reasonable pension funding requirements, and changes in health benefits are being pursued in collective bargaining with State employee unions. Recommended appropriations for General State Charges total \$2.6 billion in 2004-05 — a \$332 million or 14.6 percent increase over the prior fiscal year. This amount will be augmented by \$554 million initially appropriated to the State University of New York for employee fringe benefits.

FRINGE BENEFITS

The State provides a comprehensive fringe benefits package to its employees. These benefits are supported primarily by General Fund revenues and supplemented with revenue from fringe benefit assessments on Federal and other dedicated revenue programs.

Health Insurance: Through the New York State Health Insurance Program (NYSHIP), State employees and retirees have the option to participate in the Empire Plan, a health insurance program designed exclusively for New York's public employees, or one of 14 health maintenance organizations. Approximately 80 percent of State employees and retirees are enrolled in the Empire Plan.

The recommended 2004-05 General Fund appropriation of \$1.6 billion reflects a 13 percent average increase in the State's cost for employee health insurance premiums. At this time, the State is actively seeking savings from health benefit changes in collective bargaining with the State employee unions.

Pension Benefits: Most State employees are members of the New York State and Local Retirement Systems, which consist of the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System. With approximately \$111 billion in combined assets, these systems administer retirement benefits to State and local government employees. Funding for the benefits is supported by employer contributions, bi-weekly contributions from certain employees with less than ten years of service, and pension fund investment earnings.

MISCELLANEOUS

Under current pension funding policies, investment losses experienced in prior years are causing steep increases in employer contributions. The State's 2004-05 pension contribution rate is scheduled to increase from 4.5 percent of salary to 12.5 percent. Legislation approved in 2003 avoided a similar increase during 2003-04 by authorizing a one-year billing lag. This law also enacted a minimum contribution requirement and a one-time borrowing opportunity to defer a portion of 2004-05 employer contributions.

The 2004-05 budget proposes more comprehensive pension funding reforms that will maintain a conservatively funded retirement system, avoid the need for borrowing and result in more gradually phasing in higher pension contribution levels. Specific proposals would:

- Change the method of recognizing investment experience and lengthen the amortization period for recent benefit improvements as allowable under government accounting standards;
- Limit the amount pension contribution rates can increase in any given year consistent with past practice;
- Offer additional fiscal relief to local governments by making a minor change to the payment due date, broadening the use of reserves and refinancing opportunities;
- Use actual instead of projected salaries as a basis for billing employers;
- Provide for a periodic actuarial review of the minimum contribution requirement;
- Strengthen the retirement system with strict rules on funding new benefits; and
- Require better reporting from the retirement systems to improve budget planning and financial disclosure.

The proposed changes conform to the tenets of the Government Accounting Standards Board (GASB), are practices used by other public pension systems and/or represent actions taken in the past by the New York State and Local Retirement Systems.

Local governments and the State will realize substantial fiscal relief from these proposals with estimated savings in 2004-05 totaling \$500 million for the State and \$800 million for local governments and other participating employers. This savings assumes the 2004-05 base contribution rate will be 6.5 percent for the Employees' Retirement System and 7.5 percent for the Police and Fire Retirement System.

The recommended \$546 million General Fund appropriation for 2004-05 assumes the General State Charges share of savings from the proposed reforms.

Social Security and Medicare Taxes: In addition to employer contributions made to the retirement systems, the State makes weekly tax payments to the Federal government for the Social Security and Medicare benefit programs. The Social Security tax rate is 6.20 percent, applied on wages up to \$87,900 in 2004, and the Medicare tax rate is 1.45 percent on all wages.

The recommended General Fund appropriation for Social Security and Medicare taxes in 2004-05 is \$446 million.

Workers' Compensation: The State reimburses the State Insurance Fund for actual compensation and medical claims incurred by State employees for job-related injuries. The statutory workers' compensation benefit is two-thirds of salary up to a maximum of \$400 per week. Some State employees are paid supplemental benefits pursuant to collective bargaining agreements.

The recommended General Fund appropriation for workers' compensation benefits in 2004-05 is \$208 million. Efforts to contain costs and improve program management will continue through funding the automated Accident Reporting System, a dispute resolution program, and the One Card Rx initiative.

Dental, Vision and Other Employee Benefits: State employees receive dental insurance and vision benefits either through State administered programs or benefit funds operated by public employee unions. Premiums for the State administered programs are covered in full by the State. The employee union benefit funds are supported by quarterly contributions from the State based on per capita rates authorized in collective bargaining agreements. In addition, the State funds an assortment of other benefit programs to cover losses due to death, disability and unemployment.

A total of \$123 million in General Fund appropriations are recommended in 2004-05 to fund dental, vision and other employee benefits.

Fringe Benefits for State University Employees: In 2004-05, \$554 million to support fringe benefits for employees of the State University will be appropriated to the State University and suballocated to the General State Charges program, to be centrally administered along with the benefit programs for all State employees. The tables that follow make a similar adjustment in 2003-04 available appropriations for comparison purposes.

FIXED COSTS

In addition to employee fringe benefits, the State pays for a variety of fixed costs from the General State Charges budget. These costs are supported in full by General Fund revenues and include:

Taxes and Other Property Assessments on State-Owned Lands: Real Property Tax Law authorizes local governments to tax certain parcels of State-owned land. Presently, the State provides financial support to local governments by paying local and/or school property taxes on approximately 22,000 parcels covering four million acres of land throughout the State as well as transition assessments on tax-exempt State-owned lands. Other property expenses include assessments for improvements on State-owned lands and payments in lieu of taxes on certain property in the City of Albany, Cattaraugus County and Putnam County.

A total of \$154 million in appropriations is recommended in 2004-05 for payment of taxes and various other property assessments on State lands.

Court of Claims Judgments and Other Litigation Costs: Annual appropriations are authorized to pay for expenses related to the settlement of lawsuits and court judgments against the State. Most litigation against the State is adjudicated in the Court of Claims and involves contract disputes and tort liabilities. Other appropriations in this category support: the defense and indemnification of State employees for actions that arise in the course of their official duties; litigation expenses related to Indian land claims; and payments to the Property Casualty Insurance Security Fund in accordance with the terms of a multi-year settlement with the insurance industry.

A total of \$137 million in appropriations is recommended in 2004-05 for these litigation expenses. As part of the State's reform agenda, legislation is recommended to change the interest rate paid by the State and other governmental jurisdictions in court judgments. The proposal would calculate interest charges using a variable market-based index instead of the fixed 9 percent rate required under current law.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

<u>Category</u>	<u>Available 2003-04</u>	<u>Appropriations Recommended 2004-05</u>	<u>Change</u>	<u>Reappropriations Recommended 2004-05</u>
State Operations	2,279,158,900	2,610,816,000	331,657,100	16,785,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>2,279,158,900</u>	<u>2,610,816,000</u>	<u>331,657,100</u>	<u>16,785,000</u>

MISCELLANEOUS

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

<u>Fund Type</u>	<u>Available 2003-04</u>	<u>Recommended 2004-05</u>	<u>Change</u>
General Fund	2,279,158,900	2,610,816,000	331,657,100
Total	2,279,158,900	2,610,816,000	331,657,100
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(2,566,900)		
Transfer(s) To			
State University of New York			
General Fund	481,000,000		
Appropriated 2003-04	2,757,592,000		

GOVERNMENTAL ACCOUNTING STANDARDS BOARD

ALL FUNDS APPROPRIATIONS (dollars)

<u>Category</u>	<u>Available 2003-04</u>	<u>Appropriations Recommended 2004-05</u>	<u>Change</u>	<u>Reappropriations Recommended 2004-05</u>
State Operations	0	0	0	2,000,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	0	0	0	2,000,000

GREEN THUMB PROGRAM

The Green Thumb Program provides income-eligible elderly citizens with part-time employment in State agencies through the not-for-profit organization, Green Thumb Environmental Beautification, Inc. The 2004-05 Executive Budget recommends a General Fund appropriation of \$2,394,000, the same level of funding provided in 2003-04.

ALL FUNDS APPROPRIATIONS (dollars)

<u>Category</u>	<u>Available 2003-04</u>	<u>Appropriations Recommended 2004-05</u>	<u>Change</u>	<u>Reappropriations Recommended 2004-05</u>
State Operations	2,394,000	2,394,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	2,394,000	2,394,000	0	0

THE GREENWAY HERITAGE CONSERVANCY OF THE HUDSON RIVER VALLEY

The Greenway Heritage Conservancy of the Hudson River Valley was established in the Hudson River Valley Greenway Act of 1991 to promote the preservation of natural and cultural resources in the Valley, serve as a land trust in the acquisition of lands important to

MISCELLANEOUS

the Greenway, and designate and develop the Hudson River Valley Greenway Trail. The 2004-05 Executive Budget recommends total funding of \$190,000 from the General Fund for operational support of the Conservancy.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2003-04	Appropriations Recommended 2004-05	Change	Reappropriations Recommended 2004-05
State Operations	250,000	190,000	(60,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	250,000	190,000	(60,000)	0

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2003-04	Recommended 2004-05	Change
Operations			
General Fund	250,000	190,000	(60,000)
Total	250,000	190,000	(60,000)

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2004-05 RECOMMENDED
(dollars)**

Program	Total		Contractual Services	
	Amount	Change	Amount	Change
Operations	190,000	(60,000)	190,000	(60,000)
Total	190,000	(60,000)	190,000	(60,000)

HEALTH INSURANCE CONTINGENCY RESERVE

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2003-04	Recommended 2004-05	Change
General Fund	430,022,000	410,184,000	(19,838,000)
Total	430,022,000	410,184,000	(19,838,000)

HEALTH INSURANCE RESERVE RECEIPTS FUND

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2003-04	Recommended 2004-05	Change
Fiduciary Funds	192,400,000	192,400,000	0
Total	192,400,000	192,400,000	0

MISCELLANEOUS

HIGHER EDUCATION

This appropriation provides funds for the Higher Education Services Corporation and the Office of the State Comptroller to jointly administer the College Choice Tuition Savings Program. This program helps families save for their children's education at accredited public and private colleges anywhere in the country with accompanying tax benefits on contributions made to, and interest earned on, college savings accounts.

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2003-04	Recommended 2004-05	Change
Special Revenue Funds - Other	717,400	723,000	5,600
Total	717,400	723,000	5,600

**HIGHER EDUCATION FACILITIES
CAPITAL MATCHING GRANTS PROGRAM**

In addition to the new multi-year capital plans for SUNY and CUNY, recommendations for 2004-05 include a new \$350 million higher education facilities capital matching grant program for both public and private colleges in New York. This program will require a three to one (non-State to State) match by institutions that compete for grants for facility projects or equipment.

Grants will be awarded by a new Higher Education Capital Investment Review Board consisting of seven members appointed by the Governor. Grants may only be used for new capital projects and will be targeted for priorities that include economic development/high technology (including wet labs), critical academic facilities, and urban renewal/historic preservation.

This program would leverage over \$1 billion in external funds to match the State's \$350 million investment, thereby providing for a combined capital program totaling \$1.4 billion. The State's share of the program will be financed through the issuance of bonds.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2003-04	Appropriations Recommended 2004-05	Change	Reappropriations Recommended 2004-05
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	350,000,000	350,000,000	0
Total	0	350,000,000	350,000,000	0

**CAPITAL PROJECTS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Comprehensive Construction Program	Available 2003-04	Recommended 2004-05	Change	Reappropriations 2004-05
Higher Education Capital Matching Grants				
Capital Projects Fund - Authority Bonds	0	350,000,000	350,000,000	0
Total	0	350,000,000	350,000,000	0

HOMELAND SECURITY

Since fall 2001, State agencies have deployed numerous resources to detect and protect against domestic security threats. The 2004-05 Executive Budget provides appropriations of approximately \$262 million to support a continuation of homeland security activities throughout New York State, including a \$75 million contingency appropriation for costs of security measures implemented during periods of heightened threat alerts. State personnel and other resources will provide increased security at potential terrorist targets and other public safety needs will continue to be addressed, including testing of potential biological agents and upgrades for communications and technology systems.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available	Appropriations	Change	Reappropriations
	2003-04	Recommended 2004-05		Recommended 2004-05
State Operations	130,178,000	131,943,000	1,765,000	3,400,000
Aid To Localities	182,940,000	125,000,000	(57,940,000)	202,890,000
Capital Projects	12,500,000	5,000,000	(7,500,000)	27,000,000
Total	325,618,000	261,943,000	(63,675,000)	233,290,000

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2003-04	Recommended 2004-05	Change
Special Revenue Funds - Other	3,000,000	3,000,000	0
All Funds	127,178,000	128,943,000	1,765,000
Total	130,178,000	131,943,000	1,765,000

Adjustments:

Prior Year Deficiency	
Homeland Security	
All Funds	8,000,000
Appropriated 2003-04	138,178,000

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2003-04	Recommended 2004-05	Change
Domestic Anti-Terrorism Program			
Special Revenue Funds - Other	3,000,000	3,000,000	0
All Funds	127,178,000	128,943,000	1,765,000
Total	130,178,000	131,943,000	1,765,000

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2004-05 RECOMMENDED
(dollars)**

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Domestic Anti-Terrorism Program	131,943,000	1,765,000	131,943,000	1,765,000
Total	131,943,000	1,765,000	131,943,000	1,765,000

MISCELLANEOUS

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2003-04	Recommended 2004-05	Change
Special Revenue Funds - Federal	182,940,000	125,000,000	(57,940,000)
Total	182,940,000	125,000,000	(57,940,000)
Adjustments:			
Recommended Deficiency			
Homeland Security			
Special Revenue Funds - Federal	(100,590,000)		
Appropriated 2003-04	82,350,000		

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2003-04	Recommended 2004-05	Change
Domestic Anti-Terrorism Program			
Special Revenue Funds - Federal	182,940,000	125,000,000	(57,940,000)
Total	182,940,000	125,000,000	(57,940,000)

CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2003-04	Recommended 2004-05	Change	Reappropriations 2004-05
Homeland Security				
Capital Projects Fund	12,500,000	5,000,000	(7,500,000)	27,000,000
Total	12,500,000	5,000,000	(7,500,000)	27,000,000

HUDSON RIVER VALLEY GREENWAY COMMUNITIES COUNCIL

The Hudson River Valley Greenway Communities Council is a 25-member advisory board, created in 1991, which is responsible for promoting the preservation of natural and cultural resources in the Hudson River Valley.

The Council's operations are funded with State tax dollars from the General Fund. The Executive Budget recommends total funding of \$575,000 in 2004-05 to support the Council's administration, technical assistance, and local planning grants programs.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2003-04	Appropriations Recommended 2004-05	Change	Reappropriations Recommended 2004-05
State Operations	371,000	371,000	0	0
Aid To Localities	204,000	204,000	0	621,000
Capital Projects	0	0	0	0
Total	575,000	575,000	0	621,000

MISCELLANEOUS

**ALL FUND TYPES
PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM
FILLED ANNUAL SALARIED POSITIONS**

Full-Time Equivalent Positions (FTE)

Program	2003-04 Estimated FTEs 03/31/04	2004-05 Estimated FTEs 03/31/05	FTE Change
Operations			
General Fund	5	5	0
Total	<u>5</u>	<u>5</u>	<u>0</u>

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2003-04	Recommended 2004-05	Change
Operations			
General Fund	371,000	371,000	0
Total	<u>371,000</u>	<u>371,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2004-05 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Operations	298,000	0	298,000	0
Total	<u>298,000</u>	<u>0</u>	<u>298,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2004-05 RECOMMENDED
(dollars)**

Program	Total		Contractual Services	
	Amount	Change	Amount	Change
Operations	73,000	0	73,000	0
Total	<u>73,000</u>	<u>0</u>	<u>73,000</u>	<u>0</u>

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2003-04	Recommended 2004-05	Change
Operations			
General Fund	204,000	204,000	0
Total	<u>204,000</u>	<u>204,000</u>	<u>0</u>

MISCELLANEOUS

INSURANCE AND SECURITIES FUNDS RESERVE GUARANTEE

STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)

<u>Fund Type</u>	<u>Available 2003-04</u>	<u>Recommended 2004-05</u>	<u>Change</u>
General Fund	1,672,000,000	1,619,000,000	(53,000,000)
Total	<u>1,672,000,000</u>	<u>1,619,000,000</u>	<u>(53,000,000)</u>

STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

<u>Program</u>	<u>Available 2003-04</u>	<u>Recommended 2004-05</u>	<u>Change</u>
Aggregate Trust Fund			
General Fund	220,000,000	220,000,000	0
Stock Workmen's Compensation Security Fund			
General Fund	67,000,000	14,000,000	(53,000,000)
Property/Casualty Insurance Security Fund			
General Fund	90,000,000	90,000,000	0
State Insurance Fund			
General Fund	<u>1,295,000,000</u>	<u>1,295,000,000</u>	<u>0</u>
Total	<u>1,672,000,000</u>	<u>1,619,000,000</u>	<u>(53,000,000)</u>

LOCAL GOVERNMENT ASSISTANCE

The following appropriations provide unrestricted aid to all classes of local governments. Of the total miscellaneous local government assistance, only 3.9 percent is appropriated from the General Fund. The remaining 96.1 percent is appropriated primarily as fiduciary funds with no General Fund impact.

Executive budget recommendations for 2004-05 are as follows:

- General Purpose Local Government Aid funding for cities, towns and villages is continued at the SFY 2003-04 level of \$561.6 million. Aid to New York City is also continued at the current year level.
- Emergency Financial Assistance to Eligible Municipalities and Emergency Financial Aid to Certain Cities are continued at SFY 2003-04 levels: \$20.8 million and \$26.4 million, respectively.
- Supplemental Municipal Aid for cities is continued at the SFY 2003-04 level of \$182.8 million.
- The statutory authorization for Local Government Aid to Counties (\$17 million) expired in 2003-04 and, therefore, such aid is not recommended for 2004-05.
- \$55 million is appropriated for the City of Yonkers in accordance with the terms of the settlement agreement that ended two decades of contentious litigation and Federal intervention in the City's public schools.
- The final \$15 million payment of a total \$100 million aid package to the Nassau County Interim Finance Authority is now planned to be made over two years, at \$7.5 million per year.
- Fiduciary appropriations totaling more than \$26 billion are continued for the Municipal Assistance State Aid Fund, the Municipal Assistance Tax Fund, and the Stock Transfer Tax Fund to ensure that New York City and the city of Troy have adequate Municipal Assistance Corporation debt service coverage.

MISCELLANEOUS

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2003-04	Appropriations Recommended 2004-05	Change	Reappropriations Recommended 2004-05
State Operations	3,086,000	3,189,200	103,200	0
Aid To Localities	25,151,994,002	27,652,395,002	2,500,401,000	0
Capital Projects	0	0	0	0
Total	25,155,080,002	27,655,584,202	2,500,504,200	0

**ALL FUND TYPES
PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM
FILLED ANNUAL SALARIED POSITIONS**

Full-Time Equivalent Positions (FTE)

Program	2003-04 Estimated FTEs 03/31/04	2004-05 Estimated FTEs 03/31/05	FTE Change
Financial Control Board, New York State			
Special Revenue Funds - Other	18	18	0
Total	18	18	0

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2003-04	Recommended 2004-05	Change
Special Revenue Funds - Other	3,086,000	3,189,200	103,200
Total	3,086,000	3,189,200	103,200

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2003-04	Recommended 2004-05	Change
Financial Control Board, New York State			
Special Revenue Funds - Other	3,086,000	3,189,200	103,200
Total	3,086,000	3,189,200	103,200

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2004-05 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Financial Control Board, New York State	3,189,200	103,200	1,789,000	0
Total	3,189,200	103,200	1,789,000	0

Program	Nonpersonal Service	
	Amount	Change
Financial Control Board, New York State	1,400,200	103,200
Total	1,400,200	103,200

MISCELLANEOUS

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

<u>Fund Type</u>	<u>Available 2003-04</u>	<u>Recommended 2004-05</u>	<u>Change</u>
General Fund	1,073,694,002	1,074,095,002	401,000
Fiduciary Funds	24,078,300,000	26,578,300,000	2,500,000,000
Total	<u>25,151,994,002</u>	<u>27,652,395,002</u>	<u>2,500,401,000</u>

AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2003-04</u>	<u>Recommended 2004-05</u>	<u>Change</u>
Local Government Aid to Counties			
General Fund	17,000,000	0	(17,000,000)
Emergency Financial Aid to Certain Cities			
General Fund	26,474,000	26,474,000	0
Emergency Financial Assistance to Eligible Municipalities			
General Fund	20,814,000	20,814,000	0
General Purpose Local Government Aid			
General Fund	781,322,000	781,322,000	0
Miscellaneous Financial Assistance			
General Fund	210,000	111,000	(99,000)
Municipal Assistance State Aid Fund			
Fiduciary Funds	563,300,000	563,300,000	0
Municipal Assistance Tax Fund			
Fiduciary Funds	13,515,000,000	15,015,000,000	1,500,000,000
Nassau County Interim Finance Authority			
General Fund	15,000,000	7,500,000	(7,500,000)
Stock Transfer Tax Fund			
Fiduciary Funds	10,000,000,000	11,000,000,000	1,000,000,000
Supplemental Municipal Aid			
General Fund	182,874,002	182,874,002	0
Yonkers Settlement			
General Fund	30,000,000	55,000,000	25,000,000
Total	<u>25,151,994,002</u>	<u>27,652,395,002</u>	<u>2,500,401,000</u>

MISCELLANEOUS GUARANTEE APPROPRIATIONS

ALL FUNDS APPROPRIATIONS (dollars)

<u>Category</u>	<u>Available 2003-04</u>	<u>Appropriations Recommended 2004-05</u>	<u>Change</u>	<u>Reappropriations Recommended 2004-05</u>
State Operations	1,070,028,000	65,000,000	(1,005,028,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>1,070,028,000</u>	<u>65,000,000</u>	<u>(1,005,028,000)</u>	<u>0</u>

NATIONAL AND COMMUNITY SERVICE

MISSION

The Office of National and Community Service provides staff support to the New York State Commission on National and Community Service. The Commission qualifies the State for Federal community service grants for local not-for-profit agencies.

ORGANIZATION AND STAFFING

The Office of National and Community Service is housed and staffed within the Office of Children and Family Services.

FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

The 2004-05 Executive Budget recommends an appropriation of \$30 million in anticipation of the receipt of continued Federal funding for this program. In addition, State funding of \$332,000 is recommended to meet match requirements for the Office's administration grant.

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

<u>Fund Type</u>	<u>Available 2003-04</u>	<u>Recommended 2004-05</u>	<u>Change</u>
General Fund	332,000	332,000	0
Special Revenue Funds - Federal	30,000,000	30,000,000	0
Total	30,332,000	30,332,000	0

**NORTHEASTERN QUEENS NATURE AND
HISTORICAL PRESERVE COMMISSION**

The Northeastern Queens Nature and Historical Preserve Commission was created in 1973 to coordinate the use of publicly owned lands and wetlands in portions of Queens County. The Executive Budget recommends elimination of State support for the Commission's operations in 2004-05.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

<u>Category</u>	<u>Available 2003-04</u>	<u>Appropriations Recommended 2004-05</u>	<u>Change</u>	<u>Reappropriations Recommended 2004-05</u>
State Operations	92,000	0	(92,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	92,000	0	(92,000)	0

**ALL FUND TYPES
PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM
FILLED ANNUAL SALARIED POSITIONS**

Full-Time Equivalent Positions (FTE)

<u>Program</u>	<u>2003-04 Estimated FTEs 03/31/04</u>	<u>2004-05 Estimated FTEs 03/31/05</u>	<u>FTE Change</u>
Administration			
General Fund	2	0	(2)
Total	2	0	(2)

MISCELLANEOUS

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2004-05 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	0	(60,000)	0	(60,000)
Total	0	(60,000)	0	(60,000)

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2004-05 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	0	(32,000)	0	(32,000)
Total	0	(32,000)	0	(32,000)

PETROLEUM STORAGE TANKS – COPS REPAYMENT

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available	Appropriations	Change	Reappropriations
	2003-04	Recommended 2004-05		Recommended 2004-05
State Operations	1,301,000	0	(1,301,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	1,301,000	0	(1,301,000)	0

RESERVE FOR FEDERAL AUDIT DISALLOWANCES

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2003-04	Recommended 2004-05	Change
General Fund	50,000,000	50,000,000	0
Total	50,000,000	50,000,000	0

SPECIAL EMERGENCY APPROPRIATION

ALL FUNDS
APPROPRIATIONS
(dollars)

Category	Available	Appropriations	Change	Reappropriations
	2003-04	Recommended 2004-05		Recommended 2004-05
State Operations	50,000,000	50,000,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	50,000,000	50,000,000	0	0

SPECIAL FEDERAL EMERGENCY APPROPRIATION

AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)

Fund Type	Available	Recommended	Change
	2003-04	2004-05	
Special Revenue Funds - Federal	1,000,000,000	1,000,000,000	0
Total	1,000,000,000	1,000,000,000	0

STATEWIDE WIRELESS NETWORK

The Statewide Wireless Network Task Force is responsible for the development and deployment of the new statewide emergency communications system network. The Executive Budget recommends a total of \$22.3 million for 2004-05 to support the development of a multi-agency radio communications network. The funding for the network is fully supported by a monthly surcharge on cellular telephones.

Many of the existing radio systems in New York State are antiquated, difficult to maintain and incapable of communicating with neighboring jurisdictions. The Statewide Wireless Network Task Force is working cooperatively with State and local agencies to establish a statewide communications system. The new statewide emergency communications system will provide an integrated emergency communications network that will enable public safety agencies at all levels of government to coordinate emergency responses.

ALL FUNDS
APPROPRIATIONS
(dollars)

Category	Available	Appropriations	Change	Reappropriations
	2003-04	Recommended 2004-05		Recommended 2004-05
State Operations	8,818,000	22,282,000	13,464,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	8,818,000	22,282,000	13,464,000	0

MISCELLANEOUS

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2003-04	Recommended 2004-05	Change
Special Revenue Funds - Other	8,818,000	22,282,000	13,464,000
Total	<u>8,818,000</u>	<u>22,282,000</u>	<u>13,464,000</u>

TRIBAL STATE COMPACT REVENUE

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2003-04	Appropriations Recommended 2004-05	Change	Reappropriations Recommended 2004-05
State Operations	0	0	0	0
Aid To Localities	13,750,000	7,667,000	(6,083,000)	13,750,000
Capital Projects	0	0	0	0
Total	<u>13,750,000</u>	<u>7,667,000</u>	<u>(6,083,000)</u>	<u>13,750,000</u>

**AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available 2003-04	Recommended 2004-05	Change
Tribal-State Compact Revenue Program			
Special Revenue Funds - Other	13,750,000	7,667,000	(6,083,000)
Total	<u>13,750,000</u>	<u>7,667,000</u>	<u>(6,083,000)</u>

WORKERS' COMPENSATION RESERVE

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available 2003-04	Recommended 2004-05	Change
General Fund	31,295,000	31,994,000	699,000
Total	<u>31,295,000</u>	<u>31,994,000</u>	<u>699,000</u>

**WORLD TRADE CENTER
REBUILDING AND REVITALIZATION**

The recommended reappropriations will facilitate the continuation of New York State's and New York City's efforts to revitalize the World Trade Center property and lower Manhattan. These reappropriations provide ongoing authorization for payments related to captive insurance; hazard mitigation; concluding State recovery efforts; and initial design, engineering and construction of State capital projects in lower Manhattan.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2003-04	Appropriations Recommended 2004-05	Change	Reappropriations Recommended 2004-05
State Operations	0	0	0	359,000,000
Aid To Localities	0	0	0	5,265,500,000
Capital Projects	0	0	0	331,680,000
Total	0	0	0	5,956,180,000

**CAPITAL PROJECTS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Comprehensive Construction Program	Available 2003-04	Recommended 2004-05	Change	Reappropriations 2004-05
World Trade Center				
Federal Capital Projects Fund	0	0	0	331,680,000
Total	0	0	0	331,680,000