

MEMORANDUM IN SUPPORT

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

AN ACT to Intentionally omitted (Part A);

Intentionally omitted (Part B); to amend the social services law, in relation to certain payments; to amend the public health law, in relation to managed long term care or operating demonstrations; to amend chapter 642 of the laws of 2004, constituting chapter 35-A of the consolidated laws relating to the elderly and amending the elder law and other laws relating to the elderly, in relation to the effective date thereof; to amend part B of chapter 57 of the laws of 2006, relating to directing the commissioner of health to develop a public health management leaders of tomorrow program, in relation to the members thereof; to amend the social services law, in relation to Medicaid management; to amend the public health law, in relation to nursing home assessment; to amend the social services law, in relation to certain medical assistance and drug coverage for certain Medicare part D recipients; to amend the social services law, in relation to temporary preinvestigation grants; to reduce hospital and nursing home trend factors; to amend the public health law, in relation to adult day health care cost based rates; to amend the public health law, in relation to public notice for meetings concerning the preferred drug program; to amend the public health law, in relation to emergency drug coverage; to amend the social services law, in relation to medicaid coverage; to amend the elder law, in relation to reimbursement to participating provider pharmacies; to amend the public health law, in relation to reimbursement; to amend the social services law, in relation to payment for emergency physician services; to amend the public health law, in relation to long term care and residential health care facilities; to amend the social services law, in relation to emergency transportation services; to amend the public health law, in relation to nursing home incentives for improved performance in patient care; to repeal certain provisions of chapter 57 of the laws of 2006, relating to Medicaid financing; and to repeal parts A and A-1 of chapter 61 of the laws of 2006 amending the social services law and other laws relating to certain payments; to repeal certain provisions of the public health law relating to student policies; to repeal section 278 of the public health law, relating to certain emergency grants; to repeal certain provisions of the public health law, relating to rates of payment for residential health care facilities; and to repeal certain provisions of the mental hygiene law, relating to operating costs (Part C); Intentionally

omitted (Part D); to amend the state finance law, in relation to establishing the arts institutions revolving loan fund; and to repeal part E of chapter 61 of the laws of 2006, amending the state finance law relating to establishing an arts institution revolving loan fund, and to repeal section 97-ffff of the state finance law, relating thereto (Part E); to amend the tax law, the real property tax law and the administrative code of the city of New York, in relation to a personal income tax credit for school property taxes; to amend a chapter of the laws of 2006 amending the tax law and the real property tax law relating to a personal income tax credit for school property taxes, as proposed in legislative bill numbers S.8174 and A.11804, in relation to the effectiveness thereof; and to repeal paragraph (m) of section 425 of the real property tax law relating thereto (Part F); Intentionally omitted (Part G); to amend the social services law, in relation to pilot programs to provide employment and supportive services for certain non-custodial parents (Part H); Intentionally omitted (Part I); Intentionally omitted (Part J); Intentionally omitted (Part K); Intentionally omitted (Part L); Intentionally omitted (Part M); Intentionally omitted (Part N); Intentionally omitted (Part O); Intentionally omitted (Part P); Intentionally omitted (Part Q); Intentionally omitted (Part R); Intentionally omitted (Part S); Intentionally omitted (Part T); Intentionally omitted (Part U); Intentionally omitted (Part V); Intentionally omitted (Part W); Intentionally omitted (Part X); Intentionally omitted (Part Y); Intentionally omitted (Part Z); relating to disaster planning and preparedness program (Part A-1); Intentionally omitted (Part B-1); Intentionally omitted (Part C-1); to amend the banking law, in relation to investigation fees and repealing certain provisions of such law relating thereto (Part D-1); Intentionally omitted (Part E-1); to amend chapter 58 of the laws of 2006 amending the education law relating to computation of school aid, in relation to building aid payments (Part F-1); to amend the public authorities law, in relation to library construction (Part G-1); to amend the education law, in relation to the New York math and science teaching incentive program awards and the New York nursing faculty loan forgiveness incentive program awards (Part H-1) Intentionally omitted (Part I-1); to amend part X of chapter 58 of the laws of 2006 relating to authorizing the New York state empire state development corporation or dormitory authority to issue bonds or notes, in relation to such authority to issue bonds or notes, and to amend chapter 60 of the laws of 2006 relating to providing for the administration of certain funds and accounts related to the 2006-2007 budget, in relation to authorizing and directing deposit to the credit of the capital projects fund and the issuance of bonds and notes; to amend the public authorities law, in relation to financing of department of agriculture and markets facilities and to repeal section

32 of chapter 60 of the laws of 2006 relating to providing for the administration of certain funds and accounts related to the 2006-2007 budget, relating to making technical corrections thereto (Part J-1); to amend the public lands law and the public authorities law, in relation to state aid on certain state leased or state-owned land (Part K-1); to amend the tax law, in relation to creating an empire state child credit (Part L-1); to amend the tax law, in relation to the sales tax imposed on motor fuel and diesel motor fuel; to amend the general business law, in relation to prices reduced to reflect change in sales tax computation; to amend part A of chapter 35 of the laws of 2006, amending the tax law and other laws relating to computing sales and compensating use tax on motor fuel and diesel motor fuel, in relation to authorizing the commissioner of taxation and finance to establish certain emergency regulations pertaining to the sales tax components and the motor fuel and diesel motor fuel composite rates for certain fuel use taxes; to amend part B of chapter 35 of the laws of 2006 amending the tax law relating to allowing cities with a population of one million or more to adopt a residential energy exemption, in relation to local enactment and to repeal certain provisions of the tax law relating thereto (Part M-1); Intentionally omitted (Part N-1); to authorize the town of Sidney, in the county of Delaware, to finance a certain deficit by the issuance of bonds (Part O-1); to amend chapter 432 of the laws of 1997 amending the state finance law and other laws relating to the transportation, economic development and environmental conservation budget, in relation to an appropriation made for coastal rehabilitation projects (Part P-1); to amend the education law, in relation to preschool special education (Part Q-1); relating to dormitory authority bonds, and authorizes the thruway authority to issue bonds and notes and to repeal section 7 of part K of chapter 61 of the laws of 2006, relating to authorizing the thruway authority to issue bonds and notes (Part R-1); to amend the state finance law, in relation to the revenue arrearage account (Part S-1); Intentionally omitted (Part T-1); to amend the tax law, in relation to allowing for additional deposits to be made to the environmental protection fund; and to amend the soil and water conservation districts law, in relation to state aid reimbursement to soil and water conservation districts; and to repeal certain provisions of the state finance law relating thereto (Part U-1); to amend the general municipal law and the tax law, in relation to extending empire zone benefits to qualified investment projects and significant capital investment projects (Part V-1); to amend the tax law, in relation to providing exemptions, reimbursements and credits from various taxes for certain alternative fuels; to amend the tax law, in relation to providing tax credits for alternative fuel vehicle refueling property; and to amend the general

municipal law and the tax law, in relation to clean energy enterprises (Part W-1); Intentionally omitted (Part X-1); in relation to creating the New York investment in conservation and efficiency pilot program and to repeal section 2 of part JJ of chapter 59 of the laws of 2006 relating to establishing the conservation coordination task force and the New York investment in conservation and efficiency pilot program, relating thereto (Part Y-1); to amend the tax law, in relation to qualified empire zone enterprises and the empire zone wage tax credit (Part Z-1); to amend chapter 669 of the laws of 2004 authorizing the school district of the city of Rensselaer to enter into a contract for a school building facility project, in relation to tax exemptions related to such project (Part A-2); in relation to authorizing the power authority of the state of New York to transfer certain funds (Part B-2); to amend the urban development corporation act, in relation to creating the Restore New York's Communities Initiative (Part C-2); Intentionally omitted (Part D-2); to amend the tax law, in relation to the definition of qualified empire zones (Part E-2); and to amend chapter 757 of the laws of 2005, establishing the Tech Valley high school to provide instruction to students in the Capital Region BOCES and Questar III BOCES in the areas of technology and core academic areas, in relation to changing the name of such school and providing for its operation through an intermunicipal sharing agreement; in relation to building aid payable to the Fallsburg central school district for certain school construction projects and the submittal of final cost reports for such projects; and to authorize the Patchogue-Medford union free school district to finance a deficit by the issuance of serial bonds and/or bond anticipation notes and providing for other matters in connection therewith (Part F-2)

Purpose:

This bill amends the enacted 2006-07 Budget and other laws to refine and complete the actions authorized by the Budget.

Summary of Provisions:

This bill:

- Amends various provisions of HCRA and Medicaid;
- Establishes the Arts Institutions Revolving Loan Fund;
- Provides a rebate and personal income tax credit for school property taxes;

- Amends a pilot program providing employment and supportive services for certain non-custodial parents;
- Amends the Disaster Planning and Preparedness Program;
- Amends provisions of the Banking Law related to application fees;
- Corrects the calculation of building aid to school districts for the July 2006 payment consistent with the Enacted Budget;
- Refines Public Authorities Law regarding capital construction grants for public libraries;
- Refines requirements for the New York Math and Science Teaching Incentive Program awards and the New York Nursing Faculty Loan Forgiveness Incentive Program awards;
- Makes various changes to bonding authorizations and capital project funds deposit language;
- Alters State Finance Law regarding Payments in lieu of Taxes to the City of Albany;
- Amends the personal income tax Empire State Child Credit;
- Makes technical amendments to the sales tax imposed on motor fuel and diesel motor fuel;
- Authorizes the Town of Sidney to issue bonds to liquidate a portion of its cumulative deficit;
- Reappropriates monies to pay for costs associated with storm damage reduction and beach nourishment projects on Long Beach Barrier Island;
- Amends Preschool Special Education payment provisions subject to county agreement;
- Provides bonding authorization for the High Speed Rail Program;
- Clarifies revenue deposit provisions;
- Expands purposes for the Environmental Protection Fund and amends State aid reimbursement to Soil and Water Conservation districts;
- Changes eligibility requirements for Empire Zone benefits in relation to significant capital investment projects;
- Provides tax incentives for the distribution and use of alternative fuels;

- Establishes a pilot program to reduce energy usage in the electric public sector market;
- Provides a method for calculating employment in relation to certain Empire Zones benefits in the first taxable year of a business;
- Provides that any mortgage for the construction and/or permanent financing of a school facility in the city of Rensselaer is exempt from the Mortgage Recording Tax;
- Transfers monies to the Power Authority and authorizes the use of Petroleum Overcharge Restitution Funds for energy efficiency projects;
- Establishes the Restore New York's Communities Initiative under the Urban Development Corporation Act;
- Provides amendments to the definition of qualified Empire Zones for operations on real property that are subject to a Brownfield site cleanup agreement; and
- Creates the Tech Valley Regional Institute to strengthen provisions relating to accountability, voter participation and fiscal oversight; authorizes up to \$595,853 in payments to the Fallsburg School District for construction projects for which final cost reports were not filed by the statutory deadline; and authorizes the Patchogue-Medford School District to issue up to \$6 million in debt to finance an operating deficit.

Statement in Support:

Enactment of this bill is necessary to support implementation of the enacted 2006-07 State Budget.

Budgetary Implications:

Enactment of this bill will help to implement certain provisions of the 2006-07 Budget.