The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1) Single House bill (introduced and printed separately in either or both houses). Un-Bill (introduced simultaneously in both houses and printed as one bill, Senate and Assembly introduced sign the same copy of the bill).

2) Circle names of co-sponsors and return to introduction clerk with 2 signed copies of bill and a copy of memorandum in support (single house) or 4 signed copies of bill and 8 copies of memorandum in support (un-Bill).
Section 1. Section 1 of chapter 50 of the laws of 2006, enacting the public protection and general government budget, as amended by section 1 of chapter 108 of the laws of 2006, is amended by repealing the items hereinbelow set forth in brackets and by adding to such section the other items underscored in this section.

PUBLIC PROTECTION AND GENERAL GOVERNMENT BUDGET

STATE BOARD OF ELECTIONS

STATE OPERATIONS AND AID TO LOCALITIES 2006-07

For payment according to the following schedule:

<table>
<thead>
<tr>
<th>APPROPRIATIONS</th>
<th>REAPPROPRIATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund - State and Local .....</td>
<td>9,688,000</td>
</tr>
<tr>
<td>Special Revenue Funds - Federal ....</td>
<td>12,000,000</td>
</tr>
<tr>
<td>Special Revenue Funds - Other ......</td>
<td>[200,000]</td>
</tr>
<tr>
<td>All Funds .........................</td>
<td>[21,888,000]</td>
</tr>
<tr>
<td>State Aid to Capital</td>
<td>25,688,000</td>
</tr>
<tr>
<td>1</td>
<td>Fund Type</td>
</tr>
<tr>
<td>----</td>
<td>-----------------</td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>GF-St/Local</td>
</tr>
<tr>
<td>4</td>
<td>SR-Federal</td>
</tr>
<tr>
<td>5</td>
<td>SR-Other</td>
</tr>
<tr>
<td>6</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>All Funds</td>
</tr>
<tr>
<td>9</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

**SCHEDULE**

12 REGULATION OF ELECTIONS PROGRAM ............ [21,888,000] 25,688,000

14 Special Revenue Funds - Other / State Operations
15 Miscellaneous Special Revenue Fund - 339
16 Voting Machine Examinations Account

17 Maintenance undistributed
18 For services and expenses related to the
19 examination of electronic voting and
20 ballot counting machines ........ [200,000] 4,000,000
21
22 Program account subtotal ..... [200,000] 4,000,000
23

---

12 REGULATION OF ELECTIONS PROGRAM ............ [21,888,000] 25,688,000

14 Special Revenue Funds - Other / State Operations
15 Miscellaneous Special Revenue Fund - 339
16 Voting Machine Examinations Account

17 Maintenance undistributed
18 For services and expenses related to the
19 examination of electronic voting and
20 ballot counting machines ........ [200,000] 4,000,000
21
22 Program account subtotal ..... [200,000] 4,000,000
23

---
Total new appropriations for state operations and aid to localities....................... [21,888,000] 25,688,000

DIVISION OF MILITARY AND NAVAL AFFAIRS
STATE OPERATIONS AND AID TO LOCALITIES 2006-07

For payment according to the following schedule:

<table>
<thead>
<tr>
<th></th>
<th>Appropriations</th>
<th>Reappropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund - State and Local ..... [22,769,000]</td>
<td>88,400,000</td>
<td></td>
</tr>
<tr>
<td>Special Revenue Funds - Federal .... [56,988,000]</td>
<td>502,844,000</td>
<td></td>
</tr>
<tr>
<td>Special Revenue Funds - Other ...... 12,597,000</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Capital Projects Funds .......... 47,500,000</td>
<td>111,700,000</td>
<td></td>
</tr>
<tr>
<td>All Funds .................... [139,854,000]</td>
<td>702,944,000</td>
<td></td>
</tr>
</tbody>
</table>

AGENCY BUDGET SUMMARY OF NEW APPROPRIATIONS

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>State</th>
<th>Aid to Localities</th>
<th>Capital Projects</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>GF-St/Local</td>
<td>22,769,000</td>
<td>[0]</td>
<td>0</td>
<td>[22,769,000]</td>
</tr>
</tbody>
</table>
01/30/07

1

85,000,000

107,769,000

2 SR-Federal 45,688,000 [11,300,000] 0 [56,988,000]

3

266,300,000

311,988,000

4 SR-Other 10,947,000 1,650,000 0 12,597,000

5 Cap Proj 0 0 47,500,000 47,500,000

------------ --------------- --------------- ---------------

6

7 All Funds 79,404,000 [12,950,000] 47,500,000 [139,854,000]

8

352,950,000

479,854,000

------------ --------------- --------------- ---------------

SCHEDULE

11 DISASTER ASSISTANCE PROGRAM 4,504,000 344,504,000

12

------------

13 General Fund / Aid to Localities

14 Local Assistance Account - 001

15 For payment of the state's share of costs

resulting from natural or man-made disasters, including aid requested by and

provided to member states of the emergency

management assistance compact, and including liabilities prior to April 1, 2006.

16 The director of the budget is hereby

authorized to transfer such amounts as are

necessary to any eligible state department

17

18

19

20

21

22

23
or agency, including transfers to the

general fund - state purposes account or

the capital projects fund, to accomplish

the purpose of this appropriation ........ 85,000,000

-------------------

Program account subtotal ............. 85,000,000

-------------------

Special Revenue Funds - Federal / State Operations

Federal Operating Grants Fund - 290

Federal Grants for Disaster Assistance Account

For the grant period October 1, 2005 to

September 30, 2006:

Personal service ......................... 1,262,000

Nonpersonal service ....................... 355,000

Fringe benefits .......................... 589,000

-------------------

Personal service ......................... 91,000

Nonpersonal service ....................... 128,000

Fringe benefits .......................... 32,000

-------------------

Program account subtotal ............. 251,000

-------------------

Special Revenue Funds - Federal / Aid to Localities

Federal Operating Grants Fund - 290
Federal Grants for Disaster Assistance Account

For payment of the federal government's share of costs resulting from natural or man-made disasters, including liabilities incurred prior to April 1, 2006. The director of the budget is hereby authorized to transfer such amounts as are necessary to any eligible state department or agency, including transfers to other federal funds and accounts, to accomplish the purpose of this appropriation .......... 255,000,000

--------------

Program account subtotal ............... 255,000,000

--------------

Total new appropriations for state operations and aid to localities ....................... [92,354,000] 432,354,000

--------------

§ 2. Section 1 of chapter 53 of the laws of 2006, enacting the education, labor and family assistance budget, as amended by section 2 of chapter 108 of the laws of 2006, is amended by repealing the items here-inbelow set forth in brackets and by adding to such section the other items underscored in this section.
EDUCATION, LABOR AND FAMILY ASSISTANCE BUDGET

CITY UNIVERSITY OF NEW YORK

STATE OPERATIONS AND AID TO LOCALITIES 2006-07

For payment according to the following schedule:

<table>
<thead>
<tr>
<th>Appropriations</th>
<th>Reappropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund - State and Local .......</td>
<td>[984,455,419]</td>
</tr>
<tr>
<td>Special Revenue Funds - Other .......</td>
<td>992,537,419</td>
</tr>
<tr>
<td>Capital Projects Funds ...............</td>
<td>337,080,000</td>
</tr>
<tr>
<td>All Funds .........................</td>
<td>[1,556,535,419]</td>
</tr>
</tbody>
</table>

AGENCY BUDGET SUMMARY OF NEW APPROPRIATIONS

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>State Operations</th>
<th>Aid to Localities</th>
<th>Capital Projects</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>GF-St/Local</td>
<td>0</td>
<td>[984,455,419]</td>
<td>0</td>
<td>[984,455,419]</td>
</tr>
<tr>
<td>SR-Other</td>
<td>992,537,419</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cap Proj</td>
<td>235,000,000</td>
<td>0</td>
<td>337,080,000</td>
<td>337,080,000</td>
</tr>
<tr>
<td>All Funds</td>
<td>235,000,000</td>
<td>[984,455,419]</td>
<td>337,080,000</td>
<td>[1,556,535,419]</td>
</tr>
</tbody>
</table>
CITY UNIVERSITY--SENIOR COLLEGES ........... [799,078,450] 807,160,450

CITY UNIVERSITY--SENIOR COLLEGE PROGRAMS

For the costs of the state share, as prescribed herein, as reimbursement to the city of New York to be paid during the state fiscal year beginning April 1, 2006 for the operating expenses of the senior college approved programs and services of the city university of New York as defined in section 6230 of the education law.

Notwithstanding paragraphs 3 and 4 of subdivision A of section 6221 of the education law, the amount appropriated herein shall constitute the maximum state payment for the 2006-07 state fiscal year beginning April 1, 2006 to the city of New York, of which $428,000,000 is a state liability to the city for the period beginning April 1, 2006 through June 30, 2006, for reimbursement of costs incurred by the city at any time during the 2005-06 academic year.
Notwithstanding any inconsistent provision of law, upon transfer of bond proceeds for equipment disbursements, from the city university special revenue fund (377), facilities and planning income reimbursable account (NA) to an account of the city of New York, the general fund appropriations herein shall be reduced by amounts equivalent to such transfers but in no event less than $20,000,000 for the 12-month period beginning July 1, 2006; the transfer of such bond proceeds shall immediately and equivalently reduce the general fund amounts appropriated herein; and the portions of such general fund appropriations so affected shall have no further force or effect.

The state share of operating expenses, a portion of which is appropriated herein as reimbursement to New York city, shall be an amount equal to the net operating expenses of the senior college approved programs and services which shall equal the total operating expenses of approved programs and services less:

(a) all excess tuition and instructional and noninstructional fees attributable
to the senior colleges received from the
city university construction fund;
(b) miscellaneous revenue and fees,
including bad debt recoveries and income
fund reimbursable cost recoveries;
(c) pursuant to section 6221 of the educa-
tion law, a representative share of the
operating costs of those activities
within central administration and univ-
ersity-wide programs which, as deter-
mined by the state budget director,
relate jointly to the senior colleges
and community colleges, and New York
city support for associate degree
programs at the College of Staten Island
and Medgar Evers College and notwith-
standing any other provision of law,
rule or regulation, New York city
support for associate degree programs at
New York city college of technology and
John Jay college, with such support
based on the 2003-04 full-time equiv-
alent (FTE) associate degree enrollments
at these campuses and calculated using
the New York city contribution per city
university community college FTE in the
2003-04 base year, totaling $32,275,000.
Items (a) and (b) of the foregoing shall be hereafter referred to as the senior college revenue offset, and item (c) as the central administration and university-wide programs offset.

In no event shall the state support for the operating expenses of the senior college approved programs and services for the 12-month period beginning July 1, 2006 exceed [$775,302,000] $798,762,000 .......

........................... [748,513,000] 756,595,000

For additional operating assistance for the city university of New York. Of the amounts appropriated herein, up to $15,007,500 shall be available for master plan initiatives including hiring full time faculty and $187,500 for additional services and expenses of providing specialized equipment and services for students with disabilities .... 49,470,000

For additional services and expenses of the SEEK program ................. 1,095,450

---------

Total new appropriations for state operations and aid to localities ................ [1,219,455,419] 1,227,537,419

-----------
EDUCATION DEPARTMENT

STATE OPERATIONS AND AID TO LOCALITIES 2006-07

For payment according to the following schedule, net of disallowances, refunds, reimbursements and credits:

<table>
<thead>
<tr>
<th></th>
<th>Appropriations</th>
<th>Reappropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund - State and Local</td>
<td>16,554,389,700</td>
<td>753,521,200</td>
</tr>
<tr>
<td></td>
<td><strong>16,620,019,700</strong></td>
<td></td>
</tr>
<tr>
<td>Special Revenue Funds - Federal</td>
<td>4,025,555,500</td>
<td>5,918,528,600</td>
</tr>
<tr>
<td>Special Revenue Funds - Other</td>
<td>7,106,809,400</td>
<td>11,975,000</td>
</tr>
<tr>
<td>Capital Projects Funds</td>
<td>47,200,000</td>
<td>184,741,200</td>
</tr>
<tr>
<td>Internal Service Funds</td>
<td>24,244,000</td>
<td>550,000</td>
</tr>
<tr>
<td>All Funds</td>
<td><strong>27,758,198,600</strong></td>
<td>6,869,316,000</td>
</tr>
<tr>
<td></td>
<td><strong>27,823,828,600</strong></td>
<td></td>
</tr>
</tbody>
</table>

AGENCY BUDGET SUMMARY OF NEW APPROPRIATIONS

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>State Operations</th>
<th>Aid to Localities</th>
<th>Capital Projects</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>GF-St/Local</td>
<td>44,263,000</td>
<td>[16,510,126,700]</td>
<td>0</td>
<td>[16,554,389,700]</td>
</tr>
<tr>
<td></td>
<td><strong>16,575,756,700</strong></td>
<td></td>
<td></td>
<td><strong>16,620,019,700</strong></td>
</tr>
<tr>
<td>SR-Federal</td>
<td>286,495,500</td>
<td>3,739,060,000</td>
<td>0</td>
<td>4,025,555,500</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SR-Other</td>
<td>164,347,400</td>
<td>6,942,462,000</td>
<td>0</td>
</tr>
<tr>
<td>----</td>
<td>---------------</td>
<td>-------------</td>
<td>---------------</td>
<td>---</td>
</tr>
<tr>
<td>2</td>
<td>Cap Proj</td>
<td>0</td>
<td>0</td>
<td>47,200,000</td>
</tr>
<tr>
<td>3</td>
<td>Internal Srv</td>
<td>24,244,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>4</td>
<td>--------------</td>
<td>-------------</td>
<td>---------------</td>
<td>---</td>
</tr>
<tr>
<td>5</td>
<td>All Funds</td>
<td>519,349,900</td>
<td>[27,191,648,700]</td>
<td>47,200,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>27,257,278,700</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>--------------</td>
<td>-------------</td>
<td>---------------</td>
<td>---</td>
</tr>
</tbody>
</table>

8 ELEMENTARY, MIDDLE, SECONDARY AND CONTINUING EDUCATION

9 PROGRAM ................................ [21,908,186,000] 21,973,816,000

11 General Fund / State Operations

12 State Purposes Account - 003

13 Of the amounts appropriated herein, up to
14 $6,651,000 shall be used for debt service
15 on capital construction projects financed
16 through the state dormitory authority and
17 $104,449,000 shall be available for allow-
18 ances to schools for the blind and deaf.
19 Notwithstanding any provision of the law
20 to the contrary, funds appropriated herein
21 shall be available for payment of liabil-
22 ities heretofore accrued or hereafter to
23 accrue and, subject to the approval of the
24 director of the budget, such funds shall
25 be available to the department net of
disallowances, refunds, reimbursements and credits ................. [111,100,000] 112,930,000

Less federal funding in support of special education programs or other special needs programs. Such savings shall be apportioned to the elementary, middle, secondary and continuing education program general fund - local assistance account appropriations within the various agency special education programs or other special needs programs to reduce appropriations based upon an allocation plan submitted by the commissioner of education and approved by the director of the budget

............... [(170,000,000)] (106,200,000)

-------------

Program account subtotal ............... 

............... [16,209,277,600] 16,274,907,600

-------------

Total new appropriations for state operations and aid to localities ....................... [27,710,998,600] 27,776,628,600

=============

STATE UNIVERSITY OF NEW YORK

STATE OPERATIONS AND AID TO LOCALITIES  2006-07
For payment according to the following schedule:

<table>
<thead>
<tr>
<th>APPROPRIATIONS</th>
<th>REAPPROPRIATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund - State and Local .....</td>
<td>2,534,828,100</td>
</tr>
<tr>
<td>2,545,828,100</td>
<td></td>
</tr>
<tr>
<td>Special Revenue Funds - Federal .....</td>
<td>230,500,000</td>
</tr>
<tr>
<td>Special Revenue Funds - Other .....</td>
<td>3,966,623,000</td>
</tr>
<tr>
<td>3,955,623,000</td>
<td></td>
</tr>
<tr>
<td>Capital Projects Funds .............</td>
<td>918,862,000</td>
</tr>
<tr>
<td>Internal Service Funds .............</td>
<td>12,000,000</td>
</tr>
<tr>
<td>All Funds .........................</td>
<td>7,662,813,100</td>
</tr>
</tbody>
</table>

AGENCY BUDGET SUMMARY OF NEW APPROPRIATIONS

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>State Operations</th>
<th>State Localities</th>
<th>Aid to Localities</th>
<th>Capital Projects</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>GF-St/Local</td>
<td>[2,111,329,600]</td>
<td>423,498,500</td>
<td>0</td>
<td>[2,534,828,100]</td>
<td></td>
</tr>
<tr>
<td>2,122,329,600</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SR-Federal</td>
<td>230,500,000</td>
<td>0</td>
<td>0</td>
<td>230,500,000</td>
<td></td>
</tr>
<tr>
<td>SR-Other</td>
<td>[3,966,623,000]</td>
<td>0</td>
<td>0</td>
<td>[3,966,623,000]</td>
<td></td>
</tr>
<tr>
<td>3,955,623,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cap Proj</td>
<td>0</td>
<td>0</td>
<td>918,862,000</td>
<td>918,862,000</td>
<td></td>
</tr>
<tr>
<td>Internal Srv</td>
<td>12,000,000</td>
<td>0</td>
<td>0</td>
<td>12,000,000</td>
<td></td>
</tr>
</tbody>
</table>
All Funds 6,320,452,600  423,498,500  918,862,000  7,662,813,100

SCHEDULE

GENERAL FUND/STATE OPERATIONS

General Fund/State Operations
State Purposes Account -- 003

EMPLOYEE FRINGE BENEFITS .............................. 898,890,000

Total gross general fund
support ...................... 3,160,752,600

Less an amount to be appropriated from the
miscellaneous special revenue fund - state
university general revenue offset account

............... [(1,049,423,000)] (1,038,423,000)

Total general fund - state
operations . [2,111,329,600] 2,122,329,600
§ 3. Section 2 of chapter 53 of the laws of 2006, enacting the education, labor and family assistance budget, as amended by section 3 of chapter 108 of the laws of 2006, is amended by repealing the items hereinafter set forth in brackets and by adding to such section the other items underscored in this section.

CONTINGENT AND OTHER APPROPRIATIONS

CITY UNIVERSITY OF NEW YORK

STATE OPERATIONS AND AID TO LOCALITIES 2006-07

For payment according to the following schedule:

Fiduciary Funds ......................... [1,437,593,600] **1,461,053,600**

All Funds ............................... [1,437,593,600] **1,461,053,600**

-------------

**1,461,053,600**

SCHEDULE

Fiduciary Funds

CUNY Senior College Operating Fund - 176

UNIVERSITY OPERATIONS ....................... [483,796,000] **504,156,000**

-------------
For services and expenses for utilities costs, of which up to $13,900,000 shall be for costs incurred for the academic year beginning July 1, 2005 ...... [63,294,000] 77,194,000

For services and expenses of John Jay lease payments. No expenditure shall be made from this appropriation for any other purpose and it may not be reduced by interchange ..................... 20,000,000

For services and expenses of collective bargaining agreements, New York city comptroller's consent determinations and other negotiated agreements for senior college employees represented by the New York state nurses association, skilled trade title of maintenance worker, and management confidential staff paid under the executive compensation plan ..................... 6,460,000

UNIVERSITY PROGRAMS ......................... [91,685,000] 94,785,000

For payment of tuition reimbursement .......

.............................. [5,900,000] 9,000,000

Total gross senior college operating budg-
et .......................... [1,437,593,600] 1,461,053,600
Less:  senior college revenue
offset ........................... (562,617,000)

Less:  central administration and university
wide programs offset ........ (32,275,000)

Total net operating expenses budget ......
................................. [842,701,600] 866,161,600

§ 4. Section 1 of chapter 55 of the laws of 2006, enacting the transportation, economic development and environmental conservation budget, as amended by section 5 of chapter 108 of the laws of 2006, is amended by repealing the items hereinbelow set forth in brackets and by adding to such section the other items underscored in this section.

TRANSPORTATION, ECONOMIC DEVELOPMENT

AND ENVIRONMENTAL CONSERVATION BUDGET

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

STATE OPERATIONS AND AID TO LOCALITIES  2006-07

For payment according to the following schedule:
<table>
<thead>
<tr>
<th>Fund Type</th>
<th>State</th>
<th>Aid to Localities</th>
<th>Capital Projects</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>GF-St/Local</td>
<td>115,620,200</td>
<td>3,540,230</td>
<td>0</td>
<td>119,160,230</td>
</tr>
<tr>
<td>SR-Federal</td>
<td>80,218,000</td>
<td>0</td>
<td>0</td>
<td>80,218,000</td>
</tr>
<tr>
<td>SR-Other</td>
<td>[264,477,000]</td>
<td>0</td>
<td>0</td>
<td>[264,477,000]</td>
</tr>
<tr>
<td>Cap Proj</td>
<td>0</td>
<td>0</td>
<td>631,025,000</td>
<td>631,025,000</td>
</tr>
<tr>
<td>Internal Srv</td>
<td>60,000</td>
<td>0</td>
<td>0</td>
<td>60,000</td>
</tr>
</tbody>
</table>

**All Funds**

<table>
<thead>
<tr>
<th>Operations</th>
<th>460,375,000</th>
<th>3,540,230</th>
<th>631,025,000</th>
<th>[1,094,990,230]</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>470,375,000</td>
<td></td>
<td></td>
<td>1,104,990,230</td>
</tr>
</tbody>
</table>
### SCHEDULE

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIR AND WATER QUALITY MANAGEMENT PROGRAM</td>
<td>138,389,280</td>
</tr>
<tr>
<td>Special Revenue Funds - Other / State Operations</td>
<td></td>
</tr>
<tr>
<td>Environmental Protection and Oil Spill Compensation Fund</td>
<td></td>
</tr>
<tr>
<td>- 303</td>
<td></td>
</tr>
<tr>
<td>For services and expenses for cleanup and removal of oil and chemical spills</td>
<td></td>
</tr>
<tr>
<td>pursuant to chapter 845 of the laws of 1977, including prior year liabilities</td>
<td></td>
</tr>
<tr>
<td>[23,000,000]</td>
<td>33,000,000</td>
</tr>
<tr>
<td>Program fund subtotal</td>
<td></td>
</tr>
<tr>
<td>[23,000,000]</td>
<td>33,000,000</td>
</tr>
<tr>
<td>Total new appropriations for state operations and aid to localities</td>
<td>467,665,230</td>
</tr>
<tr>
<td>[457,665,230]</td>
<td></td>
</tr>
</tbody>
</table>

**DIVISION OF LOTTERY**

**STATE OPERATIONS AND AID TO LOCALITIES 2006-07**

For payment according to the following schedule:
1

APPROPRIATIONS REAPPROPRIATIONS

2 Special Revenue Funds - Other ...... [133,235,000] [14,000,000]
3
4 151,235,000 0
5
6 All Funds ...................... [133,235,000] [14,000,000]
7 151,235,000 0
8
9 AGENCY BUDGET SUMMARY OF NEW APPROPRIATIONS
10
11
12 Fund Type Operations Localities Projects Total
13 SR-Other [133,235,000] 0 0 [133,235,000]
14 151,235,000
15 All Funds [133,235,000] 0 0 [133,235,000]
16 151,235,000
17

18 SCHEDULE

19 ADMINISTRATION OF THE LOTTERY PROGRAM ...... [112,035,000] 130,035,000

20

21 Special Revenue Funds - Other / State Operations
22 State Lottery Fund - 160
State Lottery Account

For services and expenses of the division of the lottery including instant ticket printing, instant ticket vending machines (ITVMs), and terminal leasing and maintenance, providing that moneys hereby appropriated shall be available to the division net of refunds, rebates, reimbursements and credits. A portion of this appropriation may be used for suballocation to the office of the inspector general for services and expenses, including fringe benefits ................................. 107,035,000

To provide protection of the valuable interests of, and revenues generated for, the state, the division of the lottery and the citizens of the state in and to thoroughbred horse racing conducted at the racing facilities located at Aqueduct, Belmont and Saratoga racetracks and video lottery gaming to be conducted at Aqueduct race track, and to promote the continuation of high quality thoroughbred racing and to continue to protect and promote the legitimate interests of the various components of the racing industry in the state to the extent those interests are consistent with
the interests of the public, including
without limitation the various horse
breeders in the state, and in connection
with such racing facilities currently
operated by the non-profit racing associ-
ation, the New York Racing Association
Inc., presently a debtor under the
provisions of chapter 11 of the federal
bankruptcy laws under case number 06-12618
(JMP), pending in the Bankruptcy Court for
the Southern District of New York; and in
accordance with 11 U.S.C. §§ 363 and 364
and on the same or similar terms as
provided for in that certain Order of the
United States Bankruptcy Court for the
Southern District approving certain
debtor-in-possession financing provided to
such non-profit racing association by the
State of New York, the language of the
terms of any further order and the terms
of any associated agreements and documents
to be subject to the approval of the State
of New York, the amount of twenty-three
million dollars ($23,000,000) is hereby
appropriated from the state lottery fund
(160) administrative account (04) to
finance services and expenses associated
with the non-profit racing association's
operation of the racetracks, all disbursements pursuant to this appropriation shall be subject to the terms, provisions and conditions of an order of the Bankruptcy Court on the same or similar terms as that certain Order of the United States Bankruptcy Court for the Southern District of New York approving certain debtor-in-possession financing provided to such non-profit racing association by the State of New York, and any associated loan or credit agreement or agreements and documentation, the terms of which shall be subject to the approval of the State of New York, provided further that the provisions of such order and associated loan or credit agreements and documentation continue to assure that all disbursements of such appropriation are secured by valid, binding, enforceable and perfected liens and mortgages in favor of the State of New York in all of the non-profit racing association's presently, existing or hereafter acquired property and assets owned, leased or otherwise possessed, by the non-profit racing association, of any kind or nature, whether real or personal, tangible or intangible, wherever located, now owned or
hereafter acquired or arising and all
proceeds, products, rents and profits
thereof, including, without limitation,
all cash, goods, accounts receivable,
inventory, cash-in-advance deposits, real
property, machinery, equipment, vehicles,
trademarks, trade names, licenses, causes
of action (except for certain avoidance
claims arising under the federal bankrupt-
cy laws), rights to payment including tax
refund claims, insurance proceeds and tort
claims and the proceeds, products, rents
and profits of all of the foregoing........... 23,000,000

[The amount of five million dollars
($5,000,000) is hereby appropriated from
the state lottery fund (160) adminis-
tration account (04) to a non-profit
racing association to finance services and
expenses associated with the operation of
the racetracks commonly known as Aqueduct
racetrack, Belmont Park racetrack and
Saratoga thoroughbred racetrack, such
disbursements shall constitute prepayments
of vendor fees and the additional vendor's
marketing allowance authorized by chapter
61 of the laws of 2005, to facilitate the
timely opening of a video lottery terminal
facility at Aqueduct racetrack authorized
by chapter 383 of the laws of 2001; the
division of the lottery shall, prior to
making any disbursement to the non-profit
racing association, request and receive a
written determination from the chair of
the non-profit racing association over-
sight board established pursuant to
section 208-b of the racing, pari-mutuel
wagering and breeding law on whether such
non-profit racing association has and
continues to satisfactorily fulfill all
the terms and conditions set forth in a
memorandum of understanding dated December
30, 2005 and signed by the administrative
head of the division of budget, the non-
profit racing association oversight board
and the non-profit racing association
other than the term of such memorandum
requiring the transfer of land to the port
authority of New York and New Jersey
established pursuant to chapter 154 of
the laws of 1921 by such racing associ-
ation; the disbursement of such shall be
in lieu of a like sum to be conveyed by
such port authority as and for consider-
ation for a transfer of control over land
from such racing association to such port
authority, provided further that such
racing association upon receipt of a
disbursement pursuant to this appropri-
ation equal to or greater than any sum
previously conveyed from such port author-
ity in anticipation of a land transfer
authorized by the terms of such memorandum
agrees to promptly return and refund to
such port authority the sum previously
conveyed. Notwithstanding any other
 provision of law to the contrary, the
division of the lottery shall be author-
ized to advance to the non-profit racing
association prepayments of the vendor fees
or the additional vendor's marketing
allowance, provided that such prepayments
shall be repaid with interest (to accrue
at a rate of four percent (4%) per annum)
to the state lottery fund administration
account from vendor fees and the addi-
tional vendor's marketing allowance
authorized by chapter 61 of the laws of
2005, commencing with the first day of
operation of such video lottery terminal
facility at Aqueduct racetrack, pursuant
to a plan approved by the non-profit
racing association oversight board and
developed by the division of lottery and
the non-profit racing association, that
shall require, without limitation, any vendor of such facility to return to the state lottery fund administration account a reasonable percentage of the vendors fees and the additional marketing allowance advanced until such time as the amount returned to such account equals the amount of the vendor fee and additional marketing allowance advanced to a non-profit racing association, by the division of the lottery plus accumulated interest on any amount advanced but not yet repaid ...

.......................... 5,000,000]

-----------

Program account subtotal  [112,035,000]  130,035,000

-----------

Total new appropriations for state operations and aid to localities ....................... [133,235,000]  151,235,000

=========

STATE OPERATIONS AND AID TO LOCALITIES - REAPPROPRIATIONS 2006-07

[ADMINISTRATION OF THE LOTTERY PROGRAM

Special Revenue Funds - Other / State Operations
State Lottery Fund - 160
State Lottery Account
The appropriation made by chapter 55, section 1, of the laws of 2005, as amended by chapter 9, section 1 of the laws of 2006, is amended and reappropriated to read:

By chapter 9, section 1 of the laws of 2005:

The amount of twenty million dollars ($20,000,000) is hereby appropriated from the state lottery fund (160) administration account (04) to a non-profit racing association to finance services and expenses associated with the operation of the racetracks commonly known as Aqueduct racetrack, Belmont Park racetrack and Saratoga thoroughbred racetrack, such disbursements shall constitute prepayments of vendor fees and the additional vendor's marketing allowance authorized by chapter 61 of the laws of 2005, to facilitate the timely opening of a video lottery terminal facility at Aqueduct racetrack authorized by chapter 383 of the laws of 2001; provided, however, that, consistent with a memorandum of understanding entered into on December 30, 2005, by the director of the budget, chair of the non-profit racing association oversight board and president of a non-profit racing association, the division of the lottery shall, prior to making any disbursement to the non-profit racing association, request and receive a written determination from the chair of the non-profit racing association oversight board established pursuant to section 208-b of the racing, pari-mutuel wagering and breeding law on whether such non-profit racing association has and continues to satisfactorily fulfill the following commitments to: (1) by March 1, 2006, develop a cash management plan which in the judgment of the non-profit racing association oversight board provides a reasonable expectation that available cash will cover necessary expenses of a non-profit racing association through December 31, 2006; (2) by
March 1, 2006, develop a plan of action necessary to reduce, to the extent practicable, operating costs in the calendar year two thousand six by an amount deemed appropriate by the non-profit racing association oversight board to be based upon a review of non-profit racing association expenditures; (3) diligently explore sale of its equity interest in "Equibase"; (4) on an expedited basis, make application to the state racing and wagering board to increase retention rates on certain wagers by at least one percent (1%); (5) reevaluate, in consultation with the non-profit racing association oversight board, the rates of each simulcast contract and potentially renegotiate such rates of exchange for those contracts; and (6) provide access to the non-profit racing association oversight board or its representative to review cash, accounting records and expenditures on a real time and continuing basis (including on-site auditor reporting directly to such oversight board). Notwithstanding any other provision of law to the contrary, the division of the lottery shall be authorized to advance to the non-profit racing association prepayments of the vendor fees or the additional vendor's marketing allowance, provided that such prepayments shall be repaid with interest (to accrue at a rate of four percent (4%) per annum) to the state lottery fund administration account from vendor fees and the additional vendor's marketing allowance authorized by chapter 61 of the laws of 2005, commencing with the first day of operation of such video lottery terminal facility at Aqueduct racetrack, pursuant to a plan approved by the non-profit racing association oversight board and developed by the division of lottery and the non-profit racing association, that shall require, without limitation, any vendor of such facility to return to the state
lottery fund administration account a reasonable percentage of the vendors fees and the additional marketing allowance advanced until such time as the amount returned to such account equals the amount of the vendor fee and additional marketing allowance advanced to a non-profit racing association, by the division of the lottery plus accumulated interest on any amount advanced but not yet repaid ... 20,000,000 ................................................ (re. $14,000,000)
TRIBAL STATE COMPACT REVENUE

STATE OPERATIONS AND AID TO LOCALITIES 2006-07

For payment according to the following schedule:

<table>
<thead>
<tr>
<th>Special Revenue Funds - Other ......</th>
<th>[18,175,000]</th>
<th>29,368,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Funds</td>
<td>[18,175,000]</td>
<td>29,368,000</td>
</tr>
</tbody>
</table>

AGENCY BUDGET SUMMARY OF NEW APPROPRIATIONS

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>State Operations</th>
<th>Aid to Localities</th>
<th>Capital Projects</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>SR-Other</td>
<td>0</td>
<td>[18,175,000]</td>
<td>0</td>
<td>[18,175,000]</td>
</tr>
<tr>
<td>All Funds</td>
<td>0</td>
<td>[18,175,000]</td>
<td>0</td>
<td>19,275,000</td>
</tr>
</tbody>
</table>

[18,175,000]
SCHEDULE

TRIBAL STATE COMPACT REVENUE PROGRAM ........ [18,175,000] 19,275,000

-------------------

4 Special Revenue Funds - Other / Aid to Localities
5 Miscellaneous Special Revenue Fund - 339
6 Tribal State Compact Revenue Account

7 Notwithstanding any other law to the contrary, for services and expenses of grants equal to 25 percent of the negotiated percentage of the net drop from electronic gaming devices the state receives pursuant to the tribal compacts for the purposes specified in subdivision 3 of section 99-h of the state finance law and pursuant to a plan approved by the director of the budget and developed by the empire state development corporation in consultation with municipal governments in the county or counties of Cattaraugus, Chautauqua or Allegany that host tribal casinos pursuant to subdivision (a) of section 12 of the executive law. Copies of the approved plan shall be submitted to the chairman of the senate finance committee and the chairman
of the assembly ways and means committee.

Funds appropriated herein may be suballo-
cated to any department, agency or public
authority ................. [6,000,000] 7,100,000

---------------

Program account subtotal .. [18,175,000] 19,275,000

---------------

Total new appropriations for state operations and aid to
localities ...................... [18,175,000] 19,275,000

==============

§ 5. This act shall take effect immediately and shall be deemed to
have been in full force and effect on and after April 1, 2006.