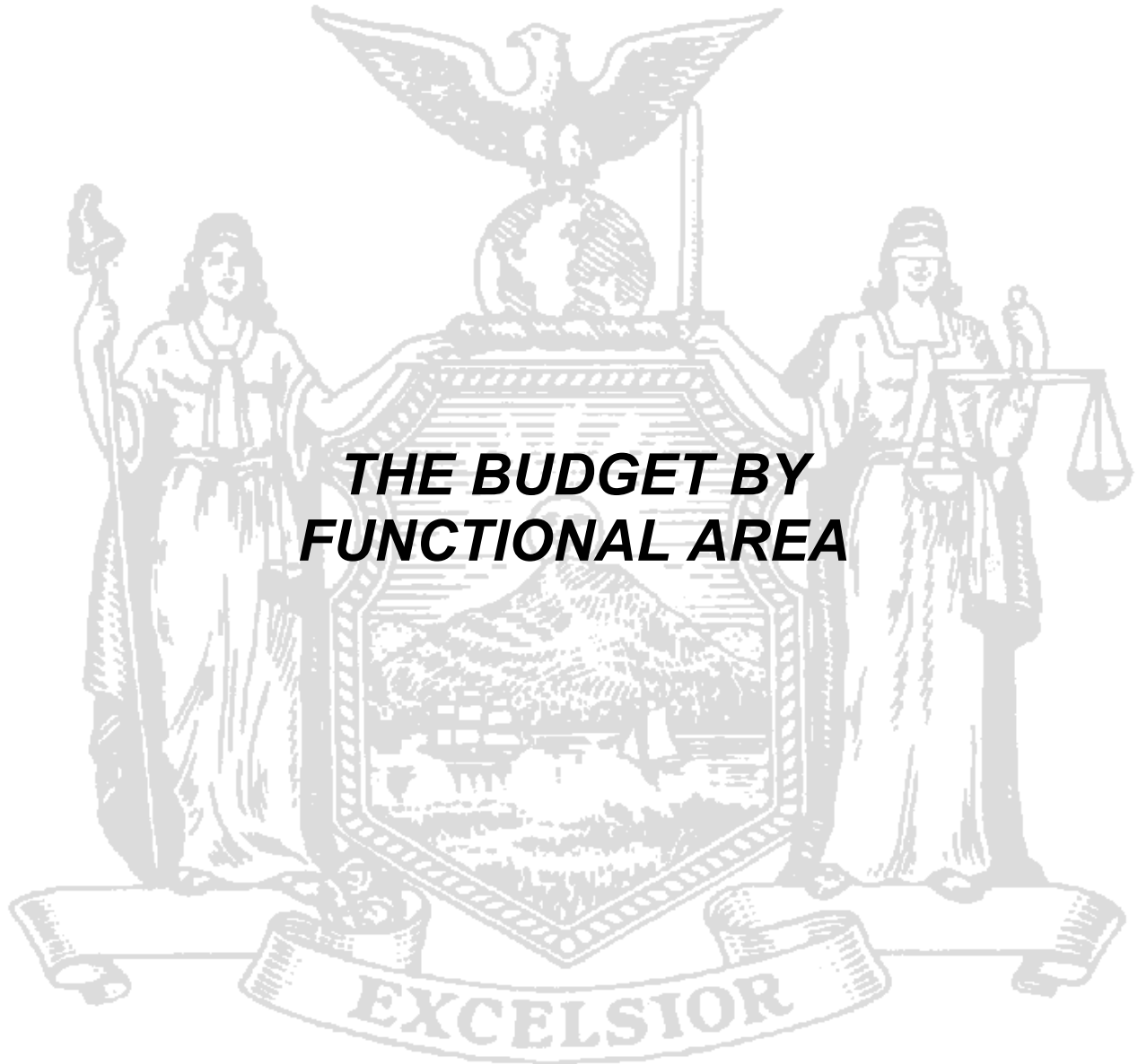
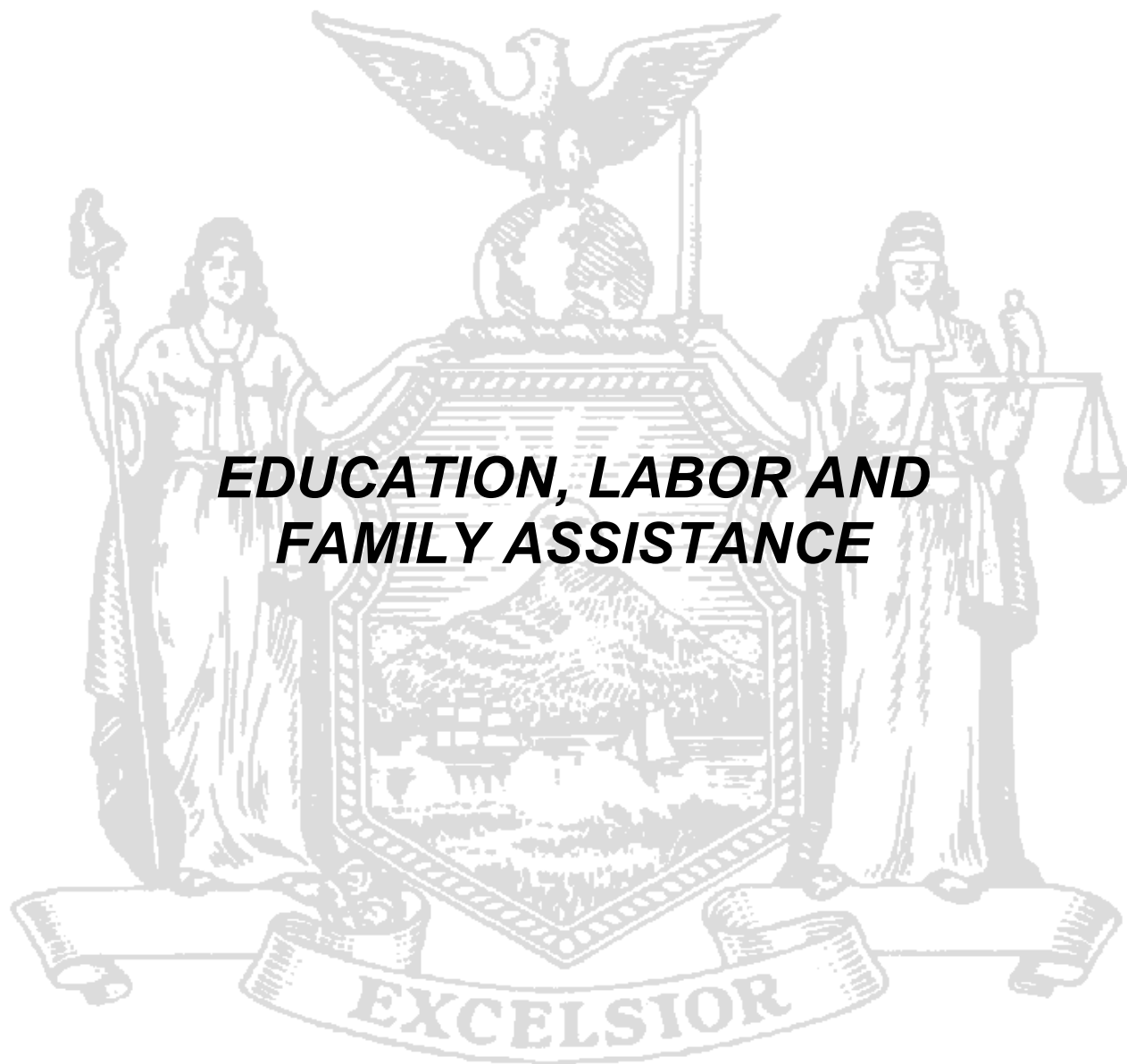


# ***PART I***



## ***THE BUDGET BY FUNCTIONAL AREA***





***EDUCATION, LABOR AND  
FAMILY ASSISTANCE***



# OVERVIEW AND PERFORMANCE MEASURES

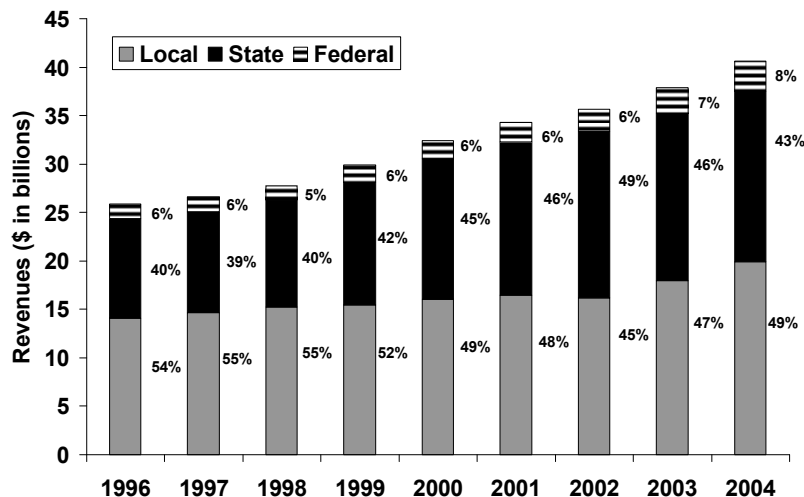
## ELEMENTARY AND SECONDARY EDUCATION

The following charts provide information on performance and fiscal measures related to New York's K-12 elementary and secondary education program. As noted in the data below, New Yorkers make a significant investment in education. Through a combination of State and local taxpayer support, New York spent approximately \$13,551 per pupil in 2005-06 — more than every other state except New Jersey, and 1.5 times the national average of \$9,022. New York's investment in K-12 education has resulted in improved student performance, smaller class sizes and teacher salaries which are among the highest in the nation.

The information below is based on the most recent data available from the National Center for Education Statistics (NCES), the National Education Association (NEA) and the New York State Education Department (SED), and includes:

- The total amount of resources provided for K-12 purposes in New York, including the relative share of resources provided by the State, local governments, and the Federal government from 1996 through 2004.
- Student-teacher ratios in 2004 for New York and other comparable states.
- Total spending per pupil in 2006 for New York and other comparable states.
- Total spending per pupil for New York and the national average from 1996 through 2006.
- Trends in fourth and eighth grade State assessments in math and English.

**New York K-12 Public School Funding  
By Revenue Source**



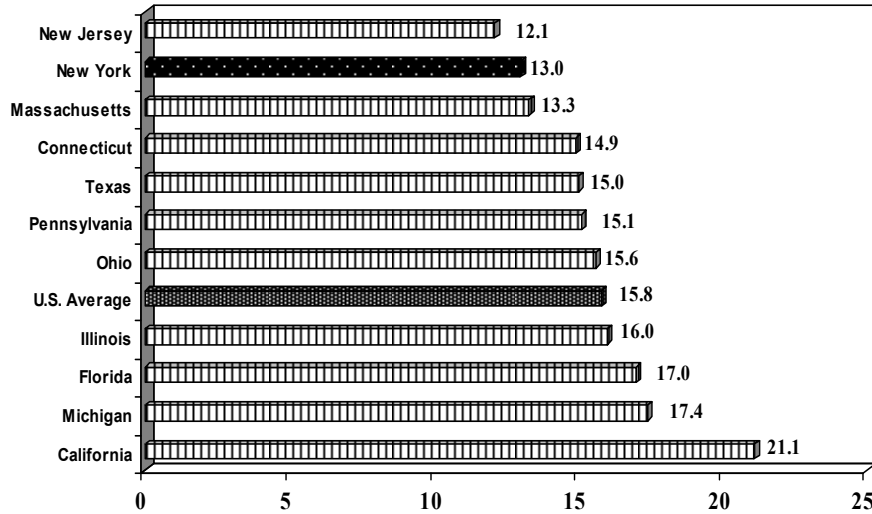
Source: National Center for Education Statistics

Of the approximately \$41 billion in resources provided to New York's public elementary and secondary schools in school year 2003-04, the local, State, and Federal contributions were 49 percent, 43 percent, and 8 percent respectively. Since 1996, the State share of total

## ELEMENTARY AND SECONDARY EDUCATION

resources has increased by 3 percent (from 40 percent to 43 percent) and the Federal share has increased by 2 percent (from 6 percent to 8 percent), while the local share of overall resources has decreased by 5 percent (from 54 percent to 49 percent).

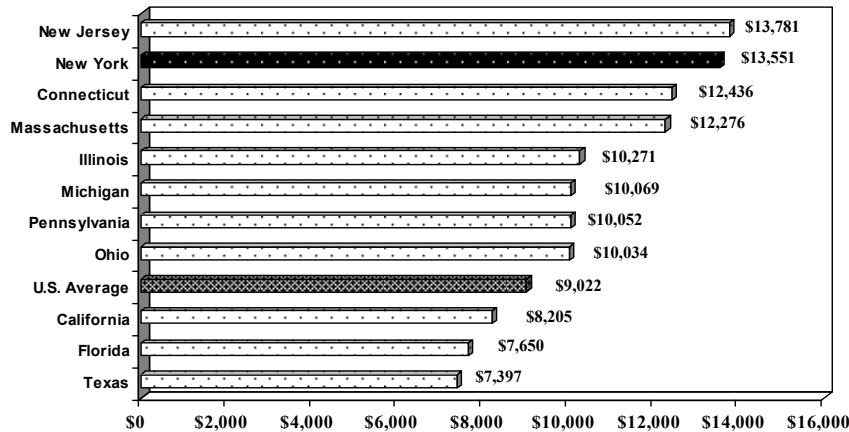
### Student/Teacher Ratios



Source: National Center for Education Statistics

New York's student: teacher ratio (13.0) in 2004 was richer than most of its peer states, as well as the national average (15.8). New York's number of students per teacher decreased by 2.2 students between 1995 and 2004, while the national average decreased by 1.5 students during this time.

### K-12 Education Spending Per Pupil

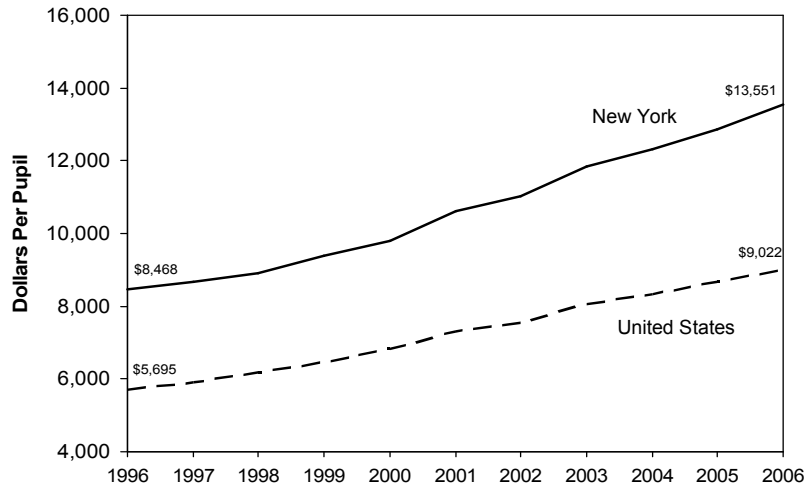


Source: National Education Association – Ranking of States

New York has ranked either first or second nationally in per pupil spending for each of the five most recent years for which data are available. In 2005-06, New York's per pupil spending of \$13,551 was 1.5 times the national average of \$9,022.

# ELEMENTARY AND SECONDARY EDUCATION

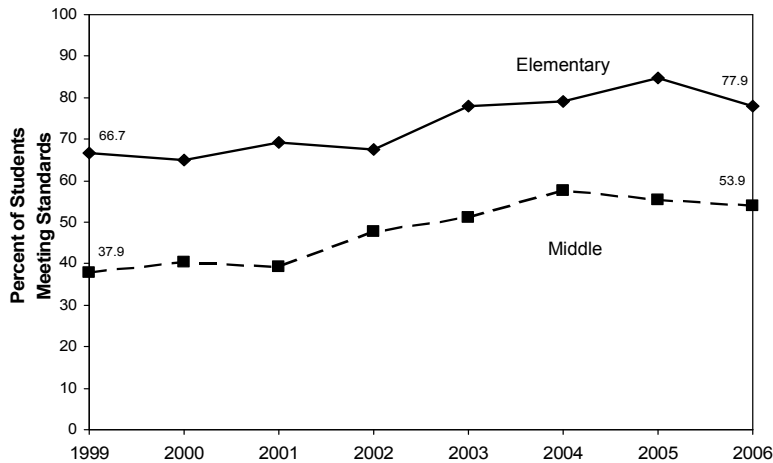
## K-12 Education Spending Per Pupil



Source: National Education Association – Ranking of States

Between 1996 and 2006, New York's per pupil spending increased at an annual rate of 4.8 percent, which approximated the national average (4.7 percent). Between 2000 and 2006, New York's growth in per pupil spending has been higher at 5.4 percent, but also approximated the national average (5.4 percent) during this time period.

## Student Performance in Math

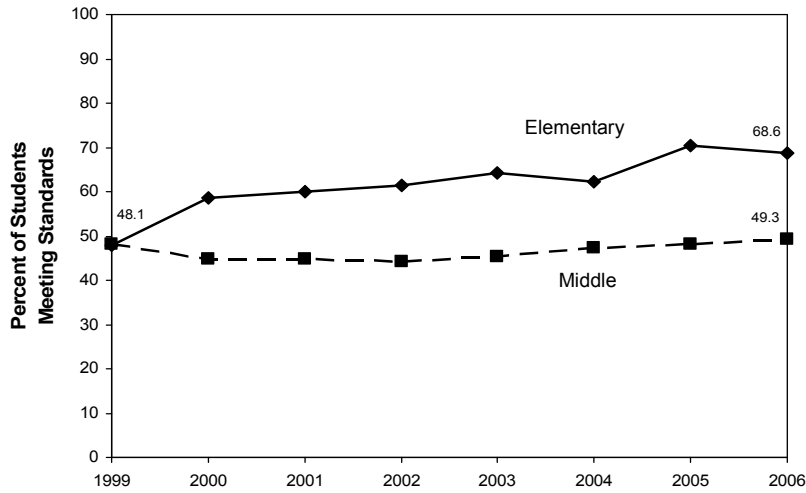


Source: New York State Education Department

The performance of fourth-graders and eighth-graders meeting the State's math standards has improved significantly since 1999. In 2006, nearly 78 percent of New York's fourth-graders met the State's math standards. At both the fourth-grade and eighth-grade levels, a significantly higher percentage of students met the State's math standards in 2006 than in 1999.

# ELEMENTARY AND SECONDARY EDUCATION

## Student Performance in English



Source: New York State Education Department

The performance of fourth-graders meeting the State’s English standards has improved to over 68 percent in 2006 from 48 percent in 1999. The performance of eighth-graders meeting the State’s English standards has remained relatively stable at 49.3 percent in 2006, a slight improvement from 48.1 percent in 1999.



# HIGHER EDUCATION

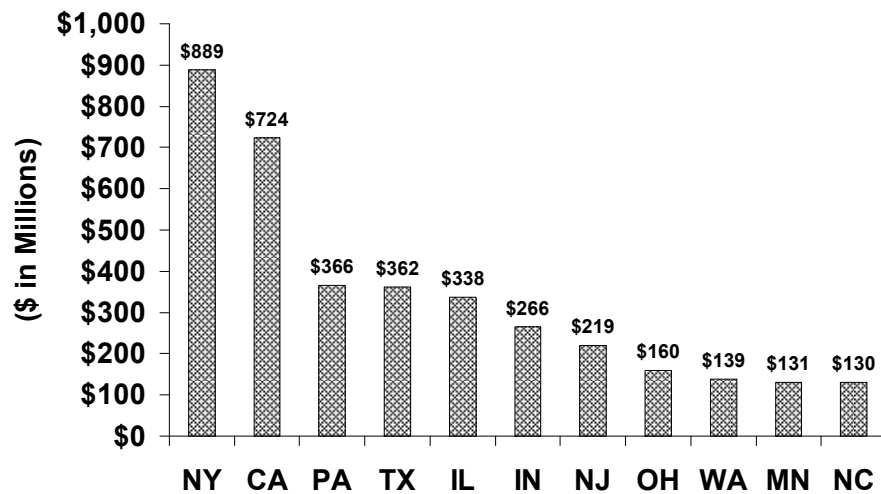
The following charts provide some information on performance and fiscal measures related to higher education in New York. New Yorkers have access to an affordable, quality education at our public and private colleges and universities as demonstrated by:

- Tuition Assistance Program. New York remains the national leader in providing need-based student financial aid.
- Access. Total enrollment at our public and private colleges and universities has reached an all-time high. Minority enrollment at our public universities is also at record levels.
- Affordability. Tuition and fees at New York's four-year public colleges and universities is competitive with, and generally lower than, that charged by other public colleges and universities in the Northeastern and Mid-Atlantic states.
- Quality. The quality of students admitted to our public university systems continues to improve. Average SAT scores of incoming freshmen in Fall 2005 reached an all-time high.

Information is based on most recent data available from a variety of sources, including the College Board, the State Education Department (SED), the State University of New York (SUNY), the City University of New York (CUNY), the National Association of State Student Grant and Aid Programs, and the National Center for Education Statistics.

## ACCESS AND AFFORDABILITY

### 2004-05 Need-Based Financial Aid

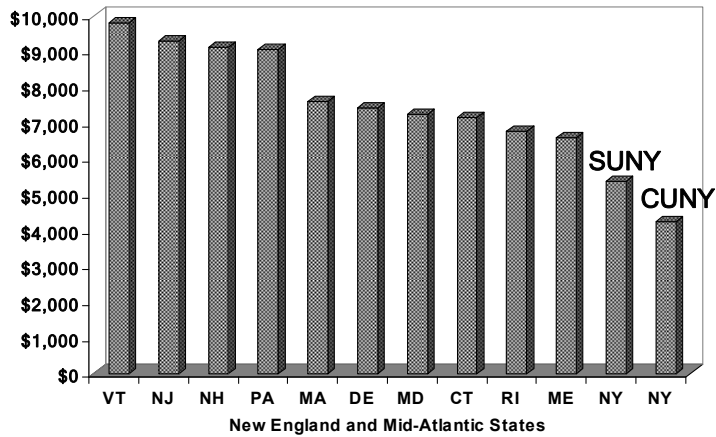


Source: National Association of State Student Grant and Aid Programs

New York provides more need-based financial aid than any other state in the nation. New York also ranks first in the nation in the number of financial aid recipients.

# HIGHER EDUCATION

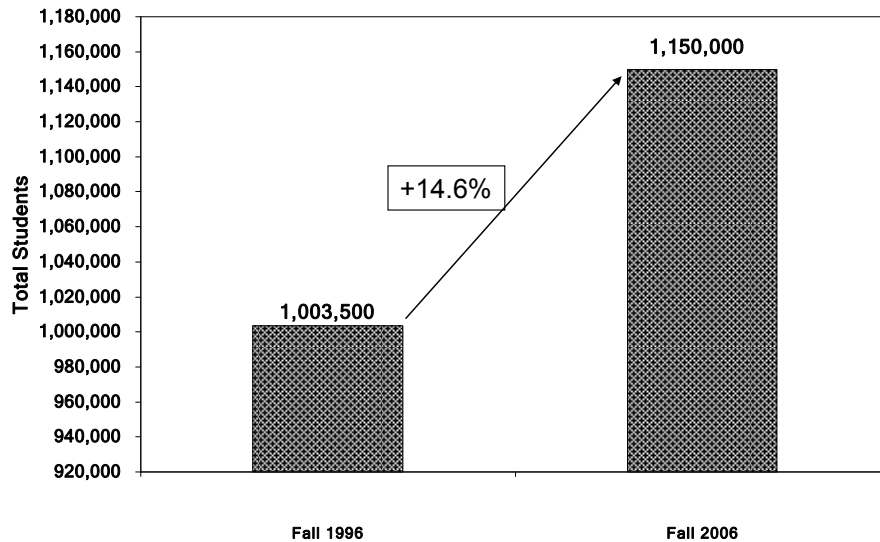
## Tuition and Fees



Source: The College Board: Trends in College Pricing 2006

In 2006-07, tuition and fees at New York's four-year public colleges and universities were below those charged at other public institutions in New England and Mid-Atlantic states.

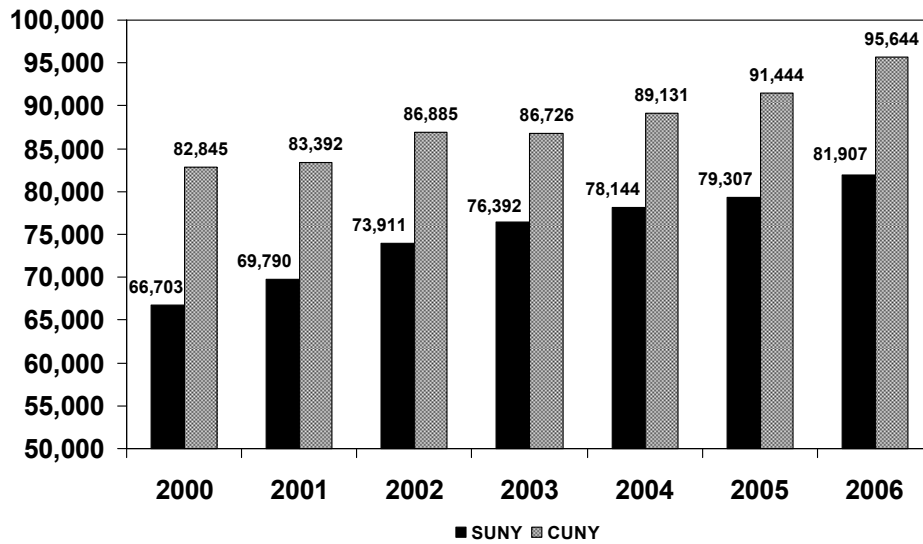
## Statewide Enrollment Growth



Source: New York State Education Department

Total student enrollment at New York's public and private colleges and universities has grown by 14.6 percent since Fall 1996 and hit an all-time high of 1,150,000 students in fall 2006.

**Minority Enrollment at SUNY and CUNY**

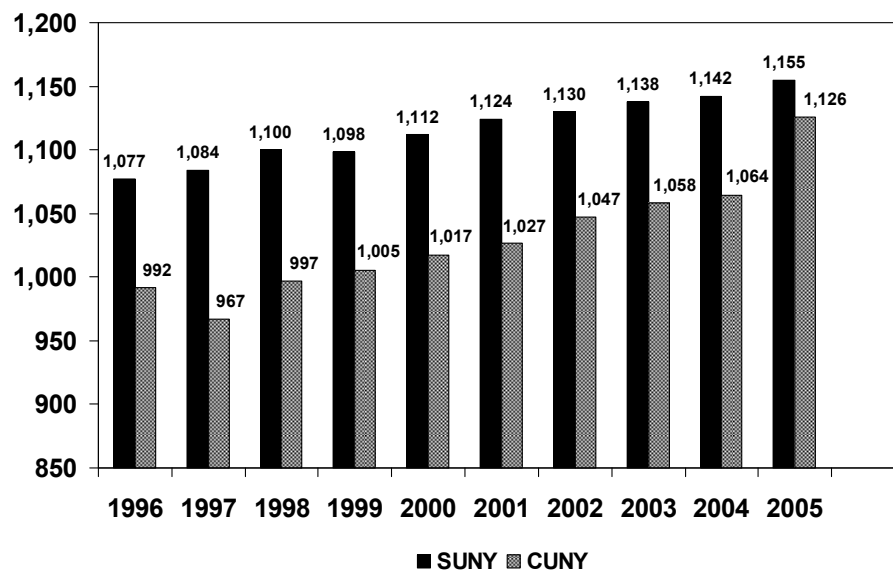


Source: State University of New York/CUNY Office of Institutional Research

In 1999, the CUNY Board of Trustees amended its Master Plan to establish more rigorous admissions criteria and implement a new remedial education policy. Despite concerns expressed by some critics regarding the potential impact of this policy change, CUNY’s minority enrollments have continued to climb — growing by more than 15 percent since 2000. Minority enrollment at SUNY has increased to nearly 82,000 students — the highest level in SUNY history.

**QUALITY**

**Average Freshman SAT Scores**

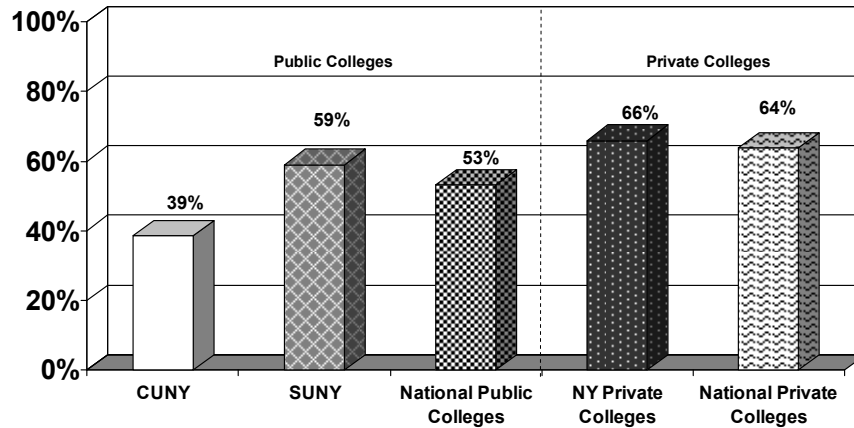


Source: State University Office of Institutional Research/City University Office of Institutional Research

## HIGHER EDUCATION

The academic profile of incoming students at SUNY State-Operated campuses and CUNY Tier I senior colleges is stronger than ever before. SAT scores of incoming SUNY freshmen increased from 1,077 in Fall 1996 to 1,155 in Fall 2005, with gains in the average SAT scores at every campus. Average SAT scores of admitted freshmen at CUNY's five Tier I colleges have also improved, growing from 992 in Fall 1996 to 1,126 in Fall 2005.

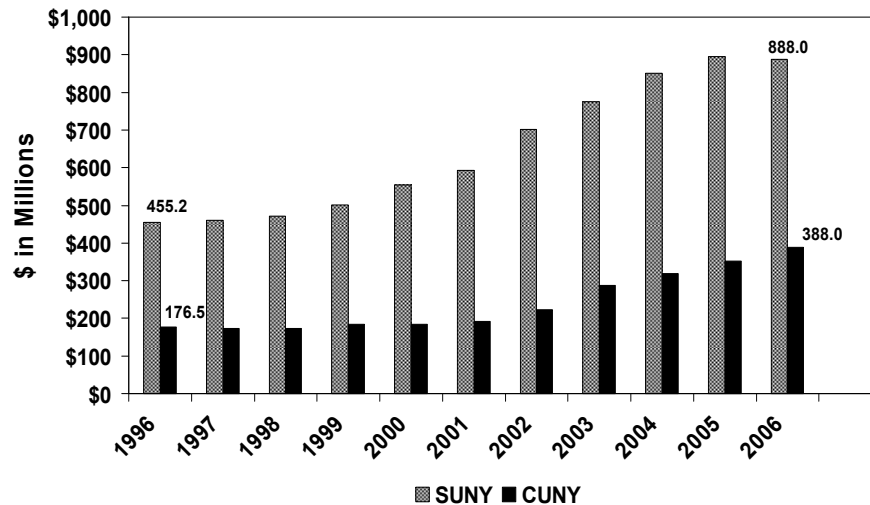
### Bachelor Degrees within 6 Years



Source: New York State Education Department; NCES's "Enrollment in Postsecondary Institutions: Fall 2004; Graduation Rates, 1998 & 2001 Cohorts and Financial Statistics, Fiscal Year 2004"

Overall, graduation rates for SUNY and for private colleges in New York are above the national averages for public and private colleges, respectively. However, graduation rates range significantly among individual campuses, particularly within SUNY and CUNY, indicating the potential for further improvement.

### Sponsored Research Growth at SUNY and CUNY



Source: SUNY Research Foundation/CUNY Research Foundation

Since 1996, sponsored research has grown by \$430 million (95 percent) at SUNY and by over \$200 million (120 percent) at CUNY. In 2006-07, SUNY recorded 196 patent applications and 33 patents, with royalties totaling more than \$10.8 million.

**U.S. News & World Report  
Best National Universities – Top 100**

• Columbia University	9
• Cornell University	12
• University of Rochester	34
• New York University	34
• Rensselaer Polytechnic Institute	42
• Yeshiva University	44
• Syracuse University	52
• Fordham University	70
• SUNY Binghamton	86
• SUNY College of Environmental Sci. & Forestry	98
• SUNY Stony Brook	98

Source: U.S. News & World Report America's Best Colleges 2007

In 2006, 11 of New York's public and private universities were ranked among the top 100 best universities in the nation.



# **PUBLIC ASSISTANCE AND CHILDREN'S SERVICES**

The following charts provide some information on performance and fiscal measures related to New York's public assistance and children's services programs.

The Federal Temporary Assistance for Needy Families (TANF) Block Grant provides assistance and work opportunities to needy families by granting states the funding and flexibility to develop and implement their own welfare programs. In addition, New York operates a Safety Net program that provides assistance to poor individuals who do not qualify for TANF. New York is one of only 10 states that provides benefits above and beyond the TANF program.

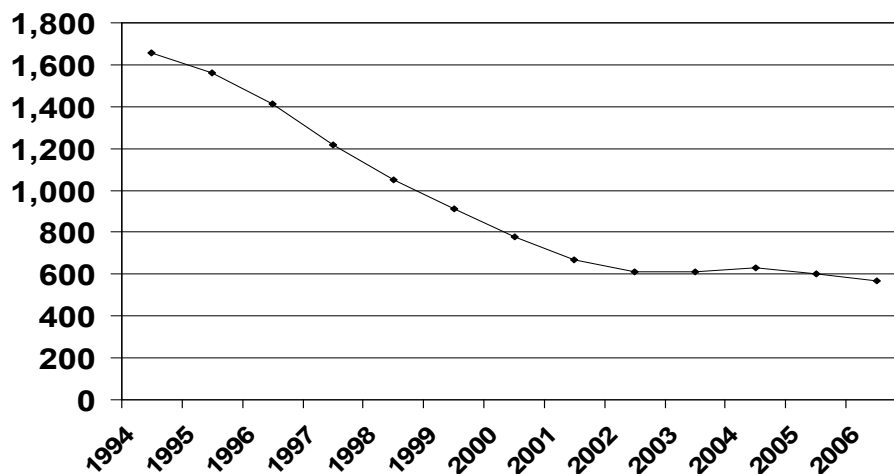
New York State has used savings generated from welfare reform and corresponding caseload declines to fund a variety of support programs that help low-income, working families obtain and retain employment and remain financially independent.

In addition, New York State also continues to enhance the well-being of children through initiatives that reduce reliance on foster care while increasing the number of children placed in permanent homes.

The following information is based on the most recent data available for New York State and includes:

- The public assistance caseload from 1994 through 2006.
- The number of New Yorkers who have received the Earned Income Tax Credit since 1994.
- Funding for child care in 1995 and 2006.
- Teenage pregnancy rates between 1995 and 2003.
- Total child support collections between 1997 and 2007.
- The foster care caseload from 1998 through 2006.
- The growth in the number of former foster care children receiving adoption subsidies from 1998 through 2006.

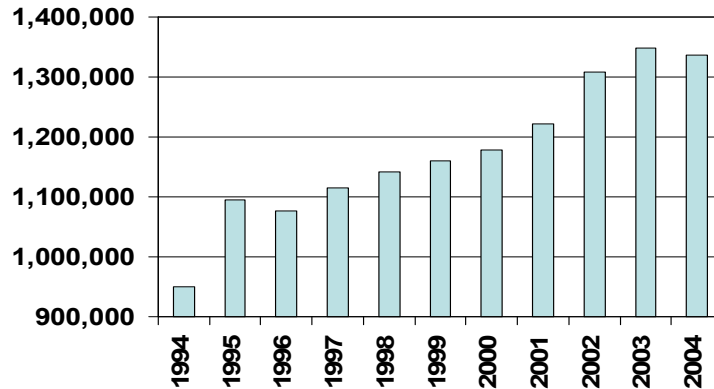
## **Public Assistance Caseload (thousands)**



## **PUBLIC ASSISTANCE AND CHILDREN'S SERVICES**

Since its highpoint in April 1994, more than 1.1 million recipients have transitioned off public assistance. As a result of decreases in the welfare caseload, New York State has been able to apply more of its annual \$2.4 billion Temporary Assistance for Needy Families (TANF) funds towards supportive services, including child care subsidies, employment training, the Earned Income Tax Credit (EITC), and programs for at-risk families. In 1997, the first full year of TANF funding, New York spent only 36 percent of the TANF grant (\$900 million) on supportive services. In 2007, New York will spend 74 percent of the TANF grant (\$1.8 billion) on supportive services.

### **New Yorkers in Receipt of the Earned Income Tax Credit**



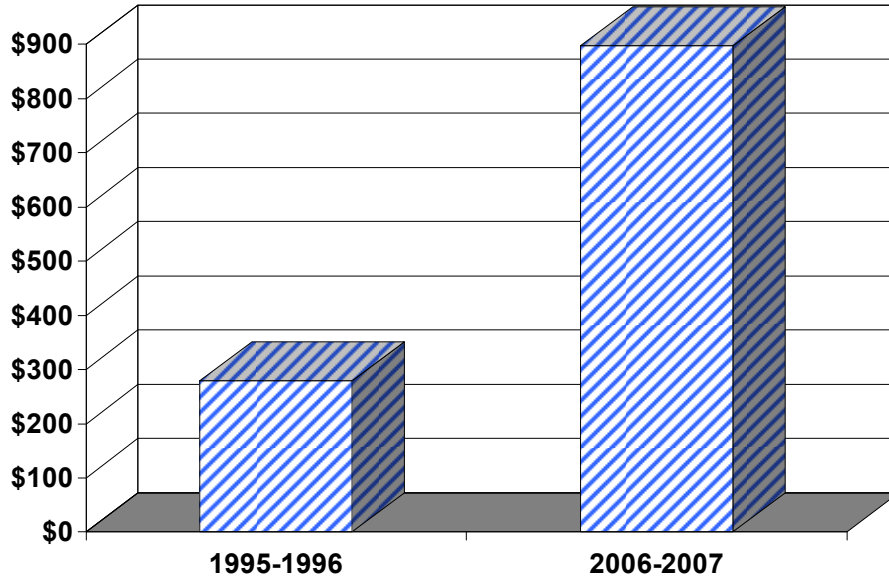
The New York State EITC — a compliment to the Federal EITC — is a refundable tax benefit for individuals with low or moderate incomes. Functioning as an incentive for individuals and families to maintain employment and avoid public assistance, the amount of EITC benefit is dependent on a family's earnings and size. A low-income, working family of three could receive as much as \$5,897 annually from the combined State and Federal EITC - making New York State among the three most generous states in the nation.



## ***PUBLIC ASSISTANCE AND CHILDREN'S SERVICES***

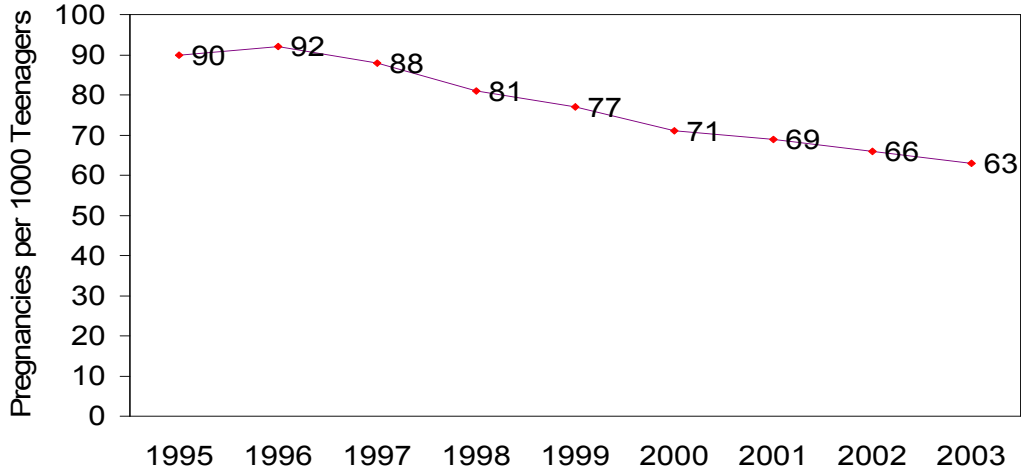
### **STATE CHILD CARE BLOCK GRANT FUNDING**

(\$ in millions)



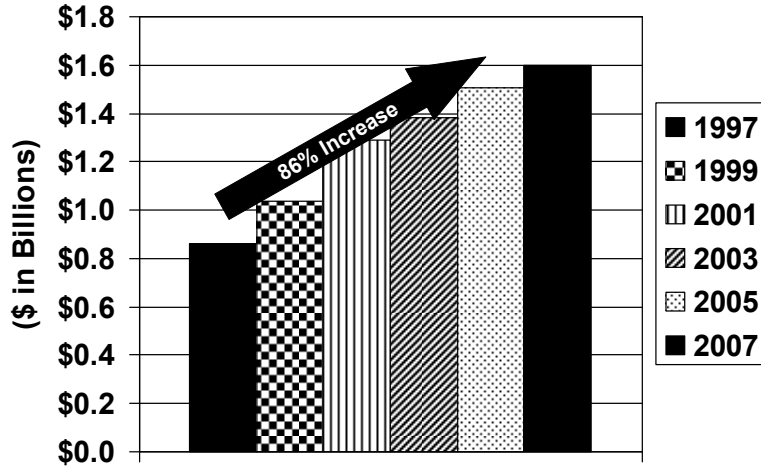
Child care remains one of the most critical components of the welfare program, not only because it enables families on public assistance to transition off welfare, but because it eases the financial burden of low-income, working families, thereby reducing the likelihood they will need public assistance. In 1995, the Child Care Block Grant, comprising State, Federal and local dollars, was \$279 million. Over the past eleven years, this amount has been increased by 222 percent - to \$897 million.

**TEENAGE PREGNANCY RATE IN NEW YORK**



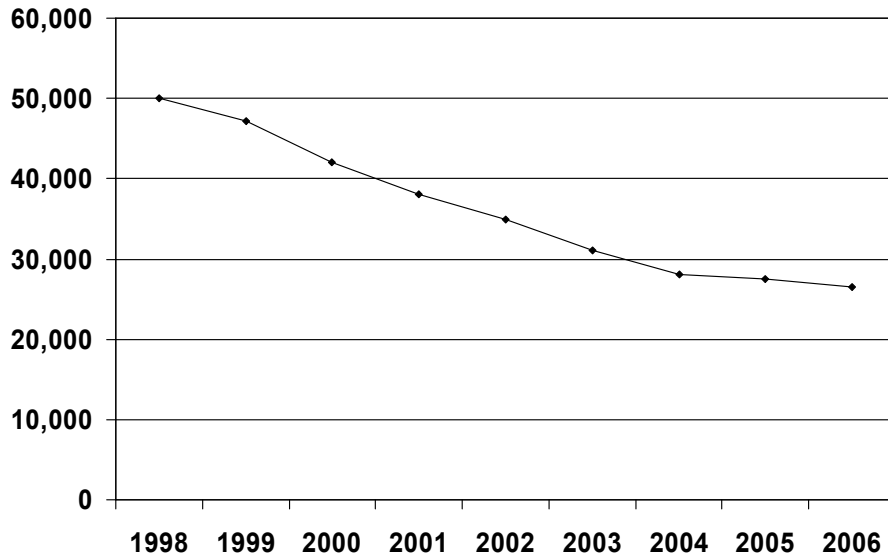
Since 1997, approximately \$150 million in TANF funds has been allocated, in addition to other Department of Health funding, for initiatives that have helped reduce the number of teenage pregnancies in the State by 30 percent. This decrease has enabled New York to earn \$75 million in TANF bonuses in prior State fiscal years.

**CHILD SUPPORT COLLECTIONS**



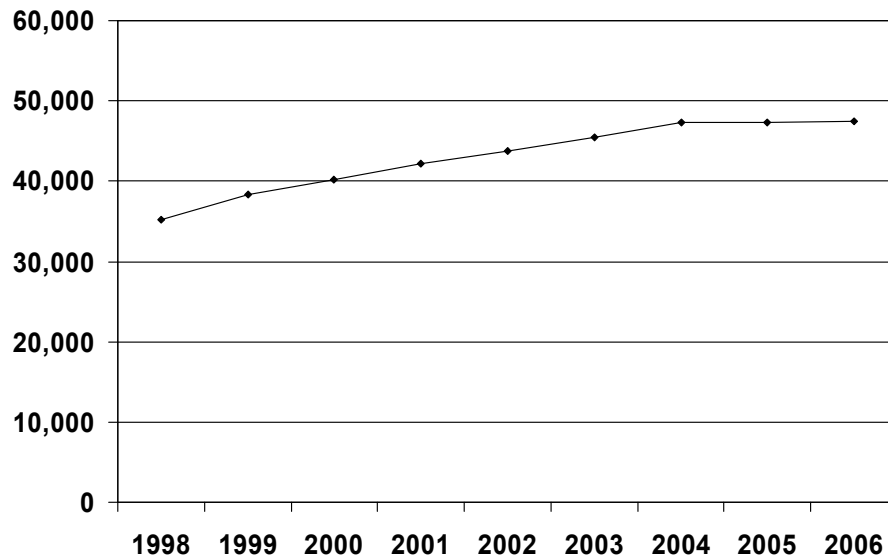
Child support collections are projected to reach \$1.6 billion in 2007, the largest amount in State history.

**FOSTER CARE CASELOAD**



Since 1998, the number of children in foster care has decreased by 47 percent - from 50,034 to an estimated 26,443 in 2006.

## **ADOPTION CASELOAD**



The number of adoption subsidies provided to former foster children rose from 35,199 in 1998 to estimated 47,392 in 2006, an increase of approximately 35 percent.

# **COUNCIL ON THE ARTS**

## **MISSION**

The primary responsibility for oversight and administration of the State's artistic and cultural resources is assigned to three existing entities — the Council on the Arts, the Empire State Plaza Performing Arts Center Corporation and the New York State Theatre Institute. Working together, these agencies expand access to the performing and fine arts, preserve the State's cultural resources and promote greater public awareness of New York's rich cultural heritage.

## **ORGANIZATION AND STAFFING**

The Council on the Arts is headed by a Chair and a Vice Chair and consists of 20 members nominated to 5-year terms by the Governor with confirmation by the Senate. The Council's staff, headed by an Executive Director, is organized into an Administrative Division and a Program Division, both located in New York City. The Council has expertise in several major artistic disciplines (including dance, theater and music) and provides advisory services and financial assistance to New York's arts community. In 2007-08, the Council on the Arts will have a workforce of 55 for the review, processing and administration of arts grants and loans to non-profit organizations.

The Empire State Plaza Performing Arts Center Corporation (the "Egg") was established in 1979 as a public benefit corporation to administer a performing arts center in Albany that offers a diverse array of cultural and artistic programming. An 18-member Board of Directors — consisting of the Commissioner of General Services and members appointed by the Governor, leaders of the Legislature, as well as the Mayor and County Executive of Albany — provides policy direction for the Corporation and appoints its Executive Director. The Chair of the Board is selected by the Governor. The Corporation has a full-time staff of eight.

The New York State Theatre Institute (NYSTI) was established in 1974 and reconstituted in 1992 as a public benefit corporation to provide educational theater experiences for children and families across the State. The Governor appoints the Chair of the Board of Directors whose 15 members are selected by the Governor and legislative leaders. The Chief Executive Officer of the Institute is its Producing Artistic Director, who is appointed by the Board. The Institute's staff of 33 is based in Troy, where its office, production and instructional facilities are located.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

Approximately 95 percent of the funding for the Council on the Arts is provided by the State's General Fund. Federal grants from the National Endowment for the Arts are projected to represent approximately 3 percent of 2007-08 disbursements.

Grants to not-for-profit arts organizations represent approximately 87 percent of the projected expenditures of the Council. The remainder is used for the administration of grant programs and the statewide promotion and development of artistic and cultural programs.

## **ARTS**

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The 2007-08 Executive Budget provides \$6.1 million for administration of the Council's programs. In addition, \$47.5 million is recommended for general arts grants, decentralization grants and arts-in-education. This represents an increase of \$5 million for such grants compared to 2006-07.

For 2007-08, funding will again be provided to the Egg and NYSTI from existing dedicated revenue in the Cultural Education Account. Special revenue funding of \$634,000 is provided for the Egg and \$2,159,000 for NYSTI. Receipts from ticket sales, private donations and sales and lease of products and facilities will supplement State funds provided to these organizations.

### **PROGRAM HIGHLIGHTS**

**Council on the Arts.** Since April 1995, the Council has distributed approximately 30,000 grants totaling over \$425 million to more than 1,500 cultural organizations. Grant awards to non-profit arts organizations are approved through a multi-step review process, which ensures fair and equitable treatment of all applicants. Program audits are also conducted to promote accountability by monitoring program quality and contractual compliance.

The Council receives approximately 3,000 requests for funding each year from organizations throughout the State including symphony orchestras, museums, dance companies, theaters and libraries. To recognize program excellence and promote regional diversity, the Council devotes half of its State grant funding to organizations that have recognized standing in the field, and guarantees that each county receives a minimum base allocation of 40 cents per person in cultural funding.

**Performing Arts Center Corporation (the "Egg").** During the 2005-06 season, the Egg hosted over 180 events that featured the finest dance, music and theatre companies from across the State and around the world. The Center's performing arts series, is being expanded with the addition of the new "Living Legacy" project, which explores the contributions of major New York artists through performances and outreach events throughout the community. The Center hosts three performing arts "camps", as well as a three-week intensive ballet workshop and continues to be the home of the Ellen Sinopoli Dance Company and the Student Theatre Outreach Program.

**New York State Theatre Institute (NYSTI).** In 2005-06, NYSTI served schools, teachers, interns and families across the State through its productions, educational programs, in-class preparations, Theatre Arts School, Summer Stage and Summer Theatre Institute programs. The Institute has certified high school units and college credits to high school seniors and college students who participate in its internship program. Among NYSTI's accolades are: the award of an Emmy for its video production of *Hizzoner!*, recognition citations from the John F. Kennedy Center for the Performing Arts, and Audie Awards for artistic achievement in 1999, 2000, 2004, 2005 and 2006. NYSTI also received the American Alliance for Theatre and Education Award for artistic achievement, a Telly Award and a Worldfest Charleston Silver Award for its video production of *A Tale of Cinderella* as well as a Benjamin Franklin Award for its production of *The Snow Queen*.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	9,781,000	8,859,000	(922,000)	400,000
Aid To Localities	45,220,000	50,213,000	4,993,000	260,000
Capital Projects	0	0	0	0
<b>Total</b>	<b>55,001,000</b>	<b>59,072,000</b>	<b>4,071,000</b>	<b>660,000</b>

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

**Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration			
General Fund	55	55	0
<b>Total</b>	<b>55</b>	<b>55</b>	<b>0</b>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	5,656,000	6,066,000	410,000
Special Revenue Funds - Federal	993,000	0	(993,000)
Special Revenue Funds - Other	3,132,000	2,793,000	(339,000)
<b>Total</b>	<b>9,781,000</b>	<b>8,859,000</b>	<b>(922,000)</b>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Administration			
General Fund	5,656,000	6,066,000	410,000
Special Revenue Funds - Federal	993,000	0	(993,000)
Special Revenue Funds - Other	400,000	0	(400,000)
Empire State Performing Arts Center Corporation			
Special Revenue Funds - Other	618,000	634,000	16,000
New York State Theatre Institute			
Special Revenue Funds - Other	2,114,000	2,159,000	45,000
<b>Total</b>	<b>9,781,000</b>	<b>8,859,000</b>	<b>(922,000)</b>

# ARTS

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	4,183,000	364,000	4,183,000	478,000
Total	4,183,000	364,000	4,183,000	478,000

Program	Temporary Service (Nonannual Salaried)	
	Amount	Change
Administration	0	(114,000)
Total	0	(114,000)

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	1,883,000	46,000	37,700	11,200
Total	1,883,000	46,000	37,700	11,200

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	75,300	(200)	1,694,700	29,700
Total	75,300	(200)	1,694,700	29,700

Program	Equipment	
	Amount	Change
Administration	75,300	5,300
Total	75,300	5,300

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	0	(1,393,000)	0	(542,000)
Empire State Performing Arts Center Corporation	634,000	16,000	190,200	190,200
New York State Theatre Institute	2,159,000	45,000	1,899,900	1,899,900
Total	2,793,000	(1,332,000)	2,090,100	1,548,100

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	0	(451,000)	0	(400,000)
Empire State Performing Arts Center Corporation	443,800	443,800	0	(618,000)
New York State Theatre Institute	259,100	259,100	0	(2,114,000)
Total	702,900	251,900	0	(3,132,000)



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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	43,500,000	47,500,000	4,000,000
Special Revenue Funds - Federal	520,000	1,513,000	993,000
Special Revenue Funds - Other	1,200,000	1,200,000	0
Total	<u>45,220,000</u>	<u>50,213,000</u>	<u>4,993,000</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Administration			
General Fund	43,500,000	47,500,000	4,000,000
Special Revenue Funds - Federal	520,000	1,513,000	993,000
Special Revenue Funds - Other	1,200,000	1,200,000	0
Total	<u>45,220,000</u>	<u>50,213,000</u>	<u>4,993,000</u>



# **OFFICE FOR THE BLIND**

## **MISSION**

The Executive Budget recommends the creation of a new Office for the Blind (OFB) to assume responsibility for rehabilitative services to legally blind residents of New York State.

## **ORGANIZATION AND STAFFING**

The 2007-08 Executive Budget recommends the transfer of the Commission for the Blind and Visually Handicapped (CBVH) from the Office of Children and Family Services (OCFS) to the new Office for the Blind.

The Office will be headed by an Executive Director who will be appointed by the Governor. A fifteen member board will help guide the administration and coordination of programs and policies designed to provide legally blind individuals with effective rehabilitation services. The majority of Office staff will consist of vocational rehabilitation counselors, mobility instructors, business service specialists, instructors for the blind, food service management specialists and administrative support staff.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

Legislation submitted with the budget to establish the OFB will also authorize the transfer of CBVH state operations funding, appropriated in OCFS, to OFB effective October 1, 2007. The majority of Office funding will be from Federal grants. Programs and operations will also be supported by General Fund dollars, and a share of profits from vending stands operated by legally blind individuals, and vending machines placed by companies at highway rest stops.

## **PROGRAM HIGHLIGHTS**

The Office for the Blind will assume responsibility for programs and operations that serve over 10,000 legally blind individuals. This includes the Vocational Rehabilitation program that serves approximately 4,200 legally blind individuals. Major services provided include vision and job skills assessments, on-the-job training, independent living skills, mobility training, academic instruction, case management, assistance with transportation and other personal and financial issues, as well as referrals to community services.

The Office will continue to serve approximately 100 legally blind individuals and their employees through the Business Enterprise Program that develops jobs in the food service and vending stand industries. Another 600 legally blind individuals are placed in independent employment situations with governmental entities and other employers.

Through its Non-Vocational Rehabilitation program, the Office will provide services that focus on daily living skills to approximately 5,500 legally blind children and elderly individuals. Services include learning how to use adaptive equipment such as devices that allow the legally blind to discern printed material or convert text into Braille documents, vision exams, skill assessments, mobility training and case management.



# **CITY UNIVERSITY OF NEW YORK**

## **MISSION**

The City University of New York (CUNY) is the nation's largest urban public university system. The City University had its origin in the Free Academy established in 1847 under the auspices of the New York City Board of Education. The University's mission is to provide affordable higher education with a focus on the urban community of New York City.

## **ORGANIZATION AND STAFFING**

The City University of New York has 11 senior colleges, a Graduate School and University Center, a Graduate School of Journalism, a Law School and 6 community colleges. The University is governed by a 17-member Board of Trustees comprised of: 10 members appointed by the Governor, 5 members appointed by the Mayor and 2 ex-officio members — the chairs of the Student Senate and the Faculty Senate.

The chief executive officer of the University is the Chancellor, who is appointed by the Board of Trustees. Individual college presidents are also appointed by the Board of Trustees. University operations are subjected to fewer State government controls than are imposed on other State agencies, reflecting executive and legislative interest in providing enhanced administrative and managerial flexibility to the City University.

The City University's operating budget supports an estimated 11,000 full-time equivalent positions consisting of 10,850 positions that are supported through a combination of State tax dollars and tuition revenues and 150 positions supported by other funds. Community college staff are not included in these totals as they are not employees of the State.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

In 1982, New York State assumed full financial responsibility for CUNY's senior college operations from New York City. In conjunction with the City of New York, the State also supports CUNY's community colleges.

## **SENIOR COLLEGES**

CUNY senior colleges have two major funding sources: State support and tuition revenue. Additional support is secured from New York City and from various fees. New York City provides support for the costs of associate degree programs at CUNY's senior colleges and a share of the central administration costs attributable to the community colleges. New York City also pre-finances CUNY's senior college operating costs, and the State subsequently reimburses the City for CUNY's net operating expenses.

Pending receipt of the tuition policy recommendations of the Governor's Commission on Public Higher Education, no tuition increase is recommended for CUNY State-operated campuses in 2007-08.

For 2007-08, CUNY's gross operating budget will total \$1.6 billion, an increase of \$71.8 million or 4.6 percent. Within this amount, taxpayer support will total \$999.1 million, an increase of \$71.8 million or 7.8 percent. CUNY's Senior College Revenue Offset will remain level at \$621.4 million, which includes a 2006-07 adjustment to fold in \$26.5 million in graduate tuition revenues resulting from Trustee actions in 2005-06.

## **CITY UNIVERSITY**

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Special revenue funding for CUNY will total \$145 million, a decrease of \$90.0 million reflecting graduate tuition revenues (-\$30 million) previously budgeted in the City University Tuition Reimbursable Account (CUTRA) being transferred to the revenue offset, and the elimination of special revenue authorizations to reserve funds for 2005-06 collective bargaining costs (-\$60 million).

For 2007-08, funding for the Empire Innovation Program will total \$9 million — an increase of \$4 million — to support critical research projects, academic programs and Master Plan initiatives at CUNY.

### **COMMUNITY COLLEGES**

CUNY community colleges have three basic funding sources: State support, local support from New York City and tuition revenue. Recommended State funding for community colleges of \$169.7 million reflects a net increase of \$6.3 million attributable to: a \$100 per full-time student base aid increase (\$6.2 million); revised enrollment projections (-\$0.05 million); and an increase in rental aid for leased space (\$0.15 million). Funding for childcare, College Discovery, and workforce development is continued at \$0.9 million, \$0.8 million and \$2.0 million, respectively.

### **CAPITAL PROJECTS**

The State finances all CUNY capital project costs for senior colleges, other than Medgar Evers College, and shares the capital costs for community colleges and Medgar Evers College with the City of New York.

The 2007-08 Executive Budget calls upon CUNY to develop a new Five-Year Capital Plan in 2008-09 to promote greater stability, predictability and discipline in the capital funding process and ensure campus priorities are balanced with available resources.

Capital recommendations for 2007-08 supplement the current \$1.9 billion Multi-Year Investment Program for senior and community colleges with an additional \$265.8 million to support the continuation of priority projects, including recently authorized science projects at City College and the rebuilding of Fiterman Hall at the Borough of Manhattan Community College. CUNY's bond cap will be increased by \$266 million to cover CUNY's new 2007-08 capital appropriations for a total bonding authorization of \$5.8 billion.

### **PROGRAM HIGHLIGHTS**

The City University of New York offers a wide variety of educational avenues ranging from vocational courses to doctoral degree programs. Approximately 226,000 full-time and part-time students — 152,000 at the senior colleges and 74,000 at the community colleges — were enrolled in degree programs for the fall 2006 semester. In addition, the University serves more than 245,000 individuals through adult and continuing education courses. CUNY's academic offerings and programs include the following important programs:

- The Language Immersion Program is designed to strengthen the language skills of first year students prior to their entry into collegiate coursework. This intensive, full-time program has successfully taken a holistic approach to language development. The program operates on ten campuses and, since its inception in 1995, has helped more than 18,750 students to prepare for full collegiate matriculation;

- The College Preparatory Initiative is a system-wide collaboration between the City University and the New York City public schools to improve the academic preparation of high school students. The cooperative effort has enabled CUNY to strengthen its academic prerequisites for admission to the University;
- The New York City Alliance for Minority Participation is a consortium of 16 CUNY campuses that have joined with the National Science Foundation in a cooperative venture to increase the number of under-represented students successfully completing science, mathematics, engineering and technology baccalaureate programs; and
- Approximately 120 research institutes and centers are located throughout the University. Notable examples include the Structural Biology Center — a consortium of public and private research institutions located on the City College campus, the Levich Institute for Physico-Chemical Hydrodynamics at City College and the Institute for Biomolecular Structure and Function at Hunter College. University-wide research activities have been enhanced by the Applied Science Coordinating Institute.

In recent years, the CUNY Board of Trustees has advanced a series of significant actions to improve academic program quality and strengthen the planning and management functions of the University. These actions include the establishment of more rigorous admissions criteria and the successful implementation of a new remedial education policy. The Board of Trustees continues to encourage campuses to set higher standards, reduce time-to-program completion and reallocate resources through program consolidation.

The City University will continue implementing its Master Plan, which was approved by the Board of Regents in 2005. The Plan's objectives include: establishing a more rigorous and selective University system; creating a flagship environment; fostering a research environment; improving CUNY's teacher education programs; expanding collaborative and outreach programs with the New York City Board of Education; and facilitating economic development.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	1,757,183,600	1,765,518,900	8,335,300	0
Aid To Localities	1,090,037,419	1,127,507,800	37,470,381	0
Capital Projects	337,080,000	265,800,000	(71,280,000)	2,361,276,000
<b>Total</b>	<b>3,184,301,019</b>	<b>3,158,826,700</b>	<b>(25,474,319)</b>	<b>2,361,276,000</b>

# CITY UNIVERSITY

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Special Revenue Funds - Other	208,500,000	145,000,000	(63,500,000)
Fiduciary Funds	1,548,683,600	1,620,518,900	71,835,300
Total	1,757,183,600	1,765,518,900	8,335,300
Adjustments:			
Prior Year Deficiency			
City University of New York			
Agency Trust Funds	13,900,000		
Recommended Deficiency			
City University of New York			
Agency Trust Funds	(23,460,000)		
Transfer(s) From			
City University of New York			
Special Revenue Funds - Other	(26,500,000)		
Special Pay Bill			
Agency Trust Funds	(61,130,000)		
Transfer(s) To			
City University of New York			
Agency Trust Funds	26,500,000		
Appropriated 2006-07	1,686,493,600		

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	1,090,037,419	1,127,507,800	37,470,381
Total	1,090,037,419	1,127,507,800	37,470,381
Adjustments:			
Recommended Deficiency			
City University of New York			
General Fund	(8,082,000)		
Transfer(s) From			
Special Pay Bill			
General Fund	(97,500,000)		
Appropriated 2006-07	984,455,419		

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Community College Programs			
General Fund	163,376,969	168,153,800	4,776,831
Institutional Support Services			
General Fund	924,660,450	957,354,000	32,693,550
Senior College Pension Payments			
General Fund	2,000,000	2,000,000	0
Total	1,090,037,419	1,127,507,800	37,470,381



# CITY UNIVERSITY

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Senior Colleges				
General Maintenance and Improvements				
Capital Projects Fund	0	0	0	41,200,000
Cap Proj Fund - CUNY (Direct Auth Bonds)	337,080,000	225,000,000	(112,080,000)	1,678,214,000
Program Changes - Expansion and Improvements				
Capital Projects Fund	0	0	0	1,656,000
New Facilities				
Cap Proj Fund - CUNY (Direct Auth Bonds)	0	0	0	352,300,000
City University of New York Capital Projects Fund				
City University of New York Capital Projects Fund	0	0	0	1,936,000
Subtotal	<u>337,080,000</u>	<u>225,000,000</u>	<u>(112,080,000)</u>	<u>2,075,306,000</u>
Community Colleges				
General Maintenance and Improvements				
Capital Projects Fund	0	0	0	13,512,000
Cap Proj Fund - CUNY (Direct Auth Bonds)	0	40,800,000	40,800,000	272,458,000
Subtotal	<u>0</u>	<u>40,800,000</u>	<u>40,800,000</u>	<u>285,970,000</u>
 Total	 <u>337,080,000</u>	 <u>265,800,000</u>	 <u>(71,280,000)</u>	 <u>2,361,276,000</u>



# **STATE EDUCATION DEPARTMENT**

## **MISSION**

The State Education Department (SED) is the administrative agency of the Board of Regents. The Department's primary mission is to oversee public elementary and secondary education programs throughout New York and promote educational excellence, equity and cost-effectiveness.

## **ORGANIZATION AND STAFFING**

Oversight of the Department is provided by the Board of Regents, which was originally established by the Legislature in 1784 and subsequently continued in the State Constitution. The Board of Regents is comprised of 16 members — one for each of the State's 12 judicial districts and four statewide members — who are elected by a joint session of the Legislature for staggered 5-year terms. The Board elects its chair, who holds the title Chancellor, and appoints the Commissioner of Education as the chief administrative officer of the Department.

The Department's central operations are located in the Education Building in Albany. The Department also has regional service facilities at various locations throughout the State.

Recommended staffing levels for 2007-08 are projected to total 3,174 positions at year's end, with 453 positions, or approximately 14 percent, supported by the General Fund. Various dedicated fees, charge-backs and Federal grants will support the remaining staff.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

In 2007-08, total funding for programs and operations of the State Education Department will increase by nearly \$1.88 billion, or 6.7 percent. This year-to-year increase is primarily due to a school aid increase of over \$1.41 billion for the 2007-08 school year including: an increase of \$982 million for the new Foundation Aid formula; an increase of \$99 million for the Universal Prekindergarten program; an increase of \$216 million for school construction and transportation services; and an increase of \$1.5 billion for the Middle Class STAR initiative, less \$675 million in savings from discontinuation of the property tax rebate. Federal funds increase by nearly \$34 million while increases in State operations and capital projects total \$71.9 million.

The taxpayer-supported General Fund provides 11.5 percent of the Department's operating budget. Federal grants, including programs for disadvantaged pupils, account for 55.7 percent of the agency's resources. The remaining 32.8 percent is derived from fees, charge-backs and other miscellaneous receipts.

For 2007-08, the Department's General Fund State Operations support totals \$64.9 million, an increase of \$20.63 million. The recommendations include \$20 million for new accountability initiatives which will enhance the ability of the Department to establish and revise performance standards for schools and school districts, monitor and assess academic progress, and intervene when schools fail to improve.

## **EDUCATION**

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### **SCHOOL TAX RELIEF (STAR)**

The School Tax Relief (STAR) program was enacted in 1997 to provide needed tax relief for homeowners across the State. Under the proposed Three-Year Property Tax Relief Plan, middle class homeowners will receive property tax relief in a more targeted and timely manner. For 2007-08, STAR will grow from \$3.6 billion to \$5.1 billion, an increase of \$1.5 billion, and the existing \$675 million property tax rebate will be discontinued in lieu of the new Middle Class STAR initiative. The Three-Year Property Tax Relief Plan will provide a total of \$6 billion over the next three years in additional STAR.

The 2007-08 STAR recommendation of \$5.1 billion includes \$1.35 billion for school property tax relief and \$150 million for additional New York City personal income tax relief. The Enhanced STAR exemption for seniors will reflect continuation of the cost of living adjustment provided in 2006-07. This will generate \$48 million in additional STAR tax relief for senior citizens in 2007-08.

### **SCHOOL AID**

The 2007-08 Executive Budget recommendations for elementary and secondary education include a Four-Year Educational Investment Plan. The centerpiece of this Plan is the creation of a new Foundation Aid program to ensure that each district receives sufficient State and local resources to meet State learning standards.

Major recommendations for the 2007-08 school year include:

- **Four-Year Educational Investment Plan:** To provide our schools with the resources required to attain educational excellence, a school aid increase of over \$1.4 billion is recommended for 2007-08 — growing to \$7 billion by 2010-11. As a result, overall school aid will grow from \$17.7 billion in 2006-07 to \$24.7 billion in 2010-11.
- **School Year Support:** For the 2007-08 school year, nearly \$19.2 billion is provided in State support for public schools, a school year increase of \$1.41 billion, or 8.0 percent.
- **Fiscal Year Support:** For the 2007-08 fiscal year, \$18.67 billion is provided in State support for public schools, a fiscal year increase of \$1.26 billion or 7.3 percent.
- **Foundation Aid:** The 2007-08 Executive Budget recommends the creation of a new Foundation Aid program that will be phased in over four years, growing from \$12.5 billion in 2006-07 to \$17.3 billion in 2010-11. This represents an increase of \$982 million for 2007-08, growing to \$4.8 billion by 2010-11. Foundation Aid will link school funding to the cost of a successful education, and State aid will be allocated in a transparent, equitable and predictable manner. For 2007-08, 30 existing aid programs will be consolidated into Foundation Aid, and school districts will be held harmless against losses in these consolidated aids. All districts would receive an increase of at least 3 percent in Foundation Aid for 2007-08.
- **Universal Prekindergarten:** The 2007-08 Executive Budget provides \$395 million, an increase of \$99 million, to provide universal access to quality prekindergarten programs. Total Universal Prekindergarten funding will grow to \$645 million by 2010-11.
- **Support for School Construction:** For the 2007-08 school year, over \$1.6 billion in Building Aid is recommended in State support for the construction of school facilities, an increase of \$23 million. Beginning in 2007-08, the State will provide

EXCEL building aid totaling \$112 million — reflecting the State’s 2007-08 debt service cost for EXCEL bonds. EXCEL will provide school districts with \$2.6 billion in bonded State grants to support school construction costs that are associated with increasing school capacity as a result of overcrowded classrooms, and projects related to improving energy use and public health and safety. As additional bonds are issued up to the total authorized amount of \$2.6 billion, the annual amount of EXCEL Building aid will increase to \$197 million.

- **BOCES:** Over \$622 million is recommended for BOCES aid in 2007-08, an increase of more than \$37 million.
- **Transportation Aid:** More than \$1.4 billion is recommended for reimbursement of the cost of transporting 2.3 million students statewide, representing an increase of \$81.1 million.
- **Accountability:** Expanded accountability measures include a new Contract for Excellence that will be required for all districts receiving an annual increase in Foundation Aid in excess of 10 percent, or \$15 million, or receiving a Supplemental Educational Improvement Plan grant. An increase of \$20 million is included for the costs of the State Education Department to implement the new accountability measures.
- **School Efficiency Reviews:** The 2007-08 Executive Budget recommends a new \$5 million School District Efficiency Review initiative for school districts that volunteer to participate in such reviews, as well as districts requested by the Commissioner of Education.
- **Charter Schools:** The 2007-08 Executive Budget provides \$15 million in Transitional Aid for five school districts that are currently impacted by a concentration of charter schools. Also, the existing cap of 100 charter schools would be increased by 150 schools with the Board of Regents, SUNY, and the NYC School Chancellor each authorized to approve 50 new charter schools. Finally, there will be expanded notification requirements so that local school districts will be notified prior to adoption of their school budget of any approval by the Regents of a new charter school.
- **Math/Science Initiatives:** The 2007-08 Executive Budget recommends math and science initiatives that will increase the supply of qualified math and science teachers in schools across the State and recognize and reward talented middle school students in math and science.
- **Community Schools Pilot Program:** This \$4 million pilot program will be located within the Rochester City School District and will support efforts by community organizations to promote the efficient delivery of integrated services and family support.
- **Supplemental Educational Improvement Plan Grant:** The 2007-08 Executive Budget recommends \$8.5 million for this new program that will provide additional resources to the Yonkers City School District in support of their educational improvement plan.
- **Categorical Teacher Programs:** Support for programs to attract, retain and support teachers is continued at \$68 million. In addition, the Commissioner of Education will assist school districts in developing incentives for highly trained teachers to work with low performing schools.

## ***EDUCATION***

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### ***SPECIAL EDUCATION***

#### **School-Age Special Education**

Special Education reforms are recommended to ensure that special education programs are financed in a manner that encourages the education of students with disabilities in the least restrictive environment. All school districts with high classification rates, or that disproportionately identify certain racial/ethnic groups of students as needing special education, will be required to address these deficiencies. The State Education Department will provide targeted technical assistance to support these schools.

The special education financing system will also be modified to remove unintended financial incentives to classify and place students in overly restrictive settings by consolidating \$2.2 billion in Public Excess Cost Aid into Foundation Aid. The State aid formulas that support high cost special education, whether in public or private settings, will remain unchanged.

#### ***Preschool Special Education***

Approximately 500 providers (school districts, private providers and BOCES) operate preschool special education programs that provide educational and therapeutic services to an estimated 84,000 children ages 3-5. The 2007-08 General Fund recommendation of \$663.1 million will support the existing 59.5 percent State share of preschool special education program costs. For 2007-08, a Taskforce on Preschool Special Education will be created, comprised of representatives of school districts, preschool providers, counties and appropriate State agencies. Taskforce members will study and submit recommendations related to the appropriate relationship between preschool special education and other early childhood and special education programs; the current rate-setting methodology for preschool special education programs and services; and interstate comparisons of the delivery of preschool services, financing approaches and other best practices.

#### ***Summer School Special Education***

The summer school special education program supports educational services provided during July and August for approximately 40,000 disabled students ages 5-21. The State covers 70 percent of the total education, transportation, and maintenance costs of summer programs, with school districts contributing 20 percent, and counties 10 percent. The 2007-08 Executive Budget recommendation of \$243.4 million, an increase of \$5.5 million, supports the existing 70 percent State share of the program costs.

#### ***State-Supported Private Schools for the Blind and Deaf***

Approximately 1,600 students attend 11 private schools for the blind and deaf. The 2007-08 recommendation of \$118.1 million, an increase of \$5.2 million, covers approximately 90 percent of the tuition and maintenance costs for these students and also includes \$6.6 million to cover debt service costs for the schools.

**EDUCATION-RELATED PROGRAMS**

The 2007-08 Executive Budget recommends a year-to-year reduction of approximately \$81.8 million in funding for education-related programs primarily due to the elimination of one-time funding for legislative grants.

**ELEMENTARY, MIDDLE AND SECONDARY EDUCATION-RELATED PROGRAMS  
2007-08 SCHOOL YEAR  
(\$000)**

<u>Program</u>	<u>2006-07 School Year</u>	<u>2007-08 School Year</u>	<u>Change</u>
Academic Intervention Services at Non-Public Schools	1,000	1,000	0
Adult Basic Education - WEP	2,000	2,000	0
Adult Literacy Education	5,325	5,325	0
Apprenticeship Training	1,830	1,830	0
Character Education	475	475	0
Charter Schools	6,000	6,000	0
Consortium for Worker Education (CWE)	11,500	11,500	0
Extended Day/School Safety	30,200	30,200	0
Health Education Program	750	750	0
Hurd Advances	259	206	(53)
Legislative Grants	80,956	0	(80,956)
Math & Science High Schools	1,500	1,500	0
Migrant Workers	90	90	0
Missing Children Education Program	1,000	1,000	0
National Board for Professional Teaching Standards	500	500	0
New York State Historical Association	180	0	(180)
Non-Public School Aid	87,500	87,500	0
Primary Mental Health	970	970	0
Prior Year Claims	25,900	25,900	0
Rural Education Advisory Council	100	0	(100)
School Lunch and Breakfast Program	31,700	31,700	0
St. Rose Math & Science Lab Renovation	500	0	(500)
Statewide Center for School Safety	475	475	0
Special Education Teacher Retention	2,000	2,000	0
Summer Food Program	3,300	3,300	0
SUNY Center for Autism	500	500	0
SURR Schools	1,900	1,900	0
Transferring Success	630	630	0
Workplace Literacy	1,376	1,376	0
<b>Total</b>	<b><u>\$300,416</u></b>	<b><u>\$218,627</u></b>	<b><u>(81,789)</u></b>

**OTHER RECOMMENDATIONS**

In addition to funding for agency operations, the Department's budget also includes support for various aid programs in the areas of higher education, cultural education, and vocational rehabilitation. For 2007-08, funding is provided for the following programs:

- Library Aid (\$97.2 million);
- Library Construction Aid (\$14 million);
- Public Broadcasting Aid (\$18.8 million);
- VESID Case Services (\$54.6 million);
- Supported Employment (\$16.4 million);
- Independent Living Centers (\$11.7 million);
- Unrestricted Aid for Independent Colleges and Universities (\$42 million);
- Higher Education Opportunity Program (\$24.2 million);

## ***EDUCATION***

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- Liberty Partnerships (\$12 million);
- Teacher Opportunity Program (\$0.7 million); and
- Science and Technology Entry Program (\$19.0 million).

### ***PROGRAM HIGHLIGHTS***

Under the policy direction of the Board of Regents, operational responsibilities of the State Education Department include administration, regulation and review of numerous education programs. The following provides a description of the major program areas administered by the Department.

### ***SCHOOL AID***

The 2007-08 Executive Budget provides nearly \$19.2 billion in school aid for the 2007-08 school year. State support for public schools, combined with STAR and lottery payments, accounts for nearly 39 percent of the State's General Fund.

School aid is distributed to school districts through formula-based aids and categorical grants including the following:

- **Foundation Aid** will provide sufficient State and local resources to give all children the opportunity to meet New York's learning standards. Consistent with the recommendations of the Regents and phased-in over four years, the Foundation Aid formula will consolidate approximately 30 existing aid programs and hold school districts harmless against losses in these consolidated aids. All school districts will receive a Foundation Aid increase of at least 3 percent.
- **Transportation Aid and Building Aid** will provide support to school districts for student transportation and the construction/preservation of school facilities. These two aid categories, including EXCEL building aid, will total \$3.2 billion and account for nearly 17 percent of overall school aid.
- **Universal Prekindergarten** will be provided via a Foundation-type formula, with grants for half-day program ranging from \$250/child to approximately \$5,750/child reflective of varying district wealth and educational needs. Regulatory requirements accompanying the Universal Prekindergarten initiative will ensure quality prekindergarten programs with a strong academic component.
- **Specialized aid and grant programs** address specific educational needs, ranging from textbooks to adult education programs.

The 2007-08 Executive Budget includes new reform and accountability programs to assist school districts to raise student achievement to meet or exceed State standards. These programs are designed to measure progress, reward academic success, provide assistance for failing schools, expand math and science opportunities and promote improved cost-effectiveness.

- **Enhanced Accountability Plan.** The Regents will establish improvement targets for individual schools and school districts using measures that include State assessments and graduation rates.
- **Student Assessment System.** The Regents will provide a student progress report whereby parents will be provided information on their child's educational progress over multiple years of testing.



- **Contract for Excellence.** All school districts receiving a Foundation Aid increase in excess of 10 percent, or \$15 million, or receiving a Supplemental Educational Improvement Plan grant, will be required to develop a Contract for Excellence that demonstrates how they will spend new State funding on measures that have been demonstrated to improve student performance.
- **Promoting Strong Leadership.** The Regents will be directed to identify and utilize data elements (including performance on State assessments and graduation rates) to assess the effectiveness of school superintendents and principals. School superintendents and principals with a strong record of educational performance will be recognized for their achievement and encouraged to assist low performing school districts.
- **SURR Schools.** The Commissioner of Education will expand the scope of the Schools Under Registration Review (SURR) process to increase the number of schools required to develop and implement a reorganization or restructuring plan.
- **Improved Teacher Quality.** The Regents will be called upon to review the effectiveness of existing teacher preparation programs in the development of highly qualified, successful teachers. The Regents will also develop programs to expand alternative teacher certification programs.
- **Full-Day Kindergarten.** All high needs and low-performing school districts will offer full-day kindergarten by 2010-11. The 2007-08 Executive Budget provides \$2 million in planning grants for this purpose.

### **SCHOOL TAX RELIEF (STAR)**

The 2007-08 Executive Budget includes funding for a new Middle Class STAR program which will target additional tax relief to middle class homeowners as follows:

- Recipients of Basic STAR with incomes at or below \$60,000 (\$80,000 in Downstate Metropolitan areas consisting of New York City and the counties of Nassau, Suffolk, Westchester, Rockland and Putnam) will receive an 80 percent increase in their STAR exemptions. Approximately 1.6 million, or 60 percent of current Basic STAR recipients, will be eligible for the maximum Middle Class STAR increase of 80 percent.
- Middle Class STAR benefits will be adjusted using a sliding scale for homeowners with incomes between \$60,000 and \$235,000 (or between \$80,000 and \$235,000 in Downstate Metropolitan areas). About 960,000, or 35 percent of homeowners, will see increases in exemptions between 80 percent and 30 percent.
- Approximately 95 percent of current STAR recipients will receive an additional benefit under the Middle Class STAR initiative.
- All income brackets used to determine increases in STAR exemption will be indexed in future years to reflect increases in average wage incomes.
- The cost of living adjustment for the Enhanced STAR exemption for income eligible senior citizens, which was provided in 2006-07, will be maintained in 2007.
- New York City taxpayers will also receive an increase in their existing Personal Income Tax Credit. The refundable credit for married individuals filing joint returns will be raised from \$230 to \$300, and the credit for all others from \$115 to \$150.

## ***EDUCATION***

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### ***PROGRAMS FOR STUDENTS WITH SPECIAL NEEDS***

New York provides a full spectrum of special education services for over 400,000 students aged 3 to 21. These services range from speech therapy to placement in full-time residential schools for those school-age children with the most severely disabling conditions. The network of service providers includes over 1,200 school districts, Boards of Cooperative Educational Services (BOCES), private not-for-profit schools and State-operated facilities.

School districts and BOCES serve approximately 390,000 school-age children with special needs. An additional 14,000 students who require particularly intensive programs, are served by nearly 150 private schools, including 13 Special Act School Districts and 11 State-supported private schools for blind and deaf students.

Two State-operated schools provide specialized services for blind and deaf students with multiple disabilities. The Batavia School for the Blind serves 62 blind and multiply disabled students, including nine developmentally disabled students in the Intermediate Care Facility (ICF). The Rome School for the Deaf serves 82 deaf and multiply disabled school-age students.

### ***ELEMENTARY, MIDDLE AND SECONDARY EDUCATION PROGRAMS***

The State Education Department also administers various programs that address specialized student needs or reimburse school districts for education-related services. Major programs include:

- **School Lunch and Breakfast Program:** State funds of \$31.7 million supplement Federal support for the provision of free and reduced-price meals to low-income students. Approximately 1.7 million lunches and 500,000 breakfasts are served daily under this program;
- **Summer Food Program:** Federal support for the provision of free meals for low-income students participating in summer recreation programs is supplemented by \$3.3 million in additional State funds. There are more than 270 sponsors of summer programs serving almost 237,000 students; and
- **Extended Day/School Safety:** The State provides \$30.2 million to allow schools to provide after-school services such as academic and social support for at-risk students in collaboration with Federal support. The program serves approximately 165,000 children and incorporates violence prevention activities.

### ***CULTURAL EDUCATION***

Cultural Education programs administered by the Department include support for public broadcasting stations and aid to public libraries and library systems. The State Library, the State Museum and the State Archives are located in the Cultural Education Center in Albany and are also administered by agency staff.

The State Library is the largest of its kind in the nation, providing reference information and other coordinated library services to State agencies, businesses and the public. The State Library also charters all libraries in the State and distributes State and Federal aid to local libraries.

The State Museum is the largest state-operated museum in the nation and contains exhibits on New York's cultural and natural history. The Museum is also a major research center and the home of the Geological Survey, Biological Survey, Anthropological Survey

and the Historical Survey. Each of these surveys is involved with developing and maintaining the collections and exhibits of the State Museum. The State Museum also administers the Cultural Resource Survey which oversees the handling and preservation of artifacts found at construction sites.

The State Archives is responsible for the maintenance and preservation of important State and local government records. In addition to its operations in the Cultural Education Center, the State Archives also operates a regional Records Center at the Harriman State Office Campus in Albany. The operations of the State Museum, State Library and State Archives are largely supported by a surcharge on certain documents filed in county clerk offices.

### **HIGHER EDUCATION AND REGULATION OF THE PROFESSIONS**

The Office of Higher Education and the Professions is responsible for ensuring the quality and availability of postsecondary education programs and regulating professionals to protect the public by ensuring the quality and integrity of services provided to consumers in the State. This Office:

- Assists the Regents in making higher education policies and plans, administers aid programs for colleges, universities and students and reviews and registers academic programs of degree-granting institutions. This Office also oversees the regulation of proprietary schools that offer a range of vocational education programs, as well as teacher certification and discipline and background checks of prospective school personnel.
- Licenses and provides oversight for members of the 47 professions regulated pursuant to Title VIII of the Education Law, including: Nursing, Optometry, Dentistry, Pharmacy, Veterinary Medicine, Social Work, Architecture, Civil Engineering and Public Accountancy. The Office is also responsible for enforcing standards of practice, codes of conduct and professional discipline for the licensees, except members of the medical professions (Physicians, Physician Assistants and Special Assistants) whose professional conduct is within the purview of the Department of Health. Professional licensure, oversight and enforcement functions are self-supporting, through the collection of fines and fees.

### **VOCATIONAL REHABILITATION**

The Vocational and Educational Services for Individuals with Disabilities (VESID) program provides job training, counseling and placement services for disabled persons throughout New York. Using its network of 15 district offices across the State, VESID provides vocational rehabilitation services to disabled clients tailored to their individual goals, capabilities and needs. This program arranges job placements for nearly 13,300 individuals annually from an active caseload of 53,000.

# EDUCATION

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	522,649,900	562,810,500	40,160,600	529,755,700
Aid To Localities	27,262,450,700	29,070,492,600	1,808,041,900	5,793,375,800
Capital Projects	47,200,000	78,900,000	31,700,000	44,896,000
Total	27,832,300,600	29,712,203,100	1,879,902,500	6,368,027,500

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Office of Management Services Program			
General Fund	161	161	0
Special Revenue Funds - Other	208	208	0
Internal Service Funds	115	115	0
Elementary, Middle and Secondary Education			
General Fund	147	224	77
Special Revenue Funds - Federal	300	300	0
School for the Blind			
Special Revenue Funds - Other	109	109	0
School for the Deaf			
Special Revenue Funds - Other	103	103	0
Higher Education and the Professions, Office of			
General Fund	49	49	0
Special Revenue Funds - Federal	21	21	0
Special Revenue Funds - Other	444	450	6
Cultural Education			
General Fund	19	19	0
Special Revenue Funds - Federal	74	74	0
Special Revenue Funds - Other	298	305	7
Internal Service Funds	24	24	0
Vocational and Educational Services for Individuals with Disabilities			
Special Revenue Funds - Federal	1,005	1,012	7
Total	3,077	3,174	97

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	44,263,000	64,891,000	20,628,000
Special Revenue Funds - Federal	286,495,500	313,685,100	27,189,600
Special Revenue Funds - Other	167,647,400	157,053,400	(10,594,000)
Internal Service Funds	24,244,000	27,181,000	2,937,000
Total	522,649,900	562,810,500	40,160,600

### Adjustments:

Prior Year Deficiency	
Education Department, State	
General Fund	800,000
Appropriated 2006-07	523,449,900

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Office of Management Services Program			
General Fund	17,474,000	17,806,000	332,000
Special Revenue Funds - Other	23,500,000	30,146,000	6,646,000
Internal Service Funds	15,553,000	16,801,000	1,248,000
Elementary, Middle and Secondary Education			
General Fund	19,664,000	39,934,000	20,270,000
Special Revenue Funds - Federal	125,537,000	131,631,000	6,094,000
Special Revenue Funds - Other	2,079,400	2,079,400	0
School for the Blind			
Special Revenue Funds - Other	9,587,000	9,950,000	363,000
School for the Deaf			
Special Revenue Funds - Other	9,225,000	9,542,000	317,000
Higher Education and the Professions, Office of			
General Fund	7,125,000	7,151,000	26,000
Special Revenue Funds - Federal	2,952,000	2,952,000	0
Special Revenue Funds - Other	59,923,000	59,068,000	(855,000)
Cultural Education			
Special Revenue Funds - Federal	10,594,000	10,960,000	366,000
Special Revenue Funds - Other	63,233,000	45,168,000	(18,065,000)
Internal Service Funds	8,691,000	10,380,000	1,689,000
Vocational and Educational Services for Individuals with Disabilities			
Special Revenue Funds - Federal	147,412,500	168,142,100	20,729,600
Special Revenue Funds - Other	100,000	1,100,000	1,000,000
Total	<u>522,649,900</u>	<u>562,810,500</u>	<u>40,160,600</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Office of Management Services Program	10,327,400	192,700	9,971,400	186,100
Elementary, Middle and Secondary Education	14,153,200	191,800	13,156,400	178,400
Higher Education and the Professions, Office of	1,282,900	11,600	1,225,900	11,100
Total	<u>25,763,500</u>	<u>396,100</u>	<u>24,353,700</u>	<u>375,600</u>
<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>		<b>Holiday/Overtime Pay (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Office of Management Services Program	178,000	3,300	178,000	3,300
Elementary, Middle and Secondary Education	797,400	10,800	199,400	2,600
Higher Education and the Professions, Office of	28,500	200	28,500	300
Total	<u>1,003,900</u>	<u>14,300</u>	<u>405,900</u>	<u>6,200</u>

# EDUCATION

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Office of Management Services Program Elementary, Middle and Secondary	7,478,600	139,300	356,200	6,600
Education	25,780,800	20,078,200	199,300	2,600
Higher Education and the Professions, Office of	5,868,100	14,400	28,500	200
Total	<u>39,127,500</u>	<u>20,231,900</u>	<u>584,000</u>	<u>9,400</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Office of Management Services Program Elementary, Middle and Secondary	178,000	3,500	4,095,400	76,400
Education	199,400	2,800	5,182,800	70,200
Higher Education and the Professions, Office of	28,500	300	1,482,600	13,600
Total	<u>405,900</u>	<u>6,600</u>	<u>10,760,800</u>	<u>160,200</u>

<b>Program</b>	<b>Equipment</b>		<b>General State Charges</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Office of Management Services Program Elementary, Middle and Secondary	1,246,400	22,900	1,602,600	29,900
Education	199,300	2,600	0	0
Higher Education and the Professions, Office of	28,500	300	0	0
Total	<u>1,474,200</u>	<u>25,800</u>	<u>1,602,600</u>	<u>29,900</u>

<b>Program</b>	<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>
Office of Management Services Program Elementary, Middle and Secondary	0	0
Education	20,000,000	20,000,000
Higher Education and the Professions, Office of	4,300,000	0
Total	<u>24,300,000</u>	<u>20,000,000</u>

# EDUCATION

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Office of Management Services Program	46,947,000	7,894,000	20,917,100	1,116,000
Elementary, Middle and Secondary				
Education	133,710,400	6,094,000	56,806,100	3,448,000
School for the Blind	9,950,000	363,000	5,898,000	188,894
School for the Deaf	9,542,000	317,000	5,551,000	138,460
Higher Education and the Professions,				
Office of	62,020,000	(855,000)	31,350,600	1,266,700
Cultural Education	66,508,000	(16,010,000)	27,713,300	1,028,000
Vocational and Educational Services for				
Individuals with Disabilities	169,242,100	21,729,600	81,509,600	20,987,300
Total	<u>497,919,500</u>	<u>19,532,600</u>	<u>229,745,700</u>	<u>28,173,354</u>

Program	Nonpersonal Service		Maintenance	Undistributed
	Amount	Change		
Office of Management Services Program	26,029,900	6,778,000	0	0
Elementary, Middle and Secondary				
Education	76,904,300	2,646,000	0	0
School for the Blind	4,052,000	174,106	0	0
School for the Deaf	3,991,000	178,540	0	0
Higher Education and the Professions,				
Office of	30,669,400	1,178,300	0	(3,300,000)
Cultural Education	38,794,700	2,962,000	0	(20,000,000)
Vocational and Educational Services for				
Individuals with Disabilities	87,732,500	742,300	0	0
Total	<u>268,173,800</u>	<u>14,659,246</u>	<u>0</u>	<u>(23,300,000)</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	16,580,928,700	17,439,360,600	858,431,900
Special Revenue Funds - Federal	3,739,060,000	3,773,030,000	33,970,000
Special Revenue Funds - Other	6,942,462,000	7,858,102,000	915,640,000
Total	<u>27,262,450,700</u>	<u>29,070,492,600</u>	<u>1,808,041,900</u>

Adjustments:			
Prior Year Deficiency			
Education Department, State			
Special Revenue Funds - Other	97,000,000		
Recommended Deficiency			
Education Department, State			
General Fund	(65,630,000)		
Appropriated 2006-07	<u>27,293,820,700</u>		

# EDUCATION

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
School Tax Relief			
Special Revenue Funds - Other	3,613,000,000	5,113,000,000	1,500,000,000
School Tax Relief Rebate Program			
Special Revenue Funds - Other	675,000,000	0	(675,000,000)
Elementary, Middle and Secondary Education			
General Fund	16,280,079,600	17,141,038,000	860,958,400
Special Revenue Funds - Federal	2,909,628,000	2,955,428,000	45,800,000
Special Revenue Funds - Other	2,642,000,000	2,719,140,000	77,140,000
Higher Education and the Professions, Office of			
General Fund	103,130,500	98,604,000	(4,526,500)
Cultural Education			
General Fund	114,030,000	116,030,000	2,000,000
Special Revenue Funds - Federal	4,860,000	5,030,000	170,000
Special Revenue Funds - Other	11,650,000	13,150,000	1,500,000
Vocational and Educational Services for Individuals with Disabilities			
General Fund	83,688,600	83,688,600	0
Special Revenue Funds - Federal	824,572,000	812,572,000	(12,000,000)
Special Revenue Funds - Other	812,000	12,812,000	12,000,000
Total	<u>27,262,450,700</u>	<u>29,070,492,600</u>	<u>1,808,041,900</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Education Building				
Capital Projects Fund	3,300,000	0	(3,300,000)	3,878,000
Capital Projects Fund - Advances	0	0	0	100,000
School for the Blind				
Capital Projects Fund	0	0	0	2,700,000
Capital Projects Fund - Advances	0	0	0	200,000
Cultural Education Trust				
Misc. Capital Projects	20,000,000	0	(20,000,000)	0
School for the Deaf				
Capital Projects Fund	7,500,000	0	(7,500,000)	8,916,000
Schools For Native American Reservations				
Capital Projects Fund	0	0	0	1,763,000
Cultural Education Center				
Capital Projects Fund	0	0	0	4,919,000
Capital Projects Fund - Advances	0	0	0	2,310,000
Administration				
Capital Projects Fund	2,400,000	4,900,000	2,500,000	3,810,000
Library Construction				
Library Aid (Auth Bonds)	14,000,000	14,000,000	0	14,000,000
Public Broadcasting Facilities				
Capital Projects Fund - Authority Bonds	0	0	0	2,300,000
Cultural Education Storage Facility				
Cap Proj Fund - Cultural Education Storage Facility	0	60,000,000	60,000,000	0
Total	<u>47,200,000</u>	<u>78,900,000</u>	<u>31,700,000</u>	<u>44,896,000</u>



# **OFFICE OF CHILDREN AND FAMILY SERVICES**

## **MISSION**

The Office of Children and Family Services (OCFS) was established in 1998 to strengthen services and promote the well-being and safety of children and families.

## **ORGANIZATION AND STAFFING**

The Office is headquartered in Rensselaer with regional offices throughout the State. These offices provide operational support and policy direction to local social services districts and youth bureaus. The Office also serves approximately 1,800 youth through the operation of 37 residential facilities and eight day-placement facilities statewide. The workforce for fiscal year 2007-08 is estimated at 4,059 positions.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Office of Children and Family Services receives 53 percent of its \$3.5 billion budget from State tax dollars and 47 percent from Federal and other funds. The State Operations budget of \$505.2 million supports the operation of juvenile justice facilities as well as OCFS oversight of child welfare, child care, adult protection and other related programs. The 2007-08 OCFS State Operations General Fund budget reflects the net impact of adding 200 new staff within OCFS youth facilities, closing three community residential homes and one non-secure facility to align capacity with population, and negotiated salary and fixed cost increases. The Local Assistance budget of \$2.96 billion provides payments to local governments and not-for-profit providers for programs such as foster care, adoption, child protective services, delinquency prevention and child care.

Capital projects appropriations of \$38.5 million support the maintenance of State-operated juvenile justice facilities in order to provide a safe living environment, appropriate education, recreation and vocational program space, and the necessary level of security for youth while they are in residential care.

The Executive Budget reflects funding for the Commission for the Blind and Visually Handicapped. Legislation submitted with the budget establishes a new Office for the Blind and authorizes the transfer of Commission funding to the new Office, effective October 1, 2007.

## **CHILDREN AND FAMILY SERVICES**

The Executive Budget provides more than \$1.8 billion in State and Federal funding to support New York's child welfare programs. These programs are structured to encourage local governments to invest in preventive services necessary to reduce out-of-home placement of children. Specific program elements include:

- **Open-ended Funding for Child Welfare Services:** The centerpiece of the child welfare financing system is the provision of 65 percent State reimbursement for community-based preventive services that avert the placement of children in foster care or juvenile justice facilities. State funding at the 65 percent level is also

## ***CHILDREN AND FAMILY SERVICES***

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- available for child protective services, aftercare services, independent living activities, and local administration costs related to adoptions. The Executive Budget proposes legislation that would make the child welfare financing reform of 2002 permanent, thereby permanently extending this funding stream. The Budget includes an increase of nearly \$84 million in 2007-08, from \$381.7 million to \$465.6 million, to support this child welfare funding source.
- **Investments in Child Welfare Quality Enhancement:** In 2007-08, OCFS will award \$3.9 million in State funding to counties and not-for-profit groups to promote the development of innovative child welfare service delivery models and to support training for caseworkers and public information programs targeting child abuse and neglect awareness.
  - **Enhanced Detection and Treatment of Substance Abuse Issues Among Child Welfare Families:** There has been growing recognition of the relationship between parental substance abuse and entry of a family into the child welfare system. The Executive Budget continues \$5 million in State funding to support demonstration projects that will improve access to substance abuse preventive services and treatment within child welfare offices in order to speed detection and treatment of substance abuse problems for families served by the child welfare system.
  - **Improved Access to Mental Health Services:** The Executive Budget includes an increase of almost \$1.5 million in 65 percent State reimbursement to fully implement 395 slots in 2007-08 in the Office of Mental Health's home and community-based waiver to meet the mental health needs of children in foster care or at risk of institutional placement.
  - **Enhanced Services for Children in Foster Care:** The Executive Budget includes \$4.3 million to implement a new Medicaid waiver designed to enhance services to children in foster care with multiple needs. This waiver is expected to begin in October 2007.
  - **Temporary Assistance for Needy Families (TANF) Support to Local Social Services Districts:** Districts will receive an increase of \$9.2 million in 2007-08, including up to \$35 million for summer youth employment, \$3 million for non-residential services to victims of domestic violence and \$1.008 billion for the Flexible Fund for Family Services. This fund will continue to provide significant local flexibility that can be used to support child welfare and child care services, as well as any other TANF allowable purposes.
  - **Adoption Subsidies:** The Executive Budget includes \$209.6 million, an increase of \$16 million, for the State's share of subsidies provided to families that adopt children with special needs. These funds will support over 47,000 children in adoptive homes and include a cost of living adjustment (COLA) for adoptive parents.
  - **Foster Care Block Grant:** The \$418.8 million Foster Care Block Grant provides counties with a clear incentive to reduce the number of children in foster care. Under the Block Grant, savings resulting from reduced use of foster care can be reinvested in locally-designed child welfare initiatives that strengthen preventive services or better serve high-needs children. The Executive Budget includes a \$36.3 million increase in the Foster Care Block Grant to fully implement the October 2006 COLA for foster care providers and to support an April 2007 COLA.
  - **Enhanced Support for Foster Care Providers:** The Executive Budget includes \$9.4 million in State funding to pay a portion of the costs of reimbursing foster care providers up to the maximum allowable State rate.

## ***CHILDREN AND FAMILY SERVICES***

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- **Increased Support for Home Visiting:** The Executive Budget increases the Healthy Families New York Home Visiting Program by \$200,000, bringing total funding to \$25.2 million, including \$21.6 million in TANF funding and \$3.6 million in General Fund support. This program provides expectant and new parents with training and support to promote child health and development and to prevent child abuse and maltreatment. The Home Visiting Program, which also provides increased access to health care for children, has resulted in fewer incidences of low birth weight babies and abuse and neglect.
- **Advantage Schools:** The Budget increases TANF funding for Advantage After-School programs by \$700,000, for a total of \$28.2 million. This funding will support program expansion of educational and recreational after-school activities for elementary, middle and high school students.
- **Enhanced Support for Child Advocacy Centers:** The Executive Budget includes \$6.3 million for Child Advocacy Centers and Multi-Disciplinary Teams. This program provides a method for coordinating and conducting interviews of children who are victims of abuse in a non-threatening environment. A trained interviewer provides the voice for law enforcement, social workers, mental health professionals, and other personnel who must gather information on these cases. This approach avoids multiple interviews with potentially differing information, leads to higher rates of conviction, and reduces the trauma to the child.

### ***CHILD CARE***

The Executive Budget continues to allow districts the flexibility to transfer funds from the \$1.008 billion TANF-funded Flexible Fund for Family Services to the State Child Care Block Grant. The Child Care Block Grant, comprised of Federal, State and local funds, totals \$533 million prior to transfers by local districts from the Flexible Fund for Family Services. Included within the Child Care Block Grant is a \$4 million increase in the amount of State funding that will be available to local social services districts to provide child care subsidies. Using the TANF transfer funding and a combination of other Federal, State, and local funding, the Child Care Block Grant supports child care subsidies for public assistance and low-income families. Subsidized child care is guaranteed for public assistance recipients with children up to age 13, when such care is required for the parent/guardian to engage in work activities. Families transitioning from welfare to work are guaranteed subsidized child care for up to 12 months after leaving public assistance. The State also provides subsidized child care to families at risk of becoming dependent on public assistance. The State Child Care Block Grant and funds transferred from the TANF-funded Flexible Fund for Family Services will enable districts to tailor expenditures to meet local needs and to comply with mandated work participation requirements for public assistance.

### ***YOUTH FACILITIES***

The Youth Facilities Program includes the Office's 37 residential facilities and eight day-placement centers serving youth placed by the Family Courts or directed by the Criminal Courts. Through a broad array of programs, the Office provides rehabilitative services that include counseling, education and vocational training designed to promote positive youth development and foster a youth's return to the community as a law-abiding, productive citizen.

## ***CHILDREN AND FAMILY SERVICES***

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Facility operations will be strengthened and the provision of mental health services will be enhanced by an additional 200 direct care and mental health staff that will be deployed at most of the agency's facilities. These staff will provide increased supervision, security and services to ensure the health and safety of youth, staff, and the community.

The Executive Budget proposes to better align facility capacity with population by closing three of six community residential homes in Gloversville, Brooklyn and Mount Vernon, as well as the Great Valley non-secure facility. OCFS will retain vacant capacity to accommodate an unexpected population increase.

In support of OCFS and local government efforts to serve youth in community-based programs that are close to their families, the Executive Budget recommends \$20.8 million, an increase of \$5 million, for such services. This funding includes \$12.8 million for community-based programs that divert youth from an OCFS facility placement. Programs include Evidence-based Community Initiatives (EbCI) that provide family based counseling and specialized after-school services, local probation department programs that address mental health and substance abuse issues, and new initiatives to be developed by local governments based on the specific needs of youth in their communities. The funding also includes \$8 million, an increase of \$1.4 million, for community-based program alternatives to placement in a locally operated detention facility, for youth with cases pending before the Family Court. This effort is consistent with the reform legislation enacted in 2005-06 that reduces placements in local detention facilities by requiring the Family Courts and local governments to serve youth through comprehensive community-based programs whenever possible.

### ***INFORMATION TECHNOLOGY***

The Executive Budget includes approximately \$88 million in State and Federal funding to operate and continue development of agency computer systems, including CONNECTIONS, the State's child welfare information system. The CONNECTIONS project offers enhanced case and fiscal management of child welfare services while providing greater access to preventive and protective services for children and families.

### ***PROGRAM HIGHLIGHTS***

The Office of Children and Family Services supervises the State's system of family support and child welfare services to help families live independently. County departments of social services and, in many cases, community-based local organizations administer most programs that identify and protect abused and neglected children; provide counseling and other services to strengthen families and avoid foster care; place children in foster care as needed; reunite children and families; find permanent adoptive parents for children who cannot be reunited with birth families; prepare teens for independent living; and protect vulnerable adults from family violence.

The Office also provides funding to counties, municipalities and community-based, not-for-profit agencies for the provision of youth development and delinquency prevention programs. The 2007-08 Budget continues \$39.3 million for these programs including \$37.8 million in General Fund support and \$1.5 million in Federal Workforce Investment Act (WIA) dollars.

## **CHILDREN AND FAMILY SERVICES**

The State Central Register Child Abuse Hotline is expected to receive approximately 374,000 calls reporting alleged child maltreatment or abuse through a toll-free telephone number in 2007-08. The State initiates investigations of these allegations, which are conducted by county protective services staff and/or local law enforcement agencies. The Register maintains a master database of those found culpable of child abuse so that employers, such as day care centers, can screen out potential employees with a history of child abuse.

OCFS also oversees a variety of programs serving the State's most needy and vulnerable adult residents. Programs include oversight of locally administered adult protective services and programs providing services to victims of domestic violence, including emergency shelters and community-based crisis intervention.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	484,662,000	505,173,000	20,511,000	327,093,000
Aid To Localities	2,797,407,500	2,956,955,000	159,547,500	2,603,398,000
Capital Projects	38,460,000	38,460,000	0	112,717,000
<b>Total</b>	<b>3,320,529,500</b>	<b>3,500,588,000</b>	<b>180,058,500</b>	<b>3,043,208,000</b>

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

#### Full-Time Equivalent Positions (FTE)

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Central Administration			
General Fund	348	348	0
Special Revenue Funds - Federal	6	6	0
Special Revenue Funds - Other	79	85	6
Capital Projects Funds - Other	7	7	0
Child Care			
Special Revenue Funds - Federal	234	234	0
Commission for the Blind and Visually Handicapped			
General Fund	11	11	0
Special Revenue Funds - Federal	167	167	0
Special Revenue Funds - Other	1	1	0
Employment and Disability Assistance Account			
Special Revenue Funds - Federal	11	0	(11)
Family and Children Services			
General Fund	428	456	28
Special Revenue Funds - Federal	79	62	(17)
Special Revenue Funds - Other	2	2	0
National and Community Service, Office of			
General Fund	3	3	0
Special Revenue Funds - Federal	6	6	0
Systems Support			
General Fund	192	192	0
Training and Development			
Special Revenue Funds - Other	52	62	10
Youth Facilities			
General Fund	2,244	2,417	173
<b>Total</b>	<b>3,870</b>	<b>4,059</b>	<b>189</b>

# CHILDREN AND FAMILY SERVICES

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	233,932,000	258,127,000	24,195,000
Special Revenue Funds - Federal	129,923,000	132,239,000	2,316,000
Special Revenue Funds - Other	120,232,000	114,232,000	(6,000,000)
Enterprise Funds	475,000	475,000	0
Internal Service Funds	100,000	100,000	0
Total	484,662,000	505,173,000	20,511,000

Adjustments:

Transfer(s) From

Children and Family Services Office of General Fund (Aid To Localities)	(1,717,000)
Special Revenue Funds - Federal (Aid To Localities)	(48,094,000)

Transfer(s) To

Executive Chamber General Fund	108,000
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Appropriated 2006-07	434,959,000
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## STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Central Administration			
General Fund	33,510,000	33,430,000	(80,000)
Special Revenue Funds - Federal	528,000	528,000	0
Special Revenue Funds - Other	18,126,000	12,126,000	(6,000,000)
Internal Service Funds	100,000	100,000	0
Child Care			
Special Revenue Funds - Federal	48,094,000	48,094,000	0
Commission for the Blind and Visually Handicapped			
General Fund	8,259,000	8,463,000	204,000
Special Revenue Funds - Federal	30,354,000	30,670,000	316,000
Special Revenue Funds - Other	1,905,000	1,905,000	0
Departmental Administrative Reimbursement			
General Fund	(29,043,000)	(29,043,000)	0
Special Revenue Funds - Other	35,543,000	35,543,000	0
Family and Children Services			
General Fund	33,906,000	35,296,000	1,390,000
Special Revenue Funds - Federal	20,354,000	22,354,000	2,000,000
Special Revenue Funds - Other	2,207,000	2,207,000	0
Systems Support			
General Fund	35,173,000	47,167,000	11,994,000
Special Revenue Funds - Federal	30,593,000	30,593,000	0
Special Revenue Funds - Other	10,000,000	10,000,000	0
Training and Development			
General Fund	7,383,000	7,092,000	(291,000)
Special Revenue Funds - Other	52,451,000	52,451,000	0
Enterprise Funds	200,000	200,000	0
Youth Facilities			
General Fund	144,744,000	155,722,000	10,978,000
Enterprise Funds	275,000	275,000	0
Total	484,662,000	505,173,000	20,511,000

# CHILDREN AND FAMILY SERVICES

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Central Administration	22,891,000	(345,000)	21,437,000	(345,000)
Commission for the Blind and Visually Handicapped	1,661,000	22,000	1,647,000	20,000
Departmental Administrative Reimbursement	(29,043,000)	0	(29,043,000)	0
Family and Children Services	23,698,000	(183,000)	22,697,000	(183,000)
Systems Support	14,362,000	613,200	14,179,000	604,600
Youth Facilities	121,562,000	9,947,000	109,677,000	8,963,000
Total	155,131,000	10,054,200	140,594,000	9,059,600

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Central Administration	1,201,000	0	253,000	0
Commission for the Blind and Visually Handicapped	0	0	14,000	2,000
Departmental Administrative Reimbursement	0	0	0	0
Family and Children Services	0	0	1,001,000	0
Systems Support	0	0	183,000	8,600
Youth Facilities	5,879,000	487,000	6,006,000	497,000
Total	7,080,000	487,000	7,457,000	507,600

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Central Administration	10,539,000	265,000	185,000	20,000
Commission for the Blind and Visually Handicapped	6,802,000	182,000	8,000	2,000
Family and Children Services	11,598,000	1,573,000	568,000	0
Systems Support	32,805,000	11,380,800	331,000	48,000
Training and Development	7,092,000	(291,000)	0	0
Youth Facilities	34,160,000	1,031,000	10,830,000	570,000
Total	102,996,000	14,140,800	11,922,000	640,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Central Administration	833,000	36,000	8,529,000	190,000
Commission for the Blind and Visually Handicapped	0	0	6,794,000	180,000
Family and Children Services	360,000	0	7,096,000	(394,000)
Systems Support	142,000	40,000	31,311,000	10,946,800
Training and Development	0	0	7,092,000	(291,000)
Youth Facilities	1,215,000	273,000	13,825,000	605,000
Total	2,550,000	349,000	74,647,000	11,236,800

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Central Administration	992,000	19,000	0	0
Commission for the Blind and Visually Handicapped	0	0	0	0
Family and Children Services	30,000	0	3,544,000	1,967,000
Systems Support	1,021,000	346,000	0	0
Training and Development	0	0	0	0
Youth Facilities	1,304,000	105,000	6,986,000	(522,000)
Total	3,347,000	470,000	10,530,000	1,445,000

# CHILDREN AND FAMILY SERVICES

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Central Administration	12,754,000	(6,000,000)	5,030,000	5,000,000
Child Care	48,094,000	0	0	0
Commission for the Blind and Visually Handicapped	32,575,000	316,000	38,000	0
Departmental Administrative Reimbursement	35,543,000	0	29,043,000	0
Family and Children Services	24,561,000	2,000,000	495,000	0
Systems Support	40,593,000	0	0	0
Training and Development	52,651,000	0	4,500,000	0
Youth Facilities	275,000	0	0	0
<b>Total</b>	<b>247,046,000</b>	<b>(3,684,000)</b>	<b>39,106,000</b>	<b>5,000,000</b>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Central Administration	7,196,000	5,000,000	528,000	(16,000,000)
Child Care	0	0	48,094,000	0
Commission for the Blind and Visually Handicapped	1,867,000	0	30,670,000	316,000
Departmental Administrative Reimbursement	6,500,000	0	0	0
Family and Children Services	10,765,000	2,000,000	13,301,000	0
Systems Support	0	0	40,593,000	0
Training and Development	47,951,000	0	200,000	0
Youth Facilities	275,000	0	0	0
<b>Total</b>	<b>74,554,000</b>	<b>7,000,000</b>	<b>133,386,000</b>	<b>(15,684,000)</b>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	1,431,602,500	1,588,050,000	156,447,500
Special Revenue Funds - Federal	1,350,025,000	1,350,025,000	0
Special Revenue Funds - Other	15,780,000	18,880,000	3,100,000
<b>Total</b>	<b>2,797,407,500</b>	<b>2,956,955,000</b>	<b>159,547,500</b>

Adjustments:

Transfer(s) To

Children and Family Services Office of General Fund (State Operations)	1,717,000
Special Revenue Funds - Federal (State Operations)	48,094,000
<b>Appropriated 2006-07</b>	<b>2,847,218,500</b>



## **CHILDREN AND FAMILY SERVICES**

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Child Care			
General Fund	140,066,000	140,166,000	100,000
Special Revenue Funds - Federal	311,906,000	311,906,000	0
Special Revenue Funds - Other	350,000	350,000	0
Family and Children Services			
General Fund	1,286,536,500	1,442,884,000	156,347,500
Special Revenue Funds - Federal	1,018,900,000	1,018,900,000	0
Special Revenue Funds - Other	15,430,000	18,530,000	3,100,000
Training and Development			
General Fund	5,000,000	5,000,000	0
Special Revenue Funds - Federal	19,219,000	19,219,000	0
Total	<u>2,797,407,500</u>	<u>2,956,955,000</u>	<u>159,547,500</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Design and Construction Supervision				
Youth Facilities Improvement Fund	7,000,000	7,000,000	0	9,155,000
Child Care Facilities Development Program				
Capital Projects Fund - Authority Bonds	0	0	0	5,432,000
Maintenance and Improvement of Facilities				
Capital Projects Fund	1,825,000	1,825,000	0	6,700,000
Youth Facilities Improvement Fund	15,685,000	15,795,000	110,000	63,160,000
Executive Direction and Administrative Services				
Misc. Capital Projects	0	0	0	2,720,000
Program Improvement or Program Change				
Youth Facilities Improvement Fund	13,950,000	13,840,000	(110,000)	20,212,000
Youth Center				
Capital Projects Fund	0	0	0	5,338,000
Total	<u>38,460,000</u>	<u>38,460,000</u>	<u>0</u>	<u>112,717,000</u>



# ***OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE***

## ***MISSION***

The Office of Temporary and Disability Assistance (OTDA), working in close collaboration with the Office of Children and Family Services and other agencies, helps needy adults and families achieve economic self-sufficiency through work, job training and child support enforcement. OTDA provides economic assistance to aged and disabled persons who are unable to work, transitional support to welfare recipients while they are working toward self-sufficiency and supportive services to low-income households to help them avoid welfare dependency.

## ***ORGANIZATION AND STAFFING***

OTDA has its central office in Albany and three major field offices throughout the State. These offices provide direct operational support, supervision and guidance to the State's 58 local social services districts, which comprise each county and New York City. Social services districts are responsible for directly administering most welfare programs, including those that serve the homeless and refugees.

Agency staff also provide legal, audit and computer systems support. Through its Division of Disability Determinations, the Agency evaluates the medical eligibility of disability claimants for Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI). The Agency is authorized at 2,448 positions for 2007-08. Approximately 648 of these positions are paid by State tax dollars from the General Fund with partial Federal reimbursement and 1,451 are funded directly by Federal grants. The remaining 349 positions are supported by various revenues.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

A total of \$5.2 billion is recommended from all funding sources in 2007-08 to support State Operations and Aid to Localities programs. Of this amount, \$1.3 billion is for the payment of public assistance benefits; \$677 million is for the payment of SSI benefits; \$460 million is for State Operations; \$370 million is for Food Stamp Administration; and \$142 million is for Child Support Enforcement.

## ***PROGRAM HIGHLIGHTS***

The welfare system in New York State is designed to provide temporary income and transitional support services while recipients secure employment and child support payments. The system promotes individual responsibility and provides social services districts with the flexibility they need to effectively administer a work-oriented welfare system. The system has evolved from one that focused primarily on determining client eligibility and distributing benefit payments to one that now focuses on assisting individuals in achieving independence from publicly-supported welfare programs.

## **TEMPORARY AND DISABILITY ASSISTANCE**

Since 1994, over 1.1 million recipients have left the welfare rolls, which represents a decline of 67 percent. In addition to generating significant State and local government savings, this caseload decrease has allowed the State to use the Federal Temporary Assistance for Needy Families (TANF) Block Grant to fund supportive services that encourage employment. The programs funded include the Earned Income Tax Credit (EITC), child care and transportation services.

OTDA programs also emphasize prevention of welfare dependency by providing work supports and services to at-risk households. Legislation was enacted in 2006-07 creating a Strengthening Families through Stronger Fathers initiative to encourage employment and related activities for low-income, non-custodial parents.

### **FAMILY ASSISTANCE**

The Family Assistance program provides employment assessments, support services and time-limited cash assistance to eligible families with children while the parent acquires the necessary skills to secure and retain employment.

All Family Assistance participants must undergo an assessment of their employability, skills and training needs and, unless determined to be exempt, must participate in assigned work activities to remain eligible. Federal financial participation in cash benefits for Family Assistance participants is limited to a cumulative period of five years. If the Family Assistance household is unable to transition off cash assistance during this period, the family typically moves to the Safety Net Assistance program.

In addition, Federal law mandates a 50 percent work participation rate for all Family Assistance cases. Although the Federal government applies a caseload reduction credit to this work requirement, the Federal Deficit Reduction Act of 2005 amended the credit in a manner which makes the rate more difficult to achieve.

New York's welfare program fosters individual responsibility to help break the cycle of long-term dependency. All applicants and recipients are required to participate in screening and assessment to determine if the need for welfare results from drug or alcohol abuse. If a participant is unable to work because of such circumstances, he or she is referred to an appropriate treatment program. Teen parents must attend high school or other approved education programs to receive welfare benefits.

Welfare reform also requires each social services district to screen its Family Assistance caseload for domestic violence. Acting through its designated domestic violence liaison, each district informs the individual of services they may access on a voluntary basis. Districts waive application of welfare program rules, including but not limited to child support cooperation and work requirements, if the district determines that these provisions would cause further risk or make it more difficult for the person to escape domestic violence.

### **SAFETY NET ASSISTANCE PROGRAM**

Article XVII of the State Constitution requires the State and its social services districts to provide for the needy. State welfare reform meets this obligation through the Safety Net Assistance program for persons who are not eligible for Family Assistance or Supplemental Security Income.

Safety Net Assistance participants are single adults and childless couples, families that have exhausted their five-year limit on Family Assistance, households where the adult is unable to work because of substance abuse, and households where the adult has refused to

## **TEMPORARY AND DISABILITY ASSISTANCE**

participate in drug/alcohol screening or treatment. In addition to providing for essential needs, the Safety Net Assistance program provides employment services such as job search and work training. Unless prevented from doing so by a physical or mental disability, Safety Net Assistance participants must engage in assigned work activities to receive assistance.

### **SUPPORTIVE SERVICE PROGRAMS**

Activities undertaken since welfare reform have strengthened child support enforcement to ensure that parents provide for the economic well-being of their children. Improvements include automated updating of child support awards to reflect inflation; improved customer services through website access of account information; interstate reciprocity in child support proceedings; and administrative authority for social services districts to order genetic tests, subpoena information and collect relevant data from Federal, State and local agencies. The Executive Budget continues to re-invest Federal incentive bonuses in child support initiatives to strengthen performance in “hard-to-collect” cases, and continue State-local partnerships to increase criminal prosecution of parents who refuse to pay child support. These measures will help to increase total child support collections to a projected level of \$1.6 billion in 2007.

The Federal SSI program provides cash assistance to the aged, visually handicapped and disabled, and is administered by the Social Security Administration. New York State has chosen to provide additional financial support to its SSI recipients. The State’s SSI supplement is one of the most generous in the nation. The annual cost of the SSI program is projected to be \$677 million in 2007-08 to cover approximately 656,000 recipients. SSA charges a fee to administer the State’s SSI program. In 2007-08, the State will negotiate with SSA to reduce the cost of administering the program. The 2007-08 Executive Budget continues funding for the State’s transitional and emergency shelter system and supportive housing efforts, which assists homeless individuals and families in achieving self-sufficiency by strengthening their independent living skills and helping them acquire permanent housing. The Federal Food Stamp Program provides low-income households with an electronic benefit card that can be used as cash at grocery stores to purchase food. New York receives \$2.1 billion per year in Federal Food Stamp benefits, with the eligible household receiving an average monthly benefit of \$200.

The 2007-08 Executive Budget provides a \$9.2 million increase in TANF-supported allocations to the local districts, including \$3 million for non-residential services to victims of domestic violence, up to \$35 million for the Summer Youth Employment Program and \$1.008 billion for the Flexible Fund for Family Services. The Flexible Fund for Family Services gives counties more discretion and responsibility in determining where their TANF funding should be directed.

#### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	457,604,000	459,847,000	2,243,000	281,500,000
Aid To Localities	4,607,437,000	4,737,147,000	129,710,000	3,674,212,000
Capital Projects	30,000,000	30,000,000	0	124,137,000
Total	<u>5,095,041,000</u>	<u>5,226,994,000</u>	<u>131,953,000</u>	<u>4,079,849,000</u>

# TEMPORARY AND DISABILITY ASSISTANCE

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

Full-Time Equivalent Positions (FTE)			
Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
General Fund	201	201	0
Special Revenue Funds - Federal	69	69	0
Special Revenue Funds - Other	65	65	0
Internal Service Funds	4	4	0
Child Support Enforcement			
Special Revenue Funds - Other	73	73	0
Disability Determinations			
Special Revenue Funds - Federal	1,126	1,126	0
Special Revenue Funds - Other	109	109	0
Executive Direction			
General Fund	16	16	0
Legal Affairs			
General Fund	258	258	0
System Support and Information Services			
General Fund	102	102	0
Special Revenue Funds - Federal	20	20	0
Special Revenue Funds - Other	45	45	0
Temporary and Disability Assistance Programs			
General Fund	40	40	0
Special Revenue Funds - Federal	213	213	0
Special Revenue Funds - Other	41	41	0
Transitional Supports and Policy, Division of			
General Fund	31	31	0
Special Revenue Funds - Federal	23	23	0
Special Revenue Funds - Other	12	12	0
Total	2,448	2,448	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	61,437,000	68,107,000	6,670,000
Special Revenue Funds - Federal	227,300,000	221,300,000	(6,000,000)
Special Revenue Funds - Other	167,667,000	169,240,000	1,573,000
Internal Service Funds	1,200,000	1,200,000	0
Total	457,604,000	459,847,000	2,243,000

Adjustments:	
Transfer(s) From	
Temporary and Disability Assistance, Office of General Fund (Aid To Localities)	(6,750,000)
Transfer(s) To	
Executive Chamber General Fund	314,000
Appropriated 2006-07	451,168,000

# **TEMPORARY AND DISABILITY ASSISTANCE**

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
General Fund	25,465,000	25,602,000	137,000
Special Revenue Funds - Federal	7,000,000	9,000,000	2,000,000
Special Revenue Funds - Other	21,160,000	24,540,000	3,380,000
Internal Service Funds	1,200,000	1,200,000	0
Child Support Enforcement			
Special Revenue Funds - Federal	3,800,000	3,800,000	0
Special Revenue Funds - Other	30,000,000	30,000,000	0
Departmental Administrative			
Reimbursement			
General Fund	(84,963,000)	(81,500,000)	3,463,000
Special Revenue Funds - Other	88,532,000	85,000,000	(3,532,000)
Disability Determinations			
Special Revenue Funds - Federal	176,000,000	168,000,000	(8,000,000)
Special Revenue Funds - Other	9,600,000	9,600,000	0
Executive Direction			
General Fund	1,779,000	1,815,000	36,000
Legal Affairs			
General Fund	19,951,000	22,123,000	2,172,000
System Support and Information Services			
General Fund	91,353,000	89,784,000	(1,569,000)
Special Revenue Funds - Federal	35,000,000	35,000,000	0
Special Revenue Funds - Other	13,100,000	14,600,000	1,500,000
Temporary and Disability Assistance			
Programs			
General Fund	5,300,000	7,625,000	2,325,000
Special Revenue Funds - Federal	5,000,000	5,000,000	0
Special Revenue Funds - Other	4,000,000	4,000,000	0
Transitional Supports and Policy, Division of			
General Fund	2,552,000	2,658,000	106,000
Special Revenue Funds - Federal	500,000	500,000	0
Special Revenue Funds - Other	1,275,000	1,500,000	225,000
Total	<u>457,604,000</u>	<u>459,847,000</u>	<u>2,243,000</u>

# **TEMPORARY AND DISABILITY ASSISTANCE**

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	14,794,000	137,000	14,759,500	234,800
Departmental Administrative Reimbursement	(35,500,000)	(100,000)	(35,500,000)	(100,000)
Executive Direction	1,510,000	36,000	1,429,400	34,400
Legal Affairs	18,585,000	1,272,000	18,224,400	1,241,446
System Support and Information Services	8,433,000	974,000	8,433,000	996,000
Temporary and Disability Assistance Programs	5,594,000	1,425,000	5,514,000	1,824,981
Transitional Supports and Policy, Division of	2,415,000	106,000	2,377,000	106,452
Total	15,831,000	3,850,000	15,237,300	4,338,079
<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>		<b>Holiday/Overtime Pay (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	0	(97,800)	34,500	0
Departmental Administrative Reimbursement	0	0	0	0
Executive Direction	80,600	1,600	0	0
Legal Affairs	35,300	1,014	325,300	29,540
System Support and Information Services	0	0	0	(22,000)
Temporary and Disability Assistance Programs	0	(445,144)	80,000	45,163
Transitional Supports and Policy, Division of	0	0	38,000	(452)
Total	115,900	(540,330)	477,800	52,251



# **TEMPORARY AND DISABILITY ASSISTANCE**

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	11,308,000	0	154,300	0
Departmental Administrative				
Reimbursement	(46,000,000)	3,563,000	0	0
Executive Direction	305,000	0	32,900	0
Legal Affairs	3,538,000	900,000	138,500	0
System Support and Information Services	81,351,000	(2,543,000)	38,900	0
Temporary and Disability Assistance				
Programs	2,031,000	900,000	30,000	(8,000)
Transitional Supports and Policy, Division of	243,000	0	35,100	(12,900)
Total	<u>52,776,000</u>	<u>2,820,000</u>	<u>429,700</u>	<u>(20,900)</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	258,100	400	10,523,900	(400)
Departmental Administrative				
Reimbursement	0	0	(46,000,000)	3,563,000
Executive Direction	49,500	0	210,600	0
Legal Affairs	155,700	25,000	2,652,800	350,000
System Support and Information Services	34,700	0	12,331,400	1,457,000
Temporary and Disability Assistance				
Programs	79,000	16,500	1,902,000	900,000
Transitional Supports and Policy, Division of	92,900	7,900	106,300	2,300
Total	<u>669,900</u>	<u>49,800</u>	<u>(18,273,000)</u>	<u>6,271,900</u>

<b>Program</b>	<b>Equipment</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	371,700	0	0	0
Departmental Administrative				
Reimbursement	0	0	0	0
Executive Direction	12,000	0	0	0
Legal Affairs	591,000	525,000	0	0
System Support and Information Services	72,000	0	68,874,000	(4,000,000)
Temporary and Disability Assistance				
Programs	20,000	(8,500)	0	0
Transitional Supports and Policy, Division of	8,700	2,700	0	0
Total	<u>1,075,400</u>	<u>519,200</u>	<u>68,874,000</u>	<u>(4,000,000)</u>

# TEMPORARY AND DISABILITY ASSISTANCE

## STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	34,740,000	5,380,000	12,920,000	1,120,000
Child Support Enforcement	33,800,000	0	7,406,000	0
Departmental Administrative Reimbursement	85,000,000	(3,532,000)	36,330,000	(100,000)
Disability Determinations	177,600,000	(8,000,000)	78,450,000	(6,000,000)
System Support and Information Services	49,600,000	1,500,000	1,208,000	0
Temporary and Disability Assistance Programs	9,000,000	0	2,500,000	0
Transitional Supports and Policy, Division of	2,000,000	225,000	1,335,000	282,000
Total	<u>391,740,000</u>	<u>(4,427,000)</u>	<u>140,149,000</u>	<u>(4,698,000)</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	21,820,000	4,260,000	0	0
Child Support Enforcement	26,394,000	0	0	0
Departmental Administrative Reimbursement	48,670,000	(3,432,000)	0	0
Disability Determinations	99,150,000	(2,000,000)	0	0
System Support and Information Services	13,392,000	1,500,000	35,000,000	0
Temporary and Disability Assistance Programs	6,500,000	0	0	0
Transitional Supports and Policy, Division of	665,000	(57,000)	0	0
Total	<u>216,591,000</u>	<u>271,000</u>	<u>35,000,000</u>	<u>0</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	1,336,218,000	1,426,878,000	90,660,000
Special Revenue Funds - Federal	3,234,834,000	3,273,930,000	39,096,000
Special Revenue Funds - Other	16,385,000	16,339,000	(46,000)
Fiduciary Funds	20,000,000	20,000,000	0
Total	<u>4,607,437,000</u>	<u>4,737,147,000</u>	<u>129,710,000</u>

Adjustments:

Prior Year Deficiency	
Temporary and Disability Assistance,	
Office of	
General Fund	100,000,000
Transfer(s) From	
Alcoholism and Substance Abuse	
Services, Office of	
General Fund	(2,000,000)
Transfer(s) To	
Temporary and Disability Assistance,	
Office of	
General Fund (State Operations)	6,750,000
Appropriated 2006-07	<u>4,712,187,000</u>

# **TEMPORARY AND DISABILITY ASSISTANCE**

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Child Support Enforcement			
General Fund	34,000,000	34,000,000	0
Special Revenue Funds - Federal	125,000,000	108,000,000	(17,000,000)
Food Stamp Administration Program			
Special Revenue Funds - Federal	335,000,000	364,000,000	29,000,000
Special Revenue Funds - Other	6,385,000	6,339,000	(46,000)
Temporary and Disability Assistance Administration			
General Fund	353,466,000	349,755,000	(3,711,000)
Temporary and Disability Assistance Programs			
General Fund	824,292,000	917,273,000	92,981,000
Special Revenue Funds - Federal	2,721,409,000	2,758,505,000	37,096,000
Fiduciary Funds	20,000,000	20,000,000	0
Transitional Supports and Policy, Division of			
General Fund	124,460,000	125,850,000	1,390,000
Special Revenue Funds - Federal	53,425,000	43,425,000	(10,000,000)
Special Revenue Funds - Other	10,000,000	10,000,000	0
Total	<u>4,607,437,000</u>	<u>4,737,147,000</u>	<u>129,710,000</u>

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

<b>Comprehensive Construction Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations 2007-08</b>
Supported Housing Program				
Housing Program Fund	30,000,000	30,000,000	0	124,137,000
Total	<u>30,000,000</u>	<u>30,000,000</u>	<u>0</u>	<u>124,137,000</u>



# **HIGHER EDUCATION SERVICES CORPORATION**

## **MISSION**

The Higher Education Services Corporation (HESC) was established in 1974 to provide centralized processing of student financial aid programs. The Corporation administers the State's Tuition Assistance Program, the Federal Family Education Loan Program and other State and Federal aid programs.

## **ORGANIZATION AND STAFFING**

The Corporation is governed by a 15-member Board of Trustees, 10 of whom are appointed by the Governor to 6-year terms. The 10 gubernatorial appointees include two student representatives, a representative of the general public, a college financial aid administrator, a chief executive officer of a degree-granting proprietary institution, two presidents of independent institutions, one chief executive officer of a non-degree proprietary school and two banking representatives. The remaining five ex-officio members include the Commissioner of Education, the Chancellors of the State University of New York and the City University of New York and student government leaders representing the public university systems.

The Corporation's chief executive officer is the President, who is appointed by the Governor, subject to Senate confirmation. The President's responsibilities include administrative oversight of key program areas including legal counsel, data processing, operations, grants and scholarships, loans and research.

The Agency will have a workforce of 700 employees in 2007-08. Virtually all employees are paid through funds received for the administration of Federal student loans. Agency administrative operations are located in Albany.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Executive Budget recommends \$1.04 billion in support of agency operations and programs. Of this amount, approximately \$121 million will be available to support administration of State and Federal student aid programs and \$919 million will be awarded in financial aid to students or colleges to promote access to postsecondary educational opportunities.

Of the \$919 million invested in financial aid and institutional grants, General Fund support accounts for nearly \$908 million. Support for the remaining expenditures is provided from special revenue and Federal funds.

## **STATE OPERATIONS**

The Corporation will continue to improve its operational efficiency in 2007-08 through increased reliance on technology and streamlined administrative practices. In addition to a renewed emphasis on providing comprehensive services to its clientele, the Corporation continues to develop partnerships with other student loan guaranty agencies and the Federal government to streamline costs, improve services, and increase responsiveness through shared development efforts.

## ***HIGHER EDUCATION SERVICES***

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### ***FINANCIAL AID PROGRAMS***

New York leads the nation in funding for needs-based student financial aid, and \$857 million is proposed for the State's Tuition Assistance Program for the coming year. This represents a net decrease of \$18.7 million reflecting program growth, less \$30 million in savings from proposed reforms. This amount will fully fund the existing TAP program, and provide additional funding for the new Part-Time TAP program enacted in 2006.

For the coming year, reforms are proposed to promote the wise investment of taxpayer funds. Specifically, use of the Ability to Benefit Test (ATB) will be discontinued as a measure of determining academic eligibility for TAP beginning with the 2007-08 academic year. This reform will conform New York's eligibility standards to those currently in use by other major states, and ensure all TAP recipients have the academic skills they need to successfully complete college-level coursework. This reform will also address irregularities in ATB test administration identified in audits conducted by the Office of the State Comptroller.

The 2007-08 Executive Budget further provides \$36 million for various scholarship and fellowship programs, reflecting an increase of \$2.2 million in funding for the Math and Science Teaching Initiative Scholarships enacted in 2006. The Math and Science Teaching Initiative Scholarships program will provide 500 new annual scholarships in amounts equal to the tuition charged at the State University of New York or actual tuition, whichever is less, for students at our public and private colleges who make a five-year commitment to teach math or science in middle/ high schools located within the State.

### ***PROGRAM HIGHLIGHTS***

#### ***STATE OPERATIONS***

The Corporation continues to move many of its services to the Internet. HESC has made it easier for students to secure college loans by allowing them to apply on-line for loans and electronically sign promissory notes. Colleges and lenders are now able to conduct all loan transactions on HESC's Web site. In addition, the Corporation has reached an agreement with the Federal Department of Education to allow State residents to apply for Federal and State financial aid through the Internet.

In 2007-08, the Corporation will continue to coordinate the State's participation in the Federal GEAR-UP program. In 2006, the Corporation was awarded its second six-year Federal GEAR-UP grant in the amount of \$21 million to provide early college preparation and guidance services to low-income individuals.

#### ***FEDERAL LOAN GUARANTEE PROGRAM***

The largest part of the Corporation's operational responsibility is the administration of the Federal Family Education Loan program. Under this program, the Corporation guarantees over \$19.9 billion in outstanding loans made by banks to students. When banks are unable to collect student loan repayments, the Corporation intervenes to avert default. If these default aversion efforts are unsuccessful, the Corporation purchases the defaulted loans

## **HIGHER EDUCATION SERVICES**

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from banks and steps are taken to bring such defaulted loans into repayment. The Corporation also provides customer services for lenders, schools and students, which include the distribution of loan information, as well as training and technical assistance related to loan applications and processing.

Federal loan activities administered by the Corporation include:

- \$7.0 billion in new guaranteed loans in 2005-06;
- Processing of student loans for over 741,000 borrowers; and
- Defaulted loan collections of \$355 million and defaulted loan purchases of \$357 million in 2005-06.

### **FINANCIAL AID PROGRAMS**

The Corporation's responsibilities related to the administration of State financial aid programs include processing student applications, determining award amounts, processing and auditing aid payments to students and colleges, conducting reviews of participating institutions, collecting disallowed amounts identified in audits of participating institutions and providing information services to the public, students and schools for the following programs:

- Tuition Assistance Program: \$857 million in State aid will be provided to both full- and part-time recipients in all sectors of higher education with an additional \$7 million in federal funding in support of tuition assistance;
- Aid for Part Time Study: \$14.6 million will be available to over 21,000 part-time students in all sectors of higher education; and
- Scholarships and Fellowships: \$36 million will be provided for various scholarships and fellowships including the American Airlines Flight 587 Memorial Scholarships, the New York State Math and Science Teaching Initiative Scholarships, Senator Patricia K. McGee Nursing Faculty Scholarships/Nursing Faculty Loan Forgiveness Incentive Program and the Regents Licensed Social Worker Loan Forgiveness Program. Over 25,000 recipients are projected to receive aid under the fifteen State and Federal scholarship programs administered by HESC.

### **COLLEGE CHOICE TUITION SAVINGS PROGRAM**

Enacted in 1997, the College Choice Tuition Savings Program represents a State initiative to encourage families throughout New York to save for the college education of their children or grandchildren. Under this program, families can save for their children's attendance at accredited public and private colleges in New York or in other states with accompanying tax benefits on contributions made to, and interest earned on, college savings accounts.

Jointly administered by the Corporation and the Office of the State Comptroller, the program has been well received by the general public. Since its inception in September 1998, over 461,000 accounts have been opened, with contributions totaling approximately \$5.0 billion. New York's program has received national recognition as one of the top college savings plans in the nation.

# HIGHER EDUCATION SERVICES

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	110,455,000	121,217,000	10,762,000	5,000,000
Aid To Localities	955,303,000	918,817,000	(36,486,000)	20,000,000
Capital Projects	0	0	0	0
Total	1,065,758,000	1,040,034,000	(25,724,000)	25,000,000

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
Special Revenue Funds - Other	320	320	0
Guaranteed Loan Programs			
Special Revenue Funds - Other	380	380	0
Total	700	700	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
Special Revenue Funds - Federal	5,000,000	5,000,000	0
Special Revenue Funds - Other	105,455,000	116,217,000	10,762,000
Total	110,455,000	121,217,000	10,762,000

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
Special Revenue Funds - Other	51,451,000	61,899,000	10,448,000
Guaranteed Loan Programs			
Special Revenue Funds - Federal	5,000,000	5,000,000	0
Special Revenue Funds - Other	54,004,000	54,318,000	314,000
Total	110,455,000	121,217,000	10,762,000



## HIGHER EDUCATION SERVICES

### STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	61,899,000	10,448,000	16,030,000	267,000
Guaranteed Loan Programs	59,318,000	314,000	21,816,000	314,000
Total	<u>121,217,000</u>	<u>10,762,000</u>	<u>37,846,000</u>	<u>581,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	40,369,000	5,181,000	5,500,000	5,000,000
Guaranteed Loan Programs	32,502,000	0	5,000,000	0
Total	<u>72,871,000</u>	<u>5,181,000</u>	<u>10,500,000</u>	<u>5,000,000</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	924,303,000	907,817,000	(16,486,000)
Special Revenue Funds - Federal	7,000,000	7,000,000	0
Special Revenue Funds - Other	24,000,000	4,000,000	(20,000,000)
Total	<u>955,303,000</u>	<u>918,817,000</u>	<u>(36,486,000)</u>

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

Program	Available 2006-07	Recommended 2007-08	Change
Scholarships and Fellowships			
General Fund	33,768,000	35,968,000	2,200,000
Special Revenue Funds - Other	4,000,000	4,000,000	0
State Grant Programs			
General Fund	875,905,000	857,219,000	(18,686,000)
Special Revenue Funds - Federal	7,000,000	7,000,000	0
Special Revenue Funds - Other	20,000,000	0	(20,000,000)
Tuition Awards for Part-Time Students			
General Fund	14,630,000	14,630,000	0
Total	<u>955,303,000</u>	<u>918,817,000</u>	<u>(36,486,000)</u>



# ***DIVISION OF HUMAN RIGHTS***

## ***MISSION***

New York holds the proud distinction of being the first state to enact a Human Rights Law, affording every citizen an equal opportunity to enjoy a full and productive life. Discriminating against others because of their race, sex, age, disability or membership in other specified classes is illegal in the State of New York. Protection under the Human Rights Law also includes prohibiting discrimination based on military status and sexual orientation.

The New York State Division of Human Rights serves as the administrative arm of the law, with a primary mission to enforce and protect human rights. Programs of the Division of Human Rights focus on ensuring equal opportunity in employment, housing, public accommodation, education and credit. To fulfill these responsibilities the Division:

- Prosecutes unlawful discriminatory practices;
- Investigates and resolves complaints of illegal discrimination;
- Promotes human rights awareness through education; and
- Acts as a resource in the prevention and elimination of discrimination.

## ***ORGANIZATION AND STAFFING***

Under the direction of the Commissioner, the Division operates from its main office in New York City and from nine regional and two satellite offices across the State.

The Division will have a workforce of 206 employees during 2007-08, primarily assigned to investigate, determine probable cause, and hear individual cases of discrimination. Funding is also provided to support two per diem administrative law judges not reflected in the 206 salaried staff.

## ***BUDGET AND PROGRAM HIGHLIGHTS***

As of November 2006, the Division’s open cases totaled 5,196. The Division has developed a Mediation Unit to attempt to settle a case at its earliest stage. The Division has also added an Outreach Unit whose primary function is to expand public awareness of the Human Rights Law and develop community relations. Funding is also included to enhance enforcement of the Human Rights Law.

The Division recently completed transition of its payroll processing to the Office of Temporary and Disability Assistance. In 2007-08, this “host agency” concept will be expanded to produce administrative savings that can be reinvested into enforcement and outreach.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	19,261,000	19,430,000	169,000	16,508,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>19,261,000</b>	<b>19,430,000</b>	<b>169,000</b>	<b>16,508,000</b>

# HUMAN RIGHTS

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

**Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration			
General Fund	166	166	0
Special Revenue Funds - Federal	37	40	3
Total	<u>203</u>	<u>206</u>	<u>3</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	14,492,000	14,476,000	(16,000)
Special Revenue Funds - Federal	4,704,000	4,904,000	200,000
Special Revenue Funds - Other	65,000	50,000	(15,000)
Total	<u>19,261,000</u>	<u>19,430,000</u>	<u>169,000</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Administration			
General Fund	14,492,000	14,476,000	(16,000)
Special Revenue Funds - Federal	4,704,000	4,904,000	200,000
Special Revenue Funds - Other	65,000	50,000	(15,000)
Total	<u>19,261,000</u>	<u>19,430,000</u>	<u>169,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	11,680,000	71,000	11,661,000	279,000
Total	<u>11,680,000</u>	<u>71,000</u>	<u>11,661,000</u>	<u>279,000</u>

<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>		<b>Holiday/Overtime Pay (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	0	(222,000)	19,000	14,000
Total	<u>0</u>	<u>(222,000)</u>	<u>19,000</u>	<u>14,000</u>

# HUMAN RIGHTS

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	3,446,000	(87,000)	151,000	124,000
Total	<u>3,446,000</u>	<u>(87,000)</u>	<u>151,000</u>	<u>124,000</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	192,000	104,000	2,903,000	(417,000)
Total	<u>192,000</u>	<u>104,000</u>	<u>2,903,000</u>	<u>(417,000)</u>

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Administration	200,000	102,000
Total	<u>200,000</u>	<u>102,000</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	4,954,000	185,000	0	(3,000)
Total	<u>4,954,000</u>	<u>185,000</u>	<u>0</u>	<u>(3,000)</u>

<b>Program</b>	<b>Nonpersonal Service</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	50,000	49,000	4,904,000	139,000
Total	<u>50,000</u>	<u>49,000</u>	<u>4,904,000</u>	<u>139,000</u>



# ***DEPARTMENT OF LABOR***

## ***MISSION***

The Department of Labor administers New York's Unemployment Insurance system, labor exchange system and State worker protection programs, including enforcement of safety and health regulations in the public sector, State labor laws and Federal statutes related to working conditions, wages and hours and laws related to public work. The Department is a primary advocate for job creation and economic growth through workforce development, and serves as the State's principal source for labor market information, offering a variety of services designed to help businesses find workers and people find jobs.

## ***ORGANIZATION AND STAFFING***

The Department is headed by a Commissioner with a central office located in Albany. This office is responsible for two Unemployment Insurance Telephone Claims Centers and eight employment service regional offices that oversee employment services staff at 79 locations throughout the State. In addition, through nine worker protection district offices, the Department enforces child labor laws, fosters workplace health and safety, and ensures that employees are paid in accordance with provisions of the Labor Law. Offices are staffed based upon the workload in each geographic area.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Department of Labor will have an authorized staffing level of 3,805 in State fiscal year 2007-08. Approximately 83 percent of these positions are financed by Federal grants and 17 percent are supported by fees and assessments. Less than one percent of the Department's positions are supported by State tax dollars from the General Fund.

Federal funds support specific programs and activities that include Workforce Investment Act (WIA) job training services and re-employment services for persons who may be affected adversely by international trade agreements. Federal appropriations also include funding to assist individuals and families that are the victims of disasters.

Fee revenues support funding for worker protection and compensation enforcement activities and job training programs. These accounts are financed by fees for health and safety inspections, revenue from Workers' Compensation Board assessments and penalties for misreporting wages for Unemployment Insurance purposes. The Budget includes funding to support 10 additional positions to enhance enforcement of the minimum wage law. The Unemployment Insurance benefit appropriation of \$3.25 billion is funded from Unemployment Insurance taxes paid by employers.

In 2007-08, existing fees and assessments received by the Department of Labor will help to finance the Department's ongoing program to modernize its Unemployment Insurance computer system, which is over 40 years old and incapable of providing the level of services or accountability expected from a system of its type.

## **LABOR**

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### **PROGRAM HIGHLIGHTS**

#### **JOB SERVICES**

Consistent with the WIA requirements, the Department of Labor and local governments work together at local One-Stop Centers and affiliated sites across the State that offer access to a variety of employment services including job referral and placement, education and training, resume preparation, employer services, human resources consultation, and support services such as child care and transportation. The Centers benefit employers by providing them with access to worker resumes and information on tax credits, workplace safety issues and apprenticeship services.

Through the use of job orders, on-line forms, America's Job Bank and America's Talent Bank available through the Internet, the Department of Labor has made it easier for job seekers and employers to use and benefit from Agency services and to immediately access relevant information without assistance from Department staff.

In addition to partnering in One-Stop Centers across the State, the Department continues to work with other State and local agencies, community colleges and others to ensure that New York's workforce development system provides access to information and services across agency lines regardless of where a person may initially go for assistance.

#### **WORKFORCE INVESTMENT ACT**

Federally funded local assistance appropriation authority includes \$239 million for WIA services. WIA provides job training to youth, adults and dislocated workers. WIA also upgrades the skills of those currently working, thus helping employers meet the changing needs of their business operations. Eligible participants access WIA services through the network of local One-Stop Centers for the delivery of employment and training services. WIA also improves customer choice and program effectiveness, as participants can choose training providers based on past performance through the use of individual training accounts.

#### **WORKER PROTECTION**

Worker Protection functions are carried out by two Department of Labor programs: Occupational Safety and Health and Labor Standards/Public Work.

The Occupational Safety and Health program is responsible for health and safety inspections and granting licenses to qualified persons to operate or handle dangerous equipment or substances. Statistics for the last two completed State fiscal years show that the Division inspected 20,346 amusement park devices, 966 ski lifts, 6,195 places of public assembly (e.g., bleachers at concerts) and 31,332 commercial boilers. It also reviewed applications for 45,029 asbestos licenses and certificates.

The Labor Standards program enforces the Labor Law in such areas as minimum and prevailing wage, child labor and garment industry registration. Statistics for the last two completed State fiscal years indicate the Division inspected 1,118 businesses for compliance with child labor laws and collected nearly \$20 million in back wages, unpaid fringe benefits and minimum wage underpayments for approximately 30,571 employees.



**UNEMPLOYMENT INSURANCE**

The Unemployment Insurance program makes weekly payments to eligible, unemployed workers who have lost a job through no fault of their own. These temporary payments, generally available for up to 26 weeks, help workers and their families pay bills and buy basic household items while looking for work. The Department also operates a re-employment services program to further strengthen efforts to move individuals back to work. The 2007-08 Budget reduces Unemployment Insurance Fiduciary funding by \$550 million to more accurately reflect the level of claims anticipated in the upcoming State fiscal year.

As part of a continuing effort to make government more efficient, the Department of Labor operates a telephone claims system that uses computer technology and information received to determine if applicants are eligible to receive Unemployment Insurance benefits and to handle all other processing issues related to an individual's benefits. The system, which operates through two Tele-Claims Centers located in Troy and Endicott, replaced a process which required DOL staff to determine eligibility from paper forms filled out by applicants at local Department of Labor offices. In addition, the Department currently accepts Unemployment Insurance claims and employer registration through the Internet.

New in 2006, the Department began issuing all Unemployment Insurance benefit payments through debit cards. The cards, known as Direct Payment Cards, offer customers a safe, convenient way to access their benefits. The Department is also working on a Direct Deposit program for Unemployment Insurance benefit payments which will provide claimants with an additional option. The Direct Deposit program is anticipated to be implemented during 2007. These efforts are intended to modernize the unemployment system, while making the process more customer friendly and cost effective.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	4,367,115,000	3,855,490,000	(511,625,000)	952,698,000
Aid To Localities	311,412,000	239,049,000	(72,363,000)	569,552,000
Capital Projects	0	0	0	0
<b>Total</b>	<b>4,678,527,000</b>	<b>4,094,539,000</b>	<b>(583,988,000)</b>	<b>1,522,250,000</b>

# LABOR

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
Special Revenue Funds - Federal	3,188	3,152	(36)
Employment Relations Board			
General Fund	16	16	0
Employment and Training			
Special Revenue Funds - Other	89	74	(15)
Labor Standards			
Special Revenue Funds - Other	242	281	39
Occupational Safety and Health			
Special Revenue Funds - Other	260	282	22
Total	<u>3,795</u>	<u>3,805</u>	<u>10</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	1,720,000	1,720,000	0
Special Revenue Funds - Federal	466,509,000	525,961,000	59,452,000
Special Revenue Funds - Other	98,886,000	77,809,000	(21,077,000)
Enterprise Funds	3,800,000,000	3,250,000,000	(550,000,000)
Total	<u>4,367,115,000</u>	<u>3,855,490,000</u>	<u>(511,625,000)</u>

Adjustments:	
Transfer(s) To	
Executive Chamber	
General Fund	65,000
Appropriated 2006-07	<u>4,367,180,000</u>

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
Special Revenue Funds - Federal	395,009,000	454,461,000	59,452,000
Employment Relations Board			
General Fund	1,720,000	1,720,000	0
Employment and Training			
Special Revenue Funds - Other	8,144,000	13,173,000	5,029,000
Labor Standards			
Special Revenue Funds - Other	22,888,000	25,546,000	2,658,000
Occupational Safety and Health			
Special Revenue Funds - Other	37,854,000	39,090,000	1,236,000
Unemployment Insurance Benefit Fund			
Special Revenue Funds - Federal	71,500,000	71,500,000	0
Special Revenue Funds - Other	30,000,000	0	(30,000,000)
Enterprise Funds	3,800,000,000	3,250,000,000	(550,000,000)
Total	<u>4,367,115,000</u>	<u>3,855,490,000</u>	<u>(511,625,000)</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Employment Relations Board	1,251,000	0	1,218,000	0
Total	<u>1,251,000</u>	<u>0</u>	<u>1,218,000</u>	<u>0</u>

<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>
Employment Relations Board	33,000	0
Total	<u>33,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Employment Relations Board	469,000	0	36,000	0
Total	<u>469,000</u>	<u>0</u>	<u>36,000</u>	<u>0</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Employment Relations Board	33,000	0	375,000	0
Total	<u>33,000</u>	<u>0</u>	<u>375,000</u>	<u>0</u>

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Employment Relations Board	25,000	0
Total	<u>25,000</u>	<u>0</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	454,461,000	59,452,000	0	(8,549,200)
Employment and Training	13,173,000	5,029,000	2,808,000	8,000
Labor Standards	25,546,000	2,658,000	14,993,000	1,447,000
Occupational Safety and Health	39,090,000	1,236,000	17,668,000	484,000
Unemployment Insurance Benefit Fund	3,321,500,000	(580,000,000)	0	0
Total	<u>3,853,770,000</u>	<u>(511,625,000)</u>	<u>35,469,000</u>	<u>(6,610,200)</u>

<b>Program</b>	<b>Nonpersonal Service</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	0	(3,887,300)	454,461,000	71,888,500
Employment and Training	1,865,000	21,000	8,500,000	5,000,000
Labor Standards	10,553,000	1,211,000	0	0
Occupational Safety and Health	21,422,000	752,000	0	0
Unemployment Insurance Benefit Fund	0	0	3,321,500,000	(580,000,000)
Total	<u>33,840,000</u>	<u>(1,903,300)</u>	<u>3,784,461,000</u>	<u>(503,111,500)</u>

# LABOR

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	11,741,000	0	(11,741,000)
Special Revenue Funds - Federal	299,241,000	238,619,000	(60,622,000)
Special Revenue Funds - Other	430,000	430,000	0
Total	<u>311,412,000</u>	<u>239,049,000</u>	<u>(72,363,000)</u>

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Employment and Training			
General Fund	11,741,000	0	(11,741,000)
Special Revenue Funds - Federal	299,241,000	238,619,000	(60,622,000)
Occupational Safety and Health			
Special Revenue Funds - Other	430,000	430,000	0
Total	<u>311,412,000</u>	<u>239,049,000</u>	<u>(72,363,000)</u>

# **OFFICE OF REAL PROPERTY SERVICES**

## **MISSION**

The Office of Real Property Services is charged with the general supervision of local property tax administration in New York. The Office plays a major role in developing the State's property tax policy and helps local governments with property tax administration in accordance with constitutional provisions for the supervision, review and equalization of local assessments for purposes of taxation.

## **ORGANIZATION AND STAFFING**

The Office of Real Property Services is headed by the State Board of Real Property Services, a five-member Board appointed by the Governor, and its day-to-day administration is the responsibility of an Executive Director appointed by the Board. The agency has a central office in Albany and five regional offices in Batavia, Syracuse, Newburgh, Melville and Saranac Lake.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2007-08 Executive Budget will support a staffing level of 401 positions and operating expenses of \$44.8 million for the Office of Real Property Services through three revenue accounts: the Improvement of Real Property Tax Administration Account; the Industrial and Utility Services Account; and the Local Services Account. These accounts are funded from the State's share of the real property transfer recording fee, chargebacks for assessment services relating to industrial, utility and railroad property, and charges for miscellaneous consulting and computing services.

Budget recommendations for the Office of Real Property Services for 2007-08 include funding for the following aid programs from the General Fund:

- \$5.0 million for local administration of the School Tax Relief (STAR) and Middle Class STAR programs;
- \$3.75 million to reimburse local governments for their revenue losses relating to the Rail Infrastructure Investment Act of 2002; and
- \$12.05 million for financial incentives for local governments to improve assessment administration through various programs that include annual updates of assessment rolls pursuant to State standards, and for reimbursement of local assessment officials for State-mandated training.

## **PROGRAM HIGHLIGHTS**

The Office of Real Property Services is involved with all State-level responsibilities relating to the real property tax, which represents the largest revenue source for counties, towns, villages, school districts and other municipalities. Accordingly, the Office has programs to establish equalization rates which are used to estimate the full market value of

## ***REAL PROPERTY SERVICES***

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taxable real property in each municipality, to provide policy guidance as well as technical and financial assistance to local assessing units, and to assist other State agencies with information and administrative support in areas that relate to property tax policy or administration.

### ***EQUALIZATION OF MUNICIPAL FULL VALUE***

State laws permit New York's local governments to select the percentage of full value they use in assessing properties. However, every assessing unit is required to indicate its assessment ratio — i.e., the ratio of the assessed value to the full value of properties — on the assessment roll and tax bills. Using audit procedures and statistical tests on sample data, the Office of Real Property Services verifies the accuracy of the assessment ratio stated annually by each of the 983 assessing units (i.e., cities, towns and the counties of Nassau and Tompkins). If the assessment ratio provided by a local assessor is determined to be accurate, it is established as the State equalization rate for that assessing unit; otherwise, the Office prepares an independent estimate of the local assessment ratio, which will be established as the equalization rate.

By adhering to statewide standards, the Office ensures that equalization rates can be used to estimate full values of properties in a consistent manner. Full value estimates are necessary to distribute taxes for counties and school districts when tax levies are based upon assessments by more than one assessing unit. They are also used as indicators of local fiscal capacity for several purposes, including allocation of State aid.

Increased coordination between the Office and local assessing units, as well as improvements in local assessment and reporting practices, has resulted in several notable enhancements in the equalization program. Recent accomplishments include the following:

- In 2006, the assessment ratios supplied by 87 percent of local assessors were adopted without change as State equalization rates and that rate of adoption is expected to increase again in 2007;
- Preparation of equalization rates has been accelerated so that all school districts across the State can now use current equalization rates for their school tax levies, instead of using modified rates from prior years;
- As a result of the acceleration of the preparation of equalization rates, localities and the State can now analyze market data on the same cycle, creating opportunities for efficiencies in intergovernmental collaboration;
- The number of complaints on preliminary equalization rates by local officials has dropped, resulting in reduced costs for rate complaint hearings and improved State-local relations. The percentage of cities and towns that filed complaints was approximately 1.5 percent in 2006, as compared to 36 percent in the early 1990's;
- The Office has integrated nationally accepted standards and techniques, such as computer assisted appraisal studies and residential sales studies within its equalization rate process, thereby reducing its reliance on costly appraisals. The percentage of localities where residential appraisals are needed has been reduced from 100 percent in 1994 to 8 percent in 2006; and
- Since 1994-95, the continuing base cost of the Office's equalization program has been reduced from \$17 million to \$14 million.

### **ASSISTANCE AND SERVICES TO LOCAL GOVERNMENTS**

Since many municipal assessing units are very small-scale operations, local property tax administrators are dependent on technical assistance provided by the Office of Real Property Services. Centralized assistance to assessors and taxing jurisdictions includes administrative, legal and other technical services. In helping municipalities, the Office works closely with county offices of real property tax services, many of which have developed programs for coordinating reassessment projects on a countywide basis.

In furthering the State-local partnership in property tax administration, the Office also administers various State aid programs in support of local assessment administration, including:

- Annual aid of up to \$5 per parcel for assessing units that meet State standards, including annual revisions of assessments and comprehensive re-inventory and revaluation at least once every six years;
- Consolidation aid providing a one-time financial incentive of up to \$12 per parcel to encourage cost-efficiency through the coordination of assessment functions performed by two or more assessing units;
- Assessor training aid to reimburse local assessment officials (including assessors and county directors of property tax services) for their cost of attending State-mandated training courses;
- STAR and Middle Class STAR administration aid to ensure that localities are compensated for their workload associated with the administration of the State's school tax relief programs;
- Software support which includes the development, maintenance, training and consulting relating to a state-of-the-art software program to facilitate cost-efficient administration of local property taxes; and
- Advisory appraisals for certain complex properties — such as utilities and large manufacturing plants — which require highly specialized resources that are not available to most local assessors.

These State aid programs have been a catalyst for enhancing the equity and cost-efficiency of local property tax administration throughout New York. According to recent data, nearly two-thirds of the State's assessing units prepare assessment rolls that are reasonably equitable and current. Additionally, since the introduction of consolidation aid in 1994, 108 towns in 24 counties have come together to form 46 coordinated assessment programs.

### **OTHER SERVICES AND RESPONSIBILITIES**

The Office of Real Property Services maintains inventory and valuation data on approximately 4 million acres of State-owned land and conservation easements that are subject to local taxation. Local assessments on taxable State-owned properties are scrutinized by the agency and either certified for payment or brought to administrative and judicial review, as appropriate.

In conjunction with the State Education Department and the Department of Taxation and Finance, the Office is responsible for administering the School District Income Verification program. This program verifies and corrects the school district codes reported on personal income tax returns to accurately assign personal income to school districts. These data are then used as a measure of local fiscal capacity in school aid formulas.

## **REAL PROPERTY SERVICES**

Special assessments are statutorily authorized for agricultural properties, transportation properties owned by railroad companies and oil and gas wells. The Office establishes values of agricultural land, ceilings on assessments of railroad properties and values of oil- and gas-producing facilities.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	42,609,000	44,808,000	2,199,000	0
Aid To Localities	20,800,000	20,800,000	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>63,409,000</b>	<b>65,608,000</b>	<b>2,199,000</b>	<b>0</b>

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

#### **Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Policy and Organizational Support Services			
Special Revenue Funds - Other	401	401	0
<b>Total</b>	<b>401</b>	<b>401</b>	<b>0</b>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Special Revenue Funds - Other	42,609,000	44,808,000	2,199,000
<b>Total</b>	<b>42,609,000</b>	<b>44,808,000</b>	<b>2,199,000</b>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Policy and Organizational Support Services			
Special Revenue Funds - Other	42,609,000	44,808,000	2,199,000
<b>Total</b>	<b>42,609,000</b>	<b>44,808,000</b>	<b>2,199,000</b>



# REAL PROPERTY SERVICES

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Policy and Organizational Support Services	44,808,000	2,199,000	24,705,000	1,272,000
Total	<u>44,808,000</u>	<u>2,199,000</u>	<u>24,705,000</u>	<u>1,272,000</u>

<b>Program</b>	<b>Nonpersonal Service</b>	
	<b>Amount</b>	<b>Change</b>
Policy and Organizational Support Services	20,103,000	927,000
Total	<u>20,103,000</u>	<u>927,000</u>

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

<b>Fund Type</b>	<b>Available</b>	<b>Recommended</b>	<b>Change</b>
	<b>2006-07</b>	<b>2007-08</b>	
General Fund	20,800,000	20,800,000	0
Total	<u>20,800,000</u>	<u>20,800,000</u>	<u>0</u>

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

<b>Program</b>	<b>Available</b>	<b>Recommended</b>	<b>Change</b>
	<b>2006-07</b>	<b>2007-08</b>	
Policy and Organizational Support Services			
General Fund	20,800,000	20,800,000	0
Total	<u>20,800,000</u>	<u>20,800,000</u>	<u>0</u>



# **STATE UNIVERSITY OF NEW YORK**

## **MISSION**

Created in 1948, the State University of New York (SUNY) is the largest public university system in the nation with 64 campuses offering a complete range of academic, professional and vocational programs. The State University system is uniquely positioned to provide New Yorkers with access to quality postsecondary educational programs in all regions of the State.

## **ORGANIZATION AND STAFFING**

The three major components of the State University's mission — teaching, public service and research — are carried out by:

- Eight campuses (including four health science centers) offering academic programs through the doctoral level and serving as research centers;
- Fourteen comprehensive colleges providing undergraduate education in a variety of academic fields;
- Seven colleges of technology focusing on the development of a workforce with the advanced skills required by an increasingly technology-dependent economy;
- Five statutory and contract colleges at Alfred and Cornell universities that offer nationally acclaimed programs in ceramics, veterinary medicine, agriculture and life sciences, industrial and labor relations, and human ecology; and
- Thirty community colleges offering access to a wide array of higher education opportunities that prepare students for transfer to senior colleges or train them for a variety of technical or paraprofessional occupations.

The University is governed by a Board of Trustees consisting of 16 members, with 15 appointed by the Governor to staggered seven-year terms and approved by the Senate, and one ex-officio trustee representing the student assembly of the State University. The Board oversees the operations of the University's State-operated campuses and also exercises general supervisory authority over the community colleges, which are sponsored by local governments and governed by local boards of trustees.

The chief executive officer of the University is the Chancellor who is appointed by, and serves at the pleasure of, the Board of Trustees. Individual college presidents are also appointed by, and serve at the pleasure of, the Board.

The State University's operating budget supports an estimated 39,834 full-time equivalent positions consisting of 23,654 positions that are supported through a combination of State tax dollars and tuition revenues and 16,180 positions supported by other funds. Community college staff are not included in these totals as they are not employees of the State.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

### **STATE-OPERATED COLLEGES**

The 2007-08 Executive Budget recommends \$7.1 billion to support the operations of the State University's campuses, central administration and University-wide programs. In addition to \$2.3 billion in support from the General Fund, the University's operating budget

## ***STATE UNIVERSITY***

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includes \$4.1 billion in activities funded by other revenues. Revenue-generating entities and programs include: three teaching hospitals at Brooklyn, Stony Brook and Syracuse; the Long Island Veterans' Home administered by the Stony Brook Health Science Center; dormitory operations; food services; and tuition-supported activities, including summer session and overseas academic studies.

Pending receipt of the tuition policy recommendation of the Governor's Commission on Public Higher Education, no tuition increase is recommended for SUNY State-Operated campuses in 2007-08.

SUNY's 2007-08 gross operating budget will total \$3.36 billion, an increase of \$148.1 million or 4.6 percent. Within this amount, taxpayer support will total nearly \$2.3 billion, an increase of \$143.2 million or 6.6 percent. SUNY's General Revenue Offset Account will total \$1.05 billion, which reflects a net increase of \$4.9 million.

SUNY's special revenue funding, exclusive of the General Revenue Offset Account, will total \$3.0 billion, an increase of \$161.4 million, including:

- an increase of \$78.6 million for the SUNY hospitals reflecting collectively bargained salary increases and support for their revenue-generating initiatives;
- an increase of \$40.4 million for the State University Tuition Reimbursable Account (SUTRA) to accommodate revenue from potential enrollment growth;
- an inflationary adjustment of \$29.5 million for the General Income Fund Reimbursable (IFR) Account;
- an inflationary adjustment of \$10 million for the Dormitory IFR account; and
- an inflationary adjustment of \$2.9 million for the Long Island Veterans Home.

For 2007-08, Federal appropriations totaling \$250.5 million will support the Pell grant program and various other student financial aid programs.

### ***EMPIRE INNOVATION PROGRAM***

The Empire Innovation Program at the SUNY State-Operated campuses continues to attract and retain faculty. The 2007-08 Executive Budget provides \$12.0 million for this program, doubling the \$6.0 million investment made in 2006-07. This funding will help SUNY compete for research grants, generate additional revenue through the growth in patents and indirect recoveries and contribute to the State's economic growth.

### ***EDUCATIONAL OPPORTUNITY CENTERS***

The 2007-08 Executive Budget provides \$50.6 million, a \$2.3 million increase, for the Educational Opportunity Centers. These Centers provide tuition-free educational and vocational training opportunities to disadvantaged students throughout the State.

### ***OTHER RECOMMENDATIONS***

The Executive Budget also recommends:

- \$7.0 million reflecting a transfer in funding for agricultural and veterinary research services from the Department of Agriculture and Markets to SUNY. The research will be carried out through a partnership between SUNY and Cornell University;
- \$3.0 million for Priority Academic Programs to increase the number of students in academic programs like information science, engineering, nursing and allied health; and

- \$275,000 to continue the Just for the Kids - New York project. This program is part of the national Just for the Kids project and represents a partnership between the University at Albany's School of Education, the New York State Business Council and various private companies. It is designed to disseminate school achievement data and best practices so that low performing schools may identify opportunities for improvement by modeling the successful practices of high performing schools.

### **SUNY HOSPITALS**

SUNY's three teaching hospitals in Stony Brook, Brooklyn and Syracuse provide important graduate medical education training for SUNY students, as well as valuable health care services for the communities in which they are located. The Berger Commission on Health Care Facilities in the 21st Century recommended a number of actions with respect to SUNY hospitals including:

- Joining SUNY Upstate Medical Center and Crouse Hospital under a single unified governance structure to promote better strategic planning, service delivery and bed utilization.
- Studying the feasibility of privatizing SUNY's teaching hospitals at Stony Brook, Syracuse and Brooklyn, with such study conducted by the Commissioner of Health in consultation with other relevant groups.

In the coming months, SUNY will work with the Department of Health to move forward with the Berger Commission's recommendations for its teaching hospitals.

The 2007-08 Budget continues the appropriation structure enacted in 2001-02 for the SUNY hospitals. All hospital spending is appropriated in one account with the hospitals being responsible for direct payment of their fringe benefit and debt service costs. Under this appropriation structure, the SUNY hospitals will continue to be directly accountable for operating within their available revenues, including a fixed State subsidy amount.

The recommended State subsidy for the SUNY hospitals, which recognizes costs attributable to their State agency status, is increased by \$6.8 million to a total of \$146.3 million to reflect collectively bargained salary increases and costs attributable to employee fringe benefits.

### **COMMUNITY COLLEGES**

SUNY's 30 community colleges represent the primary point of access for more than 209,000 students across the State. For the 2007-08 academic year, base operating aid for SUNY community colleges will be raised to \$2,625/student -- an increase of \$100/student. For 2007-08, State aid for SUNY community colleges will total \$445.7 million, an increase of \$20.2 million, or 4.7 percent.

### **CORNELL COOPERATIVE EXTENSION**

County cooperative extension associations — funded by State, county and Federal contributions — provide specialized information and assistance in community development, agricultural technology, 4-H youth development and consumer and family education. The Executive Budget recommends nearly \$3.7 million in State support for this program.

### **CAPITAL PROJECTS**

The Governor will call upon SUNY to develop a new Five-Year Capital Plan for 2008-09. Adoption of a new Five-Year Plan will promote stability, predictability and greater discipline in the capital funding process and will ensure campus priorities are balanced with available resources.

Pending development of this new Five-Year Capital Plan, the 2007-08 Executive Budget provides transitional funding of \$379.7 million to support SUNY's high priority projects as follows: \$164.8 million for partially funded projects such as the Old Westbury academic complex and renovation of the Stony Brook Southampton Campus; \$114.9 million for other high priority projects such as the Plattsburgh Science Facility and the Empire State Regional Center and \$100.0 million for various university-wide critical maintenance projects.

To accommodate Executive Budget recommendations, SUNY's bond cap for educational facilities will be increased by \$379.7 million. This will provide total bonding authorization of more than \$7.3 billion to cover SUNY's planned bond sales for a multi-year period.

### **PROGRAM HIGHLIGHTS**

The State University of New York is the nation's largest comprehensive public university, offering 6,898 degree programs at the research universities, community colleges, medical schools and colleges of technology that comprise its 64 campuses. The State University enrolls over 40 percent of college-bound students graduating from New York State high schools. Around 417,000 full-time and part-time SUNY students — 208,000 at State-operated campuses and 209,000 in community colleges — are pursuing studies ranging from one-year certificate programs to doctorates.

The academic profile of incoming students continues to grow stronger at SUNY campuses. More than half of all students that enrolled at SUNY University Centers in Fall 2005 had SAT scores above 1200 and grade point averages above 90 — comparable to admission profiles found at top public flagship institutions in California, Michigan, Texas and North Carolina.

The State University is also working to expand the volume of scholarly research conducted by its faculty, and is more aggressively seeking Federal and other external support for research. As a result, funding for SUNY sponsored research is expected to reach nearly \$900 million in 2006. Research grants at SUNY now underwrite over 10,200 projects, which directly support more than 18,600 full and part-time jobs across New York State. In addition, SUNY continues to be among the top recipients of patents in New York State, joining IBM, Corning and GE.

The University's initiatives in the area of technology have placed it at the forefront of higher educational institutions across the nation, earning it the Award for Excellence in Institution-Wide Asynchronous Learning Networks Programming by the Alfred P. Sloan Foundation. The Sloan Foundation recognized the SUNY Learning Network, citing its primary goal of bringing SUNY's diverse, high-quality instructional programs within the reach of learners everywhere.

SUNY campuses are key partners in the State's five University-based Centers of Excellence, a high-technology initiative that will enable New York to become a worldwide leader in university-based research, business creation and job development, including:

- Albany Center of Excellence in Nanoelectronics, a semiconductor research center at SUNY-Albany;

- Buffalo Center of Excellence in Bioinformatics which includes the Life Sciences Complex used for super-computing, pharmaceutical research and workforce development; and
- Long Island Center of Excellence in Wireless Internet and Information Technology which, in tandem with several other high-tech research projects such as the Bioinformatics Research Center at Cold Spring Harbor Laboratory, will create thousands of new high-skilled and high-wage jobs across Long Island.

The State University's 30 locally sponsored community colleges serve as an essential source of skilled employees and play a critical role in the State's efforts to attract and retain businesses seeking an able workforce. Through their policy of open admissions, the community colleges also ensure access to postsecondary education.

From the curriculum and instruction in its classrooms, research in its laboratories, support from its alumni and its appeal to a growing number of college-bound students, the State University continues to elevate its ranking among the nation's finest public universities.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	6,372,629,600	6,622,101,300	249,471,700	466,090,000
Aid To Localities	423,498,500	440,833,000	17,334,500	0
Capital Projects	918,862,000	379,700,000	(539,162,000)	3,940,045,000
Total	<u>7,714,990,100</u>	<u>7,442,634,300</u>	<u>(272,355,800)</u>	<u>4,406,135,000</u>

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

<b>Program</b>	<b>Full-Time Equivalent Positions (FTE)</b>		
	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
	All State University Colleges and Schools		
General Fund	23,454	23,654	200
Special Revenue Funds - Federal	4	4	0
Special Revenue Funds - Other	16,176	16,176	0
Total	<u>39,634</u>	<u>39,834</u>	<u>200</u>

# STATE UNIVERSITY

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	2,167,042,000	2,310,253,700	143,211,700
Special Revenue Funds - Federal	230,500,000	250,500,000	20,000,000
Special Revenue Funds - Other	3,963,087,600	4,049,347,600	86,260,000
Internal Service Funds	12,000,000	12,000,000	0
Total	6,372,629,600	6,622,101,300	249,471,700

### Adjustments:

Prior Year Deficiency			
State University of New York			
General Fund	29,100,000		
Recommended Deficiency			
State University of New York			
General Fund	(11,000,000)		
Special Revenue Funds - Other	11,000,000		
Transfer(s) From			
Energy Costs Program			
General Fund	(30,000,000)		
Special Pay Bill			
General Fund	(12,435,000)		
Special Revenue Funds - Other	(9,742,000)		
State University of New York			
General Fund	(6,690,000)		
Special Revenue Funds - Other	(8,967,400)		
Transfer(s) To			
State University of New York			
General Fund	8,967,400		
Special Revenue Funds - Other	6,690,000		
Appropriated 2006-07	6,349,552,600		

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
All State University Colleges and Schools			
General Fund	1,268,152,000	1,329,907,700	61,755,700
Special Revenue Funds - Federal	230,500,000	250,500,000	20,000,000
Special Revenue Funds - Other	3,963,087,600	4,049,347,600	86,260,000
Internal Service Funds	12,000,000	12,000,000	0
Employee Fringe Benefits			
General Fund	898,890,000	980,346,000	81,456,000
Total	6,372,629,600	6,622,101,300	249,471,700

## STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
All State University Colleges and Schools	1,721,608,100	(25,631,950)	1,592,881,800	(154,325,050)
Total	1,721,608,100	(25,631,950)	1,592,881,800	(154,325,050)
<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
All State University Colleges and Schools	117,678,000	117,676,500	11,048,300	11,016,600
Total	117,678,000	117,676,500	11,048,300	11,016,600



# STATE UNIVERSITY

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
All State University Colleges and Schools	658,322,600	92,297,650	34,973,400	31,516,900
Employee Fringe Benefits	980,346,000	81,456,000	0	0
Total	<u>1,638,668,600</u>	<u>173,753,650</u>	<u>34,973,400</u>	<u>31,516,900</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
All State University Colleges and Schools	12,683,400	12,671,400	542,402,100	(20,146,850)
Employee Fringe Benefits	0	0	0	0
Total	<u>12,683,400</u>	<u>12,671,400</u>	<u>542,402,100</u>	<u>(20,146,850)</u>

Program	Equipment		General State Charges	
	Amount	Change	Amount	Change
All State University Colleges and Schools	68,263,700	68,256,200	0	0
Employee Fringe Benefits	0	0	980,346,000	81,456,000
Total	<u>68,263,700</u>	<u>68,256,200</u>	<u>980,346,000</u>	<u>81,456,000</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
All State University Colleges and Schools	3,261,824,600	101,350,000	1,222,576,400	(1,262,098,100)
Total	<u>3,261,824,600</u>	<u>101,350,000</u>	<u>1,222,576,400</u>	<u>(1,262,098,100)</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
All State University Colleges and Schools	1,999,937,200	1,392,005,700	39,311,000	(28,557,600)
Total	<u>1,999,937,200</u>	<u>1,392,005,700</u>	<u>39,311,000</u>	<u>(28,557,600)</u>

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

Fund Type	Available	Recommended	Change
	2006-07	2007-08	
General Fund	423,498,500	440,833,000	17,334,500
Total	<u>423,498,500</u>	<u>440,833,000</u>	<u>17,334,500</u>

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

Program	Available	Recommended	Change
	2006-07	2007-08	
Community Colleges			
General Fund	419,828,500	437,163,000	17,334,500
County Cooperative Extension Program -			
Cornell University			
General Fund	3,670,000	3,670,000	0
Total	<u>423,498,500</u>	<u>440,833,000</u>	<u>17,334,500</u>

# STATE UNIVERSITY

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Senior Universities				
General Maintenance and Improvements				
Capital Projects Fund	0	0	0	21,605,000
Capital Projects Fund - Advances	486,226,000	379,700,000	(106,526,000)	2,963,732,000
State University Capital Projects Fund				
State University Capital Projects Fund	0	0	0	168,949,000
State University Residence Hall Rehabilitation Fund				
State University Residence Hall Rehabilitation Fund	0	0	0	78,008,000
SUNY Dorms (Direct Auth Bonds)	350,000,000	0	(350,000,000)	350,000,000
Subtotal	<u>836,226,000</u>	<u>379,700,000</u>	<u>(456,526,000)</u>	<u>3,582,294,000</u>
Community Colleges				
General Maintenance and Improvements				
Capital Projects Fund	0	0	0	31,845,000
Capital Projects Fund - Advances	0	0	0	53,270,000
Cap Proj Fund - SUNY CC (Direct Auth Bonds)	82,636,000	0	(82,636,000)	272,636,000
Subtotal	<u>82,636,000</u>	<u>0</u>	<u>(82,636,000)</u>	<u>357,751,000</u>
 Total	 <u>918,862,000</u>	 <u>379,700,000</u>	 <u>(539,162,000)</u>	 <u>3,940,045,000</u>

# **STATE UNIVERSITY CONSTRUCTION FUND**

## **MISSION**

The State University Construction Fund is a public benefit corporation established in 1962 to serve as the construction agent for academic buildings, dormitories and other facilities at State-operated institutions and statutory colleges under the jurisdiction of the State University of New York (SUNY). Consistent with the State University's approved Master Capital Construction Plan, the Fund oversees construction, acquisition, reconstruction and rehabilitation or improvement of such facilities.

## **ORGANIZATION AND STAFFING**

The Fund is administered by a Board of Trustees consisting of three members appointed by the Governor, one of whom must be a State University Trustee. Members other than the State University Trustee are confirmed by the Senate. The Board appoints a General Manager who serves as chief administrative officer of the agency.

The agency's workforce for 2007-08 is maintained at 125 positions. The Fund's positions are supported entirely from proceeds of revenue bonds issued to finance the construction and reconstruction of academic facilities.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2007-08 Executive Budget recommendation of \$17.3 million for State Operations is funded from proceeds of State University Educational Facilities Revenue bonds. The recommended funding level will enable the Fund to oversee existing SUNY facility projects and to administer SUNY's \$4.7 billion, Multi-Year Capital Investment Program.

The Governor will call upon SUNY to develop a new Five-Year Capital Plan for 2008-09. Adoption of a new Five-Year Plan will promote stability, predictability and greater discipline in the capital funding process and will ensure campus priorities are balanced with available resources.

Pending development of this new Five-Year Capital Plan, the 2007-08 Executive Budget provides transitional funding of \$379.7 million to support SUNY's high priority projects.

## **PROGRAM HIGHLIGHTS**

As of March 31, 2006, the Fund has completed 4,930 academic, dormitory and dining hall capital projects with a replacement value of approximately \$20 billion. During the 2005-06 fiscal year, the Fund initiated the design of 68 projects having a total value of \$74.9 million and began construction of 67 projects having an estimated cost of \$192 million. These figures exclude projects administered by individual campuses.

In addition to design and construction of SUNY's educational facilities, other key functions of the Fund include:

- Preparation and development of the State University's Master Capital Construction Plan, as well as master plans for individual campuses;

# STATE UNIVERSITY CONSTRUCTION

- Preparation of the State University's annual capital budget request and facility program;
- Development and maintenance of online interactive data processing systems on space and property inventories, real property, State building codes and other related plant management functions; and
- Management and administration of University-wide programs including minor rehabilitation, energy conservation and telecommunications.

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	16,077,000	17,340,000	1,263,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	16,077,000	17,340,000	1,263,000	0

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
Special Revenue Funds - Other	125	125	0
Total	125	125	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
Special Revenue Funds - Other	16,077,000	17,340,000	1,263,000
Total	16,077,000	17,340,000	1,263,000

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
Special Revenue Funds - Other	16,077,000	17,340,000	1,263,000
Total	16,077,000	17,340,000	1,263,000

# STATE UNIVERSITY CONSTRUCTION

STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	17,340,000	1,263,000	10,322,000	365,000
Total	<u>17,340,000</u>	<u>1,263,000</u>	<u>10,322,000</u>	<u>365,000</u>

<u>Program</u>	<u>Nonpersonal Service</u>	
	<u>Amount</u>	<u>Change</u>
Administration	7,018,000	898,000
Total	<u>7,018,000</u>	<u>898,000</u>



# **OFFICE OF WELFARE INSPECTOR GENERAL**

## **MISSION**

The Office of Welfare Inspector General was established in 1992 to prevent, investigate, and prosecute public assistance fraud. The Office investigates and when appropriate prosecutes welfare recipients who are dishonestly receiving benefits for which they are not eligible. The Office also investigates instances in which Medicaid, day care or other providers or administrators of services, or government employees are accepting payments fraudulently.

In carrying out its responsibilities, the Office works closely with various State agencies in support of fraud investigations. The Office of Temporary and Disability Assistance provides welfare program data and legal guidance concerning the application of program rules and regulations. Local social services districts assist the Office with identifying the amount of money fraudulently obtained from different welfare programs. The Attorney General assists the Office with the prosecution of those alleged to be involved in fraudulent activity. While most cases involve welfare fraud, the Office also works with the Office of Children and Family Services on cases involving adult homes, and other community programs, as well as the Department of Health and the Office of the Medicaid Inspector General on Medicaid related cases.

## **ORGANIZATION AND STAFFING**

The Office is headed by the Welfare Inspector General who is appointed for a five-year term by the Governor with the advice and consent of the Senate. In addition to the Inspector General, personnel include a Deputy Inspector General, a Chief Investigator, a General Counsel, staff attorneys, fraud investigators and administrative support staff. The Welfare Inspector General's statewide operations are administered from New York City and a field office in Albany.

The Office will have a workforce of ten for 2007-08, which is consistent with 2006-07 staffing levels.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2007-08 Executive Budget recommends total appropriations of \$1,337,000 for the Office of Welfare Inspector General, including \$408,000 in General Fund support and \$929,000 in Federal funds the Office receives for fraud investigations related to welfare, Food Stamps and Medicaid. The 2007-08 Budget includes a \$103,000 increase from 2006-07 for negotiated salary, fuel and rent increases.

## **PROGRAM HIGHLIGHTS**

The Office annually receives hundreds of complaints about alleged welfare fraud originating from citizens, government agencies, and the Office's self-generated investigations. Fraud investigations generate savings for all levels of government by uncovering fraudulent activity by a member of a household receiving welfare, as well as

## **WELFARE INSPECTOR GENERAL**

unreported income or inappropriate claiming practices by those who provide day care, employment, health care or other services to welfare recipients. In calendar year 2006, the Office worked on 205 fraud investigations and recovered \$510,423 which was refunded to the appropriate programs. Stopping fraudulent activity reduces future years' welfare costs by individuals who would otherwise continue to fraudulently take money from the government, and by providing a deterrent to those who may seek to defraud government programs.

In addition to these investigations of individual welfare recipients, the Office completes investigations to uncover patterns of abuse within the welfare system including investigations of internal corruption within social services districts and welfare contractors. The Office works with the Attorney General to strengthen welfare fraud prosecution and also acts directly through its prosecutions unit. In addition to conducting fraud investigations, the Office reviews the fraud efforts of the Department of Family Assistance, County and New York City Social Services departments and makes recommendations to those entities on how to administer welfare programs and services more effectively throughout the State.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	1,234,000	1,337,000	103,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>1,234,000</b>	<b>1,337,000</b>	<b>103,000</b>	<b>0</b>

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

<b>Program</b>	<b>Full-Time Equivalent Positions (FTE)</b>		
	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
	Welfare Inspector General, Office of the General Fund	4	4
Special Revenue Funds - Other	6	6	0
<b>Total</b>	<b>10</b>	<b>10</b>	<b>0</b>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	394,000	408,000	14,000
Special Revenue Funds - Other	840,000	929,000	89,000
<b>Total</b>	<b>1,234,000</b>	<b>1,337,000</b>	<b>103,000</b>



# WELFARE INSPECTOR GENERAL

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Welfare Inspector General, Office of the General Fund	394,000	408,000	14,000
Special Revenue Funds - Other	840,000	929,000	89,000
Total	<u>1,234,000</u>	<u>1,337,000</u>	<u>103,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Welfare Inspector General, Office of the Total	<u>408,000</u>	<u>14,000</u>	<u>408,000</u>	<u>14,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>	
	<u>Amount</u>	<u>Change</u>
Total	<u>0</u>	<u>0</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Welfare Inspector General, Office of the Total	<u>929,000</u>	<u>89,000</u>	<u>444,000</u>	<u>0</u>

<u>Program</u>	<u>Nonpersonal Service</u>	
	<u>Amount</u>	<u>Change</u>
Welfare Inspector General, Office of the Total	<u>485,000</u>	<u>89,000</u>





***HEALTH AND  
MENTAL HYGIENE***



# ***OVERVIEW AND PERFORMANCE MEASURES***

## ***HEALTH CARE***

The following charts provide some information on performance and fiscal measures related to New York's health care programs. New York State's Medicaid spending totaled \$44.1 billion in State Fiscal Year 2005-06. New York spends more than any other state on both a total and per capita basis. Medicaid expenditures are the result of several factors, such as access to services, beneficiary mix, eligibility, benefits provided and managed care enrollment. New York's enrollment in Medicaid managed care programs and other State-supported health care programs has increased significantly over the past ten years, especially for the elderly.

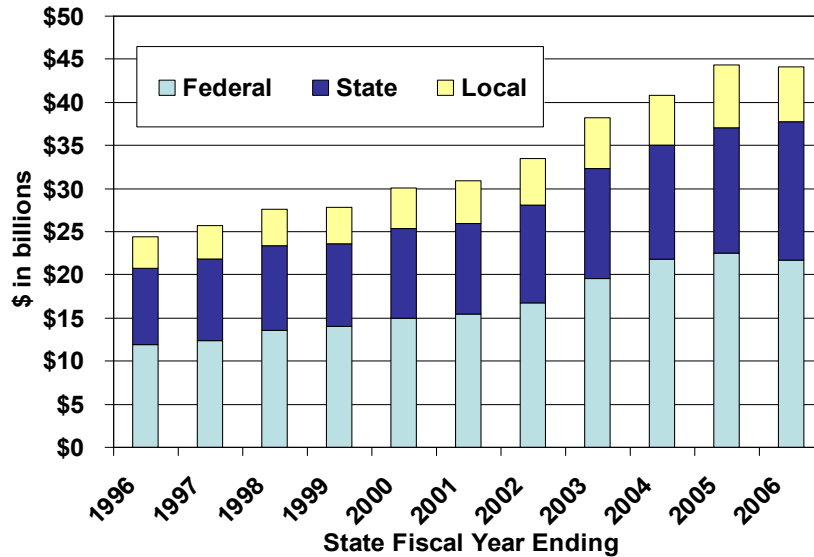
Family Health Plus and the Elderly Pharmaceutical Insurance Coverage (EPIC) programs have all resulted in improving the lives of New York State residents. In addition, enrollment in Medicaid managed care has increased. The Family Health Plus program provides health insurance coverage for low-income New Yorkers between the ages of 19 and 64 who have income or resources too high to qualify for Medicaid. The EPIC program provides comprehensive prescription drug coverage for individuals over 65 with incomes up to \$35,000 (single) or \$50,000 (married).

Various provisions included in the Executive Budget are intended to begin to reform New York's health care system by more directly associating spending with patient needs. Funding shifts can be expected to result in improved patient outcomes as measured by incidence and degree of illness.

The information below is based on the most recent actual data available from the New York State Division of the Budget, the New York State Department of Health, and the Centers for Medicare and Medicaid Services.

## HEALTH CARE

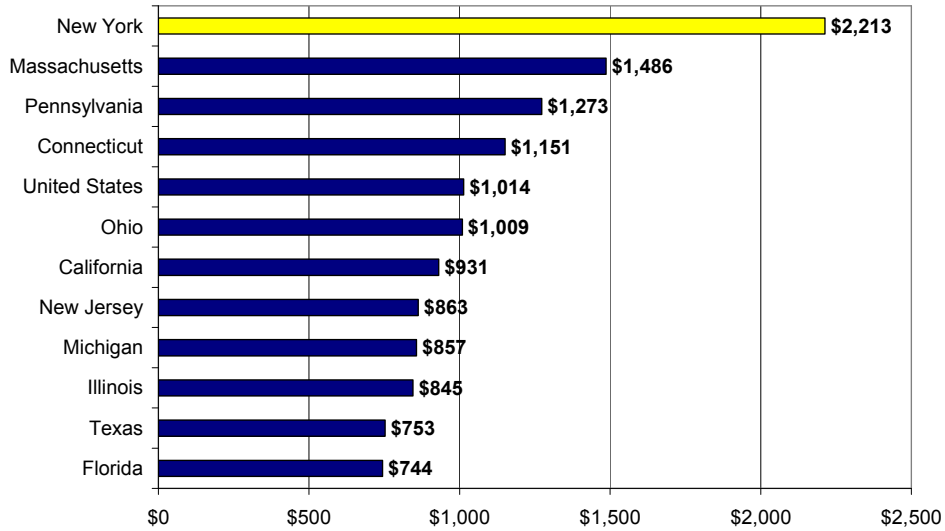
### Federal, State and Local Medicaid Spending from 1995-96 through 2005-06



Source: New York State Division of the Budget

Federal, State and local Medicaid spending increased steadily from 1996 through 2005, as caseload and health care costs have increased. Beginning in 2006, however, total costs show a slight decline over the prior year. Total Federal, State and local spending for State Fiscal Year 2005-06 was more than \$44 billion.

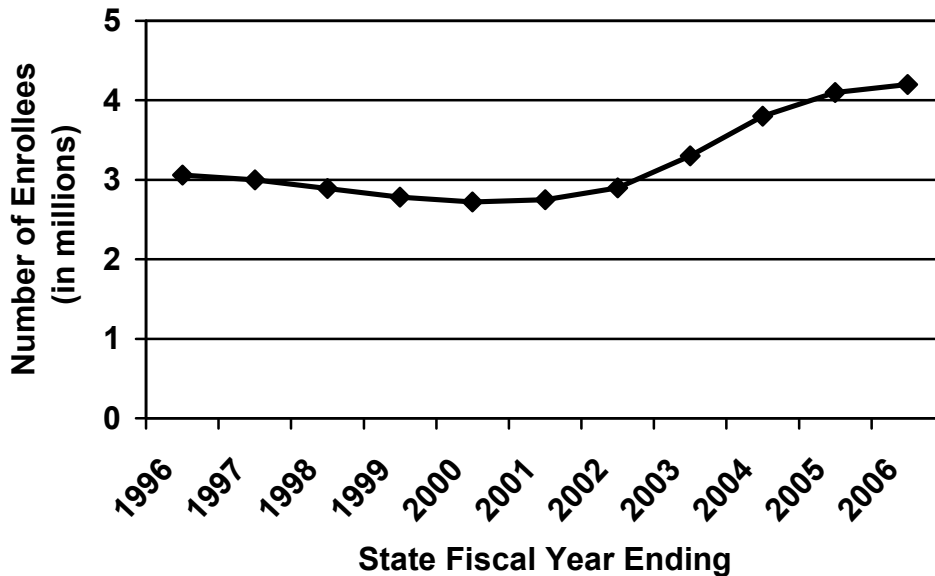
**Total Per Capita Medicaid Spending by Selected States**



Source: Centers for Medicare and Medicaid Services

New York ranks first in total Medicaid spending compared to a select number of other states. In 2005, New York’s Medicaid spending of \$2,213 per person was over twice the amount of \$1,014 spent nationally.

**Total Medicaid Caseload from 1995-96 through 2005-06**



Source: New York State Department of Health

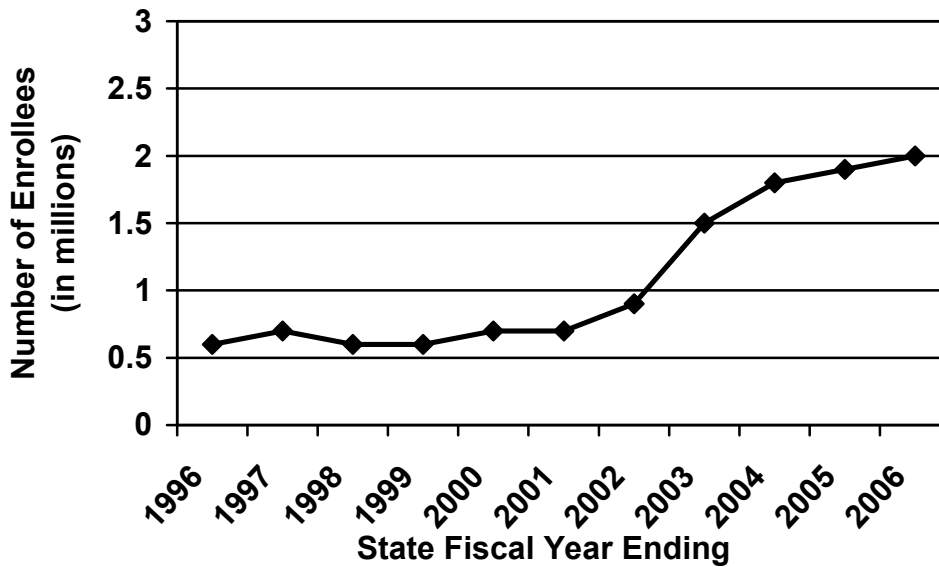
New York State’s Medicaid caseload, including those enrolled in Family Health Plus, has increased by more than 1 million individuals, from 3 million enrollees in 1995-96 to more

## HEALTH CARE

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than 4 million in 2005-06. Average annual caseload for the Family Health Plus program, which began in 2001, grew from 5,800 in 2001-02 to 518,000 in 2005-06, representing 12 percent of total caseload.

### Total Medicaid Managed Care Caseload from 1995-96 through 2005-06

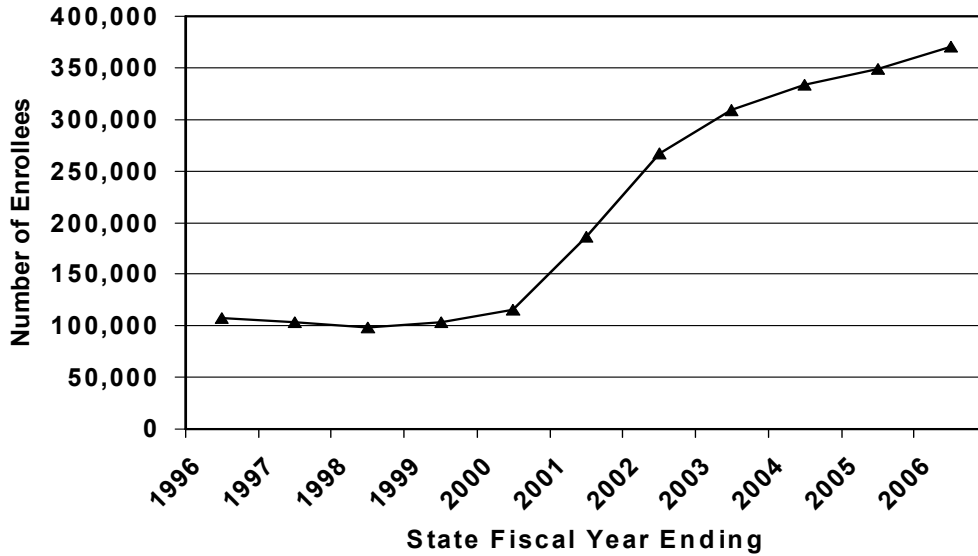


Source: New York State Department of Health

Medicaid managed care is a health insurance plan or health care system that coordinates the provision, quality and cost of care for its enrolled members. New York's Medicaid managed care caseload has increased from 600,000 individuals in 1995-96 to slightly more than 2 million in 2005-06. In 1997, New York implemented a mandatory Medicaid managed care program to improve access to coordinated health care and provide a medical "home" to recipients in a cost-effective manner.



**Total Caseload for EPIC from 1995-96 through 2005-06**



Source: New York State Department of Health

New York State's EPIC program, which assists the elderly with their prescription drug costs, has increased significantly since 1995-96. Caseload increased from nearly 107,000 in 1996 to 370,000 in 2006, representing an increase of 246 percent. In 2001, income eligibility levels were increased to help more seniors enroll in EPIC.



# **MENTAL HYGIENE**

New York State makes a substantial investment in the provision of services to individuals with mental illnesses, chemical dependencies and mental retardation and developmental disabilities. Taxpayers, advocates and other stakeholders need to be informed as to how these service systems are performing and how consumer needs are being met.

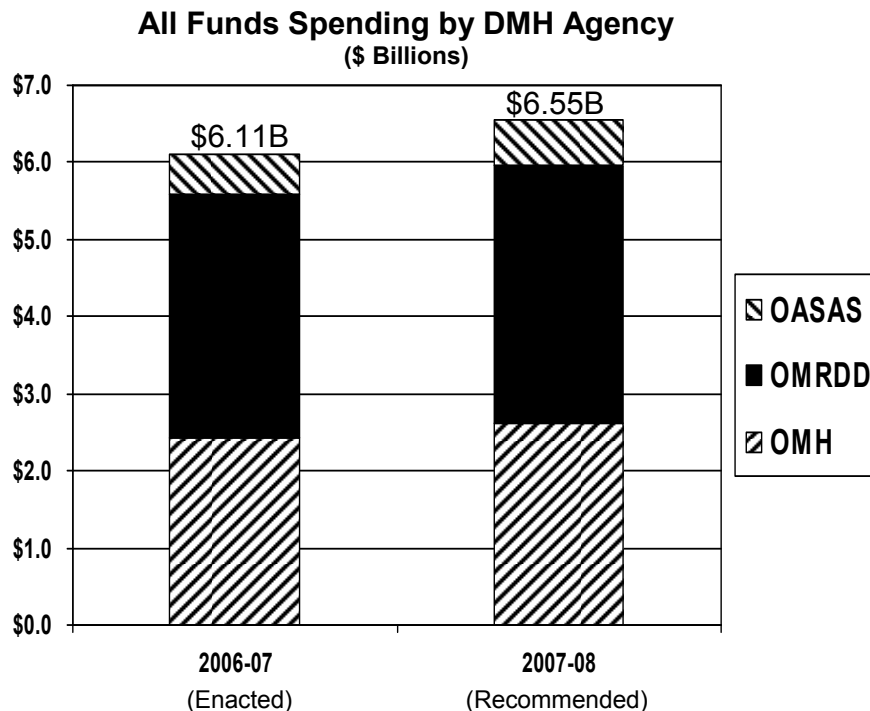
The State’s Department of Mental Hygiene (DMH) agencies – Office of Mental Health (OMH); Office of Mental Retardation and Developmental Disabilities (OMRDD) and Office of Alcoholism and Substance Abuse Services (OASAS) – are responsible for providing and overseeing services for these at-risk populations.

Accordingly, the following charts show that All Funds spending for New York’s mental hygiene agencies will increase by over \$440 million from 2006-07 levels, to \$6.55 billion in 2007-08.

This level of Mental Hygiene funding places New York as the second leading state in the nation, with per capita funding levels that are more than double the national average.

The Mental Hygiene populations also reflect some of the most chronically ill and service intensive populations in the State that often cross over between care systems. In part, this phenomenon explains their high cost of care and New York’s overall high per capita spending levels. In order to ensure appropriateness of care and its cost effective delivery, the State must continually strive to ensure that physical and mental health care is integrated and rationally funded. One high cost health area targeted for reform in 2007-08 involves co-morbid populations and detoxification services.

While major advances are being made in the development of outcome measures in the mental hygiene field, consumer satisfaction remains one of the most significant performance value indicators. New York scores high (over 90 percent of consumers satisfied) in all three mental hygiene areas and is still striving to improve on this measure by offering consumers a greater choice of rehabilitative services and opportunities.

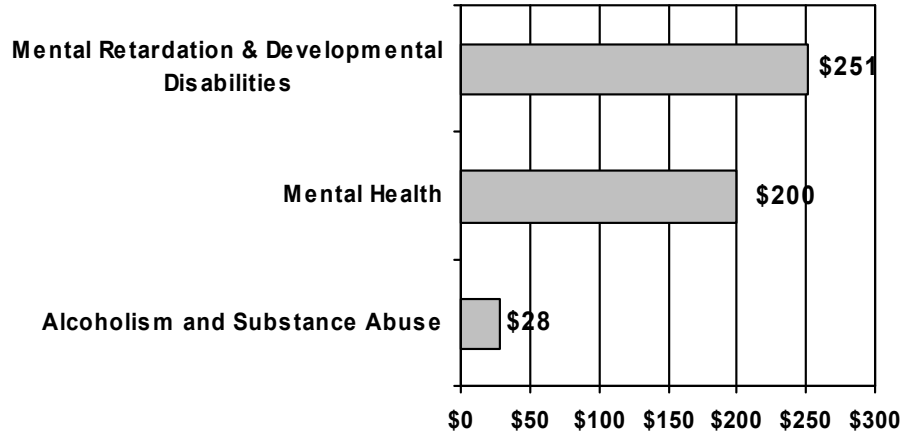


Source: NYS Division of the Budget

## ***MENTAL HYGIENE***

All Funds spending for New York’s Mental Hygiene agencies will increase by over \$440 million, or seven percent, from 2006-07 levels. The increase reflects the annualization of prior year initiatives and the initiation of new community-based services expansion, consistent with the U.S. Supreme Court’s *Olmstead* decision, balanced by critical investments to strengthen ongoing programs, particularly in the area of non-profit workforce recruitment and retention. Also reflected is the fixed cost of service delivery in State-operated institutional and community programs.

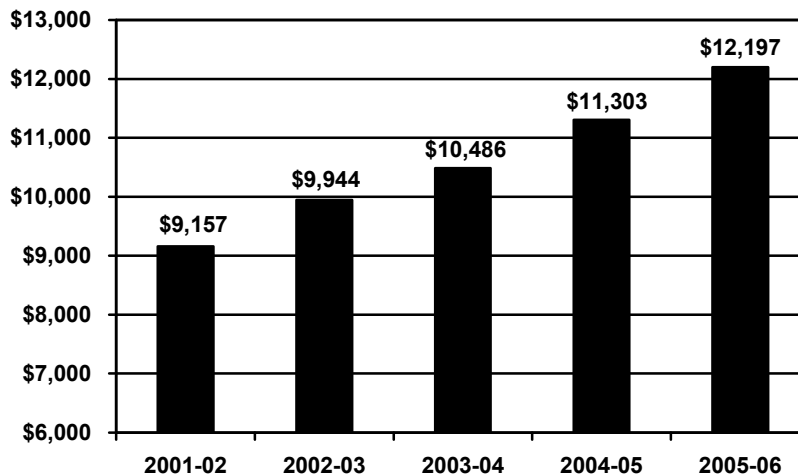
**New York Mental Hygiene Per Capita Spending**



Source: Coleman Institute for Cognitive Disabilities, National Association of State Mental Health Program Directors Research Institute, Center on Addiction and Substance Abuse

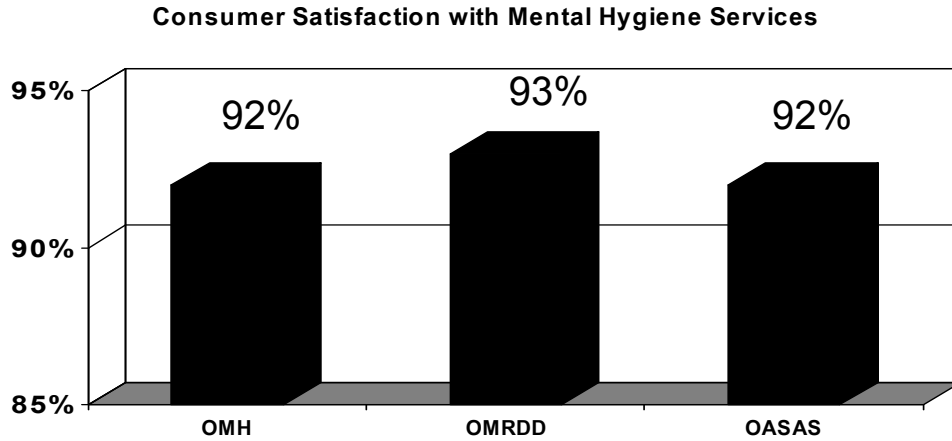
For every New Yorker, the State spends an average of \$250 in services for mental retardation and developmental disabilities; \$200 for mental health care; and \$28 for substance abuse services. New York’s spending on these health services is more than double the national average in all three mental hygiene categories.

**Medicaid Spending Per Recipient For Hospital Detox Has Increased By 33% Over The Last 5 Years**



Source: NYS Division of the Budget

Unlike other states, nearly all of New York’s detoxification services are provided in hospital-based settings (85 percent of all cases). While costs have continued to escalate (reaching over \$12,000 per recipient), outcomes from this service remain poor – nearly 75 percent of all discharges are not linked to necessary follow-up care and almost 45 percent of those released cycle back to hospitals for crisis detoxification services. These high cost services and patient recycling require reform. The success of reform will be measured by a decrease in repeat hospital services and a correlation between money invested and outcomes for patients.



Assessing customer satisfaction is a key measure of the effectiveness of mental hygiene services. The chart above illustrates that a vast majority of all clients are satisfied with the services they receive. Specifically, based on a 2005 survey of State-operated outpatient programs conducted by OMH, 92 percent of all recipients rated services in the good to excellent range, indicating they were generally satisfied with services. In addition, OMRDD conducted a survey of its nationally renowned NYS-CARES program, and found that 93 percent of the 12,000 consumers were highly satisfied with their Day and Residential services. Lastly, OASAS surveyed clients who received inpatient services at its Addiction Treatment Centers (ATCs) and roughly 92 percent reported satisfaction.



# **STATE OFFICE FOR THE AGING**

## **MISSION**

The New York State Office for the Aging is responsible for promoting, coordinating and administering State, Federal and local programs and services for 3.2 million New Yorkers aged 60 or older. The Office provides leadership and direction to 59 Area Agencies on Aging, as well as to numerous other local programs and providers that comprise the network of services to the aged.

## **ORGANIZATION AND STAFFING**

The State Office for the Aging is headed by a Director and is composed of three divisions: Executive, Finance and Administration and Local Program Operations. The Office will have a workforce of 141 positions during 2007-08, 135 funded within the agency, and an additional six funded by other State agencies. Approximately 47 percent of Office operations are funded by the General Fund and 53 percent are financed by Federal grants and other revenue sources.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2007-08 Executive Budget recommends \$233 million in State and Federal funds for the operations of the Office and support for community-based services for the elderly. The Budget includes new funding to expand the Supplemental Nutrition Assistance Program (SNAP) and establish a Family Caregiving Council. The Executive Budget also adds funding to support the second year of a three year Cost of Living Adjustment tied to the Consumer Price Index for the following SOFA programs: Expanded In-home Services for the Elderly Program (EISEP), Community Services for the Elderly (CSE) Program and the Supplemental Nutrition Assistance Program (SNAP). Within the aging system, State support is used to match the Older Americans Act and other Federal funding and establish a service-delivery network that attracts a variety of other public and private contributions. When combined, this results in total network spending of over \$400 million, excluding the value of volunteer labor, which has been estimated at upwards of \$35 million.

## **PROGRAM HIGHLIGHTS**

The full array of programs offered through the Office for the Aging are aimed at keeping seniors independent as long as possible with the assistance of family and other informal caregivers, as well as through the limited use of formal support services. These community-based services help keep people healthy and in their homes and out of hospitals and nursing homes.

## **COMMUNITY BASED LONG TERM CARE SERVICES**

The 2007-08 Budget continues funding for the Office's community based service programs, including CSE, Naturally Occurring Retirement Communities (NORCs), Neighborhood NORCs, Respite services and operational funding for transportation providers. The Budget also preserves core funding for EISEP. EISEP provides non-medical

## **AGING**

in-home services, case management, respite and ancillary services to the frail elderly, most of whom are low income but not eligible for Medicaid. Recipients are required to cost-share, based on their annual income level, for received EISEP program services. EISEP is expected to serve almost 51,000 persons in 2007-08.

### **NUTRITION SERVICES**

Through a combination of State tax dollars and Federal grants, the State annually provides over 23.7 million congregate and home-delivered meals as well as other nutritional services to non-institutionalized frail elderly clients. These seniors are at risk of malnutrition because they are no longer able to obtain an adequate diet without assistance. The Office receives \$41 million from Federal grants in support of congregate and home-delivered meals and another \$16 million to support the purchase of food. The 2007-08 Budget increases funding for the Supplemental Nutrition Assistance Program (SNAP), the State counterpoint to the Federal programs, from \$18 million to \$19 million. This will expand the number of meals provided to elderly individuals by 160,000 annually.

### **ASSISTANCE TO CAREGIVERS**

Family members and other informal caregivers provide an estimated 80 percent of long-term care for older New Yorkers; sustaining this cost-effective, individualized support system for seniors is a key objective of the aging service system. The State Office for the Aging's 17 Caregiver Resource Centers assist caregivers through training programs, support groups, counseling and linkages to other community services. The \$12 million Federal Caregivers Program provides respite, training and counseling for caregivers, as well as other services that support an elderly person's ability to maximize their independence. The 2007-08 Budget provides funding to establish a Family Caregiving Council to gather information on family caregiving, evaluate how current programs and policies impact caregivers and develop recommendations to address unmet needs.

### **VOLUNTEER ADVOCACY**

The Long-Term Care Ombudsman Program (LTCOP) supports the statewide advocacy of more than 1,600 trained volunteers on the behalf of the approximately 163,000 residents of New York State's nursing homes and adult care facilities. Under this program, the State Office for the Aging and community agencies receive, investigate and resolve a wide range of concerns and complaints regarding conditions and treatment in long-term care facilities, with the goal of ensuring the quality of life for residents.

#### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	13,034,000	13,206,000	172,000	6,595,000
Aid To Localities	209,761,300	219,433,000	9,671,700	120,120,300
Capital Projects	0	0	0	0
<b>Total</b>	<b>222,795,300</b>	<b>232,639,000</b>	<b>9,843,700</b>	<b>126,715,300</b>



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

**Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration and Grants Management			
General Fund	33	33	0
Special Revenue Funds - Federal	107	107	0
Special Revenue Funds - Other	1	1	0
Total	<u>141</u>	<u>141</u>	<u>0</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	2,384,000	2,556,000	172,000
Special Revenue Funds - Federal	10,250,000	10,250,000	0
Special Revenue Funds - Other	300,000	300,000	0
Enterprise Funds	100,000	100,000	0
Total	<u>13,034,000</u>	<u>13,206,000</u>	<u>172,000</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Administration and Grants Management			
General Fund	2,384,000	2,556,000	172,000
Special Revenue Funds - Federal	10,250,000	10,250,000	0
Special Revenue Funds - Other	300,000	300,000	0
Enterprise Funds	100,000	100,000	0
Total	<u>13,034,000</u>	<u>13,206,000</u>	<u>172,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Grants Management	2,225,000	322,000	2,211,000	321,500
Total	<u>2,225,000</u>	<u>322,000</u>	<u>2,211,000</u>	<u>321,500</u>

<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>
Administration and Grants Management	14,000	500
Total	<u>14,000</u>	<u>500</u>

# AGING

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Grants Management	331,000	(150,000)	33,000	0
Total	<u>331,000</u>	<u>(150,000)</u>	<u>33,000</u>	<u>0</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Grants Management	56,000	0	210,000	0
Total	<u>56,000</u>	<u>0</u>	<u>210,000</u>	<u>0</u>

<b>Program</b>	<b>Equipment</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Grants Management	7,000	0	25,000	(150,000)
Total	<u>7,000</u>	<u>0</u>	<u>25,000</u>	<u>(150,000)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Grants Management	10,650,000	0	7,600,000	0
Total	<u>10,650,000</u>	<u>0</u>	<u>7,600,000</u>	<u>0</u>

<b>Program</b>	<b>Nonpersonal Service</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Grants Management	2,650,000	0	400,000	0
Total	<u>2,650,000</u>	<u>0</u>	<u>400,000</u>	<u>0</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	98,161,300	107,833,000	9,671,700
Special Revenue Funds - Federal	107,600,000	107,600,000	0
Special Revenue Funds - Other	4,000,000	4,000,000	0
Total	<u>209,761,300</u>	<u>219,433,000</u>	<u>9,671,700</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Community Services			
General Fund	98,161,300	107,833,000	9,671,700
Special Revenue Funds - Federal	107,600,000	107,600,000	0
Special Revenue Funds - Other	4,000,000	4,000,000	0
Total	<u>209,761,300</u>	<u>219,433,000</u>	<u>9,671,700</u>

# ***DEVELOPMENTAL DISABILITIES PLANNING COUNCIL***

## ***MISSION***

The New York State Developmental Disabilities Planning Council is fully funded under the Federal Developmental Disabilities Assistance and Bill of Rights Act. The Act, originally signed into law in 1975, authorizes the Council to prepare, implement and monitor a plan for improving the quality of life for people with developmental disabilities.

## ***ORGANIZATION AND STAFFING***

Located in Albany, the Council comprises 34 current members who have been appointed by the Governor to three-year staggered terms. Federal law requires that at least 60 percent of the Council's membership be persons with developmental disabilities, parents or guardians of children with developmental disabilities and immediate relatives or guardians of adults with mentally impairing developmental disabilities who cannot advocate for themselves. Other required members represent State agencies, educational and training providers and local, public and private service agencies.

The Governor appoints the Chairperson of the Council from among the Council's members. In addition, a full-time staff of 18, under the leadership of an Executive Director, assists the Council in carrying out its mission.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

Federal funds fully support all Council operations, including State staff and contracts with non-profit agencies to develop new services and service delivery methods. The contracts are monitored by the Council to ensure that Federal funds provided to the State are used to augment — rather than duplicate or replace — existing services for people with developmental disabilities.

The 2007-08 recommendation of \$4.6 million in Federal funds represents the same level of funding as in 2006-07 and is based on the level of anticipated Federal Funding. This funding is sufficient to support the Council's role in coordinating information about persons with developmental disabilities and the services available to them, and in overseeing grant funds.

## ***PROGRAM HIGHLIGHTS***

Through its Council membership of State agency heads, including the Commissioner of the Office of Mental Retardation and Developmental Disabilities, the Council employs an interagency approach to advocate improved and enhanced services, supports and assistance for persons with developmental disabilities. Its activities include conducting quarterly meetings, preparing policy papers on issues affecting the disabled, providing training and technical assistance and implementing the recently approved five-year State Plan (FFY 2007 – FFY 2011). For 2007-08, the Council will continue to identify and fund new and innovative demonstration programs in support of its multi-year State Plan, including those aimed at increasing the number of available employment opportunities, promoting choice in

## **DEVELOPMENTAL DISABILITIES**

housing, and reducing obstacles in transportation to facilitate community integration. In support of these and other strategic objectives, the Council works with persons with developmental disabilities, parents, service providers, advocacy groups and local and State government agencies to advocate for an enhanced system of community services, individualized supports and assistance that facilitates self-determination, independence, community inclusion and productivity.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	4,560,000	4,560,000	0	5,538,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>4,560,000</b>	<b>4,560,000</b>	<b>0</b>	<b>5,538,000</b>

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

#### **Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Developmental Disabilities Planning			
Special Revenue Funds - Federal	18	18	0
<b>Total</b>	<b>18</b>	<b>18</b>	<b>0</b>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Special Revenue Funds - Federal	4,550,000	4,550,000	0
Enterprise Funds	10,000	10,000	0
<b>Total</b>	<b>4,560,000</b>	<b>4,560,000</b>	<b>0</b>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Developmental Disabilities Planning			
Special Revenue Funds - Federal	4,550,000	4,550,000	0
Enterprise Funds	10,000	10,000	0
<b>Total</b>	<b>4,560,000</b>	<b>4,560,000</b>	<b>0</b>

## **DEVELOPMENTAL DISABILITIES**

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Developmental Disabilities Planning	4,560,000	0	985,000	(35,000)
Total	4,560,000	0	985,000	(35,000)

<b>Program</b>	<b>Nonpersonal Service</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Developmental Disabilities Planning	887,000	(63,000)	2,688,000	98,000
Total	887,000	(63,000)	2,688,000	98,000



# **DEPARTMENT OF HEALTH**

## **MISSION**

The Department of Health ensures that high quality appropriate health services are available to all New York State residents at a reasonable cost. Department functions and responsibilities include:

- Promoting and supervising public health activities throughout the State;
- Ensuring high quality medical care in a sound and cost effective manner for all residents;
- Reducing infectious diseases such as food and waterborne illnesses, hepatitis, HIV, meningitis, sexually transmitted infections, tuberculosis, vaccine-preventable diseases and chronic disabling illnesses such as heart disease, cancer, stroke and respiratory diseases; and
- Directing a variety of health-related homeland security measures in conjunction with the Office of Homeland Security. As part of this mission, the Department works with the State's health care community to ensure appropriate readiness and response to potential public health threats.

The Department of Health is also the principal State agency that interacts with the Federal and local governments, health care providers and program participants for the State's Medicaid program. In addition, the Office of Health Insurance Programs, a new entity within the Department, will be responsible for developing and implementing strategies to improve access to health insurance coverage for the uninsured and providing for an integrated approach to oversight and administration of the Medicaid program to strengthen coordination within the Department and among State agencies and focus on improving health outcomes.

## **ORGANIZATION AND STAFFING**

Under the direction of the Commissioner, who is appointed by the Governor, the Department of Health meets its responsibilities through the Office of Health Insurance Programs, the Office of Long Term Care Services and Programs, the centers located in the Office of Public Health, and the Office of Health Systems Management. The 2007-08 Executive Budget provides for the Department's reorganization by consolidating all public health insurance programs under a new office, responsible for Medicaid and Family Health Plus, Child Health Plus, Elderly Pharmaceutical Insurance Coverage, and the AIDS Drug Assistance Program, and all long term care services under a single office to improve integration of planning and program development. These entities are responsible for providing policy and management direction to the Department's system of regional offices. Department staff located in regional offices conduct health facility surveillance, monitor public health, provide direct services and oversee county health department activities.

Additionally, the Department is responsible for five health care facilities that are engaged in patient care: the Helen Hayes Hospital in West Haverstraw which offers specialty rehabilitation services, and four nursing homes for the care of veterans and their dependents in Oxford, New York City, Batavia and Montrose. In early 1999, responsibility for the operations of the Roswell Park Cancer Institute was transferred to a public benefit corporation, the Roswell Park Cancer Institute Corporation, pursuant to an operating agreement between the Corporation and the Department. This has provided Roswell with the flexibility needed to compete more effectively in a changing health care environment.

## **HEALTH**

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In 2007-08, the Department of Health will have a workforce of 5,998 positions, with 28 percent of those positions employed in the Department's health care facilities.

- Approximately 15 percent of these positions are paid by the General Fund;
- 10 percent are directly supported by fees;
- 58 percent are supported by third party, private patient care and Federal reimbursement; and
- The remaining 17 percent are directly funded by Federal grants.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

### **MEDICAID**

Without any new cost controlling measures, total Medicaid spending in New York would grow to \$48.7 billion in 2007-08. The 2007-08 Medicaid Budget reflects a commitment to an effective and affordable delivery system that promotes high quality health care, protects patients, and ensures access to appropriate services to meet the health care needs of the State's most vulnerable residents.

Medicaid costs represent the single largest spending area in the State's budget. While spending growth has moderated recently, it continues to increase at a rate that places an unaffordable burden on State and local governments. Accordingly, the 2007-08 Executive Budget includes funding to support the Medicaid cap legislation which provides significant fiscal relief to local governments by capping their share of Medicaid costs up to the amount they will have spent in 2005, as modified by a predictable growth factor. To help control and refocus Medicaid spending, the Budget recommends a series of actions to limit Medicaid cost increases to keep the program affordable for State taxpayers while ensuring continued access to needed health care services for recipients. This Budget represents the first stage of a fundamental retooling of New York's health care system by:

- providing resources to facilitate the closure and consolidation of hospitals with excess capacity and investing in health care technologies and infrastructure;
- shifting spending away from expensive institutional nursing homes toward community and home-based alternatives;
- building the bridge to a rational reimbursement system for hospitals, nursing homes, and other services;
- appropriately paying for pharmaceuticals by reducing the cost for prescription drugs and setting the stage for more equitable payment measurements;
- strengthening care coordination and management for high-cost individuals to lower costs and improve treatment outcomes;
- implementing necessary cost containment measures and reforms to make health care more affordable; and
- addressing the uninsured, by simplifying enrollment processes and expanding coverage for children.

In addition, the Executive Budget advances statutory reforms to assist in the fight against fraud including a New York State False Claims Act and a Martin Act for Health Care and provides additional resources for the Office of the Medicaid Inspector General to improve and expand the State's Medicaid fraud, waste and abuse control efforts.



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**Pharmacy**

Absent efforts to control growth, State Medicaid spending on pharmacy services will reach \$1.4 billion in 2007-08. The 2007-08 Executive Budget recommends several measures to control these costs, including: strengthening the Preferred Drug Program; instituting best practices for prescribing mental health drugs; including anti-depressants on the Preferred Drug Program in consultation with the Office of Mental Health; and, reducing pharmacy reimbursement for changes in Federal Upper Payment Limits and changing from Average Wholesale Price (AWP) less 20 percent to AWP less 30 percent for generics and from AWP less 13.25 percent to AWP less 15 percent for brand name drugs. In addition, to encourage the use of lower cost drug alternatives, the Budget provides for a \$1 increase in the dispensing fee paid to pharmacies for generic prescriptions.

The Department of Health continues to dedicate \$5 million in administrative resources and educational supports to ensure that individuals who are eligible for both Medicaid and Medicare have access to medically necessary drugs under the Medicare Part D prescription drug program. These funds support ongoing Department of Health activities including: education and training for recipients, interventions with pharmacies, prescribers and plans, and monitoring to ensure Medicaid beneficiaries are enrolled and medications are appropriately covered by their Part D plans. In addition, the Budget includes additional funding for the State Medicaid program to continue a wrap around benefit for certain drugs used in the treatment of mental illnesses, HIV/AIDS and organ transplants.

**Acute Care**

The Health Care Reform Act (HCRA) serves as the statutory basis governing hospital financing. Under HCRA, most non-Medicaid payors negotiate rates with hospitals, encouraging competition in the health care industry. Medicaid rates are established consistent with governing HCRA statutes.

The 2007-08 Executive Budget recommendations for HCRA extend the program through March 31, 2008; secure its fiscal stability by increasing available revenues and reducing costs where feasible; continue to provide hospitals and clinics with adequate funding; and, ensure that high quality health care services are accessible and affordable for all New Yorkers.

State Medicaid spending for hospitals and clinics is expected to be approximately \$2.2 billion in 2007-08, which reflects a number of Budget recommendations to limit the growth in those costs. These include reducing Graduate Medical Education (GME) payments to facilities that lack the costs necessary to support existing reimbursement levels; eliminating the annual inflationary increase; and continuing the hospital assessment at current levels and waiving the reconciliation requirement which caps liability. In addition, the Executive Budget advances a series of reimbursement reforms to move towards a rational reimbursement system including, updating the hospital inpatient rates to realign reimbursement with costs; and redirecting supplemental payments based on Medicaid indicators which more appropriately link funding to need.

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### ***Long Term Care***

State spending on nursing home and community-based care comprises more than half the General Fund Medicaid Budget — or an estimated \$5.2 billion in 2007-08. The 2007-08 Executive Budget recommends several initiatives that affect nursing homes including requiring providers to offset inflationary cost increases; eliminating the case mix enhancements for Medicare patients which are inappropriate because of changes in Federal reimbursement policy; and permanently continuing the reimbursable assessment at six percent. In addition, the Executive Budget would eliminate reimbursement for certain non-medically necessary personal care services.

The 2007-08 Executive Budget includes funding for the “rebasings” legislation which updates the nursing home reimbursement methodology, starting January 1, 2007, over a three-year period. Once fully implemented, the rebasing of the rates will provide more than \$400 million in new resources for nursing homes.

While progress continues to be made in implementing the provisions of the Long Term Care Integration and Finance Act of 1997, the 2007-08 Executive Budget advances new initiatives to shift spending away from expensive institutional care toward community and home-based alternatives for the elderly and disabled. These include: expanding the managed long-term care program; providing investments to increase reimbursement for traumatic brain injury waiver programs; funding demonstration projects for telehealth care; additional funding for the Office for the Aging’s Supplemental Nutrition Assistance Program for the elderly; and funding targeted investments to expand and promote the provision of care in community-based settings. Also, the Budget recommends requiring that counties — with State guidance and administrative support — aggressively pursue recoveries for individuals inappropriately taking advantage of eligibility loopholes that allow individuals to receive services without contributing to the cost of their care.

The new Office of Long Term Care Services and Programs will assume responsibility for long term care programs currently overseen by several bureaus and offices throughout the Department.

### ***Managed Care***

The 2007-08 Executive Budget reflects the continued mandatory enrollment of Medicaid recipients in managed care. To date, New York City and forty-four counties are operating managed care programs. New York City and twenty-three of these counties currently require mandatory enrollment.

A key component of the expansion underway is to require mandatory enrollment of Supplemental Security Income (SSI) and Seriously and Persistently Mentally Ill (SPMI) individuals into managed care for their health care benefits. Managed care enrollment is projected to reach approximately 2.2 million by the end of 2006-07 and 2.4 million in 2007-08. When fully implemented, over three-quarters of all Medicaid recipients eligible for managed care are expected to be enrolled. The managed care program has facilitated an increased use of primary care, better access to specialists and better care based on standard quality measures.

The State’s Medicaid managed care program — recently reauthorized through March 2009 — ensures that the neediest people receive high quality, accessible health care. In addition, the program has Special Needs Plans which provide comprehensive services to individuals infected with HIV/AIDS. Medicaid managed care also incorporates a

comprehensive set of consumer protections to ensure that all recipients obtain enrollment assistance and quality care, and understand their rights and responsibilities under managed care plans. The Executive Budget would require that managed care plans offset inflationary increases in 2007-08 to promote efficiencies and make health care coverage more affordable. Premiums will still be adjusted for recently enacted emergency room rate increases and newborn rate adjustments.

### ***Medicaid Administration***

The Department of Health is responsible for overall management of the Medicaid program, including the State's interaction with Federal and local governments, health care providers and Medicaid recipients. Counties will continue their role in making Medicaid eligibility determinations and contracting with providers of Medicaid services. Payments to health care providers are made through the State's new computerized payment system — commonly known as eMedNY — that is operated by a private company with oversight by State personnel. The new eMedNY Medicaid System replaced both the Medicaid Management Information System (MMIS) and the Electronic Medicaid Eligibility Verification System (EMEVs) with an integrated claims processing system. The new system provides updated technologies and brings New York State into compliance with new Federal reporting requirements. In addition, eMedNY is being used to substantially enhance front-end detection of Medicaid fraud.

### ***CHILD HEALTH PLUS***

New York's Child Health Plus (CHPlus) program continues to set a national standard for children's health insurance coverage for children up to age 19. Federal funds combined with State HCRA moneys allow CHPlus to provide comprehensive health insurance benefits for nearly 390,000 children.

The 2007-08 Executive Budget proposes new legislation — effective September 1, 2007 — to expand CHPlus eligibility from 250 percent to 400 percent of the Federal Poverty Level (FPL) to provide access to health insurance coverage for all children. With Federal approval for this expansion, New York's CHPlus program would be fully accessible and affordable for families of uninsured children. In addition, legislation is proposed to establish a new program to promote employee sponsored health insurance programs by providing cost effective premium subsidies for families with children eligible for the CHPlus program and individuals eligible for Family Health Plus (FHP).

The Budget would also require that all managed care plans — including CHPlus — offset inflationary increases in 2007-08 to promote efficiencies and make health care coverage more affordable and modify the procedures for temporary enrollment to ensure that Medicaid eligible children are not inappropriately enrolled in CHPlus, thus avoiding Federal disallowances.

### ***FAMILY HEALTH PLUS***

The Family Health Plus (FHP) program offers access to comprehensive health coverage for eligible low-income adults who do not have insurance through their employers, yet have incomes that do not qualify them for other publicly financed health programs. Under Family

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Health Plus, health coverage is provided to families with incomes up to 150 percent of the gross FPL. For individuals without children, coverage is offered to those at 100 percent of the FPL. When Federal funds are combined with State HCRA and General Fund moneys, FHP provides comprehensive health insurance benefits for 508,000 adults.

The 2007-08 Executive Budget proposes new legislation — effective January 1, 2008 — to streamline the renewal process by eliminating unnecessary documentation requirements for FHP and to provide 12 months guaranteed continuous coverage for certain adults to reduce gaps in coverage. That legislation also advances the same streamlining provisions for certain Medicaid recipients.

The Budget would also require that all managed care plans — including FHP — offset inflationary increases in 2007-08 to promote efficiencies and make health care coverage more affordable.

### **OTHER PUBLIC HEALTH PROGRAMS**

General Fund appropriations finance 18 percent of the Department of Health's budget in 2007-08 after excluding Medicaid and HCRA program costs. Other revenue sources, including: 1) reimbursement for patient care provided at the Department's health care facilities; 2) regulatory fees and audit recoveries; 3) management fees for hospital and nursing home construction projects financed through bond proceeds; and 4) registration, testing and certification fees for various public health services, support 45 percent of the Department of Health's budget, including the Professional Medical Conduct Program, clinical and environmental laboratory certification activities, and health care facilities' operating costs. The remaining 37 percent is provided by Federal grants and Enterprise funds.

Capital Project appropriations promote the efficient operation of healthcare facilities statewide and preserve and maintain the Department's hospitals, nursing homes, and the three separate laboratory facilities in Albany County that constitute the Wadsworth Center for Laboratories and Research. The costs of projects at the health care facilities are funded from the General Fund, HCRA and/or facility revenues.

This overall recommendation ensures that public health priorities are preserved. As such, the 2007-08 Executive Budget:

- Provides the third \$250 million installment, increasing available appropriation levels to \$750 million of the \$1 billion commitment over four-years, for the Healthcare Efficiency and Affordability Law for New Yorkers (HEAL NY) Program authorized in 2005-06. This program supports healthcare projects to upgrade information and healthcare technology, enhance the efficiency of facility operations and support facility improvement, reconfiguration and consolidation. This appropriation includes \$25 million for capital projects at the Roswell Park Cancer Institute;
- Provides \$798 million for the Elderly Pharmaceutical Insurance Coverage program (EPIC) to ensure that 372,000 senior citizens receive crucial prescription insurance. The Executive Budget provides a series of measures that will reduce the cost of the EPIC program, including the enrollment of all eligible seniors in Medicare Part D unless such enrollment presents a significant financial hardship. The EPIC program will cover Part D premium costs to prevent an increased cost to seniors as a result of coordinating benefits with the new Medicare prescription drug program. The Executive Budget also proposes to reduce pharmacy reimbursement to reflect changes in Federal Upper Payment Limit, reduce AWP reimbursement for brand

- name and generic drugs and increase the generic dispensing fee from \$4.50 to \$5.50, similar to Medicaid. The Budget also proposes to accelerate the implementation of a preferred drug program for EPIC. New York will continue to assist in covering prescription drug costs for more seniors than any other state in the nation;
- Provides \$188 million for the State share of Early Intervention (EI) which provides needed services to infants and toddlers under the age of three who have developmental delays. The Budget advances measures to improve insurance reimbursement for EI medical services provided to insured children and enhances the audit capabilities of EI program. The Budget also proposes a new EI fee of \$125 for individual providers and \$225 for agency providers to certify their eligibility to provide EI services. Such certification will be effective for five years and the fee revenue will offset the operational costs of approving provider applications;
  - Includes \$220 million for the General Public Health Work program to reimburse counties for core and optional public health services at a rate of thirty-six percent;
  - Increases from \$20 million to \$40 million a reserve appropriation to address any public health emergencies;
  - Includes \$29 million to stockpile medications and supplies to be used in the event of a pandemic outbreak, such as the avian flu;
  - Sustains the State's commitment to fighting the AIDS epidemic by providing statewide spending of \$3.5 billion for AIDS programs — a year-to-year increase of \$82 million — including \$125 million for the AIDS Institute. Emphasis will continue to be placed on prevention and specialized services which target resources to populations with the greatest risk of infection;
  - Includes \$78 million in direct support for the Roswell Park Cancer Institute Corporation;
  - Includes \$95 million, funded largely from HCRA, for an anti-smoking program, including counter advertising, community and school-based education programs, cancer mapping, cancer research, strict enforcement of laws regulating the sale and use of tobacco products. This appropriation includes \$15 million for cancer research at Roswell Park Cancer Institute;
  - Supports the optional State supplementation of the Federal nutrition assistance program for women, infants and children (WIC) with \$26 million, as well as an additional \$15 million, an increase of \$5 million, in support for other hunger assistance programs, making New York one of only 7 states to augment Federal nutrition funds;
  - Provides \$6 million, an increase of over \$2 million, for the health and social services human sexuality program to enhance the statewide network of health and human service providers that provide services to lesbian, gay, bisexual and transgender New Yorkers;
  - Includes \$39 million to support the second year of the three year Cost of Living Adjustment tied to the Consumer Price Index, effective October 1, 2006, for various public health and AIDS programs;
  - Includes \$4.75 million to continue the State's ongoing commitment to improve the lives of adult home residents in New York. The Department, working with the Office of Mental Health, the Commission on Quality of Care and Advocacy for Persons with Disabilities and the State Office for the Aging, has undertaken a statewide effort to further expand the various initiatives already underway in adult

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- homes, including: vocational and educational training, recreational activities, independent living skills, as well as the general maintenance and upkeep of the homes, which is critical to ensuring the health and safety of residents. Additionally, \$5.25 million is available in the Office of Mental Health for enhanced care coordination and more than 3,500 additional case management slots for mentally ill residents of adult homes;
- Maintains funding for the Wadsworth Center for Laboratories and Research to purchase critical equipment, as well as \$10 million for capital improvements to the Wadsworth Laboratories;
  - Includes \$4.3 million in support of the State's seventeen Regional Perinatal Centers to ensure the quality of care for newborns and their mothers;
  - Provides \$2.6 million in new funding for education, training and outreach activities related to emergency contraception;
  - Includes \$2.5 million in new funding for an electronic laboratory and State Health Information Technology Project on the reporting of communicable diseases;
  - Continues more than \$27 million added in 2006-07 that support various public health programs, including funding for AIDS services, family planning, diabetes prevention, school-based health centers, rape crisis centers, breast cancer services, alzheimers assistance and consumer assistance for Medicare Part D; and
  - Includes over \$25 million in new funding for various initiatives, to enhance vital records, promote universal prenatal care and postpartum home visitation, expand access to cervical cancer vaccine, prevent childhood lead poisoning, require reporting of child's Body Mass Index on school physical form, and promote healthy lifestyles, improvements in breast imaging interpretation, colorectal screenings and the use of environmentally friendly cleaning products.

## **PROGRAM HIGHLIGHTS**

### **MEDICAID**

Medicaid was established in 1965 by the Federal government as a health insurance program for the poor. Absent reform, New York's Medicaid program costs would total \$48.7 billion in 2007-08 including \$10.5 billion in General Fund support which is an increase of 16 percent over 2006-07. Cost containment and revenue maximization initiatives will hold the State's General Fund Medicaid spending to an annual increase of 4.4 percent in 2007-08. In addition to the Federally mandated services — inpatient and outpatient hospital care, nursing facility care, physician services, home health care, family planning, and laboratory and x-ray services — New York also provides almost all Federally permissible optional services.

### **ACCESS TO HIGH QUALITY HEALTH CARE**

The Department develops and implements programs to ensure that residents of New York have access to high quality health care. The 2007-08 Executive Budget advances initiatives to improve access by expanding eligibility for health insurance coverage for children through the CHPlus program from 250 percent of the Federal Poverty Level (FPL) to 400 percent of FPL and by simplifying the enrollment renewal process for Family Health Plus and Medicaid.

The Budget also extends HCRA by nine months — through March 31, 2008 — and ensures HCRA’s financial stability through its authorization period. Most significantly, the Budget: increases the covered lives assessment by \$75 million; enhances HCRA audit capabilities, reduces and redistributes Hospital Worker Recruitment and Retention and Worker Retraining funding; phases out Nursing Home Worker Recruitment and Retention funding over three-years; discontinues discretionary priority pools; and eliminates funding for Health Care Facility Restructuring, Nursing Home Quality Improvement, home care rural grants and the Adirondack Cancer Network. The Budget also authorizes additional insurance conversions and directs the proceeds to HCRA — similar to the Empire Blue Cross Conversion. In addition, \$228 million in General Fund savings is achieved while needed investments are made to support the HEAL NY Program, simplify enrollment in Family Health Plus and increase enrollment in Child Health Plus.

### **PUBLIC HEALTH**

Efforts such as education, research and disease prevention are aimed at improving the health of all New Yorkers. Particular focus is placed on nutrition, prenatal and perinatal care, child health, treatment and control of sexually-transmitted diseases and tuberculosis, childhood immunization, the health risks of environmental contaminants, drinking water purity, cancer education and outreach and follow-up investigations of disease outbreak. In addition, the Department serves as primary liaison with local and county health departments to ensure the quality of public health services throughout New York State.

The Wadsworth Center for Laboratories and Research assists the Department in accomplishing its public health mission. Screening programs conducted by the Wadsworth Laboratories address public health concerns such as HIV, tuberculosis, environmental contamination and genetic disorders in newborns. The newborn screening program tests for 45 disorders, making New York State a national leader in the area of newborn testing. Ongoing research, largely funded by external grants, is carried out for public health problems such as AIDS, West Nile virus, cancer and the toxic effects of chemical substances and radiation. The Wadsworth Center regulates more than 700 environmental laboratories and more than 1,800 clinical laboratories and patient service centers to ensure testing quality, and the public’s health and safety. In addition, the Wadsworth Center and DOH’s Centers for Community and Environmental Health continue to play key roles in managing the State’s preparation for response to bio-terrorism.

The Department develops and funds HIV prevention and health care programs, educates the public and health care providers, formulates policy and directs regional and statewide HIV/AIDS planning. New York remains a leader in combating this complex epidemic by responding to changes in incidence with even greater attention to population-based programming, long-term care and policies designed to reduce discrimination and guarantee basic medical care and treatment for the uninsured. New York State will spend \$3.5 billion to combat HIV/AIDS next year.

### **HEALTH SYSTEMS MANAGEMENT**

The Department ensures that quality health care is available to all New York residents by overseeing the services provided by hospitals, nursing homes, diagnostic and treatment centers and home care providers. The Department strives to ensure that limited health care

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dollars are prudently spent through its reimbursement rate methodologies, rate setting, and review and monitoring of health facility plans for construction and expansion. Federal reimbursement for surveillance and certification, and fees for overseeing facilities to ensure that bonded debt is repaid, help to offset program costs.

Responsibility for setting Medicaid reimbursement rates for hospitals, nursing homes, home health agencies and diagnostic and treatment centers, as well as oversight of the HCRA surcharges and assessments, will be shifted from Health Systems Management to the new Office of Health Insurance Programs.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	4,645,148,000	4,670,021,500	24,873,500	9,605,219,100
Aid To Localities	45,109,837,300	43,212,667,900	(1,897,169,400)	21,889,271,700
Capital Projects	305,537,000	304,412,000	(1,125,000)	660,498,000
Total	<u>50,060,522,300</u>	<u>48,187,101,400</u>	<u>(1,873,420,900)</u>	<u>32,154,988,800</u>



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

<b>Program</b>	<b>Full-Time Equivalent Positions (FTE)</b>		
	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration and Executive Direction			
General Fund	88	117	29
Special Revenue Funds - Federal	58	58	0
Special Revenue Funds - Other	253	253	0
AIDS Institute			
General Fund	164	164	0
Child Health Insurance			
General Fund	0	4	4
Special Revenue Funds - Other	37	37	0
Community Health			
General Fund	15	24	9
Special Revenue Funds - Federal	631	631	0
Special Revenue Funds - Other	131	133	2
Elderly Pharmaceutical Insurance Coverage			
Special Revenue Funds - Other	32	32	0
Environmental Health			
General Fund	99	99	0
Special Revenue Funds - Federal	137	137	0
Special Revenue Funds - Other	92	92	0
Capital Projects Funds - Other	80	80	0
Health Care Financing			
General Fund	67	76	9
Special Revenue Funds - Other	70	75	5
Health Care Standards and Surveillance			
General Fund	598	611	13
Special Revenue Funds - Other	292	292	0
Health Services			
Enterprise Funds	14	14	0
Institution Management			
Special Revenue Funds - Other	1,672	1,672	0
Laboratories and Research			
General Fund	405	410	5
Special Revenue Funds - Federal	81	81	0
Special Revenue Funds - Other	208	208	0
Managed Care			
General Fund	158	165	7
Medicaid Management, Office of			
General Fund	436	443	7
Special Revenue Funds - Federal	88	88	0
Special Revenue Funds - Other	2	2	0
Total	<u>5,908</u>	<u>5,998</u>	<u>90</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	165,484,000	224,025,000	58,541,000
Special Revenue Funds - Federal	3,979,144,000	3,960,840,000	(18,304,000)
Special Revenue Funds - Other	500,510,000	485,146,500	(15,363,500)
Enterprise Funds	10,000	10,000	0
Total	<u>4,645,148,000</u>	<u>4,670,021,500</u>	<u>24,873,500</u>

Adjustments:	
Transfer(s) To	
Executive Chamber	
General Fund	258,000
Appropriated 2006-07	<u>4,645,406,000</u>

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration and Executive Direction			
General Fund	20,775,000	28,222,500	7,447,500
Special Revenue Funds - Federal	8,984,000	9,146,000	162,000
Special Revenue Funds - Other	35,954,000	35,653,800	(300,200)
AIDS Institute			
General Fund	16,329,000	16,714,000	385,000
Child Health Insurance			
Special Revenue Funds - Federal	64,131,000	64,130,000	(1,000)
Special Revenue Funds - Other	11,421,000	11,559,000	138,000
Community Health			
General Fund	7,132,000	7,684,000	552,000
Special Revenue Funds - Federal	117,128,000	118,018,000	890,000
Special Revenue Funds - Other	9,084,000	10,984,000	1,900,000
Elderly Pharmaceutical Insurance Coverage			
Special Revenue Funds - Other	19,125,000	20,333,000	1,208,000
Environmental Health			
General Fund	9,287,000	9,317,500	30,500
Special Revenue Funds - Federal	15,678,000	15,678,000	0
Special Revenue Funds - Other	18,166,000	19,963,700	1,797,700
Health Care Financing			
General Fund	6,482,000	7,371,000	889,000
Special Revenue Funds - Other	8,425,000	10,378,000	1,953,000
Health Care Standards and Surveillance			
General Fund	55,333,000	62,345,000	7,012,000
Special Revenue Funds - Other	64,691,000	70,698,000	6,007,000
Institution Management			
Special Revenue Funds - Other	140,327,000	139,340,000	(987,000)
Enterprise Funds	10,000	10,000	0
Laboratories and Research			
General Fund	39,812,000	41,431,000	1,619,000
Special Revenue Funds - Federal	15,076,000	11,448,000	(3,628,000)
Special Revenue Funds - Other	45,995,000	46,015,000	20,000
Maintenance Undistributed			
General Fund	(135,262,000)	(105,262,000)	30,000,000
Special Revenue Funds - Other	135,262,000	105,262,000	(30,000,000)
Managed Care			
General Fund	15,372,000	17,461,000	2,089,000
Special Revenue Funds - Other	60,000	60,000	0
Medicaid Management, Office of			
General Fund	53,427,000	57,892,000	4,465,000
Special Revenue Funds - Federal	3,662,424,000	3,646,697,000	(15,727,000)
Special Revenue Funds - Other	12,000,000	14,900,000	2,900,000
Medicaid Management Information System			
General Fund	76,797,000	80,849,000	4,052,000
Special Revenue Funds - Federal	95,723,000	95,723,000	0
Total	<u>4,645,148,000</u>	<u>4,670,021,500</u>	<u>24,873,500</u>

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Executive Direction	8,172,300	967,300	7,667,300	967,300
AIDS Institute	10,833,000	385,000	10,816,000	385,000
Community Health	1,672,000	969,000	1,672,000	969,000
Environmental Health	7,080,500	(269,500)	6,859,000	(491,000)
Health Care Financing	4,864,000	(724,000)	4,854,000	(664,000)
Health Care Standards and Surveillance	40,297,000	1,996,000	39,172,000	1,241,000
Laboratories and Research	25,813,000	727,000	25,486,000	721,000
Managed Care	11,381,000	420,000	11,381,000	420,000
Medicaid Management, Office of	27,660,000	1,242,000	27,660,000	1,242,000
<b>Total</b>	<b>137,772,800</b>	<b>5,712,800</b>	<b>135,567,300</b>	<b>4,790,300</b>

<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>		<b>Holiday/Overtime Pay (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Executive Direction	250,000	0	255,000	0
AIDS Institute	0	0	17,000	0
Community Health	0	0	0	0
Environmental Health	210,000	210,000	11,500	11,500
Health Care Financing	5,000	5,000	5,000	(65,000)
Health Care Standards and Surveillance	125,000	5,000	1,000,000	750,000
Laboratories and Research	70,000	6,000	257,000	0
Managed Care	0	0	0	0
Medicaid Management, Office of	0	0	0	0
<b>Total</b>	<b>660,000</b>	<b>226,000</b>	<b>1,545,500</b>	<b>696,500</b>

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**STATE OPERATIONS - GENERAL AND OFFSET FUNDS  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Executive Direction	20,050,200	6,480,200	1,077,400	337,400
AIDS Institute	5,881,000	0	1,333,881	0
Community Health	6,012,000	(417,000)	10,000	10,000
Environmental Health	2,237,000	300,000	133,600	133,600
Health Care Financing	2,507,000	1,613,000	119,000	56,000
Health Care Standards and Surveillance	22,048,000	5,016,000	426,000	146,500
Laboratories and Research	15,618,000	892,000	3,352,000	67,000
Managed Care	6,080,000	1,669,000	156,000	42,000
Medicaid Management, Office of	30,232,000	3,223,000	536,000	536,000
Medicaid Management Information System	80,849,000	4,052,000	0	0
<b>Total</b>	<b>191,514,200</b>	<b>22,828,200</b>	<b>7,143,881</b>	<b>1,328,500</b>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Executive Direction	381,500	119,500	18,517,000	7,470,000
AIDS Institute	311,700	0	3,556,900	0
Community Health	32,000	32,000	1,615,000	100,000
Environmental Health	374,400	374,400	1,622,600	(314,400)
Health Care Financing	30,000	(66,300)	2,318,000	1,684,000
Health Care Standards and Surveillance	1,247,000	(22,300)	18,837,000	3,819,300
Laboratories and Research	76,000	0	6,885,000	825,000
Managed Care	128,000	128,000	5,666,000	1,369,000
Medicaid Management, Office of	823,000	823,000	26,042,000	1,033,000
Medicaid Management Information System	0	0	80,849,000	4,052,000
<b>Total</b>	<b>3,403,600</b>	<b>1,388,300</b>	<b>165,908,500</b>	<b>20,037,900</b>

<b>Program</b>	<b>Equipment</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Executive Direction	74,300	23,300	0	(1,470,000)
AIDS Institute	228,519	0	450,000	0
Community Health	5,000	5,000	4,350,000	(564,000)
Environmental Health	106,400	106,400	0	0
Health Care Financing	40,000	(60,700)	0	0
Health Care Standards and Surveillance	515,000	322,500	1,023,000	750,000
Laboratories and Research	5,305,000	0	0	0
Managed Care	130,000	130,000	0	0
Medicaid Management, Office of	831,000	831,000	2,000,000	0
Medicaid Management Information System	0	0	0	0
<b>Total</b>	<b>7,235,219</b>	<b>1,357,500</b>	<b>7,823,000</b>	<b>(1,284,000)</b>

**STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Executive Direction	44,799,800	(138,200)	16,370,000	94,000
Child Health Insurance	75,689,000	137,000	2,601,000	173,000
Community Health	129,002,000	2,790,000	2,328,000	2,328,000
Elderly Pharmaceutical Insurance Coverage	20,333,000	1,208,000	2,116,000	415,000
Environmental Health	35,641,700	1,797,700	7,066,200	1,423,200
Health Care Financing	10,378,000	1,953,000	5,312,000	845,000
Health Care Standards and Surveillance	70,698,000	6,007,000	16,061,000	(468,000)
Institution Management	139,350,000	(987,000)	83,387,000	(1,190,000)
Laboratories and Research	57,463,000	(3,608,000)	13,562,316	3,929,158
Managed Care	60,000	0	30,000	0
Medicaid Management, Office of	3,661,597,000	(12,827,000)	2,093,000	1,393,000
Medicaid Management Information System	95,723,000	0	0	0
<b>Total</b>	<b>4,340,734,500</b>	<b>(3,667,500)</b>	<b>150,926,516</b>	<b>8,942,358</b>

<b>Program</b>	<b>Nonpersonal Service</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Executive Direction	19,283,800	833,800	9,146,000	(1,066,000)
Child Health Insurance	8,958,000	(35,000)	64,130,000	(1,000)
Community Health	8,656,000	8,656,000	118,018,000	(8,194,000)
Elderly Pharmaceutical Insurance Coverage	18,017,000	786,000	200,000	7,000
Environmental Health	11,497,500	374,500	17,078,000	0
Health Care Financing	5,066,000	1,108,000	0	0
Health Care Standards and Surveillance	27,342,000	(515,000)	27,295,000	6,990,000
Institution Management	55,963,000	203,000	0	0
Laboratories and Research	40,952,684	18,596,842	2,948,000	(26,134,000)
Managed Care	30,000	0	0	0
Medicaid Management, Office of	12,807,000	1,507,000	3,646,697,000	(15,727,000)
Medicaid Management Information System	0	0	95,723,000	0
<b>Total</b>	<b>208,572,984</b>	<b>31,515,142</b>	<b>3,981,235,000</b>	<b>(44,125,000)</b>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	10,035,134,300	10,149,844,900	114,710,600
Special Revenue Funds - Federal	26,345,255,000	24,921,322,000	(1,423,933,000)
Special Revenue Funds - Other	6,458,248,000	6,370,301,000	(87,947,000)
Fiduciary Funds	2,271,200,000	1,771,200,000	(500,000,000)
<b>Total</b>	<b>45,109,837,300</b>	<b>43,212,667,900</b>	<b>(1,897,169,400)</b>

Adjustments:

Prior Year Deficiency	
Health, Department of	
General Fund	606,000,000
Transfer(s) To	
Medicaid Inspector General, Office of the	
General Fund (State Operations)	500,000
Appropriated 2006-07	<u>45,716,337,300</u>

# HEALTH

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration and Executive Direction			
General Fund	608,000	632,000	24,000
AIDS Institute			
General Fund	13,623,700	20,301,700	6,678,000
Special Revenue Funds - Other	88,253,000	88,253,000	0
Child Health Insurance			
Special Revenue Funds - Federal	478,500,000	487,800,000	9,300,000
Special Revenue Funds - Other	435,000,000	442,500,000	7,500,000
Community Health			
General Fund	574,593,600	627,943,500	53,349,900
Special Revenue Funds - Federal	694,035,000	682,915,000	(11,120,000)
Special Revenue Funds - Other	99,385,000	70,385,000	(29,000,000)
Elderly Pharmaceutical Insurance Coverage			
General Fund	39,200,000	40,300,000	1,100,000
Special Revenue Funds - Other	874,075,000	737,275,000	(136,800,000)
Environmental Health			
General Fund	6,000,000	6,000,000	0
Special Revenue Funds - Federal	3,206,000	3,206,000	0
Special Revenue Funds - Other	200,000	200,000	0
Health Care Financing			
General Fund	0	150,000	150,000
Health Care Reform Act Program			
Special Revenue Funds - Other	1,215,060,000	1,261,100,000	46,040,000
Health Care Standards and Surveillance			
General Fund	12,551,000	20,028,700	7,477,700
Special Revenue Funds - Federal	400,000	400,000	0
Special Revenue Funds - Other	4,750,000	4,750,000	0
Laboratories and Research			
General Fund	931,000	4,943,000	4,012,000
Special Revenue Funds - Federal	3,201,000	3,201,000	0
Maintenance Undistributed			
General Fund	(7,288,000)	(7,288,000)	0
Special Revenue Funds - Other	7,288,000	7,288,000	0
Medicaid Management, Office of			
General Fund	13,477,000	17,048,000	3,571,000
Special Revenue Funds - Federal	0	300,000,000	300,000,000
Special Revenue Funds - Other	0	300,000,000	300,000,000
Medical Assistance			
General Fund	8,973,988,000	8,978,836,000	4,848,000
Special Revenue Funds - Federal	24,684,113,000	22,962,000,000	(1,722,113,000)
Special Revenue Funds - Other	3,734,237,000	3,458,550,000	(275,687,000)
Fiduciary Funds	2,271,200,000	1,771,200,000	(500,000,000)
Medical Assistance Administration			
General Fund	407,450,000	440,950,000	33,500,000
Special Revenue Funds - Federal	481,800,000	481,800,000	0
Total	<u>45,109,837,300</u>	<u>43,212,667,900</u>	<u>(1,897,169,400)</u>

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

<b>Comprehensive Construction Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations 2007-08</b>
Health Care Efficiency and Affordability Law for New Yorkers				
Capital Projects Fund	165,000,000	165,000,000	0	211,250,000
Capital Projects Fund - Advances	85,000,000	85,000,000	0	270,000,000
Laboratories and Research				
Capital Projects Fund	10,000,000	10,000,000	0	19,670,000
Capital Projects Fund - Authority Bonds	5,000,000	0	(5,000,000)	5,000,000
Maintenance and Improvements of Existing Institutions				
Capital Projects Fund	7,600,000	7,600,000	0	26,026,000
New Institution Construction				
Cap Proj Fund - DOH (Direct Auth Bonds)	0	0	0	21,000,000
Water Resources				
Federal Capital Projects Fund	32,937,000	36,812,000	3,875,000	107,552,000
Total	<u>305,537,000</u>	<u>304,412,000</u>	<u>(1,125,000)</u>	<u>660,498,000</u>





# **OFFICE OF MEDICAID INSPECTOR GENERAL**

## **MISSION**

The Office of Medicaid Inspector General (OMIG) was statutorily established in 2006 — as an independent entity within the Department of Health — to improve and preserve the integrity of the Medicaid program by conducting and coordinating fraud, waste and abuse control activities for all State agencies responsible for services funded by Medicaid.

In carrying out its mission, the Office conducts and supervises all prevention, detection, audit and investigation efforts and coordinates such activities with the Department of Health, and the Office of Mental Health, Office of Mental Retardation and Developmental Disabilities and Office of Alcoholism and Substance Abuse Services. In addition, the Medicaid Inspector General works closely with the Attorney General's Medicaid Fraud and Control Unit (MFCU) and Federal and local law enforcement agencies.

## **ORGANIZATION AND STAFFING**

The Office is headed by the Medicaid Inspector General who is appointed by the Governor with the advice and consent of the Senate. The Office of Medicaid Inspector General is headquartered in Albany with six regional field offices located throughout the state — in Buffalo, Hauppauge (Long Island), Rochester, Syracuse, White Plains and New York City.

The Office is organized into four bureaus — Information Technology and Fraud Detection Systems, Investigations and Enforcement, Medicaid Audit and Revenue Initiatives.

The 2007-08 Executive Budget recommends 678 State staff for the OMIG, an increase of 157 over the level funded in 2006-07. In addition to the State positions, another 207 staff are funded by contractual resources. Approximately 48 percent of the positions are supported by the General Fund and the remaining 52 percent are supported by Federal and other funds.

## **BUDGET HIGHLIGHTS**

The 2007-08 Executive Budget recommends \$98 million to support the continued operations of the Office of Medicaid Inspector General. This includes \$5 million to be transferred to the State University of New York to develop clinical expertise and establish guidelines and improved protocols to identify patterns of waste, fraud or abuse. The Budget also adds \$4.8 million to support new staff — including 100 new auditors, 35 staff to strengthen fiscal and personnel operations and 22 information technology staff — and necessary investments in technology to improve the State's ability to combat fraud, waste and abuse by:

- Strengthening the prepayment identification and verification process to maximize third party recoveries;
- Enhancing the State's ability to investigate fraud and ensure compliance with provider Medicaid standards;

## **MEDICAID INSPECTOR GENERAL**

- Implementing new technologies to utilize the capabilities of the eMedNY system for assisting in the detection of fraud, waste and abuse; and
- Improving the coordination of anti-fraud activities with other State agencies in order to improve the procedures and protocols for the detection and prevention of Medicaid fraud.

In addition, the Budget advances a series of statutory reforms to improve the State's ability to combat Medicaid fraud including the establishment of a False Claims Act to allow private persons to bring civil actions for damages and a Martin Act to strengthen the Attorney General's authority to investigate and prosecute health care fraud. Other statutory measures include: strengthening criminal penalties for certain fraudulent health care practices, establishing whistleblower protections for employees reporting health care fraud, permitting prosecutions for the possession of diverted prescription drugs, changing the court venue consistent with the practice used for other State agencies and providing OMIG with access to vital statistics, Tax Department and Wage Compensation Board records.

### **PROGRAM HIGHLIGHTS**

The Medicaid program was established by the Federal government in 1965 as a health insurance program for the poor. Absent any additional reforms, New York's Medicaid program would cost \$48.7 billion in 2007-08. Medicaid provides coverage to nearly 4 million New Yorkers.

The Department of Health now processes more than 400 million Medicaid claims annually to approximately 60,000 active health care providers offering a wide range of services including nursing facility care, inpatient and outpatient hospital care, home health care, physician services, pharmaceuticals, and other services.

The 2007-08 Executive Budget provides the resources needed to support the Office of Medicaid Inspector General's mission to prevent, detect, investigate and prosecute Medicaid fraud.

<b>ALL FUNDS APPROPRIATIONS (dollars)</b>				
<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	96,096,000	97,995,000	1,899,000	33,536,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>96,096,000</b>	<b>97,995,000</b>	<b>1,899,000</b>	<b>33,536,000</b>

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

<b>Program</b>	<b>Full-Time Equivalent Positions (FTE)</b>		
	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
	Medicaid Audit and Fraud Prevention		
General Fund	245	323	78
Special Revenue Funds - Federal	260	339	79
Special Revenue Funds - Other	16	16	0
<b>Total</b>	<b>521</b>	<b>678</b>	<b>157</b>

# MEDICAID INSPECTOR GENERAL

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	29,631,000	32,052,000	2,421,000
Special Revenue Funds - Federal	58,265,000	60,686,000	2,421,000
Special Revenue Funds - Other	8,200,000	5,257,000	(2,943,000)
Total	<u>96,096,000</u>	<u>97,995,000</u>	<u>1,899,000</u>
Adjustments:			
Transfer(s) From			
Health, Department of			
General Fund (Aid To Localities)	(500,000)		
Medicaid Inspector General, Office of the			
General Fund	(3,192,000)		
Transfer(s) To			
Medicaid Inspector General, Office of the			
Special Revenue Funds - Federal	3,192,000		
Appropriated 2006-07	<u>95,596,000</u>		

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Medicaid Audit and Fraud Prevention			
General Fund	33,331,000	35,752,000	2,421,000
Special Revenue Funds - Federal	58,265,000	60,686,000	2,421,000
Special Revenue Funds - Other	4,500,000	1,557,000	(2,943,000)
Maintenance Undistributed			
General Fund	(3,700,000)	(3,700,000)	0
Special Revenue Funds - Other	3,700,000	3,700,000	0
Total	<u>96,096,000</u>	<u>97,995,000</u>	<u>1,899,000</u>

## STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Medicaid Audit and Fraud Prevention	17,008,000	1,328,000	16,851,000	1,328,000
Total	<u>17,008,000</u>	<u>1,328,000</u>	<u>16,851,000</u>	<u>1,328,000</u>
<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Medicaid Audit and Fraud Prevention	1,000	0	156,000	0
Total	<u>1,000</u>	<u>0</u>	<u>156,000</u>	<u>0</u>

# MEDICAID INSPECTOR GENERAL

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Medicaid Audit and Fraud Prevention	18,744,000	1,093,000	973,250	184,250
Total	<u>18,744,000</u>	<u>1,093,000</u>	<u>973,250</u>	<u>184,250</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Medicaid Audit and Fraud Prevention	288,500	65,500	4,266,000	660,000
Total	<u>288,500</u>	<u>65,500</u>	<u>4,266,000</u>	<u>660,000</u>

<b>Program</b>	<b>Equipment</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Medicaid Audit and Fraud Prevention	1,017,250	183,250	12,199,000	0
Total	<u>1,017,250</u>	<u>183,250</u>	<u>12,199,000</u>	<u>0</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Medicaid Audit and Fraud Prevention	62,243,000	(522,000)	19,003,000	885,000
Maintenance Undistributed	3,700,000	0	0	0
Total	<u>65,943,000</u>	<u>(522,000)</u>	<u>19,003,000</u>	<u>885,000</u>

<b>Program</b>	<b>Nonpersonal Service</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Medicaid Audit and Fraud Prevention	31,740,000	(1,407,000)	11,500,000	0
Maintenance Undistributed	0	0	3,700,000	0
Total	<u>31,740,000</u>	<u>(1,407,000)</u>	<u>15,200,000</u>	<u>0</u>

# DEPARTMENT OF MENTAL HYGIENE

The Department of Mental Hygiene operates through three independent agencies — the Office of Mental Health, the Office of Mental Retardation and Developmental Disabilities and the Office of Alcoholism and Substance Abuse Services. All three agencies provide services directly to their clients through State-operated facilities and receive reimbursement for these services, primarily with Medicaid funds.

Patient revenues in the Patient Income Account are pledged first to the payment of debt service on outstanding Mental Hygiene bonds. The recommended \$150 million in new appropriations from the Patient Income Account may be distributed to any of the three agencies in order to access additional revenues made available through a decreased set-aside for debt service resulting from planned debt management actions.

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	(150,000,000)	(150,000,000)	0
Special Revenue Funds - Other	150,000,000	150,000,000	0
Total	<u>0</u>	<u>0</u>	<u>0</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Mental Hygiene			
General Fund	(150,000,000)	(150,000,000)	0
Special Revenue Funds - Other	150,000,000	150,000,000	0
Total	<u>0</u>	<u>0</u>	<u>0</u>



# **OFFICE OF ALCOHOLISM AND SUBSTANCE ABUSE SERVICES**

## **MISSION**

The mission of the Office of Alcoholism and Substance Abuse Services (OASAS) is to improve the lives of New Yorkers by ensuring quality prevention and treatment services for chemical dependence and compulsive gambling, and promoting recovery from addiction.

## **ORGANIZATION AND STAFFING**

Headed by a Commissioner appointed by the Governor, OASAS is responsible for the development and management of the State's policy on chemical dependence and compulsive gambling. The Office exercises these responsibilities directly as a provider of treatment services through a statewide system of 13 Addiction Treatment Centers (ATCs), through the regulation and oversight of chemical dependence and compulsive gambling prevention and treatment services and as a conduit for Federal and State financial assistance. The Office also furthers State policy goals in areas that include criminal justice, health care and public assistance by coordinating chemical dependence resources and strategies in collaboration with other State agencies.

In 2007-08, OASAS will have a workforce of 983, of which nearly 60 percent provide an array of clinical treatment services through the ATCs.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2007-08 Executive Budget recommends approximately \$678 million in State and other resources for OASAS to continue agency and community operations. This funding is supplemented by Federal and State resources budgeted in other State agencies, and by the contributions of local governments, voluntary agencies and other sources. Overall, the recommended budget is sufficient to ensure the full operation of the 13 State-operated ATCs, as well as the maintenance of health and safety standards in voluntary facilities.

OASAS will achieve administrative and other operational efficiencies in 2007-08 by developing and implementing Strategic Business Plans for both State Operations and Local Assistance that will generate savings as well as provide resources to reinvest in key program initiatives to support fundamental principles of the State's health care reform agenda. 2007-08 activities include:

- Collaborating with the Office of the State Medicaid Inspector General and the Department of Health in the area of Medicaid regulatory compliance and enforcement and saving an additional \$18.7 million in wasteful, inappropriate or unnecessary spending;
- Coordinating, with the Department of Health and key stakeholders (including representatives of the hospital industry and chemical dependence treatment providers), a task force charged with reform of the expensive hospital-based detoxification service system. Reforms will improve treatment outcomes addressing the problem that only some 20 percent of hospital admissions for non-complicated detoxification are currently linked to follow-up treatment within 30 days of

## **ALCOHOLISM AND SUBSTANCE ABUSE SERVICES**

discharge. The task force's goals include developing more person-centered approaches to care, implementing equitable reimbursement methodologies with incentives to improve treatment outcomes, and ensuring services are delivered in clinically appropriate settings;

- Expanding other intensive care coordination initiatives with the Office of Mental Health, the Department of Health and other stakeholders to improve patient care and outcomes while reducing costs, particularly for individuals with both mental illness and chemical dependence;
- Continuing to collaborate with the State's criminal justice agencies to streamline and fund community re-entry protocols and initiatives for chemically dependent parolees requiring treatment, employment and housing;
- Expanding residential treatment options for targeted populations and continuing to implement innovative prevention strategies;
- Eliminating unnecessary and inappropriate transition funding for freestanding inpatient rehabilitation; and
- Achieving non-personal service savings through such creative management strategies as shared services, energy efficiencies and exploring bulk information technology purchasing with other agencies.

As a result of these cost savings efforts, and in conjunction with other savings achieved by the Executive Budget recommendations, this Budget supports several new initiatives in the chemical dependence area. Recommendations provide \$25.4 million in bonded capital funding to expand the Veterans' Enhanced Treatment Services (VETS) initiative by adding 100 new intensive and community residential beds, primarily for both men and women returning home from fighting the War on Terror in Iraq and Afghanistan. Further, \$26.6 million in new bonded capital funding is included to develop an additional 100 community residential treatment beds in Nassau and Suffolk Counties for persons receiving outpatient chemical dependence treatment services.

Preserving the infrastructure of the current statewide service network is critical, and this Budget also provides an investment of \$120 million in bonded capital funds over five years to either relocate or extensively renovate existing chemical dependence treatment programs, whose aging infrastructure results in the inefficient delivery of treatment services and jeopardizes the health and safety of clients and staff.

The recommendation fully supports the second year of a three-year cost of living adjustment (COLA) tied to the Consumer Price Index for existing funded providers of chemical dependence and compulsive gambling services. This COLA will enhance funding by an additional \$12 million in 2007-08 for localities and not-for-profit providers to strengthen efforts to recruit and retain qualified direct care and clinical staff and respond to other inflationary pressures.

### ***PROGRAM HIGHLIGHTS***

Heading the largest chemical dependence service system in the nation, OASAS administers a comprehensive array of prevention and treatment services for New Yorkers. This is accomplished through a highly qualified network of State, local government and voluntary agencies and school districts. In accordance with Federal and State statute, OASAS licenses and regulates program providers, ensures that fiscal resources are appropriately spent, and assists local programs in providing the highest quality services.



## **ALCOHOLISM AND SUBSTANCE ABUSE SERVICES**

Approximately 324,000 patients are served annually in New York State's licensed chemical dependence treatment and rehabilitation and compulsive gambling system, which consists of approximately 1,200 community-based programs. OASAS also provides funding to approximately 300 prevention providers who utilize science-based, outcome-oriented programs focusing on such risk factors as family conflict, permissive attitudes towards alcohol and substance abuse, and lack of commitment to school, which research shows are predictive of adolescent problem behaviors like alcohol and substance abuse, delinquency, teen pregnancy, school drop-out and violence. While reducing these risk factors, prevention programs also focus on nurturing healthy beliefs and clear standards within community and family, since combining both activities is crucial to reducing the prevalence of problem behaviors like alcohol and substance abuse.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	82,212,000	89,820,000	7,608,000	5,019,000
Aid To Localities	436,674,000	468,665,000	31,991,000	172,919,000
Capital Projects	77,416,000	119,606,000	42,190,000	202,230,000
Total	<u>596,302,000</u>	<u>678,091,000</u>	<u>81,789,000</u>	<u>380,168,000</u>

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

#### Full-Time Equivalent Positions (FTE)

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Community Treatment Services Program			
Special Revenue Funds - Federal	2	2	0
Executive Direction			
General Fund	330	340	10
Special Revenue Funds - Federal	79	79	0
Special Revenue Funds - Other	12	2	(10)
Capital-Administration			
Capital Projects Funds - Other	8	8	0
Institutional Services			
General Fund	536	536	0
Special Revenue Funds - Federal	16	16	0
Total	<u>983</u>	<u>983</u>	<u>0</u>

# ALCOHOLISM AND SUBSTANCE ABUSE SERVICES

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	53,021,000	60,543,000	7,522,000
Special Revenue Funds - Federal	6,359,000	6,445,000	86,000
Special Revenue Funds - Other	22,832,000	22,832,000	0
Total	<u>82,212,000</u>	<u>89,820,000</u>	<u>7,608,000</u>

Adjustments:

Transfer(s) From	
Alcoholism and Substance Abuse Services, Office of General Fund (Aid To Localities)	(300,000)
Appropriated 2006-07	<u>81,912,000</u>

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Executive Direction			
General Fund	23,809,000	27,837,000	4,028,000
Special Revenue Funds - Federal	5,159,000	5,245,000	86,000
Special Revenue Funds - Other	9,232,000	9,232,000	0
Institutional Services			
General Fund	29,212,000	32,706,000	3,494,000
Special Revenue Funds - Federal	1,200,000	1,200,000	0
Special Revenue Funds - Other	13,600,000	13,600,000	0
Total	<u>82,212,000</u>	<u>89,820,000</u>	<u>7,608,000</u>

## STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Executive Direction	23,909,000	1,546,000	23,721,000	1,538,000
Institutional Services	32,624,000	782,000	31,705,000	760,000
Total	<u>56,533,000</u>	<u>2,328,000</u>	<u>55,426,000</u>	<u>2,298,000</u>

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Executive Direction	119,000	7,000	69,000	1,000
Institutional Services	489,000	17,000	430,000	5,000
Total	<u>608,000</u>	<u>24,000</u>	<u>499,000</u>	<u>6,000</u>

# ALCOHOLISM AND SUBSTANCE ABUSE SERVICES

## STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Executive Direction	11,828,000	2,482,000	665,000	65,000
Institutional Services	13,682,000	2,712,000	4,102,400	327,400
Total	<u>25,510,000</u>	<u>5,194,000</u>	<u>4,767,400</u>	<u>392,400</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Executive Direction	865,000	265,000	8,050,000	4,000
Institutional Services	290,100	7,100	8,854,900	2,366,900
Total	<u>1,155,100</u>	<u>272,100</u>	<u>16,904,900</u>	<u>2,370,900</u>

Program	Equipment	
	Amount	Change
Executive Direction	2,248,000	2,148,000
Institutional Services	434,600	10,600
Total	<u>2,682,600</u>	<u>2,158,600</u>

## STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Executive Direction	6,577,000	86,000	4,078,000	727,000
Institutional Services	1,200,000	0	865,000	0
Total	<u>7,777,000</u>	<u>86,000</u>	<u>4,943,000</u>	<u>727,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Executive Direction	1,809,000	546,000	690,000	(1,187,000)
Institutional Services	335,000	0	0	0
Total	<u>2,144,000</u>	<u>546,000</u>	<u>690,000</u>	<u>(1,187,000)</u>

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

Fund Type	Available	Recommended	Change
	2006-07	2007-08	
General Fund	292,230,000	325,157,000	32,927,000
Special Revenue Funds - Federal	136,404,000	135,468,000	(936,000)
Special Revenue Funds - Other	8,040,000	8,040,000	0
Total	<u>436,674,000</u>	<u>468,665,000</u>	<u>31,991,000</u>

Adjustments:

Transfer(s) To

Alcoholism and Substance Abuse Services, Office of General Fund (State Operations)	300,000
Temporary and Disability Assistance, Office of General Fund	<u>2,000,000</u>
Appropriated 2006-07	<u><u>438,974,000</u></u>

# ALCOHOLISM AND SUBSTANCE ABUSE SERVICES

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Community Treatment Services Program			
General Fund	237,380,000	265,755,000	28,375,000
Special Revenue Funds - Federal	97,413,000	97,413,000	0
Prevention and Program Support			
General Fund	54,850,000	59,402,000	4,552,000
Special Revenue Funds - Federal	38,991,000	38,055,000	(936,000)
Special Revenue Funds - Other	8,040,000	8,040,000	0
Total	<u>436,674,000</u>	<u>468,665,000</u>	<u>31,991,000</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Design and Construction Supervision				
Capital Projects Fund	2,500,000	4,000,000	1,500,000	2,748,000
MH Capital Improvements - Authority Bonds	500,000	500,000	0	500,000
Administration				
Capital Projects Fund	1,170,000	1,200,000	30,000	0
Community Alcoholism and Substance Abuse Facilities				
Capital Projects Fund	4,810,000	4,810,000	0	22,487,000
MH Capital Improvements - Authority Bonds	59,386,000	106,846,000	47,460,000	153,531,000
Institutional Services Program				
Capital Projects Fund	500,000	500,000	0	2,884,000
MH Capital Improvements - Authority Bonds	7,800,000	1,000,000	(6,800,000)	20,080,000
Non-Bondable				
Capital Projects Fund	750,000	750,000	0	0
Total	<u>77,416,000</u>	<u>119,606,000</u>	<u>42,190,000</u>	<u>202,230,000</u>

# OFFICE OF MENTAL HEALTH

## MISSION

The mission of the Office of Mental Health (OMH) is to promote the mental health of all New Yorkers, with a particular focus on providing hope and recovery for adults with serious mental illness and children with serious emotional disturbances.

## VISION

OMH envisions a future when everyone with a mental illness will recover, when all mental illnesses can be prevented or cured, when everyone with a mental illness at any stage of life has access to effective treatment and supports — essential for living, working, learning, and participating fully in the community.

OMH's vision and mission are embodied in a strategic planning and management framework known as the "ABCDs of mental health care" — **A**ccountability for Results, **B**est Practices, **C**oordination of Care, and **D**isparities Elimination and Cultural Competence.

## OPERATING HIGHLIGHTS

OMH's two primary functions as New York's mental health authority are to promote overall public mental health for all New Yorkers through education and advocacy, and to ensure access to quality services for adults with severe mental illness and children with serious emotional disturbances, with the goal of helping individuals to live productive, full lives in their communities. The agency has four lines of business underpinning these functions:

- **Regulating, Certifying, Financing and Overseeing New York's Public Mental Health System.** Regulates and licenses more than 2,500 mental health programs operated by local governments and private agencies serving 600,000 persons annually, and includes inpatient, outpatient, emergency, residential, and community support services. Oversees All Funds appropriations of \$3.1 billion in State Fiscal Year 2007-08 and employs a workforce of 17,670.
- **Providing State-operated Inpatient and Outpatient Mental Health Services.** Manages State-operated inpatient services through a network of 25 psychiatric centers that include 16 psychiatric centers serving adults with serious mental illness, six serving children with serious emotional disturbances, and three serving forensic patients involved with the criminal justice system.
- **Conducting Basic and Applied Research to Advance Prevention, Treatment, and Recovery.** Conducts basic and applied research at the New York State Psychiatric Institute and Nathan S. Kline Institute for Psychiatric Research focused on identifying interventions that have been proven by scientific research to be effective and that can be incorporated into mainstream practice. New York State's investment in research is augmented by many grants from Federal and other sources through the Research Foundation for Mental Hygiene (RFMH), Inc.
- **Promoting Public Mental Health.** Supports a variety of educational activities focusing on the nature and impact of mental illness, effective treatments and services, useful preventive and coping strategies, and how to get help.

## ***MENTAL HEALTH***

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In addition, OMH has developed key measures to track progress in meeting the agency's strategic goals. Through a web-based tool known as the OMH Balanced Scorecard, the agency tracks system-wide performance in such measures as reduced hospitalizations for recipients enrolled in the Assertive Community Treatment program; quality of care in OMH licensed outpatient programs; obtainment of treatment goals for children enrolled in the Home and Community-Based Services (HCBS) waiver; and the reduction of high-risk behaviors for recipients receiving Assisted Outpatient Treatment services under Kendra's Law, among others.

## ***ENVIRONMENTAL CHALLENGES AND OPPORTUNITIES***

OMH faces several significant fiscal, programmatic and workforce challenges that are addressed in the 2007-08 Executive Budget. These challenges include the following:

- **Funding and management strategies for the voluntary-operated, community-based service system need to balance expansion efforts with ongoing infrastructure needs to address staff recruitment and retention issues and other inflationary pressures.** Accordingly, OMH will need to continue working with community-based providers to ensure that all available funding is used in the most efficient and effective manner to meet the needs of consumers and their families, and that stable funding sources are pursued to ensure adequate support for agency operating expenses.
- **A key priority in the mental hygiene area is the importance of accountability and performance management, as well as transforming government operations through structural and service enhancements and improving efficiency through technology.** Accordingly, OMH will continue to make available the necessary data and information to other State agencies and counties to monitor quality of care and program cost-effectiveness, as well as improve performance-based outcomes measurement and enhance quality assurance and fraud prevention activities in conjunction with the Office of the Medicaid Inspector General.
- **The lack of decent, safe, affordable, and integrated housing is one of the most significant barriers to full participation in community life for people with mental illness.** OMH will need to continue developing integrated and affordable housing opportunities and accompanying support services for individuals with mental illness committed to in previous budget cycles, and initiate new priority housing opportunities as State financial resources allow.
- **Epidemiological studies demonstrate that the onset of serious mental illness often occurs in adolescence and that a significant delay occurs between onset and diagnosis and treatment, resulting in more intensive and costly treatment interventions that require out-of-home placements during adolescence as well as more serious mental illness and disability later in life.** In response, OMH will need to continue to support initiatives to identify high-risk children for mental illness and increase access at a much earlier age to appropriate and cost-effective mental health services that alleviate distress and keep children at home with their families.

- **Public safety in New York State communities needs to be increased via civil commitment, where appropriate, for the care and treatment of sexually violent persons in secure facilities.** OMH will need to continue establishing discrete, secure treatment facility capacity to support the growing population of individuals who have been and will be civilly committed.
- **A disproportionate share of OMH's funding of the State's public mental health system supports the 25 State-operated psychiatric centers (PCs) serving slightly more than 5,000 inpatients contrasted to over 93,000 inpatients served in 1955. Despite significant reductions in inpatient capacity, which allowed for reinvestment of resources into the community, the current institutional service system now being operated by OMH needs to be right-sized, in order to be more cost effective and to better meet regional needs.** OMH will continue to explore ways to transform its inpatient public mental health system by seeking out opportunities to eliminate unnecessary State inpatient capacity while continuing to provide the highest quality mental health services in the least restrictive setting. In order to be successful, efforts to right-size OMH's inpatient public mental health system will require the full cooperation of all key stakeholders, including the State, local governments, State employee unions, as well as local Article 28 hospitals and mental health providers and, most importantly, the patients and their families, who depend on access to quality inpatient and community services.
- **As the population ages, there is a greater need for mental health services for older adults.** This means that OMH will need to continue providing collaboration and support for the geriatric service demonstration program being developed under the Geriatric Mental Health Act, which provides grants to providers of mental health care to the elderly.
- **Suicide continues to be a major concern. Ten percent of adolescents experience suicidal ideation, and the risk of suicide for individuals over 55 years of age is nearly double that of other age groups.** OMH has made substantial progress in improving public understanding of the causes, effects and treatment of serious emotional disturbances and mental illnesses that increase an individual's susceptibility to suicidal ideation. Progress also has been made in increasing the number of localities that have developed and implemented local suicide prevention plans tailored to their communities. Continued financial support for this ongoing work will increase public awareness and ultimately save lives.

### **KEY AGENCY STRATEGIES**<sup>1</sup>

OMH has thoroughly assessed the environmental challenges and opportunities addressed above and their impact on the agency mission, vision, management strategies and lines of business. This assessment has led to identification of the following key agency strategies:

- **Enhancing community-based program models to recruit and retain a qualified workforce and respond to other inflationary pressures;**
- **Implementing an effective performance accountability and care coordination infrastructure;**

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<sup>1</sup> The Office of Mental Health is among the State agencies that have actively participated in Strategic Planning and Performance Management exercises. The goal of these initiatives is to develop baseline metrics that provide for an objective measure of performance.

## ***MENTAL HEALTH***

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- **Providing access to safe and affordable community housing for adults with serious mental illness;**
- **Enhancing access to effective community-based services for children, adolescents and their families;**
- **Increasing public safety through the civil commitment of sexually violent persons, where appropriate, to secure treatment facilities for care and treatment;**
- **Providing access to efficient and high-quality inpatient services;**
- **Enhancing access to effective community-based services for older adults; and**
- **Promoting public mental health by reducing the risk of suicide.**

The section below details the specific management actions that OMH will take to implement these key strategies, and the specific performance indicators it will use to measure and report progress. As indicated in the earlier Vision statement, OMH is committed to Disparities Elimination and Cultural Competence as a priority focus in advancing its strategic priorities. Each performance measure will be assessed to address disparities in access to, and participation in, services based on race, ethnicity, age and gender.

### ***ACTIONS TO IMPLEMENT THE STRATEGIES***

#### ***Enhance community-based program models to recruit and retain a qualified workforce and respond to other inflationary pressures.***

Actions to implement this strategy include the second year of the three-year Cost of Living Adjustment tied to the Consumer Price Index for targeted OMH non-trended programs to reflect actual inflation-related growth and/or targeted resources to shore up certain residential models.

<b>Action</b>	<b>SFY 2007-08 Funding Levels</b>	<b>Performance indicators</b>
➤ Second year of a three-year Cost of Living Adjustment (COLA). Estimated at 2.5% in 2007-08.	\$30 million	<ul style="list-style-type: none"> <li>• Increase proportion of culturally competent, qualified clinical staff recruited and retained.</li> </ul>
➤ Increase funding for existing Community Residence programs and implement the final year of a three-year Supported Housing stipend increase for "base" beds.	\$19 million	<ul style="list-style-type: none"> <li>• Increase financial stability for community providers and enhance efforts to recruit and retain a qualified workforce responsible for serving a more challenging population.</li> <li>• Increase provider compliance with regulatory standards.</li> </ul>

#### ***Implement an effective performance, accountability and care coordination infrastructure.***

The SFY 2007-08 Executive Budget includes an array of initiatives to implement this strategy by focusing on the unique needs of targeted populations and by fostering an enhanced audit and oversight agency capability. This will ensure effective and appropriate utilization of financial resources, including Medicaid, reimbursement in the delivery of mental health services in New York State.



## **MENTAL HEALTH**

Action	SFY 2007-08 Funding Levels	Performance indicators
➤ Joint initiative with Department of Health (DOH) to expand Psychiatric Clinical Knowledge Enhancement System (PSYCKES) medication management system.	- \$4.3 million (savings are net of \$1.3M in new OMH staff resources)	<ul style="list-style-type: none"> <li>• Savings (primarily in the Medicaid program) will be achieved by increased occurrence of appropriate and cost-effective medication prescribing practices for mental health drugs.</li> </ul>
➤ Expand quality management and regulatory compliance and enforcement activities in conjunction with the Office of Medicaid Inspector General.	-\$7.7 million (savings are net of \$300,000 in new OMH staff)	<ul style="list-style-type: none"> <li>• Increased identification of fiscal and/or programmatic actions requiring examination and resolution. (Savings are primarily anticipated in the Medicaid program).</li> </ul>
➤ Develop demonstration programs in conjunction with DOH to improve care coordination for both health and mental health services.	\$4 million (included in DOH budget)	<ul style="list-style-type: none"> <li>• Improve health and mental health treatment outcomes and serve high-cost Medicaid recipients in more appropriate settings.</li> </ul>

### ***Provide access to safe and affordable community housing for adults with serious mental illness.***

Building on the success of prior supportive housing initiatives that will provide more than 36,900 beds in community settings when fully-developed for persons with mental illness, the 2007-08 Executive Budget includes strategies to develop additional housing capacity throughout New York State.

Action	SFY 2007-08 Funding Levels	Performance indicators
➤ Add 1,000 new Congregate Care beds.	\$200 million (Capital)	<ul style="list-style-type: none"> <li>• Increase the number of individuals with serious mental illness in safe and affordable housing</li> </ul>
➤ Add 1,000 new Supported Housing beds.	\$6.0 million (annualizing to \$12.1 million)	<ul style="list-style-type: none"> <li>• Increase the number of individuals with serious mental illness in safe and affordable housing.</li> </ul>
➤ Continued support for New York/New York III – Supportive Housing Agreement.	\$12.9 million	<ul style="list-style-type: none"> <li>• Increase housing opportunities for homeless mentally ill individuals and their families by increasing housing capacity in NYC by 5,550 beds over the next 10 years (as part of an overall 9,000 bed effort).</li> </ul>

### ***Enhance access to effective community-based services for children, adolescents and their families.***

New York's public mental health system serves about 130,000 children with serious emotional disturbances (SED) annually. To reach more children, the 2007-08 Budget includes support for initiatives that expand access to new and existing in-home and community-based services and for initiatives that advance early identification of, and interventions for, high-risk children.

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Action	SFY 2007-08 Funding Levels	Performance indicators
➤ Additional Home and Community Based (HCBS) Waiver Slots.	\$1.2 million (annualizing to \$4.7 million)	<ul style="list-style-type: none"> <li>• Increase number of children receiving HCBS waiver services by expanding HCBS capacity by 180 slots, bringing total slots to 1,620; provides HCBS services for up to 2,430 children.</li> </ul>
➤ Continue support for Child and Family Clinic Plus	\$21.5 million	<ul style="list-style-type: none"> <li>• Increase number of at-risk children and adolescents screened, assessed and treated for serious emotional disturbance, with up to 400,000 children screened; up to 76,000 assessed; up to 36,000 children admitted to clinic services; and up to 22,400 children receiving in-home treatment services.</li> </ul>

### ***Increase public safety through the treatment of sexually violent persons.***

The 2007-08 Executive Budget continues funding to support, and provides new resources for, the civil commitment of sexually violent persons (SVPs). Where appropriate, upon their release from prison, SVPs will receive care and treatment in secure facilities. Committing these individuals will protect the public while continued and needed treatment is provided.

Action	SFY 2007-08 Funding Levels	Performance indicators
➤ Modify commitment protocols consistent with recent court decision and deliver services tailored to treat sexually violent persons that are civilly committed for secure care and treatment	\$46 million	<ul style="list-style-type: none"> <li>• Provide care and treatment to SVPs who are civilly committed for such care upon their release from prison.</li> </ul>

### ***Provide access to efficient and high-quality inpatient services.***

Actions to implement this strategy include the more efficient deployment of inpatient staff, initiatives to better access appropriate patient revenue streams, and capital investments to improve patient milieus where health and safety deficiencies have been identified.

Action	SFY 2007-08 Funding Levels	Performance indicators
➤ Reduce non-personal service costs up to 5 percent for Central Office and up to 3 percent for Institutional programs.	-\$8 million	<ul style="list-style-type: none"> <li>• Savings will be achieved via a Business Plan which will include initiatives to reduce utility costs, expand Cook/Chill, maximize bulk purchasing for computers and other equipment.</li> </ul>
➤ Prepaid Mental Health Plan enrollments, and retro-claiming for residential treatment facilities.	-\$16 million	<ul style="list-style-type: none"> <li>• Increase Medicaid receipts by expanding enrollment in OMH's PMHP program by 1,000 persons and more efficient billing for services and retro-claiming for residential treatment facilities.</li> </ul>
➤ Further enhance service to mentally ill State prison inmates	\$2.0 million (annualizing to \$9 million)	<ul style="list-style-type: none"> <li>• Increase number of prison inmates that have access to mental health services in State correctional facilities.</li> </ul>

**Enhance access to effective community-based services for older adults and promote public mental health by reducing the risk of suicide.**

The 2007-08 Executive Budget continues support to implement access strategies focusing on the unique needs of older adults, and continues support for initiatives that increase awareness of, and that promote screening, early intervention and prevention strategies, particularly with primary care physicians and other healthcare providers.

Action	SFY 2007-08 Funding Levels	Performance indicators
➤ Continue funding for demonstration programs under Geriatric Mental Health Act.	\$2.0 million	<ul style="list-style-type: none"> <li>Increase the proportion of older adults receiving mental health services tailored to their unique needs via the establishment of demonstration programs.</li> </ul>
➤ Implementation of the New York State Suicide Prevention Plan initiated in SFY 2006-07.	\$1.5 million	<ul style="list-style-type: none"> <li>Increase number of localities that have developed and implemented local suicide prevention plans tailored to their communities.</li> <li>Improve public awareness of suicide risk and preventive factors.</li> </ul>

**ALL FUNDS APPROPRIATIONS (dollars)**

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	1,303,249,000	1,350,914,000	47,665,000	1,508,000
Aid To Localities	979,381,000	1,069,022,000	89,641,000	44,335,000
Capital Projects	485,285,000	646,052,000	160,767,000	892,309,000
Total	2,767,915,000	3,065,988,000	298,073,000	938,152,000

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07	2007-08	FTE Change
	Estimated FTEs 03/31/07	Estimated FTEs 03/31/08	
Administration and Finance			
General Fund	547	564	17
Special Revenue Funds - Federal	14	14	0
Enterprise Funds	20	20	0
Internal Service Funds	24	24	0
Adult Services			
General Fund	11,722	12,057	335
Capital Planning			
Capital Projects Funds - Other	41	41	0
Children and Youth Services			
General Fund	2,042	2,042	0
Forensic Services			
General Fund	1,951	1,989	38
Maintenance Undistributed			
Special Revenue Funds - Other	397	397	0
Research			
General Fund	480	495	15
Special Revenue Funds - Other	27	27	0
Total	17,265	17,670	405

# MENTAL HEALTH

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	772,557,000	764,555,000	(8,002,000)
Special Revenue Funds - Federal	1,358,000	1,358,000	0
Special Revenue Funds - Other	518,476,000	573,867,000	55,391,000
Enterprise Funds	8,349,000	8,514,000	165,000
Internal Service Funds	2,509,000	2,620,000	111,000
Total	1,303,249,000	1,350,914,000	47,665,000

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration and Finance			
General Fund	66,097,000	62,872,000	(3,225,000)
Special Revenue Funds - Federal	1,358,000	1,358,000	0
Special Revenue Funds - Other	3,870,000	3,870,000	0
Enterprise Funds	8,349,000	8,514,000	165,000
Internal Service Funds	2,509,000	2,620,000	111,000
Adult Services			
General Fund	876,361,000	917,013,000	40,652,000
Children and Youth Services			
General Fund	136,755,000	139,610,000	2,855,000
Enhanced Community Services			
General Fund	19,600,000	19,600,000	0
Forensic Services			
General Fund	136,012,000	140,714,000	4,702,000
Maintenance Undistributed			
General Fund	(507,481,000)	(562,767,000)	(55,286,000)
Special Revenue Funds - Other	507,481,000	562,767,000	55,286,000
Research			
General Fund	45,213,000	47,513,000	2,300,000
Special Revenue Funds - Other	7,125,000	7,230,000	105,000
Total	1,303,249,000	1,350,914,000	47,665,000

## STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration and Finance	43,462,000	2,452,000	42,049,000	2,602,000
Adult Services	718,844,000	32,950,000	676,025,000	30,118,000
Children and Youth Services	122,848,000	2,817,000	115,479,000	2,817,000
Forensic Services	126,668,000	4,317,000	118,330,000	4,317,000
Research	42,315,000	2,186,000	41,718,000	2,186,000
Total	1,054,137,000	44,722,000	993,601,000	42,040,000

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration and Finance	1,080,000	(150,000)	333,000	0
Adult Services	5,038,000	15,000	37,781,000	2,817,000
Children and Youth Services	2,429,000	0	4,940,000	0
Forensic Services	2,280,000	0	6,058,000	0
Research	55,000	0	542,000	0
Total	10,882,000	(135,000)	49,654,000	2,817,000

# MENTAL HEALTH

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration and Finance	19,410,000	(5,677,000)	1,081,000	(201,000)
Adult Services	198,169,000	7,702,000	98,079,000	8,851,000
Children and Youth Services	16,762,000	38,000	8,392,000	566,000
Enhanced Community Services	19,600,000	0	0	0
Forensic Services	14,046,000	385,000	8,759,000	636,000
Research	5,198,000	114,000	3,134,000	196,000
Total	<u>273,185,000</u>	<u>2,562,000</u>	<u>119,445,000</u>	<u>10,048,000</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration and Finance	1,084,000	(566,000)	15,062,000	(4,789,000)
Adult Services	2,798,000	(290,000)	91,438,000	(909,000)
Children and Youth Services	488,000	(62,000)	7,284,000	(477,000)
Enhanced Community Services	0	0	0	0
Forensic Services	609,000	(58,000)	4,461,000	(197,000)
Research	69,000	(4,000)	1,937,000	(79,000)
Total	<u>5,048,000</u>	<u>(980,000)</u>	<u>120,182,000</u>	<u>(6,451,000)</u>

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Finance	2,183,000	(121,000)	0	0
Adult Services	2,689,000	50,000	3,165,000	0
Children and Youth Services	598,000	11,000	0	0
Enhanced Community Services	0	0	19,600,000	0
Forensic Services	217,000	4,000	0	0
Research	58,000	1,000	0	0
Total	<u>5,745,000</u>	<u>(55,000)</u>	<u>22,765,000</u>	<u>0</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Finance	16,362,000	276,000	4,432,000	29,000
Research	7,230,000	105,000	1,915,000	0
Total	<u>23,592,000</u>	<u>381,000</u>	<u>6,347,000</u>	<u>29,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Finance	8,630,000	247,000	3,300,000	0
Research	5,315,000	105,000	0	0
Total	<u>13,945,000</u>	<u>352,000</u>	<u>3,300,000</u>	<u>0</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	858,598,000	950,903,000	92,305,000
Special Revenue Funds - Federal	40,498,000	37,834,000	(2,664,000)
Special Revenue Funds - Other	80,285,000	80,285,000	0
Total	<u>979,381,000</u>	<u>1,069,022,000</u>	<u>89,641,000</u>

# **MENTAL HEALTH**

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Adult Services			
General Fund	660,169,838	731,407,000	71,237,162
Special Revenue Funds - Federal	32,663,000	30,772,000	(1,891,000)
Special Revenue Funds - Other	7,735,000	7,735,000	0
Children and Youth Services			
General Fund	191,233,264	212,011,000	20,777,736
Special Revenue Funds - Federal	7,835,000	7,062,000	(773,000)
Enhanced Community Services			
Special Revenue Funds - Other	72,550,000	72,550,000	0
Community Support and Workforce Reinvestment			
General Fund	7,194,898	7,485,000	290,102
Total	<u>979,381,000</u>	<u>1,069,022,000</u>	<u>89,641,000</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Design and Construction Supervision				
Capital Projects Fund	2,000,000	2,000,000	0	2,000,000
MH Capital Improvements - Authority Bonds	8,000,000	12,000,000	4,000,000	9,185,000
Executive Direction				
Capital Projects Fund	0	0	0	3,245,000
MH Capital Improvements - Authority Bonds	3,591,000	3,717,000	126,000	5,727,000
Community Mental Health Facilities				
Capital Projects Fund	6,000,000	6,000,000	0	28,941,000
MH Capital Improvements - Authority Bonds	226,525,000	312,555,000	86,030,000	382,884,000
Maintenance and Improvements of Existing Facilities				
Capital Projects Fund	39,010,000	34,010,000	(5,000,000)	52,109,000
MH Capital Improvements - Authority Bonds	199,159,000	274,770,000	75,611,000	400,218,000
Non-Bondable				
Capital Projects Fund	1,000,000	1,000,000	0	8,000,000
Total	<u>485,285,000</u>	<u>646,052,000</u>	<u>160,767,000</u>	<u>892,309,000</u>

# **OFFICE OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES**

## **MISSION**

The mission of the Office of Mental Retardation and Developmental Disabilities (OMRDD) is to develop the highest quality, most comprehensive, integrated and innovative services and supports for New Yorkers with mental retardation and developmental disabilities and their families.

## **ORGANIZATION AND STAFFING**

Under the direction of a Commissioner appointed by the Governor, OMRDD currently operates through 14 district offices called Developmental Disabilities Services Offices (DDSO). Its Central Office oversees and supports operations of the district offices. OMRDD also operates the Institute for Basic Research in Developmental Disabilities (IBR) on Staten Island.

OMRDD will have a workforce of 23,509 for 2007-08, most of whom work directly with consumers of services. The remainder comprises supervisors of direct care workers, clinicians, administrative support and management personnel.

By the end of 2007-08, OMRDD will operate approximately 500 developmental center beds, along with over 1,200 special unit beds. Over the past two decades, the State has moved nearly 9,000 people from institutional care into more appropriate community settings.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

Total funding of nearly \$3.7 billion supports a comprehensive system of care serving more than 140,000 persons with disabilities and their families, reflecting the State's commitment to serving the needs of persons with developmental disabilities. The Executive Budget recommendations for 2007-08 preserve essential direct care and maintain the quality of services for individuals with developmental disabilities in both non-profit and OMRDD-operated programs, despite the need to implement cost-savings measures in the face of the State's fiscal difficulties.

OMRDD continues to improve the efficiency and cost-effectiveness of its operations and the network of non-profit providers it supports. In 2007-08, the Agency will achieve efficiencies through such Business Plan strategies as:

- Aggressively pursuing non-General Fund financial support for all programs;
- Maximizing use of existing service capacity and emphasizing use of less costly services, when appropriate;
- Utilizing internal controls on billing procedures, diligently reviewing eligibility for services and collaborating with the Office of the State Medicaid Inspector General (OMIG) in the area of Medicaid regulatory compliance and enforcement;
- Streamlining and updating, as appropriate, non-profit provider funding to realize efficiencies and to enhance recruitment and retention for a qualified workforce;

## **MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES**

- Collaborating with voluntary providers to identify unmet staff training needs in the service system and engaging in training efforts to professionalize the workforce and encourage career tracks within the mental retardation and developmental disabilities services field;
- Maintaining strict controls on hiring in administrative positions in both the DDSOs and Central Office, and continuing overtime abatement strategies;
- Achieving non-personal service savings through such creative management strategies as shared services, energy efficiencies, conversion of contract consulting staff to State positions and exploring bulk information technology purchasing with other agencies; and
- Continuing to reconfigure research goals and initiate more cost effective business protocols at IBR.

The 2007-08 Executive Budget maintains the State's commitment to serve a wide range of developmentally disabled New Yorkers, including those who are medically frail and behaviorally challenged — either in institutions or on community waiting lists for residential services — as well as consumers who have been placed out-of-State or who are “aging out” of other child care systems, by funding support for residential developments through the New York State-Creating Alternatives in Residential Environments and Services (NYS-CARES) initiative. Over 12,000 persons have already left the waiting list for homes in the community since 1998.

During this time, OMRDD has continually worked with families to review the waiting list and verify their needs. OMRDD has also instituted a recurring survey designed by consumers, families and other stakeholders, which is used to evaluate individuals' satisfaction and the success of residential placements under NYS-CARES, as well as identify areas in need of improvement. Based on the results of the latest survey, the Budget includes resources for a third phase of the NYS-CARES initiative by adding 1,000 residential placements, 2,400 at-home residential habilitation and 200 day habilitation opportunities over the next five years, with first year costs of \$12 million when fully annualized, and a commitment of over \$60 million when fully implemented. By the end of 2012, OMRDD will have developed a total of 7,800 new residential beds under NYS-CARES which, when coupled with the more than 38,000 funded community beds already in the system, will provide ample placement opportunities to individuals on the residential waiting list.

Beyond NYS-CARES development, OMRDD also will open 140 new beds to accommodate consumers aging out of other human services or educational environments as well as 125 new beds to either repatriate children placed out-of-State, or to mitigate such future placements. Additionally, the 2007-08 Executive Budget provides \$7.9 million in new resources to expand Family Support Services to another 5,000 families to help them care for loved ones with disabilities at home, including new respite opportunities and other requested services. Competitive work opportunities for 750 new consumers as well as 500 consumers currently in such non-competitive employment programs as sheltered work and day training also will be enhanced by \$3.1 million in new resources to help expand the Supported Employment program. The monies will be used to improve job development and job coaching services as well as short-term subsidies for newly-developed jobs.

The Budget also provides new funding for the second year of a three-year cost-of-living adjustment (COLA), which is tied to the Consumer Price Index (CPI) to improve existing services for non-trended voluntary programs. The COLA will be used by OMRDD to enhance funding by nearly 2.5 percent for not-for-profit providers to strengthen efforts to recruit and retain qualified direct care and clinical staff and respond to other critical



## **MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES**

inflationary pressures. Improving non-profit provider staff recruitment and retention activities will likewise be enhanced by the third and final year of OMRDD's innovative health care initiative. The 2007-08 Executive Budget also acknowledges the Federal Systems Transformation Grant (FY 2006), awarded to New York State for its New York State — Options for People Through Services (NYS-OPTS) Real Choice Systems Change (RCSC) initiative. Predicated upon an organized health care delivery system model, the NYS-OPTS program is focused on system and fiscal reform of the primarily Medicaid-funded system. Specifically, the RCSC grant awards New York State \$2.8 million dollars to enhance OMRDD's ability to increase delivery of services through NYS-OPTS to individuals that are dually diagnosed, aging-out, and residing in, or at risk of placement into, a nursing home. The RCSC grant also expands the NYS-OPTS infrastructure to enable OMRDD to increase individualized services and supports to persons with developmental disabilities seeking flexible, person-centered approaches to meeting their needs. Statewide, OMRDD has already approved over 130 NYS-OPTS proposals and nearly 70 have been implemented.

In total, these recommendations — through the combination of both new and existing services — will support almost 4,300 new day and residential opportunities in the community during 2007-08. This reflects nearly 1,100 people newly-placed in residential settings and almost 3,200 new service opportunities in non-residential programs. Community opportunities will be targeted for people in developmental centers and for mandated populations, as well as people on community waiting lists. Services to individuals and families have been expanded within family support services.

Infrastructure throughout the State and not-for-profit systems will be maintained through new capital appropriations of \$138.3 million and reappropriations of \$282.8 million. Capital appropriations for institutional projects continue to support the relocation of the Bernard Fineson Developmental Center in Queens, as well as focus on the need to reinvest resources into preserving and maintaining long-term facilities, mostly for a core population of consumers who have severe behavioral treatment needs and/or have been involved with the criminal justice system.

Capital projects in the community reflect a continued investment to maintain both State and voluntary not-for-profit community-based sites, and to develop new State-operated community residential placements for individuals currently in institutional settings, including consumers who have severe behavioral treatment needs or who are medically frail, and on the NYS-CARES waiting list. While minimal bonded appropriations are required to address funding needs for small providers that cannot obtain alternative financing, the vast majority of voluntary not-for-profit capital development needs for NYS-CARES and other program expansion initiatives will continue to be met primarily through the use of non-State revenue such as Federal Housing and Urban Development (HUD) grants and private financing.

### ***PROGRAM HIGHLIGHTS***

OMRDD serves more than 140,000 New Yorkers with developmental disabilities, which include primarily mental retardation, epilepsy, cerebral palsy, neurological impairments and autism. In recent years, New York has made great strides in improving its methods of delivering services to this vulnerable population, moving more people from institutions to the community than any other state in the nation. In addition, New York continues to place greater emphasis on consumer choice and satisfaction.

## **MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES**

Under a 1991 Federal Medicaid waiver, individuals with developmental disabilities have the opportunity to receive individualized services in less restrictive settings. With the aid of trained service coordinators, consumers choose the services they need and receive them in appropriate settings. New York commits more resources to its Home and Community Based Services (HCBS) Waiver program than any state in the nation, investing twice as much as the next highest state offering services under a waiver, with the exception of California, and has a lower cost per consumer than other comparable states. The HCBS Waiver also promotes smaller, more natural home environments. Home size has continued to decrease, thereby supporting individualized, quality services. Today, 85 percent of the homes in the community are six beds or less; two-thirds of these are four beds or less.

Maintaining a statewide system of services, delivered through both the State and non-profit providers, OMRDD:

- Provides approximately 38,000 persons with certified residential services;
- Provides about 64,000 persons with community day services; and
- Assists in the care of more than 20,000 persons with developmental disabilities who live alone and another 41,000 persons who live with their families.

An overview of these services is provided below.

### **RESIDENTIAL SERVICES**

Residential services are offered through a continuum of programs in both community and institutional settings. The alternative that provides the most intensive services in a community setting is the Intermediate Care Facility for the Developmentally Disabled (ICF/DD). These facilities — some 5,900 beds operated statewide by both State and not-for-profit providers — are appropriate for individuals requiring intensive 24-hour care.

The most common residential placement for persons under the waiver is in Individual Residential Alternatives (IRAs) — homes, typically for four to eight consumers, operated by either the State or not-for-profit providers in the community. This budget supports nearly 25,000 IRA beds and accompanying service coordination. Other community living arrangements include Community Residences and Family Care homes, which serve almost 3,800 people.

In addition to these community-based programs, OMRDD operates 10 campuses across the State. Some 1,700 people will be served in these settings by the end of 2007-08, of which more than 70 percent will be receiving specialized services. OMRDD remains committed to providing community residential opportunities for all those in State institutions who can receive appropriate care in the community. Currently, New York serves more persons in community residential settings than any other state, with the exception of California.

### **DAY SERVICES**

OMRDD supports an array of day services for persons with developmental disabilities, which also vary depending on the needs of the consumer. The major programs include:

- Day treatment which provides diagnostic, treatment and rehabilitative services;
- Day habilitation, a smaller more individualized service for persons under the Federal Medicaid waiver for home and community based services;
- Supported employment, which provides the opportunity for individuals to work in competitive positions, usually in integrated settings in the private sector;

## **MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES**

- Sheltered workshops, which provide basic, non-competitive work opportunities; and
- Day training, which develops the knowledge and skills that enable persons with developmental disabilities to improve their personal, social, and vocational skills and to function independently.

### **SUPPORT FOR CONSUMERS LIVING IN THEIR OWN HOMES**

OMRDD services also support families and individuals in their own homes. The Family Support Services program currently assists approximately 41,000 persons with developmental disabilities and their families, enabling these individuals to remain at home and receive nearly 65,000 individualized services. Services offered include respite, crisis intervention, case management, recreation, information and referral and home care.

The Individualized Support Services program provides services to 1,900 disabled individuals who live independently. In addition, approximately 8,000 individuals living in their own homes receive residential habilitation under the Federal Medicaid waiver.

The Care-at-Home program provides a third alternative, designed to preserve family settings for persons under 18 years of age with developmental disabilities, who are medically frail. This program allows the parents of young persons with severe disabilities to maintain the child at home, regardless of family income level, thereby preventing more costly out-of-home placements.

#### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	1,454,246,000	1,465,083,000	10,837,000	280,000
Aid To Localities	1,823,599,000	2,067,751,000	244,152,000	4,232,000
Capital Projects	147,600,000	138,355,000	(9,245,000)	282,815,000
Total	<u>3,425,445,000</u>	<u>3,671,189,000</u>	<u>245,744,000</u>	<u>287,327,000</u>

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

<b>Program</b>	<b>Full-Time Equivalent Positions (FTE)</b>		
	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
	Central Coordination and Support General Fund	829	849
Community Services General Fund	16,419	16,562	143
Institutional Services General Fund	5,839	5,913	74
Research in Mental Retardation General Fund	185	185	0
Total	<u>23,272</u>	<u>23,509</u>	<u>237</u>

# MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	530,123,000	472,028,000	(58,095,000)
Special Revenue Funds - Federal	280,000	3,495,000	3,215,000
Special Revenue Funds - Other	921,319,000	986,804,000	65,485,000
Enterprise Funds	2,374,000	2,406,000	32,000
Internal Service Funds	150,000	350,000	200,000
Total	<u>1,454,246,000</u>	<u>1,465,083,000</u>	<u>10,837,000</u>

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Central Coordination and Support			
General Fund	71,864,000	75,155,000	3,291,000
Special Revenue Funds - Federal	280,000	3,495,000	3,215,000
Internal Service Funds	150,000	350,000	200,000
Community Services			
General Fund	876,486,000	873,797,200	(2,688,800)
Institutional Services			
General Fund	485,666,000	492,121,000	6,455,000
Special Revenue Funds - Other	504,000	504,000	0
Enterprise Funds	2,374,000	2,406,000	32,000
Maintenance Undistributed			
General Fund	(920,765,000)	(986,250,000)	(65,485,000)
Special Revenue Funds - Other	920,765,000	986,250,000	65,485,000
Research in Mental Retardation			
General Fund	16,872,000	17,204,800	332,800
Special Revenue Funds - Other	50,000	50,000	0
Total	<u>1,454,246,000</u>	<u>1,465,083,000</u>	<u>10,837,000</u>

## STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Central Coordination and Support	51,336,000	1,236,000	48,851,000	1,130,000
Community Services	737,115,000	(3,863,000)	718,825,000	(3,202,000)
Institutional Services	293,028,000	8,871,000	282,771,000	9,493,000
Research in Mental Retardation	15,028,000	337,000	14,846,000	592,000
Total	<u>1,096,507,000</u>	<u>6,581,000</u>	<u>1,065,293,000</u>	<u>8,013,000</u>

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Central Coordination and Support	2,192,000	76,000	293,000	30,000
Community Services	5,589,000	29,000	12,701,000	(690,000)
Institutional Services	2,193,000	74,000	8,064,000	(696,000)
Research in Mental Retardation	0	(262,000)	182,000	7,000
Total	<u>9,974,000</u>	<u>(83,000)</u>	<u>21,240,000</u>	<u>(1,349,000)</u>

# MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

## STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Central Coordination and Support	23,819,000	2,055,000	1,576,000	967,000
Community Services	136,682,200	1,174,200	59,550,000	10,158,000
Institutional Services	199,093,000	(2,416,000)	9,990,000	(23,499,000)
Research in Mental Retardation	2,176,800	(4,200)	1,300,000	316,000
Total	361,771,000	809,000	72,416,000	(12,058,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Central Coordination and Support	1,180,000	(189,000)	19,500,000	1,509,000
Community Services	11,425,000	3,295,000	53,550,000	(8,408,000)
Institutional Services	5,208,000	2,937,000	56,625,000	18,130,000
Research in Mental Retardation	109,000	52,000	566,800	(304,200)
Total	17,922,000	6,095,000	130,241,800	10,926,800

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Central Coordination and Support	1,563,000	(232,000)	0	0
Community Services	2,873,200	(4,310,800)	9,284,000	440,000
Institutional Services	6,874,000	2,906,000	120,396,000	(2,890,000)
Research in Mental Retardation	201,000	(68,000)	0	0
Total	11,511,200	(1,704,800)	129,680,000	(2,450,000)

## STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Central Coordination and Support	3,845,000	3,415,000	0	0
Institutional Services	2,910,000	32,000	282,000	0
Research in Mental Retardation	50,000	0	0	0
Total	6,805,000	3,447,000	282,000	0

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Central Coordination and Support	0	0	3,845,000	3,415,000
Institutional Services	2,628,000	32,000	0	0
Research in Mental Retardation	50,000	0	0	0
Total	2,678,000	32,000	3,845,000	3,415,000

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	534,189,000	662,413,000	128,224,000
Special Revenue Funds - Other	1,289,410,000	1,405,338,000	115,928,000
Total	1,823,599,000	2,067,751,000	244,152,000

# MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Community Services			
General Fund	534,189,000	662,413,000	128,224,000
Special Revenue Funds - Other	1,289,410,000	1,405,338,000	115,928,000
Total	<u>1,823,599,000</u>	<u>2,067,751,000</u>	<u>244,152,000</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Design and Construction Supervision				
Capital Projects Fund	3,000,000	5,000,000	2,000,000	1,000,000
MH Capital Improvements - Authority Bonds	4,000,000	4,000,000	0	2,585,000
Voluntary-Operated Community Facilities				
Capital Projects Fund	20,800,000	21,245,000	445,000	20,420,000
MH Capital Improvements - Authority Bonds	5,922,000	6,350,000	428,000	5,920,000
State-Operated Community Services Program				
Capital Projects Fund	19,320,000	19,465,000	145,000	18,400,000
MH Capital Improvements - Authority Bonds	20,300,000	23,200,000	2,900,000	28,690,000
Institutional Services Program				
Capital Projects Fund	14,115,000	14,805,000	690,000	44,530,000
MH Capital Improvements - Authority Bonds	59,143,000	43,290,000	(15,853,000)	161,270,000
Non-Bondable				
Capital Projects Fund	1,000,000	1,000,000	0	0
Total	<u>147,600,000</u>	<u>138,355,000</u>	<u>(9,245,000)</u>	<u>282,815,000</u>

# **COMMISSION ON QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES**

## **MISSION**

The mission of the Commission on Quality of Care and Advocacy for Persons with Disabilities (CQCAPD) is to improve the quality of life for individuals with disabilities in New York State, protect their rights and advocate for needed change by:

- Promoting the inclusion of persons with disabilities in all aspects of community life and ensuring that persons with disabilities are afforded the opportunity to exercise the full range of rights and responsibilities accorded to all New Yorkers;
- Ensuring programmatic and fiscal accountability and monitoring care and treatment of people with disabilities within the State's \$7 billion mental hygiene system, making recommendations for improvements, when warranted;
- Providing individual and systemic investigative and advocacy services;
- Advancing the availability and use of assistive technology for persons with disabilities; and
- Offering impartial and informed advice, training and recommendations on a broad range of disability issues.

A Commission priority has been to enhance advocacy services for all populations. The Commission's focus has been to increase its outreach efforts, provide a single point of access for disability information and expand disability rights and awareness training over the prior year. The Commission's Advocacy Council has expanded its membership to include individuals with a broader range of disabilities to better fulfill its mission in advising the Governor and Legislature regarding all New Yorkers with disabilities.

## **ORGANIZATION AND STAFFING**

The Commission comprises a full-time chairman and two unsalaried members, each appointed by the Governor and confirmed by the Senate to serve staggered five-year terms. During 2007-08, the agency's workforce will consist of 105 positions funded by the General Fund, Federal grants and other Federal revenues related to oversight of Medicaid programs.

The Commission carries out its work through four major programmatic divisions:

- The Division of Quality Assurance and Investigation;
- The Fiscal and Policy Bureaus, coordinated by the Office of Counsel, which also provides legal support for all Commission initiatives;
- The Division of Protection and Advocacy Program Administration; and
- The Division of Advocacy and Outreach for Persons with Physical Disabilities.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Commission's State Operations appropriation is supported by the General Fund (28 percent), Federal grants (46 percent) and other funding, primarily Medicaid revenue related to program oversight activities (26 percent).

## ***QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES***

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The Aid to Localities appropriations support:

- Private, non-profit service provider agencies that provide advocacy services to residents of adult homes and adult care facilities; and
- Non-profit Community Dispute Resolution Centers, which provide support services for the Surrogate Decision Making Committee program.

The Executive Budget recommendation of \$15.8 million fully supports existing program and service levels.

### ***PROGRAM HIGHLIGHTS***

#### ***STATEWIDE CLEARINGHOUSE***

The Commission operates a statewide clearinghouse through which individuals can access information and obtain referrals to a variety of disability-related services. The system features a 24-hour statewide telephone hotline (800-624-4143) and a dynamic full-featured Web site ([www.cqcapd.state.ny.us](http://www.cqcapd.state.ny.us)). CQCAPD has responded to over 51,000 calls through its hotline, and the Web site has attracted more than one million visitors.

#### ***TECHNOLOGY SERVICES TO PERSONS WITH DISABILITIES***

The Commission's federally funded Technology-Related Assistance for Individuals with Disabilities (TRAID) Project supports a statewide system that helps New Yorkers with disabilities access technology devices and services to facilitate their full integration into the mainstream workplace and community. This program is coordinated through an Interagency Partnership on Assistive Technology and 12 Regional TRAIID Centers at 15 sites. During 2006, the Regional TRAIID Centers provided awareness training, device demonstrations, information, education and referrals to over 33,400 persons with disabilities. Over 850 people attended the NYS Assistive Technology Expo in Albany, which was coordinated by the CQCAPD's TRAIID Project.

The Commission's Disability and Business Technical Assistance Center grant funding will continue to be used to provide comprehensive education, public awareness, and technical assistance programs which promote increased voluntary compliance with the Americans with Disabilities Act (ADA).

#### ***OVERSIGHT OF SERVICE DELIVERY IN THE MENTAL HYGIENE AREA***

The Commission provides independent oversight and review of State and voluntary programs serving individuals with mental illness, developmental disabilities, and chemical dependence. Most importantly, it investigates allegations of consumer abuse or mistreatment in facilities operated or licensed by these agencies. The Commission reviews approximately 13,000 reports of abuse, neglect or death and conducts investigations on nearly 1,400 cases annually. By realigning existing resources and staff, the Commission established a new Children's Oversight and Technical Assistance team in 2006 to more efficiently carry out children's oversight activities and enhance the Commission's capacity to provide technical assistance to other agencies, enabling them to better respond to emerging issues.



## **QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES**

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### **PROTECTION AND ADVOCACY**

Through a combination of staff resources and contracts with non-profit agencies, Federal funding provides statewide protection and advocacy services for individuals with disabilities through the following programs: Protection and Advocacy for the Developmentally Disabled; Client Assistance; Protection and Advocacy for Individuals with Mental Illness; Protection and Advocacy of Individual Rights; Protection and Advocacy for Beneficiaries of Social Security; Protection and Advocacy for Assistive Technology; Protection and Advocacy for Traumatic Brain Injury; and Protection and Advocacy for Voting Access. These programs assist the Commission in strengthening the non-profit contract network by providing individuals with severe disabilities with Federally-mandated protection and advocacy services. Annually, more than 74,000 individuals with disabilities are served through the Commission's protection and advocacy programs.

### **ADULT HOMES**

The Commission contracts with local non-profit organizations to provide advocacy services to protect the rights of residents of adult homes who have been consumers in the mental hygiene system. The Commission's dedicated team will continue to work collaboratively with the Department of Health (DOH) and the Office of Mental Health (OMH) to conduct programmatic and fiscal investigations into the quality of care provided to individuals living in adult homes. The Commission's efforts have been expanded to assist in the implementation of new State initiatives already underway to improve the quality of life and safety of adult home residents. Last Year, Commission staff conducted comprehensive reviews of 19 adult homes serving over 1,600 people and collaborated with DOH and OMH in on-site monitoring of the closure of eight homes serving approximately 1,700 people.

### **SURROGATE DECISION MAKING COMMITTEE**

The Surrogate Decision Making Committee (SDMC) program reviews recommendations for medical services on behalf of individuals receiving mental hygiene residential services who have neither a legal guardian nor the ability to make decisions for themselves. Volunteer teams comprising medical, legal and health care professionals and advocates work via local dispute resolution centers located throughout the State to represent these individuals. More than 1,600 SDMC cases are resolved, and no less than 700 volunteers and providers are trained to utilize these services annually.

### **ADVOCACY AND OUTREACH**

The Division of Advocacy and Outreach coordinates the Commission's efforts to provide information, support and technical assistance to empower people with disabilities, family members, advocates, local government officials and others to identify and undertake the actions necessary to support people with disabilities in becoming fully participating members of their chosen communities. In 2005-06, Commission staff made more than 125 presentations which reached over 2,500 people on such disability related topics as Disability

## **QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES**

Awareness and Inclusion, the Americans with Disabilities Act, Reasonable Accommodations and Barrier Reduction, Accessibility and the State Building Code, Educational Rights and Advocacy Skills. In addition, the Commission partnered with the State Board of Elections to conduct trainings statewide for local election officials to improve accessibility of the voting process.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	15,685,000	15,126,000	(559,000)	14,182,000
Aid To Localities	711,000	711,000	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>16,396,000</b>	<b>15,837,000</b>	<b>(559,000)</b>	<b>14,182,000</b>

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

#### **Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration			
General Fund	46	46	0
Special Revenue Funds - Other	31	31	0
Client Assistance			
Special Revenue Funds - Federal	2	2	0
Protection and Advocacy for Beneficiaries of Social Security			
Special Revenue Funds - Federal	1	1	0
Protection and Advocacy for the Developmentally Disabled			
Special Revenue Funds - Federal	9	8	(1)
Protection and Advocacy for Individual Rights			
Special Revenue Funds - Federal	3	3	0
Protection and Advocacy for the Mentally Ill			
Special Revenue Funds - Federal	11	11	0
Technology Related Assistance for Individuals with Disabilities			
Special Revenue Funds - Federal	2	2	0
Technology Related Protection and Advocacy			
Special Revenue Funds - Federal	0	1	1
<b>Total</b>	<b>105</b>	<b>105</b>	<b>0</b>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	4,156,000	4,316,000	160,000
Special Revenue Funds - Federal	7,625,000	6,990,000	(635,000)
Special Revenue Funds - Other	3,859,000	3,775,000	(84,000)
Enterprise Funds	45,000	45,000	0
<b>Total</b>	<b>15,685,000</b>	<b>15,126,000</b>	<b>(559,000)</b>

# QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
General Fund	4,156,000	4,316,000	160,000
Special Revenue Funds - Federal	300,000	300,000	0
Special Revenue Funds - Other	3,859,000	3,775,000	(84,000)
Enterprise Funds	45,000	45,000	0
Client Assistance			
Special Revenue Funds - Federal	671,000	651,000	(20,000)
Protection and Advocacy for Beneficiaries of Social Security			
Special Revenue Funds - Federal	313,000	344,000	31,000
Protection and Advocacy for the Developmentally Disabled			
Special Revenue Funds - Federal	2,039,000	2,010,000	(29,000)
Protection and Advocacy Help America Vote Act			
Special Revenue Funds - Federal	195,000	179,000	(16,000)
Protection and Advocacy for Individual Rights			
Special Revenue Funds - Federal	916,000	902,000	(14,000)
Protection and Advocacy for the Mentally Ill			
Special Revenue Funds - Federal	1,615,000	1,610,000	(5,000)
Protection and Advocacy for Persons with Traumatic Brain Injury			
Special Revenue Funds - Federal	86,000	85,000	(1,000)
Technology Related Assistance for Individuals with Disabilities			
Special Revenue Funds - Federal	1,088,000	679,000	(409,000)
Technology Related Protection and Advocacy			
Special Revenue Funds - Federal	402,000	230,000	(172,000)
Total	<u>15,685,000</u>	<u>15,126,000</u>	<u>(559,000)</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	3,150,000	0	3,150,000	0
Total	<u>3,150,000</u>	<u>0</u>	<u>3,150,000</u>	<u>0</u>

# **QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES**

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## **STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	1,166,000	160,000	53,800	6,800
Total	<u>1,166,000</u>	<u>160,000</u>	<u>53,800</u>	<u>6,800</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	138,600	(8,400)	802,900	24,900
Total	<u>138,600</u>	<u>(8,400)</u>	<u>802,900</u>	<u>24,900</u>

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Administration	170,700	136,700
Total	<u>170,700</u>	<u>136,700</u>

## **STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	4,120,000	(84,000)	2,059,000	47,000
Client Assistance	651,000	(20,000)	38,000	(70,000)
Protection and Advocacy for Beneficiaries of Social Security	344,000	31,000	66,000	11,000
Protection and Advocacy for the Developmentally Disabled	2,010,000	(29,000)	439,000	(20,000)
Protection and Advocacy Help America Vote Act	179,000	(16,000)	0	(6,000)
Protection and Advocacy for Individual Rights	902,000	(14,000)	131,000	(33,000)
Protection and Advocacy for the Mentally Ill	1,610,000	(5,000)	503,000	(69,000)
Protection and Advocacy for Persons with Traumatic Brain Injury	85,000	(1,000)	0	0
Technology Related Assistance for Individuals with Disabilities	679,000	(409,000)	0	0
Technology Related Protection and Advocacy	230,000	(172,000)	0	0
Total	<u>10,810,000</u>	<u>(719,000)</u>	<u>3,236,000</u>	<u>(140,000)</u>

<b>Program</b>	<b>Nonpersonal Service</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	1,460,000	(13,000)	601,000	(118,000)
Client Assistance	613,000	50,000	0	0
Protection and Advocacy for Beneficiaries of Social Security	278,000	20,000	0	0
Protection and Advocacy for the Developmentally Disabled	1,571,000	(9,000)	0	0
Protection and Advocacy Help America Vote Act	179,000	(10,000)	0	0
Protection and Advocacy for Individual Rights	771,000	19,000	0	0
Protection and Advocacy for the Mentally Ill	1,107,000	64,000	0	0
Protection and Advocacy for Persons with Traumatic Brain Injury	85,000	(1,000)	0	0
Technology Related Assistance for Individuals with Disabilities	0	0	679,000	(409,000)
Technology Related Protection and Advocacy	0	0	230,000	(172,000)
Total	<u>6,064,000</u>	<u>120,000</u>	<u>1,510,000</u>	<u>(699,000)</u>

# QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	293,000	293,000	0
Special Revenue Funds - Other	418,000	418,000	0
Total	<u>711,000</u>	<u>711,000</u>	<u>0</u>

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Adult Homes			
General Fund	170,000	170,000	0
Surrogate Decision Making			
General Fund	123,000	123,000	0
Special Revenue Funds - Other	418,000	418,000	0
Total	<u>711,000</u>	<u>711,000</u>	<u>0</u>





***TRANSPORTATION,  
ECONOMIC DEVELOPMENT AND  
ENVIRONMENTAL CONSERVATION***





# OVERVIEW AND PERFORMANCE MEASURES

## ENVIRONMENT AND RECREATION

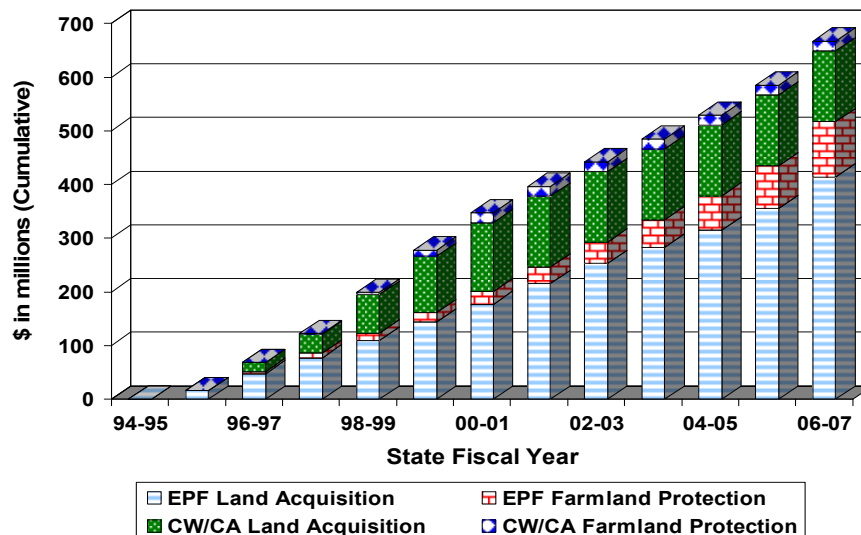
The following charts provide information on performance and fiscal measures related to New York's environmental protection and recreation programs. Annual environmental spending will exceed \$1.6 billion in the proposed budget.

The information below is based on the most recent data available from the departments of Environmental Conservation and Agriculture and Markets, the Office of Parks, Recreation and Historic Preservation and the Environmental Facilities Corporation:

- The total amount of resources provided for open space protection and land acquisition in New York State. (see charts 1 and 2)
- State investments in water quality including improvements to Onondaga Lake, the Hudson River and Long Island Sound. (see charts 3 and 4)
- Acid rain improvements and other air quality improvements that directly impact public health and safety. (see chart 5)
- Superfund and Brownfield program accomplishments including increased program participation. (see chart 6)

The State has preserved valuable open space for recreational, habitat protection and water quality purposes. The two primary funding sources were the 1996 Clean Water/Clean Air Bond Act (CW/CA) and Environmental Protection Fund (EPF) which the budget increases to \$250 million.

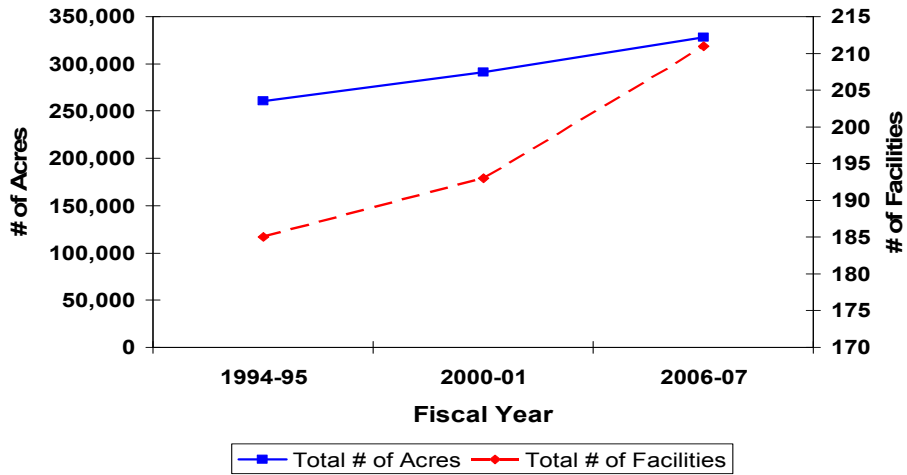
**Open Space Investment**



In addition to the thousands of acres of open space that have been preserved, this level of funding has also spurred the acquisition and creation of new State parks. Currently, the State park system has 176 parks and 35 State historic sites. Additionally, attendance at the State's parks has reached nearly 60 million annually, making New York's park system one of the most diverse and popular in the nation.

# ENVIRONMENT AND RECREATION

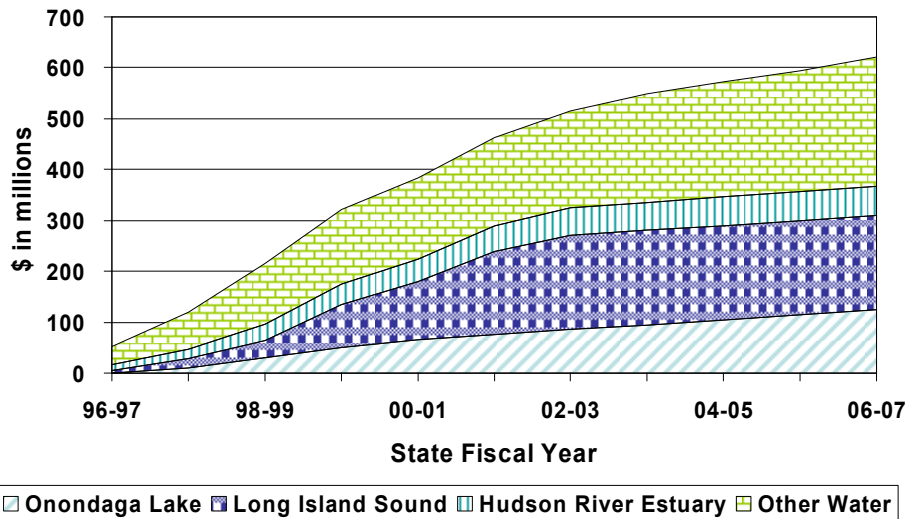
## State Park System Expansion



Significant investments have been made in improving the quality of the State's water bodies. Over \$600 million has been invested in improving Onondaga Lake, Long Island Sound and the Hudson River. Achievements include significant reductions in ammonia levels, reduction in phosphorous discharges into Onondaga Lake, and nitrogen loadings to the Long Island Sound have been reduced.

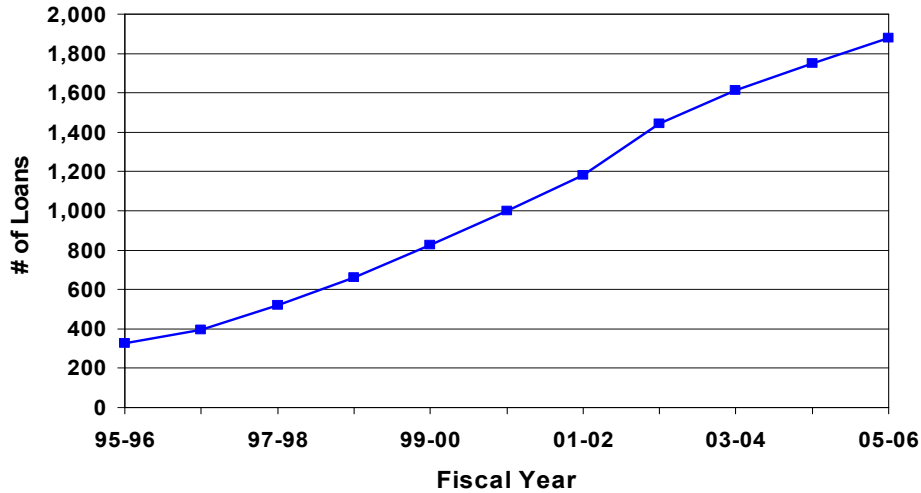
## A Decade of Investment in Water Quality

Department of Environmental Conservation



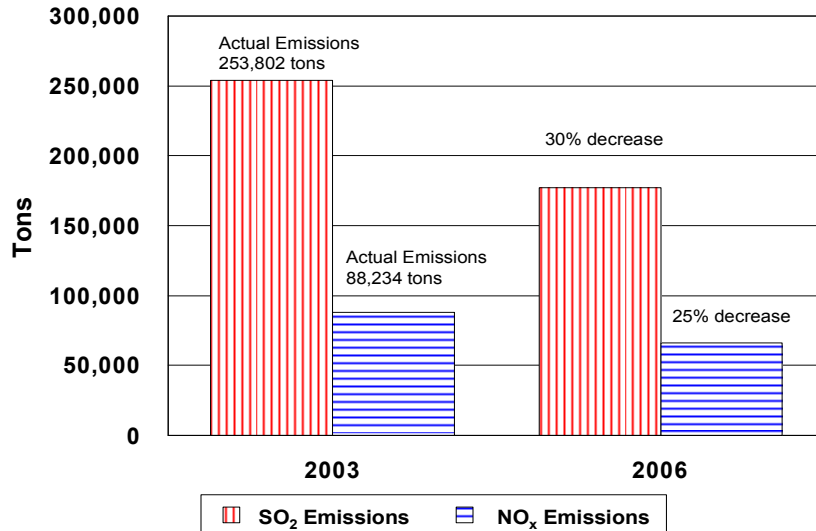
Additionally, the chart below shows the commitment to local communities and their water quality infrastructure needs. The Environmental Facilities Corporation has provided municipalities across the State with over 1,800 low interest and no interest loans from the Clean Water and Safe Drinking Water State Revolving Loan Funds (SRF). Loans from these sources have totaled over \$13.7 billion.

**Cumulative SRF Loans Issued**



Great strides have been made to date in reducing harmful air pollutants and programs like the Acid Deposition Reduction Program (ADRP) are in place to continue these successes. More specifically, sulfur dioxide (SO<sub>2</sub>) and nitrogen oxides (NO<sub>x</sub>), pollutants directly linked to human health as well as severe negative environmental effects, have been dramatically reduced.

**SO<sub>2</sub> and NO<sub>x</sub> Emissions  
2003 to 2006**

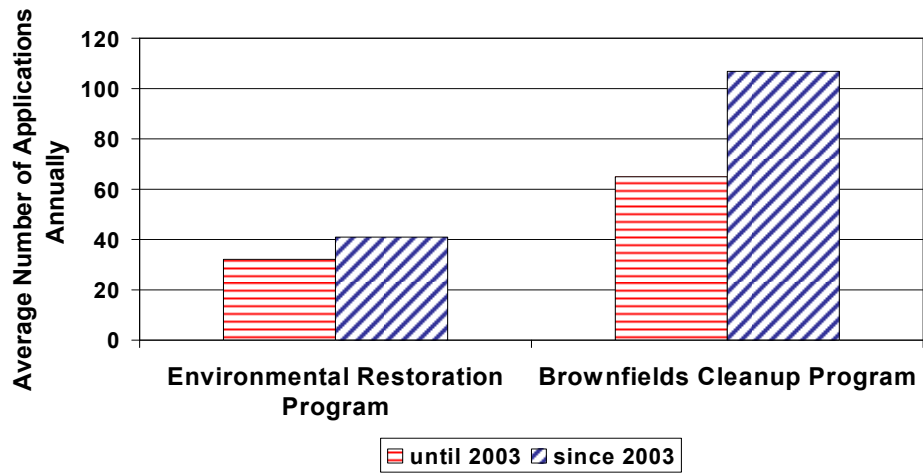


The State Superfund and Brownfield programs provide \$135 million in annual funding, tax credits of \$135 million and other programmatic improvements including, reforming the State's remedial liability scheme and establishing the Brownfield Opportunity Area program. The following table illustrates increased participation in the Environmental Restoration and Brownfield Cleanup programs since these investments were made.

# ***ENVIRONMENT AND RECREATION***

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**Superfund and Brownfields Accomplishments  
Since Passage of Superfund/Brownfields  
Law in 2003**

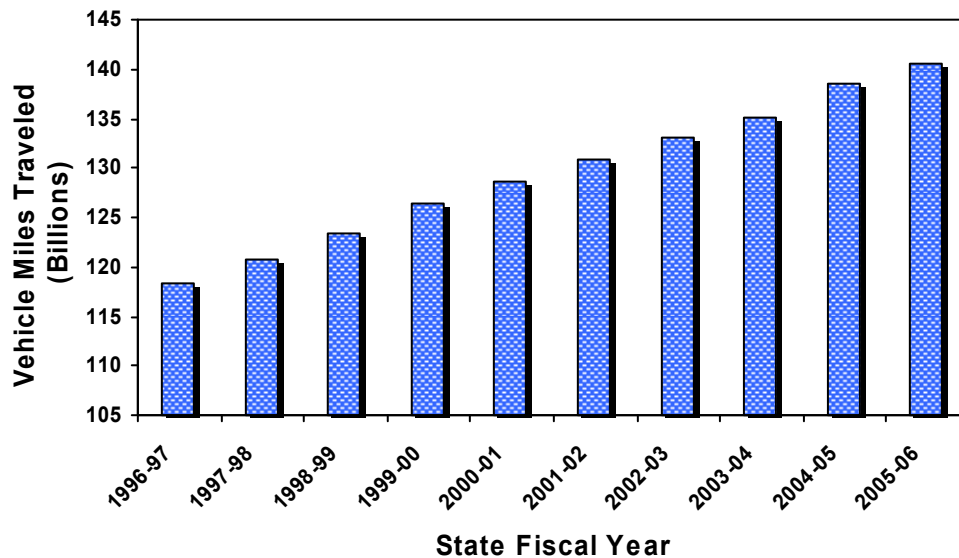


# TRANSPORTATION

The following charts provide information on performance and fiscal measures related to New York's highway and bridge, and transit programs. Information depicted on the following charts is based on the most recent data available from the Department of Transportation (DOT), Department of Motor Vehicles and the Metropolitan Transportation Authority:

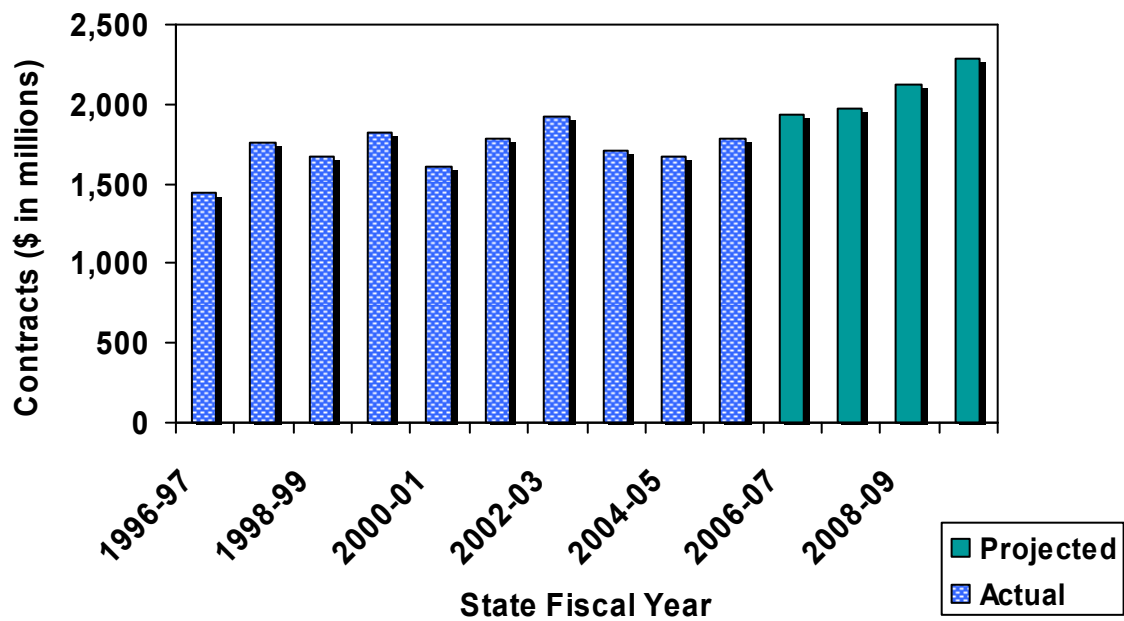
- Annual vehicle miles traveled on the State's highway and bridge system since 1996-97;
- Annual construction contract value on State and local highways and bridges since 1996-97 and throughout the current DOT five-year capital plan;
- Annual dedication of transportation revenues since 1996-97;
- State highway pavement condition ratings since 1997;
- State bridge condition ratings since 1997;
- Motor vehicle fatalities on State highways and bridges since 1996;
- Annual passenger trips on mass transit systems since 1996-97; and
- Annual State transit aid since 1996-97.

## State Highway and Bridge Utilization



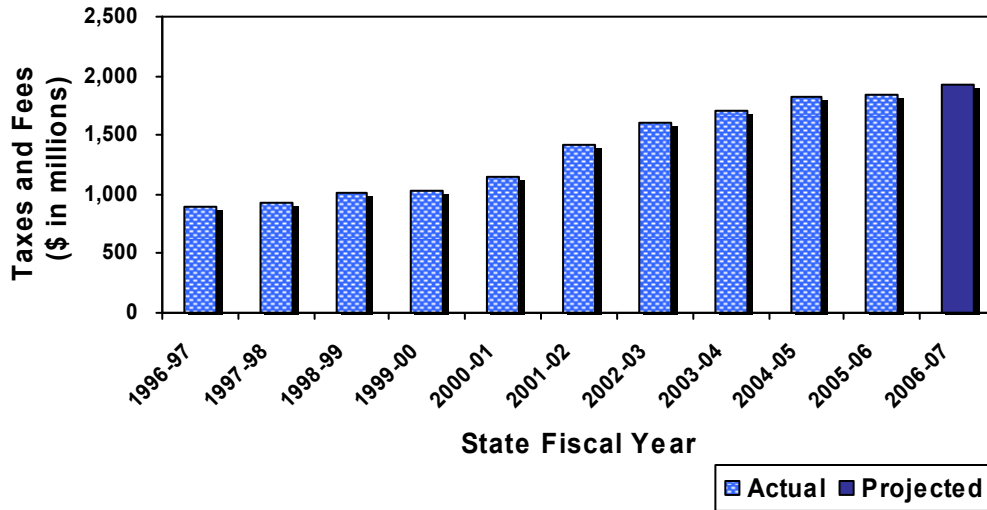
Utilization of New York's highway and bridge system has increased significantly, with the number of vehicle miles traveled on State highways and bridges up by more than 18 percent over the past ten years. Increased utilization, along with the regular freeze and thaw cycles experienced by northern states, increases wear and tear on roads and bridges leading to the need for increased capital investment.

## Highway & Bridge Construction Projects



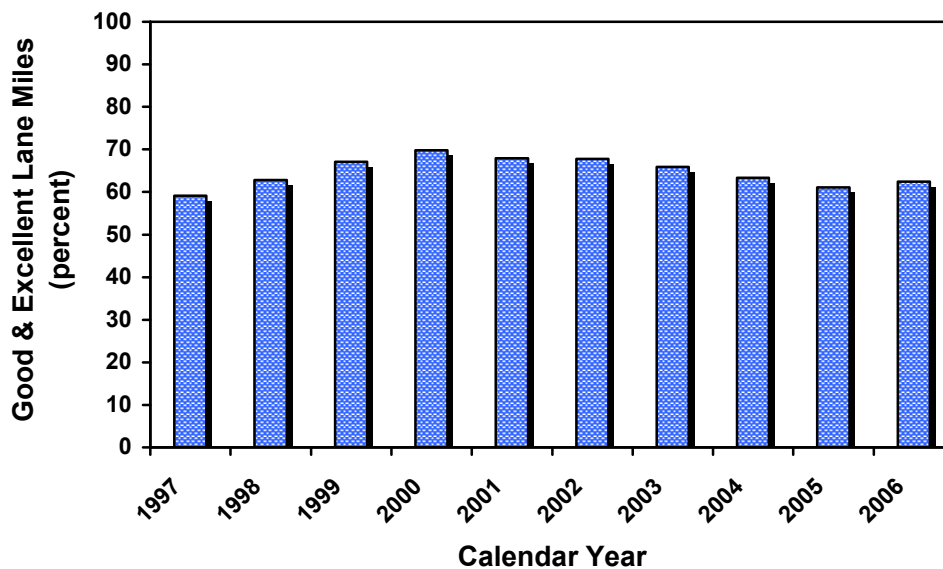
In order to maintain New York's transportation system in the face of increased utilization, the level of annual investment has also increased. Capital investment in highway and bridges authorized since 1996-97, through the end of 2005-06 has increased \$336 million, or 23 percent. By the end of the most recently authorized transportation capital plan in 2009-10, the annual investment will have increased by an additional \$505 million or 28 percent, including \$133 million in new capital investments proposed for 2009-10, in the 2007-08 Executive Budget.

## Dedication of Revenues to Highway and Bridge Trust Fund



To finance this additional investment, New York has dedicated an increasing amount of transportation-related revenues to the State's Dedicated Highway and Bridge Trust Fund (DHBTF). This dedication now includes virtually all available transportation-related revenues and has increased by 115 percent over the past 11 years.

## State Pavement Conditions

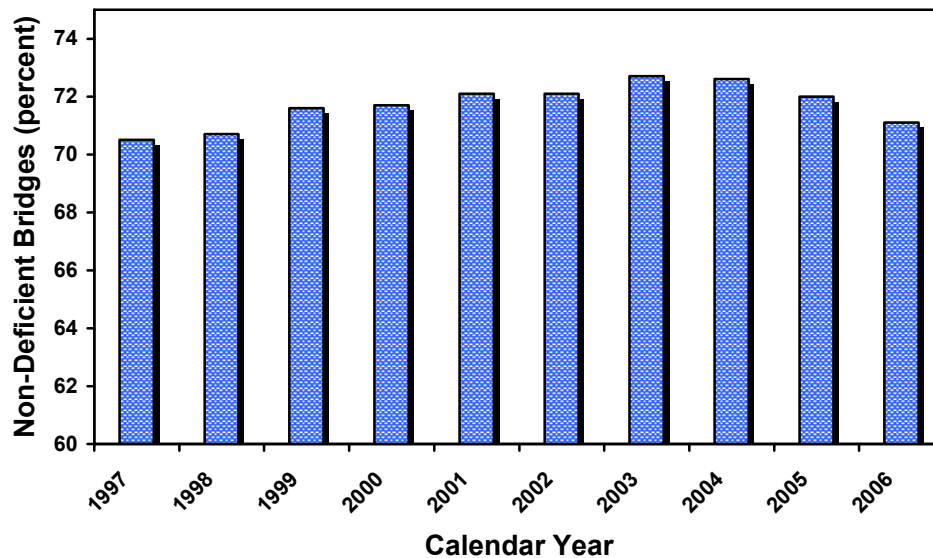


## ***TRANSPORTATION***

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The condition of State pavements has improved over a ten-year period, with the percentage of pavement rated good and excellent increasing from 59 percent in 1997 to 62 percent in 2006. However, since 2000, the percentage of pavements rated good and excellent has decreased. This decline is due primarily to an aging infrastructure that is nearing its useful life, the loss of resources from the defeat of the 2000 Bond Act, and the impact of commodities inflation (e.g., gasoline, diesel fuel, asphalt, steel). The Executive Budget includes additional resources for DOT's Maintenance First initiative for targeted investments to extend the life-cycle of existing assets and avert further system deterioration.

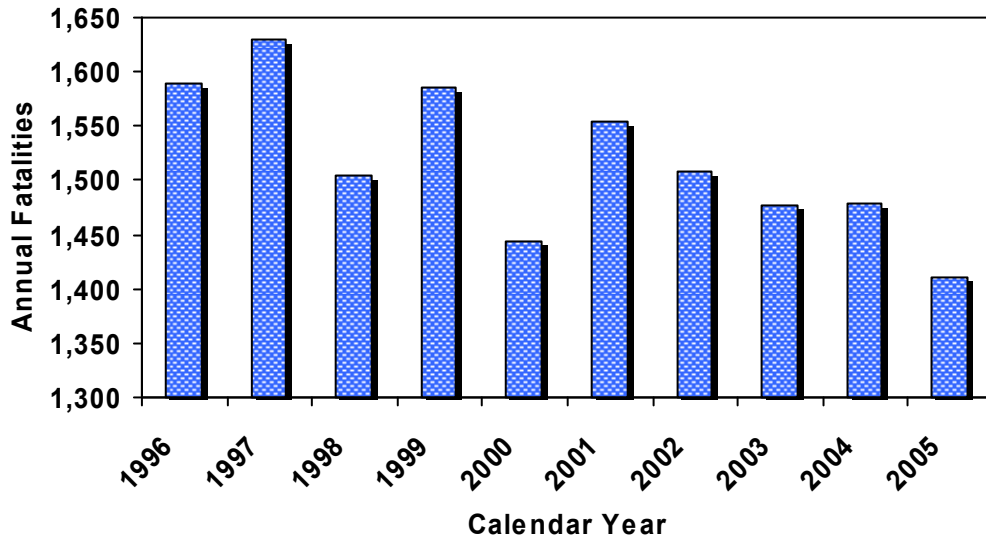
### **State Bridge Conditions**



The condition of State bridges has also improved slightly over a ten-year period, with the percentage rated non-deficient increasing from over 70 percent in 1997, to 71 percent in 2006. However, since 2003, the percentage of non-deficient bridges has declined. The Executive Budget includes additional resources that will be available through DOT's Maintenance First initiative for targeted preventive maintenance on State bridges.

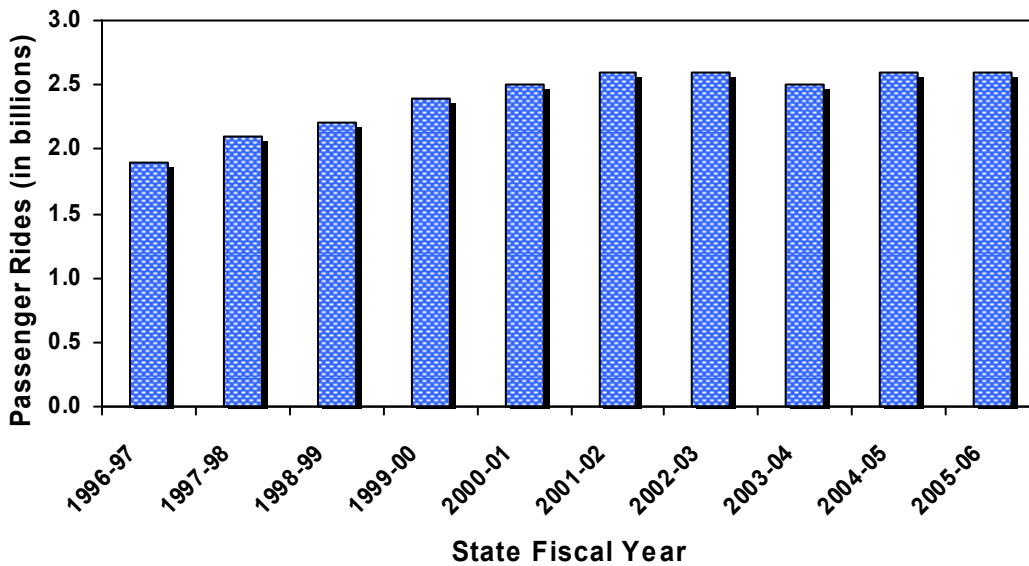


### Motor Vehicle Fatalities



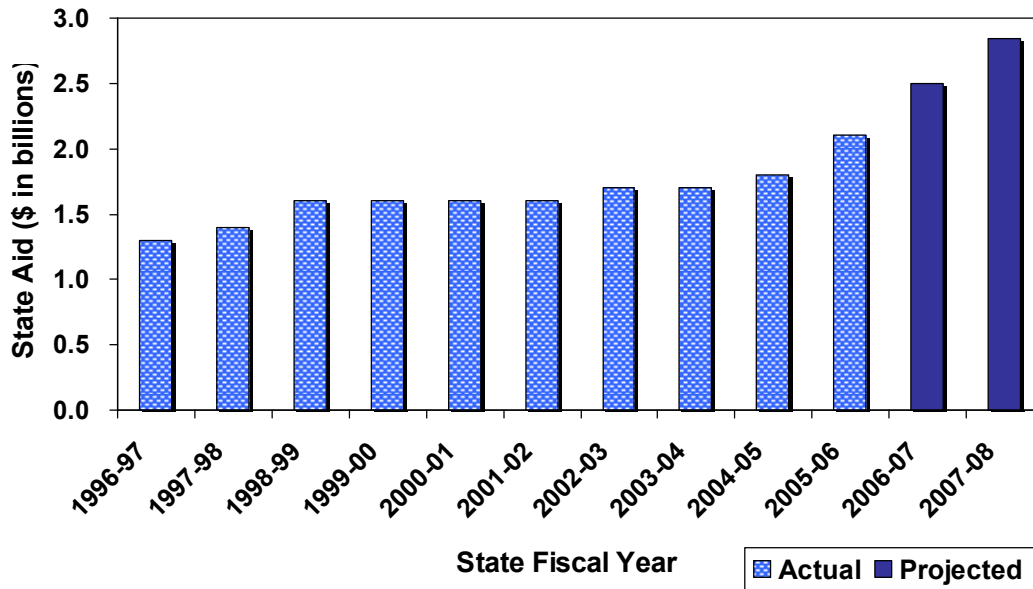
State highways and bridges have, nevertheless, improved in safety despite increased utilization. Motor vehicle fatalities have decreased by 180 annually since 1996, a reduction of more than 11 percent.

### New York State Transit Ridership



The utilization of public transit systems has also increased since 1996-97. The annual number of passenger rides on all New York public transit systems has gone up by 700 million, an increase of 37 percent.

### State Aid to Transit Systems



In the face of the increased demands on public transit systems, State operating assistance to eligible transit systems has more than doubled, with a \$1.5 billion increase in annual aid since 1996-97. The additional dedication of transportation-related and regional taxes has served to meet increased service demands, while addressing rising costs related to energy, labor and insurance incurred by systems.

# **ADIRONDACK PARK AGENCY**

## **MISSION**

The Adirondack Park Agency was established in 1971 to “insure the optimum overall conservation, protection, development and use of the unique scenic, aesthetic, wildlife, recreational, open space, ecological and natural resources of the Adirondack Park.” The Park itself was created in 1892, and contains six million acres of publicly and privately owned lands.

## **ORGANIZATION AND STAFFING**

The Adirondack Park Agency is governed by an 11-member board, including the Commissioners of Environmental Conservation, Economic Development and the Secretary of State. The other members, five of whom must be Park residents, are nominated by the Governor and confirmed by the Senate. The principal functions of the Agency are:

- Reviewing and issuing permits for private and State land-use projects, consistent with the Adirondack Park State Land Master Plan and the Adirondack Park Private Land Use and Development Plan, and for certain activities on or near fresh water wetlands, pursuant to the 1975 Freshwater Wetlands Act;
- Helping local governments develop land use plans and providing technical expertise;
- Administering the State’s Wild, Scenic and Recreational River System; and
- Operating two Visitor Interpretive Centers: one near Paul Smith’s College in Franklin County, and one in Newcomb, Essex County, at which visitors can better understand and appreciate the Park’s resources.

The Adirondack Park Agency’s responsibilities are carried out by the following divisions: Planning, which handles local and regional land use policy issues; Counsel’s Office, which provides legal advice to all Agency functions and oversees jurisdictional determinations and enforcement functions; Regulatory, which performs the Agency’s permitting function; Interpretive, which operates the Visitor Centers; Resource Analysis, which conducts scientific research of the ecology of the Adirondacks; Economic Services, which assists project sponsors in the review process; and Local Government Services, which provides technical expertise and assistance to communities. For 2007-08, the Adirondack Park Agency will have a workforce of 72 positions.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Agency’s 2007-08 operating costs will be funded with State tax dollars and Federal grant moneys. The Executive Budget recommends funding of \$5.5 million in General Fund support for the Agency’s operations and will provide five new positions to increase enforcement activity, expedite permitting and better protect the Adirondacks. This overall recommendation will support the Agency’s core regulatory functions and the operation of the Visitor Interpretive Centers at Newcomb and Paul Smith’s.

In addition, the Executive Budget recommends General Fund support of \$50,000 for the Adirondack Park Local Government Review Board. The Board advises and assists the Agency in carrying out its responsibilities and monitors the implementation of the Adirondack Park Land Use and Development Plan.

# ADIRONDACK PARK

## PROGRAM HIGHLIGHTS

Since its inception, the Agency has worked to achieve a balance between strong environmental protection and sustainable economic development opportunities for the residents of the Adirondack Park. The Agency's priorities for the future include continued updating of the Agency's rules and regulations, facilitating the development of land use plans by local governments, providing local governments with technical expertise and training, working toward completing Unit Management Plans for the State lands of the Adirondack Park and improving resource data base information to better protect the resources of the Adirondack Park.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	5,107,000	6,148,000	1,041,000	1,837,000
Aid To Localities	50,000	50,000	0	0
Capital Projects	0	0	0	0
Total	5,157,000	6,198,000	1,041,000	1,837,000

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

#### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
General Fund	67	72	5
Total	67	72	5

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	4,407,000	5,448,000	1,041,000
Special Revenue Funds - Federal	700,000	700,000	0
Total	5,107,000	6,148,000	1,041,000

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
General Fund	4,407,000	5,448,000	1,041,000
Special Revenue Funds - Federal	700,000	700,000	0
Total	5,107,000	6,148,000	1,041,000

# ADIRONDACK PARK

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	4,805,000	900,000	4,639,000	880,800
Total	4,805,000	900,000	4,639,000	880,800

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	160,000	17,300	6,000	1,900
Total	160,000	17,300	6,000	1,900

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	643,000	141,000	141,000	31,000
Total	643,000	141,000	141,000	31,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	77,000	17,000	374,000	82,000
Total	77,000	17,000	374,000	82,000

Program	Equipment	
	Amount	Change
Administration	51,000	11,000
Total	51,000	11,000

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Nonpersonal Service	
	Amount	Change	Amount	Change
Administration	700,000	0	700,000	0
Total	700,000	0	700,000	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	50,000	50,000	0
Total	50,000	50,000	0

# ADIRONDACK PARK

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
General Fund	50,000	50,000	0
Total	<u>50,000</u>	<u>50,000</u>	<u>0</u>

# **DEPARTMENT OF AGRICULTURE AND MARKETS**

## **MISSION**

The Department of Agriculture and Markets is charged with fostering a competitive and safe New York food and agricultural industry for the benefit of producers and consumers. Over the next year, the Department will continue to carry out its major responsibilities for encouraging the growth and economic health of the State's agricultural and food industry and conducting various inspections and testing programs to enforce laws on food safety, animal and plant health, and accuracy of labeling. Major initiatives designed to embrace the State's agricultural community will include the creation of a Pride of New York Wholesalers Market in New York City for upstate farmers to connect to downstate markets, and the protection of prime farmland from urban sprawl with expanded Environmental Protection Fund resources. The Department will also continue to act to preserve agricultural resources, improve soil and water quality and operate the annual State Fair in concert with the Industrial Exhibit Authority.

## **ORGANIZATION AND STAFFING**

The Department will have a workforce of 628 positions (including the Industrial Exhibit Authority) for fiscal year 2007-08. The Agency is headquartered in Albany and maintains four regional offices located in Buffalo, Syracuse, Rochester and Brooklyn. Approximately 24.1 percent of the Department of Agriculture and Markets' operating programs are funded by tax dollars in the General Fund and the remaining 75.9 percent are financed by fees, Federal grants and other funds.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Executive Budget recommends funding of \$166.3 million for the Department of Agriculture and Markets in 2007-08 including \$132 million to support the Department's operations. The cost of operating the Department will be supported from a combination of funding sources:

- Tax dollars from the General Fund will provide \$31.8 million in 2007-08, or 24.1 percent of the Department's operating expenses;
- Fee revenues will produce \$45.4 million and support 34.4 percent of the Department's operating costs. These revenues include fees from activities such as licensing food processing operators, and certifying weighing and measuring devices;
- Federal funding of \$29.6 million finances 22.4 percent of the Department's operations; and
- Enterprise and other miscellaneous funds of \$25.2 million finance the remaining 19.1 percent of the Department's operations.

New funding of \$500,000 for development of a Pride of New York Wholesalers Market in New York City is included in the Administration Program appropriation. Continued funding of \$2.1 million will support the Department's efforts in the New York City region to locate and eradicate the Asian Longhorned Beetle, a pest which is deadly to hardwood trees.

## **AGRICULTURE AND MARKETS**

Recommendations include \$1.75 million for capital projects to maintain, repair and rehabilitate the State Fair's 20 major buildings and other structures. The Executive Budget also recommends \$2 million for a capital special revenue fund to continue support for development of private partnerships at the State Fair. Funding from the Environmental Protection Fund is also provided for Soil and Water Conservation Districts, non-point source pollution control and farmland protection programs.

The Executive Budget recommends \$10.6 million from the General Fund for local assistance to continue programs which provide valuable services to the State's agricultural community. Included in these funds is \$7.1 million in continued resources to support agricultural economic development, farmland viability, and agricultural viability program activities. Additionally, \$3.5 million in continued General Fund Aid to Localities funding is provided for grants to local and county fairs. This funding will allow county fairs to upgrade and enhance their agricultural exhibits and operations. Continued Federal appropriation authority will allow the Department to apply for Federal grants to fund Federal nutrition programs for senior citizens, animal health initiatives and food safety programs, including essential funding for the State Food Laboratory.

### **PROGRAM HIGHLIGHTS**

The Agricultural Business Services program promotes the agricultural economy of the State and fosters the responsible use of resources to preserve agricultural land and the environment. These purposes are carried out through six divisions which:

- Inspect and test livestock, poultry and plants to control and eradicate diseases which can both cause severe economic losses for farmers and present a public health hazard;
- Oversee the activities of county soil and water conservation districts, direct the agricultural non-point source pollution control and farmland preservation grant programs, establish agricultural districts, administer agricultural product market orders and the Federal Farmers Market Nutrition Program for low-income families and collect and disseminate statistical agricultural information; and
- Exercise a variety of statutorily required activities involving the pricing and marketing of milk and milk products, and the licensing and bonding of milk and farm products dealers.

The Consumer Food Services program ensures that wholesome food products are sold to the consumer and that the industry and the public are protected from fraud, adulteration or malpractice in the production, processing, transportation and retailing of food and gasoline, and in the use of measuring devices. In carrying out these purposes, the program:

- Licenses and inspects over 28,000 businesses that produce, process, manufacture, or distribute food products, registers food represented as kosher and grades farm products;
- Inspects and tests dairy products to enforce laws pertaining to milk and milk product sanitation and guards against harmful or misrepresented food; and
- Certifies and calibrates weighing and measuring devices and oversees the testing of motor fuels under the Motor Fuel Quality and Clean Air programs.



## AGRICULTURE AND MARKETS

### STATE FAIR

The Department and the Industrial Exhibit Authority together direct the New York State Fair and Fairgrounds, located in Syracuse. The Fairgrounds, a 365-acre complex, has 20 major exhibit buildings and 107 other structures. It is used for the annual 12-day State Fair, and its facilities are rented year round for various shows and activities. The operating costs of the Fair and Fairgrounds are fully funded from admission, rental and concession fees. General Fund capital funding of \$1.75 million is included in the Budget to support costs of maintaining the Fair's facilities. In addition, a capital special revenue fund appropriation of \$2 million is recommended to allow the Fair to expand private partnerships and make capital improvements at the Fairgrounds.

#### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	125,227,400	131,976,800	6,749,400	81,032,000
Aid To Localities	47,566,000	30,570,000	(16,996,000)	136,004,500
Capital Projects	47,750,000	3,750,000	(44,000,000)	44,250,000
Total	<u>220,543,400</u>	<u>166,296,800</u>	<u>(54,246,600)</u>	<u>261,286,500</u>

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

##### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
General Fund	34	35	1
Agricultural Business Services			
General Fund	195	190	(5)
Special Revenue Funds - Federal	10	10	0
Special Revenue Funds - Other	48	55	7
Consumer Food Services			
General Fund	161	136	(25)
Special Revenue Funds - Federal	12	22	10
Special Revenue Funds - Other	107	124	17
Fiduciary Funds	0	7	7
State Fair			
Enterprise Funds	49	49	0
Total	<u>616</u>	<u>628</u>	<u>12</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	32,693,900	31,804,700	(889,200)
Special Revenue Funds - Federal	28,544,000	29,644,000	1,100,000
Special Revenue Funds - Other	39,920,600	45,361,800	5,441,200
Enterprise Funds	22,387,700	23,360,200	972,500
Fiduciary Funds	1,681,200	1,806,100	124,900
Total	<u>125,227,400</u>	<u>131,976,800</u>	<u>6,749,400</u>

# AGRICULTURE AND MARKETS

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
General Fund	5,940,800	6,021,800	81,000
Agricultural Business Services			
General Fund	16,625,700	16,857,700	232,000
Special Revenue Funds - Federal	20,819,000	21,919,000	1,100,000
Special Revenue Funds - Other	24,979,900	27,138,500	2,158,600
Fiduciary Funds	1,681,200	1,806,100	124,900
Consumer Food Services			
General Fund	10,127,400	8,925,200	(1,202,200)
Special Revenue Funds - Federal	7,725,000	7,725,000	0
Special Revenue Funds - Other	14,940,700	18,223,300	3,282,600
State Fair			
Enterprise Funds	22,387,700	23,360,200	972,500
Total	<u>125,227,400</u>	<u>131,976,800</u>	<u>6,749,400</u>

## STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	2,535,300	41,000	2,426,100	(68,200)
Agricultural Business Services	11,007,700	902,700	10,795,500	690,500
Consumer Food Services	7,943,900	(1,116,500)	7,464,800	(1,256,600)
Total	<u>21,486,900</u>	<u>(172,800)</u>	<u>20,686,400</u>	<u>(634,300)</u>
			<u>Holiday/Overtime Pay (Annual Salaried)</u>	
			<u>Amount</u>	<u>Change</u>
Administration	85,000	85,000	24,200	24,200
Agricultural Business Services	0	0	212,200	212,200
Consumer Food Services	106,000	(3,000)	373,100	143,100
Total	<u>191,000</u>	<u>82,000</u>	<u>609,500</u>	<u>379,500</u>

# AGRICULTURE AND MARKETS

## STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	3,486,500	40,000	36,200	36,200
Agricultural Business Services	5,850,000	(670,700)	360,500	360,500
Consumer Food Services	981,300	(85,700)	124,800	(54,200)
Total	<u>10,317,800</u>	<u>(716,400)</u>	<u>521,500</u>	<u>342,500</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	37,200	37,200	3,371,700	(74,800)
Agricultural Business Services	639,700	639,700	4,351,200	(2,169,500)
Consumer Food Services	327,100	100	267,000	20,000
Total	<u>1,004,000</u>	<u>677,000</u>	<u>7,989,900</u>	<u>(2,224,300)</u>

Program	Equipment	
	Amount	Change
Administration	41,400	41,400
Agricultural Business Services	498,600	498,600
Consumer Food Services	262,400	(51,600)
Total	<u>802,400</u>	<u>488,400</u>

## STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Agricultural Business Services	50,863,600	3,383,500	4,871,600	943,000
Consumer Food Services	25,948,300	3,282,600	9,233,500	2,033,600
State Fair	23,360,200	972,500	6,748,500	276,300
Total	<u>100,172,100</u>	<u>7,638,600</u>	<u>20,853,600</u>	<u>3,252,900</u>

Program	Nonpersonal Service	
	Amount	Change
Agricultural Business Services	45,992,000	2,440,500
Consumer Food Services	16,714,800	1,249,000
State Fair	16,611,700	696,200
Total	<u>79,318,500</u>	<u>4,385,700</u>

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

Fund Type	Available	Recommended	Change
	2006-07	2007-08	
General Fund	27,566,000	10,570,000	(16,996,000)
Special Revenue Funds - Federal	20,000,000	20,000,000	0
Total	<u>47,566,000</u>	<u>30,570,000</u>	<u>(16,996,000)</u>

# AGRICULTURE AND MARKETS

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Agricultural Business Services			
General Fund	27,566,000	10,570,000	(16,996,000)
Special Revenue Funds - Federal	20,000,000	20,000,000	0
Total	<u>47,566,000</u>	<u>30,570,000</u>	<u>(16,996,000)</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
New Facilities				
Capital Projects Fund - Authority Bonds	44,000,000	0	(44,000,000)	44,000,000
State Fair				
Capital Projects Fund	1,750,000	1,750,000	0	250,000
Misc. Capital Projects	2,000,000	2,000,000	0	0
Total	<u>47,750,000</u>	<u>3,750,000</u>	<u>(44,000,000)</u>	<u>44,250,000</u>

# ***BANKING DEPARTMENT***

## ***MISSION***

The Banking Department is charged with protecting the public interest and promoting a desirable business climate by regulating and supervising approximately 3,600 State-chartered banking institutions and licensees with total assets of approximately \$1.5 trillion. In carrying out this responsibility, the Department approves acquisitions, branch expansions, mergers and other forms of consolidation. It also levies fines, orders cessation of unsound financial practices and replaces management as needed. In addition, the Department is authorized to take possession of failing institutions and to operate or liquidate them for the benefit of depositors and creditors. In exercising this oversight, the Banking Department maintains the highest standards to assure the continued safety and soundness of, and the full public confidence in, the institutions supervised. By dealing decisively with institutions that are not in compliance with banking laws and regulations, or cases of malfeasance, the Department promotes a desirable business climate for all financial institutions operating in New York State.

## ***ORGANIZATION AND STAFFING***

The Superintendent of Banks, appointed by the Governor, directs the Department. The Superintendent is also the Chair of the 17-member Banking Board, a quasi-legislative body which regulates the conduct of banking in the State. Members of the Board are appointed by the Governor with the consent of the Senate. They receive travel reimbursement but are not otherwise compensated. The Department maintains offices in Albany, New York City, Syracuse, and London. The Banking Department will have a workforce of 550 positions for 2007-08.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Banking Department's operations are primarily funded through assessments charged to regulated financial institutions and organizations. The remainder of the Department's operating budget is derived from fees such as investigation fees paid by entities applying for licensure or State charter. The Executive Budget recommends \$99.4 million to support the Department in 2007-08. Of this amount, the Department's operating budget totals \$85.4 million and the remaining \$14 million is a contingent appropriation to support the State Transmitter of Money Insurance Fund which protects moneys that New Yorkers electronically transfer via commercial third parties. The Department's funding level represents an overall increase of 6.3 percent from 2006-07. The increase includes \$3 million to administer the Mortgage Loan Originators Registration Program which begins January 1, 2008. The remaining 3.1 percent increase in funding is the result of negotiated salary and fringe benefit adjustments.

## BANKING

### PROGRAM HIGHLIGHTS

To ensure the safety and soundness of banking institutions, the Department monitors these institutions to identify problems and works with management to promptly solve them. This responsibility is carried out through annual on-site examinations of most State-chartered institutions, the regular review of institutional financial reports and periodic site visits.

To ensure that State-chartered banking institutions are complying with State laws and regulations and that no individuals are unfairly denied credit, Department employees conduct consumer compliance examinations and resolve consumer complaints. Other staff monitors whether institutions are helping to meet the credit and banking needs of local communities as required by various State laws.

Additionally, the Department's investigation and prosecution of criminal banking activities protects the public and provides support to institutions that do abide by applicable laws and regulations. Lastly, the Department continues to review its internal programs, policies and procedures in order to respond to the changing financial services environment and to promote a strong and healthy financial services industry.

The Holocaust Claims Processing Office, established in 1997, assists Holocaust survivors and their heirs in their search for assets that are held by banks, insurance companies and other institutions.

#### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	92,019,000	97,942,000	5,923,000	4,500,000
Aid To Localities	1,500,000	1,500,000	0	0
Capital Projects	0	0	0	0
Total	93,519,000	99,442,000	5,923,000	4,500,000

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
Special Revenue Funds - Other	63	63	0
Analysis and Compliance			
Special Revenue Funds - Other	35	35	0
Regulation			
Special Revenue Funds - Other	452	452	0
Total	550	550	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
Special Revenue Funds - Other	92,019,000	97,942,000	5,923,000
Total	92,019,000	97,942,000	5,923,000

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Administration			
Special Revenue Funds - Other	21,766,000	22,086,000	320,000
Analysis and Compliance			
Special Revenue Funds - Other	4,100,000	4,287,000	187,000
Regulation			
Special Revenue Funds - Other	66,153,000	71,569,000	5,416,000
Total	<u>92,019,000</u>	<u>97,942,000</u>	<u>5,923,000</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	22,086,000	320,000	4,665,000	225,000
Analysis and Compliance	4,287,000	187,000	2,715,000	132,000
Regulation	71,569,000	5,416,000	35,072,000	1,705,000
Total	<u>97,942,000</u>	<u>5,923,000</u>	<u>42,452,000</u>	<u>2,062,000</u>

<b>Program</b>	<b>Nonpersonal Service</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	17,421,000	95,000	0	0
Analysis and Compliance	1,572,000	55,000	0	0
Regulation	35,332,000	3,711,000	1,165,000	0
Total	<u>54,325,000</u>	<u>3,861,000</u>	<u>1,165,000</u>	<u>0</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Special Revenue Funds - Other	1,500,000	1,500,000	0
Total	<u>1,500,000</u>	<u>1,500,000</u>	<u>0</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Administration			
Special Revenue Funds - Other	1,500,000	1,500,000	0
Total	<u>1,500,000</u>	<u>1,500,000</u>	<u>0</u>





# ***DEPARTMENT OF ECONOMIC DEVELOPMENT***

## ***MISSION***

Together with the Empire State Development Corporation, the New York State Department of Economic Development:

- Advises the Governor and Legislature on all major economic development issues and decisions;
- Develops State economic development strategies;
- Provides technical and financial assistance to businesses through a network of regional offices; and
- Coordinates the efforts of other State agencies, authorities and organizations, as well as local governments, on actions which affect the State's economy.

## ***ORGANIZATION AND STAFFING***

State economic development programs are administered by the Department of Economic Development working in conjunction with the Empire State Development Corporation (ESDC). In addition, the Department and Corporation work closely with the Foundation for Science, Technology and Innovation to foster technology-related job creation.

The Department of Economic Development will have a workforce of 215 in 2007-08. The Department's central office is in Albany, with ten regional offices located in Troy, Buffalo, Rochester, Syracuse, Utica, Binghamton, New Windsor, Plattsburgh, Hauppauge and New York City, and satellite offices in Watertown and Elmira. In addition, operations in Buffalo will be expanded to support the new ESDC co-Chair for Upstate economic development.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

State tax dollars from the General Fund will finance 87.5 percent, or \$45.3 million, of the Department of Economic Development's \$ 51.8 million Budget in 2007-08. The balance of the Department's Executive Budget will be supported by revenues raised through licensing of the "I ♥ NY" logo, sale of advertising in the "I ♥ NY" Travel Guide and through seminars and programs run by the Department which directly offset the costs of these programs. Also included are Federal dollars used to help defense-dependent industries diversify into new markets, support recycling market development and to help small businesses comply with Clean Air Act mandates.

The 2007-08 Budget provides:

- \$16 million for "I ♥ NY" tourism advertising;
- \$1.2 million to attract international trade to New York State, and increase export sales to foreign countries;
- \$5.3 million for local tourism matching grants; and
- \$400,000 to support visitor welcome centers in Beekmantown and Binghamton.

## ***ECONOMIC DEVELOPMENT***

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### ***PROGRAM HIGHLIGHTS***

#### ***MARKETING AND ADVERTISING***

This program promotes New York State as a premier tourist destination and business location. Major activities include the “I ♥ NY” advertising campaign and local tourism matching grants administered through locally based tourism promotion agencies representing the State’s 62 counties. The Department of Economic Development also manages tourist information services at the Beekmantown and Binghamton Gateway Centers, develops the State’s tourism master plan, targets information to consumers and the travel trade, participates in national and international trade shows, provides technical assistance to tour directors and creates publications for use by the Department and the other economic development agencies. An additional \$6.6 million is being made available in 2007-08 to expand these activities, including an additional \$5.6 million for expanded and strategic marketing efforts through the “I ♥ NY” advertising and local tourism matching grants and \$1.0 million for the Explore NY program.

#### ***INTERNATIONAL***

The International Trade program promotes exports from, and attracts foreign investment to, New York State. Based in New York City, this program manages the Department’s international offices in Montreal, Toronto, London, and Tokyo, with contractual presences in several other countries. New funding of \$200,000 would be provided to establish a trade presence in China. The program also coordinates State participation in trade shows and missions, compiles and disseminates trade leads and administers grants and seminars designed to encourage increased exporting.

#### ***EMPIRE ZONES***

The Empire Zones program benefits distressed areas suffering from high unemployment. Businesses located in a designated Zone may qualify for tax incentives and other economic development benefits designed to encourage business expansion and job creation. There are currently 82 Zones located in the following communities: Albany, Amsterdam, Auburn, Binghamton, Brookhaven, Brooklyn Navy Yard, Buffalo, Dunkirk, East New York, East Harlem, Elmira, Friendship, Fulton, Geneva, Gloversville, Griffiss Air Force Base, Hancock Air Force Base, Hunts Point, Islip, Jamestown, Kingston, Kirkwood, Lackawanna, Lowville/Martinsburg, Moriah/Port Henry, Niagara Falls, North Shore/Staten Island, Norwich, Ogdensburg, Olean/Allegany, Oswego, Plattsburgh, Plattsburgh Air Force Base, Port Morris, Potsdam, Poughkeepsie, Riverhead, Rochester, Rockaway, Rome, Schenectady, South Jamaica, Seneca Army Depot, Stewart Air Force Base, Sunset Park/Red Hook/Southwest Brooklyn, Syracuse, Tioga County, Troy, Utica, Watertown, Watervliet Arsenal, Yonkers, Town of Tonawanda, Monroe County, Columbia County, Staten Island/West Shore, Sullivan County, Cortland County, the City of Hornell, Warren County, Saratoga County, Buffalo, Schuyler County, Mt. Vernon, Franklin County, Otsego County, Madison County, Washington County, Wayne County, Orleans County, Genesee County, Rensselaer County, Delaware, Greene, Livingston, Nassau, Rockland, Schoharie, Tompkins, Wyoming and the Chinatown area of Manhattan.

An additional three Empire Zones, Putnam, Yates and Hamilton counties, are expected to be approved in 2007. This will ensure that each of New York's 62 counties has at least one Empire Zone. Also, Empire Zone benefits are available to businesses outside a designated zone that offer a "regionally significant impact", by achieving considerable job creation in selected industries such as bio-technology or financial services.

### ***BUSINESS ASSISTANCE PROGRAMS***

To improve the competitiveness of New York State companies, the Department of Economic Development provides assistance to businesses for productivity assessments, business-specific skills training for new and existing workers and third-party technical assistance to develop strategies for expanding export markets.

### ***SMALL BUSINESS ASSISTANCE***

The Division for Small Business serves as an ombudsman for small business and also offers these enterprises training and technical assistance. In addition, the Department provides State and Federal procurement assistance to small business. The Division also operates the Clean Air Act Ombudsman Unit, which helps small business comply with these environmental regulations.

### ***POLLUTION PREVENTION AND COMPLIANCE ASSISTANCE***

Pollution Prevention and Compliance Assistance is a cooperative program between the Department of Economic Development, the Department of Environmental Conservation, and the Environmental Facilities Corporation. The Program coordinates existing funding opportunities and other services of the three agencies to assist businesses in developing environmentally benign operations. This new program received \$800,000 in support in 2006-07, and will receive a total of \$1.2 million in 2007-08.

### ***LINKED DEPOSIT PROGRAM***

This joint public/private program enables companies to obtain loans from commercial banks at an interest rate that is 2 percent to 3 percent lower than the prevailing rate. The banks are compensated by deposits of State funds earning interest at comparably reduced rates. In 2007-08, \$310 million will be available for this program.

### ***RECYCLING MARKET DEVELOPMENT PROGRAM***

The Department of Economic Development is the lead agency in developing New York's recycling industries and creating programs to help municipalities and businesses develop uses for secondary materials.

### ***MINORITY AND WOMEN'S BUSINESS DEVELOPMENT***

The Division of Minority and Women's Business Development was established to increase the participation of minority- and women-owned businesses in State procurement opportunities. The Division identifies and certifies minority- and women-owned business

## **ECONOMIC DEVELOPMENT**

enterprises; publishes a directory of certified firms to market small businesses to public and private sector organizations; and provides technical assistance to minority- and women-owned businesses. For 2007-08, the Division will be expanded to provide additional opportunities to the State's minority and women-owned businesses.

### **POLICY AND RESEARCH DIVISION**

This Division develops the annual State strategic plan for economic development; collects and disseminates economic and demographic information; performs policy analysis and economic research; monitors and intervenes in State regulatory activities affecting energy supply, telecommunications, transportation, environmental facilities and commercial/industrial site and facility development; and coordinates the development and review of State economic development programs.

#### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	37,126,900	45,083,000	7,956,100	6,939,000
Aid To Localities	10,052,000	6,677,000	(3,375,000)	15,434,000
Capital Projects	0	0	0	0
<b>Total</b>	<b>47,178,900</b>	<b>51,760,000</b>	<b>4,581,100</b>	<b>22,373,000</b>

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

##### **Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration			
General Fund	47	47	0
Special Revenue Funds - Other	8	8	0
Clean Air			
Special Revenue Funds - Other	3	3	0
Economic Development			
General Fund	122	122	0
Marketing and Advertising Program			
General Fund	34	34	0
Special Revenue Funds - Other	1	1	0
<b>Total</b>	<b>215</b>	<b>215</b>	<b>0</b>

# ECONOMIC DEVELOPMENT

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	30,712,000	38,668,000	7,956,000
Special Revenue Funds - Federal	1,000,000	1,000,000	0
Special Revenue Funds - Other	5,414,900	5,415,000	100
Total	<u>37,126,900</u>	<u>45,083,000</u>	<u>7,956,100</u>
Adjustments:			
Transfer(s) To			
Executive Chamber			
General Fund	201,000		
Appropriated 2006-07	<u>37,327,900</u>		

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
General Fund	3,034,000	3,797,000	763,000
Special Revenue Funds - Other	1,739,900	1,740,000	100
Clean Air			
Special Revenue Funds - Other	500,000	500,000	0
Economic Development			
General Fund	13,779,000	15,821,000	2,042,000
Special Revenue Funds - Federal	1,000,000	1,000,000	0
Special Revenue Funds - Other	1,170,000	1,170,000	0
Marketing and Advertising Program			
General Fund	13,899,000	19,050,000	5,151,000
Special Revenue Funds - Other	2,005,000	2,005,000	0
Total	<u>37,126,900</u>	<u>45,083,000</u>	<u>7,956,100</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	2,327,000	112,000	2,300,000	111,226
Economic Development	9,236,000	612,000	9,230,000	634,470
Marketing and Advertising Program	2,210,000	39,000	2,152,000	(5,682)
Total	<u>13,773,000</u>	<u>763,000</u>	<u>13,682,000</u>	<u>740,014</u>
Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	0	0	27,000	774
Economic Development	0	0	6,000	(22,470)
Marketing and Advertising Program	6,000	6,000	52,000	38,682
Total	<u>6,000</u>	<u>6,000</u>	<u>85,000</u>	<u>16,986</u>

# ECONOMIC DEVELOPMENT

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	1,470,000	651,000	60,000	(8,921)
Economic Development	6,585,000	1,430,000	103,000	20,859
Marketing and Advertising Program	16,840,000	5,112,000	5,000	(29,339)
Total	24,895,000	7,193,000	168,000	(17,401)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	40,000	3,571	1,230,000	529,718
Economic Development	177,000	(59,394)	3,651,000	706,687
Marketing and Advertising Program	28,000	(27,848)	784,000	161,913
Total	245,000	(83,671)	5,665,000	1,398,318

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	140,000	126,632	0	0
Economic Development	254,000	161,848	2,400,000	600,000
Marketing and Advertising Program	8,000	7,274	16,015,000	5,000,000
Total	402,000	295,754	18,415,000	5,600,000

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	1,740,000	100	487,000	(100)
Clean Air	500,000	0	195,000	0
Economic Development	2,170,000	0	0	0
Marketing and Advertising Program	2,005,000	0	78,000	0
Total	6,415,000	100	760,000	(100)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	1,253,000	200	0	0
Clean Air	305,000	0	0	0
Economic Development	1,000,000	0	1,170,000	0
Marketing and Advertising Program	1,927,000	0	0	0
Total	4,485,000	200	1,170,000	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	10,052,000	6,677,000	(3,375,000)
Total	10,052,000	6,677,000	(3,375,000)

# ***ECONOMIC DEVELOPMENT***

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

<b><u>Program</u></b>	<b><u>Available 2006-07</u></b>	<b><u>Recommended 2007-08</u></b>	<b><u>Change</u></b>
Economic Development			
General Fund	3,350,000	0	(3,350,000)
Marketing and Advertising Program			
General Fund	6,702,000	6,677,000	(25,000)
Total	<u>10,052,000</u>	<u>6,677,000</u>	<u>(3,375,000)</u>





# ***EMPIRE STATE DEVELOPMENT CORPORATION***

## ***MISSION***

Doing business as Empire State Development Corporation (ESDC), the Urban Development Corporation (UDC) is a New York State public benefit corporation. It engages in four principal activities: economic and real estate development; State facility financing; housing portfolio maintenance; and privatization initiatives.

## ***ECONOMIC AND REAL ESTATE DEVELOPMENT***

The Corporation provides financial and technical assistance to businesses, local governments, and community-based not-for-profit corporations for economic development and large-scale real estate projects that create and/or retain jobs in New York and reinvigorate distressed areas.

## ***STATE FACILITY FINANCING***

The Empire State Development Corporation issues bonds to finance the construction and modernization of correctional facilities and other special projects for the State. Debt service on these bonds is paid from State appropriations.

## ***HOUSING PORTFOLIO MAINTENANCE***

In the early 1970s, the Urban Development Corporation built 113 large-scale housing developments for low- to middle-income persons. The Corporation also built non-residential civic and industrial properties, including the Niagara Falls Convention Center, the Wards Island Fire Training Center, the Monroe County Fairgrounds, the Ten Eyck Plaza in Albany, and public school facilities in Buffalo, Manhattan, the Bronx, and Brooklyn. Since the mid-1970s, activity in this area has been limited to the monitoring and loan servicing of projects.

## ***PRIVATIZATION INITIATIVES***

The Corporation is charged with facilitating efforts by State agencies and authorities to privatize State functions and assets.

## ***ORGANIZATION AND STAFFING***

State economic development programs are administered by the Empire State Development Corporation working in conjunction with the Department of Economic Development. In addition, the Corporation and Department work closely with the Foundation for Science, Technology, and Innovation to foster technology-related job creation. The Corporation will have a workforce of 241 in 2007-08.

For 2007-08, ESDC will be overseen by Downstate and Upstate co-chairpersons. The Downstate Chair will operate out of the New York City office, while the Upstate Chair will operate out of a new headquarters in Buffalo.

## ***EMPIRE STATE DEVELOPMENT***

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### ***OVERSIGHT***

The Corporation is governed by a nine-member Board of Directors comprising two ex-officio members and seven members appointed by the Governor with the consent of the Senate. The Downstate and Upstate co-Chairs of the Empire State Development Corporation Board are selected by the Governor. Board members serve without compensation.

### ***SUBSIDIARIES***

The Corporation's Board of Directors is authorized to create subsidiaries to manage specific projects or economic development activities. Subsidiaries have been established to: (1) oversee revitalization of Lower Manhattan in the wake of September 11; (2) formulate policies and initiatives to promote economic growth in Harlem; (3) redevelopment of Times Square; (4) plan and oversee a mixed-use development on 74.5 acres on the East River in Queens County; (5) redevelop the U.S. Postal Service facility, known as the Farley Building, in connection with the New York City Amtrak Train Station Redevelopment project; (6) promote economic development and tourism, and leverage private investment in Niagara Falls; (7) oversee conversion of the 300-acre Harriman State Office Building Campus in Albany into a world-class research and development park; and (8) coordinate the development of the former Buffalo Memorial Auditorium and additional projects along the waterfront and inner harbor in downtown Buffalo.

### ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

- In 2007-08, the Empire State Development Corporation's activities will be funded through a combination of State General Fund appropriations and corporate revenues generated by Corporation-owned residential and non-residential properties and by its financing programs. The Corporation's operating budget will be entirely supported by corporate funds;
- The Executive Budget will provide \$74.9 million in support for economic development initiatives, including: the Empire State Economic Development Fund; Minority - and Women-Owned Business Development and Lending programs; the Entrepreneurial Assistance Program; the Emerging Industries Alliance; the retention of professional football in Western New York; military base retention; the redevelopment and preservation of Governor's Island; the support of ESDC and its subsidiaries; and the operation and development of the Centers of Excellence or other high technology research centers.
- The Executive Budget will also include support for new and existing programs that will promote regional initiatives to assist the State in adapting and moving towards a knowledge-based economy, including:
  - \$300 million for the development of an international computer chip research and development center;
  - \$300 million in new funding for the Investment and Job Creation Act of 2007. Projects will be solicited on a periodic basis through an open competitive process and priority given to those projects that produce the greatest economic and social benefits to the State;

## **EMPIRE STATE DEVELOPMENT**

- Over \$50 million to support capital improvement projects at Governor's and Roosevelt Islands in New York City, as well as redevelopment initiatives at the Harriman Research and Technology Park in Albany and in Niagara Falls;
- Over \$2.2 billion for continued support of specific economic development, cultural facilities, university development, environmental, and energy projects administered by the Empire State Development Corporation (ESDC) and Dormitory Authority of the State of New York (DASNY), including \$650 million for the development of a semiconductor manufacturing facility and \$300 million for the RESTORE New York Communities initiative.

### **PROGRAM HIGHLIGHTS**

The Empire State Development Corporation administers economic development programs which:

- Provide low-cost loans and grants to businesses to help cover the cost of machinery and equipment purchases, factory improvements, training and business incubator development;
- Provide financial assistance for projects ranging from development of or improvements to commercial or retail facilities, tourism destinations, child care facilities, and commercial centers;
- Assist minority- and women-owned businesses, including programs administered in cooperation with local development organizations and community-based financial institutions;
- Provide funding for the economic development initiatives in distressed urban communities; and
- Provide funding for military base retention and redevelopment efforts.

#### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	0	0	0	0
Aid To Localities	112,731,000	74,922,000	(37,809,000)	292,772,000
Capital Projects	2,396,450,000	650,450,000	(1,746,000,000)	2,800,200,000
Total	<u>2,509,181,000</u>	<u>725,372,000</u>	<u>(1,783,809,000)</u>	<u>3,092,972,000</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	112,731,000	74,922,000	(37,809,000)
Total	<u>112,731,000</u>	<u>74,922,000</u>	<u>(37,809,000)</u>

# **EMPIRE STATE DEVELOPMENT**

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Economic Development			
General Fund	112,731,000	74,922,000	(37,809,000)
Total	<u>112,731,000</u>	<u>74,922,000</u>	<u>(37,809,000)</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Regional Development				
Capital Projects Fund - Authority Bonds	1,297,050,000	600,000,000	(697,050,000)	1,253,350,000
Cap Proj Fund - CEFAP (Direct Auth Bonds)	0	0	0	425,000,000
AMD Direct (Direct Auth Bonds)	150,000,000	0	(150,000,000)	150,000,000
Economic Development				
Capital Projects Fund - Authority Bonds	300,000,000	50,450,000	(249,550,000)	300,000,000
Cap Proj Fund - Stadium (Auth Bonds)	149,400,000	0	(149,400,000)	129,400,000
Cap Proj Fund - Downtown Buffalo (Auth Bonds)	0	0	0	42,450,000
AMD Direct (Direct Auth Bonds)	500,000,000	0	(500,000,000)	500,000,000
Total	<u>2,396,450,000</u>	<u>650,450,000</u>	<u>(1,746,000,000)</u>	<u>2,800,200,000</u>

# ***ENERGY RESEARCH AND DEVELOPMENT AUTHORITY***

## ***MISSION***

The New York State Energy Research and Development Authority (NYSERDA) was established in 1975 to develop and implement new energy technologies, focusing on renewable energy sources and energy conservation.

As part of its central mission, the Authority manages energy research, development and demonstration programs, which are funded by assessments on gas and electric utilities. Projects are selected on a competitive basis to promote applied research on State energy problems.

The Authority administers Federal grant programs which help businesses, schools and hospitals implement energy efficiency measures, and issues tax-exempt bonds on behalf of investor-owned utilities for capital improvements. The Authority also administers the System Benefits Charge, which supports energy programs for low-income consumers, energy efficiency, energy research and development, and environmental protection. In addition, the Authority administers the Renewable Portfolio Standard program, designed to increase the percentage of electricity used by retail customers in the State which is derived from renewable resources.

The Authority also manages the former nuclear fuel reprocessing plant at West Valley in Cattaraugus County and the Saratoga Technology and Energy Park (STEP) in Saratoga County. Currently, NYSERDA has several clean-energy technology companies located at STEP, and is continuing to work toward bringing in other clean-energy technology companies.

## ***ORGANIZATION AND STAFFING***

The Energy Research and Development Authority is headed by a 13-member board, consisting of nine members nominated by the Governor with the consent of the Senate and four ex-officio members, which include the commissioners of the departments of Transportation and Environmental Conservation, and the chairs of the Public Service Commission and the Power Authority of the State of New York. All board members serve without compensation.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Energy Research and Development Authority is partially funded by assessments on State public utility gross intrastate operating receipts. The 2007-08 Budget recommends approximately \$16.1 million in appropriations for the Authority's energy, research and development programs and \$13.5 million for ongoing work at West Valley.

# ENERGY RESEARCH AND DEVELOPMENT

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	15,456,000	5,914,000	(9,542,000)	800,000
Aid To Localities	3,900,000	10,142,000	6,242,000	3,900,000
Capital Projects	14,000,000	13,500,000	(500,000)	0
Total	33,356,000	29,556,000	(3,800,000)	4,700,000

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	100,000	0	(100,000)
Special Revenue Funds - Federal	700,000	0	(700,000)
Special Revenue Funds - Other	14,656,000	5,914,000	(8,742,000)
Total	15,456,000	5,914,000	(9,542,000)

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

Program	Available 2006-07	Recommended 2007-08	Change
Energy Investment Programs			
General Fund	100,000	0	(100,000)
Research, Development and Demonstration			
Special Revenue Funds - Federal	700,000	0	(700,000)
Special Revenue Funds - Other	14,656,000	5,914,000	(8,742,000)
Total	15,456,000	5,914,000	(9,542,000)

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Energy Investment Programs	0	(100,000)	0	(100,000)
Total	0	(100,000)	0	(100,000)

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Research, Development and Demonstration	5,914,000	(9,442,000)	3,239,000	3,239,000
Total	5,914,000	(9,442,000)	3,239,000	3,239,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Research, Development and Demonstration	2,675,000	2,675,000	0	(15,356,000)
Total	2,675,000	2,675,000	0	(15,356,000)

# ENERGY RESEARCH AND DEVELOPMENT

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	3,900,000	0	(3,900,000)
Special Revenue Funds - Other	0	10,142,000	10,142,000
Total	<u>3,900,000</u>	<u>10,142,000</u>	<u>6,242,000</u>

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Energy Investment Programs			
General Fund	3,900,000	0	(3,900,000)
Research, Development and Demonstration			
Special Revenue Funds - Other	0	10,142,000	10,142,000
Total	<u>3,900,000</u>	<u>10,142,000</u>	<u>6,242,000</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Western New York Nuclear Service Center Program				
Capital Projects Fund - Authority Bonds	14,000,000	13,500,000	(500,000)	0
Total	<u>14,000,000</u>	<u>13,500,000</u>	<u>(500,000)</u>	<u>0</u>





# **DEPARTMENT OF ENVIRONMENTAL CONSERVATION**

## **MISSION**

The Department of Environmental Conservation is responsible for conserving, improving and protecting the State's natural resources and environment. The Department also works to control water, land and air pollution in order to enhance the health, safety and welfare of all New Yorkers. In addition, the Department plays a major role in implementing the Environmental Protection Fund, the State's dedicated environmental fund.

## **ORGANIZATION AND STAFFING**

The Department is headed by a commissioner appointed by the Governor. The Department's Central Office is in Albany, with regional offices in Avon, Buffalo, Long Island City, New Paltz, Ray Brook, Schenectady, Stony Brook, Syracuse and Watertown. These regional offices are the operational arms of the Department. Staff in the regional offices review and issue environmental permits for activities regulated by the Department such as the operation of landfills and sewage treatment plants. In addition, these offices ensure compliance with State and Federal environmental statutes, consistent with policy and management direction from program divisions in the Central Office.

The Department will have a workforce of 3,480 positions in fiscal year 2007-08. Approximately 39.3 percent of these positions are paid by State tax dollars, 46.5 percent are supported by State fees, capital and other revenues and the remaining 14.2 percent are financed by Federal grants.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2007-08 Executive Budget recommends total funding of more than \$1.1 billion for the Department of Environmental Conservation, including \$131.5 million in General Fund support. \$492.4 million will finance the Department's operations and core mission and ensure funding for ongoing priority projects.

General Fund appropriations will finance 26.3 percent of the Department of Environmental Conservation's operations in 2007-08. Fees and license revenues will support 57.6 percent, including the major permitting functions, the hazardous substances bulk storage and oil spill programs and the hazardous waste remedial and enforcement programs. Several fee increases are proposed to support ongoing regulatory efforts. These increases are proposed in the air, water, animal feeding operations and well drilling programs. Federal funds will support the remaining 16.1 percent of the Department's budget.

The Environmental Protection Fund (EPF) will provide new appropriations of \$250 million to support environmental programs, including open space protection, farmland preservation, recycling programs, non-point source pollution control projects and municipal park and waterfront revitalization projects. The EPF has been supported primarily by

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revenues from the real estate transfer tax as well as by the sale or lease of State property and by Fund interest earnings. To increase EPF funding and provide an ongoing revenue source for growing environmental needs, the Budget proposes expanding the "Bottle Bill" and redirecting all unclaimed deposits to the EPF.

The 1982 "Bottle Bill" is one of the most effective environmental laws in the State leading to reduced liter and increased recycling. The 2007-08 Executive Budget builds on these successes by expanding the "Bottle Bill" to non-carbonated beverages and directing \$25 million in unclaimed funds to the EPF. When the changes to the "Bottle Bill" are fully effective, annual revenue to the EPF is projected to increase to \$100 million. In State fiscal year 2007-08, new EPF money will be used to: establish a Pollution Prevention Institute which will help businesses become more competitive by reducing the use of toxic chemicals; double the amount of funding to support local land trusts; and support smart growth policies.

The voter-approved Clean Water/Clean Air Bond Act authorizes \$1.75 billion for critical environmental programs in the following categories: Safe Drinking Water Program (\$355 million); Clean Water Program (\$790 million); Solid Waste Projects (\$175 million); Air Quality Projects (\$230 million); and Environmental Restoration Projects (\$200 million).

The Clean Air Fund will continue to provide the resources needed to meet the State's obligations under the Federal Clean Air Act to control stationary and mobile sources of air pollution. The Fund is supported by vehicle emission inspection fees and fees on regulated pollutants emitted by factories, power plants and other stationary source facilities.

General Fund appropriations will support the preservation and maintenance of the State's trails, regional facilities, campgrounds and the 20 percent match required for Federal grants provided through the Clean Water State Revolving Fund. Since 1992-93, the cost of the State match has been reimbursed by proceeds from the sale of bonds issued by the Environmental Facilities Corporation. Principal and interest on the bonds are paid from State taxes.

The 2007-08 Executive Budget provides more than \$1 billion to support the Department's critical environmental, resource management and recreation programs, including:

- New State funding for 109 positions in critical environmental areas to ensure that the State fully enforces environmental laws, speeds the pace of brownfield clean ups, protects wetlands and farm land, boosts recycling and provides greater outdoor recreation opportunities, including fishing and hunting, for millions of New Yorkers;
- \$135 million to support the refinanced Superfund program to continue the clean up of inactive hazardous waste sites and to address hazardous substance sites. Recommendations also include \$102.4 million in reappropriated funds from the 1986 Environmental Quality Bond Act to continue work already underway for existing Superfund sites. Staffing for the Brownfield and voluntary cleanup programs will be increased to help reinvigorate the Brownfield program as a tool for Upstate's economic resurgence;
- \$250 million in new funding from the Environmental Protection Fund to provide resources to address such high priority programs as open space preservation, continued implementation of the Hudson River Estuary Management Plan, State lands access and stewardship projects. Other projects funded by the EPF in 2007-08 will include: a Pollution Prevention Institute; local solid waste reduction/recycling and marketing of recycled materials; landfill closure/gas management projects; natural resource damages; local parks and historic preservation grants; local

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- waterfront revitalization projects; non-point source water pollution control projects; farmland protection; funding for Zoos, Botanical Gardens and Aquaria; funding for soil and water conservation districts; Land Trust Alliance; urban forestry projects; and invasive species grants;
- The total 1996 Clean Water/Clean Air Bond Act authorization of \$1.75 billion has been appropriated. However, the Executive Budget includes \$75 million in continued Bond Act disbursements in 2007-08 for critical Water Quality, Air, Solid Waste, Brownfield and Safe Drinking Water Projects;
  - \$27.5 million in new appropriations to support the abatement of illegal waste tire piles and the development of new markets for waste tires under the Waste Tire Management and Recycling Act of 2003;
  - \$5.3 million from taxpayer moneys to implement the New York City Watershed Agreement. These funds will support State enforcement and monitoring efforts in the Watershed and the provision of technical assistance to participating Watershed communities;
  - \$177.6 million in new State and Federal funds for the Clean Water State Revolving Fund low-interest loan program to build and rehabilitate municipal sewage treatment facilities;
  - \$10 million for the remediation of Onondaga Lake;
  - \$60.5 million to support the programs of the Conservation Fund;
  - \$34.3 million in new funding for basic capital infrastructure projects to ensure health, safety and compliance with State and Federal laws and environmental requirements, including \$11 million for rehabilitation and improvement of State owned facilities;
  - \$35.2 million in non-General Fund support for the State's Clean Air programs. New programs began in 1997-98 to control pollution from automobiles and to establish new consolidated permits for major stationary sources of air pollution and in 1999-2000, to control air pollution from heavy-duty vehicles; and
  - \$492.4 million to support the operations of the Department, including a workforce of 3,480 positions.

### ***PROGRAM HIGHLIGHTS***

Under both State and Federal law, the Department carries out a wide range of environmental, regulatory, remedial, resource management, outdoor recreation and education programs. These include the protection and management of the State's air, water, mineral and energy resources, as well as the management of both solid and hazardous waste. In this regard, the Department has undertaken expanded responsibilities as part of the State's Homeland Security effort including air and water toxic assessments, hazardous materials monitoring, water infrastructure monitoring and security and other activities to protect public health and safety.

The Department has restructured its operations to eliminate redundant management layers and refocused its attention on the core mission of the Department. Additionally, the regulatory process for issuing environmental permits has been streamlined to simplify requirements while still ensuring that environmental standards are maintained and the State's natural resources are protected.

The Department's functions can be divided into the following categories: Natural Resources, Environmental Quality/Remediation and Environmental Enforcement and Regulation.

## ***ENVIRONMENTAL CONSERVATION***

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### ***NATURAL RESOURCES***

In addition to its responsibility to protect the State's fish, wildlife and marine resources and habitats, the Fish, Wildlife and Marine program also manages 200,000 acres of Wildlife Management Area Lands, the operation of 12 fish hatcheries, one game farm and over 300 boat launching and fishing access sites. The primary source of funding for this program is sporting license fees (over \$39 million annually) deposited to the Conservation Fund.

The Lands and Forests program manages more than four million acres of State land under the Department's jurisdiction, including nearly three million acres of State-owned land within the Adirondack and Catskill parks and will manage over 690,000 acres of conservation easements. Revenues from the sale of forest products from State lands help offset program costs. The State Forest Ranger force is charged with firefighting, search and rescue and enforcing rules, regulations and laws on State land.

The Mineral Resources program regulates more than 12,500 active oil and gas wells and oversees the mined land reclamation program. This program is focused on returning land used for mining to a productive use and also performs technical and environmental review of new and 2,250 existing active mines.

The Water program protects and conserves the State's water resources which include 52,337 miles of rivers, 7,849 lakes, 2.4 million acres of fresh water wetlands and 25,000 acres of tidal wetlands.

The Department also operates 52 campgrounds and seven day-use areas within the Adirondack and Catskill parks, as well as the Belleayre Mountain Ski Center. These recreational facilities serve approximately 1.7 million visits annually, generating over \$12 million in revenue and greatly increasing tourist trade to their host communities. Camping and skiing user fees are intended to fully support facility operations.

### ***ENVIRONMENTAL QUALITY/REMEDATION***

A new "Climate Change Office" is established at DEC, with a staff of 12. This office will implement the Regional Greenhouse Gas Initiative, including 100 percent auction of carbon dioxide allowances and collaborate with other states and identify carbon reduction programs beyond the power plant sector.

The 1988 Solid Waste Management Act established the State's policies for the management of solid waste, identifying reduction and recycling as the preferred options. The Act required municipalities to implement source separation programs and to prepare Local Solid Waste Management Plans. Also in 1988, the Department of Environmental Conservation established requirements for the construction and operation of solid waste management facilities, such as landfills. Local governments must meet those requirements before the Department will grant an operating permit.

The 1990 amendments to the Federal Clean Air Act imposed new mandates on the State designed to improve air quality. While the cost of complying with the Act is significant, the cost of non-compliance would be more severe. If the Federal Environmental Protection Agency determines that there is a deficiency in New York's clean air programs, then it must apply sanctions if the deficiency is not corrected within 18 months. Sanctions include the withholding of Federal highway funds and the requirement of a two-for-one air pollution emissions offset for new or modified sources of emissions in areas that do not meet Federal air quality standards. The sanction would result in a virtual ban on industrial expansion and would place New York at a severe economic disadvantage with other states.

## ***ENVIRONMENTAL CONSERVATION***

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New York has taken steps to implement a comprehensive stationary source air permit program, a small business assistance program and programs to reduce vehicular emissions and inspect vehicle emission systems. In 1997-98, the State began implementing a decentralized vehicle emission testing system mandated by the Federal Clean Air Act. New York's system is more convenient and less costly to motorists than other federally-approved testing systems, while still reducing air pollution. This decentralized and simpler testing program allows motorists to visit their local automotive service stations to have emissions inspections performed. In addition, the Heavy Duty Inspection and Maintenance Program, which is supported by registration fees, inspects on-road heavy duty diesel vehicles for conformance with emission requirements.

The Department has also established regulations implementing the most aggressive Acid Rain controls on emissions of sulfur dioxide and nitrogen oxide in the country.

In addition, the Department will initiate or complete other actions to address serious air pollution problems. New York will continue to keep pace with California and adopt additional regulations to further control vehicle emissions as a result of changes in the low emission vehicle program. Equipment used in the reconstruction of lower Manhattan will use low sulfur diesel fuel and will be equipped with emission controls. The Metropolitan Transportation Authority's (MTA) bus fleet is now one of the cleanest in the world, with the retrofit of more than 2,700 diesel buses, and the purchase of 642 more with clean diesel technology. MTA also runs more than 400 buses on clean compressed natural gas, and has the largest hybrid-electric fleet in North America with more than 830 by mid-2007.

The 1986 Environmental Quality Bond Act — commonly known as the State Superfund — made \$1.1 billion available for inactive hazardous waste cleanups, allowing the Department to embark on one of the most ambitious remedial programs in the nation. In response to New York's actions, responsible parties have committed more than \$4.51 billion for the investigation and remediation of identified inactive hazardous waste sites. This is in addition to the \$1.1 billion in Bond Act funds committed to investigate and remediate 990 hazardous waste sites.

Comprehensive Superfund refinance and reform legislation was enacted in 2003. This legislation refinanced and reformed the State's Superfund Program and created a new State Brownfields Cleanup Program to encourage private investment and job creation through liability reform, tax incentives, and a predictable process for cleaning up and redeveloping brownfields. A total of 320 sites have applied to the Brownfield Cleanup Program, and 24 have been completely cleaned at the end of 2006. The legislation also improves the municipal Environmental Restoration Program funded through the 1996 Clean Water/Clean Air Bond Act to encourage even more municipal participation, while providing liability reform for the State Superfund Program, Oil Spill Program, and Brownfield Cleanup Program. In addition, the legislation established a Brownfield Opportunity Area Grant Program to assist municipalities and community-based organizations in strategically planning the redevelopment of brownfields within targeted urban areas.

The Department has also undertaken significant new initiatives including the most aggressive program in the nation to address the emerging problem of soil vapor intrusion from contaminated sites.

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## **ENVIRONMENTAL ENFORCEMENT AND REGULATION**

An additional responsibility the Department of Environmental Conservation undertakes is to enforce and regulate a myriad of activities carried out by businesses, local governments and individuals that can have an impact on the environment and the State's natural resources.

The Department carries out this responsibility through a variety of regulatory and permitting processes and through ongoing communication with those subject to environmental laws and regulations to ensure that such requirements are understood. In addition, the Department's Environmental Conservation Officers work closely with other staff to ensure that environmental laws and regulations are enforced.

The Department has enhanced and improved its overall regulatory and enforcement capabilities, including the coordination of enforcement and inspection programs at each of its regional offices. The Department will continue to review its regulatory practices to streamline procedures and eliminate unnecessary requirements, while still ensuring that strict environmental standards are maintained.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	485,837,000	492,433,850	6,596,850	471,211,800
Aid To Localities	3,540,230	2,145,100	(1,395,130)	7,518,775
Capital Projects	631,025,000	673,070,000	42,045,000	3,198,138,000
Total	<u>1,120,402,230</u>	<u>1,167,648,950</u>	<u>47,246,720</u>	<u>3,676,868,575</u>

# ENVIRONMENTAL CONSERVATION

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
General Fund	113	119	6
Special Revenue Funds - Federal	147	147	0
Special Revenue Funds - Other	20	20	0
Air and Water Quality Management			
General Fund	227	274	47
Special Revenue Funds - Federal	195	195	0
Special Revenue Funds - Other	304	304	0
Environmental Enforcement			
General Fund	213	224	11
Special Revenue Funds - Other	283	283	0
Fish, Wildlife and Marine Resources			
General Fund	59	67	8
Special Revenue Funds - Federal	72	72	0
Special Revenue Funds - Other	263	263	0
Forest and Land Resources			
General Fund	225	244	19
Special Revenue Funds - Federal	11	11	0
Special Revenue Funds - Other	138	138	0
Solid and Hazardous Waste Management			
Capital Projects Funds - Other	329	329	0
Operations			
General Fund	304	304	0
Special Revenue Funds - Other	71	71	0
Rehabilitation and Improvement			
Capital Projects Funds - Other	48	48	0
Solid and Hazardous Waste Management			
General Fund	116	134	18
Special Revenue Funds - Federal	60	60	0
Special Revenue Funds - Other	163	163	0
Capital Projects Funds - Federal	10	10	0
Total	3,371	3,480	109

# ENVIRONMENTAL CONSERVATION

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	120,221,000	129,441,850	9,220,850
Special Revenue Funds - Federal	80,218,000	79,240,000	(978,000)
Special Revenue Funds - Other	285,338,000	283,692,000	(1,646,000)
Internal Service Funds	60,000	60,000	0
Total	<u>485,837,000</u>	<u>492,433,850</u>	<u>6,596,850</u>
Adjustments:			
Prior Year Deficiency			
Environmental Conservation, Department of General Fund	7,500,000		
Recommended Deficiency			
Environmental Conservation, Department of Special Revenue Funds - Other	(10,000,000)		
Transfer(s) From			
Special Pay Bill General Fund	(4,710,000)		
Special Revenue Funds - Other	(10,861,000)		
Transfer(s) To			
Executive Chamber General Fund	109,000		
Appropriated 2006-07	<u>467,875,000</u>		

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
General Fund	9,875,000	11,289,000	1,414,000
Special Revenue Funds - Federal	12,636,000	13,000,000	364,000
Special Revenue Funds - Other	2,746,000	2,430,000	(316,000)
Internal Service Funds	60,000	60,000	0
Air and Water Quality Management			
General Fund	15,386,000	14,108,000	(1,278,000)
Special Revenue Funds - Federal	21,782,000	19,240,000	(2,542,000)
Special Revenue Funds - Other	93,965,000	94,849,000	884,000
Air Resources			
Special Revenue Funds - Federal	8,000,000	10,000,000	2,000,000
Construction Management			
Special Revenue Funds - Federal	4,000,000	3,600,000	(400,000)
Environmental Enforcement			
General Fund	26,000,000	29,730,850	3,730,850
Special Revenue Funds - Other	47,460,000	39,655,000	(7,805,000)
Fish, Wildlife and Marine Resources			
General Fund	10,009,000	10,524,000	515,000
Special Revenue Funds - Federal	22,000,000	22,000,000	0
Special Revenue Funds - Other	35,950,000	39,100,000	3,150,000
Forest and Land Resources			
General Fund	16,923,000	19,050,000	2,127,000
Special Revenue Funds - Federal	5,000,000	5,000,000	0
Special Revenue Funds - Other	26,426,000	27,953,000	1,527,000
Operations			
General Fund	32,882,000	34,170,000	1,288,000
Special Revenue Funds - Other	15,875,000	16,341,000	466,000
Solid and Hazardous Waste Management			
General Fund	9,146,000	10,570,000	1,424,000
Special Revenue Funds - Federal	6,800,000	6,400,000	(400,000)
Special Revenue Funds - Other	62,916,000	63,364,000	448,000
Total	<u>485,837,000</u>	<u>492,433,850</u>	<u>6,596,850</u>



# ENVIRONMENTAL CONSERVATION

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	9,098,000	888,000	8,372,000	824,000
Air and Water Quality Management	12,876,000	(1,294,000)	12,744,000	(1,298,000)
Environmental Enforcement	23,065,000	3,535,000	20,183,000	3,473,000
Fish, Wildlife and Marine Resources	8,290,000	487,000	8,046,000	479,000
Forest and Land Resources	17,037,000	2,095,000	15,604,000	2,057,000
Operations	18,273,000	784,000	16,828,000	744,000
Solid and Hazardous Waste Management	10,280,000	1,423,000	10,038,000	1,416,000
Total	98,919,000	7,918,000	91,815,000	7,695,000

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	683,000	62,000	43,000	2,000
Air and Water Quality Management	89,000	3,000	43,000	1,000
Environmental Enforcement	0	0	2,882,000	62,000
Fish, Wildlife and Marine Resources	208,000	6,000	36,000	2,000
Forest and Land Resources	388,000	11,000	1,045,000	27,000
Operations	1,325,000	36,000	120,000	4,000
Solid and Hazardous Waste Management	124,000	4,000	118,000	3,000
Total	2,817,000	122,000	4,287,000	101,000

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	2,191,000	526,000	368,000	11,000
Air and Water Quality Management	1,232,000	16,000	517,000	9,000
Environmental Enforcement	6,665,850	195,850	805,000	25,000
Fish, Wildlife and Marine Resources	2,234,000	28,000	903,000	9,000
Forest and Land Resources	2,013,000	32,000	1,408,000	28,000
Operations	15,897,000	504,000	3,135,000	103,000
Solid and Hazardous Waste Management	290,000	1,000	69,000	1,000
Total	30,522,850	1,302,850	7,205,000	186,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	40,000	1,000	1,765,000	514,000
Air and Water Quality Management	88,000	1,000	468,000	6,000
Environmental Enforcement	54,000	16,000	452,000	107,000
Fish, Wildlife and Marine Resources	18,000	0	955,000	11,000
Forest and Land Resources	73,000	1,000	430,000	3,000
Operations	2,290,000	(13,000)	9,803,000	414,000
Solid and Hazardous Waste Management	21,000	0	198,000	0
Total	2,584,000	6,000	14,071,000	1,055,000

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	18,000	0	0	0
Air and Water Quality Management	159,000	0	0	0
Environmental Enforcement	30,000	0	5,324,850	47,850
Fish, Wildlife and Marine Resources	42,000	0	316,000	8,000
Forest and Land Resources	102,000	0	0	0
Operations	669,000	0	0	0
Solid and Hazardous Waste Management	2,000	0	0	0
Total	1,022,000	0	5,640,850	55,850

# ENVIRONMENTAL CONSERVATION

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	15,490,000	48,000	8,899,000	280,000
Air and Water Quality Management	114,089,000	(1,658,000)	39,418,000	813,000
Air Resources	10,000,000	2,000,000	3,990,000	0
Construction Management	3,600,000	(400,000)	1,700,000	100,000
Environmental Enforcement	39,655,000	(7,805,000)	21,890,000	(4,999,000)
Fish, Wildlife and Marine Resources	61,100,000	3,150,000	26,477,000	3,271,000
Forest and Land Resources	32,953,000	1,527,000	16,809,000	837,000
Operations	16,341,000	466,000	3,469,000	55,000
Solid and Hazardous Waste Management	69,764,000	48,000	18,015,000	167,000
Total	<u>362,992,000</u>	<u>(2,624,000)</u>	<u>140,667,000</u>	<u>524,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	6,591,000	(232,000)	0	0
Air and Water Quality Management	72,671,000	(2,471,000)	2,000,000	0
Air Resources	6,010,000	2,000,000	0	0
Construction Management	1,900,000	(500,000)	0	0
Environmental Enforcement	17,765,000	(2,806,000)	0	0
Fish, Wildlife and Marine Resources	31,823,000	(321,000)	2,800,000	200,000
Forest and Land Resources	16,144,000	690,000	0	0
Operations	12,872,000	411,000	0	0
Solid and Hazardous Waste Management	51,749,000	(119,000)	0	0
Total	<u>217,525,000</u>	<u>(3,348,000)</u>	<u>4,800,000</u>	<u>200,000</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	3,540,230	2,145,100	(1,395,130)
Total	<u>3,540,230</u>	<u>2,145,100</u>	<u>(1,395,130)</u>

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
General Fund	1,083,950	23,100	(1,060,850)
Air and Water Quality Management			
General Fund	1,506,280	1,172,000	(334,280)
Solid and Hazardous Waste Management			
General Fund	950,000	950,000	0
Total	<u>3,540,230</u>	<u>2,145,100</u>	<u>(1,395,130)</u>

# ENVIRONMENTAL CONSERVATION

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

<b>Comprehensive Construction Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations 2007-08</b>
Marine Resources				
Federal Capital Projects Fund	0	0	0	15,416,000
Air Resources - EQBA				
Capital Projects Fund - EQBA (Bondable)	0	0	0	10,299,000
Environmental Quality Bond Act Fund				
Environmental Quality Bond Act Fund - 1986	0	0	0	114,878,000
Water Resources - PWBA				
Capital Projects Fund - PWBA (Bondable)	0	14,468,000	14,468,000	14,496,000
Solid Waste Management				
Capital Projects Fund	945,000	750,000	(195,000)	3,065,000
Capital Projects Fund - Advances	0	0	0	1,281,000
Federal Capital Projects Fund	0	0	0	36,846,000
Environmental Protection and Enhancements				
Environmental Protection Fund	0	0	0	37,925,000
Environment and Recreation				
Environmental Protection Fund	225,000,000	250,000,000	25,000,000	601,906,000
Fish and Wildlife				
Capital Projects Fund	1,000,000	1,000,000	0	3,536,000
Federal Capital Projects Fund	0	600,000	600,000	6,695,000
Hudson River Habitat Restor. Fund	0	0	0	351,000
Lands and Forests				
Capital Projects Fund	1,800,000	5,450,000	3,650,000	17,567,000
Federal Capital Projects Fund	1,000,000	2,000,000	1,000,000	3,519,000
Forest Preserve Expansion Fund	0	0	0	115,000
Water Resources - EQBA				
Capital Projects Fund - EQBA (Bondable)	0	327,000	327,000	8,723,000
Air Resources				
Capital Projects Fund	0	0	0	55,000
Clean Air Fund	0	0	0	5,362,000
Administration				
Capital Projects Fund	3,400,000	2,600,000	(800,000)	8,072,000
Federal Capital Projects Fund	0	0	0	175,000
Enterprise Fund	0	0	0	175,000
Lands and Forests - EQBA				
Capital Projects Fund - EQBA (Bondable)	0	0	0	640,000
Environmental Quality Protection Bond Fund				
Environmental Quality Protection Bond Fund	0	0	0	36,778,000
Clean Water/Clean Air Bond Fund				
Clean Water - Clean Air Bond Fund	0	0	0	507,173,000
Pure Waters Bond Fund				
Pure Waters Bond Fund	0	0	0	29,001,000
Recreation				
Capital Projects Fund	1,500,000	1,500,000	0	3,450,000
Cap Proj Fund - DEC Regular (Auth Bonds)	5,500,000	0	(5,500,000)	5,500,000
Solid Waste Management - EQBA				
Capital Projects Fund - EQBA (Bondable)	0	0	0	11,671,000
Operations				
Capital Projects Fund	18,380,000	21,166,000	2,786,000	41,543,000
Cap Proj Fund - DEC Regular (Auth Bonds)	12,000,000	12,000,000	0	44,729,000
Natural Resource Damages Fund	0	26,000,000	26,000,000	5,770,000
Financial Security Fund	0	0	0	1,464,000
Water Resources				
Capital Projects Fund	2,975,000	1,834,000	(1,141,000)	42,048,000
Capital Projects Fund - Advances	300,000	350,000	50,000	15,838,000
Cap Proj Fund - State Revolving Fund (Auth Bonds)	29,600,000	29,600,000	0	66,474,000
Cap Proj Fund - Onondaga Lake (Auth Bonds)	10,000,000	10,000,000	0	22,688,000
Cap Proj Fund - DEC Regular (Auth Bonds)	1,200,000	0	(1,200,000)	1,200,000
Federal Capital Projects Fund	148,000,000	148,000,000	0	332,370,000
Air Quality - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	0	0	0	44,305,000
Clean Water - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	0	0	0	266,395,000
Solid Waste - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	0	0	0	16,032,000
Environmental Restoration - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	0	0	0	162,686,000

# ENVIRONMENTAL CONSERVATION

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Clean Water - Clean Air Implementation				
Clean Water Clean Air Implementation Fund	1,050,000	1,050,000	0	3,691,000
Solid and Hazardous Waste Management - EQBA 86				
Capital Projects Fund - EQBA 86 (Bondable)	0	0	0	102,429,000
Lands and Forests - EQBA 86				
Capital Projects Fund - EQBA 86 (Bondable)	0	0	0	6,000
Solid and Hazardous Waste Management				
Capital Projects Fund	0	0	0	1,975,000
Capital Projects Fund - Advances	0	0	0	52,185,000
Cap Proj Fund - DEC Regular (Auth Bonds)	25,000,000	0	(25,000,000)	25,000,000
Hazardous Waste Remedial Fund - Oversight & Assessment	22,375,000	24,375,000	2,000,000	78,167,000
Hazardous Waste Remedial Fund - Cleanup	120,000,000	120,000,000	0	386,473,000
Total	<u>631,025,000</u>	<u>673,070,000</u>	<u>42,045,000</u>	<u>3,198,138,000</u>

# ***ENVIRONMENTAL FACILITIES CORPORATION***

## ***MISSION***

The Environmental Facilities Corporation (EFC) is a public benefit corporation whose mission is to promote environmental quality by providing low cost financing and technical assistance to municipalities, businesses and State agencies for environmental and public health projects in New York State.

The Environmental Facilities Corporation's largest program is the Clean Water State Revolving Fund. This program, administered jointly with the Department of Environmental Conservation, provides reduced interest rate financing to municipalities for infrastructure projects that control water pollution. EFC, in conjunction with the New York State Department of Health, also administers the Drinking Water State Revolving Fund, which provides reduced interest rate financing and grants to community and private water systems for safe drinking water projects. A Federal grant and corresponding State match provide funding for these programs. The Clean Water/Clean Air Bond Act provides a State match for the Drinking Water State Revolving Fund. Administration of these programs is also supported with a portion of the Federal Capitalization Grant and fees charged on financings.

The Environmental Facilities Corporation also administers other funding programs including the Financial Assistance to Business, Industrial Finance, Pipeline for Jobs, Beginning Farmer, and the Clean Vessel Assistance Program (in conjunction with the Department of Environmental Conservation). It also provides technical assistance through its New York City Watershed Programs and Small Business Environmental Assistance Program.

## ***ORGANIZATION AND STAFFING***

A seven-member Board of Directors governs the Corporation. Ex-Officio board members include the Commissioner of the Department of Environmental Conservation, who serves as the Board Chair, the Commissioner of the Department of Health, and the Secretary of State. The four remaining board members serve six-year terms and require nomination by the Governor and confirmation by the State Senate. The Board of Directors appoints the Corporation President and Corporate Officers. The Environmental Facilities Corporation will have a 2007-08 workforce of 98, including six staff of the Department of Environmental Conservation who are assigned administratively to the Corporation.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

Corporate operations are funded by:

- Financing fees and annual fees charged to recipients that receive Revolving Fund loans and a portion of State and Federal grants made for the Clean Water and Drinking Water programs; and
- User fees paid by businesses, municipalities, and industrial clients for the Corporation's technical and financial services.

## ***ENVIRONMENTAL FACILITIES***

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For fiscal year 2007-08, a total of \$13.9 million is recommended for operations of the Corporation. In addition, State funds are included in the Department of Environmental Conservation and Department of Health's capital budgets for the required match to Federal funding for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund programs.

### ***PROGRAM HIGHLIGHTS***

The Environmental Facilities Corporation currently administers seven major programs: the two State Revolving Funds, the Industrial Finance Program, Technical Advisory Services, the Clean Water/Clean Air Bond Act's business environmental compliance assistance programs, the Pipeline for Jobs Program and New York Beginning Farmer Loan Program.

#### ***CLEAN WATER STATE REVOLVING FUND PROGRAM***

This program was established in 1989 to help municipalities comply with the Federal Clean Water Act by providing low-interest rate financings to build or upgrade water pollution control facilities. Since 1989, the program has received Federal and State appropriations totaling \$2.9 billion and \$581 million, respectively. The State Revolving Fund has made financings totaling \$12 billion to 466 recipients across the State. Interest rates range from as low as zero percent to no more than two-thirds of the market rate. These low-interest rate financings substantially reduce the cost of water pollution control projects for borrowers, making environmental compliance and protection more attainable.

#### ***DRINKING WATER STATE REVOLVING FUND PROGRAM***

In 1996, Congress enacted Federal legislation authorizing the Drinking Water State Revolving Fund program. This program, modeled after the Clean Water State Revolving Fund program, provides reduced interest rate financings to community and private water systems to finance safe drinking water projects. In cases of financial hardship, funds are also available from the Clean Water/Clean Air Bond Act to make grants for the construction of drinking water facilities. The Drinking Water Program has made loans and grants totaling \$1.7 billion to 305 recipients across the State. Federal funding provided for the Drinking Water State Revolving Fund requires a 20 percent State match. Since 1996, the program has received Federal and State appropriations totaling \$602.7 million and \$120.5 million, respectively. The State's share of the Drinking Water State Revolving Fund is provided from the Clean Water/Clean Air Bond Act.

#### ***INDUSTRIAL FINANCE PROGRAM***

Since 1976, the Industrial Finance Program has provided more than \$2.0 billion in low-interest rate loans to businesses and State agencies for environmental improvement projects. Projects eligible for loans include solid waste management facilities, hazardous waste management facilities, and water supply and wastewater management facilities. Loans under the program are financed from the proceeds of special obligation revenue bonds issued by the Corporation.

## **ENVIRONMENTAL FACILITIES**

### **TECHNICAL ADVISORY SERVICES**

The Technical Advisory Services Program advises businesses, industrial clients, State agencies, and municipalities on pollution prevention, waste management, and compliance with environmental laws and regulations. The Corporation also provides fund management and loan and grant servicing to its clients. The Environmental Facilities Corporation addresses such issues as air pollution control and compliance, multi-media waste management, inactive hazardous waste site remediation, water and wastewater management, and solid waste management and landfill closure. This program is funded by fees paid by Corporation clients who contract for these services.

### **FINANCIAL ASSISTANCE TO BUSINESS**

The 1996 Clean Water/Clean Air Bond Act provides \$60 million to assist businesses in achieving compliance with environmental laws and regulations pertaining to air and water quality. The air and water quality programs are funded at \$30 million each and are used to assist businesses in targeted sectors to achieve environmental compliance including procurement of new capital equipment. The Corporation works with village, town, and city governments to identify businesses in need of assistance.

### **PIPELINE FOR JOBS**

The Pipeline for Jobs Program was created in 1999 to provide low-cost loans and financial assistance to municipalities, public utilities, public benefit corporations, and businesses. The purpose of the program is to encourage and support water supply and cold water supply improvement projects which provide an economic development benefit to the State. The recommendation for this program includes \$11.3 million in reappropriations.

### **NEW YORK BEGINNING FARMER LOAN PROGRAM**

The New York Beginning Farmer Loan Program provides low interest loans of up to \$250,000 to individuals for the purchase of agricultural property and equipment. The purpose of this program is to attract and support New York's next generation of farmers.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	12,774,500	13,552,000	777,500	0
Aid To Localities	0	0	0	0
Capital Projects	5,343,000	343,000	(5,000,000)	11,648,000
Total	<u>18,117,500</u>	<u>13,895,000</u>	<u>(4,222,500)</u>	<u>11,648,000</u>

# ENVIRONMENTAL FACILITIES

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
Special Revenue Funds - Other	88	88	0
Clean Water/Clean Air Administration Program			
Capital Projects Funds - Other	4	4	0
Total	92	92	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
Special Revenue Funds - Other	12,774,500	13,552,000	777,500
Total	12,774,500	13,552,000	777,500

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
Special Revenue Funds - Other	12,774,500	13,552,000	777,500
Total	12,774,500	13,552,000	777,500

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	13,552,000	777,500	8,158,000	421,000
Total	13,552,000	777,500	8,158,000	421,000

Program	Nonpersonal Service	
	Amount	Change
Administration	5,394,000	356,500
Total	5,394,000	356,500

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

Comprehensive Construction Program	Available 2006-07	Recommended 2007-08	Change	Reappropriations 2007-08
Pipeline for Jobs Program				
Capital Projects Fund - Authority Bonds	5,000,000	0	(5,000,000)	11,305,000
Clean Water - Clean Air Implementation				
Clean Water Clean Air Implementation Fund	343,000	343,000	0	343,000
Total	5,343,000	343,000	(5,000,000)	11,648,000



# ***DIVISION OF HOUSING AND COMMUNITY RENEWAL***

## ***MISSION***

The Division of Housing and Community Renewal is responsible for the supervision, maintenance and development of affordable low- and moderate-income housing in New York State. The Division currently performs a number of activities in fulfillment of this mission, including:

- Oversight and regulation of the State's public and publicly assisted rental housing;
- Administration of the State's rent regulations; and
- Administration of housing development and community preservation programs, including State and Federal grants and loans to housing developers to finance construction or renovation of affordable housing.

## ***ORGANIZATION AND STAFFING***

Headed by a Commissioner, the Division of Housing and Community Renewal maintains three main offices and nine regional offices. Main offices in Albany and Manhattan are responsible for agency-wide administrative functions and the development and execution of the Division of Housing and Community Renewal's policies for its Community Development and Housing programs. The Division of Housing and Community Renewal's Rent Administration program is administered through the main office in Queens and local offices in rent regulated communities.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Division of Housing and Community Renewal's fee revenues come from the following sources: 1) mortgage servicing fees; 2) application and monitoring fees collected from developers of housing projects that are partially financed by Federal low-income tax credits; 3) payments by New York City to finance a portion of the Division's rent regulation activities; and 4) fees collected from the U.S. Department of Housing and Urban Development in connection with State administration of the Federal Section 8 rental subsidy program.

The Division of Housing and Community Renewal is the lead State agency for the development, construction and oversight of State-assisted housing. The majority of the State's housing construction and rehabilitation programs are supported by appropriations administered by three public benefit corporations: the Housing Finance Agency; the Affordable Housing Corporation; and the Housing Trust Fund Corporation. The Division of Housing and Community Renewal provides administrative support to the Housing Trust Fund Corporation.

Executive Budget recommendations for the Division of Housing and Community Renewal total more than \$326 million. The 2007-08 Budget will:

- Make permanent the State Low-Income Housing Tax Credit Program and provide an additional \$4 million in support of the program, resulting in nearly \$40 million in new funding for affordable housing over the next ten years;

## ***HOUSING AND COMMUNITY RENEWAL***

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- Provide over \$74 million in housing capital funds, including \$7 million for the nationally recognized Homes for Working Families Program;
- Provide \$8.3 million to administer the development of low-income housing and over \$18.7 million to supervise the operation of publicly assisted housing, including the State-financed Mitchell-Lama portfolio;
- Provide \$15.2 million in administrative funding for the Neighborhood and Rural Preservation Programs; and
- Continue the Division's administration of the federally funded Weatherization Assistance Program, providing grants to local not-for-profit groups and governments to assist low-income households in reducing their energy consumption and lowering their fuel bills.

### ***PROGRAM HIGHLIGHTS***

#### ***COMMUNITY DEVELOPMENT***

Community Development staff provide support to the Housing Trust Fund Corporation, a public benefit corporation that provides State-funded loans and grants to for-profit and not-for-profit entities to develop housing for low-income families, tenants with special needs and the low-income elderly.

Community Development staff also administer the allocation of low-income housing tax credits across the State. These tax credits promote the production of low-income rental housing projects by reducing the tax liability of investors who finance the acquisition and construction of these projects.

#### ***SMALL CITIES***

The Small Cities Community Development Block Grant Program administers approximately \$58 million in annual funding from the U.S. Department of Housing and Urban Development (HUD). The Small Cities program supports projects in communities with populations of less than 50,000 or non-urban counties with populations of less than 200,000 for housing rehabilitation, job creation or retention, infrastructure repair or replacement, micro-enterprise programs and homeownership assistance.

#### ***HOUSING OVERSIGHT***

The Housing Program oversees the management of State-assisted housing projects. On a project-by-project basis, Housing Program staff periodically review the financial and physical condition of:

- 192 housing developments constructed between 1957 and 1974 under the State's Mitchell-Lama housing laws and financed with State-guaranteed debt. These projects provide more than 80,000 dwelling units to low- and moderate-income families;
- 74 public housing projects constructed between 1941 and 1973 and financed with State General Obligation bonds that provide more than 20,000 apartments for low-income families; and
- Approximately 1,000 low-income apartment projects partially financed by State or Federal capital funds.

## **HOUSING AND COMMUNITY RENEWAL**

In addition to its regulatory functions, the Housing Program is responsible for the administration of over 35,000 HUD Housing Choice vouchers in New York State. These vouchers provide rental assistance to low-income families in 50 local program areas in New York State.

### **RENT ADMINISTRATION**

The Omnibus Housing Act of 1983 mandated the consolidation of all rent regulation under the Division of Housing and Community Renewal in order to ensure that the State's rent laws are administered in a manner that recognizes the concerns of both landlords and tenants. The Office of Rent Administration has been recognized for its outstanding efforts to make the program more responsive to its customers. Since 1995, over 90 percent of the backlog of rent regulated cases subject to adjudication have been eliminated. By streamlining the administrative process, the amount of time necessary to close a rent overcharge case has been reduced significantly.

### **HOUSING CAPITAL PROGRAMS**

There are two primary low- and moderate-income housing construction programs supported by State appropriations: the Housing Trust Fund Program and the Affordable Housing Corporation Program. This Budget includes a \$29 million appropriation and \$122.4 million in reappropriations for the Housing Trust Fund Program, which provides grants to finance construction or rehabilitation of low-income apartment buildings. The Affordable Housing Corporation will receive \$25 million in new funds and \$96.4 million in reappropriations to stimulate local economic growth and stabilize distressed communities across the State by providing grants of up to \$25,000 to first-time low- and moderate-income home buyers.

To support municipal housing authorities, this Budget also recommends that \$12.8 million in new funding and \$58.6 million in reappropriations be provided to continue repairs and renovations to the State's existing public housing stock. Finally, the Budget recommends the reauthorization of on-going funding from prior years for a number of programs, including: the Permanent Housing for Homeless Families Program, the Housing Project Repair Program and the Federal National Affordable Housing Act Program.

#### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	98,109,000	98,638,000	529,000	57,058,000
Aid To Localities	153,705,500	153,505,500	(200,000)	111,856,000
Capital Projects	100,200,000	74,200,000	(26,000,000)	387,507,000
Total	<u>352,014,500</u>	<u>326,343,500</u>	<u>(25,671,000)</u>	<u>556,421,000</u>

# HOUSING AND COMMUNITY RENEWAL

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
General Fund	74	74	0
Community Development			
General Fund	50	50	0
Special Revenue Funds - Federal	43	43	0
Special Revenue Funds - Other	12	12	0
Housing			
General Fund	34	24	(10)
Special Revenue Funds - Federal	41	51	10
Special Revenue Funds - Other	87	87	0
Housing Information Systems			
General Fund	71	71	0
HUD Section 8 New Construction			
Special Revenue Funds - Federal	10	10	0
New Facilities			
Capital Projects Funds - Federal	42	42	0
Rent Administration			
General Fund	144	144	0
Special Revenue Funds - Other	342	342	0
Total	<u>950</u>	<u>950</u>	<u>0</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	31,418,000	30,994,000	(424,000)
Special Revenue Funds - Federal	9,698,000	10,651,000	953,000
Special Revenue Funds - Other	56,993,000	56,993,000	0
Total	<u>98,109,000</u>	<u>98,638,000</u>	<u>529,000</u>

Adjustments:	
Transfer(s) To	
Executive Chamber	
General Fund	126,000
Appropriated 2006-07	<u>98,235,000</u>

# HOUSING AND COMMUNITY RENEWAL

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
General Fund	13,126,000	13,373,000	247,000
Special Revenue Funds - Other	2,911,000	2,911,000	0
Community Development			
General Fund	3,484,000	3,484,000	0
Special Revenue Funds - Federal	3,254,000	3,254,000	0
Special Revenue Funds - Other	1,646,000	1,646,000	0
Housing			
General Fund	2,979,000	2,339,000	(640,000)
Special Revenue Funds - Federal	6,444,000	7,397,000	953,000
Special Revenue Funds - Other	9,045,000	9,045,000	0
Housing Information Systems			
General Fund	8,483,000	8,452,000	(31,000)
Rent Administration			
General Fund	3,346,000	3,346,000	0
Special Revenue Funds - Other	43,391,000	43,391,000	0
Total	<u>98,109,000</u>	<u>98,638,000</u>	<u>529,000</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	4,676,000	0	4,651,000	(25,000)
Community Development	3,315,000	0	3,290,000	(25,000)
Housing	2,272,000	(590,000)	2,267,000	(595,000)
Housing Information Systems	4,772,000	300,000	4,752,000	280,000
Rent Administration	2,796,000	0	2,791,000	(5,000)
Total	<u>17,831,000</u>	<u>(290,000)</u>	<u>17,751,000</u>	<u>(370,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	25,000	25,000	0	0
Community Development	0	0	25,000	25,000
Housing	0	0	5,000	5,000
Housing Information Systems	0	0	20,000	20,000
Rent Administration	0	0	5,000	5,000
Total	<u>25,000</u>	<u>25,000</u>	<u>55,000</u>	<u>55,000</u>

# HOUSING AND COMMUNITY RENEWAL

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	8,697,000	247,000	350,000	144,000
Community Development	169,000	0	17,000	(13,000)
Housing	67,000	(50,000)	2,000	(6,300)
Housing Information Systems	3,680,000	(331,000)	30,000	(189,900)
Rent Administration	550,000	0	45,000	0
Total	<u>13,163,000</u>	<u>(134,000)</u>	<u>444,000</u>	<u>(65,200)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	300,000	190,000	7,397,000	(727,000)
Community Development	85,000	(20,000)	42,000	8,000
Housing	45,000	4,000	15,000	(52,700)
Housing Information Systems	50,000	24,000	2,369,000	(1,172,100)
Rent Administration	5,000	0	400,000	0
Total	<u>485,000</u>	<u>198,000</u>	<u>10,223,000</u>	<u>(1,943,800)</u>

Program	Equipment	
	Amount	Change
Administration	650,000	640,000
Community Development	25,000	25,000
Housing	5,000	5,000
Housing Information Systems	1,231,000	1,007,000
Rent Administration	100,000	0
Total	<u>2,011,000</u>	<u>1,677,000</u>

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	2,911,000	0	660,000	0
Community Development	4,900,000	0	2,915,000	0
Housing	16,442,000	953,000	9,494,000	590,000
Rent Administration	43,391,000	0	26,145,000	0
Total	<u>67,644,000</u>	<u>953,000</u>	<u>39,214,000</u>	<u>590,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	2,251,000	0	0	0
Community Development	1,985,000	0	0	0
Housing	5,447,000	362,000	1,501,000	1,000
Rent Administration	17,246,000	0	0	0
Total	<u>26,929,000</u>	<u>362,000</u>	<u>1,501,000</u>	<u>1,000</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	51,255,500	51,055,500	(200,000)
Special Revenue Funds - Federal	92,450,000	92,450,000	0
Special Revenue Funds - Other	10,000,000	10,000,000	0
Total	<u>153,705,500</u>	<u>153,505,500</u>	<u>(200,000)</u>

## **HOUSING AND COMMUNITY RENEWAL**

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Housing Development Fund Program			
Special Revenue Funds - Other	10,000,000	10,000,000	0
HUD Section 8 New Construction			
Special Revenue Funds - Federal	13,100,000	13,100,000	0
Lead Poisoning Prevention Program			
General Fund	200,000	0	(200,000)
Low Income Weatherization			
Special Revenue Funds - Federal	21,350,000	21,350,000	0
Neighborhood Preservation			
General Fund	10,506,500	10,506,500	0
Periodic Subsidies - Local Areas			
General Fund	16,220,000	16,220,000	0
Rural Preservation			
General Fund	4,725,000	4,725,000	0
Rural Rental Assistance			
General Fund	19,604,000	19,604,000	0
Small Cities Community Development Block Grant			
Special Revenue Funds - Federal	58,000,000	58,000,000	0
Total	<u>153,705,500</u>	<u>153,505,500</u>	<u>(200,000)</u>

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

<b>Comprehensive Construction Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations 2007-08</b>
Affordable Housing Corporation				
Housing Program Fund	30,000,000	25,000,000	(5,000,000)	96,450,000
Housing Assistance Fund				
Housing Assistance Fund	1,000,000	0	(1,000,000)	13,086,000
Low Income Housing Trust Fund				
Housing Program Fund	39,000,000	29,000,000	(10,000,000)	122,454,000
Maintenance and Improvements of Existing Facilities				
Housing Program Fund	0	0	0	4,026,000
Housing Opportunity Program For Elderly				
Housing Program Fund	1,400,000	400,000	(1,000,000)	1,400,000
Housing Program Capital Improvement				
Capital Projects Fund	0	0	0	19,720,000
State Housing Bond Fund				
State Housing Bond Fund	0	0	0	7,344,000
Main Street Program				
Housing Program Fund	5,000,000	0	(5,000,000)	5,000,000
New Facilities				
Capital Projects Fund	0	0	0	123,000
Federal Capital Projects Fund	0	0	0	28,754,000
Public Housing Modernization Program				
Housing Program Fund	12,800,000	12,800,000	0	58,600,000
Rural Revitalization Program				
Housing Program Fund	2,500,000	0	(2,500,000)	3,500,000
Urban Initiatives Program				
Housing Program Fund	1,500,000	0	(1,500,000)	3,000,000
Homes for Working Families Program				
Housing Program Fund	7,000,000	7,000,000	0	24,050,000
Total	<u>100,200,000</u>	<u>74,200,000</u>	<u>(26,000,000)</u>	<u>387,507,000</u>





# **HOUSING FINANCE AGENCY**

## **MISSION**

The New York State Housing Finance Agency is a public benefit corporation created in 1960 to finance low- and moderate-income rental housing. The Agency issues tax-exempt and taxable bonds to provide mortgage loans for the construction and rehabilitation of both low income and mixed income multi-family rental housing.

The Housing Finance Agency also plays a role in administering several housing programs supported by State and Federal appropriations. In 1990, the Agency's mission was expanded to include the issuance of bonds to reimburse the State for appropriated expenditures under the State's housing programs.

## **ORGANIZATION AND STAFFING**

The Housing Finance Agency is governed by a Board of Directors consisting of seven members: the Commissioner of Housing and Community Renewal, the Director of the Budget, the Commissioner of Taxation and Finance and four members nominated by the Governor with the consent of the Senate. The Governor designates a Chairperson.

The Agency headquarters is located in New York City and is managed by a President/Chief Executive Officer, who is appointed by the Board of Directors. Staff is organized into five departments: the President's Office, Multi-Family Finance, Debt Issuance, Finance and Operations and Legal Services.

The Housing Finance Agency is operated and administered jointly with the State of New York Mortgage Agency, but the two agencies are governed by separate Boards of Directors.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Agency receives no direct operating support from the State. Its operating budget is funded with fees and revenues the Agency generates through its financing activities.

In 2007-08, \$50 million in resources made available through a restructuring of Empire State Development Corporation debt will be used to establish a new program at the Housing Finance Agency to create and preserve affordable housing for low and moderate income New Yorkers. In addition, \$2 million in resources will be made available to initiate a pilot program to explore ways to partner with employers on an employer assisted housing program.

## **PROGRAM HIGHLIGHTS**

Since its inception in 1960, the Agency has provided financing of more than \$7.8 billion for more than 105,000 units of multi-family housing. Between November 1, 2001 and the close of the Agency's fiscal year on October 31, 2006, the Agency provided \$3.4 billion in mortgage loans that financed almost 14,000 housing units. During the Agency's fiscal year ending October 31, 2005, more than 4,143 units were financed with mortgage loans totaling more than \$1.1 billion, and in the fiscal year ending October 31, 2006, more than 1,700 units were financed with mortgage loans totaling more than \$694 million.



# **STATE OF NEW YORK MORTGAGE AGENCY**

## **MISSION**

The State of New York Mortgage Agency is a public benefit corporation created in 1970 to increase the affordability of homeownership for low- to moderate-income residents of New York State. This is accomplished by the Agency's issuance of taxable and tax-exempt bonds and the use of proceeds to purchase low-interest rate mortgage loans. In 1978, the Agency's mission was expanded to include the issuance of mortgage insurance to promote the stabilization of neighborhoods throughout the State.

## **ORGANIZATION AND STAFFING**

The Agency is overseen by a Board of Directors comprised of the State Comptroller, the Director of the Budget, the Commissioner of Housing and Community Renewal and four appointees of the Governor, the Temporary President of the Senate and the Speaker of the Assembly. Responsibility for operation of the Agency rests with the President/Chief Executive Officer, who also serves in this capacity for the Housing Finance Agency — the State's other major housing finance entity. The Agency is operated jointly with the Housing Finance Agency out of its central headquarters in New York City and from regional offices in Albany, Buffalo and Long Island.

The State of New York Mortgage Agency has two program divisions. Its Single Family Programs and Financing Division provides low-interest rate mortgages to low- and moderate-income first-time homebuyers (and for other eligible homebuyers in designated target areas) through the issuance of mortgage revenue bonds. The Agency uses a network of banking institutions to originate mortgages on its behalf. The Mortgage Insurance Division provides insurance on mortgage loans for residential, mixed residential, commercial and community service-related properties throughout the State. In addition, in December 2004, the Mortgage Insurance Fund was authorized to enter into agreements to provide credit support for bonds and ancillary bond facilities issued by the Convention Center Development Corporation, a subsidiary of the New York State Urban Development Corporation. This insurance is supported by the Mortgage Insurance Fund, which is funded by a surcharge on the Mortgage Recording Tax.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Agency receives no direct operating support from the State. Statute requires the State to guarantee payments made by the Agency to the State in prior years. The Executive Budget recommends more than \$370 million in appropriations in 2007-08 to satisfy this requirement, although no cash disbursements are projected to be made from this appropriation. All State of New York Mortgage Agency programs and operations are supported by Agency funds, consisting of mortgage income, application fees, insurance premiums and investment proceeds.

# MORTGAGE AGENCY

## PROGRAM HIGHLIGHTS

Since its inception in 1970, the Agency's Single Family Division has provided more than \$9.7 billion of affordable financing for over 143,000 homes in New York. Between January 1, 1995 and the close of the Agency's fiscal year on October 31, 2006, the Agency purchased \$4.8 billion in single-family mortgages — helping more than 52,000 New Yorkers buy their first homes. During the Agency's 2005-06 fiscal year, 3,319 loans were financed in the amount of \$367 million.

The Mortgage Insurance Fund's portfolio of insured mortgages exceeds \$4 billion. In 2005-06, mortgage insurance provided by the Agency totaled more than \$175 million.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	76,800,000	76,800,000	0	0
Aid To Localities	304,414,000	293,718,000	(10,696,000)	0
Capital Projects	0	0	0	0
Total	381,214,000	370,518,000	(10,696,000)	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	76,800,000	76,800,000	0
Total	76,800,000	76,800,000	0

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

Program	Available 2006-07	Recommended 2007-08	Change
Infrastructure Trust Fund Guarantee - SONYMA Homeowners Mortgage Revenues			
General Fund	61,800,000	61,800,000	0
SONYMA Mortgage Insurance Fund			
Restoration			
General Fund	15,000,000	15,000,000	0
Total	76,800,000	76,800,000	0

# MORTGAGE AGENCY

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total Amount</b>	<b>Change</b>	<b>Maintenance Undistributed Amount</b>	<b>Change</b>
Infrastructure Trust Fund Guarantee - SONYMA Homeowners Mortgage Revenues	61,800,000	0	61,800,000	0
SONYMA Mortgage Insurance Fund Restoration	15,000,000	0	15,000,000	0
Total	<u>76,800,000</u>	<u>0</u>	<u>76,800,000</u>	<u>0</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	304,414,000	293,718,000	(10,696,000)
Total	<u>304,414,000</u>	<u>293,718,000</u>	<u>(10,696,000)</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
SONYMA Mortgage Insurance Fund Restoration			
General Fund	304,414,000	293,718,000	(10,696,000)
Total	<u>304,414,000</u>	<u>293,718,000</u>	<u>(10,696,000)</u>



# HUDSON RIVER PARK TRUST

## MISSION

The Hudson River Park Trust (the Trust) is a public benefit corporation established in 1998 to design, develop, and maintain the 550-acre Hudson River Park in Manhattan, which will extend five miles along the Hudson River waterfront from Battery Park to 59<sup>th</sup> Street. The Trust is governed by a 13-member board: 5 members appointed by the Governor, 5 by the Mayor of New York City, and 3 by the Manhattan Borough President.

## ORGANIZATION AND STAFFING

The Trust is headed by a President and Chief Executive Officer who is appointed by the Board.

## FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

A recommended overall resource level of \$5 million in new appropriations, in concert with \$61.6 million in reappropriations, will fund Trust capital costs in 2007-08 associated with the planning, design and construction of Park projects. The \$5 million for Park development is from the Environmental Protection Fund within the budget for the Department of Environmental Conservation. All Trust administrative activities, including operating costs, are paid directly from a portion of the commercial lease payments and other revenues generated by businesses and activities conducted on the Park property. These receipts are deposited directly to the Trust.

## PROGRAM HIGHLIGHTS

During 2007-08, the Trust will continue the design and construction of the remaining segments of the Park, develop detailed cost estimates, explore alternative sources of funding and continue to oversee capital projects to build the Park.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	26,000,000	0	(26,000,000)	61,557,000
Total	26,000,000	0	(26,000,000)	61,557,000

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

Comprehensive Construction Program	Available 2006-07	Recommended 2007-08	Change	Reappropriations 2007-08
Regional Development				
Capital Projects Fund - Advances	26,000,000	0	(26,000,000)	61,557,000
Total	26,000,000	0	(26,000,000)	61,557,000





# **INSURANCE DEPARTMENT**

## **MISSION**

The Insurance Department, which was established in 1860, is charged with regulating the insurance industry and with balancing the interests of insurance consumers, companies and producers. Specific statutory responsibilities include: approving the formation, consolidation or merger of insurance organizations and all new insurance products, monitoring the financial stability of insurers, overseeing the testing and licensing of agents, adjusters, consultants and insurance intermediaries and disciplining licensees who violate the Insurance Law or regulations.

## **ORGANIZATION AND STAFFING**

The Insurance Department is headed by a Superintendent who is appointed by the Governor. The Department maintains offices in Albany and New York City and local offices in Mineola, Rochester, Syracuse, Oneonta, Brooklyn and Buffalo. The Department's activities are carried out through three programs: Administration, Regulation and Consumer Services, with a 2007-08 workforce of 935 positions.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Insurance Department is funded by State tax dollars from the General Fund, assessments on New York State based insurance carriers, and company examination fees. These monies fully support the operations of the Department as well as insurance-related operations in other agencies.

The Executive Budget recommends \$199.2 million in assessment revenue to fund the Department's current activities including the Insurance Disaster Preparedness Unit to help New York and the insurance industry respond to potential natural, financial and terrorist disasters. The industry assessments will provide \$25.3 million to the Department of State for costs associated with fire prevention efforts and enforcement of state building code regulations, \$37 million to the Department of Health for costs associated with the Center for Community Health and the "forge-proof" prescription program, and \$6.5 million to the Law Department for implementation of Executive Order 109 that appointed the Attorney General as a Special Prosecutor to combat no-fault auto insurance fraud.

The Executive Budget also includes a \$100 million General Fund appropriation for the Department to finance provisions of "Timothy's Law" which was enacted in late 2006. Under this statute's provisions, on or after January 1, 2007, the State is required to fully reimburse employers with 50 or fewer employees for the costs associated with providing broad-based mental health insurance coverage.

## **PROGRAM HIGHLIGHTS**

The Department ensures that insurance companies meet statutory requirements regarding their finances and corporate conduct by monitoring the financial condition of companies and conducting periodic field examinations of insurers. It strives for the fair treatment of policyholders, claimants and the public through the regulation of company claim payments and sales practices, responses to consumer complaints, and the timely review of insurance

## INSURANCE

company denials of coverage. Risk-focused examinations are being incorporated by state insurance regulators, replacing the traditional full scope financial statement verification examinations. The Department has devoted resources to areas of higher risk, where effective and efficient uses of resources are realized.

The Department promotes high standards of conduct and competence through testing, oversight, and pre-licensing and continuing education of insurers and agents. It maintains a registry of all licensees, collects fees and imposes fines related to the revocation of licenses and irregular activities.

As the population continues to age, the Department will ensure Long Term Care insurance is available to assist with elder care. One of the Department's goals is to provide consumers with complete and up-to-date information so that they can make informed decisions regarding the purchase of Long Term Care insurance and to provide insurers with assistance in preparing filing submissions that comply with New York statutes and regulations in order to reach their markets in a timely manner.

The Department has approved a record number of auto insurance premium rate reductions, saving policyholders more than \$400 million. Regulatory reform and aggressive fraud-fighting will likely ensure that further rate reductions continue.

In 2004 the Department created the Disaster Preparedness and Response Bureau. The Bureau's principal function is to assist the Department and the New York insurance industry to prepare for, mitigate, respond to, and recover from existing and future natural and man-made disasters, including terrorism. New York was the first insurance department in the nation to create such a bureau.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	190,260,000	299,182,000	108,922,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	190,260,000	299,182,000	108,922,000	0

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
Special Revenue Funds - Other	131	131	0
Consumer Services			
Special Revenue Funds - Other	153	153	0
Regulation			
Special Revenue Funds - Other	651	651	0
Total	935	935	0

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	0	100,000,000	100,000,000
Special Revenue Funds - Other	190,260,000	199,182,000	8,922,000
Total	190,260,000	299,182,000	108,922,000

Adjustments:

Transfer(s) To	
Executive Chamber	
General Fund	143,000
Appropriated 2006-07	190,403,000

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
Special Revenue Funds - Other	14,637,000	14,864,000	227,000
Consumer Services			
Special Revenue Funds - Other	12,298,000	12,691,000	393,000
Regulation			
General Fund	0	100,000,000	100,000,000
Special Revenue Funds - Other	163,325,000	171,627,000	8,302,000
Total	190,260,000	299,182,000	108,922,000

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Maintenance Undistributed</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Regulation	100,000,000	100,000,000	100,000,000	100,000,000
Total	100,000,000	100,000,000	100,000,000	100,000,000

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	14,864,000	227,000	9,145,000	208,000
Consumer Services	12,691,000	393,000	8,057,000	268,000
Regulation	171,627,000	8,302,000	50,847,000	1,785,000
Total	199,182,000	8,922,000	68,049,000	2,261,000

<u>Program</u>	<u>Nonpersonal Service</u>		<u>Maintenance Undistributed</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	5,719,000	19,000	0	0
Consumer Services	4,634,000	125,000	0	0
Regulation	46,161,000	1,059,000	74,619,000	5,458,000
Total	56,514,000	1,203,000	74,619,000	5,458,000



# ***DIVISION OF THE LOTTERY***

## ***MISSION***

In 1966, New Yorkers approved a constitutional amendment to authorize a State Lottery in support of education. The Division of the Lottery raises revenue through the sale and marketing of Lottery games.

## ***ORGANIZATION AND STAFFING***

The Division of the Lottery is an independent unit of the Department of Taxation and Finance, whose Commissioner appoints the Director of the Lottery. The Division maintains a central office in Schenectady, regional offices in Buffalo, Syracuse, New York City and Long Island, a satellite office in Fishkill to serve the Hudson Valley, and a claims center in Rochester. Marketing sales representatives are assigned to the regional offices around the State, and recruit and support point-of-sale retailers, which include convenience stores, newsstands, supermarkets, restaurants and bowling centers. The Division of the Lottery will have a workforce of 350 staff in the 2007-08 fiscal year.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

Lottery games have raised in excess of \$29 billion in revenues for education since the Lottery's inception in 1967. In 2007-08, approximately \$2.7 billion will be available for education. The Division's costs are supported entirely with Lottery revenues. The 2007-08 Executive Budget recommends \$123 million to support Lottery operations. By law, no more than 15 percent of gross traditional Lottery sales and ten percent of Video Lottery net machine income may be used for administration. Historically, the Lottery Division's total administrative costs have been below the statutory limit.

## ***PROGRAM HIGHLIGHTS***

Lottery games sold on the Division's on-line computer system include Numbers, Win 4, Take 5 and other Lottery games. These games can be played from approximately 16,000 locations across the State and offer players the opportunity to match their "picks" to televised drawings that take place twice daily, daily, or twice weekly, depending on the game. Winning tickets up to \$600 can be validated and redeemed by customers at any location selling Lottery products.

The Lottery Division's Instant games have contributed significantly to the growth of Lottery revenues. The Division will market approximately 40 new Instant games during 2007-08, with ticket prices starting at \$1.

Quick Draw, first introduced in 1995, is an electronically drawn game with winning numbers drawn by a central computer every four minutes. Quick Draw is displayed at approximately 3,200 authorized establishments statewide, such as restaurants and bowling centers.

In 2001, legislation was enacted to broaden the Lottery gaming opportunities in New York State, authorizing New York's involvement in a multi-state Lottery game and permitting the installation of Video Lottery Terminals (VLTs) at horse racing facilities

# LOTTERY

across the State. Pursuant to this legislation, the Division of the Lottery entered into an agreement with nine other states to create a new multi-state Lottery game, "Mega Millions". Currently, 12 states including New York participate. Mega Millions' first drawing occurred on May 17, 2002.

The 2007-08 Executive Budget provides funds necessary to market and operate traditional Lottery games for the coming fiscal year. In addition, Lottery has continued efforts to implement the VLT program at various horse racing facilities across the State with eight VLT gaming facilities currently operational. The 2007-08 Executive Budget also provides the necessary funding for the video lottery program's continued operation and implementation.

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	156,235,000	123,357,300	(32,877,700)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	156,235,000	123,357,300	(32,877,700)	0

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration of the Lottery Special Revenue Funds - Other	314	314	0
Administration of the Lottery Special Revenue Funds - Other	36	36	0
Total	350	350	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
Special Revenue Funds - Other	156,235,000	123,357,300	(32,877,700)
Total	156,235,000	123,357,300	(32,877,700)

### Adjustments:

Prior Year Deficiency	
Lottery, Division of the Special Revenue Funds - Other	20,000,000
Recommended Deficiency	
Lottery, Division of the Special Revenue Funds - Other	(23,000,000)
Appropriated 2006-07	153,235,000

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration of the Lottery			
Special Revenue Funds - Other	156,235,000	123,357,300	(32,877,700)
Total	<u>156,235,000</u>	<u>123,357,300</u>	<u>(32,877,700)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration of the Lottery	123,357,300	(32,877,700)	20,988,200	(4,071,800)
Total	<u>123,357,300</u>	<u>(32,877,700)</u>	<u>20,988,200</u>	<u>(4,071,800)</u>

<u>Program</u>	<u>Nonpersonal Service</u>		<u>Maintenance Undistributed</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration of the Lottery	102,369,100	(805,900)	0	(28,000,000)
Administration of the Lottery	102,369,100	(805,900)	0	(28,000,000)
Total	<u>102,369,100</u>	<u>(805,900)</u>	<u>0</u>	<u>(28,000,000)</u>





# ***METROPOLITAN TRANSPORTATION AUTHORITY***

## ***MISSION***

The Metropolitan Transportation Authority (MTA) is responsible for operating, maintaining and improving public transportation in the Metropolitan Commuter Transportation District consisting of New York City and Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester counties.

The Authority oversees the operations of the bus and subway systems in New York City, commuter railroads in the region, and seven bridges and two tunnels in New York City. This oversight includes general policy direction and development and financing of the operating and capital programs.

The Authority is comprised of three independent entities: The Metropolitan Transportation Authority, MTA New York City Transit and MTA Bridges and Tunnels. The Metropolitan Transportation Authority has six subsidiaries: MTA Staten Island Rapid Transit, MTA Long Island Rail Road, MTA Long Island Bus, MTA Metro North Railroad, MTA Bus and MTA Capital Construction. MTA New York City Transit, which operates the New York City subway and bus systems, has one subsidiary: MTA Manhattan and Bronx Surface Transit.

## ***ORGANIZATION AND STAFFING***

Each of the three independent entities mentioned above is governed by its own Board, although by law membership on each Board is identical. There are 19 board members, 17 voting and 2 non-voting, each nominated by the Governor and confirmed by the Senate. Four members are nominated from a list provided by the Mayor of the City of New York and one each from lists prepared by the seven county executives in the Metropolitan Commuter Transportation District. The remaining six voting members are appointed directly by the Governor, with one serving as Board Chair.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The appropriations made directly to the MTA are in addition to the almost \$2.4 billion subsidy provided by the State to the Metropolitan Transportation Authority that is appropriated in the Department of Transportation's Aid to Localities budget. Funds appropriated directly to the MTA include new appropriations and reappropriations from the Rebuild and Renew New York Bond Act of 2005, approved by voters in November 2005, which provided \$1.45 billion of capital aid from SFYs 2005-06 through 2009-10.

## ***PROGRAM HIGHLIGHTS***

### ***MTA NEW YORK CITY TRANSIT AND MTA COMMUTER RAILROADS***

The Metropolitan Transportation Authority provides 24 hour-a-day transit and commuter services in the New York City metropolitan region. Its subway system is the largest in the nation and one of the largest in the world. MTA New York City Transit operates

## ***METROPOLITAN TRANSPORTATION***

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approximately 230 local and express bus routes throughout New York City. Complementing this service are additional bus routes in Nassau County provided by MTA Long Island Bus. MTA Long Island Rail Road and MTA Metro North Railroad, the two largest commuter rail systems in the nation, provide transportation for travelers entering New York City from outlying suburban areas in New York State and Connecticut. Over two and a half billion passengers ride the subways, buses and commuter rail systems each year.

### ***MTA BRIDGES AND TUNNELS***

MTA Bridges and Tunnels, the largest toll system in the nation serving 300 million vehicles annually, operates nine intra-city bridges and tunnels in New York City: Triborough Bridge, Bronx-Whitestone Bridge, Henry Hudson Bridge, Marine Parkway-Gil Hodges Bridge, Cross Bay Veterans' Memorial Bridge, Throgs Neck Bridge, Verrazano-Narrows Bridge, Queens-Midtown Tunnel and Brooklyn Battery Tunnel. It also provides financing for MTA New York City Transit's and the commuter railroads' capital programs. In addition, MTA Bridges and Tunnels is required by law to transfer surplus revenues to MTA New York City Transit and the commuter railroads to support their operations.

### ***OTHER SUBSIDIARIES***

In July 2003, the MTA created MTA Capital Construction Company, which has the ability to manage, design and effectuate the system expansion projects of all the MTA agencies. The other subsidiaries — MTA Staten Island Rapid Transit, MTA Long Island Bus, and MTA Manhattan and Bronx Surface Transit — provide regional transportation services. MTA Staten Island Rapid Transit operates transit services on Staten Island. MTA Manhattan and Bronx Surface Transit, in conjunction with MTA New York City Transit, provides bus service within New York City, primarily to passengers traveling within a particular borough or as a feeder service to the subway. In September 2004, the MTA Board created the MTA Bus Company. Pursuant to an agreement with the City of New York, the MTA has assumed operation of bus service in the areas previously serviced by the City-franchised private bus lines. Specifically, the MTA is now responsible for all aspects of service delivery; the City of New York will pay to the MTA the difference between the actual cost of operations and all revenues. MTA Bus now operates the 11<sup>th</sup> largest bus fleet in North America.

MTA Long Island Bus provides bus service to Nassau County, western Suffolk County and eastern Queens County, connecting these areas to MTA New York City Transit's subway stations. The Metropolitan Transportation Authority is responsible for the operation and general oversight of MTA Long Island Bus. Nassau County is financially responsible for MTA Long Island Bus' operating costs that are over and above those supported by fares and by Federal and State assistance.

# METROPOLITAN TRANSPORTATION

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	0	0	0	0
Aid To Localities	644,700,000	660,100,000	15,400,000	0
Capital Projects	297,000,000	352,000,000	55,000,000	526,922,000
Total	<u>941,700,000</u>	<u>1,012,100,000</u>	<u>70,400,000</u>	<u>526,922,000</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
Special Revenue Funds - Other	644,700,000	660,100,000	15,400,000
Total	<u>644,700,000</u>	<u>660,100,000</u>	<u>15,400,000</u>

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

Program	Available 2006-07	Recommended 2007-08	Change
Dedicated Tax			
Special Revenue Funds - Other	644,700,000	660,100,000	15,400,000
Total	<u>644,700,000</u>	<u>660,100,000</u>	<u>15,400,000</u>

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

Comprehensive Construction Program	Available 2006-07	Recommended 2007-08	Change	Reappropriations 2007-08
Mass Transportation and Rail Freight				
Metropolitan Transportation Authority				
Capital Projects Fund - Advances	0	0	0	36,000,000
Urban and Commuter Mass Transportation Bondable				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	297,000,000	352,000,000	55,000,000	490,922,000
Total	<u>297,000,000</u>	<u>352,000,000</u>	<u>55,000,000</u>	<u>526,922,000</u>



# **DEPARTMENT OF MOTOR VEHICLES**

## **MISSION**

The NYS Department of Motor Vehicles is a customer-oriented agency whose employees and partners work together to promote traffic safety, protect consumers, verify identities and issue secure documents, provide information services and collect revenues for the benefit of the people of this state.

## **ORGANIZATION AND STAFFING**

Under the direction of the Commissioner, the Department operates from its main office in Albany (Empire State Plaza) and from three regional headquarters in Albany, Long Island and New York City. The Department also operates 29 district and branch offices, which issue licenses and registrations. In addition, County Clerk offices act as DMV agents at 101 locations throughout the State.

Dedicated funds and fees, including a portion of traffic violation fines in certain localities, support approximately 99 percent of the Department's positions. The remaining one percent is funded with Federal grants.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Dedicated Highway and Bridge Trust Fund, supported primarily by revenues from motor vehicle fees, highway use and motor fuel taxes, will fund \$200 million, or 59 percent of DMV's budget. The balance is financed by Federal funds and special revenue funds supported by various fees and fines.

Appropriations for the Department of Motor Vehicles will increase by \$18.3 million, or 5.7 percent due to salary contract obligations and inflation costs; expanded operational responsibilities such as the Driver Responsibility Program, the Internet Point Insurance Reduction Program (IPIRP) and customer service kiosk pilot programs; and additional funding for increased credit card usage driven by continued growth in Internet transaction volumes.

## **PROGRAM HIGHLIGHTS**

### **CUSTOMER SERVICE**

DMV issues drivers licenses and vehicle registrations, collects more than \$1.2 billion in revenue for the State and localities, monitors driver training and enforces the directives of local magistrates and departmental referees. State offices are also responsible for conducting road tests and maintaining enforcement sections that issue conditional and restricted use licenses and handle other suspension and revocation activities. The Department of Motor Vehicles served more than 20 million customers last year.

The Department also adjudicates traffic violations at 11 locations in New York City and several other jurisdictions across the State. This allows local judges and criminal courts to dedicate their activities to criminal matters. This program is funded entirely by fines collected from violators. After State operating expenses are deducted, remaining funds are returned to the jurisdictions where the violations occurred.

## ***MOTOR VEHICLES***

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The Department continues to enhance its Internet website to provide customers an alternative means for transacting Department business. Through the convenience of personal computers, more than 1.5 million transactions per year are processed via the DMV website. Through the Internet, customers can renew registrations and drivers licenses; order personalized and custom plates; order duplicate titles, registrations and licenses; and if requested, post insurance proof. New projects underway include self-service kiosks in our issuing offices to complete selected transactions, Internet based permit testing to allow high school students to take the written permit test over the internet in participating schools; plead and pay Traffic Violations Bureau (TVB) tickets online or by telephone and the Internet Point Insurance Reduction Program (IPIRP) which will establish a pilot program to study the use of the internet and other technologies as an effective tool in the delivery of the accident prevention course program. Customers can also check the status of their plate or title orders, schedule their road tests, pay certain fines, and obtain information and instructions from DMV's Right Now Web knowledge base. Businesses can order supplies of inspection stickers and post lien information.

### ***VEHICLE AND DRIVER SAFETY***

Highway safety policies have resulted in reductions in fatalities and serious injuries on our roads. Contributing to this success have been new enforcement and educational efforts by State, local and non-profit agencies, including: a statewide crackdown to stop those who drink and drive or engage in aggressive driving; initiatives to promote proper child safety seat usage; and the statewide Click It or Ticket enforcement campaign, which has increased seatbelt usage to over 83 percent. These efforts have resulted in New York State's roadways being some of the safest in the nation.

DMV vehicle safety activities include: licensing and monitoring safety and emissions inspection stations; registering auto repair shops, dealers, transporters and dismantlers; and certifying vehicle inspectors, junk and salvage businesses and automotive body damage estimators.

Driver safety initiatives include implementation and oversight of educational or rehabilitative programs for motorists convicted of alcohol or drug related driving offenses, the point insurance reduction program and pre-licensing courses. DMV also licenses and monitors driving schools and instructors.

In 2007-08, DMV will continue the "Driver Responsibility Program" that established increased monetary penalties on those drivers convicted of Driving While Intoxicated (DWI) or Driving While Under the Influence (DUI) of alcohol or substances and those who refuse to take a chemical test. The Driver Responsibility Program imposes monetary penalties upon drivers that are found to be repeatedly in violation of the State's vehicle and traffic laws and those who put responsible New York drivers at risk of injury and death.

### ***FIELD INVESTIGATION AND AUDIT***

One of the Department's major functions is to issue credentials, which establish the identity and license status of drivers, the ownership of vehicles and boats, and the authenticity of auto-related businesses. External investigation activities concern stolen automobiles, odometer fraud, fraudulent identity and motor vehicle documents and complaints regarding unlicensed and suspended drivers.

# MOTOR VEHICLES

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	116,631,000	122,658,000	6,027,000	30,441,000
Aid To Localities	14,400,000	17,240,000	2,840,000	27,400,000
Capital Projects	190,919,000	200,378,000	9,459,000	2,500,000
Total	<u>321,950,000</u>	<u>340,276,000</u>	<u>18,326,000</u>	<u>60,341,000</u>

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
	Administrative Adjudication		
Special Revenue Funds - Other	442	450	8
Clean Air			
Special Revenue Funds - Other	271	271	0
Compulsory Insurance			
Special Revenue Funds - Other	212	212	0
Governor's Traffic Safety Committee			
Special Revenue Funds - Federal	27	27	0
Transportation Safety			
Special Revenue Funds - Other	1	5	4
Transportation Support			
Capital Projects Funds - Other	1,822	1,868	46
Total	<u>2,775</u>	<u>2,833</u>	<u>58</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
Special Revenue Funds - Federal	14,400,000	15,960,000	1,560,000
Special Revenue Funds - Other	91,731,000	97,198,000	5,467,000
Internal Service Funds	10,500,000	9,500,000	(1,000,000)
Total	<u>116,631,000</u>	<u>122,658,000</u>	<u>6,027,000</u>

Adjustments:	
Transfer(s) To	
Executive Chamber	
General Fund	74,000
Appropriated 2006-07	<u>116,705,000</u>

# MOTOR VEHICLES

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
Special Revenue Funds - Other	3,000,000	4,000,000	1,000,000
Internal Service Funds	10,500,000	9,500,000	(1,000,000)
Administrative Adjudication			
Special Revenue Funds - Other	43,696,000	44,443,000	747,000
Clean Air			
Special Revenue Funds - Other	24,713,000	25,769,000	1,056,000
Compulsory Insurance			
Special Revenue Funds - Other	18,737,000	20,015,000	1,278,000
Governor's Traffic Safety Committee			
Special Revenue Funds - Federal	14,400,000	15,960,000	1,560,000
Transportation Safety			
Special Revenue Funds - Other	1,585,000	2,971,000	1,386,000
Total	116,631,000	122,658,000	6,027,000

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	13,500,000	0	0	0
Administrative Adjudication	44,443,000	747,000	22,400,000	316,000
Clean Air	25,769,000	1,056,000	14,426,000	589,000
Compulsory Insurance	20,015,000	1,278,000	9,620,000	311,000
Governor's Traffic Safety Committee	15,960,000	1,560,000	496,000	16,000
Transportation Safety	2,971,000	1,386,000	380,000	260,000
Total	122,658,000	6,027,000	47,322,000	1,492,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	13,500,000	10,500,000	0	(10,500,000)
Administrative Adjudication	22,043,000	431,000	0	0
Clean Air	11,343,000	467,000	0	0
Compulsory Insurance	10,395,000	967,000	0	0
Governor's Traffic Safety Committee	317,600	25,200	15,146,400	1,518,800
Transportation Safety	2,591,000	1,126,000	0	0
Total	60,189,600	13,516,200	15,146,400	(8,981,200)

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
Special Revenue Funds - Federal	14,400,000	17,240,000	2,840,000
Total	14,400,000	17,240,000	2,840,000

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

Program	Available 2006-07	Recommended 2007-08	Change
Governor's Traffic Safety Committee			
Special Revenue Funds - Federal	14,400,000	17,240,000	2,840,000
Total	14,400,000	17,240,000	2,840,000



**MOTOR VEHICLES**

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

<b>Comprehensive Construction Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations 2007-08</b>
Transportation Support				
Dedicated Highway and Bridge Trust Fund	190,919,000	200,378,000	9,459,000	2,500,000
Total	190,919,000	200,378,000	9,459,000	2,500,000



# **OLYMPIC REGIONAL DEVELOPMENT AUTHORITY**

## **MISSION**

In 1980, Lake Placid and the surrounding areas were host to the Winter Olympic Games. The following year, the Olympic Regional Development Authority was established to create and administer a post-Olympic program for the Lake Placid facilities. These facilities include: the Olympic Ice Center; the Olympic Speedskating Oval; the Whiteface Mountain Ski Area and Veterans' Memorial Highway; the Mt. Van Hoevenberg Complex that includes bobsled and luge runs, cross-country ski trails and a biathlon range; the Olympic Ski Jumping Complex; and the U.S. Olympic Training Center. In 1984, the Olympic Regional Development Authority's responsibility expanded to include the management of the Gore Mountain Ski Center in North Creek, Warren County.

## **ORGANIZATION AND STAFFING**

The Authority is governed by a ten-member Board of Directors, consisting of the commissioners of Economic Development, Environmental Conservation, Parks and seven other members appointed by the Governor and confirmed by the Senate. The Governor selects one member as Chair. Board members serve without compensation.

The Authority has a workforce of 200 and employs up to 1,115 full- and part-time hourly workers, depending on the season.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

In 2007-08, State tax dollars from the General Fund will finance 25 percent, or \$8.2 million, of the Authority's \$32.6 million operating budget. State funding supplements \$23.2 million in revenue generated from venue marketing, fees and ticket sales to athletic and other special events; \$805,030 from the Town of North Elba; and \$200,000 from the Winter Sports Education Trust Fund; and \$200,000 from the Olympic Training Center Account.

## **PROGRAM HIGHLIGHTS**

### **OLYMPIC FACILITIES**

The Olympic Regional Development Authority manages one of three primary sites (the others being in California and Colorado) for year-round training of America's Olympic athletes. In 2005-06, the Olympic facilities at Lake Placid received more than 726,000 visitors. The Authority hosts numerous national and international athletic and entertainment events. In 2005-06 major events included: the International Skating Institute Figure Skating Competition; USA Hockey Festivals/Camps; Ice Dance Championships; Canadian-American Hockey Camps/Tournaments; Disney on Ice; Collegiate Hockey Games; Smucker's Stars on Ice; Harlem Globetrotters; Canadian Hockey Enterprises Camps/Tournaments; Holiday Hoopfest; Empire State Winter Games; and several festivals and shows. In addition, the Authority has been the home of the Stars on Ice figure skating rehearsal and preview show since 1992.

# OLYMPIC REGIONAL DEVELOPMENT

## SKI FACILITIES

The Authority also manages the Gore and Whiteface Mountain ski centers, two major downhill ski facilities that received more than 387,000 visitors in the 2005-06 ski season; and over 113,000 visitors for off-season activities such as mountain biking and sightseeing tours.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	8,386,000	8,626,000	240,000	0
Aid To Localities	0	0	0	0
Capital Projects	5,500,000	0	(5,500,000)	5,500,000
Total	13,886,000	8,626,000	(5,260,000)	5,500,000

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	7,986,000	8,226,000	240,000
Special Revenue Funds - Other	400,000	400,000	0
Total	8,386,000	8,626,000	240,000

#### Adjustments:

Prior Year Deficiency	
Olympic Regional Development Authority	
General Fund	1,000,000
Appropriated 2006-07	9,386,000

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

Program	Available 2006-07	Recommended 2007-08	Change
Operations			
General Fund	7,986,000	8,226,000	240,000
Special Revenue Funds - Other	400,000	400,000	0
Total	8,386,000	8,626,000	240,000

### STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Operations	4,426,000	4,426,000	4,426,000	4,426,000
Total	4,426,000	4,426,000	4,426,000	4,426,000

# OLYMPIC REGIONAL DEVELOPMENT

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Operations	3,800,000	(4,186,000)	2,000,000	2,000,000
Total	<u>3,800,000</u>	<u>(4,186,000)</u>	<u>2,000,000</u>	<u>2,000,000</u>

Program	Contractual Services		General State Charges	
	Amount	Change	Amount	Change
Operations	0	(7,986,000)	1,800,000	1,800,000
Total	<u>0</u>	<u>(7,986,000)</u>	<u>1,800,000</u>	<u>1,800,000</u>

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations	400,000	0	170,000	170,000
Total	<u>400,000</u>	<u>0</u>	<u>170,000</u>	<u>170,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Operations	230,000	30,000	0	(200,000)
Total	<u>230,000</u>	<u>30,000</u>	<u>0</u>	<u>(200,000)</u>

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

Comprehensive Construction Program	Available 2006-07	Recommended 2007-08	Change	Reappropriations 2007-08
Recreation				
Capital Projects Fund	5,500,000	0	(5,500,000)	5,500,000
Total	<u>5,500,000</u>	<u>0</u>	<u>(5,500,000)</u>	<u>5,500,000</u>



# **OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION**

## **MISSION**

The Office of Parks, Recreation and Historic Preservation's mission is to provide safe and enjoyable recreational and interpretive opportunities for all New York State residents and visitors, and to be responsible stewards of our valuable natural, historic, and cultural resources. The Office operates and maintains 176 parks and 35 historic sites, hosts a multitude of cultural and educational programs and offers diverse recreational opportunities, ranging from secluded campsites to the internationally renowned Niagara Falls State Park. Approximately 60 million people visit the State's parks and historic sites annually.

New York's park system and its unparalleled recreational opportunities are an important factor in the State's tourism industry and economy. Services open to the public at State parks include beaches, golf courses, performing arts centers, swimming pools, marinas, cabins, campgrounds and many significant bird conservation, wildlife habitat, historic properties and natural areas.

## **ORGANIZATION AND STAFFING**

The Office is headed by a Commissioner appointed by the Governor. Operations are administered through a network of 11 regional offices: Allegany, Central, Finger Lakes, Genesee, Long Island, New York City, Niagara, Palisades, Saratoga/Capital District, Taconic and Thousand Islands. The central office, which includes executive staff and other administrative support functions, is located in Albany.

For fiscal year 2007-08, the Office will have a workforce of 2,244. Approximately 5,000 temporary and seasonal employees supplement the permanent staff in the peak summer season.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2007-08 Executive Budget recommends more than \$276 million for the Office's programs, including \$137 million in General Fund moneys and more than \$85 million in fee revenues. These funds will support the operation of all existing park facilities and the development of parklands acquired with funding from the Environmental Protection Fund (EPF) and 1996 Clean Water/Clean Air Bond Act. In addition, the Budget provides 52 additional staff to enhance park operations, including general maintenance and rehabilitation, increase security and expand opportunities to access the historic home owners tax credit.

These recommendations continue funding for the Empire State Games and Art Park at the 2006-07 level. In addition, \$7.5 million in funding for the Zoos, Botanical Gardens and Aquaria program will be provided from the EPF.

The General Fund continues to be the Office's primary source of support for its operating and local assistance budgets by providing 63.4 percent of its funding. The remaining 36.6 percent is provided by a variety of sources, including:

- User fees at the parks (33.1 percent);
- Federal grants for activities related to the use of recreational vehicles and land and water conservation (2.2 percent); and

## **PARKS, RECREATION AND HISTORIC PRESERVATION**

- Other miscellaneous funds, including moneys earmarked for historic sites, arboretums and the Empire State Games (1.2 percent).

The primary focus of the Office's capital program is the health and safety of park visitors and the maintenance and rehabilitation of existing facilities. Park facilities include more than 5,000 buildings, 28 golf courses, 53 swimming pools, 76 beaches, 27 marinas, 40 boat launching sites, 18 nature centers, 817 cabins and 8,355 campsites. The Office also maintains hundreds of miles of roads and over 1,350 miles of trails, expansive utility systems, 106 dams and 604 bridges.

For 2007-08, appropriations of \$34.2 million are recommended for capital projects from the State Park Infrastructure Fund, a dedicated fund consisting of revenues generated from day use and camping fees at the parks, as well as concession revenues and other miscellaneous revenues. Budget recommendations also include \$4 million in Federal appropriations for Federal Land and Water Conservation funding and \$10 million in fiduciary appropriations for other potential gifts to improve various parks.

Funding from the State Park Infrastructure Fund will be supplemented with resources for State parks capital projects from the Federal Land and Water Conservation Fund and the EPF. In 2007-08, the EPF will provide \$21.5 million for infrastructure and stewardship projects at State parks and lands operated by the Office and the Department of Environmental Conservation.

### **PROGRAM HIGHLIGHTS**

The Office's mission is carried out through the operations of its 215 parks and historic sites, providing safe and attractive facilities, accessible and affordable services and quality visitor experiences. State parks and historic sites serve as models for sound natural, historic and cultural resource protection policies and effective sustainability practices. The Office also plays a key leadership role in these areas both nationally and with local governments and the non-profit community. The Office has reorganized functions and consolidated management operations and continues to achieve efficiencies through the streamlining of administrative oversight, redeployment of staff, and consolidation of functions. The Office has also fostered public-private partnerships to enhance park facilities and events, including corporate sponsorships for fireworks displays, playground construction and the Empire State Games. With private sector support and expertise, the Black Course at Bethpage State Park was the first public course ever to host the U.S. Open national golf championship in the summer of 2002, and has been selected to host the tournament again in 2009.

The responsibilities of the Office are carried out through five major programs:

- Administration provides executive direction, fiscal, personnel and audit services, public communications, and management of the Office's capital program;
- Park Operations operates the State's 176 parks. Seasonal and full-time personnel are assigned to specific facilities in one of the Office's 11 regions. Staff includes a statewide police force, security and field operations staff, as well as skilled and semi-skilled maintenance personnel. Day use, golf course and other user fees directly offset the cost of facility operations;
- Empire State Games plans and implements the Games for the Physically Challenged, Senior Games, Summer Games and Winter Games;
- Historic Preservation oversees preservation activities at 35 historic sites, develops a statewide Comprehensive Historic Preservation Plan and maintains the State Register of Historic Places; and



## **PARKS, RECREATION AND HISTORIC PRESERVATION**

- Natural Heritage Trust receives and administers funds, including private gifts and bequests, to advance conservation, outdoor recreation and historic preservation purposes. Created under the Public Authorities Law in 1968, the Natural Heritage Trust is a public benefit corporation.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	201,007,900	209,413,900	8,406,000	19,016,900
Aid To Localities	17,295,000	15,370,000	(1,925,000)	26,631,000
Capital Projects	56,300,000	51,500,000	(4,800,000)	147,383,000
Total	<u>274,602,900</u>	<u>276,283,900</u>	<u>1,681,000</u>	<u>193,030,900</u>

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

#### Full-Time Equivalent Positions (FTE)

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration			
General Fund	81	81	0
Historic Preservation			
General Fund	190	196	6
Special Revenue Funds - Federal	12	12	0
Special Revenue Funds - Other	1	1	0
Park Operations			
General Fund	1,379	1,425	46
Special Revenue Funds - Federal	9	9	0
Special Revenue Funds - Other	386	386	0
Capital Projects Funds - Other	120	120	0
Recreation Services			
General Fund	14	14	0
Total	<u>2,192</u>	<u>2,244</u>	<u>52</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	123,102,100	132,808,100	9,706,000
Special Revenue Funds - Federal	4,700,900	4,700,900	0
Special Revenue Funds - Other	70,704,900	69,404,900	(1,300,000)
Enterprise Funds	2,500,000	2,500,000	0
Total	<u>201,007,900</u>	<u>209,413,900</u>	<u>8,406,000</u>

Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(6,728,000)		
Transfer(s) To			
Executive Chamber			
General Fund	219,000		
Appropriated 2006-07	<u>194,498,900</u>		

# PARKS, RECREATION AND HISTORIC PRESERVATION

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
General Fund	6,609,900	8,318,900	1,709,000
Special Revenue Funds - Federal	1,000,000	1,000,000	0
Historic Preservation			
General Fund	10,939,300	11,704,300	765,000
Special Revenue Funds - Federal	1,200,900	1,200,900	0
Special Revenue Funds - Other	131,000	131,000	0
Park Operations			
General Fund	103,097,500	110,072,500	6,975,000
Special Revenue Funds - Federal	2,500,000	2,500,000	0
Special Revenue Funds - Other	70,573,900	69,273,900	(1,300,000)
Recreation Services			
General Fund	2,455,400	2,712,400	257,000
Enterprise Funds	2,500,000	2,500,000	0
Total	<u>201,007,900</u>	<u>209,413,900</u>	<u>8,406,000</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	4,978,800	309,000	4,803,200	298,561
Historic Preservation	9,599,700	575,000	7,458,000	448,522
Park Operations	92,117,200	2,185,000	59,488,000	1,931,202
Recreation Services	927,900	257,000	688,000	190,555
Total	<u>107,623,600</u>	<u>3,326,000</u>	<u>72,437,200</u>	<u>2,868,840</u>
<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	131,100	7,794	44,500	2,645
Historic Preservation	2,045,000	120,767	96,700	5,711
Park Operations	28,100,000	218,569	4,529,200	35,229
Recreation Services	225,000	62,318	14,900	4,127
Total	<u>30,501,100</u>	<u>409,448</u>	<u>4,685,300</u>	<u>47,712</u>

# PARKS, RECREATION AND HISTORIC PRESERVATION

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	3,340,100	1,400,000	105,200	44,094
Historic Preservation	2,104,600	190,000	358,800	39,419
Park Operations	17,955,300	4,790,000	6,410,000	1,710,019
Recreation Services	1,784,500	0	431,000	0
Total	25,184,500	6,380,000	7,305,000	1,793,532

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	100,400	42,083	2,984,500	1,250,951
Historic Preservation	140,700	6,648	1,018,500	123,086
Park Operations	305,000	81,366	10,440,300	2,785,196
Recreation Services	21,000	0	1,243,000	0
Total	567,100	130,097	15,686,300	4,159,233

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	150,000	62,872	0	0
Historic Preservation	196,600	20,847	390,000	0
Park Operations	800,000	213,419	0	0
Recreation Services	89,500	0	0	0
Total	1,236,100	297,138	390,000	0

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	1,000,000	0	0	0
Historic Preservation	1,331,900	0	669,500	0
Park Operations	71,773,900	(1,300,000)	26,899,100	0
Recreation Services	2,500,000	0	0	0
Total	76,605,800	(1,300,000)	27,568,600	0

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	1,000,000	0	0	0
Historic Preservation	662,400	0	0	0
Park Operations	42,973,800	0	1,901,000	(1,300,000)
Recreation Services	2,500,000	0	0	0
Total	47,136,200	0	1,901,000	(1,300,000)

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	5,925,000	4,000,000	(1,925,000)
Special Revenue Funds - Federal	5,620,000	5,620,000	0
Special Revenue Funds - Other	5,750,000	5,750,000	0
Total	17,295,000	15,370,000	(1,925,000)

# PARKS, RECREATION AND HISTORIC PRESERVATION

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
General Fund	3,500,000	4,000,000	500,000
Historic Preservation			
Special Revenue Funds - Federal	120,000	120,000	0
Natural Heritage Trust			
General Fund	2,425,000	0	(2,425,000)
Park Operations			
Special Revenue Funds - Federal	3,500,000	3,500,000	0
Special Revenue Funds - Other	5,750,000	5,750,000	0
Recreation Services			
Special Revenue Funds - Federal	2,000,000	2,000,000	0
Total	<u>17,295,000</u>	<u>15,370,000</u>	<u>(1,925,000)</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Parks EQBA 86				
Capital Projects Fund - EQBA 86 (Bondable)	0	0	0	4,426,000
Natural Heritage Trust				
Capital Projects Fund	0	0	0	300,000
Federal Capital Projects Fund				
Federal Capital Projects Fund	4,000,000	4,000,000	0	14,486,000
Maintenance and Improvements of Existing Facilities				
Capital Projects Fund	0	0	0	274,000
Fiduciary Funds - Misc. Combined Expendable Trust Fund	10,000,000	10,000,000	0	42,040,000
State Parks Infrastructure Fund	37,700,000	34,200,000	(3,500,000)	76,363,000
Misc. Capital Projects	4,600,000	3,300,000	(1,300,000)	8,481,000
Outdoor Recreation Development Bond Fund				
Outdoor Recreation Development Bond Fund	0	0	0	230,000
Parks and Recreation Land Acquisition Bond Fund				
Parks and Recreation Land Acquisition Bond Fund	0	0	0	783,000
Total	<u>56,300,000</u>	<u>51,500,000</u>	<u>(4,800,000)</u>	<u>147,383,000</u>

# ***NEW YORK STATE PUBLIC AUTHORITIES***

Public authorities are statutorily created agents of State and local government, established primarily to finance, build, manage or improve specific capital facilities and serve public purposes. Enacted into law as independent and autonomous public benefit corporations, public authorities are governed by boards of directors whose members serve by virtue of their public positions or are appointed by the Governor, the Legislature or local officials of involved municipalities. With their statutorily granted management and operating flexibility, public authorities are an effective means to address public needs, which may not otherwise be met within the limitations imposed on traditional government agencies. Public authorities derive their powers and responsibilities from the legislation by which they are established.

The Public Authorities Accountability Act of 2005 opened the operations and financial dealings of public authorities to enhanced public scrutiny. State and local public authorities now must adhere to accepted corporate governance standards, disclose their budgets, indebtedness, independent audit reports, financial statements and activities, and follow prescribed procedures for the custody, control and disposition of real property.

It is the responsibility of the Authority Budget Office to monitor and enforce compliance with these governance and reporting requirements. By law, the Authority Budget Office is to review, assess and report on the operations, practices and finances of public authorities and assist public authorities improve their practices for disclosing information to the public. The Authority Budget Office is also authorized to make recommendations to the Governor and the Legislature concerning the performance, structure, formation and oversight of public authorities, and to ensure that directors receive training on the fiduciary, legal and ethical obligations of board members. These actions are intended to strengthen public confidence in the integrity and accountability of public authorities, their boards of directors and executive management.

Detailed information on a number of public authorities reflected in Tables 1 through 4 can be found elsewhere in this Executive Budget. These authorities include:

## ***BRIDGE, TUNNEL AND HIGHWAY***

Thruway Authority

## ***ECONOMIC DEVELOPMENT***

Development Authority of the North Country  
Empire State Development Corporation  
Job Development Authority

## ***ENERGY AND ENVIRONMENT***

Energy Research and Development Authority  
Environmental Facilities Corporation

## ***PUBLIC AUTHORITIES***

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### ***HOUSING AND FINANCE***

Housing Finance Agency  
Local Government Assistance Corporation  
State of New York Mortgage Agency

### ***REGIONAL TRANSPORTATION***

Metropolitan Transportation Authority

Public authorities which are not included elsewhere in the Executive Budget are discussed below:

### ***BRIDGE, TUNNEL AND HIGHWAY AUTHORITIES***

#### ***Buffalo and Fort Erie Public Bridge Authority***

The Buffalo and Fort Erie Public Bridge Authority is a bi-national entity which owns and operates the “Peace Bridge,” crossing the Niagara River between Buffalo and Fort Erie, Ontario. The Authority is mainly financed through toll revenue and property lease revenue.

#### ***New York State Bridge Authority***

The New York State Bridge Authority is responsible for the Bear Mountain, Kingston-Rhinecliff, Mid-Hudson, Newburgh-Beacon and Rip Van Winkle toll bridges that span the lower Hudson River. The Authority is mainly financed through toll revenue.

#### ***Thousand Islands Bridge Authority***

The Thousand Islands Bridge Authority operates two bridges connecting U.S. Interstate 81 in Jefferson County with Highway 401 in Ontario, Canada. The Authority also operates a sewage treatment facility and recreational facilities. The Authority is mainly financed through toll revenue and service fees.

### ***ECONOMIC DEVELOPMENT AUTHORITIES***

#### ***Battery Park City Authority***

The Battery Park City Authority (BPCA) is a public benefit corporation charged with the management and development of Battery Park City, a 92-acre mixed-use community located on the southwest tip of Manhattan, across from the World Trade Center site. The Authority generates revenues by leasing individual plots of land to private developers through a public bid process. It collects rents and real estate tax equivalency payments to support its operations.

The Authority’s adoption of environmental building guidelines in early 2000 resulted in the construction of the nation’s first sustainable residential high-rise. When Battery Park City is completed, it will contain nearly five million square feet of sustainable construction - the largest concentration of “green” buildings in the world.

***United Nations Development Corporation***

The United Nations Development Corporation develops and manages commercial and residential facilities for United Nations-related activities in New York City including One, Two and Three United Nations Plaza. The Corporation does not rely on any State support to pay debt service or for its own operations.

***ENERGY AND ENVIRONMENTAL AUTHORITIES***

***New York Power Authority***

The New York Power Authority finances, builds and operates electric generation and transmission facilities. It currently owns and operates five major generating facilities, five small hydroelectric facilities, 11 small natural gas powered generating plants and more than 1,400 circuit miles of transmission lines. The Authority supplies economical electric power to New York State's municipal electric systems and rural electric cooperatives, private sector businesses and not-for-profit institutions throughout the State, municipalities and public corporations in the New York City metropolitan area, and investor-owned utilities for resale to their customers. The Authority receives no State subsidy. It generally finances construction projects through sales of bonds and notes and pays the related debt service with revenues from the generation and transmission of electricity.

***Long Island Power Authority***

The Long Island Power Authority (LIPA) has the broad authority and responsibility to ensure adequate, dependable and affordable electric service within its service area, including Nassau and Suffolk counties and the Rockaway Peninsula in Queens. LIPA serves approximately 1.1 million residential and commercial electricity customers. No State tax dollars are used to fund the Authority.

***HOUSING AND FINANCE AUTHORITIES***

***Dormitory Authority***

The Dormitory Authority provides financing, construction management, planning and design and purchasing services for higher and secondary education, not-for-profit health care, judicial and other not-for-profit institutions. The Authority funds its operations from its own client-generated revenues.

***Municipal Assistance Corporation (MAC) for the City of New York***

The Municipal Assistance Corporation (MAC) for the City of New York was created in 1975 to provide access to the credit markets for the City during a period of fiscal crisis and to help oversee its financial affairs. As of November 2004, the Sales Tax Asset Receivable Corporation (STAR-C), a local development corporation organized by the City of New York,

## ***PUBLIC AUTHORITIES***

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has issued bonds and funded an escrow account in order to “economically defease” MAC’s remaining bondholder obligations. MAC, however, will continue to remain in existence until July 1, 2008 to monitor the escrow and perform other corporate duties as required by its enabling legislation.

### ***Municipal Assistance Corporation for the City of Troy***

The Municipal Assistance Corporation for the City of Troy was created in 1995 to provide the City with access to credit markets and to oversee Troy’s fiscal affairs. The Authority is subject to a debt cap of \$75 million. The State is authorized, subject to legislative review and appropriation, to provide moneys as necessary to ensure a 1.5:1 debt service coverage ratio on Authority debt. No State moneys are used to finance the Corporation, and failure of the State to appropriate State aid to the City does not constitute an event of default for Corporation obligations.

### ***Nassau County Interim Finance Authority***

The Nassau County Interim Finance Authority was established in 2000 to restore fiscal stability to Nassau County by overseeing its finances and issuing debt on its behalf. Authority debt service and operating expenses are funded with County sales tax revenues, on which the Authority has first lien.

### ***Buffalo Fiscal Stability Authority***

The Buffalo Fiscal Stability Authority was established in 2003 to restore fiscal health to the City of Buffalo by overseeing its finances and issuing debt on its behalf. Authority debt service and operating expenses are funded with City sales tax revenues and aid to municipalities on which the Authority has first lien.

### ***Municipal Bond Bank Agency***

The Municipal Bond Bank Agency was established in 1972 to provide low-cost capital financing to towns, villages, cities and counties. In addition, the Agency is authorized to issue special program bonds and tax lien collateralized securities. The Agency is staffed by the Housing Finance Agency. No State tax dollars are used to fund the Agency.

### ***Tobacco Settlement Financing Corporation***

The Tobacco Settlement Financing Corporation (TSFC) is a subsidiary of the Municipal Bond Bank Agency, established by statute in June 2003 to securitize amounts to be received by the State of New York under the Master Settlement Agreement (MSA) entered into in 1998 by the State, the other “settling jurisdictions” and certain participating cigarette manufacturers. In June 2003, TSFC issued \$2.3 billion of bonds backed by 50 percent of the anticipated MSA funds. In December 2003, TSFC issued an additional \$2.2 billion of bonds backed by the remaining 50 percent of the anticipated MSA funds.



**PORT DEVELOPMENT AUTHORITIES**

***Albany Port District Commission***

The Albany Port District Commission develops and operates port facilities in the cities of Albany and Rensselaer. Lease revenues account for the majority of the Port's annual revenue, with maritime traffic making up the remainder. No State tax dollars are used to fund the Commission.

***Ogdensburg Bridge and Port Authority***

The Ogdensburg Bridge and Port Authority operates an international bridge between Ogdensburg, New York and Prescott, Ontario, Canada, as well as a marine port, an airport, two industrial parks and a short-line railroad. The Authority has become increasingly involved in developing port and industrial park properties in the North Country region. The Authority's industrial parks currently have 15 buildings with over 600,000 square feet of space. The industrial parks are home to over 25 businesses that employ over 550 residents of Northern New York. The Authority's marine terminal provides the North Country's mining industries with economically priced export capabilities and provides road salt to the New York State Department of Transportation and municipalities throughout Northern New York State. The Authority has received State support in the past, but no additional support is anticipated in SFY 2007-08.

***Port Authority of New York and New Jersey***

The Port Authority of New York and New Jersey was created in 1921 to improve port and transportation facilities in the New York metropolitan area. This bi-state authority is responsible for the management and daily operation of more than 30 facilities, including airports, marine terminal facilities, bus terminals, interstate bridges and tunnels, an interstate commuter railroad and industrial parks. No New York State funds are used to support the Port Authority.

The Port Authority is continuing to work with the Lower Manhattan Development Corporation, the Federal government and other agencies on the redevelopment of the World Trade Center site and the adjacent portion of lower Manhattan.

***Port of Oswego Authority***

The Port of Oswego Authority operates port facilities in the Oswego Port District, which includes the City of Oswego, the Town of Scriba, and all waters of the Oswego River and Lake Ontario within its boundaries. The Authority operates a port terminal and storage facilities and supports a marine museum and maritime foundation.

## ***PUBLIC AUTHORITIES***

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### ***REGIONAL TRANSPORTATION AUTHORITIES***

#### ***Capital District Transportation Authority***

The Capital District Transportation Authority (CDTA) provides public transportation service within Albany, Rensselaer, Saratoga and Schenectady counties. State funding for the CDTA is provided through appropriations to the New York State Department of Transportation.

#### ***Central New York Regional Transportation Authority***

The Central New York Regional Transportation Authority (CNYRTA) provides public transportation service within Central New York through four subsidiary corporations: CNY Centro (Onondaga County); Centro of Oswego (Oswego County); Centro of Oneida (Oneida County); and Centro of Cayuga (Cayuga County). State funding for CNYRTA is provided through appropriations to the New York State Department of Transportation.

#### ***Niagara Frontier Transportation Authority***

The Niagara Frontier Transportation Authority (NFTA) oversees the operations of a public transportation system providing bus, rail and paratransit services in Niagara and Erie counties. The Authority also operates the Buffalo Niagara International Airport, a primary commercial airport and the Niagara Falls International Airport, a joint-use military/general aviation airport that serves as a reliever airport. Additionally, the NFTA operates a small boat harbor and two metro transit centers which are primary terminals for private inter-city bus service for Niagara and Erie counties. State funding for the NFTA is provided through appropriations to the New York State Department of Transportation.

#### ***Rochester-Genesee Regional Transportation Authority***

The Rochester-Genesee Regional Transportation Authority (RGRTA) provides public transportation service in the counties of Genesee, Livingston, Monroe, Orleans, Seneca, Wayne and Wyoming. The Authority operates the Regional Transit Service (Rochester area), Wayne Area Transportation System, Livingston Area Transportation Service, Orleans Transit Service Inc., Seneca Transit Service Inc., Wyoming Transportation Service and Batavia Bus Service. State funding for RGRTA is provided through appropriations to the New York State Department of Transportation.

# PUBLIC AUTHORITIES

**TABLE 1**  
**FINANCIAL OPERATIONS <sup>a/</sup> OF NEW YORK STATE PUBLIC AUTHORITIES**  
**2006 AND 2007**  
 (thousands of dollars)

Authorities by Function	Fiscal Year Begins	2006				2007			
		Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) <sup>b/</sup>	Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) <sup>b/</sup>
<b>BRIDGE, TUNNEL AND HIGHWAY</b>									
Buffalo and Fort Erie Public Bridge Authority	Jan. 1	38,615	14,490	1,937	22,188	29,200	16,028	1,581	11,591
New York State Bridge Authority	Jan. 1	41,351	24,025	7,919	9,407	41,158	25,154	7,987	8,017
Thousand Islands Bridge Authority	Mar. 1	9,987	6,674	739	2,574	10,879	7,275	738	2,866
Thruway Authority <sup>c/</sup>	Jan. 1	607,536	387,355	131,402	88,779	622,741	409,190	138,347	75,204
<b>ECONOMIC DEVELOPMENT</b>									
Battery Park City Authority	Nov. 1	274,054	32,905	37,653	203,496	208,236	33,360	68,681	106,195
Development Authority of the North Country	April 1	19,366	14,509	4,857	0	19,947	15,085	4,862	0
Empire State Development Corporation	April 1	722,193	120,836	617,527	(16,170)	726,803	112,720	644,588	(30,505)
Job Development Authority	April 1	26,873	450	23,335	3,088	10,596	450	6,908	3,238
United Nations Development Corporation	Jan. 1	34,220	27,586	6,634	0	36,139	26,941	9,198	0
<b>ENERGY AND ENVIRONMENT</b>									
Energy Research and Development Authority	April 1	385,754	379,489	6,265	0	341,890	340,066	1,824	0
Environmental Facilities Corporation	April 1	709,107	20,679	682,466	5,962	727,867	20,976	699,602	7,289
Long Island Power Authority	Jan. 1	3,679,455	3,019,555	534,900	125,000	3,620,707	2,957,413	588,294	75,000
Power Authority	Jan. 1	2,697,100	2,416,100	262,900	18,100	2,933,500	2,578,300	322,900	32,300
<b>HOUSING, HEALTH AND FINANCE</b>									
Dormitory Authority	April 1	2,939,812	94,599	2,845,213	0	3,557,275	99,375	3,457,900	0
Housing Finance Agency	Nov. 1	551,040	33,601	513,459	3,980	565,367	49,090	513,141	3,136
Local Government Assistance Corporation	April 1	365,962	6,364	316,539	43,059	379,017	6,263	353,102	19,652
Mortgage Agency	Nov. 1	646,139	149,560	495,947	632	638,000	150,630	487,370	0
Municipal Assistance Corporation for the City of New York <sup>d/</sup>	July 1	31,376	27,564	0	3,812	13,818	10,330	0	3,488
Municipal Assistance Corporation for the City of Troy	Jan. 1	5,903	49	5,854	0	6,061	28	6,033	0
Nassau County Interim Finance Authority <sup>e/</sup>	Jan. 1	138,026	1,184	136,842	0	168,747	1,236	167,511	0
Municipal Bond Bank Agency	Nov. 1	44,268	541	43,727	0	52,592	432	52,160	0
Tobacco Settlement Financing Corporation	Nov. 1	411,154	1,510	409,644	0	446,142	1,560	444,582	0
Buffalo Fiscal Stability Authority <sup>f/</sup>	July 1	245,067	1,470	81,899	161,698	247,045	1,460	75,537	170,048

# PUBLIC AUTHORITIES

**TABLE 1**  
**FINANCIAL OPERATIONS <sup>a/</sup> OF NEW YORK STATE PUBLIC AUTHORITIES**  
**2006 AND 2007**  
(thousands of dollars)

Authorities by Function	Fiscal Year Begins	2006				2007			
		Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) <sup>b/</sup>	Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) <sup>b/</sup>
PORT DEVELOPMENT									
Albany Port District Commission	Jan. 1	4,541	4,047	140	354	3,801	4,281	140	(620)
Ogdensburg Bridge and Port Authority	April 1	5,077	3,796	1,070	211	5,132	3,889	1,072	171
Port Authority of New York and New Jersey <sup>g/</sup>	Jan. 1	3,606,907	2,167,597	729,883	709,427	3,962,234	2,306,364	805,862	850,008
Port of Oswego Authority	April 1	2,709	2,002	379	328	1,965	1,760	109	96
REGIONAL TRANSPORTATION									
Capital District Transportation Authority	April 1	61,569	61,569	0	0	61,209	65,577	0	(4,368)
Central New York Regional Transportation Authority	April 1	47,023	48,954	28	(1,959)	47,564	51,046	28	(3,510)
Metropolitan Transportation Authority <sup>h/</sup>	Jan. 1	10,712,600	8,023,000	1,320,800	1,368,800	10,840,100	8,613,400	1,457,900	768,800
Niagara Frontier Transportation Authority	April 1	162,142	147,730	10,369	4,043	168,864	154,751	10,179	3,934
Rochester-Genesee Regional Transportation Authority	April 1	72,090	67,156	0	4,934	71,678	70,942	0	736
<b>GRAND TOTAL</b>		<b>29,299,016</b>	<b>17,306,946</b>	<b>9,230,327</b>	<b>2,761,743</b>	<b>30,566,274</b>	<b>18,135,372</b>	<b>10,328,136</b>	<b>2,102,766</b>

<sup>a/</sup> This table is based on authority estimates and may not reflect approval by the Board of Directors. This table covers the Authority fiscal year which includes September 30. Data vary as to cash or accrual accounting.

<sup>b/</sup> The operating surplus may be committed to reserve requirements, repayment of State advances or funding of capital programs or programs operated by other authorities. Deficits are to be financed from existing resources, by management actions, and/or by levels of State aid greater than anticipated by the authority.

<sup>c/</sup> Excludes debt service for bonds sold to finance State transportation programs.

<sup>d/</sup> As of November 2004, the Sales Tax Asset Receivable Corporation, a local development corporation organized by the City of New York, has issued bonds and funded an escrow account in order to "economically defease" the Municipal Assistance Corporation for the City of New York's remaining bondholder obligations. Surplus revenues are traditionally transferred to the City of New York.

<sup>e/</sup> Excess sales tax funds of the Authority are remitted immediately to Nassau County as required under the NIFA Act.

<sup>f/</sup> Surplus funds of the Authority are remitted immediately to the City of Buffalo and the Buffalo School District as required by the BFS Act.

<sup>g/</sup> 2007 information is a preliminary estimate of Authority Operating Budget and is subject to change.

<sup>h/</sup> Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority.

**PUBLIC AUTHORITIES**

**TABLE 2**  
**CAPITAL PROGRAMS <sup>a/</sup> OF NEW YORK STATE PUBLIC AUTHORITIES**  
**2006 AND 2007**  
 (thousands of dollars)

<b>Authorities by Function</b>	<b>2006</b>			<b>2007</b>		
	<b>Capital Program Disbursements</b>	<b>Available Resources</b>	<b>Sale of New Debt <sup>b/</sup></b>	<b>Capital Program Disbursements</b>	<b>Available Resources</b>	<b>Sale of New Debt <sup>b/</sup></b>
<b>BRIDGE, TUNNEL AND HIGHWAY</b>						
Buffalo and Fort Erie Public Bridge Authority	28,403	46,491	0	11,544	30,617	0
New York State Bridge Authority	10,370	36,390	0	15,480	32,885	0
Thousand Islands Bridge Authority	2,311	2,311	0	5,259	5,259	0
Thruway Authority	288,147	288,147	0	485,636	282,480	203,156
<b>ECONOMIC DEVELOPMENT</b>						
Battery Park City Authority	22,205	176,400	150,000	50,188	50,000	100,000
Development Authority of the North Country	606	606	0	624	624	0
Empire State Development Corporation	167,442	0	750,000	1,444,130	0	1,251,300
Job Development Authority	10,000	(22,242)	0	10,000	(7,092)	0
United Nations Development Corporation	10,410	16,505	0	3,421	9,831	0
<b>ENERGY AND ENVIRONMENT</b>						
Energy Research and Development Authority	14,000	0	14,000	13,500	0	13,500
Environmental Facilities Corporation	1,353,070	0	1,353,070	1,080,000	0	1,080,000
Long Island Power Authority	271,000	(23,975)	294,975	304,000	204,000	100,000
Power Authority	276,862	190,560	86,302	379,000	234,982	144,018
<b>HOUSING, HEALTH AND FINANCE</b>						
Dormitory Authority	1,995,714	3,246,167	3,658,810	3,588,589	4,909,263	5,358,618
Housing Finance Agency	833,855	725,423	673,972	1,407,114	565,756	1,162,900
Local Government Assistance Corporation	0	0	0	0	0	0
Mortgage Agency	362,279	48,628	445,565	398,628	125,000	475,000
Municipal Assistance Corporation for the City of New York	0	0	0	0	0	0
Municipal Assistance Corporation for the City of Troy	0	0	0	0	0	0
Nassau County Interim Finance Authority <sup>c/</sup>	0	0	0	0	0	0
Municipal Bond Bank Agency	0	0	0	0	0	0
Tobacco Settlement Financing Corporation	0	0	0	0	0	0
Buffalo Fiscal Stability Authority	90,000	0	90,000	90,000	0	90,000

## **PUBLIC AUTHORITIES**

**TABLE 2**  
**CAPITAL PROGRAMS <sup>a/</sup> OF NEW YORK STATE PUBLIC AUTHORITIES**  
**2006 AND 2007**  
 (thousands of dollars)

<b>Authorities by Function</b>	<b>2006</b>			<b>2007</b>		
	<b>Capital Program Disbursements</b>	<b>Available Resources</b>	<b>Sale of New Debt <sup>b/</sup></b>	<b>Capital Program Disbursements</b>	<b>Available Resources</b>	<b>Sale of New Debt <sup>b/</sup></b>
<b>PORT DEVELOPMENT</b>						
Albany Port District Commission	803	803	0	863	863	0
Ogdensburg Bridge and Port Authority	7,095	137	0	8,641	490	0
Port Authority of New York and New Jersey <sup>d/</sup>	1,632,470	1,514,175	1,582,000	2,478,466	2,046,714	617,000
Port of Oswego Authority	561	270	500	3,500	2,000	250
<b>REGIONAL TRANSPORTATION</b>						
Capital District Transportation Authority	18,603	18,603	0	16,710	16,710	0
Central New York Regional Transportation Authority	19,627	19,627	0	13,750	13,750	0
Metropolitan Transportation Authority <sup>e/</sup>	6,247,200	2,163,700	4,096,200	5,565,300	1,896,600	3,668,800
Niagara Frontier Transportation Authority	77,741	77,741	0	114,023	114,023	0
Rochester-Genesee Regional Transportation Authority	13,142	13,142	0	34,692	51,498	0
<b>GRAND TOTAL</b>	<b>13,753,916</b>	<b>8,539,609</b>	<b>13,195,394</b>	<b>17,523,058</b>	<b>10,586,253</b>	<b>14,264,542</b>

<sup>a/</sup> This table is based on authority estimates and may not reflect approval by the Board of Directors. The table covers the Authority fiscal year which includes September 30. "Available resources" may include anticipated and/or requested State and Federal funds.

<sup>b/</sup> Includes proceeds available for capital program only.

<sup>c/</sup> All capital borrowings are made by the Authority on behalf of Nassau County and all capital bond proceeds are disbursed to Nassau County. The Authority issues debt only at the request of Nassau County.

<sup>d/</sup> All estimates are preliminary and are subject to change.

<sup>e/</sup> Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority.

## PUBLIC AUTHORITIES

**TABLE 3**  
**DEBT STRUCTURE OF NEW YORK STATE PUBLIC AUTHORITIES**  
**AS OF SEPTEMBER 30, 2006**  
(thousands of dollars)

<b>Authorities by Function</b>	<b>All Bonds and Notes</b>				<b>Moral Obligation Bonds</b>		
	<b>Statutory Authorization</b>	<b>Bonds Issued</b>	<b>Bonds Outstanding</b>	<b>Notes Outstanding</b>	<b>Authorized Limit</b>	<b>Bonds Issued</b>	<b>Bonds Outstanding</b>
<b>BRIDGE, TUNNEL AND HIGHWAY</b>							
Buffalo and Fort Erie Public Bridge Authority	165,000	44,120	44,120	0	0	0	0
New York State Bridge Authority	100,000	83,522	68,735	0	0	0	0
Thousand Islands Bridge Authority	Unlimited	5,745	2,645	0	0	0	0
Thruway Authority	Unlimited	17,672,482	10,840,210	0	0	0	0
<b>ECONOMIC DEVELOPMENT</b>							
Battery Park City Authority <sup>a/</sup>	810,000	0	1,068,346	0	0	0	0
Development Authority of the North Country	Unlimited	49,424	31,922	0	0	0	0
Empire State Development Corporation	9,388,334	8,390,663	6,316,031	11,741	0	0	0
Job Development Authority	750,000	726,080	48,310	15,000	0	0	0
United Nations Development Corporation	Unlimited	260,728	128,258	0	75,000	36,740	0
<b>ENERGY AND ENVIRONMENT</b>							
Energy Research and Development Authority	Unlimited	8,094,695	3,664,040	0	0	0	0
Environmental Facilities Corporation	Unlimited	12,868,400	7,626,648	0	0	0	0
Long Island Power Authority	Unlimited	11,187,443	7,159,733	100,000	0	0	0
Power Authority	Unlimited	7,130,690	1,303,180	1,017,055	0	0	0
<b>HOUSING, HEALTH AND FINANCE</b>							
Dormitory Authority	Unlimited	75,771,333	31,860,195	86,198	926,015	698,660	8,565
Housing Finance Agency <sup>b/</sup>	17,611,000	14,945,371	7,301,815	0	7,112,115	6,524,379	56,280
Local Government Assistance Corporation	4,700,000	5,645,760	4,203,951	0	0	0	0
Mortgage Agency	7,470,000	12,745,203	2,927,427	0	0	0	0
Municipal Assistance Corporation for the City of New York <sup>c/</sup>	11,500,000	0	0	0	0	0	0
Municipal Assistance Corporation for the City of Troy	75,000	69,583	64,597	0	0	0	0
Nassau County Interim Finance Authority	Unlimited	2,363,460	2,086,960	0	0	0	0
Municipal Bond Bank Agency	1,000,000	620,550	544,195	0	0	0	0
Tobacco Settlement Financing Corporation	4,200,000	4,551,120	4,083,830	0	0	0	0
Buffalo Fiscal Stability Authority	Unlimited	158,110	152,615	30,000	0	0	0

# PUBLIC AUTHORITIES

**TABLE 3**  
**DEBT STRUCTURE OF NEW YORK STATE PUBLIC AUTHORITIES**  
**AS OF SEPTEMBER 30, 2006**  
(thousands of dollars)

Authorities by Function	All Bonds and Notes				Moral Obligation Bonds		
	Statutory Authorization	Bonds Issued	Bonds Outstanding	Notes Outstanding	Authorized Limit	Bonds Issued	Bonds Outstanding
<b>PORT DEVELOPMENT</b>							
Albany Port District Commission	Unlimited	0	0	638	0	0	0
Ogdensburg Bridge and Port Authority	Unlimited	0	6,400	1,529	0	0	0
Port Authority of New York and New Jersey	Unlimited	16,794,729	11,147,095	751,730	0	0	0
Port of Oswego Authority	Unlimited	0	0	478	0	0	0
<b>REGIONAL TRANSPORTATION</b>							
Capital District Transportation Authority	Unlimited	0	0	0	0	0	0
Central New York Regional Transportation Authority	Unlimited	0	0	0	0	0	0
Metropolitan Transportation Authority <sup>d/</sup>	57,754,000	25,865,485	23,366,685	450,000	0	0	0
Niagara Frontier Transportation Authority	Unlimited	199,334	183,069	4,845	0	0	0
Rochester-Genesee Regional Transportation Authority	Unlimited	0	0	0	0	0	0
<b>GRAND TOTAL</b>		<b>226,244,030</b>	<b>126,231,012</b>	<b>2,469,214</b>	<b>8,113,130</b>	<b>7,259,779</b>	<b>64,845</b>

<sup>a/</sup> \$400 million in bonding authority related to the Housing New York Program sunsetted on June 30, 1995.

<sup>b/</sup> HFA moral obligation bond limit is reduced as bonds outstanding after April 1, 1976 are repaid.

<sup>c/</sup> As of November 2004, the Sales Tax Asset Receivable Corporation, a local development corporation organized by the City of New York, has issued bonds and funded an escrow account in order to "economically defease" the Municipal Assistance Corporation for the City of New York's remaining bondholder obligations.

<sup>d/</sup> Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority. Bond cap is applicable only to projects set forth in transit and commuter capital programs approved by the MTA Capital Program Review Board.



## PUBLIC AUTHORITIES

**TABLE 4**  
**STATE INVOLVEMENT IN FINANCING OF PROJECTS AND OPERATIONS**  
**OF NEW YORK STATE PUBLIC AUTHORITIES**  
**2006 AND 2007-08**  
**(thousands of dollars)**

<b>Authorities by Function</b>	<b>Authority Bonds Outstanding, 2006 <sup>a/</sup></b>			<b>Outstanding Reimbursable State Appropriations, 2006</b>	<b>State Appropriations Requested in Support of Authority Programs, 2007-08 <sup>b/</sup></b>		
	<b>Revenue and Nonrecourse</b>	<b>State Guaranteed</b>	<b>Moral Obligation</b>		<b>New Appropriations</b>	<b>Reappropriations</b>	<b>Total</b>
<b>BRIDGE, TUNNEL AND HIGHWAY</b>							
Buffalo and Fort Erie Public Bridge Authority	44,120	0	0	0	0	0	0
New York State Bridge Authority	68,735	0	0	0	0	0	0
Thousand Islands Bridge Authority	2,645	0	0	0	0	0	0
Thruway Authority	10,840,210	0	0	0	2,000	8,809	10,809
<b>ECONOMIC DEVELOPMENT</b>							
Battery Park City Authority	1,068,346	0	0	0	0	0	0
Development Authority of the North Country	31,922	0	0	0	0	0	0
Empire State Development Corporation	6,316,031	0	0	0	725,372	2,661,443	3,386,815
Job Development Authority	0	48,310	0	0	0	0	0
United Nations Development Corporation	128,258	0	0	0	0	0	0
<b>ENERGY AND ENVIRONMENT</b>							
Energy Research and Development Authority	3,664,040	0	0	0	29,706	4,700	34,406
Environmental Facilities Corporation	7,626,648	0	0	12,775	13,895	11,305	25,200
Long Island Power Authority	7,159,733	0	0	0	0	0	0
Power Authority	1,303,180	0	0	0	0	0	0
<b>HOUSING, HEALTH AND FINANCE</b>							
Dormitory Authority	31,851,630	0	8,565	0	0	0	0
Housing Finance Agency	7,245,535	0	56,280	0	0	0	0
Local Government Assistance Corporation	4,203,951	0	0	0	388,000	0	388,000
Mortgage Agency	2,927,427	0	0	0	0	0	0
Municipal Assistance Corporation for the City of New York	0	0	0	0	0	0	0
Municipal Assistance Corporation for the City of Troy	64,597	0	0	0	0	0	0
Nassau County Interim Finance Authority	2,086,960	0	0	0	0	0	0
Municipal Bond Bank Agency	544,195	0	0	0	0	0	0
Tobacco Settlement Financing Corporation	4,083,830	0	0	0	0	0	0
Buffalo Fiscal Stability Authority	152,615	0	0	0	0	0	0

# PUBLIC AUTHORITIES

**TABLE 4**  
**STATE INVOLVEMENT IN FINANCING OF PROJECTS AND OPERATIONS**  
**OF NEW YORK STATE PUBLIC AUTHORITIES**  
**2006 AND 2007-08**  
**(thousands of dollars)**

Authorities by Function	Authority Bonds Outstanding, 2006 <sup>a/</sup>			Outstanding Reimbursable State Appropriations, 2006	State Appropriations Requested in Support of Authority Programs, 2007-08 <sup>b/</sup>		
	Revenue and Nonrecourse	State Guaranteed	Moral Obligation		New Appropriations	Reappropriations	Total
<b>PORT DEVELOPMENT</b>							
Albany Port District Commission	0	0	0	0	0	0	0
Ogdensburg Bridge and Port Authority	6,400	0	0	19,230	0	0	0
Port Authority of New York and New Jersey	11,147,095	0	0	0	0	0	0
Port of Oswego Authority	0	0	0	4,056	0	0	0
<b>REGIONAL TRANSPORTATION</b>							
Capital District Transportation Authority	0	0	0	0	28,377	0	28,377
Central New York Regional Transportation Authority	0	0	0	0	28,268	0	28,268
Metropolitan Transportation Authority <sup>c/</sup>	23,366,685	0	0	0	2,421,649	490,923	2,912,572
Niagara Frontier Transportation Authority	183,069	0	0	0	40,973	0	40,973
Rochester-Genesee Regional Transportation Authority	0	0	0	0	29,628	0	29,628
<b>GRAND TOTAL</b>	<b>126,117,857</b>	<b>48,310</b>	<b>64,845</b>	<b>36,061</b>	<b>3,707,868</b>	<b>3,177,180</b>	<b>6,885,048</b>

<sup>a/</sup> This table covers bonds outstanding as of September 30.

<sup>b/</sup> Appropriations are included in the Executive Budget for State Fiscal Year 2007-08 from the State's General Fund, dedicated tax funds, Capital Projects Fund or bond funds. Some of these funds may be appropriated to an intermediary which, in turn, makes payment to the named authority.

<sup>c/</sup> Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority. Outstanding bonds do not include Convention Center Project Bonds that are not covered by the Authority's bond cap, and are solely supported by rental income.

# ***DEPARTMENT OF PUBLIC SERVICE***

## ***MISSION***

The Department of Public Service is the staff arm of the Public Service Commission, which regulates the rates and services of the State's public utilities, including electric, gas, steam, telephone and water. The Commission also oversees the siting of major electric and gas transmission lines and facilities. In addition, it ensures the safety of natural gas and liquid petroleum pipelines and is responsible for oversight and regulation of the cable television industry in New York State.

## ***ORGANIZATION AND STAFFING***

The Public Service Commission consists of five members who are nominated by the Governor and confirmed by the Senate. The Chairman serves as the chief executive officer of the Department which operates offices in Albany, New York City, Buffalo and Syracuse.

The Department's budget has two programs: the Administration Program, which supports the Public Service Commission and Department activities; and the Regulation Program, which undertakes activities to ensure fair and reasonable rates, monitor service standards, address consumer complaints, promote efficient operation and ensure that industry construction programs meet safety and environmental requirements.

The Department will have a workforce of 540 for 2007-08. The Department is funded almost entirely from utility and cable assessments.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Department's 2007-08 operating budget includes funding of \$76.3 million from utility and cable assessments. Public utility assessments are based on a utility's gross intrastate operating revenues above \$25,000. Cable television assessments are based on revenues from those companies with 1,000 or more subscribers.

In addition, the local assistance budget provides a total of \$400,000 from fees paid by entities proposing the siting of electric generation facilities. These funds can be accessed by local governments and community groups to fund intervention activities related to the siting review process.

The Department also receives Federal grants to perform pipeline safety activities.

## ***PROGRAM HIGHLIGHTS***

The Department's highest priorities for the coming year will be:

- Increasing clean generation capacity by passing a new Article X power plant siting law;
- Encouraging long-term power contracts that are necessary to sustain investment in new power plants and the re-powering of older plants;
- Continuing implementation of the Renewable Portfolio Standard, designed to increase to at least 25 percent by 2013 the proportion of electricity sold to consumers in New York State that is generated from renewable resources; and
- Continuing efforts to increase the security and safety of critical utility infrastructures and cyber facilities and systems.

# PUBLIC SERVICE

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	74,035,000	77,994,000	3,959,000	0
Aid To Localities	400,000	400,000	0	3,589,000
Capital Projects	0	0	0	0
Total	74,435,000	78,394,000	3,959,000	3,589,000

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
Special Revenue Funds - Other	98	98	0
Regulation of Utilities			
Special Revenue Funds - Federal	11	11	0
Special Revenue Funds - Other	431	431	0
Total	540	540	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
Special Revenue Funds - Federal	1,691,000	1,691,000	0
Special Revenue Funds - Other	72,344,000	76,303,000	3,959,000
Total	74,035,000	77,994,000	3,959,000

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
Special Revenue Funds - Other	12,388,000	12,852,000	464,000
Regulation of Utilities			
Special Revenue Funds - Federal	1,691,000	1,691,000	0
Special Revenue Funds - Other	59,956,000	63,451,000	3,495,000
Total	74,035,000	77,994,000	3,959,000

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	12,852,000	464,000	6,596,000	177,000
Regulation of Utilities	65,142,000	3,495,000	35,990,000	2,145,000
Total	77,994,000	3,959,000	42,586,000	2,322,000

<b>Program</b>	<b>Nonpersonal Service</b>	
	<b>Amount</b>	<b>Change</b>
Administration	6,256,000	287,000
Regulation of Utilities	29,152,000	1,350,000
Total	35,408,000	1,637,000

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Special Revenue Funds - Other	400,000	400,000	0
Total	400,000	400,000	0

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Regulation of Utilities			
Special Revenue Funds - Other	400,000	400,000	0
Total	400,000	400,000	0



# **STATE RACING AND WAGERING BOARD**

## **MISSION**

The Racing and Wagering Board regulates all legalized gambling activities in New York except those regulated by the State Lottery. Horse racing, off-track betting (OTB) and Indian casino gaming are directly regulated by the Board. The responsibility for oversight of bingo and other permitted games of chance conducted by religious and not-for-profit organizations is shared with municipalities, which collect license fees and ensure that the Board's rules and regulations are followed.

## **ORGANIZATION AND STAFFING**

A three-member Board oversees agency activities. The Governor appoints each member to a six-year term with the consent of the Senate.

The Chair and central office staff are stationed in Albany with additional staff operating from the New York City regional office. The Board employs on-site inspectors at the Oneida Indians' Turning Stone Casino in Verona, Oneida County, the Mohawk Indians' Akwesasne Mohawk Casino in Hogansburg, Franklin County, the Seneca Nation's Seneca Niagara Casino in Niagara Falls and Seneca Alleghany Casino in Salamanca. Temporary and full-time employees oversee horse racing at New York's four thoroughbred race tracks — Aqueduct, Belmont, Saratoga and Finger Lakes — and eight harness tracks — Buffalo, Monticello, Saratoga, Syracuse, Tioga Downs, Vernon Downs, Batavia Downs and Yonkers. The Racing and Wagering Board will have a workforce of 136 full time and as many as 165 per diem staff in the 2007-08 fiscal year. Staff will be supported by revenues generated by the racing industry, Indian casinos and charitable gaming activities.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2007-08 Executive Budget recommends \$14 million to support staff and related costs associated with the processing of racing licenses; the review of financial statements submitted by regional OTBs; legal hearings to suspend or fine violators of racing regulations; seasonal employees at the thoroughbred and harness tracks; and the testing of race horses for prohibited drugs. Pursuant to legislation enacted in 2003, all expenses are supported by the racing industry.

In addition, \$2.4 million in existing fees collected by the State from charitable gaming proceeds is recommended to support the regulation of these games. This funding will support oversight of "bell jar" games, which are games of chance in which players remove "pull tabs" from randomly drawn tickets to reveal potential winning combinations of three or more matching items. The Budget also authorizes \$8.2 million in revenues from fees charged to Indian casinos to pay for on-site monitoring and investigation of these casinos.

## ***RACING AND WAGERING***

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### ***PROGRAM HIGHLIGHTS***

#### ***REGULATION OF GAMES OF CHANCE***

The Racing and Wagering Board promulgates rules and regulations governing bingo and other games of chance operated by more than 15,000 charitable and not-for-profit organizations throughout the State. The Board establishes standards for issuing licenses to suppliers and manufacturers of gaming equipment; reviews financial statements of charitable gaming operations; and, in conjunction with local law enforcement officials, investigates illegal gaming activities. In accordance with legislation enacted in 1996, the Board will continue its oversight of “bell jar” games in order to decrease illegal activity.

#### ***INDIAN GAMING***

The State has negotiated compacts or protocols with the Oneida Nation, the St. Regis Mohawk Tribe and the Seneca Nation to conduct gaming activities. Under these compacts, the Racing and Wagering Board is responsible for the regulation and oversight of gaming activities operating on these Indian lands. To oversee these activities, the Board maintains 13 employees at the Oneida Nation’s Turning Stone Casino, 13 employees at the St. Regis Mohawk Tribe’s Akwesasne Casino, 13 employees at the Seneca Nation’s Seneca Niagara Casino, and 12 employees at the Seneca Nation’s Seneca Alleghany Casino. Should additional Indian casinos become operational this year, the 2007-08 Executive Budget provides funding necessary to support Board oversight at the new facilities.

#### ***REGULATION OF RACING***

The Board’s permanent staff oversees as many as 165 temporary, seasonal employees who ensure that horse races at the State’s racetracks are conducted legally. To help oversee racing activities, the Board has a contract with Cornell University to conduct research and to carry out post-race testing of blood and urine samples taken from race horses.

#### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	24,918,000	24,768,000	(150,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	24,918,000	24,768,000	(150,000)	0



# RACING AND WAGERING

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

**Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Regulation of Racing			
Special Revenue Funds - Other	40	40	0
Regulation of Wagering			
Special Revenue Funds - Other	96	96	0
Total	<u>136</u>	<u>136</u>	<u>0</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Special Revenue Funds - Other	24,918,000	24,768,000	(150,000)
Total	<u>24,918,000</u>	<u>24,768,000</u>	<u>(150,000)</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Regulation of Racing			
Special Revenue Funds - Other	14,202,000	14,052,000	(150,000)
Regulation of Wagering			
Special Revenue Funds - Other	10,716,000	10,716,000	0
Total	<u>24,918,000</u>	<u>24,768,000</u>	<u>(150,000)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Regulation of Racing	14,052,000	(150,000)	6,473,000	0
Regulation of Wagering	10,716,000	0	5,873,000	0
Total	<u>24,768,000</u>	<u>(150,000)</u>	<u>12,346,000</u>	<u>0</u>

<b>Program</b>	<b>Nonpersonal Service</b>	
	<b>Amount</b>	<b>Change</b>
Regulation of Racing	7,579,000	(150,000)
Regulation of Wagering	4,843,000	0
Total	<u>12,422,000</u>	<u>(150,000)</u>



# **GOVERNOR'S OFFICE OF REGULATORY REFORM**

## **MISSION**

The Governor's Office of Regulatory Reform was created in 1995 and charged with the promotion of private sector job growth in New York through the review and reform of State regulations. The Office fulfills this responsibility by reviewing and streamlining regulations, expediting permit approvals for new and expanding businesses, and facilitating communication between regulators and affected parties. Since 1995, the Office has substantively reviewed and/or eliminated more than 3,000 rules which, together with other regulatory, statutory and permitting reforms, have saved State businesses and localities more than \$3 billion in operating and other expenses. In 2006, an estimated 40,000 applications for new and expanding businesses were submitted online through the Online Permit and Licensing System (OPAL).

## **ORGANIZATION AND STAFFING**

Led by a Director appointed by the Governor, the Office is located in Albany. Agency objectives are achieved through its Business Permits Assistance and Regulatory Review programs. The Office will have a workforce of 36 positions for 2007-08.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Executive Budget recommends \$3.8 million in State tax dollars to support the Office. Recommended funding will support maintenance, development, and enhancements for the Online Permit and Licensing (OPAL) system, which allows businesses to apply for permits and licenses in one consolidated transaction.

## **PROGRAM HIGHLIGHTS**

### **REGULATORY REVIEW**

The Office reviews the need for proposed new and revised regulations and their economic impact. The Office requires regulating agencies to analyze the costs and benefits of any proposed new or amended rule and to consider its effect on job creation and retention, public health, safety and welfare. Recommendations are also made to agencies to help them simplify their regulatory processes.

### **BUSINESS PERMITS ASSISTANCE**

The Business Permits Assistance program provides comprehensive information about permits required to operate businesses in New York State, and consults with local governments to better coordinate local permit applications. Program staff also assist agencies in streamlining and simplifying permit procedures required for business and local government undertakings. This program has provided assistance to over 650,000 individuals

## **REGULATORY REFORM**

or firms interested in starting or growing a business in New York. This effort was facilitated by the development of a master application form for complex business ventures, a comprehensive permit reform program and development of a web site, [www.nys-permits.org](http://www.nys-permits.org) which provides businesses with permit information.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	3,744,000	3,751,000	7,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>3,744,000</b>	<b>3,751,000</b>	<b>7,000</b>	<b>0</b>

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

#### **Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration			
General Fund	36	36	0
<b>Total</b>	<b>36</b>	<b>36</b>	<b>0</b>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	3,744,000	3,751,000	7,000
<b>Total</b>	<b>3,744,000</b>	<b>3,751,000</b>	<b>7,000</b>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Administration			
General Fund	3,744,000	3,751,000	7,000
<b>Total</b>	<b>3,744,000</b>	<b>3,751,000</b>	<b>7,000</b>

# REGULATORY REFORM

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	2,899,000	53,000	2,894,000	53,000
Total	2,899,000	53,000	2,894,000	53,000

Program	Temporary Service (Nonannual Salaried)	
	Amount	Change
Administration	5,000	0
Total	5,000	0

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	852,000	(46,000)	20,000	(30,000)
Total	852,000	(46,000)	20,000	(30,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	7,000	0	800,000	100,000
Total	7,000	0	800,000	100,000

Program	Equipment	
	Amount	Change
Administration	25,000	(116,000)
Total	25,000	(116,000)



# ***FOUNDATION FOR SCIENCE, TECHNOLOGY, AND INNOVATION***

## ***MISSION***

The New York State Foundation for Science, Technology, and Innovation – formerly the Office of Science, Technology, and Academic Research (NYSTAR) – is a public benefit corporation responsible for directing the State’s university-based high-technology economic development programs.

## ***ORGANIZATION AND STAFFING***

The Foundation for Science, Technology, and Innovation is headed by an Executive Director who is appointed by the Governor and confirmed by the Senate. Foundation oversight is governed by a 13-member board of directors. The organization will have a workforce of 30 positions in 2007-08.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Foundation for Science, Technology, and Innovation’s activities are supported primarily with State tax dollars from the General Fund. The Executive Budget recommends \$4.7 million to support the Foundation's operating budget and \$50.4 million for its high-technology programs.

## ***PROGRAM HIGHLIGHTS***

The Foundation for Science, Technology, and Innovation is responsible for the following major programs:

- **Capital Facility Program:** This program supports the construction and reconstruction of research and development facilities at designated Centers for Advanced Technology and State University of New York University Centers;
- **Faculty Development Program:** This program provides grants to assist colleges and universities in attracting and retaining research faculty; and
- **Technology Transfer Incentive Program:** This program provides grants to colleges and universities for technology transfer activities, such as patent applications, the creation of business plans, venture capital conferences and other uses related to the commercialization of high-technology innovations. It also provides funding for the Science and Technology Law Center which assists start-up companies in bringing new technologies to the marketplace, and is a resource for State agencies and institutions of higher education on technology-related legal issues.

In addition, the Foundation for Science, Technology, and Innovation will continue to administer various other programs including: Centers for Advanced Technology; Industrial Technology Extension Service; Manufacturing Extension Partnership Program; Technology Development Organizations; the Sensing, Analyzing, Interpreting and Deciding Center at Syracuse University; and the Focus Center-New York semiconductor research center. Other programs include: the High-Technology Matching Grants Program, including the Security Through Advanced Research and Technology (START) initiative; College Applied Research

## **SCIENCE, TECHNOLOGY, AND INNOVATION**

Centers; the James D. Watson Investigator Program; the Cornell University Nanobiotechnology Center; the Cornell University Materials Research Science and Engineering Center; the Cornell University Nanoscale Science and Engineering Center; the Cornell University National Nanotechnology Infrastructure Network; the Columbia University Nanoscale Science and Engineering Center; the Columbia University Materials Research Science and Engineering Center; the Rensselaer Polytechnic Institute Nanoscale Science and Engineering Center; the Rensselaer Polytechnic Institute Engineering Research Center; the City University of New York Optical Sensing and Imaging Center; and the University at Albany Semiconductor Research Corporation Center for Advanced Interconnect Systems Technologies.

The Foundation is also authorized to administer new programs established in 2005-06, including:

- **Capital Investments Innovation Fund:** This fund will focus on providing support to high-tech/emerging industries, as well as projects that enhance the economic competitiveness of traditional industries; and
- **The Foundation Fund:** The Fund will provide grants and/or loans through five programs aimed at enhancing high-tech and emerging businesses; i) Technology Enhancement Program; ii) Innovation Investment Program; iii) Emerging Investment Program; iv) Business Acceleration Program; and v) Community Colleges/Academic Research Institutions Curriculum Alignment Program.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	3,425,000	4,727,000	1,302,000	0
Aid To Localities	52,015,000	50,440,000	(1,575,000)	154,817,000
Capital Projects	0	0	0	16,030,000
<b>Total</b>	<b>55,440,000</b>	<b>55,167,000</b>	<b>(273,000)</b>	<b>170,847,000</b>

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

#### **Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration Program			
General Fund	30	30	0
<b>Total</b>	<b>30</b>	<b>30</b>	<b>0</b>



# SCIENCE, TECHNOLOGY, AND INNOVATION

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	2,925,000	4,227,000	1,302,000
Special Revenue Funds - Other	500,000	500,000	0
Total	<u>3,425,000</u>	<u>4,727,000</u>	<u>1,302,000</u>

Adjustments:

Transfer(s) From	
Science, Technology and Academic Research, Office of General Fund	(2,925,000)
Special Revenue Funds - Other	(500,000)
Appropriated 2006-07	<u>0</u>

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration Program			
General Fund	2,925,000	4,227,000	1,302,000
Special Revenue Funds - Other	500,000	500,000	0
Total	<u>3,425,000</u>	<u>4,727,000</u>	<u>1,302,000</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration Program	2,292,000	92,000	2,292,000	92,000
Total	<u>2,292,000</u>	<u>92,000</u>	<u>2,292,000</u>	<u>92,000</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration Program	1,935,000	1,210,000	30,000	0
Total	<u>1,935,000</u>	<u>1,210,000</u>	<u>30,000</u>	<u>0</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration Program	40,000	0	690,000	90,000
Total	<u>40,000</u>	<u>0</u>	<u>690,000</u>	<u>90,000</u>

Program	Equipment		General State Charges	
	Amount	Change	Amount	Change
Administration Program	75,000	20,000	1,025,000	1,025,000
Total	<u>75,000</u>	<u>20,000</u>	<u>1,025,000</u>	<u>1,025,000</u>

Program	Special Departmental Charges	
	Amount	Change
Administration Program	75,000	75,000
Total	<u>75,000</u>	<u>75,000</u>

# SCIENCE, TECHNOLOGY, AND INNOVATION

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total Amount</u>	<u>Change</u>	<u>Maintenance Amount</u>	<u>Undistributed Change</u>
Administration Program	500,000	0	500,000	0
Total	500,000	0	500,000	0

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	45,515,000	43,940,000	(1,575,000)
Special Revenue Funds - Federal	6,500,000	6,500,000	0
Total	52,015,000	50,440,000	(1,575,000)

Adjustments:

Transfer(s) From	
Science, Technology and Academic Research, Office of General Fund	(45,515,000)
Special Revenue Funds - Federal Appropriated 2006-07	(6,500,000)
	0

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
High Technology Program			
General Fund	34,665,000	33,090,000	(1,575,000)
Research Development Program			
General Fund	9,350,000	9,350,000	0
Training and Business Assistance Program			
General Fund	1,500,000	1,500,000	0
Special Revenue Funds - Federal	6,500,000	6,500,000	0
Total	52,015,000	50,440,000	(1,575,000)

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Research Facilities				
Capital Projects Fund - Authority Bonds	0	0	0	16,030,000
Total	0	0	0	16,030,000

# **DEPARTMENT OF STATE**

## **MISSION**

Established in 1788, the Department of State (DOS) is the State's oldest agency. Historically serving as the State's general recording officer and custodian of the State's "Great Seal", the Department's mission has grown to include a broad range of activities that coordinate programs with, and provide services to, local governments and businesses. The Department protects public safety by managing arson investigation, fire prevention, building and energy code programs; administers programs for community development and local government service activities; and supports businesses through various licensing and registration activities.

## **ORGANIZATION AND STAFFING**

The Department is headed by the Secretary of State, who is appointed by the Governor and confirmed by the Senate. The Department's central office is located in Albany. It also has 20 regional offices across the State and operates the Academy of Fire Science in Montour Falls, Schuyler County. The Department of State will have a workforce of 912 positions for 2007-08.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

Approximately 14 percent of the Department's operations and local aid programs are funded from fees and other income, 51 percent from Federal grants, and 35 percent from State tax dollars from the General Fund. The Executive Budget recommends funding of over \$141.8 million for the Department of State: \$91.7 million in Federal funding and fee revenues, and \$50.1 million in General Fund support. The Department has achieved savings for SFY 2007-08 through personnel controls and implementation of various management efficiencies.

The Department will continue recent technology improvements to provide enhanced internet access and online applications to better serve the State's business customers and ease the filing of documents. Pursuant to legislation enacted in 2006, the Department will administer several new initiatives including an enhanced fire-safe cigarettes program and the Oceans and Great Lakes Ecosystems Conservation Act. The Department of State will also continue to provide grants to assist municipalities in achieving local government efficiencies and improvements through the provision of Shared Municipal Services Incentive (SMSI) grants.

## **PROGRAM HIGHLIGHTS**

- The responsibilities of the Department of State are carried out through three programs:
- The Local Government and Community Services Program consists of several functions, including the Office of Fire Prevention and Control (OFPC), which works with both paid and volunteer firefighters by providing training, technical support and assistance with arson investigations, and conducts fire safety inspections of colleges and state-owned buildings. OFPC trains and equips an urban search and rescue team based in the Capital Region. OFPC also provides low interest loans to fire and

# STATE

ambulance companies through the Emergency Services Revolving Loan Program. The Division of Code Enforcement and Administration manages New York's building and energy codes. In addition to these activities, Local Government and Community Services program staff provide services to citizens; offer planning and management services to local governments through the Division of Local Government; support land use planning activities in the New York City/Catskill watershed; coordinate New York's coastal resources and waterfront revitalization activities; and administer the Department's Federal grant programs, including the Appalachian Regional Commission. The federally funded Division of Community Services provides a means for achieving economic self-sufficiency through programs designed to improve opportunities for its low-income participants.

- The Business and Licensing Services Program provides information on credit and debt for individuals, businesses and corporations; tracks all certificates of incorporation; administers qualifying examinations and licensing of 26 occupations; and prepares the State Register and other publications.
- The Administration Program provides the basic executive direction, fiscal, personnel, legal and electronic data processing activities that support the Department's operations.

Additionally, the Department's appropriations contain funds for the Lake George Park Commission, the State Ethics Commission, the State Athletic Commission, the Committee on Open Government, and the Tug Hill Commission.

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	69,521,400	65,819,000	(3,702,400)	29,801,400
Aid To Localities	73,850,000	76,050,000	2,200,000	111,018,600
Capital Projects	1,000,000	0	(1,000,000)	82,600,000
Total	144,371,400	141,869,000	(2,502,400)	223,420,000

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
General Fund	63	63	0
Lake George Park Commission			
Special Revenue Funds - Other	9	9	0
Licensing Services			
General Fund	0	403	403
Special Revenue Funds - Other	396	0	(396)
Local Government and Community Services			
General Fund	112	133	21
Special Revenue Funds - Federal	58	58	0
Special Revenue Funds - Other	194	205	11
State Ethics Commission			
General Fund	23	23	0
Tug Hill Commission			
General Fund	18	18	0
Total	873	912	39

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	18,421,400	49,574,000	31,152,600
Special Revenue Funds - Federal	11,402,000	11,402,000	0
Special Revenue Funds - Other	39,698,000	4,843,000	(34,855,000)
Total	<u>69,521,400</u>	<u>65,819,000</u>	<u>(3,702,400)</u>

## Adjustments:

Transfer(s) To

Executive Chamber

General Fund

Appropriated 2006-07

372,000

69,893,400

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
General Fund	7,350,000	9,126,000	1,776,000
Lake George Park Commission			
Special Revenue Funds - Other	1,614,000	1,594,000	(20,000)
Licensing Services			
General Fund	0	27,501,000	27,501,000
Special Revenue Funds - Other	35,703,000	0	(35,703,000)
Local Government and Community Services			
General Fund	8,093,400	9,591,000	1,497,600
Special Revenue Funds - Federal	11,402,000	11,402,000	0
Special Revenue Funds - Other	2,328,000	3,196,000	868,000
State Ethics Commission			
General Fund	1,910,000	2,245,000	335,000
Tug Hill Commission			
General Fund	1,068,000	1,111,000	43,000
Special Revenue Funds - Other	53,000	53,000	0
Total	<u>69,521,400</u>	<u>65,819,000</u>	<u>(3,702,400)</u>

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS**  
**SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES**  
**2007-08 RECOMMENDED**  
(dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	4,476,000	726,000	4,429,000	740,000
Licensing Services	18,171,000	18,171,000	18,171,000	18,171,000
Local Government and Community Services	7,942,000	3,262,000	7,903,000	3,335,000
State Ethics Commission	1,695,000	355,000	1,695,000	355,000
Tug Hill Commission	1,001,000	43,000	1,001,000	51,000
Total	<u>33,285,000</u>	<u>22,557,000</u>	<u>33,199,000</u>	<u>22,652,000</u>
<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	41,000	(19,000)	6,000	5,000
Licensing Services	0	0	0	0
Local Government and Community Services	34,000	(78,000)	5,000	5,000
State Ethics Commission	0	0	0	0
Tug Hill Commission	0	(8,000)	0	0
Total	<u>75,000</u>	<u>(105,000)</u>	<u>11,000</u>	<u>10,000</u>

# STATE

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	4,650,000	1,050,000	646,000	243,000
Licensing Services	9,330,000	9,330,000	1,047,000	1,047,000
Local Government and Community Services	1,649,000	(1,764,400)	78,500	17,500
State Ethics Commission	550,000	(20,000)	38,600	(1,400)
Tug Hill Commission	110,000	0	13,000	0
Total	16,289,000	8,595,600	1,823,100	1,306,100

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	58,500	(1,500)	3,231,500	201,500
Licensing Services	515,000	515,000	7,467,000	7,467,000
Local Government and Community Services	140,300	73,300	1,047,100	452,100
State Ethics Commission	19,300	(700)	481,500	(17,500)
Tug Hill Commission	8,000	0	87,000	0
Total	741,100	586,100	12,314,100	8,103,100

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	714,000	607,000	0	0
Licensing Services	301,000	301,000	0	0
Local Government and Community Services	383,100	(543,900)	0	(1,763,400)
State Ethics Commission	10,600	(400)	0	0
Tug Hill Commission	2,000	0	0	0
Total	1,410,700	363,700	0	(1,763,400)

**STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Lake George Park Commission	1,594,000	(20,000)	664,000	0
Licensing Services	0	(35,703,000)	0	(17,579,000)
Local Government and Community Services	14,598,000	868,000	5,304,000	479,000
Tug Hill Commission	53,000	0	0	0
Total	16,245,000	(34,855,000)	5,968,000	(17,100,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Lake George Park Commission	930,000	(20,000)	0	0
Licensing Services	0	(17,849,000)	0	(275,000)
Local Government and Community Services	8,694,000	389,000	600,000	0
Tug Hill Commission	53,000	0	0	0
Total	9,677,000	(17,480,000)	600,000	(275,000)

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	0	550,000	550,000
Special Revenue Funds - Federal	59,200,000	61,400,000	2,200,000
Special Revenue Funds - Other	14,650,000	14,100,000	(550,000)
Total	<u>73,850,000</u>	<u>76,050,000</u>	<u>2,200,000</u>
Adjustments:			
Transfer(s) To			
Interest on Lawyer Account			
General Fund	4,600,911		
Appropriated 2006-07	<u>78,450,911</u>		

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Licensing Services			
General Fund	0	550,000	550,000
Special Revenue Funds - Other	550,000	0	(550,000)
Local Government and Community Services			
Special Revenue Funds - Federal	59,200,000	61,400,000	2,200,000
Special Revenue Funds - Other	14,100,000	14,100,000	0
Total	<u>73,850,000</u>	<u>76,050,000</u>	<u>2,200,000</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Local Government and Community Services				
Capital Projects Fund - Authority Bonds	0	0	0	80,000,000
Office of Fire Prevention				
Capital Projects Fund	1,000,000	0	(1,000,000)	2,600,000
Total	<u>1,000,000</u>	<u>0</u>	<u>(1,000,000)</u>	<u>82,600,000</u>





# ***DEPARTMENT OF TAXATION AND FINANCE***

## ***MISSION***

Collect tax revenue and provide associated services in support of government operations in New York State.

## ***VISION***

An agency that provides a fair system of tax administration, is accessible and responsive to taxpayers, and contributes to a favorable economic climate.

## ***OPERATING HIGHLIGHTS***

- Collects and accounts for more than \$52 billion and \$33 billion in State and local taxes, respectively, on an annual basis;
- Administers 37 State and 7 local taxes, including New York City and City of Yonkers income taxes;
- Processes nearly 25 million returns, registrations, and associated documents on an annual basis;
- Manages the State Treasury, which provides investment and cash management services to various State agencies and public benefit corporations, and acts on the Tax Commissioner's behalf as joint custodian of the State's General Checking Account;
- Operates with a budget of more than \$435 million and a workforce of 4,966 full time equivalent employees; and
- Implements the e-MPIRE integrated tax system, an automated system that ensures the most efficient and effective means for tax collections.

## ***ENVIRONMENTAL CHALLENGES AND OPPORTUNITIES***

- **Threats to Voluntary Compliance.** The Tax Department remains concerned about the variance between taxes owed and taxes paid. The Department will continue to leverage sophisticated audit, collection, and enforcement techniques, advanced technology tools, and expanded taxpayer/practitioner educational opportunities to induce taxpayers to pay the correct amount of tax timely.
- **Aging Workforce/Succession Management.** The Tax Department continues to experience heavy attrition of its aging workforce. To meet this challenge, the Department will:
  - Continue its management development initiative to plan for succession;
  - Continue training programs and opportunities for staff; and
  - Fully utilize existing personnel assets through reorganization, reclassification, and redeployment.
- **Technology.** The Department will continue to invest in technology infrastructure and personnel to maximize tax collections.

# TAXATION AND FINANCE

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## KEY AGENCY STRATEGIES

The Department's Strategic Goal is for **all taxpayers to voluntarily pay the correct tax timely**. To achieve this goal, the Department will focus on three core strategies:

- Improve processing of taxpayer information, returns, and payments;
- Enhance customer service; and
- Improve and better coordinate audit, collection, and criminal enforcement activities.

## ACTIONS TO IMPLEMENT KEY AGENCY STRATEGIES

### *Improve processing of taxpayer information, returns, and payments.*

The Department annually processes millions of documents. Due to the immense scale of its operations, even minute processing improvements have the potential to generate considerable benefits in effectiveness and efficiency. The following examples are illustrative of the types of actions the Department will pursue in furtherance of this strategy:

Action	Performance indicators
<ul style="list-style-type: none"><li>➤ Expand e-filing and e-payment participation.</li></ul>	<ul style="list-style-type: none"><li>• <b>Increase</b> e-filing and 2-D bar coding (i.e., electronic scanning) of personal income tax returns by <b>20 percent</b> over 2006-07 levels.</li><li>• <b>Increase</b> the <b>percentage</b> of tax revenue received in 2007-08 (versus 2006-07) via electronic funds transfer.</li></ul>
<ul style="list-style-type: none"><li>➤ Improve exceptions (e.g. unsigned return) processes, including timely resolution.</li></ul>	<ul style="list-style-type: none"><li>• <b>Minimize</b> exception rates for all tax types through systems improvements.</li><li>• <b>Maintain</b> an average age of exception inventories at or below respective tax target levels — i.e.; Personal Income - <b>45 days</b>; Corporation - <b>60 days</b>; Sales - <b>60 days</b>; and Withholding - <b>60 days</b>.</li></ul>

### *Enhance customer service.*

Providing taxpayers and tax practitioners with top-quality customer service is critical to supporting and promoting voluntary compliance. The following examples are illustrative of the types of actions the Department will pursue in furtherance of this strategy:

Action	Performance indicators
<ul style="list-style-type: none"><li>➤ Provide timely, accurate, and simplified forms, instructions, and publications.</li></ul>	<ul style="list-style-type: none"><li>• <b>Issue</b> annual tax forms and instructions <b>on time</b> with <b>100 percent</b> accuracy in 2007-08.</li><li>• <b>Issue</b> new <b>industry-specific</b> sales tax publications by March 31, 2008.</li><li>• <b>Develop</b> new written guidance that will provide <b>clarification</b> to the taxpayer community on significant outstanding policy issues by March 31, 2008.</li></ul>
<ul style="list-style-type: none"><li>➤ Issue timely, accurate, and understandable notices and advice.</li></ul>	<p>In 2007-08:</p> <ul style="list-style-type: none"><li>• <b>Issue</b> taxpayer guidance on Tax Law changes at least <b>30 days</b> prior to effective date, or if retroactive, within <b>6 weeks</b> of being informed of the change.</li><li>• <b>Issue</b> advisory opinions within <b>90 days</b> of receiving a completed petition.</li><li>• <b>Prepare 100 percent</b> of fiscal notes within <b>4 weeks</b> of request.</li></ul>

Action	Performance indicators
<ul style="list-style-type: none"> <li>➤ Improve service options, emphasizing self-help and e-service taxpayer alternatives.</li> </ul>	<p>In 2007-08:</p> <ul style="list-style-type: none"> <li>• <b>Maintain or improve 5 minute average</b> for answering personal Income Tax telephone inquiries during peak processing periods.</li> <li>• <b>Maintain or improve 90 percent average</b> quality score in the annual Call Center Quality Review.</li> </ul>

***Improve and better coordinate audit, collection, and criminal enforcement activities.***

Unfortunately, not all taxpayers comply with their tax obligations voluntarily or timely. Effective and coordinated audit, collection, and criminal enforcement activities – which detect and deter taxpayer error, civil noncompliance, and criminal tax evasion while generating revenue – are fundamental to the Department’s voluntary compliance model. The following examples are illustrative of the types of actions the Department will pursue in furtherance of this strategy:

Action	Performance indicators
<ul style="list-style-type: none"> <li>➤ Develop methodologies to increase the rate of collections.</li> <li>➤ Improve audit selection and accelerate the audit cycle.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Implement</b> reciprocal refund intercept agreement with other state revenue agencies by March 31, 2008.</li> <li>• <b>Expand</b> utilization of <b>AuditStat</b>, the Department’s analysis and accountability program that relies on statistical analyses to assess and improve the performance of audit activities during 2007-08.</li> <li>• <b>Increase the number</b> of civil and / or criminal cases opened in 2007-08 (versus 2006-07) as a result of the joint Audit and Enforcement Compliance Intelligence Assessment (CIA) initiative, which utilizes data analysis tools to identify areas and patterns of non-compliance.</li> </ul>

The 2007-08 Executive Budget will provide 200 new positions in audit, collections and information technology to assist with voluntary compliance efforts.

# TAXATION AND FINANCE

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	431,536,000	435,856,000	4,320,000	0
Aid To Localities	500,000	0	(500,000)	0
Capital Projects	0	0	0	0
Total	432,036,000	435,856,000	3,820,000	0

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Audit, Collection and Enforcement General Fund	2,327	2,471	144
Centralized Operations Support General Fund	122	122	0
Office of Conciliation and Mediation General Fund	25	25	0
Management, Administration and Counsel General Fund	253	253	0
Revenue Processing and Reconciliation General Fund	919	919	0
Special Revenue Funds - Other	396	396	0
Tax Policy, Revenue Accounting and Taxpayer Guidance General Fund	176	176	0
Technology and Information Services General Fund	504	560	56
Treasury Management Special Revenue Funds - Other	44	44	0
Total	4,766	4,966	200

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	331,852,000	311,352,000	(20,500,000)
Special Revenue Funds - Federal	582,000	582,000	0
Special Revenue Funds - Other	46,000,000	76,420,000	30,420,000
Internal Service Funds	53,102,000	47,502,000	(5,600,000)
Total	431,536,000	435,856,000	4,320,000

# TAXATION AND FINANCE

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

Program	Available 2006-07	Recommended 2007-08	Change
Audit, Collection and Enforcement			
General Fund	119,834,000	113,221,000	(6,613,000)
Special Revenue Funds - Federal	582,000	582,000	0
Special Revenue Funds - Other	4,000,000	4,000,000	0
Centralized Operations Support			
General Fund	41,648,000	38,810,000	(2,838,000)
Office of Conciliation and Mediation			
General Fund	1,721,000	1,679,000	(42,000)
Management, Administration and Counsel			
General Fund	19,739,000	16,628,000	(3,111,000)
Revenue Processing and Reconciliation			
General Fund	42,533,000	43,261,000	728,000
Special Revenue Funds - Other	39,236,000	69,236,000	30,000,000
Internal Service Funds	53,102,000	47,502,000	(5,600,000)
Tax Policy, Revenue Accounting and Taxpayer Guidance			
General Fund	12,948,000	12,057,000	(891,000)
Technology and Information Services			
General Fund	93,429,000	85,696,000	(7,733,000)
Treasury Management			
Special Revenue Funds - Other	2,764,000	3,184,000	420,000
Total	<u>431,536,000</u>	<u>435,856,000</u>	<u>4,320,000</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	105,921,000	(6,279,000)	105,401,000	(5,814,000)
Centralized Operations Support	5,285,000	(359,000)	4,736,000	(184,000)
Office of Conciliation and Mediation	1,571,000	(59,000)	1,571,000	(45,000)
Management, Administration and Counsel	14,579,000	(782,000)	14,470,000	(449,000)
Revenue Processing and Reconciliation	40,690,000	(1,188,000)	35,674,000	(5,076,000)
Tax Policy, Revenue Accounting and Taxpayer Guidance	10,327,000	(25,000)	10,289,000	1,220,000
Technology and Information Services	31,126,000	443,000	30,953,000	1,398,000
Total	<u>209,499,000</u>	<u>(8,249,000)</u>	<u>203,094,000</u>	<u>(8,950,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	520,000	(296,000)	0	(169,000)
Centralized Operations Support	549,000	(171,000)	0	(4,000)
Office of Conciliation and Mediation	0	0	0	(14,000)
Management, Administration and Counsel	109,000	(258,000)	0	(75,000)
Revenue Processing and Reconciliation	5,016,000	4,266,000	0	(378,000)
Tax Policy, Revenue Accounting and Taxpayer Guidance	38,000	(1,236,000)	0	(9,000)
Technology and Information Services	173,000	(577,000)	0	(378,000)
Total	<u>6,405,000</u>	<u>1,728,000</u>	<u>0</u>	<u>(1,027,000)</u>

# TAXATION AND FINANCE

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	7,300,000	(334,000)	588,000	344,000
Centralized Operations Support	33,525,000	(2,479,000)	13,590,000	13,396,000
Office of Conciliation and Mediation	108,000	17,000	5,000	1,227
Management, Administration and Counsel	2,049,000	(2,329,000)	137,000	(2,301,450)
Revenue Processing and Reconciliation	2,571,000	1,916,000	1,103,000	448,000
Tax Policy, Revenue Accounting and Taxpayer Guidance	1,730,000	(866,000)	62,000	(27,600)
Technology and Information Services	54,570,000	(8,176,000)	150,000	(3,438,000)
<b>Total</b>	<b>101,853,000</b>	<b>(12,251,000)</b>	<b>15,635,000</b>	<b>8,422,177</b>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	5,175,000	3,109,000	1,409,000	(3,069,000)
Centralized Operations Support	39,000	31,700	19,023,000	(16,779,700)
Office of Conciliation and Mediation	96,000	28,910	6,000	(14,137)
Management, Administration and Counsel	156,000	(128,800)	1,383,000	62,200
Revenue Processing and Reconciliation	140,000	140,000	1,094,000	1,094,000
Tax Policy, Revenue Accounting and Taxpayer Guidance	28,000	9,700	1,622,000	(860,500)
Technology and Information Services	300,000	155,000	50,884,000	(3,034,000)
<b>Total</b>	<b>5,934,000</b>	<b>3,345,510</b>	<b>75,421,000</b>	<b>(22,601,137)</b>

Program	Equipment	
	Amount	Change
Audit, Collection and Enforcement	128,000	(718,000)
Centralized Operations Support	873,000	873,000
Office of Conciliation and Mediation	1,000	1,000
Management, Administration and Counsel	373,000	39,050
Revenue Processing and Reconciliation	234,000	234,000
Tax Policy, Revenue Accounting and Taxpayer Guidance	18,000	12,400
Technology and Information Services	3,236,000	(1,859,000)
<b>Total</b>	<b>4,863,000</b>	<b>(1,417,550)</b>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	4,582,000	0	0	0
Revenue Processing and Reconciliation	116,738,000	24,400,000	36,881,000	21,000,000
Treasury Management	3,184,000	420,000	2,008,000	265,000
<b>Total</b>	<b>124,504,000</b>	<b>24,820,000</b>	<b>38,889,000</b>	<b>21,265,000</b>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	4,000,000	0	582,000	0
Revenue Processing and Reconciliation	79,857,000	3,400,000	0	0
Treasury Management	1,176,000	155,000	0	0
<b>Total</b>	<b>85,033,000</b>	<b>3,555,000</b>	<b>582,000</b>	<b>0</b>

# TAXATION AND FINANCE

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Fiduciary Funds	500,000	0	(500,000)
Total	500,000	0	(500,000)

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Management, Administration and Counsel			
Fiduciary Funds	500,000	0	(500,000)
Total	500,000	0	(500,000)





# DIVISION OF TAX APPEALS

## MISSION

The Division of Tax Appeals provides taxpayers with a system of due process for resolving disputes with the Department of Taxation and Finance. The separation of tax administration from tax adjudication promotes the impartial and timely hearing of taxpayer disputes.

## ORGANIZATION AND STAFFING

The Division of Tax Appeals is headed by the Tax Appeals Tribunal, which is comprised of three commissioners appointed by the Governor and confirmed by the Senate. Under the direction of the Tax Tribunal, dispute adjudication is provided through small claims hearings, formal hearings and the Tribunal appeals process. The Division holds formal hearings in Troy, New York City and Rochester, while Tax Tribunal oral arguments are held in New York City, Buffalo and Troy. Small claims hearings are conducted throughout the State. The Division will have a workforce of 31 positions for 2007-08.

## FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

The Division's activities are supported entirely with State tax dollars, which finance the Tribunal's staff and other expenses such as rent and supplies.

The Executive Budget recommends \$3.2 million in annual General Fund support for the Division. This recommendation will enable the Tribunal to continue to provide for the timely resolution of taxpayer disputes with the Department of Taxation and Finance.

## PROGRAM HIGHLIGHTS

The Division's hearing process has been substantially improved in recent years to benefit taxpayers. These improvements have allowed taxpayers more flexibility in scheduling hearings, thus minimizing delays caused by sudden cancellations.

The Division also conducts formal hearings in New York City and Rochester to provide easier access for taxpayers in these metropolitan areas. At these locations, the Division utilizes existing State office space, thus providing improved service at nominal additional cost.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	3,423,000	3,228,000	(195,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	3,423,000	3,228,000	(195,000)	0

# TAX APPEALS

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

Full-Time Equivalent Positions (FTE)			
<u>Program</u>	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
General Fund	33	31	(2)
Total	<u>33</u>	<u>31</u>	<u>(2)</u>

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

<u>Fund Type</u>	Available 2006-07	Recommended 2007-08	Change
General Fund	3,423,000	3,228,000	(195,000)
Total	<u>3,423,000</u>	<u>3,228,000</u>	<u>(195,000)</u>

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

<u>Program</u>	Available 2006-07	Recommended 2007-08	Change
Administration			
General Fund	3,423,000	3,228,000	(195,000)
Total	<u>3,423,000</u>	<u>3,228,000</u>	<u>(195,000)</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	2,741,000	(302,000)	2,731,000	(140,000)
Total	<u>2,741,000</u>	<u>(302,000)</u>	<u>2,731,000</u>	<u>(140,000)</u>

<u>Program</u>	Temporary Service (Nonannual Salaried)	
	Amount	Change
Administration	10,000	(162,000)
Total	<u>10,000</u>	<u>(162,000)</u>

# TAX APPEALS

STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	487,000	107,000	35,000	5,000
Total	487,000	107,000	35,000	5,000

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	25,000	0	347,000	47,000
Total	25,000	0	347,000	47,000

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Administration	80,000	55,000
Total	80,000	55,000



# THRUWAY AUTHORITY

In addition to operating the nation's longest toll highway system of 641 miles, the Thruway Authority has jurisdiction over the New York State Canal System. Through its subsidiary, the New York State Canal Corporation, the Thruway maintains, operates, develops and makes capital improvements to the 524-mile navigable waterway which includes 57 locks, 16 lift bridges, numerous dams, reservoirs and water control structures.

Thruway Authority and Canal System programs are primarily supported by Authority funds, which are not reflected in the Executive Budget.

Revenues from canal tolls and other user fees are deposited into the Canal System Development Fund and, in accordance with the State Constitution, are used exclusively for the canals. The Executive Budget recommends a new appropriation of \$2 million and reappropriations of \$8.8 million from the Canal System Development Fund for a portion of the maintenance, construction, reconstruction, development and promotion of the canals.

The Rebuild and Renew New York Transportation Bond Act of 2005 (appropriated through the Department of Transportation budget) provides \$10 million in State fiscal year 2007-08 to advance additional Canal capital projects.

## ALL FUNDS APPROPRIATIONS (dollars)

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	4,000,000	2,000,000	(2,000,000)	8,809,000
Total	4,000,000	2,000,000	(2,000,000)	8,809,000

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

<b>Comprehensive Construction Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations 2007-08</b>
Canal Development Program				
New York State Canal System Development Fund	4,000,000	2,000,000	(2,000,000)	8,809,000
Total	4,000,000	2,000,000	(2,000,000)	8,809,000



# ***DEPARTMENT OF TRANSPORTATION***

## ***MISSION***

The Department of Transportation (DOT) directly maintains and improves the State's more than 40,000 State highway lane miles and over 7,500 bridges. In addition, the Department partially funds locally-operated transit systems, local government highway and bridge construction, and rail, airport, and canal programs.

The DOT of the 21<sup>st</sup> Century is capitalizing on evolving world trade patterns, using intelligent transportation technology to manage increases in traffic and balancing security concerns with the need to move people and products safely and efficiently. The Department closely coordinates with other State transportation agencies and authorities, with the goal of creating a seamless statewide transportation system that addresses environmental and community concerns and more efficiently moves people and goods throughout the State's transportation system.

## ***ORGANIZATION AND STAFFING***

The Department is headed by a Commissioner appointed by the Governor. The Department's main office is in Albany, with 11 regional offices in Schenectady, Utica, Syracuse, Rochester, Buffalo, Hornell, Watertown, Poughkeepsie, Binghamton, Hauppauge and New York City. The Department also maintains highway maintenance and equipment repair facilities across the State.

Employees of the Department perform such activities as highway maintenance, snow and ice removal, highway and bridge design and construction inspection. In addition, the Department's staff inspects school and charter buses, regulates commercial transportation, oversees public transportation systems and state-owned airports and provides administrative support for the Department. The Department's full time workforce will total approximately 10,360 employees by the end of 2007-08, reflecting an increase of 411 over the prior year.

These increases include 108 positions to enhance DOT's in-house engineering capabilities for design, construction inspection and related capital program support. As part of this initiative, the Department will pursue opportunities to hire State engineers while prudently managing engineering resources to ensure delivery of their multi-year capital program. An additional increase of 203 engineering positions is also included to support delivery of the enhanced capital program. The balance of the workforce increases reflect anticipated Department needs for the proposed transfer of Interstate 84 operating responsibility from the New York State Thruway Authority and implementation of the Workzone Safety Act of 2005.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Department is responsible for the implementation of transportation programs related to highways and bridges, transit, aviation, ports, rail and other modes. It is supported by revenues from the Petroleum Business Tax, highway use tax, motor fuel taxes, auto rental tax, transportation/transmission tax, motor vehicle fees, and other fees. Substantial Federal aid is also used to support the programs. The 2005 Bond Act provides additional funding for the 2005-10 period.

## **TRANSPORTATION**

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The five-year transportation capital plan enacted in State Fiscal Year 2005-06 included over \$35.9 billion for the State's transportation systems during the period, with over \$17.9 billion for DOT capital programs and over \$17.9 billion for the Metropolitan Transportation Authority program. To finance the plan, existing resources were augmented by increases in motor vehicle fees, a restructuring of the Dedicated Highway and Bridge Trust Fund debt, increases in the sales tax and mortgage recording tax levied in the MTA service district, and the Rebuild and Renew New York Transportation Bond Act passed by the voters in November 2005.

The Executive Budget increases DOT's five-year capital program to over \$18.7 billion, reflecting the investment of \$827 million in additional Federal aid for local highway and bridge projects, preventive maintenance, state highway and bridge projects and engineering, and other emerging needs and unfunded mandates.

The Department's operations are devoted primarily to highway maintenance, particularly snow and ice removal. The 2007-08 Executive Budget provides \$594 million for snow and ice control and State forces preventive maintenance. This level represents an increase of approximately \$91 million in both Federal and State funds, which will be utilized for increased salary costs, inflationary pressures, conformance to unfunded mandates, and critical needs such as increased pavement marking, guiderail enhancement, signal maintenance, drainage improvement, bridge work, overhead signs, and maintenance facilities. Funding for preventive maintenance performed by private firms is continued at \$210 million as part of the highway and bridge contract level.

The Department's regulatory programs and other operations are primarily funded by fees, miscellaneous revenues and federal aid. Approximately \$24 million is derived from fees, including those imposed on trucks registered to transport products throughout the State; landing fees and rents levied at Republic Airport; and revenues generated by the sale and rental of Department property, such as commercial leasing of land for parking or storage. These funds support a number of agency activities, including administrative support services, highway safety and aviation programs.

Federal aid of \$15.5 million and dedicated mass transit funds totaling \$6.4 million help finance the Department's remaining operating responsibilities for mass transportation, aviation and motor-carrier safety programs.

Capital appropriations provide funding for construction and reconstruction projects on State highways, bridges, railways and airports, as well as financing the engineering staff and private-sector consultants who work on these projects. Obligations for highway and bridge construction contracts will total \$1.975 billion in 2007-08, an increase of \$125 million over Enacted Budget levels for the prior year.

The centerpiece of the State's Highway and Bridge Program is the Dedicated Highway and Bridge Trust Fund (DHBTF), established in 1993. The Trust Fund derives its revenues from portions of the petroleum business tax, motor fuel tax, motor vehicle fees, highway user fees, auto rental tax, transportation/transmission tax, and miscellaneous transportation-related revenues. These funds are used both on a pay-as-you-go basis and to pay debt service on bonds issued by the Thruway Authority to finance portions of the State and local highway programs. A restructuring of Trust Fund debt in 2005 provided additional financial resources to support the new five-year transportation plan. The 2005-06 Enacted Budget also increased certain motor vehicle fees to support the plan.



A significant portion of the State and local highway capital program is supported by Federal aid, authorized in accordance with multi-year Federal transportation acts. The most recent Federal Transportation Act, known as SAFETEA-LU covers Federal fiscal years 2004-09. The Federal capital aid appropriation in 2007-08 is available for up to \$1.98 billion of Federal funding including provisions for State and local highways and bridges, engineering, rail and community enhancement programs. An additional \$50 million appropriation is provided for the Department's "Maintenance First" initiative.

When the five-year transportation capital plan was developed in 2005, the Federal transportation act was still pending and a placeholder was used to estimate available Federal aid. Now that SAFETEA-LU has been passed by Congress, the Department of Transportation estimates the availability of more than \$1.457 billion in additional Federal resources through 2009-10 from higher than expected obligation authority and through the use of Federal advance construction management. Of this amount, \$180 million reflects capital program adjustments in State fiscal years 2005-06 and 2006-07 for local highway and bridge obligations and initial deployment of the Department's Maintenance First initiative. Of the remaining \$1.277 billion, \$647 million is provided for new capital plan investments in: local highway and bridge projects identified by metropolitan planning organizations; enhanced preventive maintenance activities under the Maintenance First initiative; additional State highway and bridge projects to offset the impact of construction inflation; and to address emerging needs. The new resources will also be used to finance unfunded projects already in the five-year plan. The five-year plan now reflects a need of \$280 million in additional resources down from \$545 million at the time of the mid-year update.

Additionally, the Rebuild and Renew New York Transportation Bond Act of 2005 continues to provide \$1.45 billion each for the DOT and MTA capital programs from State fiscal years 2005-06 through 2009-10.

Local highway and bridge capital programs include the Consolidated Highway Improvement Program (CHIPS), the Municipal Streets and Highways Program ("Marchiselli" Program) and the Multi-Modal Program. The CHIPS and Marchiselli programs are funded by bonds issued by the Thruway Authority with debt service paid from the State's Dedicated Highway and Bridge Trust Fund. In 2007-08, the CHIPS capital program will be funded at \$296.5 million, and the Marchiselli program at \$39.7 million.

A \$20 million appropriation for rail freight and passenger projects will continue to expand shipping opportunities for New York businesses, reduce costs for consumers and improve passenger transportation. The State continues to provide up to \$8 million to match Federal aviation grants. In addition, \$9 million will be provided for the Industrial Access Program to promote job creation and retention by encouraging business expansion with highway, rail and port projects.

The Aid to Localities budget is comprised primarily of appropriations supported by State taxes dedicated to public transportation through the Mass Transportation Operating Assistance (MTOA) Fund and the Dedicated Mass Transportation Trust Fund. Mass Transportation Operating Assistance Fund revenues are derived from a 3/8 percent sales tax; a business tax surcharge levied in the New York City metropolitan region; and a portion of statewide taxes on transmission, transportation and petroleum-related businesses. Dedicated Mass Transportation Trust Fund revenues are derived from a share of the revenues deposited in the Transportation Dedicated Funds Pool, which includes portions of the Petroleum Business Tax, the Motor Fuel Tax and motor vehicle fees. New appropriations to transit systems will total approximately \$2.8 billion.

## ***TRANSPORTATION***

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More than \$2.4 billion of new operating aid appropriations are recommended for the Metropolitan Transportation Authority (MTA) in 2007-08. This includes \$647 million from the Dedicated Mass Transportation Trust Fund in support of the MTA capital program. The operating assistance also includes \$45 million in General Fund support for the MTA as the State's contribution to reduced fares for New York City school children. The City will match this contribution.

Transit operators other than the MTA will receive a total of \$405 million in new appropriations in 2007-08. Of this amount, \$161 million is targeted for upstate transit systems. This includes \$23 million in upstate transit aid that results from a redistribution of the Corporation and Utilities Taxes, sections 183 & 184 (Transmission Tax), between the upstate and downstate regions to better reflect the statewide collection of this tax. Capital funding of \$35 million is recommended for transit systems other than the MTA from the Dedicated Mass Transportation Trust Fund. This capital program funds a variety of transit-related needs, primarily bus purchases and a portion of the required match to Federal transit capital aid.

### ***PROGRAM HIGHLIGHTS***

#### ***HIGHWAYS AND BRIDGES***

Improving the State's vital transportation infrastructure remains the agency's highest priority. During 2005-06, the Department replaced or rehabilitated a total of 111 State bridges and completed 6,081 corrective and preventive bridge treatments to slow deterioration. Nearly 5,678 lane miles of State highway were resurfaced, rehabilitated or given preventive maintenance treatment. The Executive Budget continues this commitment to strategic investments in critical infrastructure needs. Even more than in previous years, preventive maintenance performed by State forces and private sector contractors will be an area of significant concentration.

State staff and private-sector consultants perform the planning, property acquisition, design engineering, environmental reviews, surveying, materials and soils testing and construction inspection associated with the Department's capital program. Construction of virtually all highway and bridge projects is performed by private firms.

The State makes a significant investment in helping localities maintain safe roads and bridges through its CHIPS and Marchiselli capital programs. These programs fund local construction projects, with the majority performed by private firms. Through its safety inspections of school and charter buses and its regulation of commercial transport, the Department also focuses its resources on passenger safety and environmental issues.

#### ***PUBLIC TRANSPORTATION***

The Department provides oversight and funding for more than 70 locally operated public transportation systems, including the Metropolitan Transportation Authority, the four upstate regional transportation authorities and other (usually county-sponsored) transit systems. These systems provide bus, subway, light rail and commuter rail services, as well as "paratransit" services designed to meet the needs of disabled people, as required by the Federal Americans with Disabilities Act.

## TRANSPORTATION

State financial assistance to transit systems is supported by the Mass Transportation Operating Assistance Fund, the Dedicated Mass Transportation Trust Fund and the General Fund. In addition, State law authorizes the imposition of an additional mortgage recording tax in regions covered by the Metropolitan Transportation Authority and the four upstate transit authorities. These moneys are collected by the affected counties and transmitted directly to the transit systems.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	46,417,000	47,986,000	1,569,000	42,605,600
Aid To Localities	2,557,232,000	2,854,957,000	297,725,000	156,092,500
Capital Projects	4,327,067,000	4,434,540,000	107,473,000	14,412,971,000
Total	<u>6,930,716,000</u>	<u>7,337,483,000</u>	<u>406,767,000</u>	<u>14,611,669,100</u>

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
	Design and Construction		
Capital Projects Funds - Other	3,980	4,291	311
New York Metropolitan Transportation Council			
Special Revenue Funds - Other	68	68	0
Operations			
Special Revenue Funds - Other	12	12	0
Passenger and Freight Transportation			
Special Revenue Funds - Federal	79	79	0
Special Revenue Funds - Other	133	133	0
Capital Projects Funds - Other	98	98	0
Planning and Program Management			
Capital Projects Funds - Other	526	526	0
Preventive Maintenance			
Capital Projects Funds - Other	4,873	4,973	100
Real Estate			
Capital Projects Funds - Other	180	180	0
Total	<u>9,949</u>	<u>10,360</u>	<u>411</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
Special Revenue Funds - Federal	14,177,000	15,519,000	1,342,000
Special Revenue Funds - Other	32,240,000	32,467,000	227,000
Total	<u>46,417,000</u>	<u>47,986,000</u>	<u>1,569,000</u>

# TRANSPORTATION

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Operations			
Special Revenue Funds - Federal	400,000	400,000	0
Special Revenue Funds - Other	12,424,000	14,027,000	1,603,000
Passenger and Freight Transportation			
Special Revenue Funds - Federal	13,777,000	15,119,000	1,342,000
Special Revenue Funds - Other	19,816,000	18,440,000	(1,376,000)
Total	<u>46,417,000</u>	<u>47,986,000</u>	<u>1,569,000</u>

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Operations	14,427,000	1,603,000	546,000	10,000
Passenger and Freight Transportation	33,559,000	(34,000)	12,480,000	159,000
Total	<u>47,986,000</u>	<u>1,569,000</u>	<u>13,026,000</u>	<u>169,000</u>

<u>Program</u>	<u>Nonpersonal Service</u>		<u>Maintenance Undistributed</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Operations	3,481,000	3,217,000	10,400,000	(1,624,000)
Passenger and Freight Transportation	14,650,000	807,000	6,429,000	(1,000,000)
Total	<u>18,131,000</u>	<u>4,024,000</u>	<u>16,829,000</u>	<u>(2,624,000)</u>

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	103,016,000	103,016,000	0
Special Revenue Funds - Federal	42,244,000	46,072,000	3,828,000
Special Revenue Funds - Other	2,411,972,000	2,705,869,000	293,897,000
Total	<u>2,557,232,000</u>	<u>2,854,957,000</u>	<u>297,725,000</u>

Adjustments:

Prior Year Deficiency	
Transportation, Department of	
General Fund	45,000,000
Special Revenue Funds - Other	200,000,000
Appropriated 2006-07	<u>2,802,232,000</u>

# TRANSPORTATION

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Additional Mass Transportation Assistance Program			
General Fund	21,447,000	25,447,000	4,000,000
Special Revenue Funds - Other	25,400,000	20,000,000	(5,400,000)
Dedicated Mass Transportation Trust Program			
Special Revenue Funds - Other	634,800,000	647,300,000	12,500,000
Federal Highway Administration Local Planning			
Special Revenue Funds - Federal	12,181,000	12,181,000	0
Urban Mass Transportation Administration Local Planning			
Special Revenue Funds - Federal	4,506,000	4,506,000	0
Mass Transportation Assistance General Fund	45,000,000	45,000,000	0
Passenger and Freight Transportation General Fund	36,569,000	32,569,000	(4,000,000)
Special Revenue Funds - Federal	25,557,000	29,385,000	3,828,000
Special Revenue Funds - Other	1,476,630,000	1,756,802,000	280,172,000
Section 18-B Program			
Special Revenue Funds - Other	187,436,000	191,436,000	4,000,000
Special Transit Aid			
Special Revenue Funds - Other	87,706,000	90,331,000	2,625,000
Total	<u>2,557,232,000</u>	<u>2,854,957,000</u>	<u>297,725,000</u>

# **TRANSPORTATION**

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

<b>Comprehensive Construction Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations 2007-08</b>
<b>Aviation</b>				
Airport or Aviation Program				
Capital Projects Fund - Aviation (Bondable)	0	0	0	2,074,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	578,000
Regional Aviation Fund	5,300,000	0	(5,300,000)	5,300,000
Airport or Aviation Program -- Bondable				
Capital Projects Fund - Aviation (Bondable)	0	0	0	831,000
Airport or Aviation State Program				
Dedicated Highway and Bridge Trust Fund	8,000,000	8,000,000	0	36,922,000
Regional Aviation Fund	0	0	0	11,727,000
<b>Aviation</b>				
Transportation Capital Facilities Bond Fund	0	0	0	7,634,000
Federal Airport or Aviation				
Federal Capital Projects Fund	6,000,000	6,000,000	0	26,826,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	15,000,000	15,000,000	0	30,000,000
<b>Bond Proceeds</b>				
Rebuild and Renew New York Transportation Bonds of 2005				
Rebuild and Renew NY Trans Bonds of 2005 Bond Fund	0	0	0	2,854,523,000
<b>Canals and Waterways</b>				
Canals and Waterways - Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	485,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	10,000,000	10,000,000	0	20,000,000
<b>Economic Development</b>				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	209,000,000	9,000,000	(200,000,000)	406,554,000
<b>Health and Safety</b>				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	7,363,000	7,628,000	265,000	5,571,000
<b>Highway Facilities</b>				
Accelerated Capacity and Transportation Improvements Fund				
Accelerated Capacity and Transportation Improvements Fund	0	0	0	38,049,000
Airport or Aviation State Program				
Dedicated Highway and Bridge Trust Fund	0	0	0	1,335,000
Engineering Services				
Engineering Services Fund	0	0	0	174,129,000
NY Metro Transportation Council Account	15,894,000	15,894,000	0	27,329,000
Federal Aid Highways - Bondable Purpose				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	7,805,000
Federal Aid Highways - Federal Purpose				
Federal Capital Projects Fund	1,700,000,000	2,027,299,000	327,299,000	6,326,673,000
Highway Facilities				
Dedicated Highway and Bridge Trust Fund	0	0	0	14,272,000
Infrastructure Bond Act Projects				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	7,384,000
Multi-Modal				
Dedicated Highway and Bridge Trust Fund	0	0	0	57,917,000
Municipal Highway - Railroad Crossing Alterations				
Dedicated Highway and Bridge Trust Fund	0	0	0	1,568,000
New York State Agency Fund				
Miscellaneous New York State Agency Fund	50,000,000	50,000,000	0	243,430,000

# TRANSPORTATION

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

<b>Comprehensive Construction Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations 2007-08</b>
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	1,395,224,000	1,294,608,000	(100,616,000)	2,768,224,000
Other Highway Aid				
Dedicated Highway and Bridge Trust Fund	0	0	0	3,956,000
Other Transportation Aid				
Dedicated Highway and Bridge Trust Fund	0	0	0	100,000
Priority Bond Act Projects				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	8,830,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	235,000,000	290,000,000	55,000,000	390,846,000
Road and Bridge Improvements - Bondable				
Capital Projects Fund - A.C. and T.I. Fund (Bondable)	0	0	0	37,414,000
Small and Minority and Women-Owned Small Business Assistance				
Dedicated Highway and Bridge Trust Fund	0	0	0	3,500,000
Transportation Infrastructure Renewal Bond Fund				
Transportation Infrastructure Renewal Bond Fund	0	0	0	31,855,000
Maintenance Facilities				
Maintenance Facilities				
Dedicated Highway and Bridge Trust Fund	12,900,000	17,250,000	4,350,000	34,301,000
Mass Transportation and Rail Freight				
Mass Transportation				
Dedicated Mass Transportation Fund	18,000,000	19,000,000	1,000,000	93,634,000
Mass Transportation and Rail Freight				
Capital Projects Fund - Energy Conservation (Bondable)	0	0	0	511,000
Dedicated Highway and Bridge Trust Fund	20,000,000	20,000,000	0	82,385,000
Dedicated Mass Transportation Fund	40,100,000	45,100,000	5,000,000	71,012,000
Federal Capital Projects Fund	0	0	0	19,817,000
Mass Transportation and Rail Freight Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	4,967,000
Rail Freight				
Capital Projects Fund - Advances	0	0	0	21,350,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	1,176,000
Dedicated Mass Transportation Fund	0	0	0	1,351,000
Rail Preservation and Development Fund				
Energy Conservation Improved Transportation Bond Fund	0	0	0	705,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	10,000,000	10,000,000	0	20,000,000
Small and Minority and Women-Owned Small Business Assistance				
Dedicated Mass Transportation Fund	0	0	0	5,000,000
Special Rail and Aviation Program				
Capital Projects Fund - Authority Bonds	22,000,000	0	(22,000,000)	22,000,000
Dedicated Mass Transportation Fund	0	0	0	5,331,000
Port Development				
Port Development Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	57,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	27,000,000	27,000,000	0	53,784,000

# **TRANSPORTATION**

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

<b>Comprehensive Construction Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations 2007-08</b>
Preservation of Facilities				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	520,286,000	562,761,000	42,475,000	421,949,000
Total	<u>4,327,067,000</u>	<u>4,434,540,000</u>	<u>107,473,000</u>	<u>14,412,971,000</u>





***PUBLIC PROTECTION AND  
GENERAL GOVERNMENT***

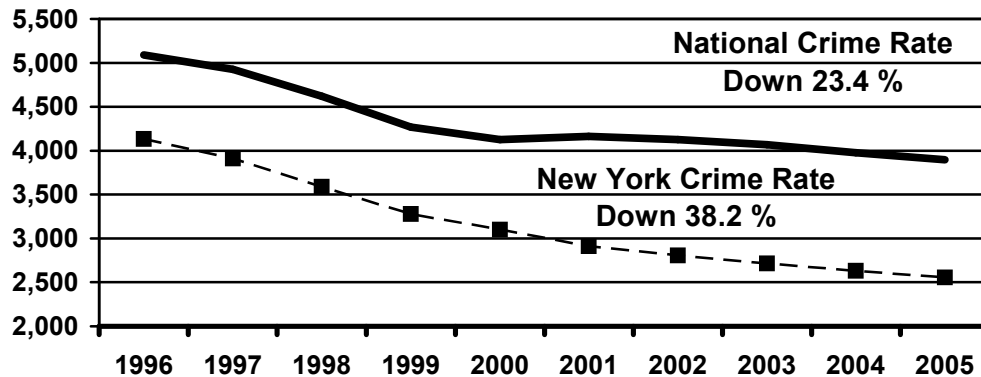


# OVERVIEW AND PERFORMANCE MEASURES

## CRIMINAL JUSTICE

Crime in New York has declined, as has crime in the nation as a whole. Yet, even as overall crime is down, upstate cities are experiencing higher rates of violent crime.

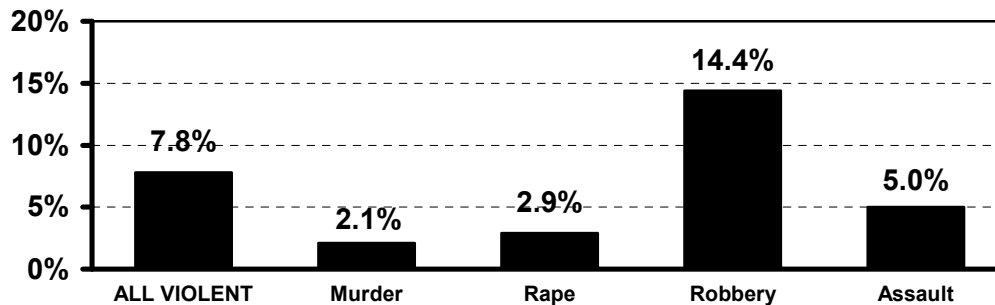
**Crime Rate  
per 100,000 Persons**



### FIGHTING CRIME IN UPSTATE COMMUNITIES

- **Local Crime-Fighting.** \$2 million in additional funding to fight crime in upstate communities where violent crime is on the rise.
- **Crime Data Sharing.** Funds will also be available to ensure the collection, analysis and sharing of crime data, which will allow the major law enforcement agencies to craft joint strategies that combat violent crime.

**Violent Crimes Outside of New York City  
2004 vs 2005**



## **CRIMINAL JUSTICE**

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### **RE-ENTRY STRATEGIES**

A major focus for New York's criminal justice agencies is re-entry strategies that reduce crime by promoting offender success in the community. To ensure our communities remain safe and offenders have the greatest chance of success upon re-entering their communities, the Executive Budget advances:

**1. Intensive Programs to Prepare Offenders**

- Existing facilities will be transformed into transitional centers, where an intensive focus on programming will prepare inmates for their return to the community.

**2. Close Supervision and Strong Support in the Community**

- Parole officers are the key to the success of offenders once they return to their communities. Accordingly, the Executive Budget provides the Division of Parole with additional resources to provide close supervision and strong support for parolees in the first weeks after prison.

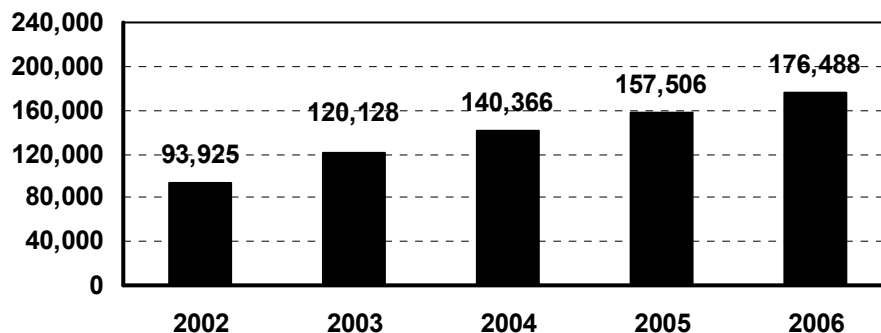
**3. Strong Linkages Between Prison and the Community**

- Local re-entry task forces will receive additional resources which will enable them to help those released from prison find the services they need in their communities, including connections to employment, treatment and housing.

### **DNA PROGRAM**

The State's DNA program enables law enforcement to solve and prevent crimes through the collection of DNA samples from crime scenes and offenders. State and local law enforcement agencies work together to ensure that DNA profiles are on file for all offenders convicted of eligible offenses, and that DNA samples are taken from crime scenes whenever possible. Currently there are more than 176,000 samples in the Databank, nearly 19,000 more than last year.

**DNA Databank Samples on File**



# ***DIVISION OF ALCOHOLIC BEVERAGE CONTROL***

## ***MISSION***

The Division of Alcoholic Beverage Control regulates and controls the manufacture, sale and distribution of alcoholic beverages within the State. The Division issues and renews licenses and permits to manufacturers, distributors, wholesalers and retailers; works with local law enforcement agencies and localities across the State to ensure compliance with the Alcoholic Beverage Control Law; and regulates trade and credit practices for the sale and distribution of alcoholic beverages.

## ***ORGANIZATION AND STAFFING***

The Division will have a workforce of 156 positions for 2007-08.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Executive Budget recommendations for 2007-08 provide approximately \$16.3 million in funding derived from license, permit fees, and fine revenue.

## ***PROGRAM HIGHLIGHTS***

Staff assigned to the Licensing Program are responsible for the timely processing of permits and licenses. In 2007-08, the Division will continue implementation of an information technology initiative allowing licensees to use the internet for electronic submission of price postings and increase on-line license and permit application filings.

ABC will also enhance its compliance activities during 2007-08 by expanding its cooperative efforts with local law enforcement agencies. The Division investigates complaints and the State Liquor Authority holds administrative hearings against permit and license holders that have violated the State liquor law. Penalties imposed for violations range from warnings to fines and license suspension or revocation, and penalties are increased significantly for repeat violators, to promote compliance with State liquor laws.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	15,738,000	16,338,000	600,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>15,738,000</b>	<b>16,338,000</b>	<b>600,000</b>	<b>0</b>

# ALCOHOLIC BEVERAGE CONTROL

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
Special Revenue Funds - Other	17	17	0
Compliance			
Special Revenue Funds - Other	71	71	0
Licensing and Wholesaler Services			
Special Revenue Funds - Other	68	68	0
Total	156	156	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
Special Revenue Funds - Other	15,738,000	16,338,000	600,000
Total	15,738,000	16,338,000	600,000

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
Special Revenue Funds - Other	4,389,000	4,527,000	138,000
Compliance			
Special Revenue Funds - Other	6,459,000	6,706,000	247,000
Licensing and Wholesaler Services			
Special Revenue Funds - Other	4,890,000	5,105,000	215,000
Total	15,738,000	16,338,000	600,000

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	4,527,000	138,000	1,190,000	45,000
Compliance	6,706,000	247,000	3,946,000	165,000
Licensing and Wholesaler Services	5,105,000	215,000	2,975,000	146,000
Total	16,338,000	600,000	8,111,000	356,000

Program	Nonpersonal Service	
	Amount	Change
Administration	3,337,000	93,000
Compliance	2,760,000	82,000
Licensing and Wholesaler Services	2,130,000	69,000
Total	8,227,000	244,000

# ***DEPARTMENT OF AUDIT AND CONTROL***

## ***MISSION***

The Department of Audit and Control was created in 1926 and is headed by the State Comptroller, who is elected by the people. The Department is responsible for paying the State's bills and payrolls; verifying all financial transactions of the State; reviewing the financial and management practices of State agencies; supervising the fiscal affairs of local governments; investing State funds and issuing bonds and notes; and administering the retirement program for State and most local government employees.

## ***ORGANIZATION AND STAFFING***

The operations of the Department of Audit and Control are organized into ten programs, with its main office in Albany and regional offices in New York City, Buffalo, Rochester, Syracuse, Binghamton, Glens Falls, Newburgh and Hauppauge. These regional offices function primarily as decentralized audit centers, providing financial review of the accounting of revenues collected and expenses incurred by counties, cities, towns and villages, school and fire districts and quasi-governmental entities. The Department will have a workforce of 2,484 positions for 2007-08.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The operating expenses of the Department are funded primarily with State tax dollars from the General Fund and with revenues from the Employee Retirement Systems. The Executive Budget recommends \$231 million for the Department's State Operations budget, including \$133 million, or 58 percent, in General Fund support.

Another 38 percent of the Department's State Operations budget will be supported in 2007-08 with the recommended \$89 million in funding from the Retirement Systems. Included in the funding for the Retirement Systems is \$5.4 million for the business process redesign of a legacy computer system and for additional personnel to implement new investment strategies. The remaining 4 percent of this budget will be funded with:

- \$5.8 million in payments made by the City of New York and certain businesses, which support the Department's costs associated with overseeing City finances and with administering an account related to oil spill cleanups;
- \$1.6 million in charges to the Retirement Systems for the Department's staff and other costs related to administering an internal auditing program; and
- \$1.8 million from investment earnings, which will finance checking and direct deposit costs of State government.

The Executive Budget Recommendation includes \$40 million in Aid to Localities for special accidental death benefits for the survivors of police and paid firefighters and \$80 million for indigent legal services.

## **AUDIT AND CONTROL**

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### **PROGRAM HIGHLIGHTS**

- The Executive Direction, Legal Services and Administrative and Data Processing Services programs are responsible for the public information, internal audit, fiscal research, data processing, financial administration, legal, office services, management analysis and human resource functions of the Department.
- The Payroll and Revenue Services program conducts pre-audits of the State payroll and manages two statewide revenue programs. Staff assigned to this program administer the Abandoned Property Law, which requires the timely transfer of abandoned property to the State from holders of the property, notification of the legal owners of the property and payment of all valid claims.
- The State Services program audits all State agency, State public authority and New York City government programs to evaluate their effectiveness and efficiency. Staff assigned to this program also conduct a pre-audit of all non-payroll State expenditures. In this capacity, the Department acts as the State's bookkeeper, recording all collected revenues in the appropriate accounts, and posting all payments. The Higher Education Services Corporation and the departments of Labor and Civil Service fund on-site auditors who monitor selected activities of those agencies.
- The Local Government Services and Economic Development program examines and standardizes fiscal reports and accounts of all governmental and quasi-governmental entities within the State, and monitors and makes recommendations on the fiscal condition of municipalities. Staff also audit school districts and boards of cooperative education, with a portion of these costs funded by the State Education Department. This program also processes revenues generated by the local courts and by the sale of licenses for bingo and games of chance. These revenues are deposited in the Justice Court Fund and are subsequently distributed to the State and localities to which the funds are owed.
- The Office of the State Deputy Comptroller for the City of New York assists the New York State Financial Control Board in carrying out and exercising the responsibilities assigned, and powers granted, to the Board by the Financial Emergency Act for the City of New York.
- The Retirement Services program administers the State Retirement Systems, consisting of the Employees' Retirement System, the Police and Fire Retirement System and the Public Employees' Group Life Insurance Plan. Currently, there are about 3,001 participating government employers, 653,291 active and vested members and approximately 342,245 pensioners and their beneficiaries.
- The Pension Investment and Public Finance program, in addition to overseeing the assets of the Retirement Systems, issues general obligation debt, invests short-term moneys for the State and local governments and selects financial institutions to provide banking services to the State.
- Under Chapter 845 of the Laws of 1977, the Comptroller administers the New York State Environmental Protection and Oil Spill Compensation Fund. Costs associated with cleaning up oil spills are paid from the fund upon certification of the Commissioner of Environmental Conservation. Moneys in this fund consist of receipts from a fee levied on each barrel of petroleum shipped into the State.



# AUDIT AND CONTROL

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	225,462,000	230,877,000	5,415,000	0
Aid To Localities	270,000,000	120,000,000	(150,000,000)	0
Capital Projects	0	0	0	0
Total	<u>495,462,000</u>	<u>350,877,000</u>	<u>(144,585,000)</u>	<u>0</u>

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administrative and Data Processing Services Program			
General Fund	334	334	0
Environmental Protection and Spill Compensation			
Special Revenue Funds - Other	6	6	0
Executive Direction			
General Fund	35	35	0
Internal Service Funds	13	13	0
Pension Investment and Public Finance Program			
General Fund	11	11	0
Fiduciary Funds	45	54	9
Legal Services			
General Fund	34	34	0
State Services Program			
General Fund	543	543	0
Special Revenue Funds - Federal	8	8	0
Internal Service Funds	11	11	0
Local Government Services and Economic Development Program			
General Fund	286	286	0
Payroll and Revenue Services			
General Fund	329	329	0
Office of the Special Deputy Comptroller for New York City			
Special Revenue Funds - Other	28	28	0
Retirement Services Program			
Fiduciary Funds	780	792	12
Total	<u>2,463</u>	<u>2,484</u>	<u>21</u>

# AUDIT AND CONTROL

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	133,052,000	133,052,000	0
Special Revenue Funds - Other	5,838,000	5,838,000	0
Internal Service Funds	3,487,000	3,487,000	0
Fiduciary Funds	83,085,000	88,500,000	5,415,000
Total	225,462,000	230,877,000	5,415,000

Adjustments:

Transfer(s) From	
Criminal Justice Services, Division of	
General Fund	(210,000)
Appropriated 2006-07	225,252,000

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administrative and Data Processing			
Services Program			
General Fund	31,249,000	31,249,000	0
Environmental Protection and Spill			
Compensation			
Special Revenue Funds - Other	1,006,000	1,006,000	0
Executive Direction			
General Fund	5,712,000	5,712,000	0
Internal Service Funds	1,647,000	1,647,000	0
Pension Investment and Public Finance			
Program			
General Fund	1,379,000	1,379,000	0
Internal Service Funds	1,840,000	1,840,000	0
Fiduciary Funds	7,248,000	8,162,000	914,000
Legal Services			
General Fund	3,616,000	3,616,000	0
State Services Program			
General Fund	45,750,000	45,750,000	0
Local Government Services and Economic			
Development Program			
General Fund	20,224,000	20,224,000	0
Special Revenue Funds - Other	545,000	545,000	0
Payroll and Revenue Services			
General Fund	25,122,000	25,122,000	0
Office of the Special Deputy Comptroller for			
New York City			
Special Revenue Funds - Other	4,287,000	4,287,000	0
Retirement Services Program			
Fiduciary Funds	75,837,000	80,338,000	4,501,000
Total	225,462,000	230,877,000	5,415,000

# AUDIT AND CONTROL

STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administrative and Data Processing				
Services Program	21,995,000	0	21,432,000	0
Executive Direction	5,046,000	0	4,703,000	0
Pension Investment and Public Finance				
Program	890,000	0	890,000	0
Legal Services	3,366,000	0	3,308,000	0
State Services Program	34,182,000	0	33,853,000	0
Local Government Services and Economic				
Development Program	18,163,000	0	17,971,000	0
Payroll and Revenue Services	16,196,000	0	15,725,000	0
Total	<u>99,838,000</u>	<u>0</u>	<u>97,882,000</u>	<u>0</u>

Program	Temporary Service (Nonannual Salaried)	
	Amount	Change
Administrative and Data Processing		
Services Program	563,000	0
Executive Direction	343,000	0
Pension Investment and Public Finance		
Program	0	0
Legal Services	58,000	0
State Services Program	329,000	0
Local Government Services and Economic		
Development Program	192,000	0
Payroll and Revenue Services	471,000	0
Total	<u>1,956,000</u>	<u>0</u>

# AUDIT AND CONTROL

**STATE OPERATIONS - GENERAL FUND**  
**SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED**  
**APPROPRIATIONS AND CHANGES**  
**2007-08 RECOMMENDED**  
**(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administrative and Data Processing				
Services Program	9,254,000	0	609,000	0
Executive Direction	666,000	0	74,000	0
Pension Investment and Public Finance				
Program	489,000	0	12,000	0
Legal Services	250,000	0	66,000	0
State Services Program	11,568,000	0	446,000	0
Local Government Services and Economic				
Development Program	2,061,000	0	91,000	0
Payroll and Revenue Services	8,926,000	0	265,000	0
Total	<u>33,214,000</u>	<u>0</u>	<u>1,563,000</u>	<u>0</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administrative and Data Processing				
Services Program	354,000	0	8,030,000	0
Executive Direction	91,000	0	474,000	0
Pension Investment and Public Finance				
Program	21,000	0	423,000	0
Legal Services	53,000	0	131,000	0
State Services Program	633,000	0	4,334,000	0
Local Government Services and Economic				
Development Program	1,156,000	0	760,000	0
Payroll and Revenue Services	228,000	0	6,277,000	0
Total	<u>2,536,000</u>	<u>0</u>	<u>20,429,000</u>	<u>0</u>

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Administrative and Data Processing		
Services Program	261,000	0
Executive Direction	27,000	0
Pension Investment and Public Finance		
Program	33,000	0
Legal Services	0	0
State Services Program	6,155,000	0
Local Government Services and Economic		
Development Program	54,000	0
Payroll and Revenue Services	2,156,000	0
Total	<u>8,686,000</u>	<u>0</u>

# AUDIT AND CONTROL

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Environmental Protection and Spill Compensation	1,006,000	0	512,000	0
Executive Direction	1,647,000	0	1,038,000	0
Pension Investment and Public Finance Program	10,002,000	914,000	4,542,000	613,000
Local Government Services and Economic Development Program	545,000	0	300,000	0
Office of the Special Deputy Comptroller for New York City	4,287,000	0	2,702,000	0
Retirement Services Program	80,338,000	4,501,000	38,307,000	952,000
Total	<u>97,825,000</u>	<u>5,415,000</u>	<u>47,401,000</u>	<u>1,565,000</u>

<u>Program</u>	<u>Nonpersonal Service</u>	
	<u>Amount</u>	<u>Change</u>
Environmental Protection and Spill Compensation	494,000	0
Executive Direction	609,000	0
Pension Investment and Public Finance Program	5,460,000	301,000
Local Government Services and Economic Development Program	245,000	0
Office of the Special Deputy Comptroller for New York City	1,585,000	0
Retirement Services Program	42,031,000	3,549,000
Total	<u>50,424,000</u>	<u>3,850,000</u>

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	190,000,000	40,000,000	(150,000,000)
Special Revenue Funds - Other	80,000,000	80,000,000	0
Total	<u>270,000,000</u>	<u>120,000,000</u>	<u>(150,000,000)</u>

Adjustments:			
Prior Year Deficiency			
Audit and Control, Department of			
General Fund	600,000		
Special Revenue Funds - Other	23,000,000		
Appropriated 2006-07	<u>293,600,000</u>		

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Executive Direction			
Special Revenue Funds - Other	80,000,000	80,000,000	0
State Services Program			
General Fund	40,000,000	40,000,000	0
Payroll and Revenue Services			
General Fund	150,000,000	0	(150,000,000)
Total	<u>270,000,000</u>	<u>120,000,000</u>	<u>(150,000,000)</u>



# ***DIVISION OF THE BUDGET***

## ***MISSION***

The Division of the Budget is responsible for assisting the Governor in the development of the Executive Budget and executes the budget as adopted by the Legislature. The Division also serves as the Governor's primary advisor on such fiscal matters as local government and public authority finances.

## ***ORGANIZATION AND STAFFING***

Located in Albany, the Division of the Budget operates under the direction of the Budget Director, who also serves as senior advisor to the Governor. The Division will maintain a workforce of 365 in 2007-08.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The 2007-08 Executive Budget recommends keeping Division of the Budget appropriations at the 2006-07 level of \$110.8 million.

Included in the total appropriations is \$1.5 million to improve the accountability and transparency of public authorities. These funds will support the activities and responsibilities of the Authority Budget Office, including conducting reviews and analysis of the operations, records and formation of public authorities, and assisting public authorities to comply with management and disclosure practices that are consistent with statutorily required principles of good corporate governance. This appropriation will also allow the Authority Budget Office to continue working with the Office of the State Comptroller on the development, implementation and maintenance of a public authority consolidated information and reporting system, which is scheduled to become operational this year. This system will provide the public with consistent and uniform information on public authority finances, debt schedules, property transactions and compensation practices. In addition, a portion of this funding may be transferred or sub-allocated to another State department or agency for the purpose of training members of public authority boards of directors in their legal, ethical, fiduciary and financial responsibilities, as required by the Public Authority Accountability Act of 2005.

Appropriations and reappropriations totaling \$90 million are also included to support the development of a financial system for the State, to be used by the Office of the State Comptroller, the Division of the Budget and State agencies. This new approach will integrate the State's financial transactions, improving the efficiency of government operations and providing detailed information on State finances from a single consolidated source. The system is expected to be phased in over several years. A plan to implement this statewide system will be developed and approved by the Director of the Budget and the State Comptroller.

# BUDGET

## PROGRAM HIGHLIGHTS

The Division's activities include:

- Establishing budget policy and agency direction;
- Providing fiscal policy advice in revenue and expenditure forecasting, budget process management and intergovernmental relations; and
- Coordinating the development and execution of State agency programs and budgets.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	110,761,000	110,761,000	0	40,000,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	110,761,000	110,761,000	0	40,000,000

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

#### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Budget Division			
General Fund	297	297	0
Special Revenue Funds - Other	33	33	0
Statewide Financial System Program			
Special Revenue Funds - Other	25	25	0
Public Authority Budget Office Program			
Special Revenue Funds - Other	10	10	0
Total	365	365	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	33,407,000	33,407,000	0
Special Revenue Funds - Other	75,704,000	75,704,000	0
Internal Service Funds	1,650,000	1,650,000	0
Total	110,761,000	110,761,000	0

Adjustments:

Transfer(s) From	
Budget, Division of the Internal Service Funds	(50,000,000)
Transfer(s) To	
Budget, Division of the Special Revenue Funds - Other	50,000,000
Executive Chamber General Fund	173,000
Appropriated 2006-07	110,934,000



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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Budget Division			
General Fund	29,407,000	29,407,000	0
Special Revenue Funds - Other	23,704,000	22,204,000	(1,500,000)
Internal Service Funds	1,650,000	1,650,000	0
Cash Management Improvement Act			
General Fund	4,000,000	4,000,000	0
Special Revenue Funds - Other	2,000,000	2,000,000	0
Statewide Financial System Program			
Special Revenue Funds - Other	50,000,000	50,000,000	0
Public Authority Budget Office Program			
Special Revenue Funds - Other	0	1,500,000	1,500,000
Total	<u>110,761,000</u>	<u>110,761,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Budget Division	23,456,000	0	22,756,000	0
Total	<u>23,456,000</u>	<u>0</u>	<u>22,756,000</u>	<u>0</u>

<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>		<b>Holiday/Overtime Pay (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Budget Division	500,000	0	200,000	0
Total	<u>500,000</u>	<u>0</u>	<u>200,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Budget Division	5,951,000	0	200,000	0
Cash Management Improvement Act	4,000,000	0	0	0
Total	<u>9,951,000</u>	<u>0</u>	<u>200,000</u>	<u>0</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Budget Division	200,000	0	4,251,000	(29,000)
Cash Management Improvement Act	0	0	4,000,000	0
Total	<u>200,000</u>	<u>0</u>	<u>8,251,000</u>	<u>(29,000)</u>

<b>Program</b>	<b>Equipment</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Budget Division	300,000	0	1,000,000	29,000
Cash Management Improvement Act	0	0	0	0
Total	<u>300,000</u>	<u>0</u>	<u>1,000,000</u>	<u>29,000</u>

# BUDGET

STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Budget Division	23,854,000	(1,500,000)	6,020,000	0
Cash Management Improvement Act	2,000,000	0	0	0
Statewide Financial System Program	50,000,000	0	2,000,000	2,000,000
Public Authority Budget Office Program	1,500,000	1,500,000	800,000	800,000
Total	<u>77,354,000</u>	<u>0</u>	<u>8,820,000</u>	<u>2,800,000</u>

<u>Program</u>	<u>Nonpersonal Service</u>		<u>Maintenance Undistributed</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Budget Division	17,684,000	(1,500,000)	150,000	0
Cash Management Improvement Act	0	0	2,000,000	0
Statewide Financial System Program	48,000,000	48,000,000	0	(50,000,000)
Public Authority Budget Office Program	700,000	700,000	0	0
Total	<u>66,384,000</u>	<u>47,200,000</u>	<u>2,150,000</u>	<u>(50,000,000)</u>

# **CAPITAL DEFENDER OFFICE**

## **MISSION**

Established simultaneously with the 1995 restoration of the death penalty, the Capital Defender Office is authorized to defend any indigent person charged with a capital crime. Under the 1995 death penalty legislation, persons convicted of first-degree murder could be sentenced to death by lethal injection, life imprisonment without parole, or 20 to 25 years in prison.

On June 24, 2004 the New York Court of Appeals determined that certain provisions of the death penalty statute were unconstitutional. The Court also directed that first degree murder charges could not proceed as capital cases absent the statute being repaired by the Legislature. As of the beginning of the 2007 session, the Legislature has not enacted a statute addressing the issues raised by the Court.

Nevertheless, the Capital Defender Office remains ready to act should the death penalty be restored, and will ensure that offenders who face the death penalty receive the full legal protection to which they are entitled under law.

## **ORGANIZATION AND STAFFING**

A three-member Board oversees the work of the Office. The Board members are appointed, one each by the Temporary President of the Senate, the Speaker of the Assembly and the Chief Judge of the Court of Appeals. The Office will have a staff of 7 located in offices in New York City and Albany.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Executive Budget recommendation provides a total of \$1.3 million in State tax dollars to fund the cost of providing death penalty defense in 2007-08. These funds will support the Office's staff attorneys, investigators and experts as well as legal aid societies and private attorneys appointed to represent indigent defendants in capital cases.

## **PROGRAM HIGHLIGHTS**

Since 1995, there have been a total of 877 capital-eligible cases and 58 notices of intent to seek the death penalty filed by the State's district attorneys. No notices were filed during 2005 and 2006. There is only one remaining death penalty case pending review by the Court of Appeals.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	6,600,000	1,300,000	(5,300,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	6,600,000	1,300,000	(5,300,000)	0

# CAPITAL DEFENDER

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

**Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Capital Defense			
General Fund	7	7	0
Total	<u>7</u>	<u>7</u>	<u>0</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	6,600,000	1,300,000	(5,300,000)
Total	<u>6,600,000</u>	<u>1,300,000</u>	<u>(5,300,000)</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Capital Defense			
General Fund	6,600,000	1,300,000	(5,300,000)
Total	<u>6,600,000</u>	<u>1,300,000</u>	<u>(5,300,000)</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Capital Defense	800,000	0	800,000	0
Total	<u>800,000</u>	<u>0</u>	<u>800,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Capital Defense	500,000	(5,300,000)	13,000	0
Total	<u>500,000</u>	<u>(5,300,000)</u>	<u>13,000</u>	<u>0</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Capital Defense	8,000	0	474,000	0
Total	<u>8,000</u>	<u>0</u>	<u>474,000</u>	<u>0</u>

<b>Program</b>	<b>Equipment</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Capital Defense	5,000	0	0	(5,300,000)
Total	<u>5,000</u>	<u>0</u>	<u>0</u>	<u>(5,300,000)</u>

# **DEPARTMENT OF CIVIL SERVICE**

## **MISSION**

In accordance with the Civil Service Law, the Department of Civil Service is charged with providing human resource management services to State and local governments.

## **ORGANIZATION AND STAFFING**

Based in Albany, the Department of Civil Service operates under the direction of a Commissioner appointed by the Governor. The Civil Service Commission, consisting of the Commissioner, who serves as its President, and two Commissioners appointed by the Governor. The Commission also acts as an appellate body responsible for reviewing determinations of the Department and the Director of Classification and Compensation. The Department's 2007-08 workforce of 543 reflects a reduction of 30 positions. These savings will be achieved through attrition by allowing another agency to perform selected administrative functions and consolidating similar examination-related functions within the Testing and Staffing divisions.

The responsibilities of the Department are carried out through eight divisions:

- The Division of Information Resource Management provides the Department's basic data, information and systems and has primary responsibility for implementation of the Department's technology projects;
- The Staffing Services Division provides State agencies with personnel recruitment and placement services. The Division coordinates the Department's response to agency personnel operations and develops and administers a variety of tests for State positions, including oral, training and experience and performance assessment tests;
- The Testing Services Division develops, administers and validates State and local written tests;
- The Division of Classification and Compensation determines appropriate job titles for agency functions and salary levels for existing and new positions;
- The Division of Personnel Services encompasses the Employee Benefits Division and the Employee Health Service. The Employee Benefits Division administers health, dental, life, vision, disability and accident benefit programs for State employees and participating local governments. Responsibilities include contracting with insurance companies and other vendors to deliver services, financial management of these programs, communicating plan provisions to subscribers, assisting enrollees in resolving disputed claims, maintaining enrollment information for over 1.2 million covered individuals and financial accounting for approximately \$5.9 billion in annual premiums through the New York Benefits Eligibility and Accounting System. The Employee Health Service is responsible for conducting and administering medical examinations and evaluations, work place nursing activities, and occupational health screenings and immunizations for NYS employees located in nursing stations throughout the State;
- The Municipal Service Division assists 101 local civil service agencies in classifying positions, interpreting laws and rules and, together with the Testing Division, providing selection devices and examinations;

## ***CIVIL SERVICE***

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- The Diversity Planning and Management Division approves and monitors affirmative action plans for State agencies, provides technical assistance and training in the achievement of cultural diversity in the work force and is also responsible for administering the Workers With Disabilities Program; and
- The Division of Administration provides leadership, management direction and support for the operating divisions of the Department, and is composed of units responsible for personnel, finance, legal, internal audit, planning and training functions.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Department is funded, in part, with tax dollars from the General Fund that supports approximately 35 percent of the Agency's operations. The remaining 65 percent of its operations are funded with payments from other agencies and governmental entities, most of which are made by employers participating in the New York State Health Insurance Program. The premiums paid by public employers are partially used to offset the Department's cost of administering the program. Similarly, the Department is reimbursed for testing and other services provided to State agencies whose operations are funded by special industry assessments. In addition, the Department is authorized to offset some operating costs through application fees for certain State and local examinations. State examination fees are imposed on many of the tests that are open to the general public. The Executive Budget recommends funding of \$63.2 million for the Department, which includes \$21.4 million in General Fund support and \$41.8 million in payments from other State agencies and public entities.

## ***PROGRAM HIGHLIGHTS***

In 2007-08, the Department will continue targeted investments in technology to improve their services to employees and retirees. MYSHIP, designed to allow employees to view information on their benefits, submit address change requests, and order Empire Plan ID cards via the Internet will be further enhanced. In addition, the Department will develop an Integrated Testing System (ITS) to enhance the quality and timeliness of test scoring, list certifications and employee placements.

Last year, the Department's Employee Benefits Division (EBD) achieved a reduction of \$131.5 million for Empire Plan subscribers through negotiated changes to the insurance companies requested initial 2007 premium, resulting in an aggregate 2007 Empire Plan premium increase of only 6.6 percent.

As a result of new Medicare Part D provisions effective January 1, 2006, EBD implemented procedures to continue prescription drug coverage under both the Empire Plan and HMOs for Medicare eligible retirees, while seeking the Federal subsidy to partially offset the cost of that coverage. Based on claims paid through August 2006, the Program has received \$72 million in the Medicare Part D subsidy. The State received approximately 50 percent of these subsidies, with the remaining half going to local participating agency and participating employers. Local agencies receive their subsidy share through a credit applied to their health insurance bill, while the State's share is deposited to a Special Revenue account.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	64,551,000	63,191,000	(1,360,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>64,551,000</b>	<b>63,191,000</b>	<b>(1,360,000)</b>	<b>0</b>

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

**Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration and Information Management			
General Fund	85	75	(10)
Special Revenue Funds - Other	5	5	0
Internal Service Funds	23	23	0
Local Civil Service			
General Fund	14	14	0
Labor Management Programs			
General Fund	17	17	0
Personnel Benefit Services			
General Fund	32	32	0
Internal Service Funds	158	158	0
Personnel Management Services			
General Fund	188	168	(20)
Internal Service Funds	51	51	0
<b>Total</b>	<b>573</b>	<b>543</b>	<b>(30)</b>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	22,791,000	21,431,000	(1,360,000)
Special Revenue Funds - Other	2,300,000	2,300,000	0
Internal Service Funds	39,460,000	39,460,000	0
<b>Total</b>	<b>64,551,000</b>	<b>63,191,000</b>	<b>(1,360,000)</b>

Adjustments:

Transfer(s) To	
Executive Chamber	
General Fund	45,000
Appropriated 2006-07	<u>64,596,000</u>

# CIVIL SERVICE

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration and Information			
Management			
General Fund	6,401,000	5,911,000	(490,000)
Internal Service Funds	3,269,000	3,269,000	0
Local Civil Service			
General Fund	1,046,000	1,046,000	0
Personnel Benefit Services			
General Fund	2,132,000	2,132,000	0
Special Revenue Funds - Other	300,000	300,000	0
Internal Service Funds	28,422,000	28,422,000	0
Personnel Management Services			
General Fund	13,212,000	12,342,000	(870,000)
Special Revenue Funds - Other	2,000,000	2,000,000	0
Internal Service Funds	7,769,000	7,769,000	0
Total	<u>64,551,000</u>	<u>63,191,000</u>	<u>(1,360,000)</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration and Information				
Management	5,215,000	(490,000)	5,212,000	(490,000)
Local Civil Service	1,014,000	0	1,013,000	0
Personnel Benefit Services	1,902,000	0	1,872,000	0
Personnel Management Services	10,042,000	(870,000)	9,139,000	(870,000)
Total	<u>18,173,000</u>	<u>(1,360,000)</u>	<u>17,236,000</u>	<u>(1,360,000)</u>

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration and Information				
Management	0	0	3,000	0
Local Civil Service	0	0	1,000	0
Personnel Benefit Services	28,000	0	2,000	0
Personnel Management Services	887,000	0	16,000	0
Total	<u>915,000</u>	<u>0</u>	<u>22,000</u>	<u>0</u>



# CIVIL SERVICE

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Information				
Management	696,000	0	45,000	0
Local Civil Service	32,000	0	6,000	0
Personnel Benefit Services	230,000	0	37,000	0
Personnel Management Services	2,300,000	0	168,000	0
Total	<u>3,258,000</u>	<u>0</u>	<u>256,000</u>	<u>0</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Information				
Management	32,000	0	539,000	0
Local Civil Service	11,000	0	15,000	0
Personnel Benefit Services	20,000	0	143,000	0
Personnel Management Services	171,000	0	1,938,000	0
Total	<u>234,000</u>	<u>0</u>	<u>2,635,000</u>	<u>0</u>

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Administration and Information		
Management	80,000	0
Local Civil Service	0	0
Personnel Benefit Services	30,000	0
Personnel Management Services	23,000	0
Total	<u>133,000</u>	<u>0</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Information				
Management	3,269,000	0	1,567,000	0
Personnel Benefit Services	28,722,000	0	9,817,000	0
Personnel Management Services	9,769,000	0	5,197,000	0
Total	<u>41,760,000</u>	<u>0</u>	<u>16,581,000</u>	<u>0</u>

<b>Program</b>	<b>Nonpersonal Service</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Information				
Management	1,702,000	0	0	0
Personnel Benefit Services	11,427,000	0	7,478,000	0
Personnel Management Services	4,572,000	0	0	0
Total	<u>17,701,000</u>	<u>0</u>	<u>7,478,000</u>	<u>0</u>



# CONSUMER PROTECTION BOARD

## MISSION

The Consumer Protection Board was created to protect and advance the rights of New York State's consumers. The Agency handles consumer complaints and mediates consumer disputes; promotes consumer education and fraud prevention; and represents consumers in utility rate cases. The Agency also advises the Governor on consumer issues and recommends legislative initiatives on consumer related matters.

## ORGANIZATION AND STAFFING

The Consumer Protection Board consists of three units: Consumer Assistance Unit, Law and Investigations Unit and Office of Strategic Programs. The Agency is located in Albany, with satellite offices in Rochester, Long Island, Newburgh, Utica and New York City. The Consumer Protection Board will have a workforce of 32 in 2007-08.

## FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

The Consumer Protection Board is financed entirely from non-taxpayer sources, primarily assessments on utilities operating within the State. The Executive Budget recommendation provides approximately \$4.4 million for the Consumer Protection Board for 2007-08, an increase of \$81,000, that will permit the Board to provide greater assistance in resolving consumer complaints and enhance consumer education programs.

## PROGRAM HIGHLIGHTS

The Office of Strategic Programs consists of the utility intervention and outreach information units. These units represent consumers in utility rate cases and develop and deliver informational programs on consumer related issues. The Consumer Assistance Unit mediates disputes between consumers and businesses. The Office of Law and Investigations researches and investigates consumer issues including potential violations of New York State's Motor Fuel Marketing Practices Act and enforces the No Telemarketing Sales Call Law.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available	Appropriations	Change	Reappropriations
	2006-07	Recommended 2007-08		Recommended 2007-08
State Operations	4,357,000	4,438,000	81,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>4,357,000</b>	<b>4,438,000</b>	<b>81,000</b>	<b>0</b>

# CONSUMER PROTECTION

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

**Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Consumer Protection			
Special Revenue Funds - Other	32	32	0
Total	<u>32</u>	<u>32</u>	<u>0</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Special Revenue Funds - Other	4,357,000	4,438,000	81,000
Total	<u>4,357,000</u>	<u>4,438,000</u>	<u>81,000</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Consumer Protection			
Special Revenue Funds - Other	4,357,000	4,438,000	81,000
Total	<u>4,357,000</u>	<u>4,438,000</u>	<u>81,000</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Consumer Protection	4,438,000	81,000	2,184,000	46,000
Total	<u>4,438,000</u>	<u>81,000</u>	<u>2,184,000</u>	<u>46,000</u>

<b>Program</b>	<b>Nonpersonal Service</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Consumer Protection	2,243,000	35,000	11,000	0
Total	<u>2,243,000</u>	<u>35,000</u>	<u>11,000</u>	<u>0</u>

# STATE COMMISSION OF CORRECTION

## MISSION

The State Commission of Correction regulates and oversees the operation and management of State and local correctional facilities. The Agency's role is to promote a safe, secure and stable correctional system and to provide for the accountability of corrections officials. As a result of legislation enacted in 1996, the Commission's role includes the oversight of secure youth facilities operated by the Office of Children and Family Services.

## ORGANIZATION AND STAFFING

The Commission is made up of three members appointed by the Governor, one of whom is designated Chair. The other Commissioners respectively chair the Citizens Policy and Complaint Review Council, which reviews grievances and complaints against correctional facilities, and the Medical Review Board, which investigates inmate deaths and oversees inmate health care services.

Regional teams of review specialists are responsible for visiting and inspecting local and State correctional facilities. They investigate unusual events at facilities, provide technical assistance to improve facility management and monitor facilities for compliance with standards and regulations. The agency will operate in 2007-08 with a staff of 35.

## FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

The Commission of Correction will be supported by approximately \$2.6 million in State tax dollars in 2007-08 .

## PROGRAM HIGHLIGHTS

The Commission monitors 70 State correctional facilities, 60 county jails, 16 New York City correctional facilities, 316 locally operated police department detention facilities throughout the State and 4 juvenile detention facilities operated by the Office of Children and Family Services. The agency also participates in the multi-agency Criminal Justice Systems Analysis Team (CJSAT) — operated in conjunction with the Division of Criminal Justice Services and the Division of Probation and Correctional Alternatives — to assist localities in analyzing operational issues in local correctional facilities.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	2,607,000	2,645,000	38,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	2,607,000	2,645,000	38,000	0

# CORRECTION

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

**Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Improvement of Correctional Facilities			
General Fund	32	35	3
Special Revenue Funds - Federal	3	0	(3)
Total	<u>35</u>	<u>35</u>	<u>0</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	2,607,000	2,645,000	38,000
Total	<u>2,607,000</u>	<u>2,645,000</u>	<u>38,000</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Improvement of Correctional Facilities			
General Fund	2,607,000	2,645,000	38,000
Total	<u>2,607,000</u>	<u>2,645,000</u>	<u>38,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Improvement of Correctional Facilities	2,164,000	25,000	2,144,000	25,000
Total	<u>2,164,000</u>	<u>25,000</u>	<u>2,144,000</u>	<u>25,000</u>

<b>Program</b>	<b>Holiday/Overtime Pay (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>
Improvement of Correctional Facilities	20,000	0
Total	<u>20,000</u>	<u>0</u>

# CORRECTION

STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Improvement of Correctional Facilities	481,000	13,000	16,000	0
Total	481,000	13,000	16,000	0

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Improvement of Correctional Facilities	166,000	5,000	291,000	8,000
Total	166,000	5,000	291,000	8,000

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Improvement of Correctional Facilities	8,000	0
Total	8,000	0





# **DEPARTMENT OF CORRECTIONAL SERVICES**

## **MISSION**

The Department of Correctional Services is responsible for the safe and secure confinement of convicted felons, and the preparation of these individuals for successful reintegration into the community upon release.

## **ORGANIZATION AND STAFFING**

The Department oversees the nation's fourth largest state prison system. With a staff of approximately 31,500 employees, the Department currently operates 70 institutions, grouped within nine regional hubs. Each correctional facility is managed by a Superintendent, who reports to the Commissioner. More than 21,000, or 68 percent, of the Department's staff are security personnel, with remaining personnel primarily dedicated to the delivery of inmate programs, health services or facility operations. The Department also operates the Willard Drug Treatment Campus in Seneca County, in cooperation with the Division of Parole and the Office of Alcoholism and Substance Abuse Services.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

For 2007-08 the Department will be supported by appropriations of \$2.9 billion. Recommendations account for the current and projected prison population and support the safe and efficient operation of the state prison system.

The Department's \$2.6 billion in operating expenses will be supported primarily by State tax dollars, which comprise 94 percent of the Department's operating budget. Nearly \$37 million in Federal funds offset the State cost of housing illegal alien felons, inmate education and substance abuse treatment. Another \$79.7 million is authorized for the operation of the Correctional Industries program, an inmate vocational program which produces commodities for sale to government agencies. Finally, \$300 million will support the Department's capital program.

As in the past, the recommended budget assumes the Department will continue to undertake actions to generate operating efficiencies. This year, the Department expects to focus on pursuing energy efficiency improvement projects which reduce energy utilization, streamlining business offices and other administrative practices, and exploring new ways to deliver health services in a more cost-effective manner.

## **PROGRAM HIGHLIGHTS**

Since peaking at 71,472 inmates in December 1999, the under-custody population has declined by over 8,000 inmates to a projection of approximately 63,400 under-custody inmates. Yet, the system continues to operate the same number of facilities.

## **CORRECTIONAL SERVICES**

Therefore, the Governor recommends the creation of a commission to examine how much prison capacity is needed. The Governor seeks an open, transparent process in which to evaluate current prison capacity and consider recommendations for closures, while allowing the opportunity for stakeholder input. No closures are expected in 2007-08, as the commission requires time to deliberate.

The Governor also seeks to begin a debate regarding the criminal sanctions and sentencing structure in New York. A second commission will consider sentencing reform, under a timeline that could allow recommendations concerning sentencing structure to impact recommendations by the first commission concerning changes to prison capacity and potential prison closures.

While these long-term reforms get underway, the Department will take immediate action to improve their programs aimed at preparing inmates for release from prison. The Department will transform existing facilities into transition centers, aimed at giving inmates the tools they need to succeed when released. The work release program will be a key component of this effort, providing inmates with the opportunity, prior to release, to work in a job in the community.

The Department will also strengthen its partnership with the Division of Parole. The two agencies will closely coordinate their efforts to prepare inmates for their transition to the community. A thorough assessment will be made of the roles and responsibilities of the two agencies, to ensure that resources are invested in programs that result in the best outcomes for both inmates and the community. Further, the Department will work with the Division of Parole to relieve local jails of alleged parole violators awaiting a hearing, placing them either in State prison or under increased community supervision.

In concert with the Office of Mental Health, the Department will proceed with targeted investments to expand and enhance services to prisoners with mental illness, featuring the development of a specialized residential mental health program – as an alternative to a Special Housing Unit placement – specifically for those with persistent mental illness.

The Department will also continue to offer a wide range of programs for inmates, aimed at reducing recidivism, including vocational training, sex offender and substance abuse treatment, and aggression management.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	2,730,181,000	2,609,712,000	(120,469,000)	36,800,000
Aid To Localities	6,000,000	6,000,000	0	6,000,000
Capital Projects	249,300,000	300,000,000	50,700,000	427,417,000
Total	<u>2,985,481,000</u>	<u>2,915,712,000</u>	<u>(69,769,000)</u>	<u>470,217,000</u>

# CORRECTIONAL SERVICES

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
General Fund	235	235	0
Special Revenue Funds - Federal	671	671	0
Enterprise Funds	11	11	0
Correctional Industries			
Internal Service Funds	474	474	0
Facilities Planning and Development			
Capital Projects Funds - Other	32	32	0
Health Services			
General Fund	1,946	1,972	26
Enterprise Funds	26	0	(26)
Program Services			
General Fund	3,272	3,314	42
Enterprise Funds	42	0	(42)
Supervision of Inmates			
General Fund	21,284	21,284	0
Support Services			
General Fund	3,574	3,521	(53)
Total	<u>31,567</u>	<u>31,514</u>	<u>(53)</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	2,560,201,000	2,447,404,000	(112,797,000)
Special Revenue Funds - Federal	35,700,000	36,800,000	1,100,000
Special Revenue Funds - Other	850,000	1,450,000	600,000
Enterprise Funds	59,322,000	44,347,000	(14,975,000)
Internal Service Funds	74,108,000	79,711,000	5,603,000
Total	<u>2,730,181,000</u>	<u>2,609,712,000</u>	<u>(120,469,000)</u>
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(375,518,000)		
Enterprise Funds	(276,000)		
Internal Service Funds	(2,863,000)		
Transfer(s) To			
Executive Chamber			
General Fund	40,000		
Appropriated 2006-07	<u>2,351,564,000</u>		

# CORRECTIONAL SERVICES

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
General Fund	27,517,000	27,314,000	(203,000)
Special Revenue Funds - Federal	35,700,000	36,800,000	1,100,000
Special Revenue Funds - Other	250,000	250,000	0
Enterprise Funds	2,082,000	2,682,000	600,000
Correctional Industries			
Internal Service Funds	74,108,000	79,711,000	5,603,000
Health Services			
General Fund	323,694,000	349,078,000	25,384,000
Enterprise Funds	2,613,000	0	(2,613,000)
Program Services			
General Fund	205,101,000	222,341,000	17,240,000
Special Revenue Funds - Other	100,000	100,000	0
Enterprise Funds	53,262,000	39,900,000	(13,362,000)
Supervision of Inmates			
General Fund	1,551,568,000	1,386,479,000	(165,089,000)
Support Services			
General Fund	452,321,000	462,192,000	9,871,000
Special Revenue Funds - Other	500,000	1,100,000	600,000
Enterprise Funds	1,365,000	1,765,000	400,000
Total	<u>2,730,181,000</u>	<u>2,609,712,000</u>	<u>(120,469,000)</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	15,663,000	193,000	15,549,000	154,000
Health Services	126,785,000	5,384,000	114,022,000	4,054,000
Program Services	175,811,000	4,817,000	159,308,000	3,920,000
Supervision of Inmates	1,361,452,000	(166,613,000)	1,281,017,000	(178,591,000)
Support Services	165,720,000	3,400,000	155,352,000	2,834,000
Total	<u>1,845,431,000</u>	<u>(152,819,000)</u>	<u>1,725,248,000</u>	<u>(167,629,000)</u>

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	0	0	114,000	39,000
Health Services	4,424,000	505,000	8,339,000	825,000
Program Services	12,537,000	620,000	3,966,000	277,000
Supervision of Inmates	15,071,000	7,895,000	65,364,000	4,083,000
Support Services	442,000	0	9,926,000	566,000
Total	<u>32,474,000</u>	<u>9,020,000</u>	<u>87,709,000</u>	<u>5,790,000</u>

# CORRECTIONAL SERVICES

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	11,651,000	(396,000)	503,000	(20,000)
Health Services	222,293,000	20,000,000	85,101,000	3,993,000
Program Services	46,530,000	12,423,000	12,362,000	2,440,000
Supervision of Inmates	25,027,000	1,524,000	12,210,000	1,290,000
Support Services	296,472,000	6,471,000	133,627,000	1,814,000
Total	601,973,000	40,022,000	243,803,000	9,517,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	446,000	(8,000)	7,844,000	(336,000)
Health Services	552,000	257,000	133,719,000	15,502,000
Program Services	703,000	223,000	30,067,000	8,768,000
Supervision of Inmates	4,057,000	583,000	8,002,000	1,328,000
Support Services	613,000	124,000	143,666,000	3,430,000
Total	6,371,000	1,179,000	323,298,000	28,692,000

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	858,000	(32,000)	2,000,000	0
Health Services	2,921,000	248,000	0	0
Program Services	3,398,000	992,000	0	0
Supervision of Inmates	758,000	(1,677,000)	0	0
Support Services	18,566,000	1,228,000	0	(125,000)
Total	26,501,000	759,000	2,000,000	(125,000)

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	39,732,000	1,700,000	33,327,000	1,000,000
Correctional Industries	79,711,000	5,603,000	26,108,000	384,000
Health Services	0	(2,613,000)	0	(2,364,000)
Program Services	40,000,000	(13,362,000)	0	(2,462,000)
Support Services	2,865,000	1,000,000	0	0
Total	162,308,000	(7,672,000)	59,435,000	(3,442,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	2,105,000	600,000	4,300,000	100,000
Correctional Industries	53,603,000	5,219,000	0	0
Health Services	0	(249,000)	0	0
Program Services	40,000,000	(10,900,000)	0	0
Support Services	2,865,000	1,000,000	0	0
Total	98,573,000	(4,330,000)	4,300,000	100,000

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

Fund Type	Available	Recommended	Change
	2006-07	2007-08	
General Fund	6,000,000	6,000,000	0
Total	6,000,000	6,000,000	0

# **CORRECTIONAL SERVICES**

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Support Services			
General Fund	6,000,000	6,000,000	0
Total	<u>6,000,000</u>	<u>6,000,000</u>	<u>0</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Maintenance and Improvement of Existing Facilities				
Special Conservation Activities Account	3,000,000	0	(3,000,000)	3,000,000
Correctional Facilities Capital Improvement Fund	246,300,000	300,000,000	53,700,000	424,417,000
Total	<u>249,300,000</u>	<u>300,000,000</u>	<u>50,700,000</u>	<u>427,417,000</u>

# **CRIME VICTIMS BOARD**

## **MISSION**

Since its establishment in 1966, the Crime Victims Board (CVB) has been the lead State agency in assisting persons who have been the victims of crime, particularly crimes of a violent nature.

The agency's principal mission is to provide financial assistance to victims for losses they suffer as a result of crime. The Board provides grants to local agencies, which assist witnesses and victims, and serves as the State's advocate for crime victims' rights, needs and interests.

## **ORGANIZATION AND STAFFING**

The Board consists of five members, appointed by the Governor to seven-year terms, who work full-time to administer the agency and to make final decisions on victim compensation awards. The Governor designates one member of the Board to be the Chair. The agency has primary offices in Albany and New York City and has a satellite office in Buffalo. Each office processes victim claims and provides grant program aid and advocacy services on a regional basis in support of the Board's mission. Including the five Board members, the agency will have 103 staff in 2007-08.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

During 2007-08, \$7.4 million will be spent to operate the agency. Approximately \$68 million in Federal aid and revenue from offenders will support compensation payments to victims, local grants to programs assisting victims with treatment and other services, and payments for forensic rape exams.

Funding is included to support CVB's efforts to further modernize its operations, thereby improving the timeliness of processing compensation claims from victims and their families.

## **PROGRAM HIGHLIGHTS**

The Crime Victims Board operates with three programs. The Payment to Victims Program compensates individual crime victims for crime-related losses. The Victim and Witness Assistance Program administers grants to local agencies. The Administration Program provides executive direction and administrative support to the agency, as well as advocacy services for crime victims.

The September 11<sup>th</sup> attacks on the World Trade Center in New York City were a catastrophic crime, which affected an unprecedented number of people in terms of deaths, injuries and loss of economic support. Although virtually all claims have been processed, the agency will continue to assist all victims of the World Trade Center attacks to meet medical, housing, employment, and counseling expenses.

## **PAYMENTS TO VICTIMS**

Over the past three years, the agency has processed, on average, more than 16,000 new claims annually from persons who may have suffered financial loss as the result of violent

## **CRIME VICTIMS**

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crime or, in the case of the elderly and disabled, any crime. Assistance is given for losses when no other source of compensation is available. Categories in which payments are made include medical expenses, lost wages due to work missed because of an injury, stolen or damaged essential personal property and the costs of counseling to relieve the traumatic effects of victimization. Surviving family members of a victim also may be eligible for these services, as well as reimbursement for funeral expenses for a crime victim.

### **VICTIM AND WITNESS ASSISTANCE**

The Crime Victims Board currently administers approximately 200 contracts with other State agencies, local governments, and not-for-profit agencies to provide direct services to crime victims and witnesses. A contract with the New York State Police supports victim advocates who help crime victims contact other law enforcement officials and various assistance programs. Similarly, the agency cooperates with the Department of Correctional Services to fund advocate positions and an automated victim information and notification system which keeps victims informed about the legal status of the offenders responsible for the crimes committed against them. Services provided by local not-for-profit agencies include crisis intervention, counseling and assistance in filing victim compensation applications.

### **ADVOCACY**

The agency is responsible by law to “coordinate State programs and activities relating to crime victims” and “to advise and assist the Governor in developing policies designed to recognize the legitimate rights, needs and interests of crime victims.” To that end, the agency provides legal and technical assistance to other State agencies and to local organizations involved with crime victims. In addition, the Crime Victims Board sponsors a bi-annual statewide conference on crime victim issues.

The State’s “Son of Sam Law” prevents convicted persons from profiting from their crimes, including the sale of publishing or film rights to their stories. Any such profits can, by law, be payable to the persons who were victims of the crimes. The agency is charged with notifying victims of a convicted person that a “Son of Sam” situation exists, and may also act on the victims’ behalf to prevent the profits from being spent or otherwise put beyond the reach of the victims while a recovery suit is pending.

#### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	7,134,000	7,448,000	314,000	0
Aid To Localities	68,114,000	68,034,000	(80,000)	52,303,000
Capital Projects	0	0	0	0
Total	<u>75,248,000</u>	<u>75,482,000</u>	<u>234,000</u>	<u>52,303,000</u>



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

**Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration			
General Fund	70	70	0
Special Revenue Funds - Federal	28	28	0
Special Revenue Funds - Other	5	5	0
Total	<u>103</u>	<u>103</u>	<u>0</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	4,282,000	4,596,000	314,000
Special Revenue Funds - Federal	1,925,000	1,925,000	0
Special Revenue Funds - Other	927,000	927,000	0
Total	<u>7,134,000</u>	<u>7,448,000</u>	<u>314,000</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Administration			
General Fund	4,282,000	4,596,000	314,000
Special Revenue Funds - Federal	1,925,000	1,925,000	0
Special Revenue Funds - Other	927,000	927,000	0
Total	<u>7,134,000</u>	<u>7,448,000</u>	<u>314,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	3,531,000	41,000	3,531,000	41,000
Total	<u>3,531,000</u>	<u>41,000</u>	<u>3,531,000</u>	<u>41,000</u>

# CRIME VICTIMS

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	1,065,000	273,000	23,000	2,000
Total	1,065,000	273,000	23,000	2,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	15,000	0	1,022,000	271,000
Total	15,000	0	1,022,000	271,000

Program	Equipment	
	Amount	Change
Administration	5,000	0
Total	5,000	0

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	2,852,000	0	1,831,000	482,000
Total	2,852,000	0	1,831,000	482,000

Program	Nonpersonal Service	
	Amount	Change
Administration	1,021,000	(482,000)
Total	1,021,000	(482,000)

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
Special Revenue Funds - Federal	36,523,000	36,523,000	0
Special Revenue Funds - Other	31,591,000	31,511,000	(80,000)
Total	68,114,000	68,034,000	(80,000)

Adjustments:

Transfer(s) To	
Criminal Justice Services, Division of	
Special Revenue Funds - Other	1,250,000
Appropriated 2006-07	69,364,000

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

Program	Available 2006-07	Recommended 2007-08	Change
Payment to Victims			
Special Revenue Funds - Federal	11,523,000	11,523,000	0
Special Revenue Funds - Other	24,000,000	24,000,000	0
Victim and Witness Assistance			
Special Revenue Funds - Federal	25,000,000	25,000,000	0
Special Revenue Funds - Other	7,591,000	7,511,000	(80,000)
Total	68,114,000	68,034,000	(80,000)

# ***DIVISION OF CRIMINAL JUSTICE SERVICES***

## ***MISSION***

The mission of the Division of Criminal Justice Services is to enhance public safety and improve criminal justice. The Division measures progress toward the overall goal of reducing crime, and tracks the effectiveness of both agency and systemwide criminal justice strategies designed to increase public safety.

## ***VISION***

The Division of Criminal Justice Services' strategic vision is to make New York the safest state in the nation.

## ***OPERATING HIGHLIGHTS***

- Operates the Statewide Automated Fingerprint Identification System which expedites access to information for local police departments.
- Manages more than 2,100 contracts totaling \$224 million in State and Federal funds to support statewide crime reduction strategies.
- Leads Operation IMPACT, supporting crime-fighting approaches in 17 upstate counties and certain high crime communities.
- Supports eJusticeNY, a secure communications network which provides law enforcement with essential operational support, such as criminal history information and offender photos.
- Maintains the Sex Offender Registry and the State DNA Databank.
- Provides technical support through training and crime analysis to law enforcement agencies to reduce crime throughout New York State.
- Operates the Missing and Exploited Children Clearinghouse and the Operation SAFE CHILD program.

## ***ENVIRONMENTAL CHALLENGES AND OPPORTUNITIES***

Through their strategic plan, the Division of Criminal Justice Services is meeting the challenge to:

- Continue lowering the crime rate in New York.
- Improve coordination among Federal, State, and local law enforcement agencies.
- Improve information available to help fight crime.
- Expand the use of technology to combat crime.

## ***KEY AGENCY STRATEGIES***

The Division of Criminal Justice Services will implement the following major strategies to accomplish its vision:

- Improve the effectiveness of statewide enforcement efforts.

## ***CRIMINAL JUSTICE SERVICES***

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- Improve offender management through technology and information-sharing systems.
- Expand public safety information and services.

### ***ACTIONS TO IMPLEMENT THE STRATEGIES***

The Division of Criminal Justice Services will pursue the following actions and innovations to implement the above key strategies:

#### ***Improve the Effectiveness of Statewide Enforcement Efforts.***

The 2007-08 Executive Budget invests \$2 million in additional funding to fight crime in upstate communities where violent crime is on the rise. Funds will also be available to ensure the collection, analysis and sharing of crime data, which will allow the major law enforcement agencies to craft joint strategies that combat violent crime. The Budget also maintains support for key programs aimed at targeting and reducing crime throughout the State, including Operation IMPACT, eJusticeNY and DNA processing. Management of the DNA Databank will be enhanced by the development of a new case management system.

<b>Action</b>	<b>Performance Goals</b>
<ul style="list-style-type: none"> <li>➤ Continue support for Operation IMPACT in the 17 counties outside of New York City who report the highest crime volume, and provide grants to other jurisdictions who are experiencing increases in violent crime</li> </ul>	<ul style="list-style-type: none"> <li>• Make New York the safest state in the country</li> </ul>
<ul style="list-style-type: none"> <li>➤ Expand access to eJusticeNY, a secure communications network for law enforcement</li> </ul>	<ul style="list-style-type: none"> <li>• 100 percent of all law enforcement agencies linked to and using the network</li> </ul>
<ul style="list-style-type: none"> <li>➤ Conduct 150 law enforcement training sessions for 6,000 officers annually through the Office of Public Safety</li> </ul>	<ul style="list-style-type: none"> <li>• All sessions evaluated by participants as excellent or very good</li> </ul>
<ul style="list-style-type: none"> <li>➤ Provide an efficient equipment repair and certification service to law enforcement through the Office of Public Safety</li> </ul>	<ul style="list-style-type: none"> <li>• Repair and certify 5,600 breathalyzers and speed enforcement devices annually within 3 days of receipt, with service ratings of excellent or very good</li> </ul>

#### ***Improve Offender Management Through Technology and Information-Sharing Systems.***

The 2007-08 Executive Budget provides support from the Fingerprint Identification and Technology Account to fully fund major criminal justice technology initiatives including a comprehensive case management system for sex offenders to enhance the existing Sex Offender Registry and provide improved information to the Division of Criminal Justice Services, the NYS Board of Examiners of Sex Offenders, and other agencies.

<b>Action</b>	<b>Performance Goals</b>
<ul style="list-style-type: none"> <li>➤ Provide timely, accurate criminal history information to law enforcement and civil customers</li> </ul>	<ul style="list-style-type: none"> <li>• Process 700,000 criminal and 500,000 civil prints annually; process electronically submitted prints within 3 hours of receipt</li> </ul>
<ul style="list-style-type: none"> <li>➤ Expand the number of agencies submitting fingerprint arrest records electronically</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the percent of criminal fingerprints submitted electronically from 85 to 100 percent</li> </ul>
<ul style="list-style-type: none"> <li>➤ Improve the Sex Offender Registry by improving the case management system</li> </ul>	<ul style="list-style-type: none"> <li>• Register all high risk sex offenders within one day of receipt of registration information; update public website photos of high risk sex offenders annually</li> </ul>

## CRIMINAL JUSTICE SERVICES

### **Expand Public Safety Information and Services.**

Implementation actions include expanding Operation SAFE CHILD and the inquiry capacity of the Sex Offender Registry.

Action	Performance Goals
<ul style="list-style-type: none"> <li>➤ Expand Operation SAFE CHILD through a partnership with 33 local law enforcement agencies</li> <li>➤ Provide the public with information on sex offenders by providing a 24 hour toll free phone service and operating a public website</li> </ul>	<ul style="list-style-type: none"> <li>• Expand the number of SAFE CHILD ID cards issued to 100,000 annually</li> <li>• Maintain a website that can respond to up to 20 million Sex Offender Registry inquiries annually, and staff the toll free line to respond to 250,000 public inquiries annually</li> </ul>

#### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	126,935,000	111,491,000	(15,444,000)	120,520,000
Aid To Localities	133,420,000	119,479,000	(13,941,000)	157,886,000
Capital Projects	0	0	0	0
Total	<u>260,355,000</u>	<u>230,970,000</u>	<u>(29,385,000)</u>	<u>278,406,000</u>

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

##### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
General Fund	102	102	0
Funding and Program Assistance			
General Fund	53	53	0
Special Revenue Funds - Federal	79	79	0
Special Revenue Funds - Other	4	4	0
Operation and Systems			
General Fund	381	398	17
Special Revenue Funds - Federal	29	23	(6)
Public Safety			
General Fund	55	55	0
Special Revenue Funds - Other	3	3	0
Total	<u>706</u>	<u>717</u>	<u>11</u>

# CRIMINAL JUSTICE SERVICES

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	52,575,000	62,342,000	9,767,000
Special Revenue Funds - Federal	51,710,000	23,000,000	(28,710,000)
Special Revenue Funds - Other	22,650,000	26,149,000	3,499,000
Total	126,935,000	111,491,000	(15,444,000)

Adjustments:

Transfer(s) To	
Audit and Control, Department of	
General Fund	210,000
Executive Chamber	
General Fund	122,000
Appropriated 2006-07	127,267,000

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
General Fund	14,025,000	14,855,000	830,000
Funding and Program Assistance			
General Fund	4,137,000	4,568,000	431,000
Special Revenue Funds - Federal	44,210,000	20,500,000	(23,710,000)
Special Revenue Funds - Other	500,000	899,000	399,000
Operation and Systems			
General Fund	30,913,000	38,987,000	8,074,000
Special Revenue Funds - Federal	7,500,000	2,500,000	(5,000,000)
Special Revenue Funds - Other	21,200,000	24,000,000	2,800,000
Public Safety			
General Fund	3,500,000	3,932,000	432,000
Special Revenue Funds - Other	950,000	1,250,000	300,000
Total	126,935,000	111,491,000	(15,444,000)

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	6,483,000	102,000	6,444,000	102,000
Funding and Program Assistance	4,011,000	431,000	4,002,000	431,000
Operation and Systems	18,433,000	1,264,000	18,351,000	1,264,000
Public Safety	3,354,000	432,000	3,310,000	432,000
Total	32,281,000	2,229,000	32,107,000	2,229,000

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	5,000	0	34,000	0
Funding and Program Assistance	0	0	9,000	0
Operation and Systems	0	0	82,000	0
Public Safety	0	0	44,000	0
Total	5,000	0	169,000	0

# CRIMINAL JUSTICE SERVICES

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	8,372,000	728,000	1,240,000	578,000
Funding and Program Assistance	557,000	0	110,000	0
Operation and Systems	20,554,000	6,810,000	408,000	0
Public Safety	578,000	0	145,000	0
Total	30,061,000	7,538,000	1,903,000	578,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	168,000	0	6,239,000	150,000
Funding and Program Assistance	150,000	0	261,000	0
Operation and Systems	228,000	0	18,693,000	6,810,000
Public Safety	247,000	0	156,000	0
Total	793,000	0	25,349,000	6,960,000

Program	Equipment	
	Amount	Change
Administration	725,000	0
Funding and Program Assistance	36,000	0
Operation and Systems	1,225,000	0
Public Safety	30,000	0
Total	2,016,000	0

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Funding and Program Assistance	21,399,000	(23,311,000)	5,450,000	(350,000)
Operation and Systems	26,500,000	(2,200,000)	0	0
Public Safety	1,250,000	300,000	0	0
Total	49,149,000	(25,211,000)	5,450,000	(350,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Funding and Program Assistance	649,000	149,000	15,300,000	(23,110,000)
Operation and Systems	0	0	26,500,000	(2,200,000)
Public Safety	0	0	1,250,000	300,000
Total	649,000	149,000	43,050,000	(25,010,000)

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	84,720,000	55,719,000	(29,001,000)
Special Revenue Funds - Federal	31,350,000	22,350,000	(9,000,000)
Special Revenue Funds - Other	17,350,000	41,410,000	24,060,000
Total	133,420,000	119,479,000	(13,941,000)

Adjustments:	
Transfer(s) From	
Crime Victims Board	
Special Revenue Funds - Other	(1,250,000)
Appropriated 2006-07	132,170,000

# **CRIMINAL JUSTICE SERVICES**

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Funding and Program Assistance			
General Fund	84,720,000	55,719,000	(29,001,000)
Special Revenue Funds - Federal	31,350,000	22,350,000	(9,000,000)
Special Revenue Funds - Other	17,350,000	41,410,000	24,060,000
Total	<u>133,420,000</u>	<u>119,479,000</u>	<u>(13,941,000)</u>



# **STATE BOARD OF ELECTIONS**

## **MISSION**

The New York State Board of Elections executes and enforces all laws relating to the elective franchise and oversees the disclosure of campaign financing and practices.

## **ORGANIZATION AND STAFFING**

The State Board of Elections is comprised of four commissioners, two chosen by each major political party. The Board administers provisions of the Election Law regarding campaign financial disclosure, including civil judgments levied for failure to file disclosure documents; oversees the petitioning process and certification of ballots; investigates allegations of criminal violations of the Election Law and recommends prosecution where warranted; and certifies electronic voting machines purchased by local Boards of Elections. The Board also assists County Boards of Elections by completing administrative reviews, assisting in resolving complaints and producing reports and recommendations. The Board will have a workforce of 83 in 2007-08.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Executive Budget recommends over \$7.2 million in General Fund support for the Board of Elections. Further, the Executive Budget provides appropriations and reappropriations totaling over \$250 million, from Federal funds, for the implementation of the Help America Vote Act. This combined funding will permit the Board to continue to carry out its various responsibilities related to the electoral process, including HAVA initiatives, the continued development of a local campaign report database, increased enforcement of campaign finance filings, as well as voter outreach activities and interaction with local Boards of Elections. New resources are recommended to strengthen investigations into local campaign funding practices.

## **PROGRAM HIGHLIGHTS**

Over the past 30 years, the scope of the Board's services has grown to include providing legal counsel to 62 County Boards of Election, administering registration efforts, providing technical assistance to administrators of elections, investigating violations of the Election Law and coordinating the State's responses to new Federal election requirements.

The Federal Help America Vote Act of 2002 provides Federal funding for State and local election related initiatives including modernizing voting machines, developing a statewide voter registration database, training poll workers, providing voter education and assuring accessibility for the disabled.

A priority of the Board remains the continued use of technology to provide services and information to local election boards and the public. Financial disclosure reports and election information on the Board's web site are accessed by an estimated 10 million requestors annually.

The Board will be called upon in 2007-08 to strengthen investigations into campaign financing. To facilitate this effort, 21 new positions have been added to the staff.

# ELECTIONS

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	8,688,000	15,830,000	7,142,000	24,000,000
Aid To Localities	17,000,000	18,500,000	1,500,000	217,000,000
Capital Projects	0	0	0	0
Total	25,688,000	34,330,000	8,642,000	241,000,000

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Investigations of Campaign Financing			
General Fund	0	21	21
Regulation of Elections			
General Fund	53	53	0
Special Revenue Funds - Federal	9	9	0
Total	62	83	21

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	4,688,000	7,230,000	2,542,000
Special Revenue Funds - Other	4,000,000	8,600,000	4,600,000
Total	8,688,000	15,830,000	7,142,000

Adjustments:

Prior Year Deficiency			
Elections, State Board of			
General Fund	500,000		
Recommended Deficiency			
Elections, State Board of			
Special Revenue Funds - Other	(3,800,000)		
Appropriated 2006-07	5,388,000		

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

Program	Available 2006-07	Recommended 2007-08	Change
Investigations of Campaign Financing			
General Fund	0	1,500,000	1,500,000
Regulation of Elections			
General Fund	4,688,000	5,730,000	1,042,000
Special Revenue Funds - Other	4,000,000	8,600,000	4,600,000
Total	8,688,000	15,830,000	7,142,000

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Investigations of Campaign Financing	1,000,000	1,000,000	1,000,000	1,000,000
Regulation of Elections	3,454,000	324,000	3,429,000	324,000
<b>Total</b>	<b>4,454,000</b>	<b>1,324,000</b>	<b>4,429,000</b>	<b>1,324,000</b>

<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>		<b>Holiday/Overtime Pay (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Investigations of Campaign Financing	0	0	0	0
Regulation of Elections	17,000	0	8,000	0
<b>Total</b>	<b>17,000</b>	<b>0</b>	<b>8,000</b>	<b>0</b>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Investigations of Campaign Financing	500,000	500,000	100,000	100,000
Regulation of Elections	2,276,000	718,000	150,000	0
<b>Total</b>	<b>2,776,000</b>	<b>1,218,000</b>	<b>250,000</b>	<b>100,000</b>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Investigations of Campaign Financing	50,000	50,000	250,000	250,000
Regulation of Elections	106,000	0	1,786,000	718,000
<b>Total</b>	<b>156,000</b>	<b>50,000</b>	<b>2,036,000</b>	<b>968,000</b>

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Investigations of Campaign Financing	100,000	100,000
Regulation of Elections	234,000	0
<b>Total</b>	<b>334,000</b>	<b>100,000</b>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Nonpersonal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Regulation of Elections	8,600,000	4,600,000	8,600,000	8,000,000
<b>Total</b>	<b>8,600,000</b>	<b>4,600,000</b>	<b>8,600,000</b>	<b>8,000,000</b>

<b>Program</b>	<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>
Regulation of Elections	0	(3,400,000)
<b>Total</b>	<b>0</b>	<b>(3,400,000)</b>

# ELECTIONS

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	5,000,000	0	(5,000,000)
Special Revenue Funds - Federal	12,000,000	18,500,000	6,500,000
Total	<u>17,000,000</u>	<u>18,500,000</u>	<u>1,500,000</u>

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Regulation of Elections			
General Fund	5,000,000	0	(5,000,000)
Special Revenue Funds - Federal	12,000,000	18,500,000	6,500,000
Total	<u>17,000,000</u>	<u>18,500,000</u>	<u>1,500,000</u>

# **OFFICE OF EMPLOYEE RELATIONS**

## **MISSION**

In accordance with the Public Employees' Fair Employment Act (the Taylor Law), the Office of Employee Relations (OER) represents the Governor in collective bargaining with public employee unions and directs the State's employee relations policies so that agencies and employees provide high quality, uninterrupted State government services.

## **ORGANIZATION AND STAFFING**

Located in Albany, OER is administered by a Director appointed by the Governor. OER will have a workforce of 70 positions for 2007-08. This staffing level will enable the agency to carry out its responsibilities for negotiating and implementing collective bargaining agreements.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

A total of \$6.9 million is recommended for the Office of Employee Relations, including a \$4.1 million General Fund appropriation. This funding will provide continued support for the Office's primary mission of negotiating and administering collective bargaining agreements.

Funding from the Office's other sources includes:

- \$2.6 million in charges to the Collective Bargaining Agreements to support statewide employee training and developmental programs and the cost of administering these agreements; and
- \$150,000 in Special Revenue appropriation is supported by charges to non-General Fund agencies, to reimburse the Office for providing training programs and collective bargaining services. These revenues also include payments from the National Association of State Directors of Employee Relations to support the operations of that organization.

## **PROGRAM HIGHLIGHTS**

The Office of Employee Relations represents the Governor in Executive Branch collective bargaining negotiations with nine public employee unions, assists State agencies in interpreting and administering the negotiated agreements and represents the State in hearings and arbitrations before the Public Employment Relations Board. The major focus of the agency during 2007-08 will be negotiating new collective bargaining agreements with almost all of the State employee unions.

The Office of Employee Relations is also charged with advancing sound labor management practices and improving productivity and innovation in the State's government's workforce. The Office works closely with State agencies and public employee unions to implement workforce changes smoothly. The Office is also responsible for offering statewide training programs to assist employees in improving and maintaining their skills.

# EMPLOYEE RELATIONS

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	6,969,000	6,866,000	(103,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	6,969,000	6,866,000	(103,000)	0

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Contract Negotiation and Administration			
General Fund	41	39	(2)
Internal Service Funds	27	27	0
Management Confidential Affairs			
General Fund	4	4	0
Total	72	70	(2)

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	4,020,000	4,129,000	109,000
Special Revenue Funds - Other	479,000	150,000	(329,000)
Internal Service Funds	2,470,000	2,587,000	117,000
Total	6,969,000	6,866,000	(103,000)

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

Program	Available 2006-07	Recommended 2007-08	Change
Contract Negotiation and Administration			
General Fund	3,572,000	3,660,000	88,000
Special Revenue Funds - Other	479,000	150,000	(329,000)
Internal Service Funds	2,470,000	2,587,000	117,000
Management Confidential Affairs			
General Fund	448,000	469,000	21,000
Total	6,969,000	6,866,000	(103,000)

## EMPLOYEE RELATIONS

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Contract Negotiation and Administration	3,386,000	88,000	3,376,000	88,000
Management Confidential Affairs	394,000	21,000	393,000	21,000
Total	<u>3,780,000</u>	<u>109,000</u>	<u>3,769,000</u>	<u>109,000</u>

<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>		<b>Holiday/Overtime Pay (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Contract Negotiation and Administration	10,000	0	0	0
Management Confidential Affairs	0	0	1,000	0
Total	<u>10,000</u>	<u>0</u>	<u>1,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Contract Negotiation and Administration	274,000	0	35,000	0
Management Confidential Affairs	75,000	0	3,000	0
Total	<u>349,000</u>	<u>0</u>	<u>38,000</u>	<u>0</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Contract Negotiation and Administration	31,000	0	208,000	0
Management Confidential Affairs	4,000	0	68,000	0
Total	<u>35,000</u>	<u>0</u>	<u>276,000</u>	<u>0</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Contract Negotiation and Administration	2,737,000	(212,000)	1,496,000	47,000
Total	<u>2,737,000</u>	<u>(212,000)</u>	<u>1,496,000</u>	<u>47,000</u>

<b>Program</b>	<b>Nonpersonal Service</b>	
	<b>Amount</b>	<b>Change</b>
Contract Negotiation and Administration	1,241,000	(259,000)
Total	<u>1,241,000</u>	<u>(259,000)</u>





# EXECUTIVE CHAMBER

## MISSION

The Executive Chamber is the Office of the Governor and includes the immediate staff that assists in managing State government.

## ORGANIZATION AND STAFFING

The Office of the Governor is located in the State Capitol in Albany and also has offices in New York City and Washington, D.C. This budget represents programs directly related to the Governor's Office and is supported by General Fund revenues.

## FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

The 2007-08 Executive Budget recommends a General Fund appropriation of \$20.6 million. This appropriation level supports Executive Chamber staff funded by other State agencies in 2006-07 and prior years. Given the Governor's commitment to increasing the transparency of State government, certain staff positions and related funding previously not reflected in the Executive Chamber budget have been included herein to more fully reflect the true cost of the Executive Chamber. The Executive Budget recommendation also includes \$2 million to support a rent increase expected for the New York City office.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available	Appropriations	Change	Reappropriations
	2006-07	Recommended 2007-08		Recommended 2007-08
State Operations	18,167,000	20,700,000	2,533,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	18,167,000	20,700,000	2,533,000	0

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07	2007-08	FTE Change
	Estimated FTEs 03/31/07	Estimated FTEs 03/31/08	
Executive Chamber			
General Fund	189	189	0
Total	189	189	0

# EXECUTIVE CHAMBER

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	18,067,000	20,600,000	2,533,000
Special Revenue Funds - Other	100,000	100,000	0
Total	18,167,000	20,700,000	2,533,000

### Adjustments:

#### Transfer(s) From

Budget, Division of the General Fund	(173,000)
Children and Family Services Office of General Fund	(108,000)
Civil Service, Department of General Fund	(45,000)
Correctional Services, Department of General Fund	(40,000)
Criminal Justice Services, Division of General Fund	(122,000)
Economic Development, Department of General Fund	(201,000)
Environmental Conservation, Department of General Fund	(109,000)
General Services, Office of General Fund	(235,000)
Health, Department of General Fund	(258,000)
Homeland Security, Office of General Fund	(176,000)
Housing and Community Renewal, Division of General Fund	(126,000)
Insurance Department Special Revenue Funds - Other	(143,000)
Judicial Commissions General Fund	(112,000)
Labor, Department of Special Revenue Funds - Other	(65,000)
Motor Vehicles, Department of Special Revenue Funds - Other	(74,000)
Parks, Recreation and Historic Preservation, Office of General Fund	(219,000)
Parole, Division of General Fund	(40,000)
State Police, Division of General Fund	(40,000)
State, Department of General Fund	(372,000)
Temporary and Disability Assistance, Office of General Fund	(314,000)

#### Transfer(s) To

General Services, Office of General Fund	21,000
Appropriated 2006-07	15,216,000

# EXECUTIVE CHAMBER

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Executive Chamber			
General Fund	18,067,000	20,600,000	2,533,000
Special Revenue Funds - Other	100,000	100,000	0
Total	<u>18,167,000</u>	<u>20,700,000</u>	<u>2,533,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Executive Chamber	14,650,000	428,000	14,250,000	418,000
Total	<u>14,650,000</u>	<u>428,000</u>	<u>14,250,000</u>	<u>418,000</u>

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Executive Chamber	200,000	5,000	200,000	5,000
Total	<u>200,000</u>	<u>5,000</u>	<u>200,000</u>	<u>5,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Supplies and Materials</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Executive Chamber	5,950,000	2,105,000	200,000	5,000
Total	<u>5,950,000</u>	<u>2,105,000</u>	<u>200,000</u>	<u>5,000</u>

<u>Program</u>	<u>Travel</u>		<u>Contractual Services</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Executive Chamber	400,000	10,000	4,800,000	2,083,000
Total	<u>400,000</u>	<u>10,000</u>	<u>4,800,000</u>	<u>2,083,000</u>

<u>Program</u>	<u>Equipment</u>		<u>Maintenance Undistributed</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Executive Chamber	250,000	7,000	300,000	0
Total	<u>250,000</u>	<u>7,000</u>	<u>300,000</u>	<u>0</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Maintenance Undistributed</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Executive Chamber	100,000	0	100,000	0
Total	<u>100,000</u>	<u>0</u>	<u>100,000</u>	<u>0</u>

**EXECUTIVE CHAMBER**

**OFFICE OF THE LIEUTENANT GOVERNOR**

In addition to assisting the Governor with other issues in 2007-08, the Lieutenant Governor will direct the Governor's Stem Cell and Innovation Fund proposal and oversee a comprehensive plan for minority- and women-owned businesses. The recommended General Fund appropriation for 2007-08 of \$1.4 million will fund the Lieutenant Governor's staff and operations.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	509,000	1,378,000	869,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>509,000</b>	<b>1,378,000</b>	<b>869,000</b>	<b>0</b>

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

**Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration			
General Fund	5	15	10
<b>Total</b>	<b>5</b>	<b>15</b>	<b>10</b>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	509,000	1,378,000	869,000
<b>Total</b>	<b>509,000</b>	<b>1,378,000</b>	<b>869,000</b>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Administration			
General Fund	509,000	1,378,000	869,000
<b>Total</b>	<b>509,000</b>	<b>1,378,000</b>	<b>869,000</b>

# EXECUTIVE CHAMBER

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	1,238,000	798,000	1,218,000	788,000
Total	1,238,000	798,000	1,218,000	788,000

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	10,000	5,000	10,000	5,000
Total	10,000	5,000	10,000	5,000

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	140,000	71,000	10,000	5,000
Total	140,000	71,000	10,000	5,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	65,000	31,000	50,000	30,000
Total	65,000	31,000	50,000	30,000

Program	Equipment	
	Amount	Change
Administration	15,000	5,000
Total	15,000	5,000



# **OFFICE OF GENERAL SERVICES**

## **MISSION**

The Office of General Services (OGS) manages and leases real property, designs and builds facilities, contracts for goods, services and technology, and delivers a wide array of support services. OGS aims to provide government and nonprofit agencies with innovative solutions, integrated service, and best value, enabling the State of New York to function optimally.

## **VISION**

The Office of General Services' strategic vision centers on:

- Keeping the physical and operational infrastructure for State government in optimal condition and delivering customer-focused services by sustaining preventive maintenance, prioritizing capital investments, enhancing project and portfolio management and providing improved security/safety systems;
- Reducing the cost of government and stimulating State and local economies through its real estate management, construction, and statewide procurement activities, including a new energy management agenda and environment-friendly initiatives;
- Positioning itself for long-term organizational effectiveness through efforts to make the Office an excellent place to work, including systematic staff development and succession management, computerization of business processes facilitated by a strengthened information technology infrastructure, and cooperative employee relations.

## **OPERATING HIGHLIGHTS**

The Office of General Services:

- Manages approximately 18 million square feet of interior space used by State agencies spread across 53 major and 77 ancillary buildings. Services include indoor and outdoor maintenance, heating, ventilation and cooling, office space planning and renovations, and security.
- Manages a portfolio of 590 leases, covering 14 million square feet of privately-owned office space used by State agencies, with annual rents in excess of \$233 million.
- Manages design and construction projects on behalf of State agencies (including OGS) with current portfolio values totaling approximately \$1.2 billion in design and \$880 million in construction.
- Manages more than 2,800 centralized procurement contracts, with a total purchasing value of approximately \$3.1 billion per year, used by State agencies, municipalities, and selected public authorities and nonprofit entities.
- Administers a wide variety of other facilities and programs serving State and local government agencies as well as the general public, including managing parking facilities across the State, events at the Empire State Plaza and its Convention Center, a donated foods program for local school districts, and providing administrative services to 14 State agencies.

## ***GENERAL SERVICES***

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### ***ENVIRONMENTAL CHALLENGES AND OPPORTUNITIES***

The lead issues currently confronting OGS are:

- **Scarcity and rising cost of energy resources combined with public concerns for environmental quality.** As a major consumer of energy, as well as a lead procurer and user of a vast range of equipment and products, OGS has an opportunity and obligation to pursue ways to conserve energy use, thereby reducing energy expenses, and minimize possible adverse environmental impacts from governmental operations.
- **Heightened threat of harm to governmental property, people, and information.** As a major building owner/operator, OGS must protect the personal safety of occupants and reduce the vulnerability of all assets to deliberate or accidental damage, while continuing to keep government accessible. OGS is pursuing planned upgrades to a host of physical and information technology systems, policies, and procedures, matched with safety awareness education for building operators, system users, and tenants.
- **Aging public buildings infrastructure.** Most OGS-managed facilities are over 30 years old, meaning that major components such as facades, roofs, operating systems, and grounds are in need of improvements, modernization, or total replacement. Continued preventive maintenance coupled with capital investments will avert extraordinary, unplanned repairs.
- **Complexity and competitiveness in government purchasing.** Contracts constitute a major OGS product. Supporting significant public spending, they can require months of effort for both buyers and sellers. OGS, State agencies, and vendors will all benefit from streamlined procurement procedures that can expedite the process without compromising the goals and principles of public procurement.
- **Fast pace of change in information technology industry and increased business requirements for information technology (IT).** OGS' information technology infrastructure and services are under great pressure to bridge the gap between the agency's business demands and systems capabilities, streamline data and applications, and safeguard information technology assets.

### ***KEY AGENCY STRATEGIES***

OGS will implement the following major strategies during the next three years to accomplish its vision:

- **Conserve energy use to minimize State energy expenditures.**
- **Improve building security systems and practices to reduce personal safety and property damage risks from accidental or malicious harm.**
- **Initiate a long-range maintenance and repair program focused on maintaining total facility integrity while preventing emergency replacement expenditures.**
- **Modernize methodologies used in centralized procurement contracting.**
- **Strengthen management and protection of the agency's information and technology assets.**
- **Provide administrative support for other agencies.**



**ACTIONS TO IMPLEMENT THE STRATEGIES**

OGS will pursue the following actions and innovations to implement the above key strategies:

***Conserve energy use to minimize State energy expenditures.***

Implementation actions include: arranging for structured growth in OGS’ purchase of green power; and establishing an energy management office to coordinate energy market analysis and develop innovative buying practices.

Action	Three-Year Performance Goals
<ul style="list-style-type: none"> <li>➤ Adjust energy buying practices to gradually incorporate green power purchases</li> <li>➤ Establish an energy management office with coordinative responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>• Increase OGS energy usage from renewable sources from the current projected level of 13% to 20% in 2009-10</li> <li>• Decrease OGS and statewide energy use by 35% from 1990 baseline</li> </ul>

***Improve building security systems and practices to reduce personal safety and property damage risks from accidental or malicious harm.***

Implementation actions include: a joint project with the Division of State Police that will enhance detection and security response capability in the Empire State Plaza by integrating the existing mix of security systems and expanding the use of the building access systems now employed throughout the Empire State Plaza to additional OGS-managed facilities.

Action	Three-Year Performance Goals
<ul style="list-style-type: none"> <li>➤ Integrate both physically and logically the multiple security systems installed in the Empire State Plaza</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce incident response time and achieve 86% tenant satisfaction with building safety/security</li> </ul>

***Initiate a long-range maintenance and repair program focused on maintaining total facility integrity while preventing emergency replacement expenditures.***

Implementation actions include: launching an initiative to preserve and protect the structural and functional integrity of the Empire State Plaza (ESP) by replacing the Plaza’s stone and marble facades and reconstructing its deck over a twenty-year period; and improving State office building indoor air quality through ventilation systems projects and building staff and tenant education.

Action	Three-Year Performance Goals
<ul style="list-style-type: none"> <li>➤ Develop and pursue a 20-year capital program to replace the exterior surfaces of the Empire State Plaza</li> <li>➤ Implement indoor air quality improvement plan throughout OGS’ building portfolio</li> </ul>	<ul style="list-style-type: none"> <li>• Achieve top condition rating for building facades for 7% of ESP in 2009-10</li> <li>• Eliminate emergencies and accidents resulting from façade failures</li> <li>• Improve tenant satisfaction with air quality in OGS buildings from 54% currently to 62% or better in 2009-10</li> </ul>

## **GENERAL SERVICES**

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### ***Modernize methodologies used in centralized procurement contracting.***

Implementation actions include: building on the agency's recent success in reducing spending by coordinating large multi-agency aggregated purchases of computer and related technology components; and using technology to systematize and simplify the work steps involved in bidding, establishing and monitoring State procurement contracts.

<b>Action</b>	<b>Three-Year Performance Goals</b>
<ul style="list-style-type: none"> <li>➤ Expand use of the aggregated buy method</li> </ul>	<ul style="list-style-type: none"> <li>• Increase annual savings from statewide aggregated purchasing from \$23 million currently to \$25 million in 2009-10</li> </ul>
<ul style="list-style-type: none"> <li>➤ Further automate procurement and contract management activities</li> </ul>	<ul style="list-style-type: none"> <li>• Improve proportion of contracts with continuous coverage from 47% currently to 80% or better in 2009-10</li> </ul>

### ***Strengthen management and protection of the agency's information and technology assets.***

Implementation actions include: establishing a five-year requirements plan that enables strategic and proactive advancement of the agency's total IT portfolio; transitioning the Office's technical infrastructure to technology that enables more efficient operation and storage; implementing a robust plan for disaster recovery and business continuity; and reinforcing current staff capacity directed toward maintaining, updating, and enhancing the agency's hardware and software.

<b>Action</b>	<b>Three-Year Performance Goals</b>
<ul style="list-style-type: none"> <li>➤ Design and implement a multi-year, comprehensive resource requirements planning process for OGS IT infrastructure and services, aligned with the State CIO direction</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce unplanned IT projects (over \$100,000) from 10 to fewer than five in 2009-10</li> </ul>
<ul style="list-style-type: none"> <li>➤ Migrate to new technical infrastructure on which to run the agency's computer applications, complementing statewide IT infrastructure plans</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce number of servers by 41%, from 119 currently to 70 in 2008-09</li> <li>• Improve overall system reliability from 99.88% currently to 99.99%</li> </ul>
<ul style="list-style-type: none"> <li>➤ Develop and implement IT disaster recovery/business continuity</li> </ul>	<ul style="list-style-type: none"> <li>• Initiate an off-site replication of critical computer applications to achieve 100% replication by 2008-09</li> </ul>
<ul style="list-style-type: none"> <li>➤ Add capacity for performing IT hardware/software maintenance, updates and enhancements</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce number of known critical vulnerabilities in OGS IT production environment to industry standard or better</li> </ul>

### ***Provide administrative support for other agencies.***

Implementation action includes establishing service level agreements with performance goals to be agreed upon by OGS and the hosted agencies.

<b>Action</b>	<b>Three-Year Performance Goals</b>
<ul style="list-style-type: none"> <li>➤ Assure processing times for hosted agencies are held to the same standards as OGS</li> </ul>	<ul style="list-style-type: none"> <li>• Sustain 100% of administrative processes meeting established process time benchmark</li> </ul>

# GENERAL SERVICES

## ALL FUNDS APPROPRIATIONS (dollars)

<u>Category</u>	<u>Available 2006-07</u>	<u>Appropriations Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations Recommended 2007-08</u>
State Operations	373,084,000	405,254,000	32,170,000	19,230,000
Aid To Localities	0	0	0	0
Capital Projects	124,445,000	80,000,000	(44,445,000)	269,243,000
Total	<u>497,529,000</u>	<u>485,254,000</u>	<u>(12,275,000)</u>	<u>288,473,000</u>

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

### Full-Time Equivalent Positions (FTE)

<u>Program</u>	<u>2006-07 Estimated FTEs 03/31/07</u>	<u>2007-08 Estimated FTEs 03/31/08</u>	<u>FTE Change</u>
Design and Construction			
Internal Service Funds	420	420	0
Executive Direction			
General Fund	113	113	0
Internal Service Funds	26	26	0
Procurement Services			
General Fund	161	161	0
Special Revenue Funds - Other	18	18	0
Internal Service Funds	78	78	0
Real Property Management and Development			
General Fund	819	819	0
Special Revenue Funds - Other	55	55	0
Enterprise Funds	12	12	0
Internal Service Funds	49	49	0
Total	<u>1,751</u>	<u>1,751</u>	<u>0</u>

# GENERAL SERVICES

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	156,463,000	157,078,000	615,000
Special Revenue Funds - Federal	7,730,000	8,230,000	500,000
Special Revenue Funds - Other	16,446,000	22,446,000	6,000,000
Enterprise Funds	1,921,000	1,976,000	55,000
Internal Service Funds	190,274,000	215,274,000	25,000,000
Fiduciary Funds	250,000	250,000	0
Total	373,084,000	405,254,000	32,170,000

### Adjustments:

Prior Year Deficiency			
General Services, Office of			
General Fund	16,595,000		
Transfer(s) From			
Executive Chamber			
General Fund	(21,000)		
General Services, Office of			
Enterprise Funds	(200,000)		
Transfer(s) To			
Executive Chamber			
General Fund	235,000		
General Services, Office of			
Special Revenue Funds - Other	200,000		
Judiciary			
General Fund	1,450,000		
Appropriated 2006-07	391,343,000		

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Design and Construction			
Internal Service Funds	54,027,000	59,027,000	5,000,000
Executive Direction			
General Fund	13,119,000	13,166,000	47,000
Special Revenue Funds - Other	1,217,000	1,217,000	0
Enterprise Funds	34,000	89,000	55,000
Internal Service Funds	95,293,000	95,293,000	0
Procurement Services			
General Fund	11,624,000	11,693,000	69,000
Special Revenue Funds - Federal	7,730,000	8,230,000	500,000
Special Revenue Funds - Other	6,034,000	5,034,000	(1,000,000)
Internal Service Funds	22,945,000	42,945,000	20,000,000
Real Property Management and			
Development			
General Fund	131,720,000	132,219,000	499,000
Special Revenue Funds - Other	9,195,000	16,195,000	7,000,000
Enterprise Funds	1,887,000	1,887,000	0
Internal Service Funds	18,009,000	18,009,000	0
Fiduciary Funds	250,000	250,000	0
Total	373,084,000	405,254,000	32,170,000

# GENERAL SERVICES

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Executive Direction	6,805,000	47,000	6,774,000	47,000
Procurement Services	9,929,000	69,000	9,899,000	69,000
Real Property Management and Development	39,396,000	345,000	33,717,000	345,000
Total	<u>56,130,000</u>	<u>461,000</u>	<u>50,390,000</u>	<u>461,000</u>

<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>		<b>Holiday/Overtime Pay (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Executive Direction	0	0	31,000	0
Procurement Services	0	0	30,000	0
Real Property Management and Development	2,518,000	0	3,161,000	0
Total	<u>2,518,000</u>	<u>0</u>	<u>3,222,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Executive Direction	6,361,000	0	172,000	0
Procurement Services	1,764,000	0	35,000	0
Real Property Management and Development	92,823,000	154,000	7,101,000	37,000
Total	<u>100,948,000</u>	<u>154,000</u>	<u>7,308,000</u>	<u>37,000</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Executive Direction	50,000	0	5,897,000	0
Procurement Services	44,000	0	1,579,000	0
Real Property Management and Development	198,000	0	82,933,000	59,000
Total	<u>292,000</u>	<u>0</u>	<u>90,409,000</u>	<u>59,000</u>

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Executive Direction	242,000	0
Procurement Services	106,000	0
Real Property Management and Development	2,591,000	58,000
Total	<u>2,939,000</u>	<u>58,000</u>

# GENERAL SERVICES

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Design and Construction	59,027,000	5,000,000	26,500,000	2,383,000
Executive Direction	96,599,000	55,000	2,013,000	0
Procurement Services	56,209,000	19,500,000	4,312,000	0
Real Property Management and Development	36,341,000	7,000,000	5,755,000	0
Total	248,176,000	31,555,000	38,580,000	2,383,000

Program	Nonpersonal Service	
	Amount	Change
Design and Construction	32,527,000	2,617,000
Executive Direction	94,586,000	55,000
Procurement Services	51,897,000	19,500,000
Real Property Management and Development	30,586,000	7,000,000
Total	209,596,000	29,172,000

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

Comprehensive Construction Program	Available 2006-07	Recommended 2007-08	Change	Reappropriations 2007-08
Design and Construction Supervision Capital Projects Fund	12,600,000	12,600,000	0	22,420,000
Maintenance and Improvement of Real Property Facilities				
Capital Projects Fund	86,045,000	57,400,000	(28,645,000)	221,031,000
Capital Projects Fund - Advances	5,800,000	0	(5,800,000)	5,792,000
Capital Projects Fund - Authority Bonds	20,000,000	10,000,000	(10,000,000)	20,000,000
Total	124,445,000	80,000,000	(44,445,000)	269,243,000

# **OFFICE OF HOMELAND SECURITY**

## **MISSION**

The Office of Homeland Security is responsible for the development and implementation of a comprehensive statewide strategy to detect, protect against and respond to terrorist threats and events. Established as a permanent office by anti-terror legislation enacted in July 2004, the Office maintains strong partnerships with relevant State and local agencies, as well as Federal security-related agencies including the Department of Homeland Security. Among its responsibilities are assessments of vulnerability of critical assets, systems and material; policy development; the allocation of Federal homeland security and related funds; cyber readiness and the prevention and detection of cyber events. Additionally, the Office is required to coordinate the collection and dissemination of counter-terrorism information, as well as the development and implementation of a statewide strategy for disaster preparedness training.

## **ORGANIZATION AND STAFFING**

The Office of Homeland Security has its permanent office in Albany with a satellite office in New York City. The Director, appointed by the Governor, provides counsel on counter-terrorism affairs and coordinates a myriad of activities with Federal, state, and local organizations to better prepare the state to respond to threats and terrorist-related incidents. The Office has two programs, Administration and Cyber Security, and will have a workforce of 184 in 2007-08.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2007-08 Executive Budget provides \$22.4 million for the operation of the Office. In addition, Federal funds anticipated from the State Homeland Security Grant and Urban Area Security Initiative programs will continue to be appropriated under the auspices of the Office. This reflects the Office's leadership role in maximizing Federal funding and ensuring distribution of that funding in an effective manner which supports the State's comprehensive security strategy.

## **PROGRAM HIGHLIGHTS**

Since its creation, the Office has pursued a comprehensive, coordinated strategy for domestic counter-terrorism preparedness in the State. Agencies and organizations from each jurisdictional level, and representing various disciplines, have been brought together to formulate and implement a comprehensive approach to public security for New York.

The Office has implemented a Counter-Terrorism Network, the first of its kind in the nation. The network is used to notify local law enforcement and other government agencies of terrorism and security-related alerts. The Office's Critical Infrastructure Assessment Teams are also conducting security assessments of critical infrastructure in New York State, including large scale reviews of security measures at energy generation and transmission plants, chemical, and general aviation facilities.

## ***HOMELAND SECURITY***

The Office of Cyber Security has developed a comprehensive cyber security strategy that includes the private sector along with local and Federal jurisdictions. The Office chairs the Public/Private Sector Cyber Security Workgroup, and continues to play a leadership role in coordinating the Multi-State Information Sharing and Analysis Center. This Center facilitates communication among 11 northeastern states regarding cyber readiness and response efforts, and is the primary point of contact between those states and the Federal government on cyber security issues. These efforts have been lauded by the Federal Department of Homeland Security as exemplary.

Further, State Information Security policy is being implemented, with the Office of Cyber Security providing technical assistance and monitoring critical segments of the State's information technology infrastructure. Cyber Security is also completing a four-year project to provide digital imagery of the entire state, which will assist State and local government in emergency response, local planning, E911 and watershed and coastal management. Similarly, Cyber Security provides State agencies with access to cyber-intrusion detection services and contracts.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	17,591,000	22,425,000	4,834,000	210,388,000
Aid To Localities	360,000,000	350,000,000	(10,000,000)	700,000,000
Capital Projects	0	0	0	0
<b>Total</b>	<b>377,591,000</b>	<b>372,425,000</b>	<b>(5,166,000)</b>	<b>910,388,000</b>

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

<b>Program</b>	<b>Full-Time Equivalent Positions (FTE)</b>		
	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
	Administration		
General Fund	79	108	29
Cyber Security and Critical Infrastructure Coordination Program			
Special Revenue Funds - Federal	4	4	0
Special Revenue Funds - Other	40	42	2
Homeland Security Program			
Special Revenue Funds - Federal	30	30	0
<b>Total</b>	<b>153</b>	<b>184</b>	<b>31</b>



# HOMELAND SECURITY

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	8,673,000	11,382,000	2,709,000
Special Revenue Funds - Other	7,418,000	9,543,000	2,125,000
Internal Service Funds	1,500,000	1,500,000	0
Total	<u>17,591,000</u>	<u>22,425,000</u>	<u>4,834,000</u>
Adjustments:			
Transfer(s) To			
Executive Chamber			
General Fund	176,000		
Appropriated 2006-07	<u>17,767,000</u>		

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
General Fund	8,673,000	11,382,000	2,709,000
Cyber Security and Critical Infrastructure Coordination Program			
Special Revenue Funds - Other	7,418,000	9,543,000	2,125,000
Internal Service Funds	1,500,000	1,500,000	0
Total	<u>17,591,000</u>	<u>22,425,000</u>	<u>4,834,000</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	4,223,000	1,099,000	3,877,000	937,000
Total	<u>4,223,000</u>	<u>1,099,000</u>	<u>3,877,000</u>	<u>937,000</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	280,000	131,000	66,000	31,000
Total	<u>280,000</u>	<u>131,000</u>	<u>66,000</u>	<u>31,000</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	7,159,000	1,610,000	1,197,000	700,000
Total	<u>7,159,000</u>	<u>1,610,000</u>	<u>1,197,000</u>	<u>700,000</u>

Program	Contractual Services		Equipment	
	Amount	Change	Amount	Change
Administration	4,914,000	910,000	1,048,000	0
Total	<u>4,914,000</u>	<u>910,000</u>	<u>1,048,000</u>	<u>0</u>

# **HOMELAND SECURITY**

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Cyber Security and Critical Infrastructure Coordination Program	11,043,000	2,125,000	2,839,000	50,000
Total	<u>11,043,000</u>	<u>2,125,000</u>	<u>2,839,000</u>	<u>50,000</u>

<b>Program</b>	<b>Nonpersonal Service</b>	
	<b>Amount</b>	<b>Change</b>
Cyber Security and Critical Infrastructure Coordination Program	8,204,000	2,075,000
Total	<u>8,204,000</u>	<u>2,075,000</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Special Revenue Funds - Federal	360,000,000	350,000,000	(10,000,000)
Total	<u>360,000,000</u>	<u>350,000,000</u>	<u>(10,000,000)</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Homeland Security Program Special Revenue Funds - Federal	360,000,000	350,000,000	(10,000,000)
Total	<u>360,000,000</u>	<u>350,000,000</u>	<u>(10,000,000)</u>

# **OFFICE OF THE STATE INSPECTOR GENERAL**

## **MISSION**

The Office of the State Inspector General is responsible for detecting, investigating, eliminating and deterring fraud, corruption, criminal activity, conflicts of interest and abuse in State government. Its mission is designed to ensure that State government maintains the highest standards of integrity and accountability.

## **ORGANIZATION AND STAFFING**

Chapter 766 of the Laws of 2006 permanently established in statute the Office of the State Inspector General. The statute formally consolidated most of the State's inspector general activities in a single office that replaced what were formerly separate, semi-independent deputy inspectors general based in the agencies they served. Led by the Inspector General who is appointed by the Governor, the Office is headquartered in Albany and has offices in New York City and Buffalo. The Office will have a workforce of 70 in 2007-08.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2007-08 Executive Budget recommendations provide over \$7 million in State tax dollar support to meet the demands of increasingly sophisticated investigations of alleged fraudulent activity within State government.

## **PROGRAM HIGHLIGHTS**

The Office of the State Inspector General has handled more than 9,950 complaints of fraud, criminal activity, waste and abuse involving State employees and resources. The Office focuses its investigative efforts on major cases involving theft, bribery, contract fraud, abuse of authority and other serious allegations of corruption. Currently, the Agency's investigators are working jointly with local, State and Federal law enforcement personnel and prosecutors on significant matters of public concern.

The Office's investigations have uncovered instances of theft, bid rigging, bribery, creation of fraudulent documents, misuse of computers, narcotics trafficking and sexual assault and have resulted in the arrest of more than over 500 individuals, and referrals for discipline in numerous other cases. In addition, many cases have resulted in recommendations for administrative or policy changes. Equally important, the Office's investigations have, in many instances, cleared agencies and individuals of allegations that were unfounded or unsubstantiated.

# STATE INSPECTOR GENERAL

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	7,015,000	7,015,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	7,015,000	7,015,000	0	0

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Inspector General			
General Fund	50	70	20
Special Revenue Funds - Other	20	0	(20)
Total	70	70	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	4,779,000	6,915,000	2,136,000
Special Revenue Funds - Other	2,236,000	100,000	(2,136,000)
Total	7,015,000	7,015,000	0

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

Program	Available 2006-07	Recommended 2007-08	Change
Inspector General			
General Fund	4,779,000	6,915,000	2,136,000
Special Revenue Funds - Other	2,236,000	100,000	(2,136,000)
Total	7,015,000	7,015,000	0

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Inspector General	6,211,000	1,831,000	6,200,000	1,831,000
Total	6,211,000	1,831,000	6,200,000	1,831,000

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
Inspector General	8,000	0	3,000	0
Total	8,000	0	3,000	0

# STATE INSPECTOR GENERAL

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Inspector General	704,000	305,000	192,000	112,000
Total	<u>704,000</u>	<u>305,000</u>	<u>192,000</u>	<u>112,000</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Inspector General	197,000	50,000	185,000	109,000
Total	<u>197,000</u>	<u>50,000</u>	<u>185,000</u>	<u>109,000</u>

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Inspector General	130,000	34,000
Total	<u>130,000</u>	<u>34,000</u>

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Inspector General	100,000	(2,136,000)	0	(1,196,000)
Total	<u>100,000</u>	<u>(2,136,000)</u>	<u>0</u>	<u>(1,196,000)</u>

<b>Program</b>	<b>Nonpersonal Service</b>	
	<b>Amount</b>	<b>Change</b>
Inspector General	100,000	(940,000)
Total	<u>100,000</u>	<u>(940,000)</u>



# INTEREST ON LAWYER ACCOUNT

## MISSION

The Interest on Lawyer Account (IOLA) Fund was established in 1983 to finance civil legal services for the indigent. Revenues are derived from the interest earned on small trust accounts in which attorneys hold certain funds for their clients. Banks transfer the interest earned on these IOLA escrow accounts to the Interest on Lawyer Account to fund grants to not-for-profit, tax-exempt entities providing civil legal services to the indigent, elderly, disabled and others. Legislation enacted in 1988 made participation in IOLA mandatory for attorneys in private practice who hold nominal short-term escrow accounts for clients.

## ORGANIZATION AND STAFFING

A 15-member board of trustees appointed by the Governor administers the Interest on Lawyer Account. Board members serve without compensation. Day-to-day operations are handled by a workforce of nine located in New York City.

## FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

Executive Budget recommendations total \$21.6 million, including \$4.6 million in taxpayer supported funds previously provided through the Department of State. The remaining \$17 million is supported by revenue generated by IOLA escrow accounts. The Interest on Lawyer Account and participating banks have worked successfully to lower account costs, and these efforts, combined with higher earned interest, have allowed the amount available for grants to increase. Another \$5 million for civil legal services is appropriated in the Judiciary budget from the Legal Services Assistance Fund. Together, these recommendations reflect a nearly \$14 million increase in guaranteed support for civil legal services, more than doubling the amount proposed last year.

## PROGRAM HIGHLIGHTS

At least 75 percent of the grants from the Interest on Lawyer Account special revenue funds and 100 percent of State tax dollars must be used for the delivery of civil legal services to the indigent. The balance must be allocated to purposes related to the improvement of the administration of justice, including the provision of civil legal services to underserved groups such as the elderly and disabled and administrative overhead. In the 2007 calendar year, the board administering the Interest on Lawyer Account will award grants to an estimated 60 organizations statewide.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	1,747,000	1,822,000	75,000	0
Aid To Localities	17,600,911	21,601,000	4,000,089	0
Capital Projects	0	0	0	0
Total	19,347,911	23,423,000	4,075,089	0

# INTEREST ON LAWYER

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07	2007-08	FTE Change
	Estimated FTEs 03/31/07	Estimated FTEs 03/31/08	
New York Interest on Lawyer Account			
Special Revenue Funds - Other	9	9	0
Total	9	9	0

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

Fund Type	Available	Recommended	Change
	2006-07	2007-08	
Special Revenue Funds - Other	1,747,000	1,822,000	75,000
Total	1,747,000	1,822,000	75,000

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

Program	Available	Recommended	Change
	2006-07	2007-08	
New York Interest on Lawyer Account			
Special Revenue Funds - Other	1,747,000	1,822,000	75,000
Total	1,747,000	1,822,000	75,000

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
New York Interest on Lawyer Account	1,822,000	75,000	634,000	15,000
Total	1,822,000	75,000	634,000	15,000

Program	Nonpersonal Service	
	Amount	Change
New York Interest on Lawyer Account	1,188,000	60,000
Total	1,188,000	60,000

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

Fund Type	Available	Recommended	Change
	2006-07	2007-08	
General Fund	4,600,911	4,601,000	89
Special Revenue Funds - Other	13,000,000	17,000,000	4,000,000
Total	17,600,911	21,601,000	4,000,089

Adjustments:			
Transfer(s) From			
State, Department of			
General Fund	(4,600,911)		
Appropriated 2006-07	13,000,000		



# ***INTEREST ON LAWYER***

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

<b><u>Program</u></b>	<b><u>Available 2006-07</u></b>	<b><u>Recommended 2007-08</u></b>	<b><u>Change</u></b>
New York Interest on Lawyer Account			
General Fund	4,600,911	4,601,000	89
Special Revenue Funds - Other	13,000,000	17,000,000	4,000,000
Total	<u>17,600,911</u>	<u>21,601,000</u>	<u>4,000,089</u>



# TEMPORARY STATE COMMISSION OF INVESTIGATION

## MISSION

Established in 1958, the Temporary State Commission of Investigation has served as a bipartisan fact-finding agency, investigating and reporting on organized crime and racketeering, the conduct of public officers and other matters affecting public peace, safety and justice.

## ORGANIZATION AND STAFFING

The Commission has six salaried members, two each appointed by the Governor, the Temporary President of the Senate and the Speaker of the Assembly. In addition to the 6 commissioners, there are 26 non-statutory staff positions at the Commission, which has its main office in New York City.

## FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

The Commission is scheduled to sunset on September 1, 2007. The Executive Budget recommendation for fiscal year 2007-08 provides nearly \$2.1 million in State tax dollars to support the Commission's required activities through its scheduled sunset.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	3,785,000	2,099,000	(1,686,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	3,785,000	2,099,000	(1,686,000)	0

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS			
Full-Time Equivalent Positions (FTE)			
Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Investigation			
General Fund	32	0	(32)
Total	32	0	(32)

# INVESTIGATION

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	3,498,000	2,099,000	(1,399,000)
Special Revenue Funds - Other	287,000	0	(287,000)
Total	<u>3,785,000</u>	<u>2,099,000</u>	<u>(1,686,000)</u>

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Investigation			
General Fund	3,498,000	2,099,000	(1,399,000)
Special Revenue Funds - Other	287,000	0	(287,000)
Total	<u>3,785,000</u>	<u>2,099,000</u>	<u>(1,686,000)</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Investigation	1,591,000	(1,061,000)	1,591,000	(1,061,000)
Total	<u>1,591,000</u>	<u>(1,061,000)</u>	<u>1,591,000</u>	<u>(1,061,000)</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Supplies and Materials</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Investigation	508,000	(338,000)	26,000	0
Total	<u>508,000</u>	<u>(338,000)</u>	<u>26,000</u>	<u>0</u>

<u>Program</u>	<u>Travel</u>		<u>Contractual Services</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Investigation	13,000	(44,000)	467,000	(261,000)
Total	<u>13,000</u>	<u>(44,000)</u>	<u>467,000</u>	<u>(261,000)</u>

<u>Program</u>	<u>Equipment</u>	
	<u>Amount</u>	<u>Change</u>
Investigation	2,000	(33,000)
Total	<u>2,000</u>	<u>(33,000)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Nonpersonal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Investigation	0	(287,000)	0	(287,000)
Total	<u>0</u>	<u>(287,000)</u>	<u>0</u>	<u>(287,000)</u>

# **JUDICIAL COMMISSIONS**

## **MISSION**

New York State's three Judicial Commissions play important roles in maintaining the integrity of the court system. The Commission on Judicial Nomination and the Judicial Screening Committees screen potential nominees for high-level judicial appointments by the Governor. The Commission on Judicial Conduct investigates and acts upon allegations of judicial misconduct.

## **COMMISSION ON JUDICIAL CONDUCT**

The State Constitution established the Commission on Judicial Conduct, which is responsible for investigating complaints of misconduct against State judges and local justices. The Commission has disciplinary powers, which include the authority to remove judges and justices from office for serious misconduct, subject to review by the Court of Appeals.

The Commission on Judicial Conduct has 11 members, 4 of whom are appointed by the Governor, 3 by the Chief Judge of the Court of Appeals and the remaining 4 by the Legislature. Commission members serve without pay and meet periodically to consider complaints, hear testimony and determine the disposition of cases. The Commission will have a staff of 28 in fiscal year 2007-08. Its main office is in New York City, with branches in Albany and Rochester. Its budget of approximately \$2.7 million is supported entirely by State tax dollars.

## **COMMISSION ON JUDICIAL NOMINATION**

The State Constitution established the Commission on Judicial Nomination to evaluate candidates and make recommendations to the Governor for appointment to the Court of Appeals, the State's highest court.

The Commission on Judicial Nomination has 12 members appointed by the Governor, the Chief Judge of the Court of Appeals and the Legislature. These members serve without pay and conduct the search for qualified candidates upon formal notification of a vacancy on the Court of Appeals.

## **GOVERNOR'S JUDICIAL SCREENING COMMITTEES**

The Governor's Judicial Screening Committees are established by Executive Order to evaluate the qualifications of candidates and make recommendations to the Governor for appointment to judgeships other than those on the Court of Appeals. The Committees are located throughout the State.

# JUDICIAL COMMISSIONS

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	2,821,000	2,843,000	22,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	2,821,000	2,843,000	22,000	0

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Judicial Conduct General Fund	28	28	0
Total	28	28	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	2,821,000	2,843,000	22,000
Total	2,821,000	2,843,000	22,000

Adjustments:  
Transfer(s) To  
Executive Chamber  
General Fund  
Appropriated 2006-07

112,000  
2,933,000

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

Program	Available 2006-07	Recommended 2007-08	Change
Judicial Conduct General Fund	2,773,000	2,795,000	22,000
Judicial Nomination, Commission on General Fund	10,000	10,000	0
Judicial Screening Committees General Fund	38,000	38,000	0
Total	2,821,000	2,843,000	22,000

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Judicial Conduct	2,139,000	38,000	2,139,000	38,000
Judicial Screening Committees	13,000	0	13,000	0
Total	2,152,000	38,000	2,152,000	38,000

# JUDICIAL COMMISSIONS

STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Judicial Conduct	656,000	(16,000)	58,000	0
Judicial Nomination, Commission on	10,000	0	0	0
Judicial Screening Committees	25,000	0	0	0
Total	<u>691,000</u>	<u>(16,000)</u>	<u>58,000</u>	<u>0</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Judicial Conduct	54,000	(1,000)	475,000	(2,000)
Judicial Nomination, Commission on	10,000	0	0	0
Judicial Screening Committees	10,000	0	15,000	0
Total	<u>74,000</u>	<u>(1,000)</u>	<u>490,000</u>	<u>(2,000)</u>

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Judicial Conduct	69,000	(13,000)
Judicial Nomination, Commission on	0	0
Judicial Screening Committees	0	0
Total	<u>69,000</u>	<u>(13,000)</u>





# ***DEPARTMENT OF LAW***

## ***MISSION***

The Department of Law was created in 1926 and is headed by the State Attorney General, who is elected by the people. The Department is responsible for protecting the legal rights of New York State and its citizens by representing the State in litigation and in other legal affairs.

In implementing its constitutional responsibilities, the Department performs a wide range of functions. Major activities of the Department include prosecuting or defending actions and proceedings for or against the State and its departments; prosecuting certain criminal violations of the Labor, Workers' Compensation and Unemployment Insurance laws; investigating and prosecuting other criminal cases at the request of the Governor or the commissioners of State departments; investigating the activities of organized crime; bringing civil and/or criminal actions against polluters, violators of antitrust laws and those who defraud consumers or investors; mediating consumer complaints; and investigating and prosecuting cases of Medicaid fraud.

## ***ORGANIZATION AND STAFFING***

The legal functions of the Department of Law are divided into major divisions which comprise bureaus dealing with specific legal issues and cases. These are the divisions of Administration, Appeals and Opinions, Criminal Prosecutions, State Counsel, Public Advocacy and Regional Offices.

The Department's main offices are located in Albany and New York City, with regional offices in Binghamton, Poughkeepsie, Syracuse, Buffalo, Plattsburgh, Rochester, Watertown, Mineola, Hauppauge, Harlem, Utica, Brooklyn, Pearl River and White Plains. The Department will have a workforce of 1,921 positions for 2007-08.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Executive Budget recommends \$236 million for the Department. This recommendation includes \$130 million in tax dollars from the General Fund, which will finance 55 percent of department expenses for 2007-08. Additional support for 2007-08 will be provided by Federal funding for Medicaid fraud efforts and revenues from the collection of non-tax debt, litigation settlements and assets seized as part of criminal prosecution activities and Medicaid fraud recoveries. Recommended increases include funding for; Project Sunlight which will promote government-wide disclosure of data and information, additional staffing to address Court of Claims caseloads, and additional federally funded staff for the Medicaid Fraud Control Unit.

## ***PROGRAM HIGHLIGHTS***

Agency divisions perform the following functions:

- The Administration Division provides budget, personnel, operations and technology services for the Agency;

## LAW

- The Division of Appeals and Opinions handles appellate litigation in both State and Federal courts. The Division also prepares opinions, both formal and informal, interpreting State laws for State agencies and municipalities;
- The Criminal Division investigates and prosecutes criminal cases, including those involving Medicaid fraud, auto insurance fraud, white collar and organized crime cases involving multi-county, multi-state and even multi-national criminal activities occurring within New York State;
- The Division of State Counsel provides State agencies, the Governor, other State officials and the Legislature with counsel and representation in legal proceedings. It recoups non-tax revenue on behalf of State taxpayers and provides legal assistance to State agencies in connection with the acquisition and disposition of public land;
- The Division of Public Advocacy defends and protects the public interest in the courts. It enforces laws to prevent trade restraint, protects charitable donors and beneficiaries and enforces laws prohibiting discrimination. The Division protects consumers from fraudulent, and/or deceptive business practices, enforces environmental laws and regulates sales of investment securities. It also enforces the State's health care laws and addresses concerns about on-line criminal or fraudulent activities; and
- The Regional Offices program provides mini-satellite offices across the State to ensure that all New York agencies have cost effective representation in all local and Federal courts, and that citizens have full access to the programs and services of the Department.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	229,960,000	235,992,000	6,032,000	52,041,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>229,960,000</u>	<u>235,992,000</u>	<u>6,032,000</u>	<u>52,041,000</u>

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

<b>Program</b>	<b>Full-Time Equivalent Positions (FTE)</b>		
	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration			
General Fund	176	181	5
Appeals and Opinions			
General Fund	63	63	0
Counsel for the State			
General Fund	341	353	12
Special Revenue Funds - Other	258	258	0
Criminal Prosecutions			
General Fund	199	199	0
Special Revenue Funds - Other	68	68	0
Medicaid Fraud Control			
Special Revenue Funds - Federal	242	259	17
Special Revenue Funds - Other	80	86	6
Public Advocacy			
General Fund	290	290	0
Special Revenue Funds - Other	6	6	0
Capital Projects Funds - Other	7	7	0
Regional Offices			
General Fund	151	151	0
Total	<u>1,881</u>	<u>1,921</u>	<u>40</u>

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

<b>Fund Type</b>	<b>Available</b>	<b>Recommended</b>	<b>Change</b>
	<b>2006-07</b>	<b>2007-08</b>	
General Fund	126,788,000	130,360,000	3,572,000
Special Revenue Funds - Federal	35,616,000	37,480,000	1,864,000
Special Revenue Funds - Other	67,556,000	68,152,000	596,000
Total	<u>229,960,000</u>	<u>235,992,000</u>	<u>6,032,000</u>

Adjustments:			
Transfer(s) From			
State Police, Division of			
General Fund	(710,000)		
Appropriated 2006-07	<u>229,250,000</u>		

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
General Fund	29,594,000	28,675,000	(919,000)
Appeals and Opinions			
General Fund	5,435,000	5,956,000	521,000
Counsel for the State			
General Fund	34,412,000	38,178,000	3,766,000
Special Revenue Funds - Other	49,508,000	49,223,000	(285,000)
Criminal Prosecutions			
General Fund	20,236,000	19,371,000	(865,000)
Special Revenue Funds - Other	4,904,000	4,904,000	0
Medicaid Fraud Control			
Special Revenue Funds - Federal	35,616,000	37,480,000	1,864,000
Special Revenue Funds - Other	13,144,000	14,025,000	881,000
Public Advocacy			
General Fund	24,965,000	24,667,000	(298,000)
Regional Offices			
General Fund	12,146,000	13,513,000	1,367,000
Total	<u>229,960,000</u>	<u>235,992,000</u>	<u>6,032,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	11,933,000	(2,493,000)	10,400,000	(2,493,000)
Appeals and Opinions	5,129,000	521,000	5,079,000	521,000
Counsel for the State	28,121,000	3,502,000	27,420,000	3,502,000
Criminal Prosecutions	16,368,000	(865,000)	15,871,000	(865,000)
Public Advocacy	23,090,000	1,102,000	22,649,000	1,102,000
Regional Offices	11,809,000	1,367,000	11,699,000	1,367,000
Total	<u>96,450,000</u>	<u>3,134,000</u>	<u>93,118,000</u>	<u>3,134,000</u>

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	1,476,000	0	57,000	0
Appeals and Opinions	31,000	0	19,000	0
Counsel for the State	562,000	0	139,000	0
Criminal Prosecutions	289,000	0	208,000	0
Public Advocacy	118,000	0	323,000	0
Regional Offices	39,000	0	71,000	0
Total	<u>2,515,000</u>	<u>0</u>	<u>817,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND**  
**SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED**  
**APPROPRIATIONS AND CHANGES**  
**2007-08 RECOMMENDED**  
(dollars)

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	16,742,000	1,574,000	5,100,000	0
Appeals and Opinions	827,000	0	0	0
Counsel for the State	10,057,000	264,000	0	0
Criminal Prosecutions	3,003,000	0	5,000	0
Public Advocacy	1,577,000	(1,400,000)	0	0
Regional Offices	1,704,000	0	0	0
Total	33,910,000	438,000	5,105,000	0

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	257,000	0	11,385,000	1,574,000
Appeals and Opinions	0	0	827,000	0
Counsel for the State	399,000	0	9,658,000	264,000
Criminal Prosecutions	420,000	0	582,000	0
Public Advocacy	394,000	0	1,183,000	0
Regional Offices	350,000	0	1,354,000	0
Total	1,820,000	0	24,989,000	1,838,000

<b>Program</b>	<b>Equipment</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	0	0	0	0
Appeals and Opinions	0	0	0	0
Counsel for the State	0	0	0	0
Criminal Prosecutions	1,996,000	0	0	0
Public Advocacy	0	0	0	(1,400,000)
Regional Offices	0	0	0	0
Total	1,996,000	0	0	(1,400,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND**  
**SUMMARY OF APPROPRIATIONS AND CHANGES**  
**2007-08 RECOMMENDED**  
(dollars)

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Counsel for the State	49,223,000	(285,000)	16,505,000	0
Criminal Prosecutions	4,904,000	0	0	0
Medicaid Fraud Control	51,505,000	2,745,000	26,331,000	2,585,000
Total	105,632,000	2,460,000	42,836,000	2,585,000

<b>Program</b>	<b>Nonpersonal Service</b>	
	<b>Amount</b>	<b>Change</b>
Counsel for the State	32,718,000	(285,000)
Criminal Prosecutions	4,904,000	0
Medicaid Fraud Control	25,174,000	160,000
Total	62,796,000	(125,000)



# TEMPORARY STATE COMMISSION ON LOBBYING

## MISSION

The Temporary State Commission on Lobbying is responsible for monitoring, maintaining and making public the identities, activities and expenditures of lobbyists, clients and public corporations attempting to influence the legislative, regulatory and rule and rate-making actions of elected State officials, agency decision makers and local governments. The Commission is also authorized to hold hearings, impose civil penalties and make public the records of appearances before regulatory State agencies.

## ORGANIZATION AND STAFFING

The Lobbying Act sets forth the administrative and enforcement responsibilities of the Commission. Under the guidance of a six-member bipartisan board appointed by the Governor, with advice from the legislative leaders, these responsibilities will be carried out by a workforce of 34 in 2007-08.

## FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

In 2007-08, the Commission will be fully funded by a recommended \$2.7 million General Fund appropriation, an increase of \$353,000. The dedicated Special Revenue Fund which had been used in prior years to receive and spend penalties and fine revenue, has been fully eliminated. Breaking the connection between penalty and fine revenue and the agency's budget removes any perception that the agency's investigatory actions might be motivated by fiscal concerns. The penalty and fine revenue will now be deposited directly to the General Fund.

## PROGRAM HIGHLIGHTS

The Commission monitors the activities of 5,112 registered lobbyists, 3,269 clients of lobbyists and 70 public corporations. The Commission offers education programs and investigates allegations of wrong doing.

<b>ALL FUNDS APPROPRIATIONS (dollars)</b>				
<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	3,016,000	2,701,000	(315,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>3,016,000</u>	<u>2,701,000</u>	<u>(315,000)</u>	<u>0</u>

# LOBBYING

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07	2007-08	FTE Change
	Estimated FTEs 03/31/07	Estimated FTEs 03/31/08	
Operations			
General Fund	28	34	6
Special Revenue Funds - Other	6	0	(6)
Total	<u>34</u>	<u>34</u>	<u>0</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	2,348,000	2,701,000	353,000
Special Revenue Funds - Other	668,000	0	(668,000)
Total	<u>3,016,000</u>	<u>2,701,000</u>	<u>(315,000)</u>

Adjustments:

Prior Year Deficiency	
Lobbying, Temporary State Commission	
on	
General Fund	500,000
Appropriated 2006-07	<u>3,516,000</u>

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

Program	Available 2006-07	Recommended 2007-08	Change
Operations			
General Fund	2,348,000	2,701,000	353,000
Special Revenue Funds - Other	668,000	0	(668,000)
Total	<u>3,016,000</u>	<u>2,701,000</u>	<u>(315,000)</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Operations	2,385,000	37,000	2,335,000	(13,000)
Total	<u>2,385,000</u>	<u>37,000</u>	<u>2,335,000</u>	<u>(13,000)</u>

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Operations	50,000	50,000
Total	<u>50,000</u>	<u>50,000</u>



**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Operations	316,000	316,000	10,000	10,000
Total	<u>316,000</u>	<u>316,000</u>	<u>10,000</u>	<u>10,000</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Operations	6,000	6,000	210,000	210,000
Total	<u>6,000</u>	<u>6,000</u>	<u>210,000</u>	<u>210,000</u>

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Operations	90,000	90,000
Total	<u>90,000</u>	<u>90,000</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Operations	0	(668,000)	0	(668,000)
Total	<u>0</u>	<u>(668,000)</u>	<u>0</u>	<u>(668,000)</u>



# ***DIVISION OF MILITARY AND NAVAL AFFAIRS***

## ***MISSION***

The Division of Military and Naval Affairs (DMNA) has two primary missions. Through the State's militia, DMNA maintains a well-trained military force ready to respond to civil emergencies, natural disasters, and threats to the nation's security. Through the State Emergency Management Office (SEMO), the Division prepares the State and local governments to deal effectively with potential disasters and coordinates the State's response to disasters.

## ***ORGANIZATION AND STAFFING***

The Division of Military and Naval Affairs operates under the direction of the Adjutant General, who is appointed by the Governor. The Division consists of the New York Army National Guard, the New York Air National Guard, the Naval Militia, the New York Guard and the State Emergency Management Office (SEMO). Coordinated through the State headquarters in Albany, the Division operates 56 armories as well as 21 Field and Combined Support Maintenance facilities, 6 Air National Guard bases, 3 Aviation Support facilities, and 5 regional emergency management facilities.

SEMO serves as the operational component of the Disaster Preparedness Commission, which is responsible for State disaster preparedness plans and the coordination of State disaster operations. In 2007-08, DMNA and SEMO will have a combined workforce of 649.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Executive Budget recommends \$81.2 million in new appropriations for the Division's State operations, including \$23.9 million in General Fund support, \$46.4 million from Federal funding, and \$10.9 million in revenue from multiple sources including armory rental proceeds, General Fund transfer for New York National Guard recruitment incentive, fees collected from nuclear power plant operators for radiological emergency preparedness activities, Camp Smith billeting revenue, and various fiduciary accounts. Consistent with Federal Homeland Security grant structure requirements over the past three years, appropriations for federally supported emergency management State Operations are included in consolidated Homeland Security Program appropriations.

The Division's Aid to Localities budget of \$403.1 million includes \$390 million in new State and Federal disaster assistance appropriations for use in the case of future disasters. Appropriations are also provided to support annual Federal grants and for fees collected from nuclear power plant operators for local radiological emergency preparedness planning. Additionally, reappropriations of proposed State and Federal deficiency appropriations are included for major disasters that occurred during and prior to 2007-08.

The 2007-08 Capital Plan recommends \$36.1 million in new appropriations, including continued support for the multi-year Federal military construction plan to replace or expand armories and equipment maintenance facilities across the State. New capital appropriations will also fund the maintenance of existing facilities to support optimal military readiness.

## ***MILITARY AND NAVAL AFFAIRS***

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### ***PROGRAM HIGHLIGHTS***

#### ***MILITARY READINESS***

The Military Readiness program is the core of the Division's operations. It includes the New York Army National Guard, the New York Air National Guard, the New York Naval Militia and the New York Guard. With a combined force of over 19,000 members, the Readiness program has mounted a sustained activation since the terrorist attacks of September, 2001 to safeguard the State's citizenry from emerging security threats, while simultaneously meeting its obligations to support the Federal government. Other critical responses to civilian emergencies in recent years have included the abatement and mitigation of the effects of floods, blizzards, tornados, and forest fires.

#### ***EMERGENCY MANAGEMENT AND DISASTER ASSISTANCE***

The State Emergency Management Office is the operational component of the Disaster Preparedness Commission, and coordinates the State's preparation for and response to natural and man-made disasters and emergencies. In times of emergency or disaster, SEMO activates the Emergency Operations Center to quickly match State, Federal and private resources with the needs of the affected localities. SEMO also provides training to emergency and response personnel to be better able to mitigate against, prepare for, respond to, and recover from disastrous incidents while protecting lives, property, and the environment.

The Office administers the Disaster Assistance Program, which provides State and federally supported financial relief to localities and individuals affected by disasters. Recent disasters have included the June 2006 flooding across the south-central portion of the State and the October 2006 snowstorm in western New York. SEMO is also responsible for the development, testing and revision of radiological emergency plans at the State and county levels to deal with possible radiological accidents at nuclear powered electric generating facilities. Additionally, through participation in the national Emergency Management Assistance Compact, SEMO coordinates disaster assistance missions to other states.

#### ***SPECIAL SERVICES***

Established in 1996, the Recruitment Incentive and Retention Program provides qualified individuals and active National Guard members with a tuition benefit for undergraduate study. The program has proven successful in helping to stabilize the Guard's troop strength and significantly improved member morale in recent years.

Another important element of DMNA's special services is "GuardHELP," an innovative program to link Federal Guard resources with current community volunteer, youth activity, and environmental needs. Additionally, the Special Services program includes the activities associated with armory rentals.

# MILITARY AND NAVAL AFFAIRS

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	79,404,000	81,160,000	1,756,000	19,141,000
Aid To Localities	352,950,000	403,061,000	50,111,000	619,920,000
Capital Projects	47,500,000	36,100,000	(11,400,000)	114,185,000
Total	<u>479,854,000</u>	<u>520,321,000</u>	<u>40,467,000</u>	<u>753,246,000</u>

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
	Administration		
General Fund	62	62	0
Emergency Management			
General Fund	30	30	0
Special Revenue Funds - Federal	75	75	0
Special Revenue Funds - Other	18	18	0
Military Readiness			
General Fund	158	164	6
Special Revenue Funds - Federal	269	292	23
Special Service			
Special Revenue Funds - Other	3	8	5
Total	<u>615</u>	<u>649</u>	<u>34</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	22,769,000	23,876,000	1,107,000
Special Revenue Funds - Federal	45,688,000	46,419,000	731,000
Special Revenue Funds - Other	10,947,000	10,865,000	(82,000)
Total	<u>79,404,000</u>	<u>81,160,000</u>	<u>1,756,000</u>

Adjustments:	
Prior Year Deficiency	
Military and Naval Affairs, Division of	
General Fund	1,670,000
Appropriated 2006-07	<u>81,074,000</u>

# MILITARY AND NAVAL AFFAIRS

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
General Fund	3,896,000	4,004,000	108,000
Disaster Assistance			
Special Revenue Funds - Federal	4,504,000	4,843,000	339,000
Emergency Management			
General Fund	3,402,000	4,384,000	982,000
Special Revenue Funds - Federal	635,000	966,000	331,000
Special Revenue Funds - Other	2,000,000	2,000,000	0
Military Readiness			
General Fund	14,971,000	15,488,000	517,000
Special Revenue Funds - Federal	40,549,000	40,610,000	61,000
Special Service			
General Fund	500,000	0	(500,000)
Special Revenue Funds - Other	8,947,000	8,865,000	(82,000)
Total	<u>79,404,000</u>	<u>81,160,000</u>	<u>1,756,000</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	3,551,000	103,000	3,537,000	102,000
Emergency Management	1,883,000	132,000	1,848,000	132,000
Military Readiness	7,990,000	543,000	7,217,000	538,000
Total	<u>13,424,000</u>	<u>778,000</u>	<u>12,602,000</u>	<u>772,000</u>

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	0	0	14,000	1,000
Emergency Management	0	0	35,000	0
Military Readiness	720,000	5,000	53,000	0
Total	<u>720,000</u>	<u>5,000</u>	<u>102,000</u>	<u>1,000</u>

# MILITARY AND NAVAL AFFAIRS

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	453,000	5,000	82,000	1,000
Emergency Management	2,501,000	850,000	177,000	2,000
Military Readiness	7,498,000	(26,000)	979,000	0
Special Service	0	(500,000)	0	0
Total	10,452,000	329,000	1,238,000	3,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	28,000	0	277,000	3,000
Emergency Management	106,000	1,000	1,817,000	790,000
Military Readiness	93,000	5,000	6,039,000	(172,000)
Special Service	0	0	0	0
Total	227,000	6,000	8,133,000	621,000

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	66,000	1,000	0	0
Emergency Management	401,000	57,000	0	0
Military Readiness	387,000	141,000	0	0
Special Service	0	0	0	(500,000)
Total	854,000	199,000	0	(500,000)

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Disaster Assistance	4,843,000	339,000	2,663,000	138,000
Emergency Management	2,966,000	331,000	1,416,000	117,000
Military Readiness	40,610,000	61,000	12,490,000	10,000
Special Service	8,865,000	(82,000)	684,000	26,000
Total	57,284,000	649,000	17,253,000	291,000

Program	Nonpersonal Service	
	Amount	Change
Disaster Assistance	2,180,000	201,000
Emergency Management	1,550,000	214,000
Military Readiness	28,120,000	51,000
Special Service	8,181,000	(108,000)
Total	40,031,000	358,000

# MILITARY AND NAVAL AFFAIRS

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	85,000,000	90,000,000	5,000,000
Special Revenue Funds - Federal	266,300,000	311,411,000	45,111,000
Special Revenue Funds - Other	1,650,000	1,650,000	0
Total	352,950,000	403,061,000	50,111,000

### Adjustments:

Prior Year Deficiency			
Military and Naval Affairs, Division of General Fund	45,000,000		
Recommended Deficiency			
Military and Naval Affairs, Division of General Fund	(85,000,000)		
Special Revenue Funds - Federal	(255,000,000)		
Appropriated 2006-07	57,950,000		

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Disaster Assistance			
General Fund	85,000,000	90,000,000	5,000,000
Special Revenue Funds - Federal	255,000,000	300,000,000	45,000,000
Emergency Management			
Special Revenue Funds - Federal	11,300,000	11,411,000	111,000
Special Revenue Funds - Other	1,650,000	1,650,000	0
Total	352,950,000	403,061,000	50,111,000

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Design and Construction Supervision				
Capital Projects Fund	5,400,000	4,500,000	(900,000)	6,720,000
Federal Capital Projects Fund	3,500,000	7,500,000	4,000,000	8,825,000
Maintenance and Improvements				
Capital Projects Fund	9,100,000	5,600,000	(3,500,000)	20,150,000
Federal Capital Projects Fund	29,500,000	18,500,000	(11,000,000)	78,490,000
Total	47,500,000	36,100,000	(11,400,000)	114,185,000



# ***DIVISION OF PAROLE***

## ***MISSION***

The Division of Parole, which consists of the Board of Parole and Division staff, is responsible for preparing eligible offenders to be released from prison, allowing for their release and setting the conditions of release, supervising those offenders in the community, and providing parolees with assistance to help them successfully reintegrate into society.

## ***ORGANIZATION AND STAFFING***

The 19 members of the Board of Parole are appointed by the Governor, and confirmed by the Senate, for six-year terms. One member is designated by the Governor to serve as the Board's Chair and Chief Executive Officer of the Division. Board members review the cases of offenders eligible for parole release and determine if and under what conditions the offender should be released to parole supervision. Board members establish conditions the parolee must abide by in the community if released. These conditions outline a parolee's responsibilities while under community supervision and, if these conditions are violated, serve as justification for parole revocation.

Parole Operations staff are located across the state in 38 community-based field supervision offices and 70 correctional institutions. The Division's administrative staff and executive team are located at its central office in Albany. The Division will have a workforce of 2,069 in 2007-08.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

In 2007-08, approximately \$162 million in State tax dollars will enable the Division of Parole to continue its commitment to public safety by preparing inmates for release, supervising offenders in the community, and assisting parolees in finding the necessary support services that play a crucial role in their transition back into society.

Approximately \$37 million in State funds are recommended to support the Aid to Localities portion of the budget. Of these funds, approximately \$16 million supports substance abuse treatment, vocational development and residential stabilization programs. Included within that funding is \$3 million that will be dedicated to help ease the transition of newly released offenders returning to the community from prison. This funding will assist those offenders whose needs include: substance abuse treatment; suitable employment; and adequate housing. Access to these services enhances the prospects of recently released offenders successfully re-integrating into the community.

Aid to Localities funding also includes reimbursement to county jails that house parole violators who are awaiting a parole revocation hearing, which will determine whether the individual will return to State prison, be sent to the Willard Drug Treatment Campus, or be returned to the community. The Executive Budget includes a proposal to change the parole violator hearing process to reduce the amount of time alleged violators spend in local jails. Localities will have the option of transferring alleged parole violators to State prison prior to their parole revocation hearing if, based on an agreement with the Department of Correctional Services, the hearing can be conducted using video conferencing. Furthermore, an Administrative Law Judge can reduce the term of incarceration for appropriate parole violators based upon recommendations by a parole officer.

# PAROLE

## PROGRAM HIGHLIGHTS

The state parole system involves three major activities: preparing inmates for re-entry into the community; assisting the Board in making release determinations and setting conditions; and supervising parolees released from prison while supporting their successful reintegration into the community.

Institutional Parole staff, assigned to correctional facilities, assist the Board by preparing an assessment of an inmate's readiness for release based on his or her case history. Facility Parole Officers assess an inmate's rehabilitation progress, family background and community connections, as well as housing and employment prospects for the Board's consideration. Working in cooperation with Field Parole Officers, Facility Parole Officers attempt to obtain housing, employment and other services for inmates that are to be released into the community.

Immediately upon being released from prison, parolees are assigned to a Field Parole Officer. Field Parole Officers supervise parolees by monitoring behavior, reviewing employment, evaluating treatment progress and administering drug tests. In addition to closely monitoring offenders in the community, the Division helps parolees avoid reverting to a life of crime by contracting for various services to support their return to society, such as substance abuse counseling and treatment, supportive housing and employment training.

Intensive supervision is provided for sex offenders, violent felony offenders, offenders with severe mental health conditions, and for those parolees who graduate from the Shock Incarceration program or complete the drug treatment program at the Willard Drug Treatment Campus. The Division continues its efforts to ensure that sex offenders under parole supervision are strictly monitored and kept away from the most vulnerable members of the community. In addition to an intensive level of parole officer supervision, electronic monitoring and polygraphs are used to track these offenders and deter their predatory behavior.

As part of the effort to reduce recidivism through a focus on community re-entry, a thorough review will be conducted to assess the roles and responsibilities of the Division of Parole and the Department of Correctional Services in this regard. This review will determine the most efficient and effective means to provide services while maintaining a high level of public safety throughout the state. The goal is to create a more seamless system for assessing the needs of offenders, ensuring access to services, maintaining accurate records of offender information, and addressing other factors essential to successful community re-entry.

### ALL FUNDS APPROPRIATIONS (dollars)

<u>Category</u>	<u>Available 2006-07</u>	<u>Appropriations Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations Recommended 2007-08</u>
State Operations	160,458,000	163,256,000	2,798,000	0
Aid To Localities	53,146,000	46,296,000	(6,850,000)	15,075,000
Capital Projects	0	0	0	0
Total	<u>213,604,000</u>	<u>209,552,000</u>	<u>(4,052,000)</u>	<u>15,075,000</u>

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

**Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration			
General Fund	107	107	0
Parole Operations			
General Fund	1,972	1,962	(10)
Total	<u>2,079</u>	<u>2,069</u>	<u>(10)</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	159,133,000	161,931,000	2,798,000
Special Revenue Funds - Federal	500,000	500,000	0
Special Revenue Funds - Other	825,000	825,000	0
Total	<u>160,458,000</u>	<u>163,256,000</u>	<u>2,798,000</u>

Adjustments:

Transfer(s) To	
Executive Chamber	
General Fund	40,000
Appropriated 2006-07	<u>160,498,000</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Administration			
General Fund	8,687,000	8,954,000	267,000
Parole Operations			
General Fund	150,446,000	152,977,000	2,531,000
Special Revenue Funds - Federal	500,000	500,000	0
Special Revenue Funds - Other	825,000	825,000	0
Total	<u>160,458,000</u>	<u>163,256,000</u>	<u>2,798,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	7,230,000	168,000	7,203,000	179,000
Parole Operations	115,498,000	(933,000)	111,081,000	(784,000)
Total	<u>122,728,000</u>	<u>(765,000)</u>	<u>118,284,000</u>	<u>(605,000)</u>

<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>		<b>Holiday/Overtime Pay (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	0	0	27,000	(11,000)
Parole Operations	87,000	3,000	4,330,000	(152,000)
Total	<u>87,000</u>	<u>3,000</u>	<u>4,357,000</u>	<u>(163,000)</u>

# PAROLE

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	1,724,000	99,000	40,000	0
Parole Operations	37,479,000	3,464,000	1,253,000	114,000
Total	39,203,000	3,563,000	1,293,000	114,000

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	282,000	12,000	1,384,000	84,000
Parole Operations	4,374,000	380,000	30,098,000	2,941,000
Total	4,656,000	392,000	31,482,000	3,025,000

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Administration	18,000	3,000
Parole Operations	1,754,000	29,000
Total	1,772,000	32,000

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Nonpersonal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Parole Operations	1,325,000	0	825,000	0
Total	1,325,000	0	825,000	0

<b>Program</b>	<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>
Parole Operations	500,000	0
Total	500,000	0

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

<b>Fund Type</b>	<b>Available</b>	<b>Recommended</b>	<b>Change</b>
	<b>2006-07</b>	<b>2007-08</b>	
General Fund	43,896,000	37,046,000	(6,850,000)
Internal Service Funds	9,250,000	9,250,000	0
Total	53,146,000	46,296,000	(6,850,000)

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

<b>Program</b>	<b>Available</b>	<b>Recommended</b>	<b>Change</b>
	<b>2006-07</b>	<b>2007-08</b>	
Parole Operations			
General Fund	43,896,000	37,046,000	(6,850,000)
Internal Service Funds	9,250,000	9,250,000	0
Total	53,146,000	46,296,000	(6,850,000)

# ***DIVISION OF PROBATION AND CORRECTIONAL ALTERNATIVES***

## ***MISSION***

The Division of Probation and Correctional Alternatives oversees county probation departments and community correction programs. It establishes standards and provides training and technical assistance related to the supervision and treatment of offenders.

## ***ORGANIZATION AND STAFFING***

Headed by a State Director appointed by the Governor, the Division is located in Albany. The Division will operate in 2007-08 with a staff of 32.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

In 2007-08, approximately \$2.2 million in State tax dollars will support the Division's State Operations budget. The Division's Aid to Localities program will provide \$71.7 million in funding for Probation Aid, the Intensive Supervision Program, the Juvenile Intensive Supervision Program and a number of alternative to incarceration programs, as well as increased assistance for monitoring sex offenders.

## ***PROGRAM HIGHLIGHTS***

The Division of Probation and Correctional Alternatives will continue to focus on evidence-based practices, performance measurement, enhanced training and education for local providers, and improved technology. The Division currently maintains two automated offender risk assessment-screening instruments, the Youth Assessment and Screening Instrument (YASI) and the Correctional Offender Management Profiling for Alternative Sanctions Instrument (COMPAS), along with Prober and Caseload Explorer, two automated case management tools for counties. The Division will continue to enhance and expand these systems.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	1,954,000	2,158,000	204,000	0
Aid To Localities	70,849,000	71,716,000	867,000	23,617,000
Capital Projects	0	0	0	0
<b>Total</b>	<b>72,803,000</b>	<b>73,874,000</b>	<b>1,071,000</b>	<b>23,617,000</b>

# PROBATION AND CORRECTIONAL ALTERNATIVES

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Community Corrections			
General Fund	28	28	0
Special Revenue Funds - Federal	4	4	0
Total	<u>32</u>	<u>32</u>	<u>0</u>

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	1,954,000	2,158,000	204,000
Total	<u>1,954,000</u>	<u>2,158,000</u>	<u>204,000</u>

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

Program	Available 2006-07	Recommended 2007-08	Change
Community Corrections			
General Fund	1,954,000	2,158,000	204,000
Total	<u>1,954,000</u>	<u>2,158,000</u>	<u>204,000</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Community Corrections	1,746,000	204,000	1,746,000	204,000
Total	<u>1,746,000</u>	<u>204,000</u>	<u>1,746,000</u>	<u>204,000</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Community Corrections	412,000	0	16,000	0
Total	<u>412,000</u>	<u>0</u>	<u>16,000</u>	<u>0</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Community Corrections	42,000	0	344,000	0
Total	<u>42,000</u>	<u>0</u>	<u>344,000</u>	<u>0</u>

Program	Equipment	
	Amount	Change
Community Corrections	10,000	0
Total	<u>10,000</u>	<u>0</u>

# PROBATION AND CORRECTIONAL ALTERNATIVES

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	70,849,000	71,716,000	867,000
Total	70,849,000	71,716,000	867,000

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Community Corrections			
General Fund	70,849,000	71,716,000	867,000
Total	70,849,000	71,716,000	867,000





# ***OFFICE FOR THE PREVENTION OF DOMESTIC VIOLENCE***

## ***MISSION***

The Office for the Prevention of Domestic Violence develops statewide policies to protect victims of domestic violence and conducts domestic violence prevention training for judges, prosecutors, police, attorneys, probation and parole personnel, social services and health care providers.

## ***ORGANIZATION AND STAFFING***

The Office, headed by an Executive Director appointed by the Governor, has its central office in the Capital District and one field office in New York City. The Office will have a workforce of 33 persons in 2007-08.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Executive Budget continues support for the Office's policy development and training programs. The All Funds appropriation for the Office will be \$3.6 million in 2007-08 to carry out domestic violence prevention activities.

## ***PROGRAM HIGHLIGHTS***

The Office works to improve the response of various State and local public agencies to families affected by domestic violence. In cooperation with other agencies, the Office develops domestic violence policies and provides training and information about domestic violence. These programs clarify professional and legal responsibility to promote the safety of victims of domestic violence and to hold offenders accountable for their actions. Each training program provides an in-depth examination of the nature and dynamics of domestic violence.

The Office also serves as a clearinghouse for information about domestic violence, receiving more than 4,000 calls a year from social service and health care agencies, police departments, domestic violence shelters, local violence prevention programs and domestic violence victims.

Over the past several years, the Office's accomplishments have included development of model county and State domestic violence prevention policies which guide the response to victims and perpetrators of domestic violence in all county and State agencies. Additionally, as a result of the 1997 Welfare Reform legislation, the Office works with the Office of Temporary and Disability Assistance and Office of Children and Family Services to improve procedures for notifying public assistance applicants and recipients about the availability of domestic violence protection and services, and to provide training to social services personnel to recognize the presence of domestic violence.

# PREVENTION OF DOMESTIC VIOLENCE

## ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	1,756,000	2,659,000	903,000	300,000
Aid To Localities	927,000	927,000	0	322,000
Capital Projects	0	0	0	0
Total	2,683,000	3,586,000	903,000	622,000

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

### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
General Fund	15	15	0
Special Revenue Funds - Federal	18	0	(18)
Internal Service Funds	0	18	18
Total	33	33	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	1,586,000	1,599,000	13,000
Special Revenue Funds - Federal	100,000	100,000	0
Special Revenue Funds - Other	70,000	70,000	0
Internal Service Funds	0	890,000	890,000
Total	1,756,000	2,659,000	903,000

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
General Fund	1,586,000	1,599,000	13,000
Special Revenue Funds - Federal	100,000	100,000	0
Special Revenue Funds - Other	70,000	70,000	0
Internal Service Funds	0	890,000	890,000
Total	1,756,000	2,659,000	903,000

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	1,139,000	0	1,139,000	0
Total	1,139,000	0	1,139,000	0

# PREVENTION OF DOMESTIC VIOLENCE

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	460,000	13,000	48,000	0
Total	460,000	13,000	48,000	0

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	41,000	0	353,000	13,000
Total	41,000	0	353,000	13,000

Program	Equipment	
	Amount	Change
Administration	18,000	0
Total	18,000	0

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	1,060,000	890,000	770,000	770,000
Total	1,060,000	890,000	770,000	770,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	190,000	120,000	100,000	0
Total	190,000	120,000	100,000	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	927,000	927,000	0
Total	927,000	927,000	0

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

Program	Available 2006-07	Recommended 2007-08	Change
Administration			
General Fund	927,000	927,000	0
Total	927,000	927,000	0



# ***PUBLIC EMPLOYMENT RELATIONS BOARD***

## ***MISSION***

The Public Employment Relations Board resolves labor disputes between public employers and employees. The Board provides mediation, fact-finding and arbitration in contract disputes for approximately 4,750 negotiating units in New York State. In addition, the Board settles questions of union representation, conducts hearings on charges of improper practices, designates Management/Confidential positions, and acts as a clearinghouse for information on wages, benefits and employment practices.

## ***ORGANIZATION AND STAFFING***

The Board consists of a full-time Chair and two part-time members nominated by the Governor for six-year terms. The Board's jurisdiction includes State, county and local governments, certain special service districts, school districts and public authorities. Central offices are in Albany, with additional staff in Buffalo and Brooklyn.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Board receives 94 percent of its funding from the General Fund, which supports its mediation, fact-finding and arbitration services and administrative costs.

The Executive Budget recommends a \$3.9 million General Fund appropriation and a \$257,000 Special Revenue appropriation supported by fees paid by public employers and unions for filings and publications.

## ***PROGRAM HIGHLIGHTS***

The Board provides three principal services: conciliation, settlement of petitions involving representation and rulings on charges of improper practices.

## ***CONCILIATION***

The Board provided assistance in approximately 343 of the 2,322 State and local contracts negotiated in 2005-2006. The Board has followed many of these cases through the full range of impasse resolution steps: mediation, followed by either fact-finding or arbitration and conciliation.

## ***REPRESENTATION***

Through its Office of Public Employment Practices and Representation, the Board reviews all petitions from public employee unions and employers requesting the creation of new negotiating units or the transfer of members between units. It also reviews requests to remove positions from negotiating units and may designate them management or confidential. In 2005-2006, the Board received 74 petitions raising questions about representation and conducted nine elections for representation.

# **PUBLIC EMPLOYMENT RELATIONS**

## **EMPLOYMENT PRACTICES**

The Board conducts hearings and renders decisions on improper practice charges, and received petitions on 861 charges of improper employment and negotiating practices in the previous year. In 2005-2006, the agency wrote over 130 decisions and closed, either by decision or settlement, over 758 improper practice cases. Each case must be addressed in a pre-hearing conference attended by the affected parties. If a case cannot be resolved, a Board administrative law judge must rule on the charge after conducting a formal hearing.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	3,922,000	4,143,000	221,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>3,922,000</b>	<b>4,143,000</b>	<b>221,000</b>	<b>0</b>

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

#### **Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration			
General Fund	37	37	0
<b>Total</b>	<b>37</b>	<b>37</b>	<b>0</b>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	3,665,000	3,886,000	221,000
Special Revenue Funds - Other	257,000	257,000	0
<b>Total</b>	<b>3,922,000</b>	<b>4,143,000</b>	<b>221,000</b>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Administration			
General Fund	3,665,000	3,886,000	221,000
Special Revenue Funds - Other	257,000	257,000	0
<b>Total</b>	<b>3,922,000</b>	<b>4,143,000</b>	<b>221,000</b>

# PUBLIC EMPLOYMENT RELATIONS

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	3,354,000	171,000	3,001,000	125,000
Total	3,354,000	171,000	3,001,000	125,000

<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>
Administration	353,000	46,000
Total	353,000	46,000

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	532,000	50,000	83,000	0
Total	532,000	50,000	83,000	0

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	72,000	0	368,000	50,000
Total	72,000	0	368,000	50,000

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Administration	9,000	0
Total	9,000	0

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	257,000	0	140,000	0
Total	257,000	0	140,000	0

<b>Program</b>	<b>Nonpersonal Service</b>	
	<b>Amount</b>	<b>Change</b>
Administration	117,000	0
Total	117,000	0





# ***DIVISION OF STATE POLICE***

## ***MISSION***

The mission of the Division of State Police is to promote highway safety and protect our citizens from crime. The Division is responsible for patrolling roads and highways outside major urban centers, and providing specialty and investigative police services throughout the State. Their responsibilities range from traditional patrol duties to sophisticated investigations of drug traffickers, internet predators and other criminals.

## ***ORGANIZATION AND STAFFING***

The Division, headed by a Superintendent who is appointed by the Governor, is organized into 11 Troops, which are overseen and supported by a Division Headquarters located in Albany. Each Troop encompasses a geographic area of the State, with the exception of Troop T which is dedicated to providing police services on the New York State Thruway. Troop NYC provides specialized investigative and support services in the five boroughs of New York City, while the remaining nine Troops provide patrol coverage and criminal investigation services appropriate to local conditions. Factors which affect the extent of State Police services include the area's population, highway mileage and availability of county and local law enforcement agencies.

The Division will have a total workforce of 5,927 in 2007-08, with 4,884 sworn police officers.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

Approximately \$467 million of the Division's operations budget will be supported by State tax dollars from the General Fund. The balance is financed by Federal funds and various State revenue sources, including seized assets, a portion of the State's monthly surcharge on cellular telephone bills and reimbursement from the New York State Thruway Authority for services rendered on the State Thruway. The cost of Division security at the various casinos throughout the State is reimbursed by the Native American Nations which own and operate these facilities. In addition, revenue raised from the annual fee on insurance policies of all registered motor vehicles will support \$60.4 million of vital State Police public safety operations.

The 2007-08 Executive Budget includes:

- \$9.7 million to improve work zone safety, pursuant to the 2005 Work Zone Safety Act, through the deployment of photo-monitoring equipment and State Troopers to combat speeding and reduce accidents. The cost of the equipment and Troopers will be covered by revenue from civil fines incurred by the owners of vehicles identified as speeding within a work zone by the photo-monitoring equipment;
- \$50 million in additional funding for the construction of a new Troop G Headquarters facility to be located in the Town of Colonie. The new location will also accommodate additional facilities which will house related public safety operations;
- \$6.0 million in bonded capital funds for the construction of new evidence storage facilities at State Police Troop Headquarters throughout the State.

# **STATE POLICE**

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## **PROGRAM HIGHLIGHTS**

The Division is divided into two principal branches, the Uniform Force and the Bureau of Criminal Investigation. Each of these branches fulfills specific law enforcement assignments and cooperates with local and county law enforcement agencies. The Division also plays a significant role in Homeland Security initiatives.

### **UNIFORM FORCE**

The Uniform Force has two primary responsibilities: protecting life and property and promoting highway safety. In many areas of the State, Uniform Troopers are the primary law enforcement agency, and respond to all types of calls including burglaries, missing children, assaults, robberies and homicides. State Troopers also provide essential support to local police departments.

### **BUREAU OF CRIMINAL INVESTIGATION**

The Bureau of Criminal Investigation (BCI) is the plain clothes investigative branch of the Division. BCI Investigators concentrate on cases related to narcotics, child abuse, auto theft, consumer product tampering, organized crime, violent crimes and terrorism. In addition to conducting their own investigations, investigators regularly assist local and county law enforcement agencies that lack the resources or expertise needed for major crime investigations.

#### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	654,624,000	675,256,000	20,632,000	13,701,000
Aid To Localities	0	0	0	0
Capital Projects	18,600,000	62,200,000	43,600,000	37,943,000
Total	673,224,000	737,456,000	64,232,000	51,644,000

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

<b>Program</b>	<b>Full-Time Equivalent Positions (FTE)</b>		
	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Administration			
General Fund	147	147	0
Criminal Investigation Activities			
General Fund	1,277	1,277	0
Special Revenue Funds - Other	198	198	0
Patrol Activities			
General Fund	3,120	3,120	0
Special Revenue Funds - Federal	41	41	0
Special Revenue Funds - Other	28	28	0
State Highway Safety Program			
Special Revenue Funds - Other	4	4	0
Policing the Thruway			
Special Revenue Funds - Other	340	340	0
Technical Police Services			
General Fund	767	767	0
Special Revenue Funds - Other	5	5	0
<b>Total</b>	<b>5,927</b>	<b>5,927</b>	<b>0</b>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	471,391,000	467,259,000	(4,132,000)
Special Revenue Funds - Federal	4,621,000	12,700,000	8,079,000
Special Revenue Funds - Other	178,612,000	195,297,000	16,685,000
<b>Total</b>	<b>654,624,000</b>	<b>675,256,000</b>	<b>20,632,000</b>
<b>Adjustments:</b>			
<b>Transfer(s) From</b>			
Special Pay Bill			
General Fund	(21,614,000)		
Special Revenue Funds - Other	(2,086,000)		
<b>Transfer(s) To</b>			
Executive Chamber			
General Fund	40,000		
Law, Department of			
General Fund	710,000		
Appropriated 2006-07	<u>631,674,000</u>		

# STATE POLICE

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
General Fund	16,529,000	16,389,000	(140,000)
Special Revenue Funds - Other	208,000	508,000	300,000
Criminal Investigation Activities			
General Fund	150,396,000	155,557,000	5,161,000
Special Revenue Funds - Federal	700,000	0	(700,000)
Special Revenue Funds - Other	21,958,000	16,391,000	(5,567,000)
Patrol Activities			
General Fund	212,901,000	205,666,000	(7,235,000)
Special Revenue Funds - Federal	3,921,000	10,000,000	6,079,000
Special Revenue Funds - Other	68,254,000	78,578,000	10,324,000
Policing the Thruway			
Special Revenue Funds - Other	51,290,000	52,920,000	1,630,000
Technical Police Services			
General Fund	91,565,000	89,647,000	(1,918,000)
Special Revenue Funds - Federal	0	2,700,000	2,700,000
Special Revenue Funds - Other	36,902,000	46,900,000	9,998,000
Total	<u>654,624,000</u>	<u>675,256,000</u>	<u>20,632,000</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	15,615,000	(100,000)	13,943,000	(100,000)
Criminal Investigation Activities	139,336,000	5,335,000	134,111,000	5,335,000
Patrol Activities	199,931,000	(7,396,000)	187,397,000	(2,396,000)
Technical Police Services	41,291,000	(2,000,000)	36,265,000	(2,000,000)
Total	<u>396,173,000</u>	<u>(4,161,000)</u>	<u>371,716,000</u>	<u>839,000</u>
<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	682,000	0	990,000	0
Criminal Investigation Activities	0	0	5,225,000	0
Patrol Activities	274,000	0	12,260,000	(5,000,000)
Technical Police Services	2,363,000	0	2,663,000	0
Total	<u>3,319,000</u>	<u>0</u>	<u>21,138,000</u>	<u>(5,000,000)</u>

# STATE POLICE

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	774,000	(40,000)	95,000	(40,000)
Criminal Investigation Activities	16,221,000	(174,000)	1,380,000	(174,000)
Patrol Activities	5,735,000	161,000	2,386,000	(214,000)
Technical Police Services	48,356,000	82,000	2,854,000	(1,646,000)
Total	71,086,000	29,000	6,715,000	(2,074,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	80,000	0	524,000	0
Criminal Investigation Activities	112,000	0	3,276,000	0
Patrol Activities	1,225,000	0	1,000,000	0
Technical Police Services	0	0	29,938,000	0
Total	1,417,000	0	34,738,000	0

Program	Equipment	
	Amount	Change
Administration	75,000	0
Criminal Investigation Activities	11,453,000	0
Patrol Activities	1,124,000	375,000
Technical Police Services	15,564,000	1,728,000
Total	28,216,000	2,103,000

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	508,000	300,000	0	0
Criminal Investigation Activities	16,391,000	(6,267,000)	9,935,000	1,402,000
Patrol Activities	88,578,000	16,403,000	55,616,000	1,260,000
Policing the Thruway	52,920,000	1,630,000	35,195,000	1,108,000
Technical Police Services	49,600,000	12,698,000	4,419,000	(4,000)
Total	207,997,000	24,764,000	105,165,000	3,766,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	508,000	300,000	0	0
Criminal Investigation Activities	6,456,000	(6,969,000)	0	(700,000)
Patrol Activities	22,962,000	8,990,000	10,000,000	6,153,000
Policing the Thruway	17,725,000	522,000	0	0
Technical Police Services	42,481,000	10,002,000	2,700,000	2,700,000
Total	90,132,000	12,845,000	12,700,000	8,153,000

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

Comprehensive Construction Program	Available 2006-07	Recommended 2007-08	Change	Reappropriations 2007-08
Maintenance and Improvement of Existing Facilities				
Capital Projects Fund	6,200,000	6,200,000	0	9,932,000
New Facilities				
Capital Projects Fund - Authority Bonds	12,400,000	56,000,000	43,600,000	28,011,000
Total	18,600,000	62,200,000	43,600,000	37,943,000



# **OFFICE FOR TECHNOLOGY**

## **MISSION**

Since its inception in 1997, the Office for Technology (“OFT” or “the Office”) has evolved from an organization that plans and coordinates the State’s investments regarding information technology into an organization with significant operational responsibilities. The Office’s mission today is to provide centralized technology services, shape technology policy and coordinate statewide technology related initiatives to improve efficiency for New York State government.

## **ORGANIZATION AND STAFFING**

The Office is located in Albany and is overseen by the Director, who works in partnership with the State’s Chief Information Officer. The Office is supported with State tax dollars from the General Fund, payments from other State agencies, and Special Revenue Funds. The Office will have a staff of 726 in 2007-08.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2007-08 General Fund recommendation of \$23.6 million supports ongoing agency activities. Other major recommendations include:

- A \$99.3 million Capital Projects re-appropriation for the construction of a new Consolidated Data Center that will permit the safe and secure operation of the State’s mainframe computers and servers at a single, efficient primary site;
- A \$50 million appropriation for the Universal Broadband Access initiative, which seeks to ensure that every New Yorker has access to affordable, high-speed broadband service;
- A \$118 million Internal Service Fund appropriation for operation of the current consolidated State Data Center sites;
- A \$105 million Internal Service Fund appropriation for the New York Intranet (NYeNet) — a high-speed communications network supported by fees charged to State and local users — and for the operation of the State’s telephone system;
- A \$43.2 million Internal Service Fund appropriation to support the Human Services Network, a statewide data communication system that connects the State’s human services agencies with local social services offices and voluntary provider organizations;
- A \$31.5 million appropriation and \$18 million in re-appropriations for the continued development of the Statewide Wireless Network (“SWN”), an integrated emergency radio network that will modernize and unify the patchwork of deteriorating public safety communications systems across New York State;
- A \$2.5 million General Fund re-appropriation for the Identity and Access Management (IAM) and Server Consolidation projects, as originally funded by the 2006-7 Enacted Budget; and
- Working with the Office of General Services, OFT will continue a statewide effort to coordinate acquisitions of information technology and services to ensure that State agencies receive the best value at the lowest possible price.

# TECHNOLOGY

## PROGRAM HIGHLIGHTS

The Office for Technology's primary objectives for fiscal year 2007-08 include four significant priorities for improving the State's technology infrastructure: continuing with design and beginning construction of a new, consolidated data center to meet the growing needs for secure space, power and cooling; pursuing options for interim data center space, as current projected needs for power and cooling will exceed available space before construction of the new facility can be completed; continuing with the design and primary regional build-out of the Statewide Wireless Network; and moving forward with the Universal Broadband Access initiative. The Office will also continue to concentrate resources on other statewide technology solutions, such as the IAM and Server Consolidation projects. Finally, the Office will continue to deliver technology services to its customers.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	302,144,000	321,363,000	19,219,000	20,530,000
Aid To Localities	0	50,000,000	50,000,000	0
Capital Projects	99,500,000	0	(99,500,000)	99,300,000
Total	401,644,000	371,363,000	(30,281,000)	119,830,000

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

#### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Statewide Technology Program			
Special Revenue Funds - Other	45	47	2
Technology			
General Fund	135	135	0
Internal Service Funds	544	544	0
Total	724	726	2

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	23,095,000	23,614,000	519,000
Special Revenue Funds - Other	25,549,000	31,549,000	6,000,000
Internal Service Funds	253,500,000	266,200,000	12,700,000
Total	302,144,000	321,363,000	19,219,000

#### Adjustments:

Transfer(s) From	
Statewide Wireless Network	
Special Revenue Funds - Other	(25,549,000)
Appropriated 2006-07	276,595,000



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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Statewide Technology Program			
Special Revenue Funds - Other	25,549,000	31,549,000	6,000,000
Technology			
General Fund	23,095,000	23,614,000	519,000
Internal Service Funds	253,500,000	266,200,000	12,700,000
Total	<u>302,144,000</u>	<u>321,363,000</u>	<u>19,219,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Technology	9,489,000	37,000	9,229,000	37,000
Total	<u>9,489,000</u>	<u>37,000</u>	<u>9,229,000</u>	<u>37,000</u>

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Technology	200,000	0	60,000	0
Total	<u>200,000</u>	<u>0</u>	<u>60,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Supplies and Materials</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Technology	14,125,000	482,000	260,000	0
Total	<u>14,125,000</u>	<u>482,000</u>	<u>260,000</u>	<u>0</u>

<u>Program</u>	<u>Travel</u>		<u>Contractual Services</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Technology	45,000	5,000	11,920,000	477,000
Total	<u>45,000</u>	<u>5,000</u>	<u>11,920,000</u>	<u>477,000</u>

<u>Program</u>	<u>Equipment</u>	
	<u>Amount</u>	<u>Change</u>
Technology	1,900,000	0
Total	<u>1,900,000</u>	<u>0</u>

# TECHNOLOGY

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Statewide Technology Program	31,549,000	6,000,000	3,270,000	194,000
Technology	266,200,000	12,700,000	32,756,000	1,174,000
Total	<u>297,749,000</u>	<u>18,700,000</u>	<u>36,026,000</u>	<u>1,368,000</u>

<u>Program</u>	<u>Nonpersonal Service</u>	
	<u>Amount</u>	<u>Change</u>
Statewide Technology Program	28,279,000	5,806,000
Technology	233,444,000	11,526,000
Total	<u>261,723,000</u>	<u>17,332,000</u>

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Special Revenue Funds - Other	0	50,000,000	50,000,000
Total	<u>0</u>	<u>50,000,000</u>	<u>50,000,000</u>

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Statewide Technology Program			
Special Revenue Funds - Other	0	50,000,000	50,000,000
Total	<u>0</u>	<u>50,000,000</u>	<u>50,000,000</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
New Facilities				
Capital Projects Fund - Authority Bonds	99,500,000	0	(99,500,000)	99,300,000
Total	<u>99,500,000</u>	<u>0</u>	<u>(99,500,000)</u>	<u>99,300,000</u>

# ***DIVISION OF VETERANS' AFFAIRS***

## ***MISSION***

The Division of Veterans' Affairs assists veterans, members of the armed forces and their families and dependents in securing benefits earned through military service. The Division coordinates veterans' programs and services offered by other State agencies, works closely with the Federal Department of Veterans' Affairs and advocates State and Federal actions to meet veterans' needs. The Division serves 1.1 million New Yorkers who are veterans, as well as their dependents and those on active duty.

## ***ORGANIZATION AND STAFFING***

The Division is headed by a Director who is appointed by the Governor. The Division's central office is in Albany, with regional offices in New York City and Buffalo. The Division staffs a network of approximately 70 community based access points in nearly all of the State's counties and New York City. The Division will have a workforce of 112 in 2007-08.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Executive Budget recommends \$15.4 million in new appropriations for the Division of Veterans' Affairs including a \$300,000 increase for the Blind Veteran Annuity Assistance Program to accommodate the annual cost-of-living benefit increase. State aid is continued for county and city veterans' service agencies and Federal appropriations for the Veterans' Education Program are maintained. The Office of General Services will continue to provide administrative support, permitting the Division to focus on its main mission, serving the State's veterans and their families.

## ***PROGRAM HIGHLIGHTS***

The Veterans' Counseling Program, the largest of the Division of Veterans' Affairs' four programs, provides benefits counseling and claims services through a statewide network of State veterans' benefits counselors. The counselors — who are all veterans — help veterans complete and file applications for Federal, State, local and private veterans' benefits. Veterans' counselors also help veterans access the services provided by Veterans' Affairs Medical Centers, senior centers, State Veterans' Homes, local nursing homes and public assistance offices.

The Division of Veterans' Affairs is responsible for securing a substantial portion of the more than \$1.25 billion annually in recurring Federal VA compensation and pension payments made directly to New York State veterans and their dependents. State veterans' counselors file more than 8,600 benefit claims annually that result in approximately \$65 million in new and recurring Federal benefits. The average compensation award for each veteran represented by State veterans' counselors exceeds \$11,500 annually. State veterans' counselors also assist constituents in obtaining additional veterans benefits, including VA medical care, various other Federal, State and local economic assistance, tax exemptions and

## VETERANS' AFFAIRS

a variety of other benefits offered in recognition of military service. Additionally, with the enactment of New York Patriot Plans in 2003, 2004, and 2005, State veterans' counselors help to ensure that active duty military personnel and their families receive the supplemental benefits to which they are now entitled.

The Veterans' Counseling Program also oversees State assistance to county and city veterans' service agencies. Fifty-seven counties and seven cities receive reimbursement for a substantial portion of their costs associated with programs serving veterans.

The Blind Veteran Annuity Program provides visually impaired veterans and eligible surviving spouses with monthly assistance. In 2007-08, this program will assist more than 4,300 recipients. Legislation approved in 2004 provided for an annual cost of living increase to maintain the value of the benefit paid to each recipient.

The Veterans' Education Program certifies post-secondary educational and vocational programs as providing quality education and training to veterans eligible for Federal G. I. education benefits. The program staff reviews and approves thousands of programs for use by veterans, ensuring a wide variety of career training and educational opportunities for veterans and eligible dependents and survivors.

The Division of Veterans' Affairs continues to maintain its community outreach activities through senior citizens' seminars and similar forums for women veterans. In addition, it is the driving force behind the Interagency Veterans' Council, a consortium of Federal, State and local agencies and non-profit organizations that meets periodically to address and resolve problems and concerns within the veteran community. The Division also collaborates with other State agencies to better identify veterans and their dependents on public assistance, to assist them in securing Federal veterans' benefits to which they are entitled, and to advise senior citizens of veterans' benefits and services that could improve the quality of their lives.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	8,530,000	8,737,000	207,000	2,500,000
Aid To Localities	6,330,000	6,630,000	300,000	852,000
Capital Projects	0	0	0	0
Total	14,860,000	15,367,000	507,000	3,352,000

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Administration			
General Fund	9	9	0
Higher Education			
Special Revenue Funds - Federal	12	12	0
Veteran Counseling Services Program			
General Fund	91	91	0
Total	112	112	0

# VETERANS' AFFAIRS

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	6,230,000	6,383,000	153,000
Special Revenue Funds - Federal	2,300,000	2,354,000	54,000
Total	<u>8,530,000</u>	<u>8,737,000</u>	<u>207,000</u>

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Administration			
General Fund	802,000	827,000	25,000
Higher Education			
Special Revenue Funds - Federal	1,800,000	1,854,000	54,000
Veteran Counseling Services Program			
General Fund	5,428,000	5,556,000	128,000
Special Revenue Funds - Federal	500,000	500,000	0
Total	<u>8,530,000</u>	<u>8,737,000</u>	<u>207,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	712,000	22,000	712,000	22,000
Veteran Counseling Services Program	5,061,000	123,000	5,061,000	123,000
Total	<u>5,773,000</u>	<u>145,000</u>	<u>5,773,000</u>	<u>145,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Supplies and Materials</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	115,000	3,000	11,000	1,000
Veteran Counseling Services Program	495,000	5,000	50,000	1,000
Total	<u>610,000</u>	<u>8,000</u>	<u>61,000</u>	<u>2,000</u>

<u>Program</u>	<u>Travel</u>		<u>Contractual Services</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	16,000	0	57,000	1,000
Veteran Counseling Services Program	119,000	1,000	266,000	2,000
Total	<u>135,000</u>	<u>1,000</u>	<u>323,000</u>	<u>3,000</u>

<u>Program</u>	<u>Equipment</u>	
	<u>Amount</u>	<u>Change</u>
Administration	31,000	1,000
Veteran Counseling Services Program	60,000	1,000
Total	<u>91,000</u>	<u>2,000</u>

# VETERANS' AFFAIRS

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Higher Education	1,854,000	54,000	1,086,000	31,000
Veteran Counseling Services Program	500,000	0	0	0
Total	<u>2,354,000</u>	<u>54,000</u>	<u>1,086,000</u>	<u>31,000</u>

<b>Program</b>	<b>Nonpersonal Service</b>	
	<b>Amount</b>	<b>Change</b>
Higher Education	768,000	23,000
Veteran Counseling Services Program	500,000	0
Total	<u>1,268,000</u>	<u>23,000</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	6,330,000	6,630,000	300,000
Total	<u>6,330,000</u>	<u>6,630,000</u>	<u>300,000</u>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Administration			
General Fund	200,000	200,000	0
Blind Veteran Annuity Assistance			
General Fund	5,200,000	5,500,000	300,000
Veteran Counseling Services Program			
General Fund	930,000	930,000	0
Total	<u>6,330,000</u>	<u>6,630,000</u>	<u>300,000</u>

# **WORKERS' COMPENSATION BOARD**

## **MISSION**

To protect the well-being of New York's labor force, most private and public sector employers in New York are required to carry workers' compensation and disability benefits insurance for their employees or demonstrate their ability to self-insure. The Workers' Compensation Board reviews claims for workers' compensation payments and assists in resolving disputed claims. In performing these responsibilities, the Board administers provisions of the following laws: the Workers' Compensation Law; the Disability Benefits Law; the Civil Defense Volunteers' Law; the Volunteer Firefighters' Benefit Law; and the Volunteer Ambulance Workers' Benefit Law.

## **ORGANIZATION AND STAFFING**

The Board is headed by a Chairperson selected by the Governor and includes 12 additional full-time members nominated by the Governor and confirmed by the Senate for seven year terms. District offices are located in Albany, Binghamton, Brooklyn, Buffalo, Hauppauge, Hempstead, Manhattan, Peekskill, Queens, Rochester and Syracuse, with administrative offices in Albany. To make the hearing process as convenient as possible, the Board has 30 additional customer service centers located throughout the State. The Board will have a workforce of 1,539 positions in 2007-08.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Board is fully funded through assessments on the Workers' Compensation and Disability Benefits insurance industry and with revenues produced by various services provided by the Board. The assessments paid by insurers are allocated to three major programs: Disability Benefits; Systems Modernization; and Workers' Compensation.

The 2007-08 Executive Budget recommends approximately \$ 213 million in support for the Board. The recommended funding will enable the Board to meet its mission to improve services to injured workers and businesses, while maintaining payments to injured workers that are covered by self-insured groups that have entered bankruptcy.

## **PROGRAM HIGHLIGHTS**

The Board continues to improve services by resolving claims in the most efficient and equitable manner possible. For instance, the agency continues to refine its formal and informal adjudication tools and resolve more outstanding claims issues for new and reactivated cases.

The Board's Office of Fraud Inspector General (OFIG) continues to proactively fight Worker's Compensation fraud statewide. During 2005, OFIG received 3,571 fraud complaints, investigated and closed 3,633 fraud cases, submitted 1,633 cases to various authorities for criminal prosecution or other appropriate action and returned \$1.9 million to defrauded victims.

## ***WORKERS' COMPENSATION***

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### ***DISABILITY BENEFITS PROGRAM***

Disability benefits provide cash payments in lieu of lost wages to temporarily disabled employees. Coverage is required for employers of one or more employees with such selected exceptions as agricultural enterprises and public employers.

### ***SYSTEMS MODERNIZATION PROGRAM***

The Office for Systems Modernization manages a multi-year effort to overhaul the Board's capacity to manage and use information. This program also maintains computerized systems vital to various Board operations and collects and analyzes data that measure performance and identify potential problems. Now that the Board has a fully automated claims processing operation, its focus continues to be directed to other functional areas in need of automation and re-engineering, including Administration, Research and Compliance and Regulatory Services. When the modernization program is complete, the Board will have a new Workers' Compensation Board Information System that will have automated and streamlined all its business activities. This Program has already increased productivity by enhancing the Board's capacity to process the millions of pieces of information it receives each year.

### ***WORKERS' COMPENSATION PROGRAM***

The Workers' Compensation Board reviews workers' claims for benefits, reports of injury filed by employers and medical reports from physicians and other health care providers. The Board adjudicates all issues and law judges make awards and findings to ensure that an entitled claimant promptly receives benefits and medical treatment. The decisions by the law judges may subsequently be appealed to Board panels and eventually to the courts. The Board, through its Bureau of Compliance, also monitors employers to ensure that they properly provide coverage for their employees and imposes penalties on those employers who fail to do so. In addition, the Board's Regulatory Services Bureau authorizes physicians to treat compensation cases, awards licenses to medical providers and arbitrates disputed medical bills.

#### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	190,046,000	212,803,000	22,757,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	190,046,000	212,803,000	22,757,000	0



# WORKERS' COMPENSATION

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

Full-Time Equivalent Positions (FTE)			
Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Disability Benefits			
Special Revenue Funds - Other	51	51	0
Systems Modernization			
Special Revenue Funds - Other	81	81	0
Workers Compensation			
Special Revenue Funds - Other	1,407	1,407	0
Total	1,539	1,539	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
Special Revenue Funds - Other	190,046,000	212,803,000	22,757,000
Total	190,046,000	212,803,000	22,757,000

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

Program	Available 2006-07	Recommended 2007-08	Change
Disability Benefits			
Special Revenue Funds - Other	7,457,000	7,670,000	213,000
Systems Modernization			
Special Revenue Funds - Other	38,136,000	39,417,000	1,281,000
Workers Compensation			
Special Revenue Funds - Other	144,453,000	165,716,000	21,263,000
Total	190,046,000	212,803,000	22,757,000

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2007-08 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Disability Benefits	7,670,000	213,000	3,819,000	96,000
Systems Modernization	39,417,000	1,281,000	4,970,000	125,000
Workers Compensation	165,716,000	21,263,000	75,553,000	1,896,000
Total	212,803,000	22,757,000	84,342,000	2,117,000
Program	Nonpersonal Service		Maintenance	Undistributed
	Amount	Change	Amount	Change
Disability Benefits	3,851,000	117,000	0	0
Systems Modernization	34,447,000	1,156,000	0	0
Workers Compensation	89,422,000	19,323,000	741,000	44,000
Total	127,720,000	20,596,000	741,000	44,000





**MISCELLANEOUS**



# MISCELLANEOUS

## ALL STATE DEPARTMENTS AND AGENCIES

These reappropriations continue the spending authority for the expenditure of Community Projects Fund lump sum appropriations originally enacted in fiscal years 2003-04 through 2006-07. The 2007-08 Executive Budget does not advance any new appropriations for the Community Projects Fund.

### ALL FUNDS APPROPRIATIONS (dollars)

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	0	0	0	0
Aid To Localities	200,000,000	0	(200,000,000)	416,000,000
Capital Projects	0	0	0	0
Total	200,000,000	0	(200,000,000)	416,000,000

## ALL STATE DEPARTMENTS AND AGENCIES SERVICES, EXPENSES OR GRANTS

These reappropriations continue the spending authority for the expenditure of Community Projects Fund lump sum appropriations originally enacted prior to the 2003-04 fiscal year. The 2007-08 Executive Budget does not advance any new appropriations for the Community Projects Fund.

### ALL FUNDS APPROPRIATIONS (dollars)

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	0	0	0	0
Aid To Localities	0	0	0	2,225,000
Capital Projects	0	0	0	0
Total	0	0	0	2,225,000

**MISCELLANEOUS**

**ALL STATE DEPARTMENTS AND AGENCIES  
STATE EQUIPMENT FINANCING PROGRAM**

Statewide equipment represents bond-financed spending for major equipment purchases across all State agencies and fund types.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	117,000,000	20,000,000	(97,000,000)	117,000,000
Total	117,000,000	20,000,000	(97,000,000)	117,000,000

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

<b>Comprehensive Construction Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations 2007-08</b>
Program Changes and Expansion				
Capital Projects Fund - Authority Bonds	117,000,000	20,000,000	(97,000,000)	117,000,000
Total	117,000,000	20,000,000	(97,000,000)	117,000,000

**AUTOMATED EXTERNAL DEFIBRILLATORS**

Pursuant to Chapter 510 of the Laws of 2004, public buildings and institutions must be equipped with automated external defibrillators. The Commissioner of General Services has promulgated regulations and is working with State agencies to meet this requirement. Device installations commenced in 2006, and implementation is well underway. The 2007-08 Executive Budget provides a reappropriation of \$45 million to support the completion of this initiative.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	0	0	0	45,000,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	0	0	0	45,000,000

**COLLECTIVE BARGAINING AGREEMENTS**

**PROGRAM HIGHLIGHTS**

A total of \$16.7 million in General Fund appropriations and \$29.1 million in reappropriations are recommended to continue support for labor-management committee costs and statutorily required programs. These appropriations are limited to the amounts necessary to continue required benefits and programs in the absence of new collective bargaining agreements.

In addition, a total of \$400,000 in Special Revenue funding is recommended for the administrative costs of the NYS Flex Spending Accounts, which allow participating employees to make pre-tax payroll deductions for child and elder care expenses. These administrative costs are fully supported by assessments on those employees participating in this program.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	56,512,760	16,674,000	(39,838,760)	29,097,680
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>56,512,760</b>	<b>16,674,000</b>	<b>(39,838,760)</b>	<b>29,097,680</b>

**COMMUNITY SERVICE PROVIDER  
ASSISTANCE PROGRAM**

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	0	0	0	0
Aid To Localities	0	0	0	6,000,000
Capital Projects	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,000,000</b>

**DEFERRED COMPENSATION BOARD**

**MISSION**

The Deferred Compensation Board oversees public employee Deferred Compensation Plans, including the State Plan and locally operated plans. The mission of the State Plan is to help employees achieve their retirement savings goals by providing quality investment options, investment educational programs and related services. Local plans are overseen by local committees, but must operate in compliance with the Board's rules.

## **MISCELLANEOUS**

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### **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 maintains a staff of four professionals who are responsible for management of the State Plan as well as for regulatory duties for 250 local plans. Management of the State Plan includes oversight of administrative services delivered by contracted staff, monitoring the Plan's investment managers, coordination with professional services firms and direct service delivery through its main office.

### **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The Executive Budget recommendations for 2007-08 will provide continued support for the current operations of the Deferred Compensation Board. The recommended funding includes a \$176,000 General Fund appropriation for the costs of providing legal advice and assistance to local governments on the establishment and maintenance of deferred compensation plans. The remaining \$724,000 in Special Revenue appropriation is fully supported by a participant fee and administrative rebates that the Plan receives from the investment firms.

### **PROGRAM HIGHLIGHTS**

The Board continues to pursue opportunities to improve service and further participants' ability to construct cost effective, well-diversified portfolios. The Board initiates outreach efforts to employers to encourage even greater Plan participation at both the State and local government levels. Due to these efforts, voluntary employee salary deferrals to the Plan have increased by more than \$54 million (8 percent) during the past fiscal year, and an additional 77 local governments have become participating employers in the Plan. The Board increased its outreach to local plans through additional regulatory mailings and will continue to provide guidance to local governments on compliance issues related to Federal statutory changes and the State's Model Deferred Compensation Plan.

#### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available</b>	<b>Appropriations</b>	<b>Change</b>	<b>Reappropriations</b>
	<b>2006-07</b>	<b>Recommended 2007-08</b>		<b>Recommended 2007-08</b>
State Operations	871,000	900,000	29,000	100,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	871,000	900,000	29,000	100,000



**MISCELLANEOUS**

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

Full-Time Equivalent Positions (FTE)			
Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Operations			
Special Revenue Funds - Other	4	4	0
Total	4	4	0

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

Program	Available 2006-07	Recommended 2007-08	Change
Operations			
General Fund	170,000	176,000	6,000
Special Revenue Funds - Other	701,000	724,000	23,000
Total	871,000	900,000	29,000

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Operations	176,000	6,000	26,000	6,000
Total	176,000	6,000	26,000	6,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Operations	40,000	0	110,000	0
Total	40,000	0	110,000	0

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations	724,000	23,000	347,000	0
Total	724,000	23,000	347,000	0

Program	Nonpersonal Service	
	Amount	Change
Operations	377,000	23,000
Total	377,000	23,000

**EXTRAORDINARY ENERGY COSTS**

Contingent appropriation authority of \$58.6 million was provided to cover extraordinary energy cost increases experienced by the State University of New York and the City University of New York in 2006-07. This separate contingent appropriation authority is not required for 2007-08.

## MISCELLANEOUS

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	28,600,000	0	(28,600,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	28,600,000	0	(28,600,000)	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	28,600,000	0	(28,600,000)
Total	28,600,000	0	(28,600,000)
Adjustments:			
Transfer(s) To			
State University of New York			
General Fund	30,000,000		
Appropriated 2006-07	58,600,000		

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

Program	Available 2006-07	Recommended 2007-08	Change
Energy Costs			
General Fund	28,600,000	0	(28,600,000)
Total	28,600,000	0	(28,600,000)

## 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

Recommended appropriations for General State Charges total \$3.2 billion in 2007-08. This amount will be augmented by \$822 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 20 health maintenance organizations. Approximately 80 percent of State employees and retirees are enrolled in the Empire Plan.

The recommended 2007-08 General Fund appropriation of \$2 billion reflects a 10.8 percent increase in the State's employee health insurance expenditures.

**Pension Benefits:** Most State employees are members of the New York State and Local Retirement System, which consists of the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System. With approximately \$140 billion in combined invested 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.

The recommended appropriation for the State's contribution to the retirement system in 2007-08 is \$899 million. This appropriation reflects an estimated normal contribution rate of 9.2 percent of salary.

**Social Security and Medicare Taxes:** In addition to employer contributions made to the retirement system, the State makes weekly tax payments to the Federal government for the Social Security and Medicare benefit programs. The Social Security tax rate is 6.2 percent, applied on wages up to \$97,500 in 2007, and the Medicare tax rate is 1.45 percent on all wages.

The recommended General Fund appropriation for Social Security and Medicare taxes in 2007-08 is \$443 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. Most State employees are paid supplemental benefits pursuant to collective bargaining agreements.

The recommended General Fund appropriation for workers' compensation benefits in 2007-08 is \$220 million. Efforts to contain costs and improve program management will continue through funding the automated Accident Reporting System and a dispute resolution program.

**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 \$150 million in General Fund appropriations is recommended in 2007-08 to fund dental, vision and other employee benefits.

**Fringe Benefits for State University Employees:** An \$822 million General Fund appropriation to support fringe benefits for employees of the State University will be initially included in the State University budget. Upon enactment, this amount will be transferred to the General State Charges program to be centrally administered along with the benefit programs for all State employees.

## MISCELLANEOUS

### 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 23,000 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 other localities.

A total of \$205 million in appropriations is recommended in 2007-08 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 \$110 million in appropriations is recommended in 2007-08 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 that the courts have required under an interpretation of current law.

#### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	3,151,316,000	3,152,619,000	1,303,000	6,363,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	3,151,316,000	3,152,619,000	1,303,000	6,363,000

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	3,051,816,000	3,152,619,000	100,803,000
Fiduciary Funds	99,500,000	0	(99,500,000)
Total	3,151,316,000	3,152,619,000	1,303,000

Adjustments:

Transfer(s) From

Special Pay Bill

General Fund

Appropriated 2006-07

(34,107,000)

3,117,209,000

**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 2007-08 Executive Budget recommends a General Fund appropriation of \$3,384,000 that reflects a \$190,000 increase from the 2006-07 funding level.

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Green Thumb Program			
General Fund	3,194,000	3,384,000	190,000
Total	3,194,000	3,384,000	190,000

**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 the Greenway, and designate and develop the Hudson River Valley Greenway Trail. The 2007-08 Executive Budget recommends a General Fund appropriation of \$256,000 for operational support of the Conservancy.

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Operations			
General Fund	256,000	256,000	0
Total	256,000	256,000	0

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Operations	204,300	204,300	204,300	204,300
Total	204,300	204,300	204,300	204,300

## MISCELLANEOUS

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Operations	51,700	(204,300)	0	(256,000)
Total	<u>51,700</u>	<u>(204,300)</u>	<u>0</u>	<u>(256,000)</u>

<b>Program</b>	<b>General State Charges</b>	
	<b>Amount</b>	<b>Change</b>
Operations	51,700	51,700
Total	<u>51,700</u>	<u>51,700</u>

## HEALTH INSURANCE RESERVE RECEIPTS FUND

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	192,400,000	192,400,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>192,400,000</u>	<u>192,400,000</u>	<u>0</u>	<u>0</u>

## HEALTH INSURANCE CONTINGENCY RESERVE

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	522,977,000	583,525,000	60,548,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>522,977,000</u>	<u>583,525,000</u>	<u>60,548,000</u>	<u>0</u>

## 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.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	780,000	795,500	15,500	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
<b>Total</b>	<b>780,000</b>	<b>795,500</b>	<b>15,500</b>	<b>0</b>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Higher Education			
Special Revenue Funds - Other	780,000	795,500	15,500
<b>Total</b>	<b>780,000</b>	<b>795,500</b>	<b>15,500</b>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Higher Education	795,500	15,500	401,800	4,800
<b>Total</b>	<b>795,500</b>	<b>15,500</b>	<b>401,800</b>	<b>4,800</b>

<b>Program</b>	<b>Nonpersonal Service</b>	
	<b>Amount</b>	<b>Change</b>
Higher Education	393,700	10,700
<b>Total</b>	<b>393,700</b>	<b>10,700</b>

**HIGHER EDUCATION FACILITIES  
CAPITAL MATCHING GRANTS PROGRAM**

The 2005-06 Budget included a new \$150 million higher education facilities capital matching grant program for private colleges in New York. Under this program, \$150 million will be awarded to private colleges based on enrollment and relative student financial need as measured by total awards provided through the Tuition Assistance Program. This program requires a three to one (non-State to State) match by institutions.

Under this program, grants are awarded by the Higher Education Capital Matching Grant Board consisting of three members (one appointed directly by the Governor with the remaining members appointed upon the recommendation of the President of the Senate and the Speaker of the Assembly) serving one year terms. Grants may be used for the design, construction or acquisition of new facilities, rehabilitation and repair of existing facilities or for any projects for targeted priorities including economic development/high technology (including wet labs), critical academic facilities, and urban renewal/historic preservation.

The 2007-08 Executive Budget continues \$150 million in reappropriation authority for grants to be determined by the Board in 2007-08. For 2007-08, commitments are projected to be \$30 million and disbursements are projected to be \$10 million reflecting the start up of the new program.

## MISCELLANEOUS

This program, once fully implemented, will leverage over \$450 million in external funds to match the State's \$150 million investment, thereby providing for a combined capital program totaling \$600 million. The State's share of the program will be financed through the issuance of bonds.

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

<b>Comprehensive Construction Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations 2007-08</b>
Higher Education Capital Matching Grants				
Capital Projects Fund - Authority Bonds	0	0	0	150,000,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>150,000,000</b>

## HOMELAND SECURITY

Since fall 2001, State agencies have deployed numerous resources to detect and protect against domestic security threats. The 2007-08 Executive Budget provides appropriations of approximately \$187.3 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.

### ALL FUNDS APPROPRIATIONS (dollars)

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	135,685,000	137,319,000	1,634,000	44,751,000
Aid To Localities	50,000,000	50,000,000	0	83,184,000
Capital Projects	5,000,000	0	(5,000,000)	31,477,000
<b>Total</b>	<b>190,685,000</b>	<b>187,319,000</b>	<b>(3,366,000)</b>	<b>159,412,000</b>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Domestic Anti-Terrorism Program			
Special Revenue Funds - Other	3,000,000	3,000,000	0
All Funds	132,685,000	134,319,000	1,634,000
<b>Total</b>	<b>135,685,000</b>	<b>137,319,000</b>	<b>1,634,000</b>

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Domestic Anti-Terrorism Program			
Special Revenue Funds - Federal	50,000,000	50,000,000	0
<b>Total</b>	<b>50,000,000</b>	<b>50,000,000</b>	<b>0</b>



**MISCELLANEOUS**

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

<b>Comprehensive Construction Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations 2007-08</b>
Homeland Security				
Capital Projects Fund	0	0	0	12,333,000
Federal Capital Projects Fund	5,000,000	0	(5,000,000)	19,144,000
Total	5,000,000	0	(5,000,000)	31,477,000

**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 appropriations of \$608,000 in 2007-08 to support the Council's administration, technical assistance, and local planning grants programs.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	404,000	404,000	0	0
Aid To Localities	204,000	204,000	0	650,000
Capital Projects	0	0	0	0
Total	608,000	608,000	0	650,000

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

**Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>2007-08 Estimated FTEs 03/31/08</b>	<b>FTE Change</b>
Operations			
General Fund	3	3	0
Total	3	3	0

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Operations	331,000	0	331,000	0
Total	331,000	0	331,000	0

# MISCELLANEOUS

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Operations	73,000	0	25,200	25,200
Total	<u>73,000</u>	<u>0</u>	<u>25,200</u>	<u>25,200</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Operations	19,900	19,900	18,500	(54,500)
Total	<u>19,900</u>	<u>19,900</u>	<u>18,500</u>	<u>(54,500)</u>

<b>Program</b>	<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>
Operations	9,400	9,400
Total	<u>9,400</u>	<u>9,400</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	204,000	204,000	0
Total	<u>204,000</u>	<u>204,000</u>	<u>0</u>

## **INSURANCE AND SECURITIES FUNDS RESERVE GUARANTEE**

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	1,605,000,000	1,605,000,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>1,605,000,000</u>	<u>1,605,000,000</u>	<u>0</u>	<u>0</u>

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	1,605,000,000	1,605,000,000	0
Total	<u>1,605,000,000</u>	<u>1,605,000,000</u>	<u>0</u>

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Aggregate Trust Fund			
General Fund	220,000,000	220,000,000	0
Property/Casualty Insurance Security Fund			
General Fund	90,000,000	90,000,000	0
State Insurance Fund			
General Fund	1,295,000,000	1,295,000,000	0
Total	<u>1,605,000,000</u>	<u>1,605,000,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Maintenance Undistributed</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Aggregate Trust Fund	220,000,000	0	220,000,000	0
Property/Casualty Insurance Security Fund	90,000,000	0	90,000,000	0
State Insurance Fund	1,295,000,000	0	1,295,000,000	0
Total	<u>1,605,000,000</u>	<u>0</u>	<u>1,605,000,000</u>	<u>0</u>

**LOCAL GOVERNMENT ASSISTANCE**

The following appropriations provide State aid to all classes of local government. Of the total miscellaneous local government assistance, only 3.6 percent is appropriated from the General Fund. The remaining 96.4 percent is appropriated primarily as fiduciary funds with no General Fund impact.

Executive Budget recommendations for 2007-08 are as follows:

- \$722.7 million is proposed to fund a restructured Aid and Incentives for Municipalities (AIM) program that provides \$50 million in additional 2007-08 aid targeted primarily to distressed municipalities. New fiscal accountability requirements would promote improved local management and efficiency. By 2010-11, annual increases totaling \$200 million would be provided. AIM funding is eliminated for New York City and 81 high wealth municipalities, resulting in a total 2007-08 savings of \$330 million. Finally, \$25 million is continued under the Shared Municipal Services Incentive program for incentive grants to encourage local government consolidation and shared services.
- \$34.2 million in funding to support aid for municipalities with video lottery gaming facilities. The Executive Budget limits eligibility to municipalities outside of New York City in 2007-08. Beginning in 2008-09, this aid would be further limited to high need municipalities.
- \$12 million in Efficiency Incentive Grant funding is appropriated for the Buffalo Fiscal Stability Authority to encourage cost saving efforts in the City of Buffalo.
- \$5 million to fund a new School District Efficiency Review initiative intended to assist school districts in identifying administrative and other operational savings that would be reinvested to support classroom instruction and minimize local property tax growth. These efficiency reviews would be conducted under the supervision of the Division of the Budget in consultation with the Commissioner of Education.

## MISCELLANEOUS

- \$2 million each is provided to Oneida and Madison Counties as interim financial assistance related to land claim settlements.
- \$2.1 million is appropriated for the Small Government Assistance program that supports funding to certain counties and school districts.
- \$548.3 million is recommended as a contingency appropriation in the event State assistance is needed to meet debt service or other obligations related to the City of New York, including authorization for payments to the Municipal Assistance Corporation previously appropriated in the AIM program.
- \$35.3 billion in Fiduciary appropriations are recommended 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.
- Appropriations authorized in 2006-07 that are no longer required in 2007-08 include the State's final \$20 million payment to the City of Yonkers under a litigation settlement agreement and \$5.7 million in one-time grants paid to counties in 2006-07 for disaster planning and preparedness.

### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	3,243,000	8,243,000	5,000,000	0
Aid To Localities	32,680,763,700	36,637,533,600	3,956,769,900	55,550,000
Capital Projects	0	0	0	0
Total	32,684,006,700	36,645,776,600	3,961,769,900	55,550,000

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

#### Full-Time Equivalent Positions (FTE)

Program	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
Financial Control Board, New York State			
Special Revenue Funds - Other	17	17	0
Total	17	17	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	0	5,000,000	5,000,000
Special Revenue Funds - Other	3,243,000	3,243,000	0
Total	3,243,000	8,243,000	5,000,000

**MISCELLANEOUS**

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Financial Control Board, New York State			
Special Revenue Funds - Other	3,243,000	3,243,000	0
School District Efficiency Program			
General Fund	0	5,000,000	5,000,000
Total	<u>3,243,000</u>	<u>8,243,000</u>	<u>5,000,000</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Maintenance Undistributed</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
School District Efficiency Program	5,000,000	5,000,000	5,000,000	5,000,000
Total	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Financial Control Board, New York State	3,243,000	0	1,789,000	0
Total	<u>3,243,000</u>	<u>0</u>	<u>1,789,000</u>	<u>0</u>

<u>Program</u>	<u>Nonpersonal Service</u>	
	<u>Amount</u>	<u>Change</u>
Financial Control Board, New York State	1,454,000	0
Total	<u>1,454,000</u>	<u>0</u>

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
General Fund	1,301,963,700	1,323,384,600	21,420,900
Fiduciary Funds	31,378,800,000	35,314,149,000	3,935,349,000
Total	<u>32,680,763,700</u>	<u>36,637,533,600</u>	<u>3,956,769,900</u>

## **MISCELLANEOUS**

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Aid and Incentives for Municipalities			
General Fund	1,002,486,001	722,753,000	(279,733,001)
Contingency Appropriation for the City of New York			
General Fund	219,653,099	548,300,000	328,646,901
Disaster Planning and Preparedness			
General Fund	5,693,000	0	(5,693,000)
Efficiency Incentive Grants Program			
General Fund	28,000,000	12,000,000	(16,000,000)
Miscellaneous Financial Assistance			
General Fund	4,000,000	4,000,000	0
Municipal Assistance State Aid Fund			
Fiduciary Funds	563,300,000	563,300,000	0
Municipal Assistance Tax Fund			
Fiduciary Funds	17,815,500,000	19,878,849,000	2,063,349,000
Municipalities with VLT Facilities			
General Fund	20,000,000	34,200,000	14,200,000
Small Government Assistance			
General Fund	2,131,600	2,131,600	0
Stock Transfer Tax Fund			
Fiduciary Funds	13,000,000,000	14,872,000,000	1,872,000,000
Yonkers Settlement			
General Fund	20,000,000	0	(20,000,000)
Total	<u>32,680,763,700</u>	<u>36,637,533,600</u>	<u>3,956,769,900</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. The community service grants support programs that help communities address issues related to youth education, assisting individuals with disabilities and public health and disaster preparedness.

### **ORGANIZATION AND STAFFING**

The Office of National and Community Service is housed and staffed within the Office of Children and Family Services. The Office will have a workforce of nine, which is consistent with 2006-07 staffing levels.

### **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2007-08 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 \$357,000 is recommended to meet match requirements for the Office's administration grant.

**MISCELLANEOUS**

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	30,344,000	30,357,000	13,000	95,516,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	30,344,000	30,357,000	13,000	95,516,000

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	344,000	357,000	13,000
Special Revenue Funds - Federal	30,000,000	30,000,000	0
Total	30,344,000	30,357,000	13,000

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Operations			
General Fund	344,000	357,000	13,000
Special Revenue Funds - Federal	30,000,000	30,000,000	0
Total	30,344,000	30,357,000	13,000

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Operations	285,000	13,000	281,000	13,000
Total	285,000	13,000	281,000	13,000

<b>Program</b>	<b>Holiday/Overtime Pay (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>
Operations	4,000	0
Total	4,000	0

# MISCELLANEOUS

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Operations	72,000	0	3,000	0
Total	<u>72,000</u>	<u>0</u>	<u>3,000</u>	<u>0</u>

Program	Contractual Services	
	Amount	Change
Operations	69,000	0
Total	<u>69,000</u>	<u>0</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Operations	30,000,000	0	30,000,000	0
Total	<u>30,000,000</u>	<u>0</u>	<u>30,000,000</u>	<u>0</u>

## NORTHEASTERN QUEENS NATURE AND HISTORICAL PRESERVE COMMISSION

The Northeast Queens Nature and Historical Preserve Commission was created in 1973 to regulate publicly owned lands and wetlands in this section of Queens County. The Executive Budget recommends \$120,000 to support the Commission's operations in 2007-08, the same level of funding provided in 2006-07.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	120,000	120,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>120,000</u>	<u>120,000</u>	<u>0</u>	<u>0</u>

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

Program	Full-Time Equivalent Positions (FTE)		
	2006-07 Estimated FTEs 03/31/07	2007-08 Estimated FTEs 03/31/08	FTE Change
	Administration		
General Fund	2	2	0
Total	<u>2</u>	<u>2</u>	<u>0</u>



**MISCELLANEOUS**

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	78,000	0	78,000	0
Total	78,000	0	78,000	0

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	42,000	0	32,000	(10,000)
Total	42,000	0	32,000	(10,000)

<b>Program</b>	<b>Travel</b>		<b>Equipment</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	400	400	9,600	9,600
Total	400	400	9,600	9,600

**PAYMENT TO THE CITY OF NEW YORK**

This local assistance appropriation is required pursuant to Section 3238-a of the Public Authorities Law and is related to STARC's refinancing of prior New York City Municipal Assistance Corporation debt.

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
STAR Payment			
General Fund	170,000,000	170,000,000	0
Total	170,000,000	170,000,000	0

**COMMISSION ON PUBLIC AUTHORITY REFORM**

In 2006-07, \$150,000 was appropriated to support the work of the Commission on Public Authority Reform. The Commission completed its work and issued its final report in May 2006. As a result, no additional funds are being recommended this year.

**MISCELLANEOUS**

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	150,000	0	(150,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	150,000	0	(150,000)	0

**RACING REFORM PROGRAM**

Chapter 354 of the laws of 2005 enacted a series of reform measures that relate to the State's franchise to conduct thoroughbred racing at Aqueduct, Belmont and Saratoga race tracks. That 2005 reform legislation created a five member oversight board to review the finances, contracting and administrative practices of the State's current franchisee, the New York Racing Association (NYRA). The 2005 law also accelerated, from July 2006 to December 2005, the establishment of a nine member "ad hoc committee." The Ad Hoc Committee (Committee on the Future of Racing) is charged with developing and administering the State's process that will result in the selection of a successor franchisee to operate the race tracks commencing on January 1, 2008. The Committee made its recommendation of a successor public in November, 2006. A final report detailing the Committee's recommendation is forthcoming. The 2007-08 Executive Budget recommends a \$1 million appropriation and reappropriation of \$2 million that will be used to finance administrative and contractual costs of the oversight board and the Ad Hoc Committee.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	2,000,000	1,000,000	(1,000,000)	2,000,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	2,000,000	1,000,000	(1,000,000)	2,000,000

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	2,000,000	1,000,000	(1,000,000)
Total	2,000,000	1,000,000	(1,000,000)

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

<b>Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Racing Reform Program			
General Fund	2,000,000	1,000,000	(1,000,000)
Total	2,000,000	1,000,000	(1,000,000)

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2007-08 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Racing Reform Program	1,000,000	(1,000,000)	1,000,000	(1,000,000)
Total	1,000,000	(1,000,000)	1,000,000	(1,000,000)

**RESERVE FOR FEDERAL AUDIT DISALLOWANCES**

The Reserve for Federal Audit Disallowances provides authority to the General Fund in the event of a reduction in available Federal grant awards resulting from disallowances. The 2007-08 Executive Budget recommends an increase in this appropriation, consistent with the State's risk profile.

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	100,000,000	150,000,000	50,000,000
Total	100,000,000	150,000,000	50,000,000

**SPECIAL EMERGENCY APPROPRIATION**

The Special Emergency Appropriation provides authority for the disbursement of additional State Funds in the event of an unanticipated emergency affecting the State of New York, such as a natural disaster. In 2006-07, the appropriation was used to help provide disaster relief to communities affected by the flooding and winter storms. The 2007-08 Executive Budget recommends an increase in this appropriation of \$25,000,000 to allow the State to readily respond to emergencies.

**MISCELLANEOUS**

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2006-07</b>	<b>Appropriations Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations Recommended 2007-08</b>
State Operations	50,000,000	75,000,000	25,000,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	50,000,000	75,000,000	25,000,000	0

**SPECIAL FEDERAL EMERGENCY APPROPRIATION**

The Special Federal Emergency Appropriation provides authority for the disbursement of funds received by the Federal Government in the event of an unanticipated emergency affecting the State of New York, such as a natural disaster. The 2007-08 Executive Budget recommends an appropriation consistent with the prior year.

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Special Revenue Funds - Federal	1,000,000,000	1,000,000,000	0
Total	1,000,000,000	1,000,000,000	0

**SPECIAL PAY BILL**

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
General Fund	0	0	0
Total	0	0	0

Adjustments:

Transfer(s) To

City University of New York Agency Trust Funds	61,130,000		
Correctional Services, Department of General Fund	375,518,000		
Enterprise Funds	276,000		
Internal Service Funds	2,863,000		
Environmental Conservation, Department of General Fund	4,710,000		
Special Revenue Funds - Other	10,861,000		
General State Charges General Fund	34,107,000		
Labor Management Committees General Fund	17,334,000		
Parks, Recreation and Historic Preservation, Office of General Fund	6,728,000		
State Police, Division of General Fund	21,614,000		
Special Revenue Funds - Other	2,086,000		
State University of New York General Fund	12,435,000		
Special Revenue Funds - Other	9,742,000		
Appropriated 2006-07	559,404,000		

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

<b>Fund Type</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>
Total	0	0	0

Adjustments:

Transfer(s) To

City University of New York General Fund	97,500,000		
Appropriated 2006-07	97,500,000		

**STEM CELL AND INNOVATION FUND**

**MISSION**

The New York State Stem Cell and Innovation Fund Corporation will be a newly created public benefit corporation responsible for directing the State's economic development investment in stem cell biology and other life sciences as well as other emerging technologies. These investments will support various research and development initiatives.

## MISCELLANEOUS

### ORGANIZATION AND STAFFING

The Stem Cell and Innovation Fund Corporation will be governed by a 15-member board of directors, which will be headed by a chairperson named by the Governor. Policy advice and programmatic recommendations to the board will be made by the Stem Cell and Life Science Advisory Council and the Emerging Technologies Advisory Council.

### FISCAL BACKGROUND AND BUDGET HIGHLIGHTS

In 2007-08, the Stem Cell and Innovation Fund Corporation's activities will be supported with State tax dollars from the General Fund. The Executive Budget recommends \$34 million to support the Corporation's non-capital research and development initiatives and administrative expenses, as well as \$66 million for capital investments. Beginning in 2008-09, subject to voter approval of a General Obligation Bond Act in November 2008, \$1.5 billion will be provided over ten years to support the State's continued investments in stem cell, life sciences and other emerging industries. Furthermore, \$500 million will be appropriated from the General Fund, with \$50 million per year over ten years, to support non-capital research and development investments.

### PROGRAM HIGHLIGHTS

The Stem Cell and Innovation Fund Corporation will be responsible for administering an investment program to support research and other activities that will promote scientific discoveries and commercial application related to stem cell, life sciences, and other emerging technologies.

#### ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2006-07	Appropriations Recommended 2007-08	Change	Reappropriations Recommended 2007-08
State Operations	0	0	0	0
Aid To Localities	0	34,000,000	34,000,000	0
Capital Projects	0	66,000,000	66,000,000	0
Total	0	100,000,000	100,000,000	0

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

Fund Type	Available 2006-07	Recommended 2007-08	Change
General Fund	0	34,000,000	34,000,000
Total	0	34,000,000	34,000,000

**MISCELLANEOUS**

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

<u>Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Stem Cell and Innovation			
General Fund	0	34,000,000	34,000,000
Total	<u>0</u>	<u>34,000,000</u>	<u>34,000,000</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations 2007-08</u>
Stem Cell and Innovation				
Capital Projects Fund	0	66,000,000	66,000,000	0
Total	<u>0</u>	<u>66,000,000</u>	<u>66,000,000</u>	<u>0</u>

**TRANSITION OF GOVERNMENT**

This appropriation provided funds for necessary expenses associated with the change in administration of State government that occurred during the 2006-07 fiscal year. As the transition is now complete, no new funds are recommended.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<u>Category</u>	<u>Available 2006-07</u>	<u>Appropriations Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations Recommended 2007-08</u>
State Operations	500,000	0	(500,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>500,000</u>	<u>0</u>	<u>(500,000)</u>	<u>0</u>

**TRIBAL STATE COMPACT REVENUE**

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<u>Category</u>	<u>Available 2006-07</u>	<u>Appropriations Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations Recommended 2007-08</u>
State Operations	0	0	0	0
Aid To Localities	19,275,000	29,300,000	10,025,000	17,000,000
Capital Projects	0	0	0	0
Total	<u>19,275,000</u>	<u>29,300,000</u>	<u>10,025,000</u>	<u>17,000,000</u>

**MISCELLANEOUS**

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

<u>Fund Type</u>	<u>Available 2006-07</u>	<u>Recommended 2007-08</u>	<u>Change</u>
Special Revenue Funds - Other	19,275,000	29,300,000	10,025,000
Total	19,275,000	29,300,000	10,025,000
Adjustments:			
Recommended Deficiency			
Tribal State Compact Revenue			
Special Revenue Funds - Other	(1,100,000)		
Appropriated 2006-07	18,175,000		

**WORKERS' COMPENSATION RESERVE**

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<u>Category</u>	<u>Available 2006-07</u>	<u>Appropriations Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations Recommended 2007-08</u>
State Operations	25,126,000	22,300,000	(2,826,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	25,126,000	22,300,000	(2,826,000)	0

**WORLD TRADE CENTER  
REBUILDING AND REVITALIZATION**

The recommended reappropriations will facilitate the continuation of New York State's efforts to revitalize the World Trade Center property and lower Manhattan. Recommendations will provide ongoing authorization for payments related to the engineering and construction of State capital projects in lower Manhattan, continued development of the public safety communications system, and expenses from related September 11th costs.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<u>Category</u>	<u>Available 2006-07</u>	<u>Appropriations Recommended 2007-08</u>	<u>Change</u>	<u>Reappropriations Recommended 2007-08</u>
State Operations	0	0	0	8,759,000
Aid To Localities	0	0	0	124,168,000
Capital Projects	265,000,000	0	(265,000,000)	480,038,000
Total	265,000,000	0	(265,000,000)	612,965,000



**MISCELLANEOUS**

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

<b>Comprehensive Construction Program</b>	<b>Available 2006-07</b>	<b>Recommended 2007-08</b>	<b>Change</b>	<b>Reappropriations 2007-08</b>
World Trade Center				
Federal Capital Projects Fund	265,000,000	0	(265,000,000)	480,038,000
Total	265,000,000	0	(265,000,000)	480,038,000