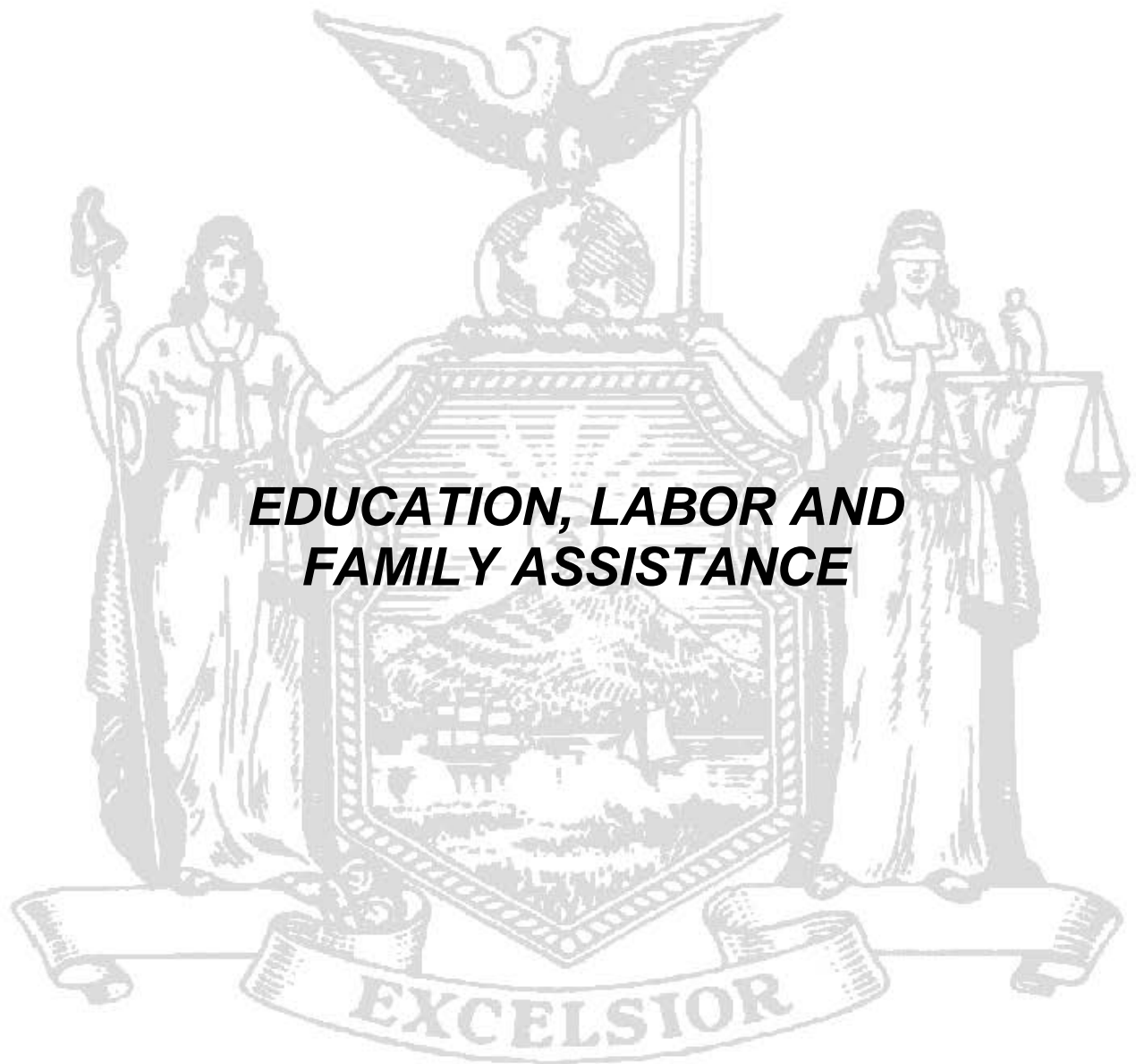


PART I



THE BUDGET BY FUNCTIONAL AREA



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

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 have expanded access to the performing and fine arts, preserved the State's cultural resources and promoted greater public awareness of New York's rich cultural heritage. This year, the Executive Budget recommends the merger of the New York State Theatre Institute into the Empire State Plaza Performing Arts Center Corporation to achieve necessary efficiencies and to better achieve their core mission goals.

ORGANIZATION AND STAFFING

The Council on the Arts is headed by a Chair and a Vice Chair and consists of 21 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 2009-10, the Council on the Arts will have a workforce of 46 for the review, processing and administration of grants to not-for-profit arts and cultural 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. The Executive Budget recommends expanding the Egg's board of directors to 21 members – consisting of the Commissioner of General Services and members appointed by the Governor, leaders of the Legislature, and the Mayor and County Executive of Albany. Three new board members will represent the interests of the New York State Theatre Institute. The board 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 nine.

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. In 2009-10, the New York State Theatre Institute will become a subsidiary of the Empire State Plaza Performing Arts Center Corporation, which formerly hosted the Institute. All of the Theatre Institute's functions, powers and mission responsibilities will continue within the Corporation. The Institute's staff of 32 will continue to be based in Troy, where its office, production and instructional facilities are located.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommends **\$49.7 million** (\$44.4 million General Fund; \$5.3 million Other Funds) for the New York State Council on the Arts (NYSCA), the Egg, and NYSTI. This is a decrease of **\$8.3 million** (\$8.0 million in General Fund and \$0.3 million in Other Funds) from the 2008-09 final enacted budget. This net change

ARTS

primarily reflects the reduction in funding for grants to arts and cultural organizations, the reduction of staff at NYSCA, and operational efficiencies generated by the recommended merger of the Egg and NYSTI. The Executive Budget recommendation continues \$1.5 million in Federal funds, the same level as the 2008-09 Budget.

The Executive Budget recommends a staffing level of **46 FTEs** for the Council on the Arts. This represents a decrease of 3 FTEs from the 2008-09 final enacted budget.

Major budget actions include:

- **Reduce Funding for NYSCA Grants:** The 2009-10 Executive Budget recommendations provide \$38.9 million in General Fund support for arts grants. This represents a decrease of \$7.0 million from the final 2008-09 Enacted Budget.
- **Merge NYSTI with the Egg:** To achieve necessary efficiencies and enhance the achievement of their similar missions, the 2009-10 Executive Budget recommends merging the New York State Theatre Institute Corporation with the Empire State Plaza Performing Arts Center Corporation. NYSTI would continue to carry out its mission of providing educational theatre programming from its facilities in Troy under the aegis of the Egg. The 2009-10 Executive Budget recommendations would provide \$3.7 million in special revenue funding for the Egg and NYSTI, a decrease of \$0.3 million from the amount provided to both agencies in 2008-09. 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: Approximately 98 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 2 percent of 2009-10 funding. Grants to not-for-profit arts organizations represent approximately 88 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.

Since April 1995, the Council has distributed approximately 34,000 grants totaling over \$557 million to nearly 2,400 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.

Performing Arts Center Corporation (the "Egg"): During the 2007-08 season, the Egg hosted over 290 events that featured 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 2008-09, 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. These functions will continue after the Institute's merger with the Egg. 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, 2006 and 2007. 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)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	10,544,300	5,582,000	(4,962,300)	500,000
Aid To Localities	47,541,602	44,159,000	(3,382,602)	13,019,000
Capital Projects	0	0	0	0
Total	58,085,902	49,741,000	(8,344,902)	13,519,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	49	46	(3)
Total	49	46	(3)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	6,412,000	5,482,000	(930,000)
Special Revenue Funds - Federal	100,000	100,000	0
Special Revenue Funds - Other	4,032,300	0	(4,032,300)
Total	10,544,300	5,582,000	(4,962,300)

Adjustments:

Prior Year Deficiency	
Arts, Council on the	
Special Revenue Funds - Other	2,600,000
Transfer(s) From	
Special Pay Bill	
General Fund	(270,000)
Special Revenue Funds - Other	(110,000)
Appropriated 2008-09	<u>12,764,300</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	6,412,000	5,482,000	(930,000)
Special Revenue Funds - Federal	100,000	100,000	0
Empire State Performing Arts Center Corporation			
Special Revenue Funds - Other	650,000	0	(650,000)
New York State Theatre Institute			
Special Revenue Funds - Other	3,382,300	0	(3,382,300)
Total	<u>10,544,300</u>	<u>5,582,000</u>	<u>(4,962,300)</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	3,718,000	(766,000)	3,717,000	(767,000)
Total	<u>3,718,000</u>	<u>(766,000)</u>	<u>3,717,000</u>	<u>(767,000)</u>

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Administration	1,000	1,000
Total	<u>1,000</u>	<u>1,000</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	1,764,000	(164,000)	37,000	(2,000)
Total	<u>1,764,000</u>	<u>(164,000)</u>	<u>37,000</u>	<u>(2,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	71,000	(6,000)	1,585,000	(150,000)
Total	<u>71,000</u>	<u>(6,000)</u>	<u>1,585,000</u>	<u>(150,000)</u>

Program	Equipment	
	Amount	Change
Administration	71,000	(6,000)
Total	<u>71,000</u>	<u>(6,000)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total Amount	Change	Personal Service Amount	Change
Administration	100,000	0	0	0
Empire State Performing Arts Center Corporation	0	(650,000)	0	(193,900)
New York State Theatre Institute	0	(3,382,300)	0	(2,048,500)
Total	100,000	(4,032,300)	0	(2,242,400)

Program	Nonpersonal Service Amount	Change
Administration	100,000	0
Empire State Performing Arts Center Corporation	0	(456,100)
New York State Theatre Institute	0	(1,333,800)
Total	100,000	(1,789,900)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	45,932,602	38,900,000	(7,032,602)
Special Revenue Funds - Federal	1,413,000	1,413,000	0
Special Revenue Funds - Other	196,000	3,846,000	3,650,000
Total	47,541,602	44,159,000	(3,382,602)

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	45,932,602	38,900,000	(7,032,602)
Special Revenue Funds - Federal	1,413,000	1,413,000	0
Special Revenue Funds - Other	196,000	196,000	0
Empire State Performing Arts Center Corporation			
Special Revenue Funds - Other	0	3,650,000	3,650,000
Total	47,541,602	44,159,000	(3,382,602)

CITY UNIVERSITY OF NEW YORK

MISSION

The City University of New York (CUNY) has its origins in the Free Academy, established in 1847 under the auspices of the New York City Board of Education and today is the nation's largest urban public university system. 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 Board of Trustees appoints the Chancellor, the chief executive officer of the University and individual college presidents. 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 11,455 full time equivalent positions consisting of 11,276 positions supported through a combination of State tax dollars and tuition revenues and 179 positions supported through other funds. Community college staff are not included in these totals as they are not employees of the State.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3.65 billion All Funds** (\$1.26 billion General Fund; \$1.96 billion Fiduciary Fund; \$145 million Other Funds and \$284 million Capital Funds) for the City University of New York. Changes to CUNY's budget primarily reflect continued General Fund growth in personal services (as a result of collective bargaining contracts), non-personal services and fringe benefits; and General Fund decreases associated with tuition offsets, community college base aid and other programs. The 2008-09 Budget saw enactment of a new \$1.8 billion multi-year capital program, funding for which is continued in 2009-10.

Major 2009-10 budget actions include:

- **Reduce General Fund Support to Reflect Additional Revenue from Increased Senior College Tuition Rates:** The Executive Budget assumes that CUNY will implement a \$600, or 15 percent, annual tuition rate increase for resident undergraduates, from \$4,000 to \$4,600. The Executive Budget also assumes that tuition rates for resident graduate and first-professional students will be increased in 2009-10 to levels that are 20 percent above those charged for the fall 2008 semester. In a departure from the more than 30 year old practice of using 100 percent of revenue resulting from tuition increases to offset General Fund

spending, CUNY will retain 20 percent of the revenue for increased investment. This budget action generates net General Fund savings of \$82.5 million and campuses will retain \$20.6 million.

- **Authorize Differential Tuition for Non-Resident Students:** The Executive Budget authorizes the CUNY Board of Trustees to establish differential tuition rates for non-New York State resident students by individual campus and program. This change would enable campuses and/or individual campus programs with regional or national appeal to better capitalize on their success. Statutory language will require the CUNY Board to establish appropriate maximum percentage thresholds for non-resident students by campus and/or program to ensure continued access to eligible New York State resident students. The Executive Budget assumes that campuses will retain all incremental revenue generated as a result of this change.
- **Reduce Community College Base Aid:** The Executive Budget reduces base aid support for CUNY's six community colleges by \$270, or 10 percent, per full-time equivalent student, generating General Fund savings of \$18 million.
- **Reduce Support for University-wide Programs and Institutes:** The Executive Budget reduces support for University-wide programs and institutes by \$20 million.
- **Reduce General Fund Support to Reflect Positive Cash Flow in Revenue Generating Accounts:** The Executive Budget assumes that \$3.6 million of positive operating cash flows from CUNY's Income Fund Reimbursable account will be used as an offset to General Fund support.
- **Assess the CUNY Research Foundation for Use of University Facilities:** The Executive Budget assumes that CUNY will require its Research Foundation to pay 10 percent (\$1.9 million) of its indirect cost recoveries on Federal grants as partial reimbursement for using State-funded facilities, and reduces General Fund support by a commensurate amount.

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-finance CUNY's senior college operating costs, and the State subsequently reimburses the City for CUNY's net operating expenses.

For 2009-10, CUNY's gross operating budget will total \$1.96 billion, an increase of \$124 million, or 6.8 percent. Within this amount, taxpayer support will total \$1.08 billion, a decrease of \$64 million or 5.6 percent. CUNY's Senior College Tuition Revenue Offset will increase to \$885 million, which includes \$110 million for new revenues generated by the tuition rate increases, \$40 million to accommodate tuition revenues resulting from ongoing enrollment growth, and the annualization of prior year budget reductions.

Special revenue funding for CUNY will remain level at \$145 million.

COMMUNITY COLLEGES

CUNY's community colleges have three basic funding sources: State support, local support from New York City, and tuition revenue. The Executive Budget recommends \$170.5 million in State support, a net decrease of \$6 million, or 3.4 percent. This change is attributable to a \$12 million increase for additional enrollment and an \$18 million decrease resulting from a recommended \$270 per-FTE reduction in base operating aid (from \$2,675 to \$2,405).

CAPITAL PROJECTS

The 2008-09 Enacted Budget provided CUNY with \$1.8 billion in new capital appropriations, a major step in the implementation of a \$3 billion multi-year capital plan, which provides for facility and infrastructure improvements at senior and community colleges, consistent with University needs and priorities. The 2009-10 Executive Budget continues a commitment to preserve and rehabilitate CUNY's educational facilities infrastructure by appropriating the second of five annual \$284 million appropriations to address the accumulated backlog of critical maintenance projects throughout the University system.

PROGRAM HIGHLIGHTS

The City University of New York offers a wide variety of educational avenues ranging from vocational courses to doctoral degree programs. Approximately 243,000 full-time and part-time students – 161,500 at the senior colleges and 81,500 at the community colleges – were enrolled in programs for the fall 2008 semester. In addition, the University serves more than 230,000 individuals through adult and continuing education courses. CUNY's academic offerings 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 in the context of academic preparation. The program operates on nine campuses and, since its inception in 1995, has helped thousands of students prepare for full collegiate matriculation;
- The College Now Program is a joint project of the City University of New York (CUNY)/Office of Academic Affairs and the New York City Department of Education designed to improve the academic preparation of high school students and implement tougher graduation standards. College Now serves nearly 30,000 students at 17 college campuses annually and offers dual enrollment programs in more than 280 New York City public high schools;
- The New York City Alliance for Minority Participation is a consortium of 17 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.

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)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	1,982,210,317	2,106,626,900	124,416,583	0
Aid To Localities	1,290,517,776	1,254,237,000	(36,280,776)	0
Capital Projects	1,828,844,000	284,222,000	(1,544,622,000)	4,446,844,000
Total	5,101,572,093	3,645,085,900	(1,456,486,193)	4,446,844,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Institutional Support Services			
Special Revenue Funds - Other	179	179	0
Fiduciary Funds	11,276	11,276	0
Total	11,455	11,455	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	145,000,000	145,000,000	0
Fiduciary Funds	1,837,210,317	1,961,626,900	124,416,583
Total	1,982,210,317	2,106,626,900	124,416,583

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

Program	Available 2008-09	Recommended 2009-10	Change
Institutional Support Services			
Special Revenue Funds - Other	145,000,000	145,000,000	0
Fiduciary Funds	1,837,210,317	1,961,626,900	124,416,583
Total	<u>1,982,210,317</u>	<u>2,106,626,900</u>	<u>124,416,583</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)

Program	Total Amount	Change	Personal Service Amount	Change
Institutional Support Services	2,106,626,900	124,416,583	1,348,607,430	85,734,267
Total	<u>2,106,626,900</u>	<u>124,416,583</u>	<u>1,348,607,430</u>	<u>85,734,267</u>

Program	Nonpersonal Service Amount	Change
Institutional Support Services	758,019,470	38,682,316
Total	<u>758,019,470</u>	<u>38,682,316</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	1,290,517,776	1,254,237,000	(36,280,776)
Total	<u>1,290,517,776</u>	<u>1,254,237,000</u>	<u>(36,280,776)</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Community College Programs			
General Fund	176,503,319	170,483,000	(6,020,319)
Institutional Support Services			
General Fund	1,110,676,257	1,081,754,000	(28,922,257)
Senior College Pension Payments			
General Fund	2,000,000	2,000,000	0
Community Projects			
General Fund	1,338,200	0	(1,338,200)
Total	<u>1,290,517,776</u>	<u>1,254,237,000</u>	<u>(36,280,776)</u>

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Senior Colleges				
General Maintenance and Improvements				
Capital Projects Fund	23,232,000	0	(23,232,000)	57,366,000
Cap Proj Fund - CUNY (Direct Auth Bonds)	1,595,954,000	284,222,000	(1,311,732,000)	3,499,168,000
Program Changes - Expansion and Improvements				
Capital Projects Fund	0	0	0	1,583,000
New Facilities				
Cap Proj Fund - CUNY (Direct Auth Bonds)	0	0	0	352,300,000
Subtotal	<u>1,619,186,000</u>	<u>284,222,000</u>	<u>(1,334,964,000)</u>	<u>3,910,417,000</u>
Community Colleges				
General Maintenance and Improvements				
Capital Projects Fund	2,750,000	0	(2,750,000)	16,261,000
Cap Proj Fund - CUNY (Direct Auth Bonds)	206,908,000	0	(206,908,000)	520,166,000
Subtotal	<u>209,658,000</u>	<u>0</u>	<u>(209,658,000)</u>	<u>536,427,000</u>
Total	<u>1,828,844,000</u>	<u>284,222,000</u>	<u>(1,544,622,000)</u>	<u>4,446,844,000</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

The Board of Regents oversees the State Education Department, 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$30 billion in All Funds** support (\$19.4 billion General Fund; \$10.6 billion Other Funds) for programs and operations of the State Education Department. This is a decrease of **\$1.96 billion** (\$0.20 billion General Fund; \$1.76 billion Other Funds) from the 2008-09 budget. This net change primarily reflects a school year reduction of \$698 million in School Aid, an appropriation decrease of \$1.7 billion for STAR, special education modifications which reduce State funding by \$114 million, and a Federal funds increase of \$20 million.

Recommended staffing levels for 2009-10 are projected to total **3,199** positions at year's end, with 394 positions, or approximately 12 percent, supported by the General Fund. Various dedicated fees, charge-backs and Federal grants will support the remaining staff.

SCHOOL AID

The 2009-10 Executive Budget proposes \$20.7 billion in School Aid for the 2009-10 school year. While the Executive Budget continues the long-term commitment to education funding, the financial consequences of the recent economic downturn have temporarily impacted the State's ability to continue growth in School Aid for the 2009-10 school year. In order to achieve necessary savings, several actions are proposed to reduce overall School Aid funding levels. The Executive Budget recommends maintaining formula aid categories that provide operating support at 2008-09 levels. In addition, the Executive Budget recommends enacting a \$1.1 billion Deficit Reduction Assessment for the 2009-10 school year. This one-year Deficit Reduction Assessment, combined with anticipated growth in expense-based aids of \$462 million and modifications to categorical programs, results in an overall School Aid year-to-year reduction of \$698

EDUCATION

million or 3.3 percent. Even with this reduction, School Aid will continue to represent the largest State supported program; including STAR and lottery, it will account for 30 percent of State operating funds in 2009-10. The Executive Budget also recommends several mandate relief provisions to lower school districts costs and minimize paperwork.

Major budget actions for the 2009-10 school year include:

- **School Year Support:** The Executive Budget provides \$20.7 billion in State support for public schools for the 2009-10 school year, a year-to-year decrease of \$698 billion, or 3.3 percent. Even with this reduction, School Aid has increased by 42 percent since the 2003-04 school year.
- **Fiscal Year Support:** The Executive Budget provides \$20.78 billion in State support for public schools in 2009-10, approximately the same fiscal year support as last year.
- **Deficit Reduction Assessment:** As a result of the State's current financial situation, the Executive Budget recommends the application of a Deficit Reduction Assessment. This recommendation applies a \$1.1 billion Deficit Reduction Assessment to total School Aid for all school districts, excluding Building Aids and Universal Prekindergarten. This approach reduces School Aid on a per pupil basis, adjusted for each school district's wealth, student need, and residential property tax burden. For High Need school districts, the Deficit Reduction Assessment will be no more than 2.5 percent of a school district's total General Fund expenditures.
- **Foundation Aid:** The Foundation Aid formula calculates funding based on the cost of an education in a successful school, student need, and local ability to pay. Given the current economic situation, the Executive Budget recommends limiting Foundation Aid for the 2009-10 and 2010-11 school years to the amount provided for the 2008-09 School Year, \$14.87 billion. The Executive Budget also recommends extending the full phase-in of Foundation Aid until the 2014-15 school year. This extension of the phase-in maintains the commitment to fully fund Foundation Aid over a longer time period.
- **Universal Prekindergarten:** The Executive Budget recommends limiting funding for the 2009-10 and 2010-11 school years to the 2008-09 level of \$401 million. In addition, the planned full phase-in of Universal Prekindergarten will be extended from the 2010-11 school year to the 2014-15 school year, consistent with the proposed phase-in of Foundation Aid. Maintaining funding at the 2008-09 level ensures continued school district participation, stability of funding for those school districts that are currently participating and preserves the current commitment for this high priority program.
- **Support for School Construction:** The Executive Budget recommends over \$2.4 billion in State support for the construction of school facilities, an increase of \$263 million. Included in this amount, in 2009-10, the State will provide EXCEL Building Aid totaling \$165 million – reflecting the State's 2009-10 debt service cost for EXCEL bonds.
- **High Tax Aid:** The Executive Budget recommends funding High Tax Aid at the 2008-09 school year level of \$205 million for the 2009-10 school year. This is consistent with the approach taken to maintain Foundation Aid and other programs that provide operating support for school districts at 2008-09 levels.
- **BOCES:** The Executive Budget recommends \$706 million in BOCES Aid in 2009-10, an increase of over \$33 million from the 2008-09 school year.

- **Special Services Aid:** The Executive Budget recommends total funding of \$203 million, an increase of \$6.6 million. This aid category funds career education programs and computer services for school districts that are not component districts of BOCES.
- **Transportation Aid:** The Executive Budget recommends \$1.62 billion for reimbursement for the costs of transporting 2.3 million students statewide. This represents an increase of \$93 million.
- **Private Excess Cost Aid:** The Executive Budget recommends \$300 million – the amount that is calculated under existing statutory provisions. This represents a \$37.8 million, or 14.4 percent increase from 2008-09 funding levels.
- **High Cost Excess Cost Aid:** The Executive Budget recommends \$465 million – the amount that is calculated under existing statutory provisions. This represents a \$52 million, or a 12.6 percent increase from 2008-09 funding levels.
- **Miscellaneous Operating Support Programs:** The Executive Budget maintains funding at 2008-09 levels for various programs that can be used by school districts for operating support. These programs include: Supplemental Public Excess Cost, New York City Academic Achievement Grant, Academic Enhancement Aid, Supplemental Educational Improvement Plan Grant, and Supplemental Valuation Impact Grants. These actions are consistent with the approach taken to maintain Foundation Aid and other aids that provide operating support at 2008-09 levels.
- **Charter Schools:** The Executive Budget provides \$18.4 million in Transitional Aid for school districts impacted by a concentration of charter schools, as well as \$5.5 million for technical assistance and start-up grants for Charter Schools.
- **Roosevelt Union Free School District:** The Executive Budget includes \$6 million to provide an Academic Improvement Grant for the Roosevelt Union Free School District. This is a reduction from the \$12 million awarded to Roosevelt in the 2008-09 school year due to the school district's improved fiscal circumstances as reported by the Office of State Comptroller.
- **Teachers of Tomorrow:** The Executive Budget continues this \$25 million program for incentives, such as awards and stipends, to retain and attract teachers into New York State classrooms, particularly in areas where teacher shortages exist.
- **Categorical Teacher-Related Programs:** The Executive Budget recommends eliminating funding for the \$40 million Teacher Centers program and the \$10 million Teacher-Mentor Intern program due to the State's financial condition.
- **Math/Science Initiatives:** The Executive Budget recommends eliminating funding for the \$10 million Math/Science Initiatives program due to the State's financial condition.
- **Bilingual Education/English Language Learners:** The Executive Budget maintains \$12.5 million in funding for Bilingual Education grants. These funds support programs which include technical assistance centers, two-way Bilingual classrooms, intensive Bilingual teacher training and leadership programs.
- **Eliminate Funding for the Rochester Children's Zone:** The Executive Budget recommends eliminating funding for this program which intends to create a community schools model in Rochester.
- **Other Programs:** The Executive Budget recommends funding based on existing statutory formulas for several programs including: Textbook Aid, Library Materials Aid, Computer Software Aid, Computer Hardware Aid, Full Day

EDUCATION

Kindergarten Conversion Aid and Reorganization Operating Aid. In addition, several categorical programs (Urban-Suburban Transfer, Education of Homeless Pupils, Incarcerated Youth, Education of OMH/OMR Pupils, and Native American Building Aid) are declining year-to-year based on estimates provided by the State Education Department for the level of State funding that would be needed to support these programs consistent with existing statutory provisions.

MANDATE RELIEF

The 2009-10 Executive Budget proposes measures to reduce school district costs, ease the paperwork workload, and remove selected mandates. By encouraging structural reforms and reducing operational costs, this proposal promotes efficiency by increasing flexibility for school districts. This mandate relief package will allow school districts to adjust to the changing economic climate and evolving needs of their communities, providing needed flexibility and savings.

Elements of the proposal include:

- **Repeal Wicks:** The Executive Budget proposes to repeal multiple bidder requirements for school districts for a period of five years. This will provide long-term capital and debt service savings to school districts.
- **Reform Pensions:** The Executive Budget would remove pension enhancements that were added after the creation of the Tier IV retirement category. This action will reduce school district pension costs – one of the fastest growing local government cost drivers by reducing pension costs associated with new employees.
- **Reform Procurement:** The Executive Budget proposes to give school districts additional contracting flexibility by increasing existing bidding thresholds and allowing “best value” and “piggybacking” on existing contracts.
- **Reduce Paperwork:** This proposal streamlines existing reporting requirements and eliminates required reports that are deemed to be outdated or no longer serve a public policy purpose. In addition, the Department will be required to develop one consolidated reporting system that captures all information required by New York State or collected by the State for the Federal Government.
- **Delay Effective Date of Mandates with Fiscal Implications:** In the event that a Board of Regents mandate or new statute imposes a cost upon a school district after a school budget has been adopted, the mandate will not be implemented sooner than the following school year.
- **Allow Access to Employee Benefit Accrued Liability Reserve Funds:** A school district’s governing board may authorize a withdrawal of excess funds in an employee benefits accrued liability reserve fund in order to maintain educational programming during the 2009-10 school year. The amount withdrawn may not exceed the Deficit Reduction Assessment for a school district. The State Comptroller would certify that funds withdrawn are in excess of the amount required for employee benefits which are a liability against the fund.
- **Modify Contract for Excellence:** In recognition of the fiscal circumstances facing the State and the two year suspension of increases for Foundation Aid, the Contract for Excellence program is modified for the 2009-10 and 2010-11 school years. All 39 districts currently in the program would be required to continue in the program with a reduced financial liability unless all school buildings in a school district are reported as “In Good Standing” for purposes of the State

accountability system. The school districts which remain in the program would be required to maintain funding on existing Contract for Excellence programs less the percentage reduction of the Deficit Reduction Assessment.

STATE OPERATIONS

The taxpayer-supported General Fund provides 9 percent of the Department's operating budget. Federal grants, including programs for disadvantaged pupils, account for 58 percent of the agency's resources. The remaining 33 percent is derived from fees, charge-backs and other miscellaneous receipts. For 2009-10, the Department's General Fund State Operations support totals \$50 million, a decrease of \$13 million. The Executive Budget recommends a staffing level of 3,199 FTEs for the Department, a decrease of 21 from the 2008-09 Budget. This decrease primarily reflects efficiencies generated by the Department in response to reductions taken in 2008-09 and additional efficiencies that will be achieved in 2009-10.

SPECIAL EDUCATION

School-Age Special Education

School districts receive funding for Special Education services to school-age children through the Foundation Aid formula. In addition, High Cost Excess Cost Aid and Private Excess Cost Aid supplement Foundation Aid for students with severe needs. The Executive Budget recommends continuing existing statutory provisions for these two aid categories with total funding of \$764 million for the 2009-10 school year, an increase of \$90 million or 13.3 percent.

Preschool Special Education

Approximately 500 providers (school districts, BOCES, and private entities) operate preschool special education programs that provide educational and therapeutic services to approximately 84,000 children aged 3 to 5. The Executive Budget recommends reforms to the preschool special education program. Specifically, in order to better align fiscal and programmatic responsibilities, school districts will be responsible for a 15 percent share of preschool special education costs. This action will reduce the State share of costs by 12.5 percent and the county share by 2.5 percent. The General Fund recommendation of \$590 million will support a 47 percent State share of preschool special education program costs in the 2009-10 fiscal year. Additionally, the Executive Budget proposes changes to Preschool Special Education Itinerant Teacher (SEIT) reimbursement to ensure that such services are provided in a cost-efficient manner.

Summer School Special Education

The summer school special education program supports educational services provided during July and August for approximately 40,000 disabled students aged 5 to 21. The State supports 70 percent of the total education, transportation and maintenance costs of summer programs, with school districts contributing 20 percent and counties 10 percent. The 2009-10 Executive Budget provides funding of \$260 million to support the 70 percent State share of program costs.

EDUCATION

State-Supported Private Schools for the Blind and Deaf

Approximately 1,600 students attend 11 private schools for the blind and deaf. The 2009-10 General Fund recommendation of \$118 million supports approximately 90 percent of the tuition and maintenance costs for these students and also includes \$7 million for ongoing debt service for capital construction.

EDUCATION-RELATED PROGRAMS

The Executive Budget recommends a net year-to-year reduction of approximately \$102 million in funding for education-related programs. This reduction is due primarily to the elimination of funding for one-time legislative grants (\$37 million), and \$69 million in reductions.

Major actions include:

- **Aid for Nonpublic Schools:** The Executive Budget proposes that nonpublic schools no longer be required to participate in comprehensive attendance taking. Funding for this activity is not recommended for continuation, resulting in a year-to-year reduction of \$44 million. A total of \$81 million will continue to be available to reimburse nonpublic schools for other mandated activities.
- **After School Programs:** The Executive Budget proposes the elimination of additional State funding in the amount of \$9.8 million for the 21st Century Community Learning Centers afterschool program. Funding for the Extended Day/School Safety program is maintained at 2008-09 levels to allow schools to provide after-school services such as academic and social support for at-risk students.
- **Prior-Year Claims:** The Executive Budget reduces funding available for payment of school district prior-year claims by \$10 million, resulting in \$15 million continuing to be available for these liabilities.

**ELEMENTARY, MIDDLE, SECONDARY AND CONTINUING (EMSC) EDUCATION-RELATED PROGRAMS
2009-10 SCHOOL YEAR
(\$000)**

Program	2008-09 School Year	2009-10 School Year	Change
Academic Intervention Services for Nonpublic Schools	921	921	0
Adult Basic Education	1,842	1,842	0
Adult Literacy Education	4,906	4,906	0
After School Programs/21 st Century Learning Centers	9,800	0	(9,800)
Apprenticeship Training	1,686	0	(1,686)
Charter School Start-Up and Technical Assistance	5,527	5,527	0
Consortium for Worker Education (CWE)	11,500	11,500	0
County Vocational Education and Extension Boards	940	931	(9)
Education of Children of Migrant Workers	89	89	0
Extended Day/School Safety Program	27,820	27,820	0
Fiscal Stabilization Grants	28,015	30,022	2,007
Health Education Program	691	691	0
Math and Science High Schools	1,382	0	(1,382)
National Board for Professional Teaching Standards	490	490	0
Nonpublic School Aid	125,062	80,605	(44,457)
Primary Mental Health	894	894	0
Prior Year Claims	25,262	15,046	(10,216)
School Lunch and Breakfast Program	30,028	31,700	1,672
Statewide Center for School Safety	466	466	0
Student Mentoring and Tutoring Initiative	490	490	0
Summer Food Program	3,049	3,049	0
SUNY Center for Autism and Related Disabilities	490	490	0
SURR Schools	1,750	1,750	0
Targeted Prekindergarten	1,303	1,303	0
Workplace Literacy	1,268	0	(1,268)
One-Time Legislative Grants	37,144	0	(37,144)
Total EMSC programs	322,815	220,532	(102,283)

OTHER RECOMMENDATIONS

In addition to funding for agency operations, the Department's budget includes support for various aid programs in the areas of higher education, cultural education and vocational rehabilitation.

Major budget actions include:

- **Library Aid:** The Executive Budget recommends an 18 percent, or \$18 million decrease from the 2008-09 final enacted level of funding for Library Aid, for a total program level of \$80.5 million in 2009-10. Funding for library construction will be maintained at \$14 million for 2009-10.
- **Public Broadcasting Aid:** State support for the New York's 9 public television stations and 17 public radio stations will be \$9.4 million, a 50 percent reduction from the 2008-09 final enacted funding level.
- **College Science and Technology Entry Program (CSTEP):** This program awards funds to colleges to promote student interest in science, technology and mathematics. The Executive Budget recommends \$4.0 million for CSTEP, a 50 percent reduction from the 2008-09 funding level. Funding for the Science and Technology Entry Program (STEP), which provides similar opportunities to high school students, remains supported at its 2008-09 final enacted funding level of \$10.3 million.
- **Bundy Aid:** The Executive Budget recommends a \$41.6 million for Unrestricted Aid for Independent Colleges and Universities, also known as Bundy Aid.
- **Early Childhood Direction Centers:** The Executive Budget recommends using discretionary Federal Individuals with Disabilities Education Act funding to support the costs of this program.

EDUCATION

- **Capital Projects:** The Executive Budget includes \$6.8 million in new capital support for critical health and safety and rehabilitation projects at facilities including the New York State School for the Blind located in Batavia and the St. Regis Mohawk Elementary School.

The Executive Budget also provides funding for the following programs:

- VESID Case Services (\$54.0 million);
- Supported Employment (\$15.2 million);
- Independent Living Centers (\$12.4 million);
- Higher Education Opportunity Program (\$23.8 million);
- Liberty Partnerships (\$11.8 million);
- Teacher Opportunity Corps Program (\$0.7 million); and
- High Needs Nursing (\$0.9 million).

SCHOOL TAX RELIEF (STAR)

The School Tax Relief (STAR) program was enacted in 1997 to provide needed tax relief for homeowners across the State. The Executive Budget provides \$3.25 billion for the STAR program comprised of the Enhanced STAR exemption for eligible senior citizens, the Basic STAR exemption for other homeowners, and the New York City Personal Income tax rate reduction and refundable tax credit.

Major budget actions include:

- **“Floor” Provision:** The Executive Budget changes the “floor” adjustment that limits annual reductions in STAR exemption amounts from 11 percent to 18 percent. This is expected to produce a savings of \$109 million for 2009-10.
- **Eliminate Rebate program:** The Executive Budget eliminates the Middle Class STAR Rebate program. This would reduce spending by \$1.43 billion in 2009-10. A corresponding decrease in New York City income tax credit amounts would reduce spending by an additional \$364 million in 2009-10.

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 Executive Budget provides \$20.7 billion in School Aid for the 2009-10 school year. State support for public schools, combined with STAR and lottery payments, accounts for approximately 30 percent of State operating funds.

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

- **Foundation Aid** provides sufficient State and local resources to give all children the opportunity to meet New York’s learning standards. The formula is based on the cost of a successful education adjusted by regional cost variations and pupil needs.
- **Transportation Aid and Building Aid** provides support to school districts for student transportation and the construction/preservation of school facilities.

These two aid categories, including EXCEL Building Aid, will total \$4.04 billion and account for almost 20 percent of overall School Aid.

- **Universal Prekindergarten** provides grants to school districts ranging from \$2,700/child to approximately \$5,800/child reflective of varying district wealth and educational needs. For the 2009-10 school year, funding will be available for approximately 105,000 students to attend Universal Prekindergarten programs throughout the State. Funding of \$1 million for Universal Prekindergarten planning grants is eliminated for the 2009-10 school year.
- **Specialized aid and grant programs** address specific educational needs, ranging from textbooks to adult education programs.

PROGRAMS FOR STUDENTS WITH SPECIAL NEEDS

New York provides a full spectrum of special education services for over 450,000 students aged 3 to 21. These services range from speech therapy to placement in full-time residential schools for 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 400,000 school-age children with special needs. An additional 15,000 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 57 blind and multiply disabled students, including nine developmentally disabled students in the Intermediate Care Facility (ICF). The Rome School for the Deaf serves 89 deaf and multiply disabled school-age students.

EDUCATION-RELATED 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:

- **Summer Food Program:** The Executive Budget recommends \$3 million in State Funds to supplement Federal support for the provision of free meals for low-income students participating in summer recreation programs. More than 280 sponsors of summer food programs serve approximately 325,000 students daily.
- **Aid for Nonpublic Schools:** The Executive Budget recommends a total of \$81 million to reimburse nonpublic schools for the cost of mandated services. The Executive Budget proposes that nonpublic schools no longer be required to implement comprehensive attendance taking. Funding for the Comprehensive Attendance Program is not recommended for continuation.
- **After School Programs:** The Executive Budget recommends \$28 million through the Extended Day/School Safety program to allow schools to provide after-school services such as academic and social support for at-risk students.

EDUCATION

CULTURAL EDUCATION

Cultural Education programs administered by the State Education 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 Department 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 48 professions regulated pursuant to Title VIII of the Education Law, including: Nursing, Optometry, Dentistry, Pharmacy, Veterinary Medicine, Social Work, Architecture, 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 13,200 individuals annually from an active caseload of 49,000.

SCHOOL TAX RELIEF (STAR)

For 2009-10, STAR will provide New York's taxpayers with savings of almost \$3.25 billion in school tax relief.

School Property Tax Relief

- In 2009-10, approximately 633,550 senior homeowners will be eligible to receive an enhanced exemption. The statewide average STAR enhanced benefit for seniors is estimated at \$1,145. To be eligible for the enhanced benefit, residential property owners must be at least 65 years of age. (If property is owned by husband and wife or by siblings, then one of them must be at least 65 years old. Eligibility was expanded in 2000 to surviving spouses who are at least 62 years of age, and certain nursing home residents). In addition to the age requirement, annual income cannot exceed \$73,000 to receive benefits in 2009.
- In 2009-10, the school property tax exemption will provide over 2.8 million other homeowners who are not eligible for the senior citizen enhanced exemption with a full value equivalent homestead exemption of at least \$30,000. Statewide tax savings relating to this basic STAR exemption will average \$629.
- The exemptions provided to all homeowners living in counties where median home sale prices exceed the statewide median are adjusted upward from the minimums stated above to account for regional variations in property values.
- Legislation accompanying the Executive Budget would lower the "floor" adjustment that limits year over year reductions in STAR exemption amounts from 11 percent to 18 percent.

New York City Tax Reduction

- Under the STAR program, New York City's (NYC) more than 3 million resident personal income taxpayers receive a flat refundable credit and a rate reduction.
- Legislation accompanying the Executive Budget would modify the NYC STAR income tax program by decreasing the flat refundable credit available to taxpayers with incomes under \$250,000, to 2005 amounts of \$125 for married couples filing jointly and surviving spouses and \$62.50 for others.
- Total local taxpayer savings will be nearly \$750 million in 2009-10, reducing New York City personal income tax liability by almost 7 percent.

EDUCATION

Middle Class Rebate Program

- Legislation accompanying the Executive Budget would eliminate Middle Class STAR Rebate program.

EDUCATION

School Aid School Year Payments (Millions)

Program	Estimated 2008-09	Recommended 2009-10	Change Amount	Change Percent
I. Formula-Based Aids:				
Foundation Aid	\$14,873.59	\$14,873.59	\$0.00	0.00
Excess Cost - High Cost	412.50	464.51	52.01	12.61
Excess Cost - Private	262.09	299.93	37.84	14.44
Reorganization Operating Aid	2.86	2.86	0.00	0.00
Textbooks (Incl. Lottery)	184.83	183.65	(1.18)	(0.64)
Computer Hardware	37.50	37.76	0.26	0.69
Computer Software	45.53	45.77	0.24	.53
Library Materials	19.40	19.29	(0.11)	(0.57)
BOCES	672.79	706.09	33.30	4.95
Special Services	196.78	203.43	6.65	3.38
Transportation (Including Summer)	1,525.55	1,618.49	92.94	6.09
High Tax	204.70	204.70	0.00	0.00
Universal Prekindergarten	401.23	401.23	0.00	0.00
Academic Achievement Grant	1.20	1.20	0.00	0.00
Supplemental Educational Improvement Grant	17.50	17.50	0.00	0.00
Charter School Transitional Aid	20.28	18.41	(1.87)	(9.22)
Full-Day Kindergarten	5.40	2.85	(2.55)	(47.22)
Academic Enhancement Aid	8.32	8.32	0.00	0.00
Supplemental Public Excess Cost	4.31	4.31	0.00	0.00
Formula-Based Aids Total	\$18,896.36	\$19,113.90	\$217.54	1.15
Deficit Reduction Assessment	0.00	(1,097.93)	(1,097.93)	NA
	\$18,896.36	\$18,015.97	(\$880.39)	(4.66)
EXCEL Building Aid - New York City	97.00	130.00	33.00	34.02
Building Aid/Reorganization Building	1,992.75	2,204.51	211.76	10.63
	2,089.75	2,334.51	244.76	11.71
Total Formula-Based and Other Aids	\$20,986.11	\$20,350.48	(\$635.63)	(3.03)
II. Grant Programs and Additional Aid Categories:				
EXCEL Debt Service - Rest of State	5.00	35.00	30.00	600.00
Building BANs New Debt Service	70.38	59.05	(11.33)	(16.10)
UPK and Full-Day K Planning Grants	1.00	0.00	(1.00)	(100.00)
Teachers of Tomorrow	25.00	25.00	0.00	0.00
Teacher Centers	40.00	0.00	(40.00)	(100.00)
Teacher-Mentor Intern	10.00	0.00	(10.00)	(100.00)
Math and Science Initiatives	10.00	0.00	(10.00)	(100.00)
Rochester Community Schools	2.00	0.00	(2.00)	(100.00)
School Health Services	13.84	13.84	0.00	0.00
Roosevelt	12.00	6.00	(6.00)	(50.00)
Urban-Suburban Transfer	2.55	1.13	(1.42)	(55.69)
Employment Preparation Education	96.00	96.00	0.00	0.00
Homeless Pupils	9.23	6.48	(2.75)	(29.79)
Incarcerated Youth	17.50	16.50	(1.00)	(5.71)
Bilingual	12.50	12.50	0.00	0.00
Education of OMH/OMR Pupils	66.00	54.60	(11.40)	(17.27)
Special School Districts	2.70	2.70	0.00	0.00
Chargebacks	(46.00)	(33.31)	12.69	0.00
BOCES Aid for Special Act Districts	0.68	0.68	0.00	0.00
Learning Technology Grants	3.29	3.29	0.00	0.00
Native American Building	11.00	2.50	(8.50)	(77.27)
Native American Education	36.50	36.50	0.00	0.00
Supplemental Valuation Impact Grants	3.80	3.80	0.00	0.00
Bus Driver Safety	0.40	0.40	0.00	0.00
Subtotal	405.37	342.66	(62.71)	(15.47)
SCHOOL YEAR TOTAL	\$21,391.48	\$20,693.14	(\$698.34)	(3.26)

EDUCATION

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	592,408,900	565,384,000	(27,024,900)	585,699,700
Aid To Localities	31,272,937,433	29,376,168,000	(1,896,769,433)	5,080,217,900
Capital Projects	56,640,000	20,800,000	(35,840,000)	141,491,000
Total	31,921,986,333	29,962,352,000	(1,959,634,333)	5,807,408,600

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Office of Management Services Program			
General Fund	127	116	(11)
Special Revenue Funds - Other	209	209	0
Internal Service Funds	135	135	0
Elementary, Middle and Secondary Education			
General Fund	210	201	(9)
Special Revenue Funds - Federal	296	296	0
School for the Blind			
Special Revenue Funds - Other	121	121	0
School for the Deaf			
Special Revenue Funds - Other	106	106	0
Higher Education and the Professions, Office of			
General Fund	62	61	(1)
Special Revenue Funds - Federal	17	17	0
Special Revenue Funds - Other	415	415	0
Cultural Education			
General Fund	16	16	0
Special Revenue Funds - Federal	65	65	0
Special Revenue Funds - Other	325	325	0
Internal Service Funds	54	54	0
Vocational and Educational Services for Individuals with Disabilities			
Special Revenue Funds - Federal	1,062	1,062	0
Total	3,220	3,199	(21)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	63,132,400	50,351,000	(12,781,400)
Special Revenue Funds - Federal	334,282,100	328,356,000	(5,926,100)
Special Revenue Funds - Other	163,587,400	155,451,000	(8,136,400)
Internal Service Funds	31,407,000	31,226,000	(181,000)
Total	592,408,900	565,384,000	(27,024,900)

Adjustments:

Transfer(s) From

Education Department, State	
Special Revenue Funds - Other	(1,612,000)
Special Pay Bill	
General Fund	(2,133,000)
Special Revenue Funds - Federal	(10,043,000)
Special Revenue Funds - Other	(7,628,000)
Internal Service Funds	(1,339,000)

Transfer(s) To

Education - School for the Blind	
Special Revenue Funds - Other	825,000
Education - School for the Deaf	
Special Revenue Funds - Other	787,000

Appropriated 2008-09

571,265,900

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

Program	Available 2008-09	Recommended 2009-10	Change
Office of Management Services Program			
General Fund	18,884,800	13,929,000	(4,955,800)
Special Revenue Funds - Other	25,516,000	28,221,000	2,705,000
Internal Service Funds	18,682,800	18,522,000	(160,800)
Elementary, Middle and Secondary			
Education			
General Fund	35,013,100	27,922,000	(7,091,100)
Special Revenue Funds - Federal	147,405,000	141,881,000	(5,524,000)
Special Revenue Funds - Other	2,179,400	1,970,000	(209,400)
School for the Blind			
Special Revenue Funds - Other	10,775,000	10,418,000	(357,000)
School for the Deaf			
Special Revenue Funds - Other	10,329,000	9,992,000	(337,000)
Higher Education and the Professions,			
Office of			
General Fund	8,368,400	7,797,000	(571,400)
Special Revenue Funds - Federal	3,406,000	2,952,000	(454,000)
Special Revenue Funds - Other	63,081,770	57,792,000	(5,289,770)
Cultural Education			
General Fund	866,100	703,000	(163,100)
Special Revenue Funds - Federal	15,329,000	15,378,000	49,000
Special Revenue Funds - Other	50,506,230	45,879,000	(4,627,230)
Internal Service Funds	12,724,200	12,704,000	(20,200)
Vocational and Educational Services for			
Individuals with Disabilities			
Special Revenue Funds - Federal	168,142,100	168,145,000	2,900
Special Revenue Funds - Other	1,200,000	1,179,000	(21,000)
Total	592,408,900	565,384,000	(27,024,900)

EDUCATION

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Office of Management Services Program	8,774,000	(3,761,200)	8,484,000	(3,695,200)
Elementary, Middle and Secondary Education	17,026,000	(3,044,200)	16,216,000	(2,857,400)
Higher Education and the Professions, Office of	3,617,000	(314,000)	3,469,000	(295,000)
Cultural Education	611,000	(133,000)	611,000	(133,000)
Total	30,028,000	(7,252,400)	28,780,000	(6,980,600)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Office of Management Services Program	145,000	(33,000)	145,000	(33,000)
Elementary, Middle and Secondary Education	648,000	(149,400)	162,000	(37,400)
Higher Education and the Professions, Office of	74,000	(9,500)	74,000	(9,500)
Cultural Education	0	0	0	0
Total	867,000	(191,900)	381,000	(79,900)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Office of Management Services Program	5,155,000	(1,194,600)	265,000	(99,700)
Elementary, Middle and Secondary Education	10,896,000	(4,046,900)	174,000	(65,400)
Higher Education and the Professions, Office of	4,180,000	(257,400)	71,000	(14,200)
Cultural Education	92,000	(30,100)	28,000	(10,000)
Total	20,323,000	(5,529,000)	538,000	(189,300)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Office of Management Services Program	133,000	(49,300)	1,918,000	(705,700)
Elementary, Middle and Secondary Education	162,000	(59,900)	10,266,000	(3,811,100)
Higher Education and the Professions, Office of	71,000	(14,200)	3,967,000	(214,800)
Cultural Education	2,000	(1,000)	58,000	(18,100)
Total	368,000	(124,400)	16,209,000	(4,749,700)

Program	Equipment		General State Charges	
	Amount	Change	Amount	Change
Office of Management Services Program	929,000	(347,300)	1,910,000	7,400
Elementary, Middle and Secondary Education	294,000	(110,500)	0	0
Higher Education and the Professions, Office of	71,000	(14,200)	0	0
Cultural Education	4,000	(1,000)	0	0
Total	1,298,000	(473,000)	1,910,000	7,400

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Office of Management Services Program	46,743,000	2,544,200	25,253,000	2,695,100
Elementary, Middle and Secondary				
Education	143,851,000	(5,733,400)	61,111,000	(4,599,100)
School for the Blind	10,418,000	(357,000)	6,278,000	(172,000)
School for the Deaf	9,992,000	(337,000)	5,958,000	(120,000)
Higher Education and the Professions,				
Office of	60,744,000	(5,743,770)	26,775,000	(7,308,370)
Cultural Education	73,961,000	(4,598,430)	31,721,000	(2,287,962)
Vocational and Educational Services for				
Individuals with Disabilities	169,324,000	(18,100)	70,969,000	(10,540,600)
Total	<u>515,033,000</u>	<u>(14,243,500)</u>	<u>228,065,000</u>	<u>(22,332,932)</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Office of Management Services Program	21,490,000	(150,900)	0	0
Elementary, Middle and Secondary				
Education	73,278,000	(959,300)	9,462,000	(175,000)
School for the Blind	4,140,000	(185,000)	0	0
School for the Deaf	4,034,000	(217,000)	0	0
Higher Education and the Professions,				
Office of	33,245,000	1,563,800	724,000	800
Cultural Education	41,068,000	(2,291,468)	1,172,000	(19,000)
Vocational and Educational Services for				
Individuals with Disabilities	82,598,000	4,902,200	15,757,000	5,620,300
Total	<u>259,853,000</u>	<u>2,662,332</u>	<u>27,115,000</u>	<u>5,427,100</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	19,453,237,653	19,328,461,000	(124,776,653)
Special Revenue Funds - Federal	3,844,834,000	3,871,035,000	26,201,000
Special Revenue Funds - Other	7,974,865,780	6,176,672,000	(1,798,193,780)
Total	<u>31,272,937,433</u>	<u>29,376,168,000</u>	<u>(1,896,769,433)</u>

Adjustments:			
Prior Year Deficiency			
Education Department, State			
General Fund	58,150,000		
Recommended Deficiency			
Education Department, State			
General Fund	55,100,000		
Special Revenue Funds - Other	(32,100,000)		
Appropriated 2008-09	<u>31,354,087,433</u>		

EDUCATION

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

Program	Available 2008-09	Recommended 2009-10	Change
Office of Management Services Program			
Special Revenue Funds - Other	5,214,000	5,214,000	0
School Tax Relief			
Special Revenue Funds - Other	4,970,000,000	3,250,000,000	(1,720,000,000)
Elementary, Middle and Secondary Education			
General Fund	19,138,311,659	19,063,069,000	(75,242,659)
Special Revenue Funds - Federal	3,025,862,000	3,052,063,000	26,201,000
Special Revenue Funds - Other	2,974,100,000	2,899,000,000	(75,100,000)
Higher Education and the Professions, Office of			
General Fund	99,926,602	93,662,000	(6,264,602)
Special Revenue Funds - Other	980,000	0	(980,000)
Cultural Education			
General Fund	115,481,812	89,915,000	(25,566,812)
Special Revenue Funds - Federal	5,400,000	5,400,000	0
Special Revenue Funds - Other	12,113,780	10,000,000	(2,113,780)
Vocational and Educational Services for Individuals with Disabilities			
General Fund	80,290,398	81,815,000	1,524,602
Special Revenue Funds - Federal	813,572,000	813,572,000	0
Special Revenue Funds - Other	12,458,000	12,458,000	0
Community Projects			
General Fund	19,227,182	0	(19,227,182)
Total	<u>31,272,937,433</u>	<u>29,376,168,000</u>	<u>(1,896,769,433)</u>

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Education Building				
Capital Projects Fund	2,000,000	0	(2,000,000)	3,711,000
Capital Projects Fund - Advances	0	0	0	100,000
School for the Blind				
Capital Projects Fund	2,330,000	800,000	(1,530,000)	2,441,000
Capital Projects Fund - Advances	0	0	0	200,000
School for the Deaf				
Capital Projects Fund	650,000	0	(650,000)	7,039,000
Schools For Native American Reservations				
Capital Projects Fund	0	0	0	659,000
Capital Projects Fund - Authority Bonds	0	4,000,000	4,000,000	0
Cultural Education Center				
Capital Projects Fund	9,075,000	0	(9,075,000)	13,673,000
Capital Projects Fund - Advances	0	0	0	2,310,000
Capital Projects Fund - Authority Bonds	27,585,000	0	(27,585,000)	27,585,000
Administration				
Capital Projects Fund	1,000,000	2,000,000	1,000,000	7,189,000
Library Construction				
Library Aid (Auth Bonds)	14,000,000	14,000,000	0	16,057,000
Public Broadcasting Facilities				
Capital Projects Fund - Authority Bonds	0	0	0	527,000
Cultural Education Storage Facility				
Cap Proj Fund - Cultrual Education Storage Facility	0	0	0	60,000,000
Total	<u>56,640,000</u>	<u>20,800,000</u>	<u>(35,840,000)</u>	<u>141,491,000</u>

OFFICE OF CHILDREN AND FAMILY SERVICES

MISSION

The Office of Children and Family Services (OCFS) was established in 1998 to strengthen services for 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. By the end of 2009-10, OCFS will operate 25 residential facilities and five day placement programs statewide serving approximately 1,390 youth. The Office will end the 2009-10 fiscal year with a workforce of 3,678 positions.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3.7 billion All Funds** (\$2 billion General Fund; \$1.7 billion Other Funds) for the Office of Children and Family Services. This is a net decrease of **\$117 million** (\$112 million General Fund decrease; \$5 million Other Funds decrease) from the 2008-09 budget. This net change primarily reflects funding reductions in several program areas to address the 2009-10 budget deficit.

OCFS' staffing level for 2009-10 will be **3,678**, a decrease of **288 annual salaried positions** from the 2008-09 budget. This reduction reflects the net impact of closing/downsizing eight underutilized youth facilities and three underutilized evening reporting centers (-255), the elimination of 39 positions in various programs through attrition, and an increase of six positions associated with child abuse legislation passed in 2008.

Major budget actions include:

- **Preserve Open-ended Funding for Child Welfare Services.** The centerpiece of the child welfare financing system is the provision of 64 percent State reimbursement for preventive and child protective services. In order to preserve this funding source, the Executive Budget eliminates funding for Community Optional Preventive Services (COPS), which supports an array of non-mandated programs, as well as OCFS-contracted preventive services for youth and families in the child welfare system. Since open-ended child welfare services funding is preserved at the 64 percent State/36 percent local level, districts can choose to support services for families and youth at imminent risk of foster care formerly provided by OCFS-contracted preventive services providers. Additionally, local districts will be asked to increase the amount they spend on child welfare from their Federal Flexible Fund for Family Services in order to achieve both State and local child welfare savings.
- **Preserve Adoption Subsidies:** The Executive Budget includes \$228 million, an increase of \$6 million, for the State's share of subsidies provided to families that adopt children with special needs. These funds will support approximately 48,000 children in adoptive homes.

CHILDREN AND FAMILY SERVICES

- **Maintain Foster Care Block Grant:** The Foster Care Block Grant is maintained at \$434 million and provides counties with a clear incentive to reduce the number of children in foster care. Under the Block Grant, savings that result 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. In the face of an unprecedented budget deficit, base-level funding for this program has been preserved.
- **Delay Implementation of the Bridges to Health Medicaid Waiver:** The Bridges to Health Medicaid Waiver, designed to enhance services to foster care children with multiple needs and prevent them from entering institutional care, will be maintained at its current projected level of 610 slots until 2011-12 when the remaining 2,695 slots will begin phasing in again.
- **Reduce or Eliminate Contract and Other Programs:** In order to ensure that scarce resources continue to be invested in core mandated programs, the Executive Budget would reduce the Kinship Program, which provides services to those caring for individuals related to them, by 50 percent. Other contract programs including Advantage Schools, Home Visiting, Hoyt and Post Placement services would be reduced by 25 percent. Additionally, the Executive Budget eliminates funding for pilots and other programs including caseworker training, caseworker ratio and portable information technology pilots, the Amy Watkins scholarship program, the Preventive Services COLA, the Substance Abuse Co-location pilot and a portion of the beds for former foster youth funded in the NY/NY III agreement.
- **Create a Youth Programs Block Grant.** The 2009-10 Executive Budget creates a \$90 million youth programs block grant. The block grant will provide local districts with flexibility in funding their youth programs based on local district priorities. Programs that were previously funded through discrete appropriations that will now be included in the block grant are Detention Services; Youth Development and Delinquency Prevention (YDDP); Special Delinquency Prevention Program (SDPP); Runaway and Homeless Youth Act (RHYA); Alternatives to Detention and Alternatives to Residential Placement.
- **Right-Size Youth Facility Capacity:** The 2009-10 Executive Budget reflects \$12.4 million in net savings, growing to \$17.8 million in 2010-11, from the announced closures and downsizings of OCFS facilities. A total of eight facilities will be closed/downsized and three evening reporting centers are proposed for closure as of June 1, 2009. These actions are consistent with a significant decline in the population at OCFS' non-secure and limited secure facilities that has led to a 67 percent system-wide utilization rate and more than 500 vacant beds. June 2009 actions will include the following: closure of the Great Valley, Cattaraugus and Adirondack non-secure centers; closure of the Rochester and Syracuse Community Residential Homes; closure of the Pyramid boys reception center; downsizing of the Tryon limited secure center and Allen non-secure center; and closure of evening reporting centers in Albany, Buffalo and Syracuse. These actions will reduce OCFS facility jobs by 255 annual salaried positions, of which 241 were filled as of November 2008.

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 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; and prepare teens for independent living.

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.

CHILD CARE

The Office's 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.

YOUTH FACILITIES

The Office of Children and Family Services operates a Youth Facilities Program which, by the end of 2009-10, will include 25 residential facilities and five day placement programs 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, mental health, substance abuse, sex offender and 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.

CHILD ABUSE HOTLINE

The Office operates the State Central Register Child Abuse Hotline, which is expected to receive over 375,000 calls reporting alleged child maltreatment or abuse in 2009-10. 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.

CHILDREN AND FAMILY SERVICES

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	531,799,000	513,812,000	(17,987,000)	400,777,000
Aid To Localities	3,218,906,645	3,120,713,400	(98,193,245)	2,320,600,676
Capital Projects	38,488,000	37,675,000	(813,000)	137,022,000
Total	3,789,193,645	3,672,200,400	(116,993,245)	2,858,399,676

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Central Administration			
General Fund	348	368	20
Special Revenue Funds - Federal	2	2	0
Special Revenue Funds - Other	84	0	(84)
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	166	164	(2)
Special Revenue Funds - Other	1	1	0
Family and Children Services			
General Fund	473	514	41
Special Revenue Funds - Federal	58	58	0
Special Revenue Funds - Other	2	2	0
Maintenance & Improvement of Youth Facilities			
Capital Projects Funds - Other	7	7	0
Systems Support			
General Fund	188	180	(8)
Training and Development			
Special Revenue Funds - Other	62	62	0
Youth Facilities			
General Fund	2,330	2,075	(255)
Total	3,966	3,678	(288)

CHILDREN AND FAMILY SERVICES

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	290,212,000	276,417,000	(13,795,000)
Special Revenue Funds - Federal	134,261,000	132,162,000	(2,099,000)
Special Revenue Funds - Other	106,751,000	104,658,000	(2,093,000)
Enterprise Funds	475,000	475,000	0
Internal Service Funds	100,000	100,000	0
Total	531,799,000	513,812,000	(17,987,000)

Adjustments:

Transfer(s) From

National and Community Service	
Special Revenue Funds - Federal	(54,000)
Special Pay Bill	
General Fund	(14,394,000)
Special Revenue Funds - Federal	(3,840,000)
Special Revenue Funds - Other	(1,200,000)

Transfer(s) To

Children and Family Services Office of	
General Fund (Aid To Localities)	750,000
National and Community Service	
General Fund	34,000
Special Revenue Funds - Federal	54,000
Appropriated 2008-09	513,149,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Central Administration			
General Fund	32,885,500	32,925,000	39,500
Special Revenue Funds - Federal	528,000	528,000	0
Special Revenue Funds - Other	13,634,000	3,534,000	(10,100,000)
Internal Service Funds	100,000	100,000	0
Child Care			
Special Revenue Funds - Federal	47,455,000	45,356,000	(2,099,000)
Commission for the Blind and Visually Handicapped			
General Fund	8,818,600	9,082,000	263,400
Special Revenue Funds - Federal	32,714,000	32,714,000	0
Special Revenue Funds - Other	1,914,000	1,914,000	0
Departmental Administrative			
Reimbursement			
General Fund	(19,978,000)	(27,985,000)	(8,007,000)
Special Revenue Funds - Other	26,478,000	34,485,000	8,007,000
Family and Children Services			
General Fund	39,525,800	44,428,000	4,902,200
Special Revenue Funds - Federal	22,971,000	22,971,000	0
Special Revenue Funds - Other	1,344,000	1,344,000	0
Systems Support			
General Fund	51,680,200	57,087,000	5,406,800
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	6,627,000	6,319,000	(308,000)
Special Revenue Funds - Other	53,381,000	53,381,000	0
Enterprise Funds	200,000	200,000	0
Youth Facilities			
General Fund	170,652,900	154,561,000	(16,091,900)
Enterprise Funds	275,000	275,000	0
Total	531,799,000	513,812,000	(17,987,000)

CHILDREN AND FAMILY SERVICES

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Central Administration	24,281,000	645,500	23,840,000	1,658,500
Commission for the Blind and Visually Handicapped	1,843,000	13,400	1,830,000	15,400
Departmental Administrative Reimbursement	(27,985,000)	(8,007,000)	(27,985,000)	(8,007,000)
Family and Children Services	30,071,000	982,200	27,547,000	(485,800)
Systems Support	11,447,000	(2,481,200)	11,270,000	(2,460,200)
Youth Facilities	122,393,000	(12,939,900)	108,875,000	(13,922,900)
Total	162,050,000	(21,787,000)	145,377,000	(23,202,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Central Administration	356,000	(845,000)	85,000	(168,000)
Commission for the Blind and Visually Handicapped	0	0	13,000	(2,000)
Departmental Administrative Reimbursement	0	0	0	0
Family and Children Services	0	0	2,524,000	1,468,000
Systems Support	0	0	177,000	(21,000)
Youth Facilities	3,588,000	(2,730,000)	9,930,000	3,713,000
Total	3,944,000	(3,575,000)	12,729,000	4,990,000

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Central Administration	8,644,000	(606,000)	667,000	(293,000)
Commission for the Blind and Visually Handicapped	7,239,000	250,000	9,000	(1,000)
Family and Children Services	14,357,000	3,920,000	399,000	(339,000)
Systems Support	45,640,000	7,888,000	385,000	27,000
Training and Development	6,319,000	(308,000)	0	0
Youth Facilities	32,168,000	(3,152,000)	11,638,000	1,475,000
Total	114,367,000	7,992,000	13,098,000	869,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Central Administration	264,000	(116,000)	6,530,000	488,000
Commission for the Blind and Visually Handicapped	0	0	7,230,000	251,000
Family and Children Services	376,000	(47,000)	13,509,000	4,424,000
Systems Support	195,000	33,000	43,580,000	7,527,000
Training and Development	0	0	6,319,000	(308,000)
Youth Facilities	504,000	(89,000)	19,490,000	(3,986,000)
Total	1,339,000	(219,000)	96,658,000	8,396,000

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Central Administration	1,183,000	(685,000)	0	0
Commission for the Blind and Visually Handicapped	0	0	0	0
Family and Children Services	73,000	(118,000)	0	0
Systems Support	1,480,000	301,000	0	0
Training and Development	0	0	0	0
Youth Facilities	536,000	(302,000)	0	(250,000)
Total	3,272,000	(804,000)	0	(250,000)

CHILDREN AND FAMILY SERVICES

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Central Administration	4,162,000	(10,100,000)	36,000	(5,100,000)
Child Care	45,356,000	(2,099,000)	0	0
Commission for the Blind and Visually Handicapped	34,628,000	0	45,000	0
Departmental Administrative Reimbursement	34,485,000	8,007,000	27,985,000	8,007,000
Family and Children Services	24,315,000	0	112,000	0
Systems Support	40,593,000	0	0	0
Training and Development	53,581,000	0	5,676,000	0
Youth Facilities	275,000	0	0	0
Total	237,395,000	(4,192,000)	33,854,000	2,907,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Central Administration	3,598,000	(5,000,000)	528,000	0
Child Care	0	0	45,356,000	(2,099,000)
Commission for the Blind and Visually Handicapped	1,869,000	0	32,714,000	0
Departmental Administrative Reimbursement	6,500,000	0	0	0
Family and Children Services	10,656,000	0	13,547,000	0
Systems Support	0	0	40,593,000	0
Training and Development	47,705,000	0	200,000	0
Youth Facilities	275,000	0	0	0
Total	70,603,000	(5,000,000)	132,938,000	(2,099,000)

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

Fund Type	Available	Recommended	Change
	2008-09	2009-10	
General Fund	1,847,341,645	1,749,148,400	(98,193,245)
Special Revenue Funds - Federal	1,352,763,000	1,352,763,000	0
Special Revenue Funds - Other	18,802,000	18,802,000	0
Total	3,218,906,645	3,120,713,400	(98,193,245)

Adjustments:	
Transfer(s) From	
Children and Family Services Office of	
General Fund (State Operations)	(750,000)
Appropriated 2008-09	3,218,156,645

CHILDREN AND FAMILY SERVICES

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

Program	Available 2008-09	Recommended 2009-10	Change
Child Care			
General Fund	138,578,809	137,362,700	(1,216,109)
Special Revenue Funds - Federal	314,644,000	314,644,000	0
Special Revenue Funds - Other	343,000	343,000	0
Commission for the Blind and Visually Handicapped			
General Fund	549,900	0	(549,900)
Family and Children Services			
General Fund	1,675,613,308	1,606,269,900	(69,343,408)
Special Revenue Funds - Federal	1,018,900,000	1,018,900,000	0
Special Revenue Funds - Other	18,459,000	18,459,000	0
Training and Development			
General Fund	5,515,782	5,515,800	18
Special Revenue Funds - Federal	19,219,000	19,219,000	0
Community Projects			
General Fund	27,083,846	0	(27,083,846)
Total	<u>3,218,906,645</u>	<u>3,120,713,400</u>	<u>(98,193,245)</u>

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Design and Construction Supervision				
Youth Facilities Improvement Fund	7,000,000	7,000,000	0	15,529,000
Maintenance and Improvement of Facilities				
Capital Projects Fund	1,825,000	1,825,000	0	7,801,000
Youth Facilities Improvement Fund	15,823,000	15,850,000	27,000	70,855,000
Executive Direction and Administrative Services				
Misc. Capital Projects	0	0	0	2,720,000
Program Improvement or Program Change				
Youth Facilities Improvement Fund	13,840,000	13,000,000	(840,000)	34,804,000
Youth Center				
Capital Projects Fund	0	0	0	5,313,000
Total	<u>38,488,000</u>	<u>37,675,000</u>	<u>(813,000)</u>	<u>137,022,000</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 public assistance recipients while they are working toward self-sufficiency, and supportive services to low-income households to help them avoid welfare dependency.

ORGANIZATION AND STAFFING

The Office of Temporary and Disability Assistance 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 include each county and New York City. Social services districts are responsible for directly administering most public assistance programs, including those that serve the homeless and refugees.

Agency staff also provide legal, audit and computer systems support. Through its Disability Determinations Program, the agency evaluates the medical eligibility of disability claimants for Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI).

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$5.2 billion All Funds** (\$1.2 billion General Fund; \$4.0 billion Other Funds) for OTDA. This is an increase of **\$261 million** (\$142 million General Fund decrease; \$403 million Other Funds increase) from the 2008-09 budget. This net change reflects increased funding for the Federal Home Energy Assistance Program, reduced funding for the State SSI supplementation program, and other budget actions.

The Office's workforce will be **2,280 positions** in 2009-10. Approximately 647 of these positions are paid by State tax dollars from the General Fund with partial Federal reimbursement and 1,331 are funded directly by Federal grants. The remaining 302 positions are supported by various special revenues.

Major budget actions include:

- **Increase Public Assistance Grant:** The Executive Budget will increase the basic allowance portion of the public assistance grant by 10 percent a year for the next three years. At full implementation, this will result in a \$96 per month increase in the basic allowance.
- **Reduce Supplemental Security Income (SSI) State Benefit:** The Federal Supplemental Security Income (SSI) program provides cash assistance to the aged, blind, and disabled, and is administered by the Social Security Administration. New York State provides additional financial support to its SSI recipients. Although the 2009-10 Executive Budget reduces the 2009 calendar

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year State benefit for SSI, a recipient's total monthly SSI benefit will still be \$9 to \$34 higher than their 2008 monthly benefit as a result of a 5.8 percent cost of living increase to the Federal benefit.

- **Reduce Personal Needs Allowance of Certain Public Assistance Recipients:** The 2009-10 Executive Budget will reduce the allowance given to the 7,000 public assistance recipients who reside in chemical dependence treatment facilities to an amount that is comparable to the allowance given to recipients who reside in similar settings that provide room and board.
- **Eliminate Local Administration Fund:** The 2009-10 Executive Budget replaces General Fund support of the Local Administration Fund (which supports the State share of food stamps and public assistance administration) with Federal funding by increasing the Flexible Fund for Family Services allocation by \$310.6 million.
- **Reduce Reimbursement for New York City Adult Homeless Shelters:** The Executive Budget caps reimbursement to New York City for adult homeless shelter expenditures at \$79.7 million, a reduction of \$10.6 million from 2008-09 levels.
- **Reduce or Eliminate Funding for Various Homeless, Refugee and Employment-Related Programs:** Funding is reduced for the Homelessness Intervention Program (HIP) and the Single Room Occupancy (SRO) Supportive Services Program. These programs assist homeless individuals and families in achieving self-sufficiency by strengthening their independent living skills and helping them acquire and retain permanent housing. Funding is also reduced for the Citizenship Program and the New York State Refugee Resettlement Assistance Program (NYSRRAP), which assists refugees and asylees by providing such services as job search and housing location help, employment training, and assistance in the attainment of citizenship status. The Executive Budget will also eliminate funding for the Homeless Prevention Program (HPP), the Safety Net Assistance Local Innovations Program (SNAP), the Local Interagency VESID Employment Services Program, the Educational Resources Program, and the HIV Welfare-to-Work Program. These programs have sufficient unexpended balances to continue for a period of time absent new funding.
- **Eliminate the Strengthening Families Through Stronger Fathers Program:** Funding is eliminated for the Fatherhood program, which currently supports five pilots that provide employment training, parenting training, legal services, financial counseling and mental health services to non-custodial parents. The program will continue to run until the end of the pilot phase on September 30, 2009.

PROGRAM HIGHLIGHTS

The public assistance program 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.

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Since 1994, the public assistance caseload has decreased by over 1.1 million recipients, a decline of 68 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 (such as child care and the Earned Income Tax Credit) that encourage employment.

OTDA's programs also emphasize prevention of welfare dependency by providing work supports and services to at-risk households.

FAMILY ASSISTANCE PROGRAM

The Family Assistance program, which is financed jointly by the State, Federal government and local districts, provides employment assessments, supportive services and time-limited cash assistance to eligible families with children.

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 for cash benefits. 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, which is financed jointly by the State and local districts.

SAFETY NET ASSISTANCE PROGRAM

Article XVII of the State Constitution requires the State and its social services districts to provide for the needy. New York State 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 include families who have exhausted their five-year limit on Family Assistance, single adults and childless couples. 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.

CHILD SUPPORT ENFORCEMENT PROGRAM

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 continues 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 \$1.7 billion in 2009.

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OTHER SUPPORTIVE PROGRAMS

The Federal Food Stamp Program provides low-income households with an electronic benefit card that can be used as cash to purchase food. In 2007-08, New York received \$2.43 billion in Federal Food Stamp benefits, with eligible households receiving an average monthly benefit of \$207.

The Federal Home Energy Assistance Program (HEAP) provides cash benefits to assist low-income households in meeting their home heating costs. The HEAP program also provides funding for weatherization activities to reduce energy usage in residential units occupied by low-income households. Federal funding for HEAP has increased substantially for Federal fiscal year 2009, with New York State receiving \$539 million, a \$180 million increase from 2008 levels. The Executive Budget includes additional Federal appropriation authority to accommodate this increase.

The 2009-10 Executive Budget also continues funding for the State's transitional and emergency shelter system and supportive housing efforts, which assist homeless individuals and families in achieving self-sufficiency by strengthening their independent living skills and helping them acquire permanent housing.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	492,584,000	467,808,000	(24,776,000)	344,647,000
Aid To Localities	4,467,727,596	4,760,242,000	292,514,404	3,476,214,537
Capital Projects	36,500,000	30,000,000	(6,500,000)	111,490,000
Total	4,996,811,596	5,258,050,000	261,238,404	3,932,351,537

TEMPORARY AND DISABILITY ASSISTANCE

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	203	203	0
Special Revenue Funds - Federal	65	65	0
Special Revenue Funds - Other	79	79	0
Internal Service Funds	4	4	0
Child Well Being Program			
Special Revenue Funds - Federal	57	57	0
Special Revenue Funds - Other	30	30	0
Disability Determinations Program			
Special Revenue Funds - Federal	956	956	0
Special Revenue Funds - Other	105	105	0
Employment and Economic Support Program			
General Fund	43	43	0
Special Revenue Funds - Federal	190	190	0
Special Revenue Funds - Other	27	27	0
Executive Direction			
General Fund	16	16	0
Information Technology Program			
General Fund	88	88	0
Special Revenue Funds - Federal	40	40	0
Special Revenue Funds - Other	45	45	0
Legal Affairs			
General Fund	270	270	0
Specialized Services Program			
General Fund	27	27	0
Special Revenue Funds - Federal	23	23	0
Special Revenue Funds - Other	12	12	0
Total	<u>2,280</u>	<u>2,280</u>	<u>0</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	67,548,000	60,750,000	(6,798,000)
Special Revenue Funds - Federal	255,358,000	246,347,000	(9,011,000)
Special Revenue Funds - Other	168,478,000	159,511,000	(8,967,000)
Internal Service Funds	1,200,000	1,200,000	0
Total	<u>492,584,000</u>	<u>467,808,000</u>	<u>(24,776,000)</u>
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(5,531,000)		
Special Revenue Funds - Federal	(10,412,000)		
Special Revenue Funds - Other	(1,044,000)		
Appropriated 2008-09	<u>475,597,000</u>		

TEMPORARY AND DISABILITY ASSISTANCE

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	15,272,000	12,989,000	(2,283,000)
Special Revenue Funds - Federal	9,000,000	9,000,000	0
Special Revenue Funds - Other	36,025,000	34,715,000	(1,310,000)
Internal Service Funds	1,200,000	1,200,000	0
Child Well Being Program			
General Fund	2,500,000	2,400,000	(100,000)
Special Revenue Funds - Federal	12,046,000	17,447,000	5,401,000
Special Revenue Funds - Other	31,044,000	24,212,000	(6,832,000)
Disability Determinations Program			
Special Revenue Funds - Federal	174,412,000	160,000,000	(14,412,000)
Special Revenue Funds - Other	10,600,000	10,600,000	0
Employment and Economic Support Program			
General Fund	5,196,000	3,015,000	(2,181,000)
Special Revenue Funds - Federal	21,400,000	21,400,000	0
Special Revenue Funds - Other	7,109,000	8,684,000	1,575,000
Executive Direction			
General Fund	791,000	648,000	(143,000)
Special Revenue Funds - Other	1,200,000	1,200,000	0
Information Technology Program			
General Fund	30,278,000	28,280,000	(1,998,000)
Special Revenue Funds - Federal	35,000,000	35,000,000	0
Special Revenue Funds - Other	69,000,000	66,600,000	(2,400,000)
Legal Affairs			
General Fund	12,245,000	12,349,000	104,000
Special Revenue Funds - Other	11,000,000	11,000,000	0
Specialized Services Program			
General Fund	1,266,000	1,069,000	(197,000)
Special Revenue Funds - Federal	3,500,000	3,500,000	0
Special Revenue Funds - Other	2,500,000	2,500,000	0
Total	492,584,000	467,808,000	(24,776,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	2,892,000	(404,000)	2,738,000	(403,000)
Child Well Being Program	300,000	0	300,000	0
Employment and Economic Support Program	283,000	(1,882,000)	202,000	(1,881,000)
Executive Direction	328,000	(158,000)	267,000	(151,000)
Information Technology Program	848,000	(1,313,000)	848,000	(1,313,000)
Legal Affairs	8,811,000	104,000	8,387,000	94,000
Specialized Services Program	826,000	(197,000)	777,000	(200,000)
Total	14,288,000	(3,850,000)	13,519,000	(3,854,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	120,000	0	34,000	(1,000)
Child Well Being Program	0	0	0	0
Employment and Economic Support Program	0	0	81,000	(1,000)
Executive Direction	56,000	(9,000)	5,000	2,000
Information Technology Program	0	0	0	0
Legal Affairs	39,000	10,000	385,000	0
Specialized Services Program	0	0	49,000	3,000
Total	215,000	1,000	554,000	3,000

TEMPORARY AND DISABILITY ASSISTANCE

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	10,097,000	(1,879,000)	110,000	0
Child Well Being Program	2,100,000	(100,000)	0	0
Employment and Economic Support Program	2,732,000	(299,000)	27,000	0
Executive Direction	320,000	15,000	20,000	(4,000)
Information Technology Program	27,432,000	(685,000)	37,900	0
Legal Affairs	3,538,000	0	128,000	(32,000)
Specialized Services Program	243,000	0	12,000	(9,000)
Total	46,462,000	(2,948,000)	334,900	(45,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	290,000	0	9,347,000	(1,879,000)
Child Well Being Program	0	0	2,100,000	(100,000)
Employment and Economic Support Program	112,000	(35,000)	2,569,000	(264,000)
Executive Direction	47,000	12,000	235,000	10,000
Information Technology Program	36,700	0	6,598,400	0
Legal Affairs	200,000	2,000	2,753,000	150,000
Specialized Services Program	110,000	3,000	112,000	6,000
Total	795,700	(18,000)	23,714,400	(2,077,000)

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	350,000	0	0	0
Child Well Being Program	0	0	0	0
Employment and Economic Support Program	24,000	0	0	0
Executive Direction	18,000	(3,000)	0	0
Information Technology Program	70,000	0	20,689,000	(685,000)
Legal Affairs	457,000	(120,000)	0	0
Specialized Services Program	9,000	0	0	0
Total	928,000	(123,000)	20,689,000	(685,000)

TEMPORARY AND DISABILITY ASSISTANCE

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	44,915,000	(1,310,000)	22,726,000	(614,000)
Child Well Being Program	41,659,000	(1,431,000)	8,364,000	(279,000)
Disability Determinations Program	170,600,000	(14,412,000)	80,050,000	(4,969,000)
Employment and Economic Support Program	30,084,000	1,575,000	18,327,000	2,080,000
Executive Direction	1,200,000	0	1,200,000	0
Information Technology Program	101,600,000	(2,400,000)	7,350,000	(688,000)
Legal Affairs	11,000,000	0	11,000,000	0
Specialized Services Program	6,000,000	0	3,670,000	(73,000)
Total	407,058,000	(17,978,000)	152,687,000	(4,543,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	22,189,000	(696,000)	0	0
Child Well Being Program	33,295,000	(1,152,000)	0	0
Disability Determinations Program	90,550,000	(9,443,000)	0	0
Employment and Economic Support Program	11,757,000	(505,000)	0	0
Executive Direction	0	0	0	0
Information Technology Program	59,250,000	(1,712,000)	35,000,000	0
Legal Affairs	0	0	0	0
Specialized Services Program	2,330,000	73,000	0	0
Total	219,371,000	(13,435,000)	35,000,000	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	1,294,753,756	1,159,068,000	(135,685,756)
Special Revenue Funds - Federal	3,145,446,000	3,573,647,000	428,201,000
Special Revenue Funds - Other	17,527,840	17,527,000	(840)
Fiduciary Funds	10,000,000	10,000,000	0
Total	4,467,727,596	4,760,242,000	292,514,404

TEMPORARY AND DISABILITY ASSISTANCE

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

Program	Available 2008-09	Recommended 2009-10	Change
Child Well Being Program			
General Fund	33,573,600	30,810,000	(2,763,600)
Special Revenue Funds - Federal	102,000,000	128,000,000	26,000,000
Employment and Economic Support Administration Program			
General Fund	344,558,462	24,826,000	(319,732,462)
Employment and Economic Support Program			
General Fund	794,184,000	996,808,000	202,624,000
Special Revenue Funds - Federal	2,604,746,000	2,994,257,000	389,511,000
Fiduciary Funds	10,000,000	10,000,000	0
Food Stamp Administration Program			
Special Revenue Funds - Federal	406,275,000	420,390,000	14,115,000
Special Revenue Funds - Other	7,627,840	7,627,000	(840)
Specialized Services Program			
General Fund	122,062,694	106,624,000	(15,438,694)
Special Revenue Funds - Federal	32,425,000	31,000,000	(1,425,000)
Special Revenue Funds - Other	9,900,000	9,900,000	0
Community Projects			
General Fund	375,000	0	(375,000)
Total	<u>4,467,727,596</u>	<u>4,760,242,000</u>	<u>292,514,404</u>

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Supported Housing Program				
Housing Program Fund	36,500,000	30,000,000	(6,500,000)	111,490,000
Total	<u>36,500,000</u>	<u>30,000,000</u>	<u>(6,500,000)</u>	<u>111,490,000</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 (SUNY) and the City University of New York (CUNY) 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. Agency administrative operations are located in Albany.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$1.04 billion All Funds** (\$896 million General Fund; \$143 million Other Funds) in support of the Corporation. This is a net increase of **\$44 million** (a \$72 million General Fund increase and a \$28 million Other Funds decrease) over 2008-09 funding levels. The Budget reflects an investment to help establish a new State student loan program and increased spending for the Tuition Assistance Program (TAP) driven by anticipated tuition increases at SUNY and CUNY, offset by reduced administrative spending by the Corporation.

The Executive Budget recommends a staffing level of **682 FTEs** for the Corporation, a decrease of 18 from 2008-09 staffing levels. Virtually all employees are paid through funds received for the administration of Federal student loans.

Major budget actions include:

- **Establish the New York Higher Education Loan Program:** The Executive Budget includes a \$50 million General Fund investment to support the creation of a new affordable student loan program for New York State residents attending New York State higher education institutions. This program will help students fill the gap between the cost of college attendance and available financial aid by providing education loans of up to \$10,000 annually at rates that are significantly below conventional private bank student loans.
- Increase TAP Funding for SUNY and CUNY Tuition Adjustments:** The Executive Budget includes \$44 million to support increased TAP awards resulting from the recommended tuition rate increases for SUNY and CUNY.

HIGHER EDUCATION SERVICES

- **Increase TAP Full-Time Eligibility Threshold to 15 Credits and Expand TAP Eligibility:** Currently, although students must earn an average of 15 credits per semester in order to graduate on a timely basis after eight semesters of study, students who earn as few as 12 credits per semester are eligible for full TAP awards. This disparity can result in students being short of the 120 credits required for graduation when they reach the current eight semester lifetime TAP eligibility limit. To remedy this, the 2009-10 Executive Budget defines full-time study as 15 credits per semester, converts the lifetime TAP eligibility limit from 8 semesters to 120 credits, and provides pro-rated TAP awards for students taking between 10 and 14 credits per semester. Combined, these measures are expected to produce savings of \$31 million in 2009-10.
- **Treat Pension Income Equitably in TAP Eligibility Determinations:** Currently, unlike income earned from private sector pension systems, income earned from public sector pension systems is not included in TAP award eligibility determinations. The 2009-10 Executive Budget eliminates this inequity by including all pension income in TAP eligibility determinations. This measure is expected to produce savings of \$15 million in 2009-10.
- **Increase Academic Standards for Continued TAP Eligibility:** The 2009-10 Executive Budget would increase minimum academic standards for non-remedial students to maintain TAP eligibility. Such students will now be required to have earned at least 18 credits and a 1.8 Grade Point Average (GPA) after two semesters of study. Current standards would remain unchanged for remedial students. These measures are expected to produce savings of \$6.5 million in 2009-10.
- **Eliminate TAP for Graduate Study:** The 2009-10 Executive Budget eliminates TAP award eligibility for graduate students. This measure is expected to produce savings of \$3 million in 2009-10.
- **Eliminate Enhanced TAP Awards for Multiple Family Members:** The 2009-10 Executive Budget eliminates the current enhancement in TAP award amounts for applicants who have multiple dependent family members in college. This measure is expected to reduce TAP spending by \$6 million in 2009-10.
- **Establish Default Parity:** Currently, students in default on Federal loans guaranteed by the Corporation are ineligible to receive TAP payments, but students in default on Federal loans guaranteed by organizations other than the Corporation retain TAP eligibility. The 2009-10 Executive Budget provides that all students in default on Federal loans would be ineligible for TAP awards, regardless of guarantor. This measure is expected to produce savings of \$3.7 million in 2009-10.

PROGRAM HIGHLIGHTS

STATE OPERATIONS

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. The Corporation will continue to improve its operational efficiency in 2009-10 through increased reliance on technology and streamlined administrative practices. Colleges and lenders are now able to conduct all loan transactions on-line using the Corporation's "New York State

Marketplace,” an internet portal that facilitates choice, competition and transparency for all government and private student loan products by providing students and their families with access to a broad spectrum of lending and guarantee information.

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 reduce costs, improve services and increase responsiveness through shared development efforts.

The Corporation will also continue to coordinate the State’s participation in the Federal GEAR-UP program in 2009-10, providing early college preparation and guidance services to low-income individuals.

NEW YORK HIGHER EDUCATION LOAN PROGRAM

The Executive Budget establishes a new student loan program for New York State residents. The New York Higher Education Loan Program will provide students and parents with access to low-cost loans not currently available in the private loan market. The Program is a partnership between the State, private lenders and higher education institutions that will make available at least \$350 million annually in student loans with interest rates well below those of conventional private bank offerings, beginning in the spring semester of the 2009-10 academic year. Eligible students must be New York State residents attending degree-granting postsecondary education institutions in the State that are approved to participate in Federal HEA Title IV student aid programs. The Corporation will finance and administer the program in tandem with the State of New York Mortgage Agency (SONYMA). It is expected that SONYMA will issue \$350 million in tax-free bonds in 2009-10 to finance new fixed rate loans of up to \$10,000 per borrower. There will also be unlimited private lender participation in an affordable variable rate loan program. In addition to the allocation of Private Activity Bond Volume Cap to authorize the issuance of the SONYMA tax-exempt bonds, in 2009-10, the State will make available \$50 million to support a guarantee fund that will enable favorable borrower interest rates and fees. The debt-service on program bonds will be entirely self-supported by loan repayments and borrower fees, and the bonds issued by SONYMA will not be considered State-supported debt.

FEDERAL LOAN GUARANTEE PROGRAM

The traditional cornerstone of the Corporation’s operations is the administration of the Federal Family Education Loan program (FFELP). Under this program, more than \$21.2 billion in outstanding FFELP loans are guaranteed by the Corporation. FFELP loans are made by banks to students, and should the banks prove unable to collect loan repayments from students following the completion of their studies, the Corporation intervenes to avert default. If these default aversion efforts are unsuccessful, the Corporation purchases the defaulted loans from banks and steps are taken to bring such defaulted loans into repayment. In addition, the Corporation provides customer services for lenders, schools and students. This includes 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:

- \$3.7 billion in new guaranteed loans in 2007-08;
- Processing of student loans for over 615,000 borrowers; and

HIGHER EDUCATION SERVICES

- Defaulted loan collections of \$416 million and defaulted loan purchases of \$464 million in 2007-08.

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: New York leads the nation in funding for needs-based student financial aid, and \$788 million in General Fund support will be provided to both full- and part-time (TAP) recipients in all sectors of higher education, with an additional \$5.9 million in federal funding in support of tuition assistance;
- Aid for Part-Time Study: \$14.6 million will be available to over 22,000 part-time students in all sectors of higher education; and
- Scholarships and Fellowships: \$43.3 million will be provided for various scholarships, fellowships, and loan forgiveness programs including the American Airlines Flight 587 Memorial Scholarships, the World Trade Center 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 26,000 recipients are projected to receive aid under the fifteen State and Federal scholarship programs administered by the Corporation.

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 590,000 accounts have been opened, with contributions totaling approximately \$8.0 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 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	122,610,000	160,391,000	37,781,000	7,000,000
Aid To Localities	872,149,000	878,829,000	6,680,000	7,000,000
Capital Projects	0	0	0	0
Total	994,759,000	1,039,220,000	44,461,000	14,000,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Special Revenue Funds - Other	320	312	(8)
Guaranteed Loan Programs			
Special Revenue Funds - Other	380	370	(10)
Total	700	682	(18)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	0	50,000,000	50,000,000
Special Revenue Funds - Federal	5,000,000	5,000,000	0
Special Revenue Funds - Other	117,610,000	105,391,000	(12,219,000)
Total	122,610,000	160,391,000	37,781,000

Adjustments:

Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Other	(4,693,000)
Transfer(s) To	
Audit and Control, Department of	
General Fund	335,000
Appropriated 2008-09	118,252,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
Special Revenue Funds - Other	62,327,000	50,569,000	(11,758,000)
Education Loan Program, New York State			
General Fund	0	50,000,000	50,000,000
Special Revenue Funds - Other	0	5,000,000	5,000,000
Guaranteed Loan Programs			
Special Revenue Funds - Federal	5,000,000	5,000,000	0
Special Revenue Funds - Other	55,283,000	49,822,000	(5,461,000)
Total	122,610,000	160,391,000	37,781,000

HIGHER EDUCATION SERVICES

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Education Loan Program, New York State	50,000,000	50,000,000	50,000,000	50,000,000
Total	50,000,000	50,000,000	50,000,000	50,000,000

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	50,569,000	(11,758,000)	15,502,000	(3,768,000)
Education Loan Program, New York State	5,000,000	5,000,000	0	0
Guaranteed Loan Programs	54,822,000	(5,461,000)	21,408,000	(593,000)
Total	110,391,000	(12,219,000)	36,910,000	(4,361,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	35,067,000	(7,825,000)	0	(165,000)
Education Loan Program, New York State	0	0	5,000,000	5,000,000
Guaranteed Loan Programs	28,414,000	(4,868,000)	5,000,000	0
Total	63,481,000	(12,693,000)	10,000,000	4,835,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	823,729,000	845,729,000	22,000,000
Special Revenue Funds - Federal	12,900,000	10,900,000	(2,000,000)
Special Revenue Funds - Other	35,520,000	22,200,000	(13,320,000)
Total	872,149,000	878,829,000	6,680,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Scholarships and Fellowships			
General Fund	41,669,000	42,306,000	637,000
Special Revenue Funds - Other	3,920,000	0	(3,920,000)
State Grant Programs			
General Fund	767,703,000	789,066,000	21,363,000
Special Revenue Funds - Federal	12,900,000	10,900,000	(2,000,000)
Special Revenue Funds - Other	31,600,000	22,200,000	(9,400,000)
Tuition Awards for Part-Time Students			
General Fund	14,357,000	14,357,000	0
Total	872,149,000	878,829,000	6,680,000

DIVISION OF HOUSING AND COMMUNITY RENEWAL

MISSION

The Division of Housing and Community Renewal (DHCR) 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 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's Rent Administration program is administered through the main office in Queens and local offices in rent regulated communities.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$374.5 million All Funds** (\$68.8 million General Fund; \$305.7 million Other Funds) for the Division of Housing and Community Renewal. This is a decrease of **\$61.7 million** (\$26 million decrease for General Fund; \$35.7 million decrease for Other Funds) from the 2008-09 budget. This net change primarily reflects the elimination of one-time capital funding, an anticipated increase of Federal Weatherization funds, and various program reductions. The Executive Budget recommends a staffing level of **923 FTEs** for the Division of Housing and Community Renewal, a 17 position reduction from the 2008-09 budget.

Major budget actions include:

- **Reduce Neighborhood Preservation and Rural Preservation Program Funding:** The 2009-10 budget recommends funding of \$11.7 million for these programs, an \$8.5 million decrease from the \$20.2 million originally enacted for these programs in 2008-09. This reduction includes recurring savings of \$623,400 enacted during the August Special Session. These programs provide funding to 222 not for profit community based housing corporations that provide housing related services across the state.
- **Close Rent Administration Offices:** DHCR's Office of Rent Administration operates five offices in New York City (Brooklyn, Staten Island, Queens and two in Manhattan) and three in Nassau (Hempstead), Rockland (Spring Valley) and Westchester (White Plains) counties. The increased use of automation in processing complaints and rent increase applications has significantly reduced customer traffic at these offices and it is no longer

HOUSING AND COMMUNITY RENEWAL

efficient to operate all eight offices. The Executive Budget proposes to save \$450,000 by closing the Nassau, Rockland and Staten Island offices. Legislation is required to close the offices and is submitted as part of the Executive Budget. This proposal includes the elimination of seven positions.

- **Reduce Rural Rental Assistance Program (RRAP):** RRAP provides rental subsidies to landlords for housing projects financed with mortgages from the United States Department of Agriculture Rural Housing Services “515 Program”. RRAP serves projects that provide housing for the elderly and low income populations of Upstate New York. In addition to \$696,000 in recurring savings enacted during the August Special Session, the Executive Budget proposes to achieve \$2 million of savings by: eliminating subsidies for 75 new units scheduled to come on line in 2009-10; reducing subsidies for existing units to reflect a lowering of the capital reserves landlords are required to maintain; and, transferring 394 units scheduled to expire from the program to Federal HUD (Housing and Urban Development) Housing Choice Vouchers. These actions will not impact individuals currently being served by this program.
- **Various Operational Efficiencies:** Consistent with administrative actions taken by other agencies in 2008-09, DHCR reduced its operational costs by 10.35 percent. These actions generate recurring savings of \$3.3 million that are reflected in the 2009-10 Executive Budget. Additional operational efficiencies recommended in the Executive Budget include shifting \$3 million of General Fund costs to other funds and \$500,000 savings from attrition during 2009-10.
- **State Low Income Housing Tax Credit:** The 2009-10 budget recommends \$4 million for the State Low-Income Housing Tax Credit Program which will result in nearly \$40 million in new funding for affordable housing over the next ten years.

The Division’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.

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:

- 176 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 83,380 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 1,100 low-income apartment projects partially financed by State or Federal capital funds.

In addition to its regulatory functions, the Housing Program is responsible for the administration of over 38,000 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 DHCR 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. By streamlining the administrative process, the amount of time necessary to close a rent overcharge case has been reduced significantly.

HOUSING CAPITAL PROGRAMS

In 2008-09, \$100 million in one-time capital funding was provided for housing development projects. The 2009-10 Executive Budget reflects the reappropriation of these funds and the continuation of recurring capital funding levels. 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 \$148 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 \$84.5 million

HOUSING AND COMMUNITY RENEWAL

in reappropriations to stimulate local economic growth and stabilize distressed communities across the State by providing grants of up to \$35,000 per unit or \$40,000 per unit in designated high cost areas.

To support municipal housing authorities, this budget also recommends that \$12.8 million in new funding and \$69 million in reappropriations be provided to continue repairs and renovations to the State's existing public housing stock.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	108,026,000	106,206,000	(1,820,000)	48,792,000
Aid To Localities	160,560,546	163,132,000	2,571,454	151,623,000
Capital Projects	167,700,000	105,200,000	(62,500,000)	430,057,000
Total	<u>436,286,546</u>	<u>374,538,000</u>	<u>(61,748,546)</u>	<u>630,472,000</u>

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	55	51	(4)
Community Development			
General Fund	45	31	(14)
Special Revenue Funds - Federal	60	60	0
Special Revenue Funds - Other	12	16	4
Housing			
General Fund	29	19	(10)
Special Revenue Funds - Federal	71	76	5
Special Revenue Funds - Other	78	79	1
Housing Development Fund Program			
Special Revenue Funds - Other	0	10	10
Housing Information Systems			
General Fund	76	72	(4)
New Facilities			
Capital Projects Funds - Federal	37	43	6
Rent Administration			
General Fund	153	135	(18)
Special Revenue Funds - Other	324	331	7
Total	<u>940</u>	<u>923</u>	<u>(17)</u>

HOUSING AND COMMUNITY RENEWAL

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	36,087,000	28,604,000	(7,483,000)
Special Revenue Funds - Federal	14,352,000	17,007,000	2,655,000
Special Revenue Funds - Other	57,587,000	60,595,000	3,008,000
Total	108,026,000	106,206,000	(1,820,000)

Adjustments:

Transfer(s) From

Special Pay Bill

General Fund

(1,954,000)

Special Revenue Funds - Federal

(640,000)

Special Revenue Funds - Other

(3,655,000)

Appropriated 2008-09

101,777,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	15,195,000	13,008,000	(2,187,000)
Special Revenue Funds - Other	2,911,000	2,911,000	0
Community Development			
General Fund	3,484,000	2,051,000	(1,433,000)
Special Revenue Funds - Federal	3,254,000	5,909,000	2,655,000
Special Revenue Funds - Other	1,646,000	1,968,000	322,000
Housing			
General Fund	3,717,000	1,416,000	(2,301,000)
Special Revenue Funds - Federal	11,098,000	11,098,000	0
Special Revenue Funds - Other	9,390,000	8,841,000	(549,000)
Housing Development Fund Program			
Special Revenue Funds - Other	0	1,371,000	1,371,000
Housing Information Systems			
General Fund	10,164,000	9,464,000	(700,000)
Rent Administration			
General Fund	3,527,000	2,665,000	(862,000)
Special Revenue Funds - Other	43,640,000	45,504,000	1,864,000
Total	108,026,000	106,206,000	(1,820,000)

HOUSING AND COMMUNITY RENEWAL

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	3,880,000	(618,000)	3,855,000	(618,000)
Community Development	1,979,000	(1,336,000)	1,954,000	(1,336,000)
Housing	1,348,000	(2,302,000)	1,343,000	(2,302,000)
Housing Information Systems	4,295,000	(189,000)	4,275,000	(189,000)
Rent Administration	2,145,000	(832,000)	2,140,000	(832,000)
Total	13,647,000	(5,277,000)	13,567,000	(5,277,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	25,000	0	0	0
Community Development	25,000	25,000	0	(25,000)
Housing	0	0	5,000	0
Housing Information Systems	0	0	20,000	0
Rent Administration	0	0	5,000	0
Total	50,000	25,000	30,000	(25,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	9,128,000	(1,569,000)	299,000	(51,000)
Community Development	72,000	(97,000)	7,000	(10,000)
Housing	68,000	1,000	2,000	0
Housing Information Systems	5,169,000	(511,000)	27,000	(3,000)
Rent Administration	520,000	(30,000)	43,000	(2,000)
Total	14,957,000	(2,206,000)	378,000	(66,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	256,000	(44,000)	7,993,000	(1,404,000)
Community Development	36,000	(49,000)	18,000	(24,000)
Housing	46,000	1,000	15,000	0
Housing Information Systems	46,000	(4,000)	3,976,000	(393,000)
Rent Administration	5,000	0	378,000	(22,000)
Total	389,000	(96,000)	12,380,000	(1,843,000)

Program	Equipment	
	Amount	Change
Administration	580,000	(70,000)
Community Development	11,000	(14,000)
Housing	5,000	0
Housing Information Systems	1,120,000	(111,000)
Rent Administration	94,000	(6,000)
Total	1,810,000	(201,000)

HOUSING AND COMMUNITY RENEWAL

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	2,911,000	0	660,000	0
Community Development	7,877,000	2,977,000	4,052,000	1,137,000
Housing	19,939,000	(549,000)	12,054,000	(148,000)
Housing Development Fund Program	1,371,000	1,371,000	925,000	925,000
Rent Administration	45,504,000	1,864,000	28,155,000	1,843,000
Total	77,602,000	5,663,000	45,846,000	3,757,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	2,251,000	0	0	0
Community Development	3,825,000	1,840,000	0	0
Housing	6,384,000	(401,000)	1,501,000	0
Housing Development Fund Program	446,000	446,000	0	0
Rent Administration	17,349,000	21,000	0	0
Total	30,255,000	1,906,000	1,501,000	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	58,769,444	40,191,000	(18,578,444)
Special Revenue Funds - Federal	92,450,000	113,600,000	21,150,000
Special Revenue Funds - Other	9,341,102	9,341,000	(102)
Total	160,560,546	163,132,000	2,571,454

HOUSING AND COMMUNITY RENEWAL

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

Program	Available 2008-09	Recommended 2009-10	Change
Downtown Heritage Restoration Program			
General Fund	564,000	0	(564,000)
Housing Development Fund Program			
Special Revenue Funds - Other	9,341,102	9,341,000	(102)
HUD Section 8 New Construction			
Special Revenue Funds - Federal	13,100,000	13,100,000	0
Lead Poisoning Prevention Program			
General Fund	188,000	0	(188,000)
Low Income Weatherization			
Special Revenue Funds - Federal	21,350,000	42,500,000	21,150,000
Neighborhood Preservation			
General Fund	13,474,886	8,153,000	(5,321,886)
New York City Housing Authority Tenant			
Pilot Program			
General Fund	928,220	0	(928,220)
Periodic Subsidies - Local Areas			
General Fund	15,429,321	12,430,000	(2,999,321)
Rural Preservation			
General Fund	6,097,735	3,548,000	(2,549,735)
Rural Rental Assistance			
General Fund	18,730,752	16,060,000	(2,670,752)
Small Cities Community Development			
Block Grant			
Special Revenue Funds - Federal	58,000,000	58,000,000	0
Urban Homeownership Assistance Program			
General Fund	916,500	0	(916,500)
Community Projects			
General Fund	2,440,030	0	(2,440,030)
Total	160,560,546	163,132,000	2,571,454

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Affordable Housing Corporation				
Housing Program Fund	45,000,000	25,000,000	(20,000,000)	84,450,000
Housing Assistance Fund				
Housing Assistance Fund	0	31,000,000	31,000,000	11,386,000
Low Income Housing Trust Fund				
Housing Program Fund	60,000,000	29,000,000	(31,000,000)	148,000,000
Maintenance and Improvements of Existing Facilities				
Housing Program Fund	0	0	0	2,139,000
Housing Opportunity Program For Elderly				
Housing Program Fund	4,400,000	400,000	(4,000,000)	4,400,000
Housing Program Capital Improvement				
Capital Projects Fund	0	0	0	19,720,000
Main Street Program				
Housing Program Fund	5,000,000	0	(5,000,000)	5,000,000
New Facilities				
Capital Projects Fund	0	0	0	122,000
Federal Capital Projects Fund	0	0	0	27,615,000
Housing Program Fund	9,000,000	0	(9,000,000)	9,000,000
Public Housing Modernization Program				
Housing Program Fund	17,800,000	12,800,000	(5,000,000)	69,000,000
Rural Revitalization Program				
Housing Program Fund	6,000,000	0	(6,000,000)	7,700,000
Urban Initiatives Program				
Housing Program Fund	3,500,000	0	(3,500,000)	4,325,000
Homes for Working Families Program				
Housing Program Fund	17,000,000	7,000,000	(10,000,000)	37,200,000
Total	167,700,000	105,200,000	(62,500,000)	430,057,000

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 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. The Agency has regional offices in Albany and Buffalo. 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. The New York State Affordable Housing Corporation is a subsidiary of the Agency.

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. HFA has a staffing level of 100 FTEs for its 2008-09 fiscal year (November 1, 2008 through October 31, 2009) reflecting no change from the prior fiscal year.

PROGRAM HIGHLIGHTS

Since its inception in 1960, the Agency has provided financing of more than \$10.6 billion for more than 114,600 units of multi-family housing. During the Agency's fiscal year ending October 31, 2007, more than 3,800 units were financed with mortgage loans totaling more than \$1.2 billion, and in the fiscal year ending October 31, 2008, more than 6,600 units were financed with mortgage loans totaling more than \$1.6 billion.

STATE OF NEW YORK MORTGAGE AGENCY

MISSION

The State of New York Mortgage Agency (SONYMA) 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 or his appointee, the Director of the Budget, the Commissioner of Housing and Community Renewal, four appointees of the Governor, one appointee of the Temporary President of the Senate and one appointee of 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 (HFA) out of its central headquarters in New York City and from regional offices in Albany and Buffalo.

The State of New York Mortgage Agency has two program divisions. The 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 Fund 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.

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 \$233.3 million in appropriations in 2009-10 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. SONYMA has a staffing level of 121 FTEs for its 2008-09 fiscal year (November 1, 2008 through October 31, 2009) reflecting no change from its prior fiscal year.

MORTGAGE AGENCY

PROGRAM HIGHLIGHTS

Since its inception in 1970, the Agency's Single Family Division has provided more than \$10.5 billion of affordable financing for over 149,000 homes in New York. During the Agency's 2007-08 fiscal year, 3,867 loans were financed in the amount of \$504 million.

The Mortgage Insurance Fund's portfolio of insured mortgages exceeds \$5.6 billion. In 2007-08, mortgage insurance provided by the Agency totaled more than \$672 million.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	76,800,000	76,800,000	0	0
Aid To Localities	255,009,000	156,500,000	(98,509,000)	0
Capital Projects	0	0	0	0
Total	331,809,000	233,300,000	(98,509,000)	0

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

Fund Type	Available 2008-09	Recommended 2009-10	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 2008-09	Recommended 2009-10	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

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total Amount	Change	Maintenance Undistributed Amount	Change
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	76,800,000	0	76,800,000	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	255,009,000	156,500,000	(98,509,000)
Total	255,009,000	156,500,000	(98,509,000)

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

Program	Available 2008-09	Recommended 2009-10	Change
SONYMA Mortgage Insurance Fund			
Restoration			
General Fund	255,009,000	156,500,000	(98,509,000)
Total	255,009,000	156,500,000	(98,509,000)

DIVISION OF HUMAN RIGHTS

MISSION

New York holds the proud distinction of being the first state in the nation to enact a civil rights law, affording every individual an equal opportunity to enjoy a full and productive life, including in the areas of employment, housing, public accommodations, education, and credit. Under the State's Human Rights Law, 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 is the State agency charged with enforcing the Human Rights Law and protecting the civil rights of New Yorkers. To fulfill these responsibilities, the Division:

- Prosecutes unlawful discriminatory practices;
- Investigates and resolves individual complaints of illegal discrimination;
- Advances policies and legislation that expand and/or better protect the civil rights of New Yorkers; and
- Promotes human rights awareness through education and outreach.

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's workforce of 208 employees is primarily assigned to investigate complaints, to assist in the presentation of cases and to adjudicate individual cases of discrimination.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$23 million All Funds** (\$14.8 million General Fund, \$8.2 million Other Funds) for the Division of Human Rights. This is an increase of **\$0.5 million All Funds** (\$0.8 million decrease in General Fund, \$1.3 million increase in Other Funds) from the 2008-09 budget. This increase is a result of collectively bargained salary increases and a shift of 14 positions from the General Fund to Other Funds.

The Executive Budget recommends a Division staffing level of **208 FTEs** in 2009-10. Federal appropriation authority will allow the Division to increase its staff by an additional 20 if needed to address a growing caseload and to receive and investigate complaints and hear cases in a timely manner.

PROGRAM HIGHLIGHTS

In 2008-09, the Division focused its activities on investigating systematic forms of discrimination, on improving the individual complaint process, and on investigating and adjudicating individual cases. It will continue this work in 2009-10, along with enforcing provisions of State law that enhance the rights of New Yorkers, particularly in the area of disabilities. The Division is also working with local communities to address issues of bias-related violence.

HUMAN RIGHTS

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	22,562,000	23,029,000	467,000	14,160,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	22,562,000	23,029,000	467,000	14,160,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	168	154	(14)
Special Revenue Funds - Federal	40	54	14
Total	208	208	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	15,658,000	14,788,000	(870,000)
Special Revenue Funds - Federal	6,904,000	8,241,000	1,337,000
Total	22,562,000	23,029,000	467,000

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(961,000)
Appropriated 2008-09	21,601,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	15,658,000	14,788,000	(870,000)
Special Revenue Funds - Federal	6,904,000	8,241,000	1,337,000
Total	22,562,000	23,029,000	467,000

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	11,892,000	(870,000)	11,548,000	(870,000)
Total	11,892,000	(870,000)	11,548,000	(870,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	325,000	0	19,000	0
Total	325,000	0	19,000	0

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	2,896,000	0	151,000	0
Total	2,896,000	0	151,000	0

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	192,000	0	2,353,000	0
Total	192,000	0	2,353,000	0

Program	Equipment	
	Amount	Change
Administration	200,000	0
Total	200,000	0

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	8,241,000	1,337,000	8,241,000	1,337,000
Total	8,241,000	1,337,000	8,241,000	1,337,000

DEPARTMENT OF LABOR

MISSION

The Department of Labor (DOL) 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 76 One-Stop Career Centers located 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$5.3 billion All Funds** (\$5.3 billion Other Funds, including \$4.5 billion Enterprise Fund) for the Department of Labor. This is an increase of **\$462 million All Funds** from the 2008-09 budget, reflecting a projected increase in Unemployment Insurance claims.

The Executive Budget recommends a staffing level of **3,461 positions** in 2009-10, a **decrease of 86** from the 2008-09 budget, reflecting the elimination of the State Employment Relations Board and the transfer of its functions to the Public Employment Relations Board (PERB) and more closely aligning authorized workforce levels with filled positions. Approximately 83 percent of the Department's positions are financed by Federal grants and 17 percent are supported by fees and assessments.

Major budget actions include:

- **Unemployment Insurance Systems Modernization:** Federal grant funding received by DOL will support the Department's Unemployment Insurance computer systems modernization efforts. Appropriations totaling \$12 million are recommended for this project, a decrease of \$5.8 million from the 2008-09 budget.
- **State Employment Relations Board (SERB):** The budget recommends eliminating SERB and transferring its functions to PERB. This action will result in General Fund savings of \$1.7 million. SERB is the only Department of Labor program supported by the General Fund.

LABOR

PROGRAM HIGHLIGHTS

JOB SERVICES

Consistent with the requirements of the Federal Workforce Investment Act, 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, electronic job banks and talent banks available through the Internet, the Department of Labor has made it easier for job seekers and employers to use and benefit from DOL 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 \$238 million for Workforce Investment Act (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 20,230 amusement park devices, 936 ski lifts, 5,533 places of public assembly (e.g., bleachers at concerts) and 30,292 commercial boilers. It also reviewed applications for 50,517 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. During the last two completed State fiscal years, the Division inspected 991 businesses for compliance with child labor laws and collected nearly \$26.6 million in back wages, unpaid fringe benefits and minimum wage underpayments for approximately 34,577 employees.

Through coordinated audit and investigative activities, the Governor's Joint Enforcement Task Force on Employee Misclassification is aimed at employers who intentionally mislabel workers as independent contractors instead of employees, or pay them "off the books," to avoid employee-related costs. Misclassification puts law-abiding businesses at a competitive disadvantage, since they must bear the expense of providing these benefits, while those who skirt the law bear no such costs. During 2008-09, the Division of Labor Standards participated in job site sweeps with 6 other State and local agencies, targeting 30 large construction sites, 14 specialty grocery/food stores and 1 restaurant, revealing thousands of misclassified workers and millions of dollars of unreported wages. These actions resulted in collection of additional Unemployment Insurance taxes, as well as wage underpayments that were due to workers.

The Bureau of Immigrant Worker's Rights established within the Department in 2007-08 will continue to detect and address abuses against immigrant workers throughout New York State.

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. In June 2008, the Federal Extended Unemployment Compensation Program (EUC08) was enacted, which provides an additional 13 weeks of benefits to eligible claimants who have exhausted their regular Unemployment Insurance benefits. Based on current legislation, this EUC08 program will continue into the first quarter of 2009-10, and could possibly be extended beyond June 2009. Additional Federal legislation was enacted in November 2008 to further extend Unemployment Insurance benefits by another 7 weeks for eligible claimants who remain unemployed. The 2009-10 budget increases Unemployment Insurance Fiduciary funding by \$1.5 billion – to \$4.5 billion – to 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.

The Department offers two safe and convenient options for receiving benefit payments, Unemployment Insurance benefit payment debit cards, known as Direct Payment Cards, and the Direct Deposit program. These efforts are intended to modernize the unemployment system, while making the process more customer friendly and cost effective.

LABOR

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	4,589,586,000	5,084,836,000	495,250,000	553,726,000
Aid To Localities	271,613,500	238,719,000	(32,894,500)	399,221,100
Capital Projects	0	0	0	0
Total	<u>4,861,199,500</u>	<u>5,323,555,000</u>	<u>462,355,500</u>	<u>952,947,100</u>

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Special Revenue Funds - Federal	2,846	2,846	0
Employment Relations Board			
General Fund	15	0	(15)
Employment and Training			
Special Revenue Funds - Other	74	74	0
Labor Standards			
Special Revenue Funds - Other	269	269	0
Occupational Safety and Health			
Special Revenue Funds - Other	272	272	0
Total	<u>3,476</u>	<u>3,461</u>	<u>(15)</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	1,772,000	0	(1,772,000)
Special Revenue Funds - Federal	507,766,000	499,788,000	(7,978,000)
Special Revenue Funds - Other	80,048,000	85,048,000	5,000,000
Enterprise Funds	4,000,000,000	4,500,000,000	500,000,000
Total	<u>4,589,586,000</u>	<u>5,084,836,000</u>	<u>495,250,000</u>

Adjustments:	
Recommended Deficiency	
Labor, Department of	
Enterprise Funds	(1,000,000,000)
Transfer(s) From	
Special Pay Bill	
General Fund	(52,000)
Special Revenue Funds - Federal	(25,438,000)
Special Revenue Funds - Other	(2,655,000)
Appropriated 2008-09	<u>3,561,441,000</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
Special Revenue Funds - Federal	486,266,000	478,288,000	(7,978,000)
Employment Relations Board			
General Fund	1,772,000	0	(1,772,000)
Employment and Training			
Special Revenue Funds - Other	9,673,000	4,673,000	(5,000,000)
Labor Standards			
Special Revenue Funds - Other	28,197,000	28,197,000	0
Occupational Safety and Health			
Special Revenue Funds - Other	42,178,000	42,178,000	0
Unemployment Insurance Benefit Fund			
Special Revenue Funds - Federal	21,500,000	21,500,000	0
Special Revenue Funds - Other	0	10,000,000	10,000,000
Enterprise Funds	4,000,000,000	4,500,000,000	500,000,000
Total	<u>4,589,586,000</u>	<u>5,084,836,000</u>	<u>495,250,000</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Employment Relations Board	0	(1,303,000)	0	(1,270,000)
Total	<u>0</u>	<u>(1,303,000)</u>	<u>0</u>	<u>(1,270,000)</u>

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

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

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

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

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

LABOR

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	478,288,000	(7,978,000)	0	(17,027,000)
Employment and Training	4,673,000	(5,000,000)	2,847,000	0
Labor Standards	28,197,000	0	16,745,000	0
Occupational Safety and Health	42,178,000	0	19,558,000	0
Unemployment Insurance Benefit Fund	4,521,500,000	500,000,000	0	0
Total	5,074,836,000	487,022,000	39,150,000	(17,027,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	0	(8,411,000)	478,288,000	17,460,000
Employment and Training	1,826,000	0	0	(5,000,000)
Labor Standards	11,452,000	0	0	0
Occupational Safety and Health	22,620,000	0	0	0
Unemployment Insurance Benefit Fund	0	0	4,521,500,000	500,000,000
Total	35,898,000	(8,411,000)	4,999,788,000	512,460,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	19,186,500	0	(19,186,500)
Special Revenue Funds - Federal	251,997,000	238,289,000	(13,708,000)
Special Revenue Funds - Other	430,000	430,000	0
Total	271,613,500	238,719,000	(32,894,500)

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	4,606,000	0	(4,606,000)
Employment and Training			
General Fund	7,428,000	0	(7,428,000)
Special Revenue Funds - Federal	251,997,000	238,289,000	(13,708,000)
Occupational Safety and Health			
Special Revenue Funds - Other	430,000	430,000	0
Community Projects			
General Fund	7,152,500	0	(7,152,500)
Total	271,613,500	238,719,000	(32,894,500)

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 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;
- 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; and
- Three teaching hospitals in Stony Brook, Brooklyn and Syracuse, along with a medical school in Buffalo, which provide graduate medical education training for SUNY students as well as valuable health care services for their host communities.

The University is governed by a Board of Trustees consisting of 17 members, with 15 appointed by the Governor to staggered seven-year terms and approved by the Senate, and two ex-officio trustees representing the student assembly and faculty 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 the Board of Trustees. Individual college presidents are also appointed by the Board.

The State University's operating budget supports an estimated 40,632 full-time equivalent positions, consisting of 24,130 positions that are supported through a combination of State tax dollars and tuition revenues and 16,502 positions supported by other funds. Community college staff are not included in these totals, as they are not employees of the State.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$8.4 billion All Funds** (\$2.8 billion General Fund and \$5.6 billion Other Funds) for the State University of New York. The Budget includes General Fund growth in personal service costs (as a result of collective

bargaining contracts), non-personal services and fringe benefits; General Fund decreases associated with tuition offset and community college base aid and other program reductions; Other Fund changes associated primarily with revenue from tuition rate increases; and the reappropriation of a \$4.1 billion multi-year capital program in 2008-09.

Major budget actions include:

- **Reduce General Fund Support to Reflect Additional Revenue from Increased State-Operated Campus Tuition Rates:** The Executive Budget reflects recent actions by the SUNY Board of Trustees to increase annual resident tuition rates for all degree categories by 14 percent (resulting in a \$620 increase in the undergraduate tuition rate, from \$4,350 to \$4,970) and annual non-resident tuition rates for all degree categories by 21 percent. The Executive Budget also assumes that tuition rates for resident graduate and first-professional students will be increased in 2009-10 to levels that are 21 percent above those charged for the fall 2008 semester. In a departure from the more than 30 year old practice of using 100 percent of revenue resulting from tuition increases to offset General Fund spending, SUNY will retain 20 percent of the revenue for increased investment. This budget action generates net General Fund savings of \$132 million and campuses will retain \$33 million.
- **Authorize Differential Tuition for Non-Resident Students:** The Executive Budget would authorize the SUNY Board of Trustees to establish differential tuition rates for non-New York State resident students by individual campus and program. This change would enable campuses and/or individual campus programs with regional or national appeal to better capitalize on their success. Statutory language will require the SUNY Board to establish appropriate maximum percentage thresholds for non-resident students by campus and/or program to ensure continued access to eligible New York State resident students. The Executive Budget assumes that campuses will retain all incremental revenue generated as a result of this change.
- **Reduce Community College Base Aid:** The Executive Budget recommends reducing base aid support for SUNY's 30 community colleges by 10 percent. On average, support per full-time equivalent (FTE) student would decrease by \$270, from \$2,675 to \$2,405. However, the Executive Budget distributes the reduction in a manner such that support for colleges with less than 3,000 FTE students would be reduced by \$160, colleges with from 3,000 to 6,000 students would see a \$230 reduction, and support for colleges with more than 6,000 students would be reduced by \$300. This reflects the capacity of larger campuses, which have more diverse funding streams and greater economies of scale, to better manage such reductions. This budget action would generate General Fund savings of \$46 million.
- **Reduce Subsidy for SUNY Hospitals:** The Executive Budget includes \$129 million for annual subsidy payments to SUNY's hospitals at Brooklyn, Stony Brook and Syracuse. This reflects a \$25 million reduction from the 2008-09 funding level. The subsidy payments recognize the additional costs that SUNY hospitals bear as State entities when compared to their private peers.
- **Reduce or Eliminate Support for Various University-wide Programs and Institutes:** The Executive Budget recommends \$23 million of savings associated with the reduction or elimination of various line item University-wide programs and institutes. Programs with State funding reduced by 15 percent include: the Empire Innovation Program, High Need and High Need Nursing Programs,

Native American Program, Rockefeller Institute of Government (RIG) Operations, RIG Statistical Year Book, RIG Philip Weinberg Senior Fellowship, Charter Schools Institute Operations, University Computer Center, Educational Technology Initiative, Library Automation, Small Business Development Centers, University Telecommunications Network, Tuition Reimbursement, State University Student Tuition Assistance, Child Care Centers, Empire State Scholarships, Just for the Kids at the University at Albany, Graduate Diversity Fellowships, and the Office of Diversity and Educational Equity. Programs with State funding reduced by 50 percent include: the Multidisciplinary Center for Earthquake Engineering at the University at Buffalo, Non-doctoral Graduate Research Initiatives, Library Conservation and Preservation Research Institute on Addictions at the University at Buffalo, Sea Grant Institute at Stony Brook University, Two Year College Development, Stony Brook University/Cold Spring Harbor Laboratory/Brookhaven National Laboratory Research Alliance Planning Study, Academic Equipment Replacement, Development Centers for Business and Industry, New York Network, Strategic Partnership for Industrial Resurgence, Faculty Diversity Program, University-Wide Governance, and Student Computing Access. Programs with State funding recommended for elimination include: the Sportsmanship Institute at Cortland, Nanoscale Science and Engineering at the University at Albany, and the Appointments Program at SUNY Maritime.

- **Eliminate Support for the Neil D. Levin Institute:** The Executive Budget recommends elimination of \$3.1 million of General Fund operating support for the Neil D. Levin Institute. It is assumed that the Institute's 45,000 square foot headquarters located on East 55th Street in Manhattan will be utilized for a suitable higher educational purpose. The building will retain the name of Neil D. Levin and, it is expected, that the SUNY Board of Trustees will take appropriate action to ensure that Mr. Levin's service and sacrifice continues to be recognized.
- **Reduce General Fund Support to Reflect Positive Cash Flow in Revenue Generating Accounts:** The Executive Budget assumes that \$40 million of positive operating cash flows from SUNY's General Income Fund Reimbursable account will be used as an offset to General Fund support.
- **Assess the SUNY Research Foundation for Use of University Facilities:** The Executive Budget assumes that SUNY will require its Research Foundation to pay 10 percent (\$7.8 million) of its indirect cost recoveries on Federal grants as partial reimbursement for using State-funded facilities, and reduces General Fund support by a commensurate amount.

STATE-OPERATED COLLEGES

The Executive Budget provides \$7.2 billion to support the 29 State-operated campuses, central administration and University-wide programs. In addition to \$2.2 billion in support from the General Fund, the University's operating budget includes \$5.0 billion in activities funded by other revenues. Revenue-generating entities and programs include: the three teaching hospitals at Brooklyn, Stony Brook and Syracuse; the Long Island Veterans' Home (which is administered by the Stony Brook Health Science Center); dormitory operations; food services; and tuition-supported activities, including summer session and overseas academic studies.

STATE UNIVERSITY

2009-10 gross operating support for State-operated colleges and schools will total \$3.5 billion, representing an increase of \$103 million or 3 percent. Within this amount, taxpayer support will total nearly \$2.2 billion, a decrease of \$169 million or 7.1 percent. SUNY's General Revenue Offset Account, the primary repository of tuition revenues, will total \$1.28 billion, an increase of \$232 million from 2008-09 levels attributable to \$165 million in new revenues from tuition rate increases, \$59 million from enrollment growth, and \$7.8 million in indirect cost recoveries from the SUNY Research Foundation.

SUNY's special revenue funding, exclusive of the General Revenue Offset Account, will total \$3.2 billion, an increase of \$4 million, including:

- A decrease of \$85 million for the Stabilization Account, for which appropriations have a two-year life and are, therefore, appropriated every other year;
- An increase of \$160 million for the SUNY hospitals, reflecting collectively bargained salary increases and support for their revenue-generating initiatives;
- A decrease of \$44 million for the State University Tuition Reimbursable Account (SUTRA), a net change reflecting the shift of appropriations to the General Revenue Offset account to accommodate revenue from enrollment growth, collective bargaining agreements and inflationary cost increases;
- An increase of \$94 million for the General Income Fund Reimbursable account (IFR), reflecting general inflationary costs, enrollment growth, and the \$40 million in operating costs that will be supported in 2009-10 by positive cash flows in this account.
- Additional inflationary adjustments of \$10 million for the Dormitory IFR account.

For 2009-10, Federal appropriations totaling \$299 million will support the Pell grant program and various other student financial aid programs.

STATUTORY COLLEGES

The Executive Budget recommends a total of \$165.7 million in General Fund support for the operations of the five statutory colleges at Cornell and Alfred universities. The four statutory colleges at Cornell (Agriculture and Life Sciences, Human Ecology, Veterinary Medicine, and Industrial and Labor Relations) would receive \$99.8 million, a net increase of \$3.3 million from 2008-09 appropriation levels, reflecting \$14.4 million in increases from collective bargaining and inflation, offset by the continuation of \$5.7 million in 2008-09 mid-year reductions allocated by the SUNY Board of Trustees, and 2009-10 funding reductions of \$5.4 million. In addition, the Budget recommends \$55 million to support the land grant mission of Cornell University, a \$5 million decrease from 2008-09 appropriation levels, reflecting the continuation of 2008-09 mid-year reductions allocated by the SUNY Board. The College of Ceramics at Alfred University would receive \$10.4 million, a \$0.5 million net increase from 2008-09 appropriation levels, reflecting \$1.7 million in increases from collective bargaining and inflation, offset by the continuation of \$0.6 million in 2008-09 mid-year reductions allocated by the SUNY Board and 2009-10 funding reductions of \$0.6 million.

SUNY HOSPITALS

The 2009-10 Executive Budget continues the appropriation structure adopted 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, with those revenues supplemented by a State subsidy amount.

The recommended 2009-10 State subsidy for the SUNY hospitals, which recognizes costs attributable to their State agency status, is decreased by \$25 million, from \$154 million to \$129 million.

COMMUNITY COLLEGES

SUNY's 30 community colleges have three basic funding sources: State support, local support, and tuition revenue. The Executive Budget recommends \$430 million in State support, a net decrease of \$28 million from 2008-09 funding levels. This change is attributable to an \$18 million increase for additional enrollment, a decrease of \$46 million resulting from the Executive Budget recommendation to reduce base operating aid by an average of \$270 per student FTE (from \$2,675 to \$2,405) and the annualization of 2008-09 reductions in State support of categorical programs.

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 2008-09 Enacted Budget provided SUNY with \$4.1 billion in new capital appropriations, a major step in the implementation of a new, \$6.3 billion multi-year capital plan for SUNY's educational facilities, hospitals, residence halls and community colleges. The 2009-10 Executive Budget continues this commitment to the rehabilitation of SUNY's educational facilities infrastructure. The second of five annual \$550 million appropriations will continue to address the accumulated backlog of critical maintenance projects throughout the University system. The Executive Budget also includes \$41 million for the State's 50 percent share of capital projects for community college campuses that have secured local sponsor resolutions.

PROGRAM HIGHLIGHTS

The State University of New York is the nation's largest comprehensive public university, offering 7,669 degree and certificate programs at the research universities, community colleges, medical schools and colleges of technology that comprise its 64 campuses. The State University enrolls approximately 40 percent of college-bound students graduating from New York State high schools. Nearly 440,000 full-time and part-time SUNY students— 217,858 at State-operated campuses and 221,766 in community colleges— are pursuing studies ranging from one-year certificate programs to doctorates.

STATE UNIVERSITY

In 2008, two SUNY campuses, Geneseo and Binghamton, were ranked among the top 10 best values for public campuses in the nation by *Kiplinger's Personal Finance* magazine. The academic profile of incoming students continues to grow stronger at SUNY campuses. Nearly three-fourths of students that enrolled at SUNY University Centers in fall of 2007 had SAT scores above 1100, comparable to admission profiles found at other top public flagship institutions across the country. Overall, SUNY campuses averaged 1150 on the SAT, more than 133 points above the national average.

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, SUNY sponsored research expenditures totaled \$784 million in 2007-08. Research grants at SUNY now underwrite more than 7,650 projects, which directly support more than 17,400 full and part-time jobs across New York State.

SUNY campuses are partners in the State's six University-based Centers of Excellence, a high-technology initiative that will continue New York's advancement in the areas of 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 in tandem with several other high-tech research projects such as the Bioinformatics Research Center at Cold Spring Harbor Laboratory.

The State University's 30 locally sponsored community colleges serve as a source of skilled employees and play a 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)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	7,228,162,500	7,387,471,000	159,308,500	311,747,000
Aid To Localities	465,669,825	434,186,000	(31,483,825)	0
Capital Projects	4,138,766,000	591,965,000	(3,546,801,000)	7,090,632,000
Total	11,832,598,325	8,413,622,000	(3,418,976,325)	7,402,379,000

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09	2009-10	FTE Change
	Estimated FTEs 03/31/09	Estimated FTEs 03/31/10	
All State University Colleges and Schools			
General Fund	24,130	24,130	0
Special Revenue Funds - Federal	3	3	0
Special Revenue Funds - Other	16,497	16,497	0
Capital Projects Funds - Other	2	2	0
Total	<u>40,632</u>	<u>40,632</u>	<u>0</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	2,529,751,500	2,360,069,000	(169,682,500)
Special Revenue Funds - Federal	275,500,000	298,500,000	23,000,000
Special Revenue Funds - Other	4,410,501,000	4,713,602,000	303,101,000
Internal Service Funds	12,410,000	15,300,000	2,890,000
Total	<u>7,228,162,500</u>	<u>7,387,471,000</u>	<u>159,308,500</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(128,769,000)
Special Revenue Funds - Other	(140,698,000)
Appropriated 2008-09	<u>6,958,695,500</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
All State University Colleges and Schools			
General Fund	1,468,204,500	1,200,763,000	(267,441,500)
Special Revenue Funds - Federal	275,500,000	298,500,000	23,000,000
Special Revenue Funds - Other	4,410,501,000	4,713,602,000	303,101,000
Internal Service Funds	12,410,000	15,300,000	2,890,000
Employee Fringe Benefits			
General Fund	1,061,547,000	1,159,306,000	97,759,000
Total	<u>7,228,162,500</u>	<u>7,387,471,000</u>	<u>159,308,500</u>

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
All State University Colleges and Schools	2,065,765,000	16,235,200	1,910,821,000	11,479,200
Total	<u>2,065,765,000</u>	<u>16,235,200</u>	<u>1,910,821,000</u>	<u>11,479,200</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
All State University Colleges and Schools	142,546,000	4,939,300	12,398,000	(183,300)
Total	<u>142,546,000</u>	<u>4,939,300</u>	<u>12,398,000</u>	<u>(183,300)</u>

STATE UNIVERSITY

STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
All State University Colleges and Schools	456,782,000	(11,915,700)	53,742,000	(40,224,500)
Employee Fringe Benefits	1,159,306,000	97,759,000	0	0
Total	1,616,088,000	85,843,300	53,742,000	(40,224,500)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
All State University Colleges and Schools	12,495,000	871,000	353,100,000	37,097,300
Employee Fringe Benefits	0	0	0	0
Total	12,495,000	871,000	353,100,000	37,097,300

Program	Equipment		General State Charges	
	Amount	Change	Amount	Change
All State University Colleges and Schools	37,445,000	(5,359,500)	0	(4,300,000)
Employee Fringe Benefits	0	0	1,159,306,000	97,759,000
Total	37,445,000	(5,359,500)	1,159,306,000	93,459,000

STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
All State University Colleges and Schools	3,670,618,000	22,230,000	1,319,786,000	(5,678,300)
Total	3,670,618,000	22,230,000	1,319,786,000	(5,678,300)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
All State University Colleges and Schools	2,309,632,000	26,128,300	41,200,000	1,780,000
Total	2,309,632,000	26,128,300	41,200,000	1,780,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	465,669,825	434,186,000	(31,483,825)
Total	465,669,825	434,186,000	(31,483,825)

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

Program	Available 2008-09	Recommended 2009-10	Change
Community Colleges			
General Fund	458,618,525	430,266,000	(28,352,525)
County Cooperative Extension Program -			
Cornell University			
General Fund	3,920,000	3,920,000	0
Community Projects			
General Fund	3,131,300	0	(3,131,300)
Total	465,669,825	434,186,000	(31,483,825)

STATE UNIVERSITY

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Senior Universities				
General Maintenance and Improvements				
Capital Projects Fund	0	0	0	15,404,000
Capital Projects Fund - Advances	2,675,613,000	550,000,000	(2,125,613,000)	5,075,613,000
State University Capital Projects Fund				
State University Capital Projects Fund	500,000,000	0	(500,000,000)	663,000,000
State University Residence Hall Rehabilitation Fund				
State University Residence Hall Rehabilitation Fund	123,000,000	0	(123,000,000)	142,017,000
SUNY Dorms (Direct Auth Bonds)	450,000,000	0	(450,000,000)	607,945,000
Subtotal	<u>3,748,613,000</u>	<u>550,000,000</u>	<u>(3,198,613,000)</u>	<u>6,503,979,000</u>
Community Colleges				
General Maintenance and Improvements				
Capital Projects Fund	20,000,000	0	(20,000,000)	50,000,000
Capital Projects Fund - Advances	0	0	0	18,000,000
Cap Proj Fund - SUNY CC (Direct Auth Bonds)	370,153,000	41,965,000	(328,188,000)	518,653,000
Subtotal	<u>390,153,000</u>	<u>41,965,000</u>	<u>(348,188,000)</u>	<u>586,653,000</u>
Total	<u><u>4,138,766,000</u></u>	<u><u>591,965,000</u></u>	<u><u>(3,546,801,000)</u></u>	<u><u>7,090,632,000</u></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 2009-10 is expected to be 135 employees. The Fund's operations are supported entirely from proceeds of revenue bonds issued to finance the construction and reconstruction of academic facilities.

BUDGET HIGHLIGHTS

The Executive Budget includes **\$19.6 million** in appropriations funded from proceeds of State University Educational Facilities Revenue bonds. This level of funding represents a decrease of **\$0.1 million** from available 2008-09 funding levels, reflecting the combination of increased personal service spending resulting from collective bargaining offset by decreased non-personal service spending as a result of recurring savings proposals in the Fund's 2008-09 Financial Management Plan. This level of funding will provide the Fund with the required resources to address the design, planning and construction management workload of the State University's new \$5.4 billion multi-year Capital Plan for its educational facilities and Hospitals.

PROGRAM HIGHLIGHTS

The total capacity of all University State-operated campus academic, residential, and hospital facilities exceeds 78 million gross square feet of space; containing nearly 2,300 buildings, hundreds of miles of roads, millions of square yards of walks and plazas, more than 74,000 residential beds and approximately 1,275 licensed hospital and clinic beds. The current estimated replacement value of all State-operated academic facilities is nearly \$27 billion. During the 2007-08 fiscal year, the Fund initiated the design of 50 projects having a total value of \$417 million in design and construction work (\$54 million and \$363 million, respectively) and began construction of 75 projects having an estimated cost of \$236 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 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	19,722,000	19,586,000	(136,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	19,722,000	19,586,000	(136,000)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Special Revenue Funds - Other	135	135	0
Total	135	135	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	19,722,000	19,586,000	(136,000)
Total	19,722,000	19,586,000	(136,000)

Adjustments:
 Transfer(s) From
 Special Pay Bill
 Special Revenue Funds - Other
 Appropriated 2008-09

(917,000)
 18,805,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
Special Revenue Funds - Other	19,722,000	19,586,000	(136,000)
Total	19,722,000	19,586,000	(136,000)

STATE UNIVERSITY CONSTRUCTION

STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	19,586,000	(136,000)	12,004,000	439,000
Total	19,586,000	(136,000)	12,004,000	439,000

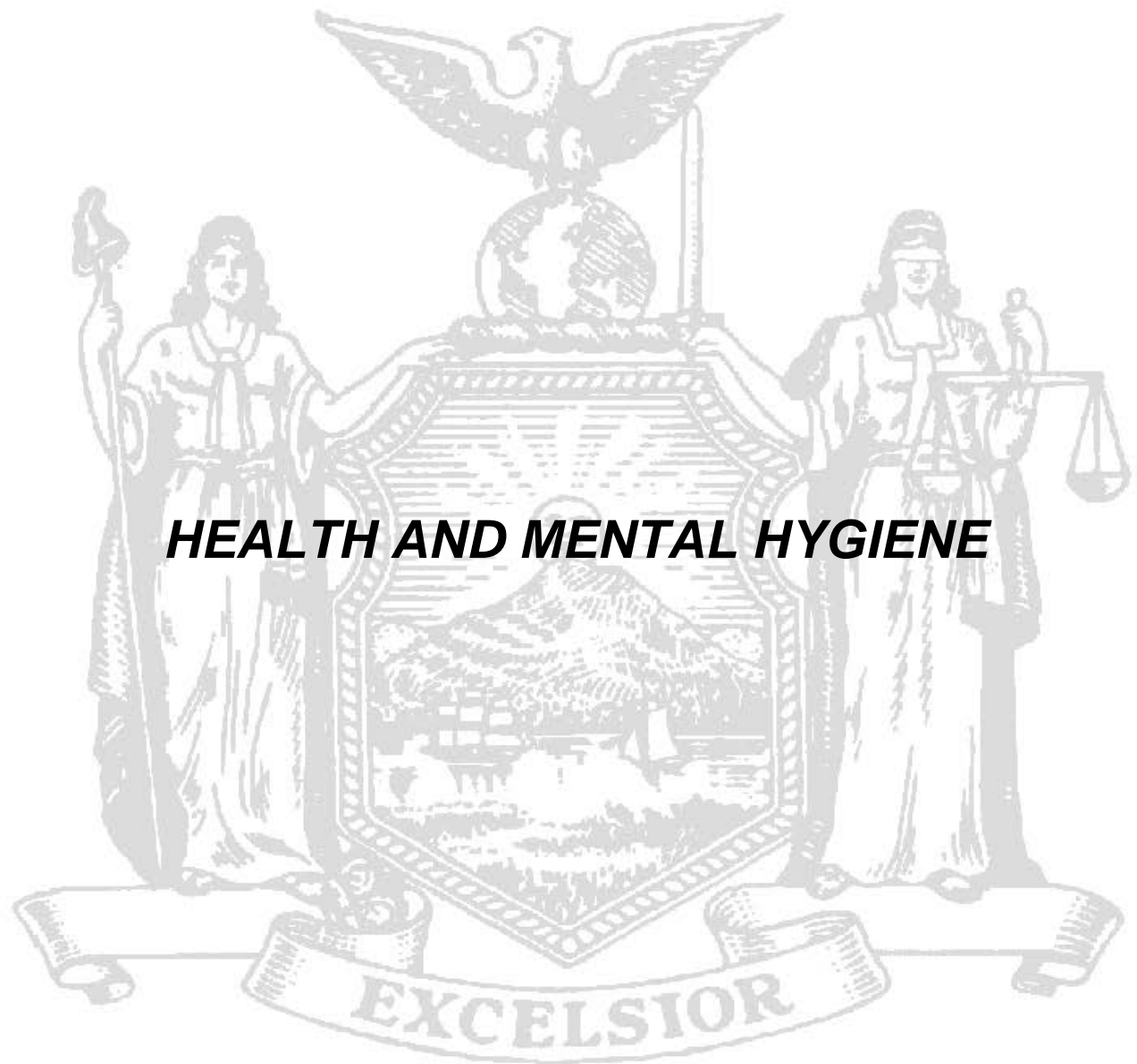
Program	Nonpersonal Service	
	Amount	Change
Administration	7,582,000	(575,000)
Total	7,582,000	(575,000)

OFFICE OF THE WELFARE INSPECTOR GENERAL

The 2009-10 Executive Budget recommends that the Office of the Welfare Inspector General be merged into the Office of the Medicaid Inspector General.

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Total	0	0	0
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(25,000)		
Special Revenue Funds - Other	(33,000)		
Transfer(s) To			
Medicaid Inspector General, Office of the			
General Fund	445,000		
Special Revenue Funds - Other	1,210,000		
Appropriated 2008-09	1,597,000		



HEALTH AND MENTAL HYGIENE

STATE OFFICE FOR THE AGING

MISSION

The New York State Office for the Aging (SOFA) 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 four divisions: Executive, Finance and Administration, Policy, Management and Public Information and Community Service. The Office will have a workforce of 133 positions in 2009-10, 127 funded within the Office, and an additional six funded by other State agencies. Approximately 49 percent of Office operations are funded by the General Fund and 51 percent are financed by Federal grants and other revenue sources.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$234 million All Funds** (\$114 million General Fund, \$120 million Other Funds) for the State Office for the Aging. This is a decrease of **\$14.1 million** (\$11.3 million General Fund; \$2.8 million Other Funds) from the 2008-09 budget. This change primarily reflects the continuation of across-the-board reductions enacted during the August Special Legislative Session, discontinuation of the 2009-10 cost-of-living adjustments and reductions in non-essential spending, as offset by additional funding to assist seniors enrolled in Elderly Pharmaceutical Insurance Coverage (EPIC) programs in obtaining prescription drug benefits through Medicare Part D. The Executive Budget recommends a staffing level of **133 FTEs** for the Office with no changes from the 2008-09 level.

Major budget actions include:

- **Targeted Investment:** Funding of \$2 million is recommended for local Area Agencies on Aging and community-based organizations to assist seniors enrolled in the Elderly Pharmaceutical Insurance Coverage (EPIC) Program in selecting appropriate Medicare Part D plans.
- **Cost of Living Adjustments:** The Executive Budget saves \$7.1 million by discontinuing the 2009-10 cost-of-living adjustment for certain aging programs similar to other human services programs. This would not impact the cost-of-living adjustments available in the out-years.
- **Non-Essential Spending:** The Budget reduces funding for the Managed Care Consumer Assistance Program, Congregate Services Initiative, Stony Brook Evaluation of Geriatric In-Home Care, Long Term Care Ombudsman Program, and New York Connects. Funding is eliminated for the Individual Living Senior Housing Project, Geriatric In-Home Care, Social Workers for Geriatric In-Home Care, Sustainable Transportation, End of Life Care, Enriched Social Adult Day Centers and the Long Term Care Insurance Education and Outreach Program. These actions generate savings of \$8.1 million.
- **State Operations Savings:** Savings of \$275,000 will be realized by controlling non-personal spending and managing staffing vacancies.

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, in their homes and out of hospitals and nursing homes.

COMMUNITY BASED LONG TERM CARE SERVICES

The 2009-10 Executive Budget continues funding for the Office's community-based service programs, including Community Services for the Elderly (CSE), Naturally Occurring Retirement Communities (NORCs), Neighborhood NORCs, Respite services and operational funding for transportation providers. The Budget also preserves core funding for Expanded In-home Services for the Elderly Program (EISEP). EISEP provides non-medical 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 2009-10.

NUTRITION SERVICES

Through a combination of State tax dollars and Federal grants, the State annually provides over 23.5 million congregate and home-delivered meals as well as other nutritional services primarily 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 \$15 million to support the purchase of food. The 2009-10 Budget continues funding for the Supplemental Nutrition Assistance Program (SNAP), the State counterpoint to the Federal programs, at \$21 million.

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.

VOLUNTEER ADVOCACY

The Long-Term Care Ombudsman Program (LTCOP) supports the statewide advocacy of more than 1,560 trained volunteers on the behalf of the approximately 155,000 residents of New York State's nursing homes, adult care facilities and assisted living residences. Under the LTCOP, volunteers, working in collaboration with

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)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	14,855,000	14,629,000	(226,000)	12,815,200
Aid To Localities	232,899,119	219,004,000	(13,895,119)	120,367,141
Capital Projects	0	0	0	0
Total	247,754,119	233,633,000	(14,121,119)	133,182,341

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration and Grants Management			
General Fund	33	33	0
Special Revenue Funds - Federal	99	99	0
Special Revenue Funds - Other	1	1	0
Total	133	133	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	3,430,000	3,292,000	(138,000)
Special Revenue Funds - Federal	11,025,000	10,987,000	(38,000)
Special Revenue Funds - Other	300,000	250,000	(50,000)
Enterprise Funds	100,000	100,000	0
Total	14,855,000	14,629,000	(226,000)

Adjustments:

Transfer(s) From	
Special Pay Bill	
General Fund	(159,000)
Special Revenue Funds - Federal	(775,000)
Appropriated 2008-09	<u>13,921,000</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration and Grants Management			
General Fund	3,359,000	3,292,000	(67,000)
Special Revenue Funds - Federal	10,284,000	10,987,000	703,000
Special Revenue Funds - Other	300,000	250,000	(50,000)
Enterprise Funds	100,000	100,000	0
Community Services			
General Fund	71,000	0	(71,000)
Special Revenue Funds - Federal	741,000	0	(741,000)
Total	14,855,000	14,629,000	(226,000)

AGING

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration and Grants Management	2,811,000	83,000	2,803,000	83,000
Community Services	0	(71,000)	0	(71,000)
Total	2,811,000	12,000	2,803,000	12,000

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Administration and Grants Management	8,000	0
Community Services	0	0
Total	8,000	0

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration and Grants Management	481,000	(150,000)	53,000	20,000
Total	481,000	(150,000)	53,000	20,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration and Grants Management	101,000	45,000	300,000	90,000
Total	101,000	45,000	300,000	90,000

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Grants Management	27,000	20,000	0	(325,000)
Total	27,000	20,000	0	(325,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Grants Management	11,337,000	653,000	8,337,000	714,000
Community Services	0	(741,000)	0	(496,000)
Total	11,337,000	(88,000)	8,337,000	218,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Grants Management	2,650,000	(11,000)	350,000	(50,000)
Community Services	0	(245,000)	0	0
Total	2,650,000	(256,000)	350,000	(50,000)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	121,547,512	110,424,000	(11,123,512)
Special Revenue Funds - Federal	107,600,000	107,600,000	0
Special Revenue Funds - Other	3,751,607	980,000	(2,771,607)
Total	<u>232,899,119</u>	<u>219,004,000</u>	<u>(13,895,119)</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Community Services			
General Fund	121,547,512	110,424,000	(11,123,512)
Special Revenue Funds - Federal	107,600,000	107,600,000	0
Special Revenue Funds - Other	3,751,607	980,000	(2,771,607)
Total	<u>232,899,119</u>	<u>219,004,000</u>	<u>(13,895,119)</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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$4.6 million All Funds** (all Federal funds) for the Council. This represents the same level of funding as in 2008-09 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.

Federal funds fully support all Council operations, including the recommended staffing of **18 FTEs**, which represents no change from 2008-09, 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.

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 people with developmental disabilities and their families, providing training and technical assistance and implementing its current five-year State Plan (FFY 2007 – FFY 2011). For 2009-10, 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

DEVELOPMENTAL DISABILITIES PLANNING

number of available employment opportunities, enhancing programmatic responsiveness to maximize the inclusion of children with developmental disabilities in education and early intervention, ensuring access to and expanding health and wellness programs, promoting choice in 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)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	4,560,000	4,560,000	0	2,883,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	4,560,000	4,560,000	0	2,883,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Developmental Disabilities Planning			
Special Revenue Funds - Federal	18	18	0
Total	18	18	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Federal	4,550,000	4,550,000	0
Enterprise Funds	10,000	10,000	0
Total	4,560,000	4,560,000	0

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

Program	Available 2008-09	Recommended 2009-10	Change
Developmental Disabilities Planning			
Special Revenue Funds - Federal	4,550,000	4,550,000	0
Enterprise Funds	10,000	10,000	0
Total	4,560,000	4,560,000	0

DEVELOPMENTAL DISABILITIES PLANNING

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Developmental Disabilities Planning	4,560,000	0	1,130,000	32,000
Total	4,560,000	0	1,130,000	32,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Developmental Disabilities Planning	919,000	(12,000)	2,511,000	(20,000)
Total	919,000	(12,000)	2,511,000	(20,000)

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 is 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.

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, the centers located in the Office of Public Health, and the Office of Health Systems Management. The 2007-08 Executive Budget provided for the Department's reorganization by consolidating all public health insurance programs under a new office, responsible for Medicaid, 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

In 2009-10, the Department of Health will have a workforce of 5,807 positions, with 27 percent of those positions employed in the Department's health care facilities.

- Approximately 22 percent of these positions are paid by the General Fund;
- 7 percent are directly supported by fees;
- 55 percent are supported by third party and private patient care reimbursement; and
- The remaining 16 percent are directly funded by Federal grants.

BUDGET HIGHLIGHTS

MEDICAID

Without any new cost controlling measures, total Medicaid spending in New York would grow to \$48.2 billion in 2009-10. The 2009-10 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. Commensurate with the recent economic decline, Medicaid enrollment has increased in the current year and spending growth continues at a rate that places an unaffordable burden on State and local governments. Accordingly, the 2009-10 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 keeping the program affordable for State taxpayers while ensuring continued access to needed health care services for recipients. This Budget continues efforts to control costs and furthers the fundamental retooling of New York's health care system by:

- Implementing a Deficit Reduction Plan to achieve savings across all sectors of New York's health care system;
- Recommending a series of measures to control health care costs, reforming Medicaid reimbursement for hospitals, nursing homes and home care and making needed investments in outpatient services, primary and preventive care, community-based services and quality initiatives;
- Requiring insurers to pay their fair share of health related costs;
- Including several pharmacy initiatives to ensure that the State maximizes manufacturer rebate revenues and Federal funding;
- Realizing efficiencies in Managed Care;
- Advancing measures to appropriately manage utilization of health services;
- Achieving additional savings by fighting Medicaid fraud;
- Recommending several actions to insure that HCRA is fiscally sound;
- Reducing or eliminating lower priority programs;
- Streamlining access to health insurance coverage by eliminating unnecessary steps in the enrollment process; and
- Providing additional resources through the HEAL NY program to support reform and restructuring efforts.

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. The Budget recommends a series of actions – including increases in the tobacco retail fee and sales tax on non-diet soft drinks – to ensure that HCRA is financially balanced. Absent efforts to control growth, State Medicaid spending on acute care services will reach \$2.9 billion in 2009-10. The Budget continues to rationalize reimbursement methodologies, promote increased transparency and accountability in how funding is utilized and makes needed investments. In addition to the savings realized through the Deficit Reduction Plan, the Budget reflects net State savings of \$164 million in the acute care area through the following actions:

- **Restructure Hospital Inpatient Reimbursement.** Continues the hospital reform initiated in 2008-09 that redirects hospital inpatient savings to make investments in primary and ambulatory care. Hospital inpatient rates will be reduced to bring reimbursement closer to costs, the inpatient detoxification reimbursement reform enacted in 2008-09 will be accelerated and other reimbursement reforms implemented.
- **Invest in Primary and Outpatient Care.** Consistent with inpatient reimbursement reform, additional ambulatory care investments are recommended to increase physician/practitioner fees, augment hospital, community, mental hygiene and substance abuse clinic rates and support other primary care enhancements.
- **Redirect Graduate Medical Education Funds.** State-funded Graduate Medical Education moneys will be re-directed to draw down matching Federal funds to support indigent care needs. This action will generate State savings of \$141 million and maintain the same level of aggregate funding for the hospitals, though distributed based on higher priority indigent care needs rather than for Graduate Medical Education.

Long Term Care

State spending on nursing home and community-based care comprises more than half the General Fund Medicaid budget – or an estimated \$5.9 billion in 2009-10. The Executive Budget reflects net State savings of \$215 million, in addition to the Deficit Reduction Savings, through the following actions:

- **Modify Nursing Home Reimbursement.** The Budget replaces the current outdated provider-specific cost-based reimbursement system with a regional pricing model based on quality and efficiency, phases out 6,000 nursing home beds over a five-year period and makes other reimbursement modifications. Under this proposal, the planned update of cost-based rates from 1983 to 2002 would not proceed.
- **Reform Home Care Reimbursement.** Changes from a provider-specific cost based system to a new pricing methodology based upon patient condition, similar to Medicare, and makes investments to improve quality.
- **Invest in Nursing Homes and Community-Based Care.** The Budget includes funding for a number of initiatives including quality incentive pools for both nursing homes and home care, 6,000 new assisted living slots, a falls prevention program, support for geriatric nursing training, cash and counseling

demonstration programs (to support personally directed home care) and the development of a uniform assessment tool for home care. In addition, the Budget further supports community-based care by lifting moratoriums on the approval of new adult day health care and Certified Home Health Care providers.

- **Establish 0.7 Percent Assessment.** The Budget establishes a 0.7 percent assessment on home care provider revenues. An assessment of 0.6 percent previously existed from 1995-96 through 1998-99.

Pharmacy

Absent efforts to control growth, State Medicaid spending on pharmacy services will reach \$1.5 billion in 2009-10. The budget includes a number of recommendations to control the growth of pharmacy costs. Major budget actions include:

- **Modify Supplemental Rebate Program.** Discontinue participation in the National Medicaid Pooling Initiative allowing the State to negotiate supplemental rebates directly with manufacturers. This generates State savings of \$1.8 million in 2009-10.
- **Require Step Therapy for Certain Drugs.** This requires patients to try equally effective lower cost drugs before using higher cost alternatives, generating State savings of \$600,000 in 2009-10.
- **Allow Denials Based on Medical Necessity.** Allow denial of drugs when the prescriber cannot demonstrate medical necessity. This produces 2009-10 State savings of \$2 million.
- **Establish Drug Utilization Review.** Adopt standards developed by the Office of Mental Health in dispensing psychotropic drugs. This action will save \$1.8 million in 2009-10.
- **Limit Drug Quantity, Frequency and Duration.** Use the existing Medicaid prior authorization process to limit the number of units of certain medications that are subject to fraud or misuse. State savings of \$9.4 million are estimated for 2009-10.

Managed Care

The State's Medicaid managed care program – currently authorized through March 2012 – 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. To date, New York City and 57 counties are operating managed care programs. New York City and 37 of these counties currently require mandatory enrollment. Managed care enrollment is projected to reach approximately 2.21 million by the end of 2008-09 and 2.26 million in 2009-10. The Budget recommendations will generate savings of \$84 million in 2009-10. Major recommended actions include:

- **Maximize Federal Funding for Family Planning.** The Department will claim costs for family planning services provided by managed care organizations which are eligible for enhanced Federal reimbursement of 90 percent.

- **Cap Marketing and Administrative Costs.** The Budget caps marketing expenses at the statewide average for Medicaid managed care, Family Health Plus and Child Health Plus and caps administrative costs for Managed Long Term Care plans.
- **Other Savings Actions.** The Budget realizes additional savings by maximizing the enrollment of dual eligibles (those eligible for Medicaid and Medicare) in managed care, shifting Child Health Plus rate setting authority from the Insurance Department to the Department of Health, including personal care services in managed care and other actions.

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 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 370,000 children. The Budget continues to provide State-only funds to fully finance the recent expansion of Child Health Plus from 250 percent to 400 percent of the Federal Poverty Level. Family contribution levels will be increased in the Budget on a graduated scale based on income.

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 Health Plus, health coverage is provided to families with incomes up to 150 percent of the Federal Poverty Level (FPL). For individuals without children, coverage is offered to those at 100 percent of the FPL. FHP provides comprehensive health insurance benefits to approximately 528,000 adults, utilizing matching Federal funds to finance the program. This budget continues implementation of the Family Health Plus Buy-In Program, which began in April 2008, that gives employers the option to "buy-in" to Family Health Plus coverage for their employees. The State shares in the cost for employees that would have been eligible for Family Health Plus coverage.

OTHER PUBLIC HEALTH PROGRAMS

General Fund appropriations finance 17 percent of the Department of Health's total budget of \$5.3 billion in 2009-10 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 36 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 47 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. Major budget actions include:

- **Reducing Cost-of-Living Adjustments:** The recommendation generates savings by reducing the 2008-09 Human Services Cost of Living Adjustment (COLA) from 3.2 percent to 2.2 percent effective January 1, 2009 (savings of \$3.4M). Additionally, the Executive Budget recommends no COLA for 2009-10 (savings of \$16.7M). To continue the State's long-term commitment, these adjustments are planned to resume April 1, 2010, and this budget also recommends extending the COLA for a third year in 2012-13.
- **Early Intervention:** The Budget includes \$160 million for the State share of Early Intervention (EI) which provides services to infants and toddlers under the age of three who have developmental delays. The Budget establishes parental fees at the same levels as recommended for Child Health Plus; requires EI providers to pay an application fee and directly bill third party payors; finances a portion of EI costs with insurance assessments; and modifies EI speech eligibility using evidenced-based criteria.
- **General Public Health Works:** The Budget includes \$201 million for the General Public Health Works Program to reimburse counties for core services. The Budget restructures the GPHW program by discontinuing reimbursement for certain optional services (emergency medical services, laboratories, medical examiners and long-term home health care programs). This generates savings of \$16 million in 2009-10.
- **Elderly Pharmaceutical Insurance Coverage (EPIC) Program:** The Budget includes \$415 million for EPIC to ensure that 315,000 senior citizens receive crucial prescription drug insurance. To ensure that Medicare Part D provides appropriate coverage for EPIC seniors, the Budget eliminates wrap-around coverage for drugs not covered by an individual's Part D plan and requires all EPIC seniors, with no exceptions, who are eligible to enroll in Part D. EPIC will continue to cover Part D premium and "donut hole" costs. Additionally, EPIC would require eligible seniors to enroll in the Medicare Savings Program and

- cover EPIC mail order purchases. Finally, while EPIC will no longer cover lifestyle drugs, coverage will be offered for mail order purchases. These actions generate savings of \$64.4 million in 2009-10.
- **Support for EPIC Seniors:** The Budget includes \$10 million to reduce out-of-pocket expenses for EPIC seniors with incomes below 150 percent of the Federal Poverty Level by eliminating their EPIC fees, and capping co-payments at \$15. Currently, that benefit is provided to those with incomes below 135 percent of FPL. Funding of \$2 million will be provided to local Area Agencies on Aging and community-based organizations, through the State Office for the Aging's Budget, to assist EPIC seniors in obtaining appropriate Medicare Part D prescription drug coverage.
 - **Wadsworth Center/Clinical Laboratories:** Maintains funding for the Wadsworth Center for Laboratories and Research to purchase critical equipment, as well as \$8 million for capital improvements. The Budget restructures the clinical laboratories fee methodology by replacing the current method of determining fees with a one percent assessment on each laboratory's gross annual receipts.
 - **Physician Registration Fees:** The Budget increases the biennial physician registration fee, last raised in 1996, from \$600 to \$1,000 to support ongoing activities.
 - **Other Savings Actions:** The Budget saves \$9 million in 2009-10 by reducing non-essential spending for certain public health programs and achieving savings in state operations spending.
 - **HIV/AIDS:** The Budget sustains the State's commitment to fighting the AIDS epidemic by providing statewide spending of \$3.5 billion for AIDS programs, 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.
 - **HEAL NY:** The Healthcare Efficiency and Affordability Law for New Yorkers (HEAL NY) is extended for two years for an additional investment of \$650 million, bringing the total investment in this program to \$1.7 billion. HEAL supports healthcare projects to upgrade information and healthcare technology, enhance the efficiency of facility operations and support facility improvement, reconfiguration and consolidation.
 - **Emergency Preparedness:** The Budget continues the \$40 million reserve appropriation to address any public health emergencies and provides funding to maintain pharmaceutical supplies and medical equipment in the event of an emergency.
 - **Lead Poisoning Prevention:** The Budget recommends a new investment of \$2.5 million to enhance the Department's current Childhood Lead Poisoning Prevention program provide for the screening of a wider spectrum of individuals in targeted areas across the State.
 - **Roswell Park Cancer Institute:** The Budget recommends \$101.4 million for the Roswell Park Cancer Institute from HCRA, including \$25 million from HEAL for capital projects. Anti-tobacco funding of \$14.5 million from HCRA for research studies is eliminated.

HEALTH

- **Certificate of Need (CON) Reform:** The Budget includes several changes to the Certificate of Need fee schedule that will generate approximately \$4 million in new revenue to be used for various enhancements to the CON process, including the development of an electronic submission process.
- **Other Public Health Investments:** The Budget recommends additional funding to increase awareness and reduce obesity levels, conduct cancer screenings and support food banks.

PROGRAM HIGHLIGHTS

MEDICAID

Medicaid was established in 1965 by the Federal government as a health insurance program for the poor. 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.

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 bioterrorism.

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 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, is overseen by the Office of Health Insurance Programs, which was established in 2007-08.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	2,041,768,000	2,090,072,500	48,304,500	4,437,548,800
Aid To Localities	48,536,370,128	47,243,241,300	(1,293,128,828)	34,284,062,340
Capital Projects	277,580,000	350,580,000	73,000,000	829,603,000
Total	50,855,718,128	49,683,893,800	(1,171,824,328)	39,551,214,140

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09	2009-10	FTE Change
	Estimated FTEs 03/31/09	Estimated FTEs 03/31/10	
Administration and Executive Direction			
General Fund	114	114	0
Special Revenue Funds - Federal	58	58	0
Special Revenue Funds - Other	253	253	0
AIDS Institute			
General Fund	179	179	0
Child Health Insurance			
Special Revenue Funds - Other	41	41	0
Community Health			
General Fund	26	26	0
Special Revenue Funds - Federal	612	612	0
Special Revenue Funds - Other	131	131	0
Elderly Pharmaceutical Insurance Coverage			
Special Revenue Funds - Other	32	32	0
Environmental Health			
General Fund	109	109	0
Special Revenue Funds - Federal	127	127	0
Special Revenue Funds - Other	92	92	0
Capital Projects Funds - Other	80	80	0
Health Care Financing			
General Fund	65	65	0
Special Revenue Funds - Other	75	75	0
Health Insurance Programs, Office of			
General Fund	414	414	0
Special Revenue Funds - Federal	71	71	0
Special Revenue Funds - Other	5	5	0
Health Systems Management, Office of			
General Fund	237	237	0
Special Revenue Funds - Other	292	292	0
Institution Management			
Special Revenue Funds - Other	1,567	1,567	0
Long Term Care, Office of			
General Fund	375	375	0
Laboratories and Research			
General Fund	410	410	0
Special Revenue Funds - Federal	74	74	0
Special Revenue Funds - Other	218	218	0
Managed Care and Program Evaluation, Division of			
General Fund	150	150	0
Total	5,807	5,807	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	271,145,800	303,992,400	32,846,600
Special Revenue Funds - Federal	1,199,247,000	1,208,651,000	9,404,000
Special Revenue Funds - Other	571,365,200	577,419,100	6,053,900
Enterprise Funds	10,000	10,000	0
Total	2,041,768,000	2,090,072,500	48,304,500
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(11,503,000)		
Special Revenue Funds - Federal	(7,754,000)		
Special Revenue Funds - Other	(18,452,000)		
Appropriated 2008-09	2,004,059,000		

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration and Executive Direction			
General Fund	33,949,500	31,031,500	(2,918,000)
Special Revenue Funds - Federal	17,757,000	9,876,000	(7,881,000)
Special Revenue Funds - Other	55,562,800	39,119,700	(16,443,100)
AIDS Institute			
General Fund	17,008,000	17,899,000	891,000
Child Health Insurance			
Special Revenue Funds - Federal	64,130,000	64,130,000	0
Special Revenue Funds - Other	16,045,000	16,496,400	451,400
Community Health			
General Fund	12,774,800	12,985,000	210,200
Special Revenue Funds - Federal	143,903,000	151,578,000	7,675,000
Special Revenue Funds - Other	6,062,000	6,548,700	486,700
Elderly Pharmaceutical Insurance Coverage			
Special Revenue Funds - Other	20,911,000	21,911,000	1,000,000
Environmental Health			
General Fund	9,515,000	9,932,800	417,800
Special Revenue Funds - Federal	18,105,000	18,184,000	79,000
Special Revenue Funds - Other	21,207,400	26,266,600	5,059,200
Health Care Financing			
General Fund	7,577,000	7,977,100	400,100
Special Revenue Funds - Other	11,363,000	12,513,600	1,150,600
Health Insurance Programs, Office of			
General Fund	63,517,000	93,411,700	29,894,700
Special Revenue Funds - Federal	846,697,000	846,697,000	0
Special Revenue Funds - Other	14,200,000	13,875,800	(324,200)
Health Systems Management, Office of			
General Fund	34,027,000	30,414,600	(3,612,400)
Special Revenue Funds - Other	51,944,000	65,950,000	14,006,000
Institution Management			
Special Revenue Funds - Other	155,157,000	165,742,100	10,585,100
Enterprise Funds	10,000	10,000	0
Long Term Care, Office of			
General Fund	49,886,000	53,914,000	4,028,000
Special Revenue Funds - Other	20,283,000	9,477,200	(10,805,800)
Laboratories and Research			
General Fund	43,881,500	46,018,500	2,137,000
Special Revenue Funds - Federal	12,932,000	12,932,000	0
Special Revenue Funds - Other	85,308,000	86,696,000	1,388,000
Maintenance Undistributed			
General Fund	(113,322,000)	(112,822,000)	500,000
Special Revenue Funds - Other	113,322,000	112,822,000	(500,000)
Managed Care and Program Evaluation, Division of			
General Fund	17,827,000	18,725,200	898,200
Medicaid Management Information System			
General Fund	94,505,000	94,505,000	0
Special Revenue Funds - Federal	95,723,000	105,254,000	9,531,000
Total	<u>2,041,768,000</u>	<u>2,090,072,500</u>	<u>48,304,500</u>

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration and Executive Direction	8,817,300	(1,668,000)	8,757,300	(1,668,000)
AIDS Institute	11,938,000	891,000	11,918,000	891,000
Community Health	2,871,000	210,200	2,851,000	210,300
Environmental Health	7,695,800	570,800	7,428,100	570,800
Health Care Financing	5,470,100	400,100	5,420,100	400,100
Health Insurance Programs, Office of	29,319,700	2,144,700	28,968,700	2,144,700
Health Systems Management, Office of	23,018,600	(2,862,400)	22,419,600	(2,862,400)
Long Term Care, Office of	30,510,000	4,128,000	29,574,000	4,128,000
Laboratories and Research	30,000,500	2,330,000	29,130,000	2,330,000
Managed Care and Program Evaluation, Division of	12,279,200	898,200	12,279,200	898,200
Total	161,920,200	7,042,600	158,746,000	7,042,700

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration and Executive Direction	10,000	0	50,000	0
AIDS Institute	0	0	20,000	0
Community Health	0	0	20,000	(100)
Environmental Health	243,700	0	24,000	0
Health Care Financing	10,000	0	40,000	0
Health Insurance Programs, Office of	1,000	0	350,000	0
Health Systems Management, Office of	53,000	0	546,000	0
Long Term Care, Office of	82,000	0	854,000	0
Laboratories and Research	70,000	0	800,500	0
Managed Care and Program Evaluation, Division of	0	0	0	0
Total	469,700	0	2,704,500	(100)

HEALTH

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration and Executive Direction	22,214,200	(1,250,000)	1,077,400	0
AIDS Institute	5,961,000	0	1,333,881	0
Community Health	10,114,000	0	201,000	100
Environmental Health	2,237,000	(153,000)	101,000	0
Health Care Financing	2,507,000	0	99,000	0
Health Insurance Programs, Office of	64,092,000	27,750,000	536,000	0
Health Systems Management, Office of	7,396,000	(750,000)	186,000	0
Long Term Care, Office of	23,404,000	(100,000)	350,000	0
Laboratories and Research	16,018,000	(193,000)	3,352,000	0
Managed Care and Program Evaluation, Division of	6,446,000	0	156,000	0
Medicaid Management Information System	94,505,000	0	0	0
Total	254,894,200	25,304,000	7,392,281	100

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration and Executive Direction	406,500	0	19,352,000	0
AIDS Institute	311,700	0	3,636,900	0
Community Health	117,000	200	9,487,000	0
Environmental Health	374,400	0	1,661,000	0
Health Care Financing	40,000	0	2,318,000	0
Health Insurance Programs, Office of	823,000	0	29,902,000	0
Health Systems Management, Office of	237,000	0	6,499,000	0
Long Term Care, Office of	1,065,000	0	19,574,000	4,900,000
Laboratories and Research	76,000	0	7,285,000	200,000
Managed Care and Program Evaluation, Division of	130,000	0	6,000,000	0
Medicaid Management Information System	0	0	94,505,000	0
Total	3,580,600	200	200,219,900	5,100,000

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Executive Direction	628,300	0	750,000	(1,250,000)
AIDS Institute	228,519	0	450,000	0
Community Health	309,000	(300)	0	0
Environmental Health	100,600	0	0	(153,000)
Health Care Financing	50,000	0	0	0
Health Insurance Programs, Office of	831,000	0	32,000,000	27,750,000
Health Systems Management, Office of	201,000	0	273,000	(750,000)
Long Term Care, Office of	415,000	0	2,000,000	(5,000,000)
Laboratories and Research	5,305,000	0	0	(393,000)
Managed Care and Program Evaluation, Division of	160,000	0	0	0
Medicaid Management Information System	0	0	0	0
Total	8,228,419	(300)	35,473,000	20,204,000

**STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Executive Direction	48,995,700	(24,324,100)	18,925,500	(15,500,500)
Child Health Insurance	80,626,400	451,400	3,228,400	451,400
Community Health	158,126,700	8,161,700	2,767,700	486,700
Elderly Pharmaceutical Insurance Coverage	21,911,000	1,000,000	2,141,600	139,600
Environmental Health	44,450,600	5,138,200	9,245,500	1,923,400
Health Care Financing	12,513,600	1,150,600	6,517,700	1,097,700
Health Insurance Programs, Office of	860,572,800	(324,200)	1,184,800	(324,200)
Health Systems Management, Office of	65,950,000	14,006,000	22,078,800	7,618,800
Institution Management	165,752,100	10,585,100	98,522,100	10,585,100
Long Term Care, Office of	9,477,200	(10,805,800)	1,853,200	194,200
Laboratories and Research	99,628,000	1,388,000	10,255,000	1,030,000
Medicaid Management Information System	105,254,000	9,531,000	0	0
Total	1,673,258,100	15,957,900	176,720,300	7,702,200

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Executive Direction	20,194,200	(8,696,600)	9,876,000	(127,000)
Child Health Insurance	13,268,000	0	64,130,000	0
Community Health	3,781,000	0	151,578,000	7,675,000
Elderly Pharmaceutical Insurance Coverage	19,544,400	860,400	225,000	0
Environmental Health	16,871,100	4,535,800	18,334,000	(1,321,000)
Health Care Financing	5,995,900	52,900	0	0
Health Insurance Programs, Office of	12,691,000	0	846,697,000	0
Health Systems Management, Office of	27,576,200	6,387,200	16,295,000	0
Institution Management	67,230,000	0	0	0
Long Term Care, Office of	7,624,000	0	0	(11,000,000)
Laboratories and Research	26,441,000	358,000	62,932,000	0
Medicaid Management Information System	0	0	105,254,000	9,531,000
Total	221,216,800	3,497,700	1,275,321,000	4,758,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	12,826,158,422	11,732,542,600	(1,093,615,822)
Special Revenue Funds - Federal	27,543,167,280	28,395,708,000	852,540,720
Special Revenue Funds - Other	6,395,844,426	7,114,990,700	719,146,274
Fiduciary Funds	1,771,200,000	0	(1,771,200,000)
Total	48,536,370,128	47,243,241,300	(1,293,128,828)

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration and Executive Direction			
General Fund	561,040	561,000	(40)
AIDS Institute			
General Fund	25,782,271	25,166,000	(616,271)
Special Revenue Funds - Other	81,898,811	81,418,000	(480,811)
Child Health Insurance			
Special Revenue Funds - Federal	487,800,000	487,800,000	0
Special Revenue Funds - Other	442,500,000	442,500,000	0
Community Health			
General Fund	680,898,078	554,655,000	(126,243,078)
Special Revenue Funds - Federal	745,491,000	802,791,000	57,300,000
Special Revenue Funds - Other	61,233,606	62,257,000	1,023,394
Elderly Pharmaceutical Insurance Coverage			
Special Revenue Funds - Other	661,650,000	393,150,000	(268,500,000)
Environmental Health			
General Fund	7,510,600	10,010,600	2,500,000
Special Revenue Funds - Federal	3,687,000	3,687,000	0
Special Revenue Funds - Other	196,000	196,000	0
Health Care Financing			
General Fund	798,000	798,000	0
Health Care Reform Act Program			
Special Revenue Funds - Other	1,264,016,229	654,270,000	(609,746,229)
Health Insurance Programs, Office of			
General Fund	1,391,200	1,391,200	0
Special Revenue Funds - Federal	300,000,000	0	(300,000,000)
Special Revenue Funds - Other	300,000,000	300,000,000	0
Health Systems Management, Office of			
General Fund	16,041,120	14,458,500	(1,582,620)
Special Revenue Funds - Federal	400,000	400,000	0
Long Term Care, Office of			
General Fund	23,689,725	29,763,300	6,073,575
Special Revenue Funds - Other	4,311,780	4,311,700	(80)
Laboratories and Research			
General Fund	882,248	871,000	(11,248)
Special Revenue Funds - Federal	3,682,000	3,682,000	0
Maintenance Undistributed			
General Fund	(7,288,000)	(7,288,000)	0
Special Revenue Funds - Other	7,288,000	7,288,000	0
Medical Assistance			
General Fund	11,525,813,280	10,553,656,000	(972,157,280)
Special Revenue Funds - Federal	25,420,307,280	26,515,548,000	1,095,240,720
Special Revenue Funds - Other	3,572,750,000	5,169,600,000	1,596,850,000
Fiduciary Funds	1,771,200,000	0	(1,771,200,000)
Medical Assistance Administration			
General Fund	540,950,000	548,500,000	7,550,000
Special Revenue Funds - Federal	581,800,000	581,800,000	0
Community Projects			
General Fund	9,128,860	0	(9,128,860)
Total	<u>48,536,370,128</u>	<u>47,243,241,300</u>	<u>(1,293,128,828)</u>

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Health Care Efficiency and Affordability Law for New Yorkers				
Capital Projects Fund	165,000,000	217,000,000	52,000,000	362,351,000
Capital Projects Fund - Advances	85,000,000	108,000,000	23,000,000	343,777,000
Laboratories and Research				
Capital Projects Fund	10,000,000	8,000,000	(2,000,000)	21,453,000
Capital Projects Fund - Authority Bonds	0	0	0	5,000,000
Maintenance and Improvements of Existing Institutions				
Capital Projects Fund	7,600,000	7,600,000	0	19,742,000
Water Resources				
Federal Capital Projects Fund	9,980,000	9,980,000	0	77,280,000
Total	<u>277,580,000</u>	<u>350,580,000</u>	<u>73,000,000</u>	<u>829,603,000</u>

OFFICE OF THE MEDICAID INSPECTOR GENERAL

MISSION

The Office of the 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 the 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 six bureaus – Information Technology and Fraud Detection Systems, Investigations and Enforcement, Medicaid Audit, Revenue Initiatives, Administration and Office of the Counsel – and will have a workforce of 760 positions in 2009-10.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommends **\$92.8 million All Funds** (\$35.2 million General Fund, \$57.6 million Other Funds) to support the operations of the Office of the Medicaid Inspector General. This is a decrease of **\$1.6 million** (\$0.3 million General Fund, \$1.3 million Other Funds) from the 2008-09 Budget. This change reflects increased personal service costs associated with new positions offset by non-personal service efficiencies and the elimination of funding suballocated to the Department of Law.

Major budget actions include:

- **Merger with the Office of the Welfare Inspector General:** The Budget recommends the merger of the Office of the Welfare Inspector General (OWIG) with OMIG, and transfers 10 positions and funding from that Office for the prevention and investigation of welfare fraud and abuse.
- **Department of Law Funding:** The Budget eliminates \$800,000 in funding suballocated to the Department of Law.
- **Non-Personal Service Efficiencies:** The Executive Budget saves \$1.8 million by reducing certain contractual service expenditures and utilizing OMIG staff to perform those functions.

MEDICAID INSPECTOR GENERAL

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 \$48.2 billion in 2009-10. 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 2009-10 Executive Budget provides the resources needed to support the Office of the Medicaid Inspector General's mission to prevent, detect, investigate and prosecute Medicaid fraud.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	94,350,000	92,745,000	(1,605,000)	50,610,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	94,350,000	92,745,000	(1,605,000)	50,610,000

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Medicaid Audit and Fraud Prevention			
General Fund	325	371	46
Special Revenue Funds - Federal	341	376	35
Special Revenue Funds - Other	13	3	(10)
Welfare Inspector General Program			
General Fund	4	4	0
Special Revenue Funds - Other	6	6	0
Total	689	760	71

MEDICAID INSPECTOR GENERAL

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
General Fund	35,514,000	35,187,000	(327,000)
Special Revenue Funds - Federal	52,348,000	52,284,000	(64,000)
Special Revenue Funds - Other	6,488,000	5,274,000	(1,214,000)
Total	94,350,000	92,745,000	(1,605,000)

Adjustments:

Transfer(s) From

Special Pay Bill

General Fund	(1,025,000)
Special Revenue Funds - Federal	(1,738,000)
Special Revenue Funds - Other	(93,000)

Welfare Inspector General, Office of

General Fund	(445,000)
Special Revenue Funds - Other	(1,210,000)

Appropriated 2008-09

89,839,000

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Medicaid Audit and Fraud Prevention			
General Fund	38,769,000	38,442,000	(327,000)
Special Revenue Funds - Federal	52,348,000	52,284,000	(64,000)
Special Revenue Funds - Other	1,578,000	364,000	(1,214,000)
Maintenance Undistributed			
General Fund	(3,700,000)	(3,700,000)	0
Special Revenue Funds - Other	3,700,000	3,700,000	0
Welfare Inspector General Program			
General Fund	445,000	445,000	0
Special Revenue Funds - Other	1,210,000	1,210,000	0
Total	94,350,000	92,745,000	(1,605,000)

STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 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	23,506,000	3,481,000	23,363,000	3,438,000
Welfare Inspector General Program	445,000	0	445,000	0
Total	23,951,000	3,481,000	23,808,000	3,438,000

<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>
Medicaid Audit and Fraud Prevention	23,000	23,000	120,000	20,000
Welfare Inspector General Program	0	0	0	0
Total	23,000	23,000	120,000	20,000

MEDICAID INSPECTOR GENERAL

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	14,936,000	(3,808,000)	984,000	10,750
Total	14,936,000	(3,808,000)	984,000	10,750

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	299,000	10,500	9,653,000	3,137,000
Total	299,000	10,500	9,653,000	3,137,000

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	3,500,000	732,750	500,000	(7,699,000)
Total	3,500,000	732,750	500,000	(7,699,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	52,648,000	(1,278,000)	23,995,000	(116,000)
Maintenance Undistributed	3,700,000	0	0	0
Welfare Inspector General Program	1,210,000	0	479,000	0
Total	57,558,000	(1,278,000)	24,474,000	(116,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Medicaid Audit and Fraud Prevention	28,153,000	4,838,000	500,000	(6,000,000)
Maintenance Undistributed	0	0	3,700,000	0
Welfare Inspector General Program	731,000	0	0	0
Total	28,884,000	4,838,000	4,200,000	(6,000,000)

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 \$600 million in new appropriations from the Patient Income Account and the Mental Hygiene Program Fund may be distributed to any of the three agencies in order to access additional revenues made available or through a decreased set-aside for debt service resulting from planned debt management actions.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	833,179,000	600,000,000	(233,179,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	833,179,000	600,000,000	(233,179,000)	0

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

Program	Available 2008-09	Recommended 2009-10	Change
Mental Hygiene			
Special Revenue Funds - Other	833,179,000	600,000,000	(233,179,000)
Total	833,179,000	600,000,000	(233,179,000)

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 leading a premier system of addiction services through prevention, treatment, and recovery.

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 problem gambling. The Office exercises these responsibilities directly as a provider of treatment services through a statewide system of Addiction Treatment Centers (ATCs), through the regulation and oversight of over 1,500 chemical dependence and problem gambling prevention, treatment, and recovery services providers, one of the largest in the nation, and as a conduit for Federal and State financial assistance. The Office also furthers State policy goals in areas that include Public Safety, Public Health, Public Welfare, and Public Education by coordinating chemical dependence and problem gambling resources and strategies in collaboration with other State agencies.

In 2009-10, OASAS will have a **workforce of 944**, of which nearly 55 percent provide an array of clinical treatment services through the ATCs.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommends nearly **\$695 million All Funds** (\$142 million General Fund; \$553 million Other Funds) 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 decreases **\$77 million** from 2008-09, which is largely attributable to the annualization of prior year initiatives and savings associated with program efficiencies, including:

- **Downsizing State-Operated Institutional Capacity.** OASAS will reduce its workforce by 40 positions and save \$4.6 million annually by closing its 52-bed Manhattan ATC in New York City. Co-located on the Manhattan Psychiatric Center Campus on Wards Island, this ATC would otherwise require an investment of more than \$14 million in capital funds to relocate to a newer, more efficient treatment facility – the ATC occupies only 1 floor of an otherwise vacant 13-story building in which it is currently located. Aggressive efforts will be taken to assist the 800 individuals served annually by the Manhattan facility to find comparable services in 1 of the 4 other ATCs located in New York City or with existing community-based providers. The 2009-10 recommendation provides for the continuation of 600 State-operated beds at the 12 remaining ATCs.
- **Reducing and Deferring Cost-of-Living Adjustments.** The recommendation also achieves savings by reducing the 2008-09 human services cost-of-living adjustment (COLA) from 3.2 percent to 2.2 percent, effective January 1, 2009. Additionally, the Executive Budget provides for no COLA for 2009-10. To

ALCOHOLISM AND SUBSTANCE ABUSE SERVICES

- continue the State's long-term commitment, COLA adjustments are planned to resume April 1, 2010, and this budget recommends extending the COLA for a third year in 2012-13.
- **Restructuring School-Operated Prevention Services.** Currently, the New York City Department of Education (NYCDOE) receives a total of \$19 million in annual funding to deliver prevention services; however, only a portion of these services are predicated upon scientifically proven, evidence-based practices that improve outcomes. The recommendation reduces funding to the NYCDOE by a total of \$10 million and reinvests \$8 million of these funds to community-based provider organizations in the 5 boroughs that deliver prevention services using proven techniques.
 - **Refocusing Programs and Services Based on Performance Metrics.** The Executive Budget supports OASAS efforts to reform high-priority programs and services, while achieving operating savings. Specifically, OASAS will generate net savings of \$15 million with efforts that include:
 - Reducing the scope of its Managed Addiction Treatment Services case management program by targeting funding only to the City of New York, where it has been successful in achieving savings from high cost Medicaid recipients (\$2.5 million).
 - Delaying by 1 year the conversion of 9 remaining provider programs to the new medically-oriented Residential Rehabilitation Services for Youth (Part 817) adolescent treatment model (\$3.4 million).
 - Deferring the development of about 25 permanent supported housing beds approved last year (\$0.1 million).
 - Ending contracts for separate HIV/AIDS services in chemical dependence treatment programs because OASAS regulations now require its treatment providers to employ health care coordinators who are responsible for the provision of a variety of health-related services, including HIV/AIDS (\$6.8 million).
 - Lowering funding for a variety of other services that fail to meet performance objectives, including vocational rehabilitation services, substance abuse screening and evaluation programs for persons charged with DWI or other drug-related offenses, and enhanced outpatient services for methadone maintenance programs (\$8.9 million).
 - Redirecting \$6 million of savings to support diversion programs (\$4 million) intended to direct criminal offenders into chemical dependence treatment and case management programs, instead of more costly prison sentences, as well as to partially support relapse prevention services for parolees (\$2 million).
 - **Reducing Fraud, Waste and Abuse.** By collaborating with the Office of the State Medicaid Inspector General and the Department of Health (DOH) in the area of Medicaid regulatory compliance and enforcement, OASAS will save \$5.1 million in wasteful, inappropriate or unnecessary spending in DOH's budget.
 - **Identifying State Operations Efficiencies.** OASAS will also achieve more than \$2.1 million in savings by continuing to limit new hires to only those vacant positions that are critical to client health and safety or essential to agency operations and reducing spending in a variety of areas, including communications and information technology.
 - **Reforming Detoxification Services.** OASAS will continue to collaborate with DOH, other State agencies and service providers to redesign the delivery of

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detoxification services to promote recovery and better integrate reimbursement with outcomes. Accordingly, the Executive Budget recommends funding in DOH to strengthen the ability of community-based detoxification providers to deal with less complicated detoxification episodes by enhancing rates of reimbursement to incentivize program expansion in this area.

In addition, the Executive Budget continues capital funding to support the development of some 415 pipeline community residential treatment opportunities over the next 5 years for high priority populations, including adolescents, women with children, and veterans, as well as beds to enhance community-based treatment opportunities on Long Island. The recommendation also supports new and on-going projects to either relocate or renovate existing chemical dependence programs, whose aging infrastructure results in the inefficient delivery of treatment services and jeopardizes the health and safety of clients and staff.

PROGRAM HIGHLIGHTS

OASAS administers a comprehensive array of prevention, treatment, and recovery 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.

Approximately 260,000 individuals receive services annually in New York State's licensed chemical dependence treatment and problem gambling system, which is provided by approximately 1,200 community-based programs. About 110,000 individuals are enrolled in New York's chemical dependence treatment programs on any given day. 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)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	142,470,000	134,716,000	(7,754,000)	4,766,000
Aid To Localities	508,079,274	461,332,000	(46,747,274)	193,571,500
Capital Projects	121,336,000	98,883,000	(22,453,000)	328,454,000
Total	771,885,274	694,931,000	(76,954,274)	526,791,500

ALCOHOLISM AND SUBSTANCE ABUSE SERVICES

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

Program	Full-Time Equivalent Positions (FTE)		
	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Executive Direction			
Special Revenue Funds - Federal	79	79	0
Special Revenue Funds - Other	352	341	(11)
Capital-Administration			
Capital Projects Funds - Other	8	8	0
Institutional Services			
Special Revenue Funds - Federal	16	16	0
Special Revenue Funds - Other	536	500	(36)
Total	991	944	(47)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Federal	7,196,000	6,445,000	(751,000)
Special Revenue Funds - Other	135,274,000	128,271,000	(7,003,000)
Total	142,470,000	134,716,000	(7,754,000)

Adjustments:	
Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Federal	(751,000)
Special Revenue Funds - Other	(6,440,000)
Appropriated 2008-09	135,279,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Executive Direction			
Special Revenue Funds - Federal	5,466,000	5,245,000	(221,000)
Special Revenue Funds - Other	64,883,000	57,731,000	(7,152,000)
Institutional Services			
Special Revenue Funds - Federal	1,730,000	1,200,000	(530,000)
Special Revenue Funds - Other	70,391,000	70,540,000	149,000
Total	142,470,000	134,716,000	(7,754,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Executive Direction	62,976,000	(7,373,000)	30,209,000	(8,506,000)
Institutional Services	71,740,000	(381,000)	36,865,000	(1,610,000)
Total	134,716,000	(7,754,000)	67,074,000	(10,116,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Executive Direction	32,077,000	1,133,000	690,000	0
Institutional Services	34,875,000	1,229,000	0	0
Total	66,952,000	2,362,000	690,000	0

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
General Fund	144,886,774	141,780,000	(3,106,774)
Special Revenue Funds - Federal	135,473,000	135,473,000	0
Special Revenue Funds - Other	227,719,500	184,079,000	(43,640,500)
Total	<u>508,079,274</u>	<u>461,332,000</u>	<u>(46,747,274)</u>

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Community Treatment Services Program			
General Fund	143,422,524	141,780,000	(1,642,524)
Special Revenue Funds - Federal	102,418,000	102,418,000	0
Special Revenue Funds - Other	152,976,000	130,200,000	(22,776,000)
Prevention and Program Support			
Special Revenue Funds - Federal	33,055,000	33,055,000	0
Special Revenue Funds - Other	74,743,500	53,879,000	(20,864,500)
Community Projects			
General Fund	1,464,250	0	(1,464,250)
Total	<u>508,079,274</u>	<u>461,332,000</u>	<u>(46,747,274)</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>	<u>Reappropriations 2009-10</u>
Design and Construction Supervision				
Capital Projects Fund	2,000,000	3,000,000	1,000,000	4,460,000
MH Capital Improvements - Authority Bonds	500,000	500,000	0	500,000
Administration				
Capital Projects Fund	1,230,000	1,277,000	47,000	0
Community Alcoholism and Substance Abuse Facilities				
Capital Projects Fund	4,810,000	4,810,000	0	23,475,000
MH Capital Improvements - Authority Bonds	108,546,000	84,546,000	(24,000,000)	278,148,000
Institutional Services Program				
Capital Projects Fund	500,000	1,000,000	500,000	2,815,000
MH Capital Improvements - Authority Bonds	3,000,000	3,000,000	0	19,056,000
Non-Bondable				
Capital Projects Fund	750,000	750,000	0	0
Total	<u>121,336,000</u>	<u>98,883,000</u>	<u>(22,453,000)</u>	<u>328,454,000</u>

OFFICE OF MENTAL HEALTH

MISSION

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

ORGANIZATION AND STAFFING

The Office of Mental Health is headed by a Commissioner who is appointed by the Governor. New York's public mental health system consists of programs that are operated by the Office of Mental Health, as well as community programs certified and funded by the State, but operated by local governments, not-for-profit, and proprietary providers. As the State's mental health authority, OMH gives priority to ensuring access to high quality services for adults and children with severe mental illness or serious emotional disturbances. In addition, OMH promotes overall public mental health through education and advocacy. The agency has four lines of business underpinning these functions:

- **Regulating, Certifying, Financing and Overseeing New York's Public Mental Health System.** OMH oversees 58 local governmental units, one of which covers New York City in its entirety. The agency also regulates and/or licenses more than 2,500 mental health programs operated by local governments and private agencies serving more than 600,000 persons annually, including inpatient, outpatient, emergency, residential and family care, and community support services;
- **Providing State-operated Inpatient and Outpatient Mental Health Services.** OMH is a major provider of intermediate and long-term inpatient as well as outpatient treatment services through a network of 25 psychiatric centers that includes 16 Adult Psychiatric Centers and 6 Children's Psychiatric Centers. OMH operates 3 facilities serving forensic patients involved with the criminal justice system. Additionally, OMH provides mental health services in 23 sites around the State to inmates incarcerated in Department of Correctional Services' facilities;
- **Conducting Basic and Applied Research to Advance Prevention, Treatment, and Recovery.** OMH conducts basic and applied research at the New York State Psychiatric Institute in Manhattan and the Nathan S. Kline Institute for Psychiatric Research in Rockland County, with a focus 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. Additionally, OMH's Office of Performance Measurement and Evaluation conducts evaluation research and statistical analysis which are used to examine service outcomes, investigate pressing mental health issues, and develop sound approaches for improving service quality and access; and
- **Promoting Public Mental Health through Education and Outreach.** OMH supports a variety of educational activities focusing on the nature and impact of mental illness, effective treatments and services, useful preventive and coping

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strategies, and service accessibility. The agency's information dissemination strategies are designed to reach as many New Yorkers as possible, with a particular focus on high-risk groups.

The Executive Budget recommends a staffing level of **17,127 FTEs**. Most of the Agency's workforce provides direct care services to patients.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3.8 billion All Funds** (\$557 million General Fund; \$3.2 billion Other funds) for the Office of Mental Health (OMH). This is a net increase of **\$35 million** (1.0 percent). The increase is largely attributable to capital projects (+\$130 million) offset by lower local assistance (-\$96 million).

OMH continues to improve the efficiency and cost-effectiveness of its operations and the network of non-profit providers it supports, and seeks areas to reform or restructure activities based on a review of its core mission. Major Budget actions to promote cost efficiency and rationalize reimbursement include:

- **Reducing Cost of Living (COLA) Adjustments:** The recommendation generates savings by reducing the 2008-09 Human Services COLA from 3.2 percent to 2.2 percent prospectively effective January 1, 2009 (saving \$9.5 million). Additionally the Executive Budget recommends no COLA in 2009-10, saving an estimated \$56.5 million. To maintain the long term commitment to this program, a COLA is still planned for 2010-11 and 2011-12, and the Budget recommends extending the COLA for a third year in 2012-13;
- **Aid to Localities Efficiencies:** OMH will restructure a variety of programs, and focus resources to emerging priorities for net savings of \$24 million. Specifically, OMH will increase emphasis on managing Local Assistance spending including freezing the Community Residential Pipeline by halting new planned construction while maintaining the State's commitment to New York/New York III bed development (\$6 million savings). Additionally, OMH will manage new program development resulting in an estimated \$20.8 million savings from projected 2009-10 costs with a focus on reducing and restructuring low and medium priorities and restructuring and deferring higher priorities, based on OMH's review of its core mission. OMH will also encourage county administrative efficiencies (\$1.0 million) that could be recouped by maximizing Federal aid. Also, OMH will renew efforts to ensure that all appropriate third-party revenue standards for providers are maintained, and recover excess State funds associated with State aid letters and exempt income revenue in excess of operating funds, saving an estimated \$8.5 million from 2009-10 projected costs;
- **Continuation of Restructuring Efforts:** OMH will continue implementing the Ambulatory Care restructuring started in 2008-09, which will rationalize the reimbursement of providers of mental health clinical services. Additionally, OMH is undergoing a restructuring of the continuing day treatment program to reform service requirements and focus on best practices modalities, and will establish a peer support center to promote and improve access to peer-run organizations. Also, a new \$6 million Federal grant is designed to improve employment opportunities for individuals with mental illness;
- **Children's Plan:** OMH, working with the other 8 child-serving State agencies, will implement a comprehensive Children's Plan to improve access to services and support best practices models of successful collaboration. The Children's

- Plan implements a series of 11 proposals, including: expanding youth involvement in service delivery; enhancing parent education; improving the identification and treatment of emotional disturbances in children; and increasing the integration of service systems;
- **State Operations Ward Closures and Efficiencies:** OMH will close a total of 450 adult inpatient beds (11 percent of capacity), shifting the staffing resources associated with 150 beds to less costly and more appropriate community programs, and converting 300 adult inpatient beds to a less staffing intensive outpatient residential level of care, called the “Transitional Placement Program” which would provide supports to transition individuals to community care, saving an estimated \$6.1 million in 2009-10 and reducing FTEs by 153. Additionally, aggressive controls on hiring and non-personal service costs will save another \$10.1 million;
 - **Sex Offender Management Treatment Act (SOMTA) Restructuring:** OMH will reduce staffing levels from its current staffing model (2.0:1 staffing ratio) to standards used in civil confinement programs in other states (1.5:1), reducing costs from \$225,000 per bed annually to \$175,000 (22 percent reduction). The recommendation also lowers costs by allowing respondents to remain in DOCS custody during the pendency of court proceedings; and permits video-conferencing of certain judicial hearings to reduce transportation and staffing costs. Combined, these efforts will generate \$11.7 million of savings in 2009-10 and reduce FTEs by 179; and
 - **Forensic Services:** The Executive Budget recommends a 3 year delay in the implementation of the Special Housing Units bill while an assessment of the impacts/effectiveness of the recently added programs serving this population, including enhanced counseling, special treatment beds, and a new Residential Mental Health Unit, is conducted, saving \$8.6 million in 2009-10 and reducing planned FTEs by 86; and \$2.8 million of savings from slower than expected spending for other forensic services.

PROGRAM HIGHLIGHTS

To live successfully, most individuals with serious mental illness need both treatments that manage or eliminate their psychiatric symptoms and support services that address the needs associated with the disabling effects of their illness. Public mental health services are grouped in four major categories across the health care continuum: community support, outpatient, inpatient, and emergency services. In New York State, both State and locally operated programs provide services in each of these four categories:

- **Community Support** helps individuals diagnosed with serious mental illness live as independently as possible in the community, and helps children with serious emotional disturbance remain with their families. These programs provide case management, vocational, self-help, residential and other support services. Although the specific array of community support services differs for adults and children, the goal is always to support successful and full community living;
- **Outpatient Services** provide treatment and rehabilitation in an ambulatory setting, including clinics, partial hospitalization, day treatment for children,

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continuing day treatment for adults, Assertive Community Treatment (ACT), Prepaid Mental Health Plan (PMHP), and Personalized Recovery-Oriented Services (PROS);

- **Inpatient Services** provide acute stabilization and intensive treatment and rehabilitation with 24-hour care in a controlled environment when community services and supports do not meet the needs of adults and children; and
- **Emergency Services** provide rapid psychiatric and/or medical stabilization and ensure the safety of individuals who present a risk to themselves or others. These programs include a range of crisis counseling and residential services, as well as Comprehensive Psychiatric Emergency Programs.

In all mental health settings, the fundamental goal of OMH is to maximize access to quality mental health care for every single New Yorker. This includes bridging the gap between science and service; focusing on accountability for results, best practices, and coordination of care; and eliminating disparities and promoting culturally and linguistically competent services and supports.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	2,044,063,000	2,045,858,000	1,795,000	1,358,000
Aid To Localities	1,284,531,165	1,188,369,000	(96,162,165)	34,667,000
Capital Projects	446,822,000	576,543,000	129,721,000	1,553,418,000
Total	3,775,416,165	3,810,770,000	35,353,835	1,589,443,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration and Finance			
Special Revenue Funds - Federal	11	11	0
Special Revenue Funds - Other	687	677	(10)
Enterprise Funds	10	10	0
Internal Service Funds	20	20	0
Adult Services			
Special Revenue Funds - Other	11,807	11,920	113
Capital Planning			
Capital Projects Funds - Other	41	41	0
Children and Youth Services			
Special Revenue Funds - Other	1,966	2,004	38
Forensic Services			
Special Revenue Funds - Other	2,034	1,954	(80)
Research			
Special Revenue Funds - Other	495	490	(5)
Total	17,071	17,127	56

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Federal	1,358,000	1,358,000	0
Special Revenue Funds - Other	2,031,429,000	2,033,140,000	1,711,000
Enterprise Funds	8,553,000	8,578,000	25,000
Internal Service Funds	2,723,000	2,782,000	59,000
Total	2,044,063,000	2,045,858,000	1,795,000

Adjustments:

Transfer(s) From

Special Pay Bill

Special Revenue Funds - Other (106,544,000)

Enterprise Funds (39,000)

Internal Service Funds (103,000)

Appropriated 2008-09 1,937,377,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration and Finance			
Special Revenue Funds - Federal	1,358,000	1,358,000	0
Special Revenue Funds - Other	108,098,000	104,293,000	(3,805,000)
Enterprise Funds	8,553,000	8,578,000	25,000
Internal Service Funds	2,723,000	2,782,000	59,000
Adult Services			
Special Revenue Funds - Other	1,379,516,000	1,379,185,000	(331,000)
Children and Youth Services			
Special Revenue Funds - Other	218,760,000	220,211,000	1,451,000
Forensic Services			
Special Revenue Funds - Other	238,259,000	243,575,000	5,316,000
Research			
Special Revenue Funds - Other	86,796,000	85,876,000	(920,000)
Total	2,044,063,000	2,045,858,000	1,795,000

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Finance	117,011,000	(3,721,000)	52,383,000	(4,629,000)
Adult Services	1,379,185,000	(331,000)	768,206,000	(24,205,000)
Children and Youth Services	220,211,000	1,451,000	132,895,000	(4,172,000)
Forensic Services	243,575,000	5,316,000	147,344,000	(4,614,000)
Research	85,876,000	(920,000)	48,294,000	(2,807,000)
Total	2,045,858,000	1,795,000	1,149,122,000	(40,427,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Finance	64,628,000	4,208,000	0	(3,300,000)
Adult Services	607,814,000	23,874,000	3,165,000	0
Children and Youth Services	87,316,000	5,623,000	0	0
Forensic Services	96,231,000	9,930,000	0	0
Research	37,582,000	1,887,000	0	0
Total	893,571,000	45,522,000	3,165,000	(3,300,000)

MENTAL HEALTH

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
General Fund	559,327,327	557,292,000	(2,035,327)
Special Revenue Funds - Federal	44,626,000	43,839,000	(787,000)
Special Revenue Funds - Other	680,577,838	587,238,000	(93,339,838)
Total	<u>1,284,531,165</u>	<u>1,188,369,000</u>	<u>(96,162,165)</u>

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Adult Services			
General Fund	386,882,016	404,023,000	17,140,984
Special Revenue Funds - Federal	37,564,000	36,777,000	(787,000)
Special Revenue Funds - Other	603,128,000	504,057,000	(99,071,000)
Children and Youth Services			
General Fund	170,872,659	153,269,000	(17,603,659)
Special Revenue Funds - Federal	7,062,000	7,062,000	0
Special Revenue Funds - Other	69,723,000	74,964,000	5,241,000
Enhanced Community Services			
Special Revenue Funds - Other	490,000	500,000	10,000
Community Support and Workforce Reinvestment			
Special Revenue Funds - Other	7,236,838	7,717,000	480,162
Community Projects			
General Fund	1,572,652	0	(1,572,652)
Total	<u>1,284,531,165</u>	<u>1,188,369,000</u>	<u>(96,162,165)</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>	<u>Reappropriations 2009-10</u>
Design and Construction Supervision				
Capital Projects Fund	2,000,000	2,000,000	0	2,000,000
MH Capital Improvements - Authority Bonds	12,000,000	12,000,000	0	24,392,000
Executive Direction				
Capital Projects Fund	0	0	0	2,445,000
MH Capital Improvements - Authority Bonds	3,717,000	3,717,000	0	6,541,000
Community Mental Health Facilities				
Capital Projects Fund	6,000,000	6,000,000	0	33,777,000
MH Capital Improvements - Authority Bonds	173,555,000	5,630,000	(167,925,000)	803,125,000
Maintenance and Improvements of Existing Facilities				
Capital Projects Fund	34,010,000	29,010,000	(5,000,000)	53,720,000
MH Capital Improvements - Authority Bonds	214,540,000	517,186,000	302,646,000	622,373,000
Non-Bondable				
Capital Projects Fund	1,000,000	1,000,000	0	5,045,000
Total	<u>446,822,000</u>	<u>576,543,000</u>	<u>129,721,000</u>	<u>1,553,418,000</u>

OFFICE OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

MISSION

The mission of the Office of Mental Retardation and Developmental Disabilities (OMRDD) is to help people with developmental disabilities live richer lives. The agency's vision is to assure that people with developmental disabilities enjoy meaningful relationships with family, friends, and others in their lives; experience personal health and growth; and live in homes and fully participate in the communities of their choice.

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.

By the end of 2009-10, there will be approximately 450 individuals with developmental disabilities living in developmental centers along with approximately 1,100 in special units. Over the past 2 decades, the developmental center population has declined by 8,000.

OMRDD will have a **workforce of 22,432** for 2009-10, most of whom support individuals with developmental disabilities. The remainder comprises supervisors of direct support workers, administrative support, and management personnel. This represents a net **decrease of 53 FTEs** from 2008-09, which is due to the addition of 231 new FTEs primarily related to deinstitutionalization efforts to serve individuals in more appropriate community placements, offset by OMRDD's actions to streamline and consolidate various administrative and support functions by 284 FTEs.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommends over **\$4.5 billion All Funds** (\$1.5B General Fund; \$3.0B Other Funds) for the Office to continue to support a comprehensive system of care serving more than 125,000 persons with disabilities and their families, reflecting the State's commitment to serving the needs of persons with developmental disabilities. This is a **decrease of over \$9 million** from 2008-09, which is largely attributable to the annualization of prior year initiatives and savings associated with program efficiencies, as outlined below. The Executive Budget recommendations for 2009-10 preserve essential direct care and maintain the quality of services for individuals with developmental disabilities in both not-for-profit and OMRDD-operated programs.

The overall recommendation maintains the State's commitment to serve a wide range of developmentally disabled New Yorkers, including the medically frail, the behaviorally challenged, those who have been placed out-of-State or who are "aging out" of other child care systems, as well as those living at home.

OMRDD continues to improve the efficiency and cost-effectiveness of its operations and the network of not-for-profit providers it supports. Major budget actions to promote cost efficiency, maximize revenues, and rationalize reimbursement include:

MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

- **Streamlining/Consolidating Various Administrative Functions and Research Operations.** In 2009-10, OMRDD will save roughly \$12 million – annualizing to \$27 million – by:
- **Consolidating the Administration of the Valley Ridge DDSO with the Broome DDSO,** thereby reducing staff by 5 FTEs and saving \$0.2 million in 2009-10 (\$0.7M in 2010-11). These 2 district offices are located within the same geographic catchment area, and consolidation will result in a district office that is comparable in size to other DDSOs throughout the State. Under this recommendation, the Center for Intensive Treatment will continue to operate at Valley Ridge, with some of its administrative functions assumed by the Broome DDSO.
 - **Consolidating, Centralizing and/or Regionalizing DDSO Administrative Functions,** including business office and human resources activities. OMRDD will also strengthen Central Office oversight where needed, by establishing and coordinating centralized processes governing workforce management. These actions will result in a reduction of 50 FTEs and overall savings of \$1.6 million in 2009-10 that annualizes to \$3.3 million in 2010-11.
 - **Closing Unnecessary/Underutilized Institutional Capacity.** The 2009-10 recommendation calls for the closure of Bernard Fineson DDSO's Howard Park campus and the Taconic DDSO's Multiply Disabled Unit (MDU). Howard Park, a satellite unit of the Bernard Fineson Developmental Center located on the Hillside campus in Queens, is a 140-bed institution that is obsolete, inefficient, and no longer required. The 41 individuals currently residing there will be relocated to the Hillside Campus, or into community settings as appropriate. The net impact of this action will reduce the number of administrative staff by 28 FTEs, producing a savings of \$0.9 million in 2009-10 that annualizes to \$1.8 million. The Taconic DDSO's MDU, where 65 individuals currently reside, will be phased out over a 5-year period. This institutional capacity is no longer necessary as these individuals can be more appropriately served in the community. The State staff currently supporting the individuals in the MDU will be redeployed to community homes and day service programs as they are developed; an additional 43 positions will be required to meet the enhanced staffing needs of these individuals.
 - **Streamlining Research Operations.** OMRDD will streamline activities at IBR. Specifically, 11 research-related positions will be eliminated in areas that are neither core to the OMRDD Mission nor leverage significant grant funding. Further, OMRDD will consolidate IBR's business and payroll functions with those of the neighboring Staten Island DDSO, resulting in a reduction of 7 administrative positions. These actions will produce a net savings of \$0.9 million in 2009-10 that annualizes to \$1.8 million and will not affect the operations of the Jervis Clinic or laboratory services at IBR.
 - **Reducing Safety and Security Officer Staff.** OMRDD has reviewed the duties and functions of its Safety and Security Officer staff and has determined that a 20 percent reduction (50 FTEs) can be achieved statewide without adversely impacting individual and staff health and safety. This reduction will not affect agency operations as the functions these staff perform are either redundant or can be carried out by other existing staff. This action will not impact any of OMRDD's secure facilities, and will generate \$1.6 million in savings in 2009-10 that annualizes to \$3.3 million in 2010-11.

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- **Restructuring Central Office.** Central Office staffing authorization will be reduced by 65 positions through various efficiencies, streamlining, and consolidations. This will result in savings of \$3.1 million in 2009-10 that annualizes to \$6.2 million in 2010-11.
- **Managing Position Vacancies.** OMRDD will be able to reduce its fill level by 68 positions in 2009-10 without impacting quality of care by continuing to limit new hires to only those vacant positions that are critical to individual health and safety or essential to agency operations. This will result in savings of \$2.4 million in 2009-10 that annualizes to \$4.5 million in 2010-11.
- **Controlling Non-Personal Service and Capital Costs.** In 2009-10, OMRDD will realize \$1.8 million in savings by implementing a variety of controls on spending that will neither impact quality of care nor the safety of the individuals being supported. Specific actions include monitoring food expenditures, consolidating non-residential leases, automating certain administrative processes, reducing utility consumption with energy efficient improvements, and mothballing closed/vacant buildings. OMRDD will also be eliminating or deferring preservation and minor maintenance projects that are not essential to maintaining individual health and safety.
- **Reducing Cost-of-Living Adjustments.** The recommendation generates savings by reducing the 2008-09 Human Services Cost of Living Adjustment (COLA) from 3.2 percent to 2.2 percent effective January 1, 2009 (savings of \$2.1M). Additionally, the Executive Budget recommends no COLA for 2009-10 (savings of \$13M). To continue the State's long-term commitment, these adjustments are planned to resume April 1, 2010, and this budget also recommends extending the COLA for a third year in 2012-13.
- **Eliminating Enriched Unified Services Funding.** The 2009-10 recommendation eliminates Unified Services funding of \$1.7 million, which provides enriched rates of State reimbursement to 5 counties – Rensselaer, Rockland, Warren, Washington, and Westchester. Most counties or not-for-profit provider agencies and the State share equally in funding for the delivery of local assistance services, pursuant to approved local service plans. However, these 5 counties receive enhanced State reimbursement, ranging from 69.3 percent to 96.9 percent based on a 1974-75 plan that was originally intended as an incentive to reduce the use of State inpatient services; since that time, the State has shifted nearly all residents to the community such that the 30-year old incentive is no longer warranted.
- **Reforming/Rationalizing Local Assistance.** The Executive Budget continues OMRDD's multi-year efforts to rationalize, reform, and restructure provider reimbursement. OMRDD will impose tighter controls on Medicaid and non-Medicaid payments to its non-profit provider network and rationalize reimbursement and achieve efficiencies where appropriate in myriad programs, including sheltered workshops, Medicaid service coordination, day habilitation, respite, supported employment, prevocational, and clinical services. Specific actions include: implementing regional rates based on actual costs for day habilitation services, reducing reimbursement for less intensive case management services, removing income exemptions that currently increase State funding requirements for long-term sheltered workshops, and eliminating enhanced funding to certain Article 16 and Article 28 clinics. It is anticipated that these

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controls and restructuring efforts, as well as other efficiencies, will produce savings of \$32 million in 2009-10 that annualize to \$24 million in 2010-11, while supporting the program direction of OMRDD.

- **Maximizing Non-State Revenues.** Through a combination of revenue maximization efforts, OMRDD will achieve a savings of roughly \$179 million on a recurring basis through actions such as recognizing increased Food Stamp benefits, maximizing utilization of Home and Community Based Services (HCBS) waiver programs and services, and continuing the healthcare reimbursement initiative. OMRDD and its partnering not-for-profit providers will also continue efforts to require families and individuals with developmental disabilities to apply for all Medicaid and Medicare benefits to which they are entitled. To assure that these benefits are accessed appropriately, OMRDD will provide education and assistance to families and individuals with developmental disabilities seeking or receiving supports and services that can be funded by Medicaid and/or Medicare.
- **Restructuring Services for Out-of-State Placements.** OMRDD has identified 88 individuals currently served in out-of-State facilities, or who have “aged out” of in-State schools, who would be better served in more appropriate OMRDD-certified adult residential and day programs. Therefore, the recommendation provides individuals and their families with the option of relocating to an in-State OMRDD certified program or continuing to reside in their current setting and receive reimbursement at an amount no greater than what OMRDD would reimburse the appropriate in-State program. This proposal will realize \$3.3 million in savings in 2009-10 growing to \$5.5 million in 2010-11.

The 2009-10 recommendation also continues the State’s commitment to several key ongoing initiatives, including the following:

- **New York State Creating Alternatives in Residential Environments and Services (NYS-CARES) Program.** The Executive Budget continues support for NYS-CARES by including 530 new residential opportunities at a cost of over \$22 million annually. By the end of 2012, 7,800 residential opportunities will have been developed under NYS-CARES which, when coupled with the 36,000 funded community beds already in the system, will provide significant opportunities for persons seeking an out-of-home residential service option.
- **Community-Based Services to Special Populations.** OMRDD, in partnership with its not-for-profit provider network, will develop 90 new residential and day-service options to accommodate individuals aging out of educational environments and those in other human services areas, such as nursing homes, at a cost of \$6 million in 2009-10. This represents a reduction from previous plans to develop 140 of these beds at a cost of nearly \$8 million. In addition, 138 new residential opportunities to either repatriate children placed out-of-State, or to mitigate such future placements will be developed at a cost of approximately \$10 million when fully annualized. This reflects a reduction from previous assumptions by 49 beds, lowering State funding by almost \$4 million.
- **Targeted Family Support and Autism Services Enhancements.** The Executive Budget recommendation continues 2008-09 funding to support Family Support Services opportunities to as many as 3,000 families to help them care for their loved ones with disabilities at home. This will support respite services, mobile

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crisis teams, family training, and intervention services. In addition, the Executive Budget continues funding from 2008-09 to support services to approximately 1,300 individuals with autism or autism spectrum disorder.

- **A Multi-Year Plan to Downsize Developmental Center Capacity by Creating Additional Community Capacity.** Over the next 3 years, OMRDD will expand State-operated community residential capacity by 108 beds for difficult-to-serve individuals who are currently living in institutional settings, including nursing homes. This effort will be complemented by an additional 414 State and not-for-profit residential opportunities over each of the next 3 years that will help reduce and virtually close the Developmental Centers, leaving only the special population institutional settings. The Western New York Developmental Center remains scheduled for closure in 2010-11.
- **Employment and Other Support Service Expansion.** The Executive Budget continues resources to support 1,500 individuals who need employment and other day services and 500 individuals in need of in-home supports all funded through the HCBS Waiver.
- **State and Not-for-Profit Capital Infrastructure Needs.** Infrastructure will be maintained through new capital appropriations of \$127 million and reappropriations of \$319 million. Capital funding for institutional projects continues to support the reconfiguration of the Bernard Fineson Developmental Center in Queens, as well as focus on the need to reinvest resources into preserving and maintaining long-term institutional capacity, mostly for a core population of individuals who have severe behavioral treatment needs.

In total, these recommendations – through the combination of both new and existing services – will support more than 6,100 new day and residential opportunities in the community during 2009-10. This reflects nearly 1,800 people placed in new residential opportunities and more than 4,300 into new non-residential opportunities. Services to individuals and families have been expanded within Family Support Services.

PROGRAM HIGHLIGHTS

OMRDD serves more than 125,000 New Yorkers with developmental disabilities, which include primarily mental retardation, autism, epilepsy, cerebral palsy, and neurological impairments. 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, OMRDD continues to place greater emphasis on individual choice and satisfaction and has instituted a recurring survey designed by individuals, families and other stakeholders, which is used to evaluate individuals' satisfaction and the success of residential opportunities under the NYS-CARES program.

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. The HCBS waiver promotes smaller, more natural home environments. Home size has continued to decrease, thereby supporting individualized, quality services. Today, two-thirds of the homes in the community accommodate 6 people or less; of these, two-thirds accommodate 4 people or less.

Maintaining a statewide system of services, delivered through both the State and not-for-profit providers, OMRDD:

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- Provides approximately 38,000 persons with certified residential services. Since 1998, nearly 16,000 persons have left the residential registration list for homes in the community;
- Provides about 56,000 persons with community day services; and
- Supports another 43,000 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 – about 6,100 beds operated statewide by both State and not-for-profit providers – are appropriate for individuals requiring intensive 24-hour care.

The most common residential opportunity for persons under the waiver is in Individual Residential Alternatives (IRAs) – homes, typically for 4 to 8 consumers, operated by either the State or not-for-profit providers in the community. This budget supports more than 27,000 individuals with developmental disabilities living in this setting with accompanying service coordination. Other community living arrangements include Community Residences and Family Care homes, which serve nearly 3,000 people.

In addition to these community-based residential programs, OMRDD operates 10 campuses across the State. Approximately 1,550 people will be served in these settings by the end of 2009-10, 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 individuals. 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;
- 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 over 43,000 persons with

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developmental disabilities and their families, enabling these individuals to remain at home and receive nearly 71,000 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 2,050 disabled individuals who live independently. In addition, approximately 8,500 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)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	2,102,282,000	2,171,410,000	69,128,000	3,141,000
Aid To Localities	2,234,383,899	2,221,012,000	(13,371,899)	2,289,500
Capital Projects	192,420,000	127,315,000	(65,105,000)	318,910,000
Total	4,529,085,899	4,519,737,000	(9,348,899)	324,340,500

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Central Coordination and Support			
Special Revenue Funds - Other	840	775	(65)
Community Services			
Special Revenue Funds - Other	15,840	16,003	163
Institutional Services			
Special Revenue Funds - Other	5,620	5,487	(133)
Research in Mental Retardation			
Special Revenue Funds - Other	185	167	(18)
Total	22,485	22,432	(53)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Federal	751,000	751,000	0
Special Revenue Funds - Other	2,098,712,000	2,167,640,000	68,928,000
Enterprise Funds	2,469,000	2,669,000	200,000
Internal Service Funds	350,000	350,000	0
Total	2,102,282,000	2,171,410,000	69,128,000

Adjustments:

Transfer(s) From

 Special Pay Bill

 Special Revenue Funds - Federal (121,000)

 Special Revenue Funds - Other (90,203,000)

 Enterprise Funds (13,000)

Appropriated 2008-09 2,011,945,000

MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

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

Program	Available 2008-09	Recommended 2009-10	Change
Central Coordination and Support			
Special Revenue Funds - Federal	751,000	751,000	0
Special Revenue Funds - Other	115,359,556	117,523,000	2,163,444
Internal Service Funds	350,000	350,000	0
Community Services			
Special Revenue Funds - Other	1,293,574,615	1,317,036,000	23,461,385
Institutional Services			
Special Revenue Funds - Other	664,114,028	706,879,000	42,764,972
Enterprise Funds	2,469,000	2,669,000	200,000
Research in Mental Retardation			
Special Revenue Funds - Other	25,663,801	26,202,000	538,199
Total	<u>2,102,282,000</u>	<u>2,171,410,000</u>	<u>69,128,000</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Central Coordination and Support	118,624,000	2,163,444	60,849,000	1,149,096
Community Services	1,317,036,000	23,461,385	787,867,000	1,374,553
Institutional Services	709,548,000	42,964,972	329,251,000	9,280,048
Research in Mental Retardation	26,202,000	538,199	16,081,000	(127,697)
Total	<u>2,171,410,000</u>	<u>69,128,000</u>	<u>1,194,048,000</u>	<u>11,676,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Central Coordination and Support	56,674,000	1,014,348	1,101,000	0
Community Services	519,053,000	20,228,832	10,116,000	1,858,000
Institutional Services	245,167,000	13,737,924	135,130,000	19,947,000
Research in Mental Retardation	10,121,000	665,896	0	0
Total	<u>831,015,000</u>	<u>35,647,000</u>	<u>146,347,000</u>	<u>21,805,000</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	1,424,487,923	1,491,249,000	66,761,077
Special Revenue Funds - Other	809,895,976	729,763,000	(80,132,976)
Total	<u>2,234,383,899</u>	<u>2,221,012,000</u>	<u>(13,371,899)</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Community Services			
General Fund	1,420,803,923	1,491,249,000	70,445,077
Special Revenue Funds - Other	809,895,976	729,763,000	(80,132,976)
Community Projects			
General Fund	3,684,000	0	(3,684,000)
Total	<u>2,234,383,899</u>	<u>2,221,012,000</u>	<u>(13,371,899)</u>

MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Design and Construction Supervision				
Capital Projects Fund	7,180,000	5,000,000	(2,180,000)	0
MH Capital Improvements - Authority Bonds	7,280,000	6,000,000	(1,280,000)	3,640,000
Voluntary-Operated Community Facilities				
Capital Projects Fund	23,400,000	9,375,000	(14,025,000)	23,380,000
MH Capital Improvements - Authority Bonds	6,400,000	6,450,000	50,000	12,750,000
State-Operated Community Services Program				
Capital Projects Fund	22,985,000	33,645,000	10,660,000	20,020,000
MH Capital Improvements - Authority Bonds	25,575,000	15,675,000	(9,900,000)	53,250,000
Institutional Services Program				
Capital Projects Fund	15,400,000	16,020,000	620,000	47,670,000
MH Capital Improvements - Authority Bonds	83,200,000	34,150,000	(49,050,000)	158,200,000
Non-Bondable				
Capital Projects Fund	1,000,000	1,000,000	0	0
Total	<u>192,420,000</u>	<u>127,315,000</u>	<u>(65,105,000)</u>	<u>318,910,000</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 and to 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 mental hygiene system, and 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. 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 chairperson and 2 unsalaried members, each appointed by the Governor and confirmed by the Senate to serve staggered 5 year terms. During 2009-10, the agency's workforce will consist of 118 positions funded by the General Fund, Federal grants, and other Federal revenues related to oversight of Medicaid programs.

The responsibilities of the Commission are carried out through 4 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$17.6 million All Funds** (\$5.9 million General Fund; \$7.3 million Federal Funds; \$4.4 million Other Funds; \$45,000 Enterprise Funds) for the Commission on Quality of Care and Advocacy for Persons with Disabilities (CQCAPD). This is an increase of **\$32,000 All Funds** (\$135,000 General Fund; -\$160,000 Federal Funds; \$57,000 Other Funds) from 2008-09. The Budget recommends:

QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

- **Enhancing Residential Child Abuse Investigations:** The Commission has been charged with performing investigations of all child abuse allegations arising in OMH, OMRDD and, effective January 2009, OASAS operated and certified residential programs. Assuring on-site investigations in all cases and dealing with the anticipated increase in workload as a result of new responsibilities for OASAS facilities will require the agency to hire 2 additional staff (\$140,000).
- **Efficient Implementation of Special Housing Unit (SHU) Responsibilities:** The SHU Bill (Chapter 1 of the Laws of 2008) requires diversion alternatives to solitary confinement for inmates who are mentally ill and expands residential capacity to improve the quality and availability of prison-based mental health services. The Commission is specifically charged with general oversight of the quality of mental health services and monitoring the SHU diversion process. The Commission will utilize 6 staff (instead of the 14 initially authorized in 2008-09) to implement its responsibilities at a cost of \$0.5 million versus \$1.0 million previously planned, and will issue their findings in their annual agency report.
- **Improving Operational Efficiencies:** The Commission will increase cost controls on Personal Service and Non-Personal Service spending for a savings of \$34,000.

The Executive Budget recommends a staffing level of **118 FTEs** for the Commission on Quality of Care and Advocacy for Persons with Disabilities, an **increase of 2** from the 2008-09 budget, reflecting the 2 additional staff to enhance residential child abuse investigations.

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 1-800-642-4143 and a dynamic full-featured Web site (www.cqcapd.state.ny.us), which has attracted more than 1 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 TRAID Centers at 15 sites. During 2008, the Regional TRAID Centers provided awareness training, device demonstrations, information, education, and referrals to over 35,000 persons with disabilities.

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 that promote increased voluntary compliance with the Americans with Disabilities Act (ADA).

QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

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 16,200 reports of abuse, neglect, or death and conducts investigations on nearly 950 cases annually. The Children's Oversight and Technical Assistance team continues to 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.

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. Every year, more than 64,000 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 36 adult homes serving over 3,800 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 1,000 SDMC cases are resolved, and over 100 volunteers and 400 providers are trained to utilize these services annually.

QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

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. The main focus of this Division is improving inclusion, accommodations, and accessibility for individuals with disabilities. Recently, 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)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	16,827,000	16,859,000	32,000	12,537,000
Aid To Localities	771,000	771,000	0	0
Capital Projects	0	0	0	0
Total	17,598,000	17,630,000	32,000	12,537,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	57	58	1
Special Revenue Funds - Other	33	34	1
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	8	8	0
Protection and Advocacy for Individual Rights			
Special Revenue Funds - Federal	2	2	0
Protection and Advocacy for the Mentally Ill			
Special Revenue Funds - Federal	10	10	0
Technology Related Assistance for Individuals with Disabilities			
Special Revenue Funds - Federal	2	2	0
Technology Related Protection and Advocacy			
Special Revenue Funds - Federal	1	1	0
Total	116	118	2

QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	5,445,000	5,580,000	135,000
Special Revenue Funds - Federal	7,434,000	7,274,000	(160,000)
Special Revenue Funds - Other	3,903,000	3,960,000	57,000
Enterprise Funds	45,000	45,000	0
Total	16,827,000	16,859,000	32,000

Adjustments:

Transfer(s) From	
Special Pay Bill	
General Fund	(257,000)
Special Revenue Funds - Federal	(174,000)
Special Revenue Funds - Other	(247,000)
Appropriated 2008-09	<u>16,149,000</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	5,445,000	5,580,000	135,000
Special Revenue Funds - Federal	300,000	300,000	0
Special Revenue Funds - Other	3,903,000	3,960,000	57,000
Enterprise Funds	45,000	45,000	0
Client Assistance			
Special Revenue Funds - Federal	689,000	654,000	(35,000)
Protection and Advocacy for Beneficiaries of Social Security			
Special Revenue Funds - Federal	343,000	403,000	60,000
Protection and Advocacy for the Developmentally Disabled			
Special Revenue Funds - Federal	2,107,000	2,025,000	(82,000)
Protection and Advocacy Help America Vote Act			
Special Revenue Funds - Federal	181,000	223,000	42,000
Protection and Advocacy for Individual Rights			
Special Revenue Funds - Federal	933,000	901,000	(32,000)
Protection and Advocacy for the Mentally Ill			
Special Revenue Funds - Federal	1,694,000	1,677,000	(17,000)
Protection and Advocacy for Persons with Traumatic Brain Injury			
Special Revenue Funds - Federal	89,000	167,000	78,000
Technology Related Assistance for Individuals with Disabilities			
Special Revenue Funds - Federal	869,000	707,000	(162,000)
Technology Related Protection and Advocacy			
Special Revenue Funds - Federal	229,000	217,000	(12,000)
Total	16,827,000	16,859,000	32,000

QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	4,226,700	(12,300)	4,208,700	(12,300)
Total	4,226,700	(12,300)	4,208,700	(12,300)

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Administration	18,000	0
Total	18,000	0

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	1,353,300	147,300	64,000	1,000
Total	1,353,300	147,300	64,000	1,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	256,400	43,400	969,700	113,700
Total	256,400	43,400	969,700	113,700

Program	Equipment	
	Amount	Change
Administration	63,200	(10,800)
Total	63,200	(10,800)

QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	4,305,000	57,000	2,352,000	100,000
Client Assistance	654,000	(35,000)	80,000	5,000
Protection and Advocacy for Beneficiaries of Social Security	403,000	60,000	106,000	36,000
Protection and Advocacy for the Developmentally Disabled	2,025,000	(82,000)	452,000	(44,000)
Protection and Advocacy Help America Vote Act	223,000	42,000	0	0
Protection and Advocacy for Individual Rights	901,000	(32,000)	155,000	5,000
Protection and Advocacy for the Mentally Ill	1,677,000	(17,000)	588,000	57,000
Protection and Advocacy for Persons with Traumatic Brain Injury	167,000	78,000	0	0
Technology Related Assistance for Individuals with Disabilities	707,000	(162,000)	185,000	6,000
Technology Related Protection and Advocacy	217,000	(12,000)	56,000	(8,000)
Total	11,279,000	(103,000)	3,974,000	157,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	1,653,000	(43,000)	300,000	0
Client Assistance	574,000	(40,000)	0	0
Protection and Advocacy for Beneficiaries of Social Security	297,000	24,000	0	0
Protection and Advocacy for the Developmentally Disabled	1,573,000	(38,000)	0	0
Protection and Advocacy Help America Vote Act	223,000	42,000	0	0
Protection and Advocacy for Individual Rights	746,000	(37,000)	0	0
Protection and Advocacy for the Mentally Ill	1,089,000	(74,000)	0	0
Protection and Advocacy for Persons with Traumatic Brain Injury	167,000	78,000	0	0
Technology Related Assistance for Individuals with Disabilities	522,000	(168,000)	0	0
Technology Related Protection and Advocacy	161,000	(4,000)	0	0
Total	7,005,000	(260,000)	300,000	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	293,000	293,000	0
Special Revenue Funds - Other	478,000	478,000	0
Total	771,000	771,000	0

QUALITY OF CARE AND ADVOCACY FOR PERSONS WITH DISABILITIES ---

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

Program	Available 2008-09	Recommended 2009-10	Change
Adult Homes			
General Fund	170,000	170,000	0
Special Revenue Funds - Other	60,000	60,000	0
Surrogate Decision Making			
General Fund	123,000	123,000	0
Special Revenue Funds - Other	418,000	418,000	0
Total	<u>771,000</u>	<u>771,000</u>	<u>0</u>



**TRANSPORTATION,
ECONOMIC DEVELOPMENT AND
ENVIRONMENTAL CONSERVATION**

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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$6.2 million All Funds** (\$5.5 million General Fund; \$700,000 Federal funds) for the Adirondack Park Agency. Consistent with the Governor’s recurring across-the-board cuts implemented in 2008-09, the Agency has reduced overall spending.

For 2009-10, the Adirondack Park Agency will have a **workforce of 72** positions, the same amount as in 2008-09. The budget 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 funds 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 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	6,569,000	6,157,000	(412,000)	2,781,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	6,569,000	6,157,000	(412,000)	2,781,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	72	72	0
Total	72	72	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	5,869,000	5,457,000	(412,000)
Special Revenue Funds - Federal	700,000	700,000	0
Total	6,569,000	6,157,000	(412,000)

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(321,000)
Appropriated 2008-09	6,248,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	5,869,000	5,457,000	(412,000)
Special Revenue Funds - Federal	700,000	700,000	0
Total	<u>6,569,000</u>	<u>6,157,000</u>	<u>(412,000)</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	4,951,000	(175,000)	4,825,000	(135,000)
Total	<u>4,951,000</u>	<u>(175,000)</u>	<u>4,825,000</u>	<u>(135,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	120,000	(40,000)	6,000	0
Total	<u>120,000</u>	<u>(40,000)</u>	<u>6,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	506,000	(237,000)	127,000	(14,000)
Total	<u>506,000</u>	<u>(237,000)</u>	<u>127,000</u>	<u>(14,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	47,000	(30,000)	204,000	(170,000)
Total	<u>47,000</u>	<u>(30,000)</u>	<u>204,000</u>	<u>(170,000)</u>

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	48,000	(3,000)	80,000	(20,000)
Total	<u>48,000</u>	<u>(3,000)</u>	<u>80,000</u>	<u>(20,000)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Nonpersonal Service	
	Amount	Change	Amount	Change
Administration	700,000	0	700,000	0
Total	<u>700,000</u>	<u>0</u>	<u>700,000</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. 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 611** positions (including the Industrial Exhibit Authority) for fiscal year 2009-10. The agency is headquartered in Albany and maintains four regional offices located in Buffalo, Syracuse, Rochester and Brooklyn. Approximately 24 percent of the Department of Agriculture and Markets' operating programs are funded by tax dollars from the General Fund and the remaining 76 percent are financed by fees, Federal grants and other funds.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$175.7 million All Funds** (\$47.7 million General Fund; \$48.4 million Special Revenue Fund; \$79.6 Other Funds) for the Department of Agriculture and Markets. This is a decrease of **\$26.8 million All Funds** (\$19.7 million General Fund) from the 2008-09 budget. This change primarily reflects the recurring impact of across the board reductions implemented in 2008-09, and a reduction in funding for local initiatives and one time capital projects, partially offset by year to year growth in personal service and non-personal service spending.

The Executive Budget recommends \$1.75 million for capital projects to maintain, repair, and rehabilitate the State Fair's 20 major buildings and other structures and \$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 (EPF) is also provided for Soil and Water Conservation Districts, non-point source pollution control, and farmland protection programs.

The Executive Budget recommends \$14.8 million from the General Fund for local assistance to continue programs which provide valuable services to the State's agricultural community, including continued funding for the Agribusiness Child Development program (Migrant Childcare) and the New York State Veterinary Diagnostic Laboratory.

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.

AGRICULTURE AND MARKETS

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.

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.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	139,075,000	137,227,000	(1,848,000)	169,992,000
Aid To Localities	49,727,208	34,760,000	(14,967,208)	54,662,800
Capital Projects	13,750,000	3,750,000	(10,000,000)	54,731,000
Total	202,552,208	175,737,000	(26,815,208)	279,385,800

AGRICULTURE AND MARKETS

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	69	68	(1)
Agricultural Business Services			
General Fund	179	179	0
Special Revenue Funds - Federal	11	11	0
Special Revenue Funds - Other	43	41	(2)
Fiduciary Funds	5	5	0
Consumer Food Services			
General Fund	141	108	(33)
Special Revenue Funds - Federal	14	14	0
Special Revenue Funds - Other	105	136	31
State Fair			
Enterprise Funds	49	49	0
Total	616	611	(5)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	37,701,000	32,962,000	(4,739,000)
Special Revenue Funds - Federal	29,778,000	29,644,000	(134,000)
Special Revenue Funds - Other	45,523,000	48,424,000	2,901,000
Enterprise Funds	24,208,000	24,361,000	153,000
Fiduciary Funds	1,865,000	1,836,000	(29,000)
Total	139,075,000	137,227,000	(1,848,000)

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(1,999,000)
Special Revenue Funds - Federal	(134,000)
Special Revenue Funds - Other	(1,089,000)
Enterprise Funds	(47,000)
Private Purpose Trust Funds	(29,000)
Appropriated 2008-09	135,777,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	9,497,000	8,067,000	(1,430,000)
Agricultural Business Services			
General Fund	17,988,000	17,299,000	(689,000)
Special Revenue Funds - Federal	21,919,000	21,919,000	0
Special Revenue Funds - Other	27,471,000	27,167,000	(304,000)
Fiduciary Funds	1,865,000	1,836,000	(29,000)
Consumer Food Services			
General Fund	10,216,000	7,596,000	(2,620,000)
Special Revenue Funds - Federal	7,859,000	7,725,000	(134,000)
Special Revenue Funds - Other	18,052,000	21,257,000	3,205,000
State Fair			
Enterprise Funds	24,208,000	24,361,000	153,000
Total	139,075,000	137,227,000	(1,848,000)

AGRICULTURE AND MARKETS

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	5,337,000	(207,000)	5,252,000	(177,000)
Agricultural Business Services	11,233,000	(466,000)	10,794,000	(442,000)
Consumer Food Services	7,121,000	(2,056,000)	6,655,000	(2,043,000)
Total	23,691,000	(2,729,000)	22,701,000	(2,662,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	65,000	(25,000)	20,000	(5,000)
Agricultural Business Services	225,000	(25,000)	214,000	1,000
Consumer Food Services	92,000	(14,000)	374,000	1,000
Total	382,000	(64,000)	608,000	(3,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	2,730,000	(1,223,000)	236,000	(101,000)
Agricultural Business Services	6,066,000	(223,000)	382,000	(434,000)
Consumer Food Services	475,000	(564,000)	157,000	(204,000)
Total	9,271,000	(2,010,000)	775,000	(739,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	197,000	(53,000)	2,221,000	(679,000)
Agricultural Business Services	387,000	(359,000)	5,056,000	778,000
Consumer Food Services	115,000	(215,000)	105,000	(206,000)
Total	699,000	(627,000)	7,382,000	(107,000)

Program	Equipment			
	Amount	Change		
Administration	76,000	(390,000)		
Agricultural Business Services	241,000	(208,000)		
Consumer Food Services	98,000	61,000		
Total	415,000	(537,000)		

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Agricultural Business Services	50,922,000	(333,000)	3,318,000	(362,000)
Consumer Food Services	28,982,000	3,071,000	10,092,000	2,035,000
State Fair	24,361,000	153,000	6,749,000	(32,000)
Total	104,265,000	2,891,000	20,159,000	1,641,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Agricultural Business Services	25,685,000	29,000	21,919,000	0
Consumer Food Services	11,165,000	1,036,000	7,725,000	0
State Fair	17,612,000	185,000	0	0
Total	54,462,000	1,250,000	29,644,000	0

AGRICULTURE AND MARKETS

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
General Fund	29,727,208	14,760,000	(14,967,208)
Special Revenue Funds - Federal	20,000,000	20,000,000	0
Total	<u>49,727,208</u>	<u>34,760,000</u>	<u>(14,967,208)</u>

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Agricultural Business Services			
General Fund	28,199,843	14,760,000	(13,439,843)
Special Revenue Funds - Federal	20,000,000	20,000,000	0
Community Projects			
General Fund	1,527,365	0	(1,527,365)
Total	<u>49,727,208</u>	<u>34,760,000</u>	<u>(14,967,208)</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>	<u>Reappropriations 2009-10</u>
New Facilities				
Capital Projects Fund	10,000,000	0	(10,000,000)	10,000,000
Capital Projects Fund - Authority Bonds	0	0	0	43,513,000
State Fair				
Capital Projects Fund	1,750,000	1,750,000	0	1,218,000
Misc. Capital Projects	2,000,000	2,000,000	0	0
Total	<u>13,750,000</u>	<u>3,750,000</u>	<u>(10,000,000)</u>	<u>54,731,000</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 3,400 State-chartered banking institutions and licensees with total assets of approximately \$2.1 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, and Syracuse.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$105 million All Funds** (\$105 million Special Revenue Funds) for the Banking Department. Funding levels remain unchanged from the 2008-09 budget. The Executive Budget recommends a staffing level of **545 FTEs** for the Banking Department, representing no change from the 2008-09 budget.

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. Of the recommended \$105 million, the Department's operating budget totals \$91 million and the remaining \$14 million is an appropriation to support the State Transmitter of Money Insurance Fund which protects moneys that New Yorkers electronically transfer via commercial third parties.

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

BANKING

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.

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.

Additionally, the Department is actively engaged with supervised institutions and the regulatory community to bring about subprime lending reform. In August 2008 Governor Paterson signed into law a subprime lending reform bill which provides protections to homeowners at risk for foreclosure along with changes to existing law to prevent future subprime crises. 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 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	101,610,000	101,610,000	0	4,500,000
Aid To Localities	3,500,000	3,500,000	0	0
Capital Projects	0	0	0	0
Total	105,110,000	105,110,000	0	4,500,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	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	447	447	0
Total	545	545	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	101,610,000	101,610,000	0
Total	101,610,000	101,610,000	0

Adjustments:	
Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Other	(5,527,000)
Appropriated 2008-09	96,083,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
Special Revenue Funds - Other	23,247,769	22,851,000	(396,769)
Analysis and Compliance			
Special Revenue Funds - Other	4,425,490	4,589,000	163,510
Regulation			
Special Revenue Funds - Other	73,936,741	74,170,000	233,259
Total	101,610,000	101,610,000	0

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	22,851,000	(396,769)	5,239,000	200,513
Analysis and Compliance	4,589,000	163,510	2,952,000	127,067
Regulation	74,170,000	233,259	39,231,000	(27,580)
Total	101,610,000	0	47,422,000	300,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	17,612,000	(597,282)	0	0
Analysis and Compliance	1,637,000	36,443	0	0
Regulation	33,774,000	260,839	1,165,000	0
Total	53,023,000	(300,000)	1,165,000	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	3,500,000	3,500,000	0
Total	3,500,000	3,500,000	0

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
Special Revenue Funds - Other	3,500,000	3,500,000	0
Total	3,500,000	3,500,000	0

DEPARTMENT OF ECONOMIC DEVELOPMENT

The 2009-10 Executive Budget would eliminate the Department of Economic Development and transfer responsibilities to the Empire State Development Corporation. This recommendation will further streamline and improve the delivery of economic development services, eliminate duplicative administrative support and save over \$11 million in State taxpayer dollars.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	1,500,000	0	(1,500,000)	0
Aid To Localities	7,955,610	0	(7,955,610)	0
Capital Projects	0	0	0	0
Total	9,455,610	0	(9,455,610)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	47	0	(47)
Special Revenue Funds - Other	5	0	(5)
Clean Air			
Special Revenue Funds - Other	3	0	(3)
Economic Development			
General Fund	140	0	(140)
Marketing and Advertising Program			
General Fund	34	0	(34)
Special Revenue Funds - Other	1	0	(1)
Total	230	0	(230)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	1,500,000	0	(1,500,000)
Total	1,500,000	0	(1,500,000)

Adjustments:

Transfer(s) From

Special Pay Bill

General Fund

(1,052,000)

Special Revenue Funds - Other

(49,000)

Transfer(s) To

Empire State Development Corporation

General Fund (Aid To Localities)

45,019,000

Special Revenue Funds - Federal

1,000,000

Special Revenue Funds - Other

5,439,000

Appropriated 2008-09

51,857,000

ECONOMIC DEVELOPMENT

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

Program	Available 2008-09	Recommended 2009-10	Change
Economic Development			
General Fund	1,500,000	0	(1,500,000)
Total	1,500,000	0	(1,500,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total Amount	Change	Maintenance Undistributed Amount	Change
Economic Development	0	(1,500,000)	0	(1,500,000)
Total	0	(1,500,000)	0	(1,500,000)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	7,955,610	0	(7,955,610)
Total	7,955,610	0	(7,955,610)

Adjustments:	
Transfer(s) To	
Empire State Development Corporation	
General Fund	7,418,000
Appropriated 2008-09	15,373,610

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

Program	Available 2008-09	Recommended 2009-10	Change
Economic Development			
General Fund	2,679,000	0	(2,679,000)
Marketing and Advertising Program			
General Fund	893,000	0	(893,000)
Community Projects			
General Fund	4,383,610	0	(4,383,610)
Total	7,955,610	0	(7,955,610)

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. Its overall objective is to stimulate economic growth through the creation of jobs by fostering business development, enhancing industrial competitiveness, revitalizing downtown areas, advancing high technology and promoting tourism. It engages in three principal activities: economic and real estate development; State facility financing; and housing portfolio maintenance.

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.

ORGANIZATION AND STAFFING

Historically, State economic development programs have been administered by the Empire State Development Corporation working in conjunction with the Department of Economic Development. In addition, the Corporation and Department worked closely with the Foundation for Science, Technology, and Innovation to foster technology-related job creation. The 2009-10 Executive Budget would consolidate these entities by fully merging the Department and the Foundation into the Corporation. This recommendation will further streamline and improve the delivery of economic development services, eliminate duplicative administrative support and save over \$11 million in State taxpayer dollars.

EMPIRE STATE DEVELOPMENT

For 2009-10, ESDC will be overseen by a chairman who will coordinate statewide operations of the newly consolidated entity. The Corporation will have a workforce of 364 in 2009-10. This staffing level reflects the transfer of 116 staff from the Department and the Foundation. The Corporation will assume the following **responsibilities** of the Department and Foundation:

- Department: Tourism, Empire Zones, Minority and Women-owned Business, Linked Deposit, Regulatory Compliance, and International Trade.
- Foundation: Centers for Advanced Technologies (CATs), various University-based Matching Grants, Regional Technology Development Centers, Technology Transfer and Faculty Development programs.

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 chairman of the Empire State Development Corporation Board is 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) redevelop 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; (8) coordinate the development of the former Buffalo Memorial Auditorium and additional projects along the waterfront and inner harbor in downtown Buffalo; and (9) redevelop Governor's Island to create new civic spaces enhanced with educational, historical, artistic and cultural uses that benefit the island's rich history and harbor setting.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$251 million** for Empire State Development Corporation in 2009-10, a decrease of **\$1.5 billion** from 2008-09. This net change primarily reflects the reappropriation of capital spending authorized in 2008-09.

In 2009-10, 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. Major budget actions include:

- **New York GAINS (Growth, Achievement and Investment Strategy) Fund:** \$50 million to support the newly created New York GAINS Fund to be administered by the Corporation with funding targeted to strategic industries based on anticipated job growth. Grants or loans will be provided to firms within

the manufacturing, financial services, agribusiness or high technology industries that demonstrate substantial job creation unlikely to occur without State assistance.

- **Economic Development Initiatives:** Over \$50 million in support for economic development initiatives, including: the Empire State Economic Development Fund; Minority - and Women-Owned Business Development and Lending programs; the Urban and Community Development Program; the Entrepreneurial Assistance Program; the retention of professional football in Western New York; military base retention; and the operation and development of the Centers of Excellence or other high technology research centers.
- **“I ♥ NY” Program:** \$11 million for “I ♥ NY” tourism advertising, a decrease of \$6 million from the 2008-09 budget;
- **Tourism Matching Grants:** \$4.2 million is provided to assist local tourism promotion agencies, a decrease of \$1 million from the 2008-09 budget;
- **International Trade:** \$1.5 million, a decrease of \$2 million from the 2008-09 budget, to attract the international investment to New York State, and increase export sales to foreign countries;
- **Visitor Centers:** \$392,000 to support visitor welcome centers in Beekmantown and Binghamton;
- **High Technology:** \$31.6 million to support critical university-based matching grants, and other high technology and research and development programs previously administered by the Foundation;
- **Economic Development Capital:** \$375 million in cost savings will be identified through the reduction or elimination of non-essential projects. A portion of this savings will be reprogrammed to support critical economic development initiatives, such as \$50 million for the development of a semiconductor packaging center in Upstate, \$25 million to support activities at Albany Nanotech, and \$200 million to be administered by the Corporation to identify new high value opportunities;
- **Continued support of specific projects:** \$1.285 billion for continued support of various economic development and regional initiatives including a statewide competitive grant program administered by the Corporation, specific downstate regional initiatives and upstate city-by-city projects. In addition, this Executive Budget recommends over \$2.5 billion for economic development, cultural facilities, university development, environmental, and energy projects administered by the Corporation and Dormitory Authority of the State of New York. These projects include \$300 million for the development of an international computer chip research and development center; \$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; \$650 million for the development of a semiconductor manufacturing facility; and \$300 million for the Restore New York Communities initiative; and
- **Operations:** \$18.8 million to support the Empire State Development Corporation’s operations and administration of State economic development programs.

PROGRAM HIGHLIGHTS

The Empire State Development Corporation and its subsidiaries will continue to administer economic development programs and assume responsibility for programs formerly administered by the Department of Economic Development and the Foundation for Science, Technology and Innovation.

- **Economic Development:** These programs 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; provide funding for the economic development initiatives in distressed urban communities; and provide funding for military base retention and redevelopment efforts.
- **High Technology:** Through the consolidation, the Corporation will now administer various Foundation programs including: Centers for Advanced Technology; Industrial Technology Extension Service; Manufacturing Extension Partnership Program; Technology Development Organizations; the Focus Center-New York semiconductor research center; the High-Technology Matching Grants Program, including the Security Through Advanced Research and Technology (START) initiative; 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; the University at Albany Semiconductor Research Corporation Center for Advanced Interconnect Systems Technologies. Additional university-based matching grant funding will be provided to support the University at Albany Institute for Nanoelectronics Discovery and Exploration (INDEX) project; the Rensselaer Polytechnic Institute Smart Lighting Systems project; and Stony Brook University Semiconductor High-Energy Radiation project.
- **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 Corporation will manage tourist information services at the Beekmantown and Binghamton Gateway Centers, develop the State’s tourism master plan, target information to consumers and the travel trade, participate in national and international trade shows, and provide technical assistance to tour directors.
- **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 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. In addition, a disparity study is nearing completion to provide the data needed to more fully understand minority- and women-owned business enterprise procurement of state contracts in New York.

- **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 international offices in Montreal, Toronto, London, and Tokyo, and maintains a contractual presence in several other countries. 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 was intended to benefit 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 85 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, Putnam, Yates, Hamilton and the Chinatown area of Manhattan. Currently, each of New York's 62 counties has at least one Empire Zone. In addition, 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. In 2009-2010, ESDC will undertake Empire Zone program reforms and administrative changes to improve overall program performance. The proposal is expected to generate more than \$300 million of full annual savings to the State, allow only projects with favorable cost/benefit ratios to receive benefits, and ensure that the program targets strategic industries. A portion of these savings will be reinvested in new tax and grant incentive programs.
- **Business Assistance Programs:** To improve the competitiveness of New York State companies, the Corporation 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 businesses and also offers these enterprises training and

EMPIRE STATE DEVELOPMENT

technical assistance. In addition, the Corporation provides State and Federal procurement assistance to small businesses. The Division also operates the Clean Air Act Ombudsman Unit, which helps small businesses comply with these environmental regulations.

- **Environmental Compliance Assistance:** Pollution Prevention and Compliance Assistance is a cooperative program between the Corporation, 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.
- **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.
- **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)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	6,939,000	6,070,000	(869,000)	15,735,000
Aid To Localities	153,983,220	148,101,000	(5,882,220)	539,582,820
Capital Projects	1,640,000,000	100,000,000	(1,540,000,000)	4,436,925,000
Total	1,800,922,220	254,171,000	(1,546,751,220)	4,992,242,820

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Federal	1,000,000	1,000,000	0
Special Revenue Funds - Other	5,939,000	5,070,000	(869,000)
Total	6,939,000	6,070,000	(869,000)

Adjustments:

Transfer(s) From

Economic Development, Department of	
Special Revenue Funds - Federal	(1,000,000)
Special Revenue Funds - Other	(5,439,000)
Science, Technology and Innovation, NYS Foundation for	
Special Revenue Funds - Other	(500,000)
Appropriated 2008-09	0

EMPIRE STATE DEVELOPMENT

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

Program	Available 2008-09	Recommended 2009-10	Change
Economic Development			
Special Revenue Funds - Federal	1,000,000	1,000,000	0
Special Revenue Funds - Other	5,939,000	5,070,000	(869,000)
Total	<u>6,939,000</u>	<u>6,070,000</u>	<u>(869,000)</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total Amount	Change	Personal Service Amount	Change
Economic Development	6,070,000	(869,000)	285,000	(520,000)
Total	<u>6,070,000</u>	<u>(869,000)</u>	<u>285,000</u>	<u>(520,000)</u>

Program	Nonpersonal Service Amount	Change	Maintenance Undistributed Amount	Change
Economic Development	4,115,000	(349,000)	1,670,000	0
Total	<u>4,115,000</u>	<u>(349,000)</u>	<u>1,670,000</u>	<u>0</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	153,983,220	148,101,000	(5,882,220)
Total	<u>153,983,220</u>	<u>148,101,000</u>	<u>(5,882,220)</u>

Adjustments:

Transfer(s) From

 Economic Development, Department of

 General Fund (7,418,000)

 General Fund (State Operations) (45,019,000)

 Science, Technology and Innovation,

 NYS Foundation for

 General Fund (40,696,280)

 General Fund (State Operations) (4,179,000)

Appropriated 2008-09

56,670,940

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

Program	Available 2008-09	Recommended 2009-10	Change
Economic Development			
General Fund	150,842,220	144,960,000	(5,882,220)
Community Projects			
General Fund	3,141,000	3,141,000	0
Total	<u>153,983,220</u>	<u>148,101,000</u>	<u>(5,882,220)</u>

EMPIRE STATE DEVELOPMENT

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Research Facilities				
Capital Projects Fund - Authority Bonds	0	0	0	7,132,000
Regional Development				
Capital Projects Fund - Authority Bonds	0	0	0	1,003,431,000
Cap Proj Fund - CEFAP (Direct Auth Bonds)	0	0	0	425,000,000
AMD Direct (Direct Auth Bonds)	0	0	0	150,000,000
Economic Development				
Capital Projects Fund - Authority Bonds	1,285,000,000	100,000,000	(1,185,000,000)	1,868,745,000
Cap Proj Fund - Stadium (Auth Bonds)	0	0	0	99,400,000
Cap Proj Fund - Downtown Buffalo (Auth Bonds)	0	0	0	28,217,000
AMD Direct (Direct Auth Bonds)	0	0	0	500,000,000
Misc. Capital Projects	355,000,000	0	(355,000,000)	355,000,000
Total	<u>1,640,000,000</u>	<u>100,000,000</u>	<u>(1,540,000,000)</u>	<u>4,436,925,000</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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$29.7 million All Funds** (\$16.2 million Special Revenue Funds; \$13.5 million Capital funds) for the Energy Research and Development Authority. This is a decrease of **\$1.8 million** (\$1.8 million Special Revenue Funds) from the 2008-09 budget. This net change primarily reflects a decrease in funding due to one-time costs associated with updating the State energy plan.

The Energy Research and Development Authority is partially funded by assessments on State public utility gross intrastate operating receipts. The 2009-10 budget recommends approximately \$16.2 million in appropriations for the Authority's energy, research and development programs and \$13.5 million for ongoing work at West Valley. The authority has a **workforce of 270**.

ENERGY RESEARCH AND DEVELOPMENT

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	7,990,000	6,996,000	(994,000)	0
Aid To Localities	10,014,020	9,234,000	(780,020)	0
Capital Projects	13,500,000	13,500,000	0	0
Total	31,504,020	29,730,000	(1,774,020)	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Federal	45,000	0	(45,000)
Special Revenue Funds - Other	7,945,000	6,996,000	(949,000)
Total	7,990,000	6,996,000	(994,000)

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

Program	Available 2008-09	Recommended 2009-10	Change
Research, Development and Demonstration			
Special Revenue Funds - Federal	45,000	0	(45,000)
Special Revenue Funds - Other	7,945,000	6,996,000	(949,000)
Total	7,990,000	6,996,000	(994,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Research, Development and Demonstration	6,996,000	(994,000)	3,928,000	143,000
Total	6,996,000	(994,000)	3,928,000	143,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Research, Development and Demonstration	3,068,000	(1,092,000)	0	(45,000)
Total	3,068,000	(1,092,000)	0	(45,000)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	10,014,020	9,234,000	(780,020)
Total	10,014,020	9,234,000	(780,020)

ENERGY RESEARCH AND DEVELOPMENT

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

Program	Available 2008-09	Recommended 2009-10	Change
Research, Development and Demonstration			
Special Revenue Funds - Other	10,014,020	9,234,000	(780,020)
Total	10,014,020	9,234,000	(780,020)

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Western New York Nuclear Service Center Program				
Capital Projects Fund - Authority Bonds	13,500,000	13,500,000	0	0
Total	13,500,000	13,500,000	0	0

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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$1.1 billion All Funds** (\$144.6 million General Fund; \$64.4 million Federal funds) for the Department of Environmental Conservation. This is a decrease of \$91.8 million from the 2008-09 budget. Consistent with the Governor's recurring across-the-board cuts implemented in 2008-09, the Department has reduced overall spending.

The Department will have a workforce of **3,506 positions** in fiscal year 2009-10. This **decrease of** 240 positions from 2008-09 levels is due to the impact of the statewide hiring freeze and the Department's approved 2008-09 Spending Reduction Plan. Approximately 41 percent of these positions are paid by State tax dollars, 50 percent are supported by State fees, capital and other revenues and the remaining 9 percent are financed by Federal grants.

General Fund appropriations will finance 29.2 percent of the Department of Environmental Conservation's operations in 2009-10. 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. Federal funds will support the remaining 13.2 percent of the Department's budget.

The Environmental Protection Fund (EPF) will provide appropriations of \$205 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 revenues from the real estate transfer tax as well as by the sale or lease of State property and by Fund interest earnings. To provide an ongoing revenue source for environmental programs, the Budget proposes to expand the "Bottle Bill" and redirect all unclaimed deposits to the EPF.

ENVIRONMENTAL CONSERVATION

The 1982 “Bottle Bill” is one of the most effective environmental laws in the State, leading to reduced litter and increased recycling. The 2009-10 Executive Budget builds on these successes by expanding the “Bottle Bill” to non-carbonated beverages and directing \$118 million in unclaimed funds to the EPF. These funds will replace real estate transfer tax revenues.

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 2009-10 Executive Budget provides more than \$1 billion to support the Department’s critical environmental, resource management and recreation programs, including:

- \$120 million to support the refinanced Superfund program to continue the cleanup of inactive hazardous waste sites and to address hazardous substance sites. Recommendations also include \$102.9million in reappropriated funds from the 1986 Environmental Quality Bond Act to continue work already underway for existing Superfund sites;
- \$205 million in 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, the Hudson River Park, the Walkway over the Hudson River and stewardship projects. Other projects funded by the EPF in 2009-10 will include: the 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 waterfront revitalization projects; non-point source water pollution control projects; farmland protection; 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 \$50 million in continued Bond Act disbursements in 2009-10 for critical Water Quality, Air, Solid Waste, Brownfield and Safe Drinking Water Projects;
- \$22 million in 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;

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- \$5.6 million 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;
- \$54.7million to support the programs of the Conservation Fund;
- \$32 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;
- \$33 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
- \$487.6 million to support the operations of the Department, including a workforce of 3,506 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.

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, operates 12 fish hatcheries, and maintains more than 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 manages over 690,000 acres of

ENVIRONMENTAL CONSERVATION

conservation easements. The Lands and Forests program also supports state-wide urban and community forestry, forest health and other programs to encourage the long-term sustainable management of private forest lands. 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 13,000 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 2,200 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 \$14 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/REMEDIATION

A new "Climate Change Office" was established at DEC in 2007-08, with a staff of 12. This office implements the Regional Greenhouse Gas Initiative (100 percent auction of carbon dioxide allowances), collaborates with other states, and identifies 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.

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 motor vehicle inspection sticker 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 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 the largest fleet as well as one of the cleanest in the world, with the retrofit of more than 4,000 diesel buses, and the purchase of clean diesel technology and clean compressed natural gas buses. MTA also has the largest hybrid-electric fleet in North America with 825 buses in 2007 and an order for 850 more hybrid buses.

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 407 sites have applied to the Brownfield Cleanup Program, and 48 have been completely cleaned as of November 2008. 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. As part of the 2008-09 Legislative Session, the Brownfields Cleanup Program tax credits were changed to include a cap on the redevelopment credits of \$35 million or 3 times the cost of remediation, whichever is less. Redevelopment credits for manufacturing projects are capped at \$45 million or 6 times the cost of remediation, whichever is less. Oversight of the \$2.75 million Brownfields Opportunity Areas Program was also transferred from the Department of Environmental Conservation to the Department of State (DOS).

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

The Department of Environmental Conservation also enforces and regulates 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. The Department uses its Environmental Conservation Officers and Forest Rangers as its frontline to interact directly with the public and the regulated community to ensure compliance with all Department regulations and the initiatives described above.

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)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	518,217,300	487,569,800	(30,647,500)	473,347,550
Aid To Localities	10,425,140	1,878,800	(8,546,340)	9,148,425
Capital Projects	638,809,000	586,234,000	(52,575,000)	3,131,518,000
Total	<u>1,167,451,440</u>	<u>1,075,682,600</u>	<u>(91,768,840)</u>	<u>3,614,013,975</u>

ENVIRONMENTAL CONSERVATION

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	137	136	(1)
Special Revenue Funds - Other	169	147	(22)
Air and Water Quality Management			
General Fund	173	168	(5)
Special Revenue Funds - Federal	172	176	4
Special Revenue Funds - Other	392	373	(19)
Environmental Enforcement			
General Fund	313	367	54
Special Revenue Funds - Other	226	132	(94)
Fish, Wildlife and Marine Resources			
General Fund	65	43	(22)
Special Revenue Funds - Federal	93	79	(14)
Special Revenue Funds - Other	283	277	(6)
Forest and Land Resources			
General Fund	256	244	(12)
Special Revenue Funds - Federal	11	9	(2)
Special Revenue Funds - Other	203	194	(9)
Operations			
General Fund	352	338	(14)
Special Revenue Funds - Other	63	55	(8)
Rehabilitation and Improvement			
Capital Projects Funds - Other	178	148	(30)
Solid and Hazardous Waste Management			
General Fund	139	127	(12)
Special Revenue Funds - Federal	52	50	(2)
Special Revenue Funds - Other	141	142	1
Capital Projects Funds - Federal	7	7	0
Capital Projects Funds - Other	322	294	(28)
Total	3,747	3,506	(241)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	151,014,300	142,718,100	(8,296,200)
Special Revenue Funds - Federal	68,440,000	64,400,000	(4,040,000)
Special Revenue Funds - Other	298,703,000	280,391,700	(18,311,300)
Internal Service Funds	60,000	60,000	0
Total	518,217,300	487,569,800	(30,647,500)

Adjustments:

Transfer(s) From

 Special Pay Bill

 General Fund

(5,848,000)

 Special Revenue Funds - Federal

(4,188,000)

 Special Revenue Funds - Other

(9,796,000)

Appropriated 2008-09

498,385,300

ENVIRONMENTAL CONSERVATION

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	14,154,000	11,934,000	(2,220,000)
Special Revenue Funds - Federal	4,188,000	0	(4,188,000)
Special Revenue Funds - Other	25,879,000	16,951,600	(8,927,400)
Internal Service Funds	60,000	60,000	0
Air and Water Quality Management			
General Fund	18,253,000	16,294,000	(1,959,000)
Special Revenue Funds - Federal	19,252,000	17,000,000	(2,252,000)
Special Revenue Funds - Other	90,521,000	85,636,800	(4,884,200)
Air Resources			
Special Revenue Funds - Federal	8,000,000	8,000,000	0
Construction Management			
Special Revenue Funds - Federal	3,600,000	4,000,000	400,000
Environmental Enforcement			
General Fund	36,450,000	37,908,900	1,458,900
Special Revenue Funds - Other	32,914,000	29,649,500	(3,264,500)
Fish, Wildlife and Marine Resources			
General Fund	11,134,300	10,204,200	(930,100)
Special Revenue Funds - Federal	22,000,000	24,000,000	2,000,000
Special Revenue Funds - Other	40,268,000	40,313,000	45,000
Forest and Land Resources			
General Fund	20,728,000	21,413,000	685,000
Special Revenue Funds - Federal	5,000,000	5,000,000	0
Special Revenue Funds - Other	29,595,000	32,544,900	2,949,900
Operations			
General Fund	39,348,000	34,300,000	(5,048,000)
Special Revenue Funds - Other	16,262,000	16,541,800	279,800
Solid and Hazardous Waste Management			
General Fund	10,947,000	10,664,000	(283,000)
Special Revenue Funds - Federal	6,400,000	6,400,000	0
Special Revenue Funds - Other	63,264,000	58,754,100	(4,509,900)
Total	<u>518,217,300</u>	<u>487,569,800</u>	<u>(30,647,500)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	10,390,000	(1,433,000)	9,864,000	(1,382,000)
Air and Water Quality Management	14,260,000	283,000	14,152,000	282,000
Environmental Enforcement	30,240,000	603,000	27,776,000	1,208,000
Fish, Wildlife and Marine Resources	8,432,000	(185,000)	8,310,000	(171,000)
Forest and Land Resources	19,345,000	686,000	18,133,000	952,000
Operations	19,496,000	(3,270,000)	18,876,000	(3,183,000)
Solid and Hazardous Waste Management	9,913,000	263,000	9,697,000	291,000
Total	<u>112,076,000</u>	<u>(3,053,000)</u>	<u>106,808,000</u>	<u>(2,003,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	466,000	(66,000)	60,000	15,000
Air and Water Quality Management	56,000	(7,000)	52,000	8,000
Environmental Enforcement	0	0	2,464,000	(605,000)
Fish, Wildlife and Marine Resources	87,000	(11,000)	35,000	(3,000)
Forest and Land Resources	238,000	(39,000)	974,000	(227,000)
Operations	511,000	(73,000)	109,000	(14,000)
Solid and Hazardous Waste Management	109,000	(15,000)	107,000	(13,000)
Total	<u>1,467,000</u>	<u>(211,000)</u>	<u>3,801,000</u>	<u>(839,000)</u>

ENVIRONMENTAL CONSERVATION

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	1,544,000	(787,000)	302,000	11,000
Air and Water Quality Management	2,034,000	(2,242,000)	566,000	122,000
Environmental Enforcement	7,668,900	855,900	375,000	22,000
Fish, Wildlife and Marine Resources	1,772,200	(745,100)	859,000	19,000
Forest and Land Resources	2,068,000	(1,000)	1,365,000	72,000
Operations	14,804,000	(1,778,000)	2,440,000	116,000
Solid and Hazardous Waste Management	751,000	(546,000)	138,000	4,000
Total	30,642,100	(5,243,200)	6,045,000	366,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	220,000	0	906,000	(798,000)
Air and Water Quality Management	138,000	27,000	1,203,000	256,000
Environmental Enforcement	60,000	41,000	1,588,000	572,000
Fish, Wildlife and Marine Resources	167,000	0	333,000	(786,000)
Forest and Land Resources	93,000	0	523,000	(73,000)
Operations	605,000	0	8,810,000	(1,894,000)
Solid and Hazardous Waste Management	40,000	0	571,000	450,000
Total	1,323,000	68,000	13,934,000	(2,273,000)

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	116,000	0	0	0
Air and Water Quality Management	127,000	53,000	0	(2,700,000)
Environmental Enforcement	38,000	26,000	5,607,900	194,900
Fish, Wildlife and Marine Resources	72,000	0	341,200	21,900
Forest and Land Resources	87,000	0	0	0
Operations	2,949,000	0	0	0
Solid and Hazardous Waste Management	2,000	0	0	(1,000,000)
Total	3,391,000	79,000	5,949,100	(3,483,200)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	17,011,600	(13,115,400)	10,149,600	(8,369,400)
Air and Water Quality Management	102,636,800	(7,136,200)	38,608,800	2,146,800
Air Resources	8,000,000	0	4,000,000	354,000
Construction Management	4,000,000	400,000	1,820,000	110,000
Environmental Enforcement	29,649,500	(3,264,500)	15,813,500	(1,644,500)
Fish, Wildlife and Marine Resources	64,313,000	2,045,000	26,800,000	1,189,000
Forest and Land Resources	37,544,900	2,949,900	18,861,900	1,605,900
Operations	16,541,800	279,800	3,680,800	190,800
Solid and Hazardous Waste Management	65,154,100	(4,509,900)	18,623,100	672,100
Total	344,851,700	(22,351,300)	138,357,700	(3,745,300)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	6,862,000	(4,746,000)	0	0
Air and Water Quality Management	62,028,000	(9,283,000)	2,000,000	0
Air Resources	4,000,000	(354,000)	0	0
Construction Management	2,180,000	290,000	0	0
Environmental Enforcement	13,836,000	(1,620,000)	0	0
Fish, Wildlife and Marine Resources	33,033,000	556,000	4,480,000	300,000
Forest and Land Resources	18,683,000	1,344,000	0	0
Operations	12,861,000	89,000	0	0
Solid and Hazardous Waste Management	46,531,000	(5,182,000)	0	0
Total	200,014,000	(18,906,000)	6,480,000	300,000

ENVIRONMENTAL CONSERVATION

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	10,425,140	1,878,800	(8,546,340)
Total	10,425,140	1,878,800	(8,546,340)

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	6,237,943	0	(6,237,943)
Air and Water Quality Management			
General Fund	1,460,407	947,800	(512,607)
Solid and Hazardous Waste Management			
General Fund	931,000	931,000	0
Community Projects			
General Fund	1,795,790	0	(1,795,790)
Total	10,425,140	1,878,800	(8,546,340)

ENVIRONMENTAL CONSERVATION

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Marine Resources				
Federal Capital Projects Fund	4,000,000	0	(4,000,000)	12,150,000
Air Resources - EQBA				
Capital Projects Fund - EQBA (Bondable)	0	0	0	6,346,000
Environmental Quality Bond Act Fund				
Environmental Quality Bond Act Fund - 1986	0	0	0	102,908,000
Water Resources - PWBA				
Capital Projects Fund - PWBA (Bondable)	0	0	0	11,894,000
Solid Waste Management				
Capital Projects Fund	50,000	50,000	0	2,811,000
Capital Projects Fund - Advances	0	0	0	1,260,000
Federal Capital Projects Fund	0	0	0	30,941,000
Environmental Protection and Enhancements				
Environmental Protection Fund	0	0	0	20,673,000
Environment and Recreation				
Environmental Protection Fund	255,000,000	205,000,000	(50,000,000)	764,339,000
Fish and Wildlife				
Capital Projects Fund	1,000,000	1,000,000	0	4,227,000
Federal Capital Projects Fund	0	1,250,000	1,250,000	2,474,000
Hudson River Habitat Restor. Fund	0	0	0	351,000
Lands and Forests				
Capital Projects Fund	1,700,000	16,800,000	15,100,000	21,437,000
Federal Capital Projects Fund	2,000,000	0	(2,000,000)	5,324,000
Forest Preserve Expansion Fund	0	0	0	110,000
Water Resources - EQBA				
Capital Projects Fund - EQBA (Bondable)	0	0	0	6,026,000
Air Resources				
Clean Air Fund	0	0	0	3,953,000
Administration				
Capital Projects Fund	4,100,000	4,100,000	0	8,257,000
Environmental Quality Protection Bond Fund				
Environmental Quality Protection Bond Fund	0	0	0	32,001,000
Clean Water/Clean Air Bond Fund				
Clean Water - Clean Air Bond Fund	0	0	0	385,110,000
Pure Waters Bond Fund				
Pure Waters Bond Fund	0	0	0	27,227,000
Recreation				
Capital Projects Fund	1,500,000	1,000,000	(500,000)	2,959,000
Cap Proj Fund - DEC Regular (Auth Bonds)	0	0	0	4,293,000
Solid Waste Management - EQBA				
Capital Projects Fund - EQBA (Bondable)	0	0	0	5,640,000
Operations				
Capital Projects Fund	21,350,000	20,800,000	(550,000)	37,094,000
Cap Proj Fund - DEC Regular (Auth Bonds)	12,000,000	12,000,000	0	24,000,000
Natural Resource Damages Fund	0	0	0	28,425,000
Financial Security Fund	0	0	0	1,183,000
Water Resources				
Capital Projects Fund	2,184,000	3,334,000	1,150,000	28,578,000
Capital Projects Fund - Advances	0	0	0	16,006,000
Cap Proj Fund - State Revolving Fund (Auth Bonds)	29,600,000	29,600,000	0	82,055,000
Cap Proj Fund - Onondaga Lake (Auth Bonds)	10,000,000	10,000,000	0	29,771,000
Federal Capital Projects Fund	148,000,000	148,000,000	0	410,272,000
Air Quality - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	0	0	0	33,853,000
Clean Water - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	0	0	0	193,031,000
Solid Waste - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	0	0	0	11,413,000
Environmental Restoration - Clean Water/Clean Air 96				
Capital Projects Fund - 1996 CWA (Bondable)	0	0	0	122,399,000
Clean Water - Clean Air Implementation				
Clean Water Clean Air Implementation Fund	1,050,000	1,050,000	0	6,089,000
Solid and Hazardous Waste Management - EQBA 86				
Capital Projects Fund - EQBA 86 (Bondable)	0	0	0	93,124,000

ENVIRONMENTAL CONSERVATION

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Solid and Hazardous Waste Management				
Capital Projects Fund	0	0	0	1,501,000
Capital Projects Fund - Advances	10,000,000	0	(10,000,000)	48,842,000
Cap Proj Fund - DEC Regular (Auth Bonds)	0	0	0	25,000,000
Hazardous Waste Remedial Fund - Oversight & Assessment	15,275,000	12,250,000	(3,025,000)	99,594,000
Hazardous Waste Remedial Fund - Cleanup	120,000,000	120,000,000	0	376,577,000
Total	<u>638,809,000</u>	<u>586,234,000</u>	<u>(52,575,000)</u>	<u>3,131,518,000</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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$13.4 million** for the Environmental Facilities Corporation (EFC). This is a decrease of **\$1.5 million** from the 2008-09 enacted budget. 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.

The Environmental Facilities Corporation will have a 2009-10 **workforce of 97**, a **decrease of three** from 2008-09 levels, while also continuing to support approximately \$2.0 million in staffing at the Department of Environmental Conservation who are assigned administratively to the Corporation.

ENVIRONMENTAL FACILITIES

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.

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 \$573 million, respectively. The State Revolving Fund has made financings totaling \$13.1 billion to 482 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.

In July 2007, the Governor signed legislation creating a Water Pollution Control Linked Deposit Program (LDP) that requires EFC to invest CWSRF monies with participating lending institutions for agricultural non-point source projects and for residential and small business on-site wastewater treatment system projects. The legislation is limited to \$10 million per intended use plan period and was effective January 14, 2008.

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 \$2.3 billion to 326 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 \$612 million and \$265 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 \$2.3 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.

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 \$1.3 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.

ENVIRONMENTAL FACILITIES

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	14,536,000	13,031,000	(1,505,000)	0
Aid To Localities	0	0	0	0
Capital Projects	343,000	343,000	0	1,648,000
Total	14,879,000	13,374,000	(1,505,000)	1,648,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Special Revenue Funds - Other	98	94	(4)
Clean Water/Clean Air Administration Program			
Capital Projects Funds - Other	2	3	1
Total	100	97	(3)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	14,536,000	13,031,000	(1,505,000)
Total	14,536,000	13,031,000	(1,505,000)

Adjustments:	
Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Other	(708,000)
Appropriated 2008-09	13,828,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
Special Revenue Funds - Other	14,536,000	13,031,000	(1,505,000)
Total	14,536,000	13,031,000	(1,505,000)

ENVIRONMENTAL FACILITIES

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	13,031,000	(1,505,000)	7,844,000	(906,000)
Total	13,031,000	(1,505,000)	7,844,000	(906,000)

Program	Nonpersonal Service	
	Amount	Change
Administration	5,187,000	(599,000)
Total	5,187,000	(599,000)

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Pipeline for Jobs Program				
Capital Projects Fund - Authority Bonds	0	0	0	1,305,000
Clean Water - Clean Air Implementation				
Clean Water Clean Air Implementation Fund	343,000	343,000	0	343,000
Total	343,000	343,000	0	1,648,000
Adjustments:				
Prior Year Deficiency				
Air Resources	4,400,000			
Appropriated 2008-09	4,743,000			

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 extends five miles along the Hudson River waterfront from Battery Park to 59th 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$11 million** for the Trust. Specifically, the 2009-10 budget recommendations provide a capital advance appropriation of \$6 million for New York City's share of the project. The budget also proposes funding for new obligations of \$5 million for capital projects to aid in the completion of the remaining segments of the Park to be financed through the State Environmental Protection Fund. 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. Additionally, the Trust has a **workforce of 55** full time employees.

PROGRAM HIGHLIGHTS

During 2009-10, 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 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	25,000,000	6,000,000	(19,000,000)	41,704,000
Total	25,000,000	6,000,000	(19,000,000)	41,704,000

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Regional Development				
Capital Projects Fund - Advances	25,000,000	6,000,000	(19,000,000)	41,704,000
Total	25,000,000	6,000,000	(19,000,000)	41,704,000

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, 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$542 million All Funds** (\$542 million Other Funds) for the Insurance Department. This is an increase of **\$192 million All Funds** (\$292 million Special Revenue Other Funds, offset by a decrease of \$100 million in General Fund) from the 2008-09 budget. This change primarily reflects proposals to shift funding for Timothy's Law and certain public health programs from the General Fund to the insurance industry assessment.

The Executive Budget recommends a staffing level of **925 FTEs** for the Insurance Department, a **decrease of 12 FTEs** from the 2008-09 budget. This decrease is attributed to the impact of the statewide hiring freeze implemented by the Executive in July of 2008 and the conclusion of the Commission to Modernize the Regulation of Financial Services and the Universal Health Care Task Forces.

The Insurance Department is funded by 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.

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 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.

INSURANCE

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.

With the passage of the Workers' Compensation Reform Act of 2007, the Department is responsible for developing reforms to streamline and speed up claims processes, reviewing and reporting on the effectiveness and benefits of the Compensation Insurance Rating Board, developing medical treatment and disability guidelines for injured workers, and evaluating the cost, economic efficiency, and fairness of the workers' compensation system.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	324,280,000	230,564,000	(93,716,000)	150,000
Aid To Localities	26,021,000	311,510,900	285,489,900	0
Capital Projects	0	0	0	0
Total	350,301,000	542,074,900	191,773,900	150,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Special Revenue Funds - Other	131	131	0
Consumer Services			
Special Revenue Funds - Other	153	153	0
Regulation			
General Fund	12	0	(12)
Special Revenue Funds - Other	641	641	0
Total	937	925	(12)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	100,061,000	0	(100,061,000)
Special Revenue Funds - Federal	150,000	150,000	0
Special Revenue Funds - Other	224,069,000	230,414,000	6,345,000
Total	324,280,000	230,564,000	(93,716,000)

Adjustments:

Prior Year Deficiency

Insurance Department

Special Revenue Funds - Other

10,000,000

Transfer(s) From

Insurance Department

General Fund

(61,000)

Special Revenue Funds - Other

(61,000)

Special Pay Bill

General Fund

(61,000)

Special Revenue Funds - Other

(9,682,000)

Transfer(s) To

Insurance Department

General Fund

61,000

Special Revenue Funds - Other

61,000

Appropriated 2008-09

324,537,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
Special Revenue Funds - Other	17,020,000	17,020,000	0
Consumer Services			
Special Revenue Funds - Other	13,490,000	13,490,000	0
Regulation			
General Fund	100,061,000	0	(100,061,000)
Special Revenue Funds - Federal	150,000	150,000	0
Special Revenue Funds - Other	193,559,000	199,904,000	6,345,000
Total	324,280,000	230,564,000	(93,716,000)

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Regulation	0	(861,000)	0	(861,000)
Total	0	(861,000)	0	(861,000)

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Contractual Services	
	Amount	Change	Amount	Change
Regulation	0	(99,200,000)	0	(99,200,000)
Total	0	(99,200,000)	0	(99,200,000)

INSURANCE

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	17,020,000	0	10,788,000	0
Consumer Services	13,490,000	0	8,752,000	0
Regulation	200,054,000	6,345,000	58,194,000	861,000
Total	230,564,000	6,345,000	77,734,000	861,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	6,232,000	0	0	0
Consumer Services	4,738,000	0	0	0
Regulation	51,297,000	404,000	90,563,000	5,080,000
Total	62,267,000	404,000	90,563,000	5,080,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	26,021,000	311,510,900	285,489,900
Total	26,021,000	311,510,900	285,489,900

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

Program	Available 2008-09	Recommended 2009-10	Change
Regulation			
Special Revenue Funds - Other	26,021,000	311,510,900	285,489,900
Total	26,021,000	311,510,900	285,489,900

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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$118 million All Funds** (\$118 million Other Funds) for the Division of the Lottery. This is a decrease of **\$5 million in All Funds** (\$5 million Other Funds) from the 2008-09 budget, primarily reflecting achieved savings in nonpersonal services expenditures. The Executive Budget recommends a staffing level of **358 FTEs** for the Division of the Lottery, a decrease of 3 FTEs from the 2008-09 budget. This decrease reflects the impact of the statewide hiring freeze, implemented by the Executive in July of 2008. Selective hiring will continue for positions that will enable Lottery to advance its goal of maximizing revenue for education.

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 2009-10, 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 across the State. Pursuant to this legislation, the Division of the Lottery entered into an

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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 2009-10 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 2009-10 Executive Budget also provides the necessary funding for the video lottery program's continued operation and implementation.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	122,552,100	117,552,101	(4,999,999)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	122,552,100	117,552,101	(4,999,999)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration of the Lottery Program			
Special Revenue Funds - Other	314	311	(3)
Administration of the VLT Program			
Special Revenue Funds - Other	47	47	0
Total	361	358	(3)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	122,552,100	117,552,101	(4,999,999)
Total	122,552,100	117,552,101	(4,999,999)

Adjustments:

Transfer(s) From

 Special Pay Bill

 Special Revenue Funds - Other

Appropriated 2008-09

(2,238,000)

120,314,100

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration of the Lottery Program			
Special Revenue Funds - Other	105,899,820	106,142,013	242,193
Administration of the VLT Program			
Special Revenue Funds - Other	16,652,280	11,410,088	(5,242,192)
Total	<u>122,552,100</u>	<u>117,552,101</u>	<u>(4,999,999)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration of the Lottery Program	106,142,013	242,193	20,799,697	1,850,593
Administration of the VLT Program	11,410,088	(5,242,192)	2,513,379	(655,817)
Total	<u>117,552,101</u>	<u>(4,999,999)</u>	<u>23,313,076</u>	<u>1,194,776</u>

Program	Nonpersonal Service	
	Amount	Change
Administration of the Lottery Program	85,342,316	(1,608,400)
Administration of the VLT Program	8,896,709	(4,586,375)
Total	<u>94,239,025</u>	<u>(6,194,775)</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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$1.3 billion All Funds** (\$1.3 billion from the General Fund) for the Metropolitan Transportation Authority (MTA) from the Rebuild and Renew New York Bond Act of 2005. Funds appropriated directly to the MTA include new appropriations and reappropriations from the Bond Act, approved by voters in November 2005, which provided \$1.45 billion of capital aid from SFYs 2005-06 through 2009-10. The \$1.3 billion includes approximately \$1.2 billion in reappropriations of capital aid and approximately \$82 million in new capital aid for 2009-10. The appropriations made directly to the MTA are in addition to the approximately \$2.26 billion subsidy (a decrease of approximately \$256 million from the 2008-09 Amended Budget level) provided by the State to the Metropolitan Transportation Authority that is appropriated in the Department of Transportation's Aid to Localities budget. This year-to-year decrease in aid levels is due to the non-recurrence of approximately \$150 million in aid that was accelerated to the MTA in 2008-09 from one of the transit accounts as a one-time distribution of fund balance. The decrease also includes a portion of the impact of declining transit revenues and the discontinuation of \$19.6 million in real estate tax transfers appropriated from the Additional Mass Transportation Assistance Program (AMTAP) fund to the MTA that are no longer available.

METROPOLITAN TRANSPORTATION

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 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 11th 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 Long Island Rail Road's stations and New York City Transit's subway stations. The Metropolitan Transportation Authority is responsible for the operation and general oversight of MTA

METROPOLITAN TRANSPORTATION

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.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	636,000,000	633,654,000	(2,346,000)	0
Capital Projects	487,000,000	82,000,000	(405,000,000)	1,279,552,000
Total	1,123,000,000	715,654,000	(407,346,000)	1,279,552,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	636,000,000	633,654,000	(2,346,000)
Total	636,000,000	633,654,000	(2,346,000)

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

Program	Available 2008-09	Recommended 2009-10	Change
Dedicated Tax			
Special Revenue Funds - Other	636,000,000	633,654,000	(2,346,000)
Total	636,000,000	633,654,000	(2,346,000)

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
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	487,000,000	82,000,000	(405,000,000)	1,243,552,000
Total	487,000,000	82,000,000	(405,000,000)	1,279,552,000

DEPARTMENT OF MOTOR VEHICLES

MISSION

The Department of Motor Vehicles is a customer-oriented agency whose employees and partners work together to promote traffic safety, protect consumers, 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 28 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$358 million All Funds (\$0 General Fund, \$358 million Other Funds)** for the Department of Motor Vehicles. This is a decrease of **\$20 million All Funds (\$0 General Fund, \$20 million Other Funds)** from the 2008-09 budget. This net change reflects the fully annualized financial management plan savings implemented by the Department during 2008-09, which include personal service savings resulting from the hiring freeze and limitations on non-personal services spending. The decrease is also a result of additional savings actions recommended by the Executive Budget. Budget actions include authorizing the Commissioner of Motor Vehicles to replace the Non-Commercial Driver's License written examination with completion of either a 5-hour pre-licensing course or a driver education course as the prerequisite to obtain a driver's permit, saving the Department approximately \$1.4 million. The Executive Budget recommendations also include an increase of \$3.2 million of Federal funds due to a projected increase in grants to the Governor's Traffic Safety Commission.

The Dedicated Highway and Bridge Trust Fund, supported primarily by revenues from motor vehicle fees, highway use and motor fuel taxes, will fund \$219.1 million, or 61 percent of DMV's budget. The balance is financed by Federal funds and special revenue funds supported by various fees and fines. The Executive Budget includes several actions to increase revenues deposited in the Dedicated Highway and Bridge Trust Fund and the General Fund. Major revenue actions include:

- **Increasing Registration Fees:** The 2009-10 Executive Budget recommends increasing most registration fees by twenty-five percent. This increase will be directed to the Dedicated Highway and Bridge Trust Fund to reduce the subsidy from the General Fund. New revenues are projected to total \$60.5 million in SFY 2009-10 and \$103.7 million thereafter.
- **Increasing License Document Fees:** The Executive Budget recommends increasing license fees by twenty-five percent and directing the increase to the Dedicated Highway and Bridge Trust Fund to reduce the subsidy from the General Fund. New revenues are projected to total \$21.9 million in 2009-10 and \$37.6 million in 2010-11.

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- **Reissue License Plates:** The Executive Budget recommends a license plate fee increase of ten dollars and implementing a license plate reissuance. The increase in revenue will generate \$129 million, for the State's General Fund, over the 2010-11 and 2011-12 fiscal years.

The Executive Budget recommends a staffing level of **2,876 FTEs** for the Department of Motor Vehicles; **an increase of 15** from the reduced 2008-09 budget following financial management plan savings. This change reflects staffing needed to accommodate an anticipated large cyclical increase in the department's drivers' license renewals, which facilitates revenue collection.

PROGRAM HIGHLIGHTS

CUSTOMER SERVICE

DMV issues drivers licenses and vehicle registrations, collects more than \$1.35 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.

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 two 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, plead and pay Traffic Violations Bureau (TVB) tickets, obtain an accident report, and if requested, post insurance proof. The Internet Point Insurance Reduction Program (IPIRP), 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 with secure access 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 89 percent. These efforts have resulted in New York State's roadways being some of the safest in the nation.

MOTOR VEHICLES

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.

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.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	128,922,000	119,562,000	(9,360,000)	38,154,200
Aid To Localities	17,264,000	19,540,000	2,276,000	35,004,000
Capital Projects	231,782,000	219,035,000	(12,747,000)	2,500,000
Total	377,968,000	358,137,000	(19,831,000)	75,658,200

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administrative Adjudication			
Special Revenue Funds - Other	430	430	0
Clean Air			
Special Revenue Funds - Other	261	261	0
Compulsory Insurance			
Special Revenue Funds - Other	202	202	0
Governor's Traffic Safety Committee			
Special Revenue Funds - Federal	19	19	0
Transportation Safety			
Special Revenue Funds - Other	3	3	0
Transportation Support			
Capital Projects Funds - Other	1,946	1,961	15
Total	2,861	2,876	15

MOTOR VEHICLES

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Special Revenue Funds - Federal	14,943,000	15,860,000	917,000
Special Revenue Funds - Other	103,479,000	93,202,000	(10,277,000)
Internal Service Funds	10,500,000	10,500,000	0
Total	128,922,000	119,562,000	(9,360,000)

Adjustments:

Transfer(s) From

Special Pay Bill

Special Revenue Funds - Federal

(102,000)

Special Revenue Funds - Other

(5,590,000)

Appropriated 2008-09

123,230,000

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Administration			
Special Revenue Funds - Federal	102,000	0	(102,000)
Special Revenue Funds - Other	10,590,000	1,400,000	(9,190,000)
Internal Service Funds	10,500,000	10,500,000	0
Administrative Adjudication			
Special Revenue Funds - Other	44,899,000	44,818,000	(81,000)
Clean Air			
Special Revenue Funds - Other	25,952,000	25,488,000	(464,000)
Compulsory Insurance			
Special Revenue Funds - Other	18,933,000	18,190,000	(743,000)
Governor's Traffic Safety Committee			
Special Revenue Funds - Federal	14,841,000	15,860,000	1,019,000
Transportation Safety			
Special Revenue Funds - Other	3,105,000	3,306,000	201,000
Total	128,922,000	119,562,000	(9,360,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 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	11,900,000	(9,292,000)	0	(3,810,000)
Administrative Adjudication	44,818,000	(81,000)	23,500,000	831,000
Clean Air	25,488,000	(464,000)	15,050,000	451,000
Compulsory Insurance	18,190,000	(743,000)	9,700,000	465,000
Governor's Traffic Safety Committee	15,860,000	1,019,000	526,000	22,000
Transportation Safety	3,306,000	201,000	275,000	(171,000)
Total	119,562,000	(9,360,000)	49,051,000	(2,212,000)

<u>Program</u>	<u>Nonpersonal Service</u>		<u>Maintenance Undistributed</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	11,900,000	(5,482,000)	0	0
Administrative Adjudication	21,318,000	(912,000)	0	0
Clean Air	10,438,000	(915,000)	0	0
Compulsory Insurance	8,490,000	(1,208,000)	0	0
Governor's Traffic Safety Committee	337,500	4,500	14,996,500	992,500
Transportation Safety	3,031,000	372,000	0	0
Total	55,514,500	(8,140,500)	14,996,500	992,500

MOTOR VEHICLES

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Special Revenue Funds - Federal	17,264,000	19,540,000	2,276,000
Total	<u>17,264,000</u>	<u>19,540,000</u>	<u>2,276,000</u>

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Governor's Traffic Safety Committee			
Special Revenue Funds - Federal	17,264,000	19,540,000	2,276,000
Total	<u>17,264,000</u>	<u>19,540,000</u>	<u>2,276,000</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>	<u>Reappropriations 2009-10</u>
Transportation Support				
Dedicated Highway and Bridge Trust Fund	231,782,000	219,035,000	(12,747,000)	2,500,000
Total	<u>231,782,000</u>	<u>219,035,000</u>	<u>(12,747,000)</u>	<u>2,500,000</u>

Adjustments:

Transfer(s) From

 Special Pay Bill

Appropriated 2008-09

(10,329,000)
<u>221,453,000</u>

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.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommends **\$7.8 million** for the Olympic Regional Development Authority, which is approximately 21 percent of its \$36.4 million operating budget. This is a decrease of \$800,000 from the 2008-09 Budget. This net change primarily reflects increases in revenues generated at the ski facilities and other Olympic venues as well as enhanced operational efficiencies. State funding supplements \$27.3 million in revenue generated from venue marketing, fees and ticket sales to athletic and other special events; over \$900,000 from the Town of North Elba; \$200,000 from the Winter Sports Education Trust Fund; and \$200,000 from the Olympic Training Center Account.

The Authority has a **workforce of 200**, a **decrease of 3** from the 2008-09 Budget, and employs up to 1,115 full- and part-time hourly workers, depending on the season.

PROGRAM HIGHLIGHTS

OLYMPIC FACILITIES

The Olympic Regional Development Authority manages one of four primary sites (the others being in California, Colorado and Utah) for year-round training of America's Olympic athletes. In 2007-08, the Olympic facilities at Lake Placid received more than 800,000 visitors. The Authority hosts numerous national and international athletic and entertainment events. In 2007-08, major events included: the NCAA Division III Men's Ice Hockey Championships; ISU Junior Grand Prix of Figure Skating; Smuckers Stars on Ice; The Harlem Globetrotters; Long Track National Speed Skating Championships; Summer Ice Dance and Figure Skating Championships; International Bobsled and

OLYMPIC REGIONAL DEVELOPMENT

Skeleton Sliding School; Junior Luge World Championships; World Cups in Bobsled and Skeleton; the 2008 Ski Freestyle World Cup; 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.

SKI FACILITIES

The Authority also manages the Gore and Whiteface Mountain ski centers, two major downhill ski facilities that received more than 444,000 visitors in the 2007-08 ski season; and over 121,500 visitors for off-season activities such as mountain biking and sightseeing tours.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	9,026,000	8,226,000	(800,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	4,325,000
Total	9,026,000	8,226,000	(800,000)	4,325,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	8,626,000	7,826,000	(800,000)
Special Revenue Funds - Other	400,000	400,000	0
Total	9,026,000	8,226,000	(800,000)

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

Program	Available 2008-09	Recommended 2009-10	Change
Operations			
General Fund	8,626,000	7,826,000	(800,000)
Special Revenue Funds - Other	400,000	400,000	0
Total	9,026,000	8,226,000	(800,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Operations	4,210,000	(431,000)	4,210,000	(431,000)
Total	4,210,000	(431,000)	4,210,000	(431,000)

OLYMPIC REGIONAL DEVELOPMENT

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Operations	3,616,000	(369,000)	1,900,000	(197,000)
Total	3,616,000	(369,000)	1,900,000	(197,000)

Program	General State Charges	
	Amount	Change
Operations	1,716,000	(172,000)
Total	1,716,000	(172,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations	400,000	0	170,000	0
Total	400,000	0	170,000	0

Program	Nonpersonal Service	
	Amount	Change
Operations	230,000	0
Total	230,000	0

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Recreation				
Capital Projects Fund - Authority Bonds	0	0	0	4,325,000
Total	0	0	0	4,325,000

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 178 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 55 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends more than **\$296 million All Funds** (\$139.6 million General Fund; \$5.2 million Federal funds) for the Office of Parks, Recreation and Historic Preservation (OPRHP). This is a decrease of more than **\$110 million All Funds** with a decrease of \$8.5 million on a General Fund basis from the 2008-09 budget. This change primarily reflects a year-to-year adjustment related to a \$95 million capital initiative in the 2008-09 budget. 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.

The 2009-10 Executive Budget includes reductions in state park and historic site operations resulting from the 2008-09 ten percent agency spending reduction plan. These include the consolidation of services, reduced hours of operations, shorter seasons of peak operations and reduced levels of patron and program services at state parks and historic sites.

Specifically, preliminary operations plans for 2009-10 call for the following:

- Delayed openings and early seasonal closings;
- Mid-week service reductions/closures at parks, historic sites and recreation areas;
- Reduced operating hours for pools, beaches, nature centers, historic sites and other activities; and
- Elimination of services at satellite and underutilized facilities, select special event and holiday programs, select park recreational services and the reduction or elimination of group programming at parks, nature centers and historic sites.

PARKS, RECREATION AND HISTORIC PRESERVATION

Further, savings associated with implementation of the statewide hiring freeze continues in 2009-10.

For fiscal year 2009-10, the Office will have a **workforce of 2,214**. This is a **decrease of 57 positions** from 2008-09 levels as a result of the statewide hiring freeze and the Office's 2008-09 Financial Management Plan.

The General Fund continues to be the Office's primary source of support for its operating and local assistance budgets by providing 61.5 percent of its funding. The remaining 38.5 percent is provided by a variety of sources, including:

- User fees at the parks (35.5 percent);
- Federal grants for activities related to the use of recreational vehicles and land and water conservation (2.3 percent); and
- Other miscellaneous funds, including moneys earmarked for historic sites and arboretums (0.7 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, 29 golf courses, 53 swimming pools, 76 beaches, 27 marinas, 40 vacation rentals, 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 2009-10, appropriations of \$56 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, \$10 million in fiduciary appropriations for other potential gifts to improve various parks and \$3.8 million for miscellaneous capital projects.

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 2009-10, the EPF will provide \$38 million for infrastructure and stewardship projects at State parks and lands operated by the OPRHP and the Department of Environmental Conservation.

PROGRAM HIGHLIGHTS

The Office's mission is carried out through the operations of its 213 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 will host the tournament again in 2009.

PARKS, RECREATION AND HISTORIC PRESERVATION

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 178 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
- 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)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	227,915,900	226,886,400	(1,029,500)	16,292,200
Aid To Localities	32,196,510	13,675,000	(18,521,510)	26,952,405
Capital Projects	147,000,000	56,000,000	(91,000,000)	241,406,000
Total	407,112,410	296,561,400	(110,551,010)	284,650,605

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	81	78	(3)
Historic Preservation			
General Fund	199	193	(6)
Special Revenue Funds - Federal	12	12	0
Special Revenue Funds - Other	1	0	(1)
Park Operations			
General Fund	1,449	1,402	(47)
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	2,271	2,214	(57)

PARKS, RECREATION AND HISTORIC PRESERVATION

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	148,135,600	139,635,600	(8,500,000)
Special Revenue Funds - Federal	5,200,900	5,200,900	0
Special Revenue Funds - Other	73,079,400	80,549,900	7,470,500
Enterprise Funds	1,500,000	1,500,000	0
Total	227,915,900	226,886,400	(1,029,500)

Adjustments:

Transfer(s) From

Parks, Recreation and Historic

Preservation, Office of

Special Revenue Funds - Federal (96,000)

Special Revenue Funds - Other (59,500)

Special Pay Bill

General Fund (5,846,000)

Special Revenue Funds - Federal (96,000)

Special Revenue Funds - Other (3,206,000)

Transfer(s) To

Parks, Recreation and Historic

Preservation, Office of

General Fund 59,500

Special Revenue Funds - Other 96,000

Appropriated 2008-09

218,767,900

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	9,553,900	8,053,900	(1,500,000)
Special Revenue Funds - Federal	1,000,000	0	(1,000,000)
Special Revenue Funds - Other	0	1,000,000	1,000,000
Historic Preservation			
General Fund	12,439,800	12,139,800	(300,000)
Special Revenue Funds - Federal	1,200,900	1,200,900	0
Special Revenue Funds - Other	71,500	42,000	(29,500)
Park Operations			
General Fund	123,097,500	116,597,500	(6,500,000)
Special Revenue Funds - Federal	3,000,000	4,000,000	1,000,000
Special Revenue Funds - Other	73,007,900	79,507,900	6,500,000
Recreation Services			
General Fund	3,044,400	2,844,400	(200,000)
Enterprise Funds	1,500,000	1,500,000	0
Total	227,915,900	226,886,400	(1,029,500)

PARKS, RECREATION AND HISTORIC PRESERVATION

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	5,553,800	(500,000)	5,378,200	(500,000)
Historic Preservation	10,650,200	0	8,463,500	0
Park Operations	98,224,200	(3,500,000)	65,556,000	(1,500,000)
Recreation Services	1,127,900	0	888,000	0
Total	115,556,100	(4,000,000)	80,285,700	(2,000,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	131,100	0	44,500	0
Historic Preservation	2,090,000	0	96,700	0
Park Operations	27,945,000	(1,500,000)	4,723,200	(500,000)
Recreation Services	225,000	0	14,900	0
Total	30,391,100	(1,500,000)	4,879,300	(500,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	2,500,100	(1,000,000)	60,200	(45,000)
Historic Preservation	1,489,600	(300,000)	328,800	(75,000)
Park Operations	18,373,300	(3,000,000)	6,487,000	(1,175,000)
Recreation Services	1,716,500	(200,000)	393,000	(70,000)
Total	24,079,500	(4,500,000)	7,269,000	(1,365,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	55,400	(45,000)	2,279,500	(865,000)
Historic Preservation	65,700	(75,000)	973,500	(75,000)
Park Operations	222,000	(250,000)	10,884,300	(1,000,000)
Recreation Services	16,000	(5,000)	1,268,000	(75,000)
Total	359,100	(375,000)	15,405,300	(2,015,000)

Program	Equipment	
	Amount	Change
Administration	105,000	(45,000)
Historic Preservation	121,600	(75,000)
Park Operations	780,000	(575,000)
Recreation Services	39,500	(50,000)
Total	1,046,100	(745,000)

PARKS, RECREATION AND HISTORIC PRESERVATION

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total Amount	Change	Personal Service Amount	Change
Administration	1,000,000	0	200,000	200,000
Historic Preservation	1,242,900	(29,500)	500,000	0
Park Operations	83,507,900	7,500,000	32,446,100	3,000,000
Recreation Services	1,500,000	0	0	0
Total	87,250,800	7,470,500	33,146,100	3,200,000

Program	Nonpersonal Service Amount	Change	Maintenance Undistributed Amount	Change
Administration	800,000	(200,000)	0	0
Historic Preservation	742,900	(29,500)	0	0
Park Operations	49,160,800	4,500,000	1,901,000	0
Recreation Services	1,500,000	0	0	0
Total	52,203,700	4,270,500	1,901,000	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	21,441,510	3,920,000	(17,521,510)
Special Revenue Funds - Federal	5,120,000	4,120,000	(1,000,000)
Special Revenue Funds - Other	5,635,000	5,635,000	0
Total	32,196,510	13,675,000	(18,521,510)

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	3,920,000	3,920,000	0
Historic Preservation			
Special Revenue Funds - Federal	120,000	120,000	0
Natural Heritage Trust			
General Fund	1,081,000	0	(1,081,000)
Park Operations			
Special Revenue Funds - Federal	3,000,000	2,000,000	(1,000,000)
Special Revenue Funds - Other	5,635,000	5,635,000	0
Recreation Services			
Special Revenue Funds - Federal	2,000,000	2,000,000	0
Community Projects			
General Fund	16,440,510	0	(16,440,510)
Total	32,196,510	13,675,000	(18,521,510)

PARKS, RECREATION AND HISTORIC PRESERVATION

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Parks EQBA 86				
Capital Projects Fund - EQBA 86 (Bondable)	0	0	0	3,610,000
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	12,834,000
Maintenance and Improvements of Existing Facilities				
Capital Projects Fund	0	0	0	31,000
Fiduciary Funds - Misc. Combined Expendable Trust				
Fund	10,000,000	10,000,000	0	55,492,000
State Parks Infrastructure Fund	129,200,000	38,200,000	(91,000,000)	157,413,000
Misc. Capital Projects	3,800,000	3,800,000	0	10,713,000
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>147,000,000</u>	<u>56,000,000</u>	<u>(91,000,000)</u>	<u>241,406,000</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 assess compliance with these governance and reporting requirements. By law, the Authority Budget Office reviews and reports on the operations, practices and finances of public authorities and provides guidance to public authorities on ways to 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

ENERGY AND ENVIRONMENT

Energy Research and Development Authority
Environmental Facilities Corporation

HOUSING AND FINANCE

Housing Finance Agency
Local Government Assistance Corporation
State of New York Mortgage Agency

PUBLIC AUTHORITIES

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.

Job Development Authority

The New York Job Development Authority provides loans to New York State businesses to expand facilities, build new plants and acquire machinery and equipment.

New York City Off-Track Betting Corporation

The mission of the New York City Off-Track Betting Corporation is threefold: first, to generate revenue for municipal and state government; second, to help fund the state's horse racing and breeding industry; and, third, to help stamp out illegal wagering on horse races. NYCOTB offers off-track pari-mutuel wagering on thoroughbred and harness horse racing to customers in the City of New York through its network of fifty-seven branch offices, eight restaurants, and three teletheaters and through its account wagering (telephone and internet betting) operation.

On June 17, 2008, Governor Paterson signed legislation that provided for a State takeover of the Corporation. In connection with this takeover, provisions of the Racing, Pari-Mutuel Wagering and Breeding Law (the "Racing Law") were amended to reflect the Corporation's status change from being a component unit of the City of New York to becoming a component unit of the State of New York.

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 5 major generating facilities, 5 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.

PUBLIC AUTHORITIES

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, issued bonds and funded an escrow account in order to “economically defease” MAC’s remaining bondholder obligations. MAC has now completed all its activities, and the Corporation shall terminate as required by law on September 30, 2009.

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 businesses that employ hundreds of 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 2009-10.

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.

PUBLIC AUTHORITIES

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 commercial shipping terminal and storage facilities and supports recreational boating activities at three marinas.

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 ^{a/} OF NEW YORK STATE PUBLIC AUTHORITIES
2008 AND 2009
(thousands of dollars)

Authorities by Function	Fiscal Year Begins	2008				2009			
		Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) ^{b/}	Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) ^{b/}
BRIDGE, TUNNEL AND HIGHWAY									
Buffalo and Fort Erie Public Bridge Authority	Jan. 1	36,479	15,482	1,857	19,140	31,439	16,329	3,237	11,873
New York State Bridge Authority	Jan. 1	39,952	26,613	7,996	5,343	39,827	26,993	7,982	4,852
Thousand Islands Bridge Authority	Mar. 1	11,021	7,551	734	2,736	10,511	7,972	738	1,801
Thruway Authority ^{c/}	Jan. 1	633,261	413,042	167,624	52,595	694,663	429,196	182,969	82,498
ECONOMIC DEVELOPMENT									
Battery Park City Authority	Nov. 1	284,566	32,412	68,681	183,473	216,330	33,369	81,000	101,961
Development Authority of the North Country	April 1	22,760	11,028	5,572	6,160	22,787	11,081	5,157	6,549
Empire State Development Corporation	April 1	709,744	128,338	593,768	(12,362)	812,226	121,033	720,898	(29,705)
Job Development Authority	April 1	12,350	450	6,624	5,276	11,826	450	6,282	5,094
New York City OTB	July 1	175,893	184,985	0	(9,092)	228,820	246,393	0	(17,573)
United Nations Development Corporation	Jan. 1	38,933	28,977	9,956	0	39,409	28,697	10,712	0
ENERGY AND ENVIRON- MENT									
Energy Research and Development Authority	April 1	478,685	476,863	1,822	0	568,440	568,440	0	0
Environmental Facilities Corporation	April 1	755,677	21,973	729,280	4,424	775,168	23,600	751,533	35
Long Island Power Authority	Jan. 1	3,644,863	3,068,105	545,772	30,986	3,958,665	3,306,754	576,910	75,001
Power Authority	Jan. 1	3,325,500	2,814,800	280,300	230,400	3,451,600	3,006,700	205,400	239,500
HOUSING, HEALTH AND FINANCE									
Dormitory Authority	April 1	3,581,250	115,151	3,466,099	0	3,937,782	118,989	3,818,793	0
Housing Finance Agency	Nov. 1	627,720	29,420	597,239	1,061	458,391	28,684	429,086	621
Local Government Assistance Corporation	April 1	387,514	10,514	357,839	19,161	383,781	12,286	365,921	5,574
Mortgage Agency	Nov. 1	467,872	122,352	345,400	120	442,645	20,800	421,831	14
Municipal Assistance Corpora- tion for the City of Troy	Jan. 1	6,087	40	6,047	0	5,982	30	5,952	0
Nassau County Interim Finance Authority ^{d/}	Jan. 1	183,882	1,301	182,581	0	186,889	1,406	185,483	0
Municipal Bond Bank Agency	Nov. 1	52,649	463	52,186	0	52,534	369	52,165	0
Tobacco Settlement Financing Corporation	Nov. 1	483,380	9,439	486,225	(12,284)	460,311	398	292,013	167,900
Buffalo Fiscal Stability Authority ^{e/}	July 1	276,852	920	14,370	261,562	297,604	1,185	17,508	278,911

PUBLIC AUTHORITIES

TABLE 1
FINANCIAL OPERATIONS ^{a/} OF NEW YORK STATE PUBLIC AUTHORITIES
2008 AND 2009
(thousands of dollars)

Authorities by Function	Fiscal Year Begins	2008				2009			
		Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) ^{b/}	Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) ^{b/}
PORT DEVELOPMENT									
Albany Port District Commission	Jan. 1	5,204	4,469	853	(118)	4,858	4,629	688	(459)
Ogdensburg Bridge and Port Authority	April 1	5,565	3,907	1,201	457	5,850	3,926	1,177	747
Port Authority of New York and New Jersey ^{f/}	Jan. 1	4,709,355	2,039,826	740,000	1,929,529	4,761,283	2,492,147	825,000	1,444,136
Port of Oswego Authority	April 1	1,655	1,600	84	(29)	1,790	1,647	82	61
REGIONAL TRANSPORTATION									
Capital District Transportation Authority	April 1	69,718	70,605	0	(887)	66,431	83,379	0	(16,948)
Central New York Regional Transportation Authority	April 1	55,806	58,026	18	(2,238)	55,513	61,099	16	(5,602)
Metropolitan Transportation Authority ^{g/}	Jan. 1	11,528,204	9,916,277	1,504,458	107,469	11,283,424	10,979,779	1,473,530	(1,169,885)
Niagara Frontier Transportation Authority	April 1	185,604	169,562	12,568	3,474	197,447	177,316	12,634	7,497
Rochester-Genesee Regional Transportation Authority	April 1	80,790	78,241	0	2,549	79,991	85,441	0	(5,450)
GRAND TOTAL		32,878,791	19,862,732	10,187,154	2,828,905	33,544,217	21,900,517	10,454,697	1,189,003

^{a/} 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.

^{b/} 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 securing revenues from outside sources greater than anticipated by the Authority.

^{c/} Excludes debt service for bonds sold to finance State transportation programs.

^{d/} Excess sales tax funds of the Authority are remitted immediately to Nassau County as required under the NIFA Act.

^{e/} Surplus funds of the Authority are remitted immediately to the City of Buffalo and the Buffalo School District as required by the BFS Act.

^{f/} 2009 information is a preliminary estimate of Authority Operating Budget and is subject to change.

^{g/} Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority. These figures do not include debt service on State Service Contract bonds.

Note: As of November 2004, the Sales Tax Asset Receivable Corporation, a local development corporation organized by the City of New York, 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. MAC completed all its remaining activities on September 30, 2008, and the Corporation shall terminate as required by law on September 30, 2009.

TABLE 2
CAPITAL PROGRAMS ^{a/} OF NEW YORK STATE PUBLIC AUTHORITIES
2008 AND 2009
(thousands of dollars)

Authorities by Function	2008			2009		
	Capital Program Disburse- ments	Available Resources	Sale of New Debt ^{b/}	Capital Program Disburse- ments	Available Resources	Sale of New Debt ^{b/}
BRIDGE, TUNNEL AND HIGHWAY						
Buffalo and Fort Erie Public Bridge Authority	9,620	50,788	0	6,535	53,041	0
New York State Bridge Authority	11,345	30,462	0	11,703	25,852	0
Thousand Islands Bridge Authority	1,795	1,795	0	2,763	2,763	0
Thruway Authority	443,848	443,848	0	547,757	253,146	294,611
ECONOMIC DEVELOPMENT						
Battery Park City Authority	27,700	10,106	0	32,100	0	100,000
Development Authority of the North Country	4,423	4,423	0	1,628	1,628	0
Empire State Development Corporation	463,767	0	409,694	894,197	0	971,450
Job Development Authority	0	4,946	0	15,000	(10,236)	0
New York City OTB	2,546	2,546	0	3,343	3,343	0
United Nations Development Corporation	3,860	7,306	0	2,142	7,960	0
ENERGY AND ENVIRON- MENT						
Energy Research and Development Authority	9,630	0	9,630	13,500	0	13,500
Environmental Facilities Corporation	1,019,215	0	1,019,215	970,000	0	970,000
Long Island Power Authority	286,400	81,400	205,000	259,700	174,700	85,000
Power Authority	247,138	240,177	6,290	319,714	315,966	3,748
HOUSING, HEALTH AND FINANCE						
Dormitory Authority	2,843,170	4,026,487	3,935,550	3,955,211	5,118,867	4,320,338
Housing Finance Agency	1,273,357	775,112	1,352,050	1,039,205	854,096	387,915
Local Government Assistance Corporation	0	0	0	0	0	0
Mortgage Agency	534,712	0	499,515	510,000	0	400,000
Municipal Assistance Corpora- tion for the City of Troy	0	0	0	0	0	0
Nassau County Interim Finance Authority ^{c/}	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	0	0	0	0	0	0

PUBLIC AUTHORITIES

TABLE 2
CAPITAL PROGRAMS ^{a/} OF NEW YORK STATE PUBLIC AUTHORITIES
2008 AND 2009
(thousands of dollars)

Authorities by Function	2008			2009		
	Capital Program Disbursements	Available Resources	Sale of New Debt ^{b/}	Capital Program Disbursements	Available Resources	Sale of New Debt ^{b/}
PORT DEVELOPMENT						
Albany Port District Commission	469	469	0	500	500	0
Ogdensburg Bridge and Port Authority	10,739	10,139	600	23,398	23,398	0
Port Authority of New York and New Jersey ^{d/}	2,500,684	2,186,428	1,135,549	3,295,167	2,153,688	1,454,600
Port of Oswego Authority ^{e/}	561	514	0	1,777	1,777	0
REGIONAL TRANSPORTATION						
Capital District Transportation Authority	22,505	22,505	0	39,481	24,538	0
Central New York Regional Transportation Authority	4,350	4,350	0	11,940	11,940	0
Metropolitan Transportation Authority ^{f/}	6,633,320	2,783,470	3,849,850	5,543,100	2,776,176	2,766,924
Niagara Frontier Transportation Authority	89,130	46,139	10,843	26,117	3,772	2,259
Rochester-Genesee Regional Transportation Authority	27,410	65,324	0	56,984	56,562	0
GRAND TOTAL	16,471,694	10,798,734	12,433,786	17,582,962	11,853,477	11,770,345

^{a/} 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.

^{b/} Includes proceeds available for capital program only.

^{c/} 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.

^{d/} All estimates are preliminary and are subject to change.

^{e/} A project will be funded with funds received from a claim against an engineering firm. The project will take place at the time funds are received and in the amount received thereby offsetting any potential disbursements.

^{f/} 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, 2008
(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
BRIDGE, TUNNEL AND HIGHWAY							
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	58,645	0	0	0	0
Thousand Islands Bridge Authority	Unlimited	5,745	1,395	0	0	0	0
Thruway Authority	Unlimited	19,476,980	12,691,960	0	0	0	0
ECONOMIC DEVELOPMENT							
Battery Park City Authority ^{a/}	810,000	0	1,062,429	0	0	0	0
Development Authority of the North Country	Unlimited	67,552	22,665	0	0	0	0
Empire State Development Corporation	10,950,037	9,589,258	6,780,906	0	0	0	0
Job Development Authority	750,000	0	37,350	0	0	0	0
New York City OTB	None	0	0	0	0	0	0
United Nations Development Corporation	Unlimited	260,728	123,028	0	75,000	34,035	0
ENERGY AND ENVIRONMENT							
Energy Research and Development Authority	Unlimited	8,094,695	3,658,245	0	0	0	0
Environmental Facilities Corporation	Unlimited	14,556,330	8,223,355	0	0	0	0
Long Island Power Authority	Unlimited	11,392,443	6,508,862	100,000	0	0	0
Power Authority	Unlimited	7,469,425	1,289,035	962,059	0	0	0
HOUSING, HEALTH AND FINANCE							
Dormitory Authority	Unlimited	87,414,351	37,087,198	184,725	926,015	698,660	3,605
Housing Finance Agency ^{b/}	22,776,941	17,366,596	8,982,600	0	7,112,115	6,524,379	37,680
Local Government Assistance Corporation	4,700,000	6,920,760	3,848,493	0	0	0	0
Mortgage Agency	8,720,000	13,534,718	3,237,010	0	0	0	0
Municipal Assistance Corporation for the City of Troy	75,000	69,583	59,084	0	0	0	0
Nassau County Interim Finance Authority	Unlimited	3,235,495	1,867,050	0	0	0	0
Municipal Bond Bank Agency	1,000,000	620,550	493,110	0	0	0	0
Tobacco Settlement Financing Corporation	4,200,000	4,552,495	3,588,055	0	0	0	0
Buffalo Fiscal Stability Authority	Unlimited	156,580	143,860	0	0	0	0

PUBLIC AUTHORITIES

TABLE 3
DEBT STRUCTURE OF NEW YORK STATE PUBLIC AUTHORITIES
AS OF SEPTEMBER 30, 2008
(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
PORT DEVELOPMENT							
Albany Port District Commission	Unlimited	0	0	451	0	0	0
Ogdensburg Bridge and Port Authority	Unlimited	0	5,505	2,463	0	0	0
Port Authority of New York and New Jersey	Unlimited	18,732,319	12,616,090	577,005	0	0	0
Port of Oswego Authority	Unlimited	0	0	581	0	0	0
REGIONAL TRANSPORTATION							
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 ^{a/}	57,754,000	30,085,320	26,500,630	750,000	0	0	0
Niagara Frontier Transportation Authority	Unlimited	199,334	171,792	14,726	0	0	0
Rochester-Genesee Regional Transportation Authority	Unlimited	0	0	0	0	0	0
GRAND TOTAL		253,928,899	139,102,472	2,592,010	8,113,130	7,257,074	41,285

^{a/} \$400 million in bonding authority related to the Housing New York Program sunsetted on June 30, 1995.

^{b/} HFA moral obligation bond limit is reduced as bonds outstanding after April 1, 1976 are repaid.

^{c/} Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority and does include debt outstanding numbers for State Service Contract bonds and Convention Center bonds. Bond cap is applicable only to projects set forth in transit and commuter capital programs approved by the MTA Capital Program Review Board. Authorization for State Service Contract bonds is limited to \$165 million in annual debt service maturing no later than July 1, 2031.

PUBLIC AUTHORITIES

TABLE 4
STATE INVOLVEMENT IN FINANCING OF PROJECTS AND OPERATIONS
OF NEW YORK STATE PUBLIC AUTHORITIES
2008 AND 2009-10
(thousands of dollars)

Authorities by Function	Authority Bonds Outstanding, 2008 ^{a/}			Outstanding Reimbursable State Approp- riations, 2008	State Appropriations Requested in Support of Authority Programs, 2009-10 ^{b/}		
	Revenue and Nonrecours e	State Guaranteed	Moral Obligation		New Approp- riations	Reapprop- riations	Total
BRIDGE, TUNNEL AND HIGHWAY							
Buffalo and Fort Erie Public Bridge Authority	44,120	0	0	0	0	0	0
New York State Bridge Authority	58,645	0	0	0	0	0	0
Thousand Islands Bridge Authority	1,395	0	0	0	0	0	0
Thruway Authority	12,691,960	0	0	0	2,000	8,809	10,809
ECONOMIC DEVELOPMENT							
Battery Park City Authority	1,062,429	0	0	0	0	0	0
Development Authority of the North Country	22,665	0	0	0	0	0	0
Empire State Development Corporation	6,780,906	0	0	0	251,030	4,985,993	5,237,023
Job Development Authority	0	37,350	0	0	0	0	0
New York City OTB	0	0	0	0	0	0	0
United Nations Development Corporation	123,028	0	0	0	0	0	0
ENERGY AND ENVIRON- MENT							
Energy Research and Development Authority	3,658,245	0	0	0	30,354	50,000	80,354
Environmental Facilities Corporation	8,223,355	0	0	13,828	13,374	1,305	14,679
Long Island Power Authority	6,508,862	0	0	0	0	0	0
Power Authority	1,289,035	0	0	0	0	0	0
HOUSING, HEALTH AND FINANCE							
Dormitory Authority	37,083,593	0	3,605	47,733	0	0	0
Housing Finance Agency	8,944,920	0	37,680	0	0	0	0
Local Government Assistance Corporation	3,848,493	0	0	0	378,207	0	378,207
Mortgage Agency	3,237,010	0	0	0	0	0	0
Municipal Assistance Corpora- tion for the City of Troy	59,084	0	0	0	0	0	0
Nassau County Interim Finance Authority	1,867,050	0	0	0	0	0	0
Municipal Bond Bank Agency	493,110	0	0	0	0	0	0
Tobacco Settlement Financing Corporation	3,588,055	0	0	0	0	0	0
Buffalo Fiscal Stability Authority	143,860	0	0	0	0	0	0

PUBLIC AUTHORITIES

TABLE 4
STATE INVOLVEMENT IN FINANCING OF PROJECTS AND OPERATIONS
OF NEW YORK STATE PUBLIC AUTHORITIES
2008 AND 2009-10
(thousands of dollars)

Authorities by Function	Authority Bonds Outstanding, 2008 ^{a/}			Outstanding Reimbursable State Appropriations, 2008	State Appropriations Requested in Support of Authority Programs, 2009-10 ^{b/}		
	Revenue and Nonrecourse	State Guaranteed	Moral Obligation		New Appropriations	Reappropriations	Total
PORT DEVELOPMENT							
Albany Port District Commission	0	0	0	0	0	0	0
Ogdensburg Bridge and Port Authority	5,505	0	0	19,079	0	0	0
Port Authority of New York and New Jersey	12,616,090	0	0	0	0	0	0
Port of Oswego Authority	0	0	0	3,956	0	0	0
REGIONAL TRANSPORTATION							
Capital District Transportation Authority	0	0	0	0	29,969	0	29,969
Central New York Regional Transportation Authority	0	0	0	0	28,488	0	28,488
Metropolitan Transportation Authority ^{c/}	26,500,630	0	0	0	2,346,350	1,243,552	3,589,902
Niagara Frontier Transportation Authority	171,792	0	0	0	62,375	16,866	79,241
Rochester-Genesee Regional Transportation Authority	0	0	0	0	29,036	0	29,036
GRAND TOTAL		➤ 37,350	➤ 41,285	➤ 84,596			
	139,023,837	0	5	96	3,171,183	6,306,525	9,477,708

^{a/} This table covers bonds outstanding as of September 30.

^{b/} Appropriations are included in the Executive Budget for State Fiscal Year 2009-10 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.

^{c/} 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$83.0 million All Funds** (\$81.1 million Special Revenue Funds; \$1.8 million Federal funds) for the Department of Public Service. This is a decrease of **\$2.7 million** (\$2.7 million Special Revenue Funds) from the 2008-09 budget. This change primarily reflects the recurring impact of across the board reductions implemented in 2008-09, partially offset by the addition of new staffing. The Department will have an estimated **workforce of 560** for 2009-10, a recommended increase of 20 from the 2008-09 budget, to support high priority programs, including consumer protection, ensuring reasonable rates and reliable service, and enhancing the State's energy efficiency programs.

The Department's 2009-10 operating budget includes funding of \$80.6 million from utility and cable assessments. Public utility assessments are based on a utility's gross intrastate operating revenues above \$500,000. 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 \$550,000 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:

- Developing energy efficiency programs to ensure the goal of reducing electricity consumption by 15 percent below the forecasted level in 2015;
- Continuing to develop a long-range energy planning process;

PUBLIC SERVICE

- 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
- Ensuring the reliability of the electric, gas, steam, and telecommunications networks.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	85,094,000	82,408,000	(2,686,000)	0
Aid To Localities	550,000	550,000	0	3,589,000
Capital Projects	0	0	0	0
Total	85,644,000	82,958,000	(2,686,000)	3,589,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Special Revenue Funds - Other	98	98	0
Regulation of Utilities			
Special Revenue Funds - Federal	12	12	0
Special Revenue Funds - Other	430	450	20
Total	540	560	20

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Federal	1,814,000	1,847,000	33,000
Special Revenue Funds - Other	83,280,000	80,561,000	(2,719,000)
Total	85,094,000	82,408,000	(2,686,000)

Adjustments:

Transfer(s) From

Special Pay Bill

 Special Revenue Funds - Federal

 Special Revenue Funds - Other

Appropriated 2008-09

(123,000)

(5,143,000)

79,828,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
Special Revenue Funds - Other	13,855,000	13,439,000	(416,000)
Regulation of Utilities			
Special Revenue Funds - Federal	1,814,000	1,847,000	33,000
Special Revenue Funds - Other	69,425,000	67,122,000	(2,303,000)
Total	85,094,000	82,408,000	(2,686,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	13,439,000	(416,000)	7,496,000	196,000
Regulation of Utilities	68,969,000	(2,270,000)	38,253,000	(1,380,000)
Total	82,408,000	(2,686,000)	45,749,000	(1,184,000)

Program	Nonpersonal Service	
	Amount	Change
Administration	5,943,000	(612,000)
Regulation of Utilities	30,716,000	(890,000)
Total	36,659,000	(1,502,000)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	550,000	550,000	0
Total	550,000	550,000	0

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

Program	Available 2008-09	Recommended 2009-10	Change
Regulation of Utilities			
Special Revenue Funds - Other	550,000	550,000	0
Total	550,000	550,000	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, Seneca Buffalo Creek Casino in Buffalo 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 staff will be supported by revenues generated by the racing industry, Indian casinos and charitable gaming activities.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$25.2 million All Funds** (\$25.2 million Other Funds) for the State Racing and Wagering Board. The Executive Budget recommends a staffing level of **105 FTEs** for the Racing and Wagering Board, a decrease of 17 from 2008-09 levels. This decrease reflects the impact of the statewide hiring freeze, implemented by the Executive in July of 2008. In addition, up to 3 positions will be reduced as a result of a new administrative "hosting" arrangement with the Division of the Lottery. The Board anticipates employing as many as 160 per diem staff in the 2009-10 fiscal year.

To ensure adequate funding for the State Racing and Wagering Board's Regulation of Racing Program, the Executive Budget recommends an Article VII Proposal to impose a \$10 entry fee for every horse entered into a pari-mutuel race conducted in New York State.

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

RACING AND WAGERING

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 11 employees at the Oneida Nation’s Turning Stone Casino, 12 employees at the St. Regis Mohawk Tribe’s Akwesasne Casino, 13 employees at the Seneca Nation’s Seneca Niagara Casino, 12 employees at the Seneca Nation’s Seneca Alleghany Casino, and 5 employees at the Seneca Buffalo Creek Casino.

REGULATION OF RACING

The Board’s permanent staff oversees as many as 160 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)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	25,829,000	25,203,000	(626,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	25,829,000	25,203,000	(626,000)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Regulation of Racing			
Special Revenue Funds - Other	26	9	(17)
Regulation of Wagering			
Special Revenue Funds - Other	96	96	0
Total	122	105	(17)

RACING AND WAGERING

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Special Revenue Funds - Other	25,829,000	25,203,000	(626,000)
Total	25,829,000	25,203,000	(626,000)

Adjustments:	
Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Other	(811,000)
Appropriated 2008-09	25,018,000

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Regulation of Racing			
Special Revenue Funds - Other	15,113,000	14,784,000	(329,000)
Regulation of Wagering			
Special Revenue Funds - Other	10,716,000	10,419,000	(297,000)
Total	25,829,000	25,203,000	(626,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

<u>Program</u>	<u>Total Amount</u>	<u>Change</u>	<u>Personal Service Amount</u>	<u>Change</u>
Regulation of Racing	14,784,000	(329,000)	6,305,000	(711,000)
Regulation of Wagering	10,419,000	(297,000)	5,734,000	(139,000)
Total	25,203,000	(626,000)	12,039,000	(850,000)

<u>Program</u>	<u>Nonpersonal Service Amount</u>	<u>Change</u>
Regulation of Racing	8,479,000	382,000
Regulation of Wagering	4,685,000	(158,000)
Total	13,164,000	224,000

GOVERNOR'S OFFICE OF REGULATORY REFORM

MISSION

The Governor's Office of Regulatory Reform (GORR) improves the State's regulatory process by assisting State agencies in the development of regulations that are well conceived, understandable, and based upon adequate input from the parties affected. GORR also helps businesses start or expand their operations by expediting permit approvals and facilitating communication between regulators and affected parties. In 2008, an estimated 50,000 applications for new and expanding businesses were submitted electronically 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3 million All Funds** (\$3 million General Fund) and a staffing level of **23 FTEs** for the Governor's Office of Regulatory Reform to support the Office's regulatory review and business permits assistance activities. Funding is reduced by \$.7 million from the 2008-09 budget to reflect a restructuring of the agency to focus more directly on its core mission. This restructuring will reduce staffing levels by 13 FTEs from the 2008-09 budget.

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 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, which provides businesses with permit information.

REGULATORY REFORM

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	3,773,000	3,072,521	(700,479)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>3,773,000</u>	<u>3,072,521</u>	<u>(700,479)</u>	<u>0</u>

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	36	23	(13)
Total	<u>36</u>	<u>23</u>	<u>(13)</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	3,773,000	3,072,521	(700,479)
Total	<u>3,773,000</u>	<u>3,072,521</u>	<u>(700,479)</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(168,000)
Appropriated 2008-09	<u>3,605,000</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	3,773,000	3,072,521	(700,479)
Total	<u>3,773,000</u>	<u>3,072,521</u>	<u>(700,479)</u>

REGULATORY REFORM**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	2,376,350	(254,650)	2,336,890	(244,110)
Total	2,376,350	(254,650)	2,336,890	(244,110)

Program	Temporary Service (Nonannual Salaried)	
	Amount	Change
Administration	39,460	(10,540)
Total	39,460	(10,540)

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	696,171	(445,829)	73,153	(46,847)
Total	696,171	(445,829)	73,153	(46,847)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	4,267	(2,733)	478,541	(306,459)
Total	4,267	(2,733)	478,541	(306,459)

Program	Equipment	
	Amount	Change
Administration	140,210	(89,790)
Total	140,210	(89,790)

FOUNDATION FOR SCIENCE, TECHNOLOGY, AND INNOVATION

The 2009-10 Executive Budget would eliminate the Foundation for Science, Technology and Innovation, and transfer responsibilities to the Empire State Development Corporation. This recommendation will further streamline and improve the delivery of economic development services, eliminate duplicative administrative support and save over \$11 million in State taxpayer dollars.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	3,077,000	0	(3,077,000)	0
Capital Projects	0	0	0	0
Total	3,077,000	0	(3,077,000)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration Program			
General Fund	30	0	(30)
Total	30	0	(30)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Total	0	0	0
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(143,000)		
Transfer(s) To			
Empire State Development Corporation			
General Fund (Aid To Localities)	4,179,000		
Special Revenue Funds - Other	500,000		
Appropriated 2008-09	4,536,000		

SCIENCE, TECHNOLOGY, AND INNOVATION

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	3,077,000	0	(3,077,000)
Total	3,077,000	0	(3,077,000)

Adjustments:

Transfer(s) To

Empire State Development Corporation

General Fund

40,696,280

Appropriated 2008-09

43,773,280

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

Program	Available 2008-09	Recommended 2009-10	Change
Community Projects			
General Fund	445,000	0	(445,000)
High Technology Program			
General Fund	2,632,000	0	(2,632,000)
Total	3,077,000	0	(3,077,000)

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, and 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$158.4 million All Funds** (\$22.9 million General Fund; \$135.5 million Other Funds) for the Department of State. This is a net decrease of **\$31 million All Funds** from the 2008-09 budget. This net change results from the elimination of \$31.4 million in nonrecurring program additions and \$2.4 million in state operations spending, offset by a new \$2.8 million capital appropriation for the Brownfield Opportunity Areas Program. The Executive Budget recommends a staffing level of **860 FTEs** for the Department of State, a **decrease of 47** from the 2008-09 budget. This decrease primarily reflects the impact of the statewide hiring freeze, implemented by the Executive in July of 2008.

Additionally, the Executive Budget recommends an Article VII proposal to increase examination fees for sixteen disciplines licensed and regulated by the Department.

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 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

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planning activities in the New York City/Catskill watershed; administer the Hudson River Valley Greenway program, coordinate New York's coastal resources and waterfront revitalization activities; serve as the lead agency involved in providing technical assistance and administering grants for the Brownfield Opportunity Areas Program 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 maintains all certificates on file for businesses and corporations; 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 Commission on Uniform State Laws, the State Athletic Commission, the Committee on Open Government, and the Tug Hill Commission.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	82,576,000	80,143,000	(2,433,000)	24,866,000
Aid To Localities	106,946,396	75,526,700	(31,419,696)	116,337,800
Capital Projects	0	2,750,000	2,750,000	7,556,000
Total	189,522,396	158,419,700	(31,102,696)	148,759,800

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	58	58	0
Lake George Park Commission			
Special Revenue Funds - Other	9	9	0
Law Revision Commission			
General Fund	3	0	(3)
Licensing Services			
Special Revenue Funds - Other	423	403	(20)
Local Government and Community Services			
General Fund	133	109	(24)
Special Revenue Funds - Federal	58	58	0
Special Revenue Funds - Other	205	205	0
Tug Hill Commission			
General Fund	18	18	0
Total	907	860	(47)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	24,155,000	22,923,000	(1,232,000)
Special Revenue Funds - Federal	11,402,000	11,335,000	(67,000)
Special Revenue Funds - Other	47,019,000	45,885,000	(1,134,000)
Total	82,576,000	80,143,000	(2,433,000)

Adjustments:

Transfer(s) From

Special Pay Bill

General Fund	(1,018,000)
Special Revenue Funds - Federal	(488,000)
Special Revenue Funds - Other	(3,304,000)

State, Department of

General Fund	(439,000)
Special Revenue Funds - Federal	(555,000)
Special Revenue Funds - Other	(994,000)

Transfer(s) To

State, Department of

General Fund	965,000
Special Revenue Funds - Federal	67,000
Special Revenue Funds - Other	956,000

Appropriated 2008-09

77,766,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	11,258,000	11,258,000	0
Lake George Park Commission			
Special Revenue Funds - Other	1,639,000	1,509,000	(130,000)
Law Revision Commission			
General Fund	168,000	0	(168,000)
Licensing Services			
Special Revenue Funds - Other	41,727,000	41,112,000	(615,000)
Local Government and Community Services			
General Fund	11,056,000	10,292,000	(764,000)
Special Revenue Funds - Federal	11,402,000	11,335,000	(67,000)
Special Revenue Funds - Other	3,600,000	3,231,000	(369,000)
Tug Hill Commission			
General Fund	1,513,000	1,213,000	(300,000)
Special Revenue Funds - Other	53,000	33,000	(20,000)
Uniform State Laws, NY Commission on			
General Fund	160,000	160,000	0
Total	82,576,000	80,143,000	(2,433,000)

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STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	5,434,000	0	5,387,000	0
Law Revision Commission	0	(158,000)	0	(158,000)
Local Government and Community Services	8,643,000	(764,000)	8,604,000	(764,000)
Tug Hill Commission	1,103,000	0	1,103,000	0
Total	15,180,000	(922,000)	15,094,000	(922,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	41,000	0	6,000	0
Law Revision Commission	0	0	0	0
Local Government and Community Services	34,000	0	5,000	0
Tug Hill Commission	0	0	0	0
Total	75,000	0	11,000	0

STATE OPERATIONS - GENERAL AND OFFSET FUNDS SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	5,824,000	0	646,000	0
Law Revision Commission	0	(10,000)	0	(2,000)
Local Government and Community Services	1,649,000	0	78,500	0
Tug Hill Commission	110,000	(300,000)	13,000	0
Uniform State Laws, NY Commission on	160,000	0	0	0
Total	7,743,000	(310,000)	737,500	(2,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	58,500	0	4,405,500	0
Law Revision Commission	0	0	0	0
Local Government and Community Services	140,300	0	1,047,100	0
Tug Hill Commission	8,000	0	87,000	(300,000)
Uniform State Laws, NY Commission on	0	0	160,000	0
Total	206,800	0	5,699,600	(300,000)

Program	Equipment	
	Amount	Change
Administration	714,000	0
Law Revision Commission	0	(8,000)
Local Government and Community Services	383,100	0
Tug Hill Commission	2,000	0
Uniform State Laws, NY Commission on	0	0
Total	1,099,100	(8,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total Amount	Change	Personal Service Amount	Change
Lake George Park Commission	1,509,000	(130,000)	624,000	(85,000)
Licensing Services	41,112,000	(615,000)	20,081,000	(615,000)
Local Government and Community Services	14,566,000	(436,000)	5,458,000	(102,000)
Tug Hill Commission	33,000	(20,000)	0	0
Total	57,220,000	(1,201,000)	26,163,000	(802,000)

Program	Nonpersonal Service Amount	Change	Maintenance Undistributed Amount	Change
Lake George Park Commission	885,000	(45,000)	0	0
Licensing Services	21,031,000	0	0	0
Local Government and Community Services	8,508,000	(334,000)	600,000	0
Tug Hill Commission	33,000	(20,000)	0	0
Total	30,457,000	(399,000)	600,000	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	30,439,696	0	(30,439,696)
Special Revenue Funds - Federal	61,400,000	61,400,000	0
Special Revenue Funds - Other	15,106,700	14,126,700	(980,000)
Total	106,946,396	75,526,700	(31,419,696)

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

Program	Available 2008-09	Recommended 2009-10	Change
Licensing Services			
Special Revenue Funds - Other	539,000	539,000	0
Local Government and Community Services			
General Fund	5,961,396	0	(5,961,396)
Special Revenue Funds - Federal	61,400,000	61,400,000	0
Special Revenue Funds - Other	14,567,700	13,587,700	(980,000)
Community Projects			
General Fund	24,478,300	0	(24,478,300)
Total	106,946,396	75,526,700	(31,419,696)

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Local Government and Community Services				
Capital Projects Fund - Authority Bonds	0	0	0	7,006,000
Office of Fire Prevention				
Capital Projects Fund	0	0	0	550,000
Solid and Hazardous Waste Management				
Hazardous Waste Remedial Fund - Oversight & Assessment	0	2,750,000	2,750,000	0
Total	0	2,750,000	2,750,000	7,556,000

DEPARTMENT OF TAXATION AND FINANCE

MISSION

The Department of Taxation and Finance (DTF) collects tax revenue and provides associated services in support of government operations in New York State. In fulfilling its responsibilities, the Department collects and accounts for almost \$60 billion in State taxes and \$40 billion in local taxes; administers 35 State and 7 local taxes, including New York City and City of Yonkers income taxes; and processes approximately 27 million returns, registrations, and associated documents. The Department also manages the State Treasury, which provides investment and cash management services to various State agencies, and administers the State's Middle Class STAR Property Tax Rebate Program.

ORGANIZATION AND STAFFING

The Department is headed by a Commissioner who is appointed by the Governor and confirmed by the Senate. The Department fulfills its mission through eight programs: Audit, Collection and Enforcement, Centralized Operations Support, Office of Conciliation and Mediation, Management, Administration and Counsel, Revenue Processing and Reconciliation, Tax Policy, Revenue Accounting and Taxpayer Guidance, Technology and Information Services, and Treasury Management.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$485.7 million All Funds** (\$349.6 million General Fund; \$136.1 million Other Funds) for the Department of Taxation and Finance. This is an increase of **\$14.5 million All Funds** (\$14.2 million General Fund, \$.3 million Other Funds) from the 2008-09 budget. This net change primarily reflects additional costs associated with staffing increases offset by reductions in nonpersonal services.

The Executive Budget recommends a staffing level of **5,336 FTEs** for the Department of Taxation and Finance, an **increase of 300 FTEs** from the 2008-09 budget. These additional staff positions will be assigned to the Department's Audit, Collection, and Enforcement program to supplement the Department's ongoing efforts to achieve full voluntary taxpayer compliance. The Executive Budget proposes legislation that will establish service fees for returned checks, the establishment of installment payment plans for tax liabilities, the processing of paper tax returns filed with the Department and a tax preparers registration fee.

PROGRAM HIGHLIGHTS

The Department's strategic goal is to achieve "universal voluntary compliance" to ensure that all taxpayers voluntarily pay the correct amount of tax due on a timely basis. To achieve this goal, the Department is committed to increasing the current high level of voluntary compliance through taxpayer education initiatives, technology, and enforcement efforts.

The operations of the Department are organized along the following functional lines to support its legal mission:

TAXATION AND FINANCE

- **Audit, Collection and Enforcement:** Ensures that voluntarily remitted taxes are accurate and complete; leverages sophisticated technologies and highly-trained personnel to collect delinquent taxes; and identifies and investigates alleged evasion of the State tax code, whether through underreporting, non-filing or schemes of avoidance.
- **Centralized Operations Support:** Provides infrastructure support services; vehicle fleet management; printing and mailing services; telecommunications support; space planning, management, and utilization; in-house security; and parking services.
- **Office of Conciliation and Mediation:** Provides taxpayers with a statutorily-mandated option of informal and impartial dispute resolution that potentially mitigates time-consuming, formal administrative hearings with the Division of Tax Appeals.
- **Management, Administration and Counsel:** Provides departmental financial services, including budgeting, accounting, and procurement; provides a full range of legal services to the Department; and provides personnel services, including workforce strategies and solutions.
- **Revenue Processing and Reconciliation:** Processes taxpayer returns and remittance to compute liability, identify underpayments or overpayments, and issue assessments and refunds; creates and maintains taxpayer accounts and records; and responds to taxpayer inquiries.
- **Tax Policy, Revenue Accounting and Taxpayer Guidance:** Performs revenue accounting; reviews tax policies; assesses tax proposals and proposed legislation; prepares fiscal impacts; performs sophisticated studies and analyses for the Legislature and the Division of the Budget; and develops tax information, advice, forms, and instructions.
- **Technology and Information Services:** Maintains, secures, and improves the Department's information technology infrastructure, applications, and networks.
- **Treasury Management:** Acts on the Tax Commissioner's behalf as custodian of the State Treasury, and joint-custodian of the State General Checking Account; provides various financial and investment services to certain State agencies and public benefit corporations.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	471,227,000	485,680,000	14,453,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	471,227,000	485,680,000	14,453,000	0

TAXATION AND FINANCE

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Audit, Collection and Enforcement			
General Fund	2,541	2,841	300
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	584	584	0
Special Revenue Funds - Other	731	731	0
Tax Policy, Revenue Accounting and Taxpayer Guidance			
General Fund	176	176	0
Technology and Information Services			
General Fund	560	560	0
Treasury Management			
Special Revenue Funds - Other	44	44	0
Total	<u>5,036</u>	<u>5,336</u>	<u>300</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	335,383,000	349,554,000	14,171,000
Special Revenue Funds - Federal	2,582,000	2,582,000	0
Special Revenue Funds - Other	87,060,000	87,342,000	282,000
Internal Service Funds	46,202,000	46,202,000	0
Total	<u>471,227,000</u>	<u>485,680,000</u>	<u>14,453,000</u>

Adjustments:

Transfer(s) From

 Special Pay Bill

 General Fund

(20,663,000)

 Special Revenue Funds - Other

(223,000)

Appropriated 2008-09

450,341,000

TAXATION AND FINANCE

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

Program	Available 2008-09	Recommended 2009-10	Change
Audit, Collection and Enforcement			
General Fund	136,118,101	174,947,987	38,829,886
Special Revenue Funds - Federal	2,582,000	2,582,000	0
Special Revenue Funds - Other	4,000,000	4,000,000	0
Centralized Operations Support			
General Fund	38,357,578	29,020,005	(9,337,573)
Office of Conciliation and Mediation			
General Fund	1,785,673	1,754,904	(30,769)
Management, Administration and Counsel			
General Fund	17,347,217	16,834,684	(512,533)
Special Revenue Funds - Other	121,000	0	(121,000)
Revenue Processing and Reconciliation			
General Fund	45,396,425	44,663,949	(732,476)
Special Revenue Funds - Other	79,653,000	79,653,000	0
Internal Service Funds	46,202,000	46,202,000	0
Tax Policy, Revenue Accounting and Taxpayer Guidance			
General Fund	12,746,114	12,253,238	(492,876)
Technology and Information Services			
General Fund	83,631,892	70,079,233	(13,552,659)
Treasury Management			
Special Revenue Funds - Other	3,286,000	3,689,000	403,000
Total	471,227,000	485,680,000	14,453,000

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	168,535,101	41,217,000	166,515,101	41,217,000
Centralized Operations Support	5,582,578	0	4,983,578	0
Office of Conciliation and Mediation	1,677,673	0	1,677,673	0
Management, Administration and Counsel	15,548,217	0	15,379,217	0
Revenue Processing and Reconciliation	42,825,425	0	36,559,425	0
Tax Policy, Revenue Accounting and Taxpayer Guidance	11,016,114	0	10,913,114	0
Technology and Information Services	36,061,892	0	35,261,892	0
Total	281,247,000	41,217,000	271,290,000	41,217,000

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	1,020,000	0	1,000,000	0
Centralized Operations Support	549,000	0	50,000	0
Office of Conciliation and Mediation	0	0	0	0
Management, Administration and Counsel	159,000	0	10,000	0
Revenue Processing and Reconciliation	5,766,000	0	500,000	0
Tax Policy, Revenue Accounting and Taxpayer Guidance	38,000	0	65,000	0
Technology and Information Services	300,000	0	500,000	0
Total	7,832,000	0	2,125,000	0

TAXATION AND FINANCE

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	6,412,886	(2,387,114)	420,479	(167,521)
Centralized Operations Support	23,437,427	(9,337,573)	9,360,669	(3,729,331)
Office of Conciliation and Mediation	77,231	(30,769)	3,575	(1,425)
Management, Administration and Counsel	1,286,467	(512,533)	97,969	(39,031)
Revenue Processing and Reconciliation	1,838,524	(732,476)	788,756	(314,244)
Tax Policy, Revenue Accounting and Taxpayer Guidance	1,237,124	(492,876)	44,336	(17,664)
Technology and Information Services	34,017,341	(13,552,659)	107,265	(42,735)
Total	68,307,000	(27,046,000)	10,823,049	(4,311,951)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	3,700,646	(1,474,354)	1,127,577	(281,423)
Centralized Operations Support	27,889	(11,111)	13,424,586	(5,348,414)
Office of Conciliation and Mediation	68,650	(27,350)	4,291	(1,709)
Management, Administration and Counsel	111,556	(44,444)	810,209	(322,791)
Revenue Processing and Reconciliation	100,114	(39,886)	782,320	(311,680)
Tax Policy, Revenue Accounting and Taxpayer Guidance	20,023	(7,977)	1,159,893	(462,107)
Technology and Information Services	214,530	(85,470)	31,381,480	(12,502,520)
Total	4,243,408	(1,690,592)	48,690,356	(19,230,644)

Program	Equipment	
	Amount	Change
Audit, Collection and Enforcement	1,164,184	(463,816)
Centralized Operations Support	624,283	(248,717)
Office of Conciliation and Mediation	715	(285)
Management, Administration and Counsel	266,733	(106,267)
Revenue Processing and Reconciliation	167,334	(66,666)
Tax Policy, Revenue Accounting and Taxpayer Guidance	12,872	(5,128)
Technology and Information Services	2,314,066	(921,934)
Total	4,550,187	(1,812,813)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	6,582,000	0	0	0
Management, Administration and Counsel	0	(121,000)	0	(81,000)
Revenue Processing and Reconciliation	125,855,000	0	36,881,000	0
Treasury Management	3,689,000	403,000	2,025,000	(63,000)
Total	136,126,000	282,000	38,906,000	(144,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	4,000,000	0	2,582,000	0
Management, Administration and Counsel	0	(40,000)	0	0
Revenue Processing and Reconciliation	88,974,000	0	0	0
Treasury Management	1,664,000	466,000	0	0
Total	94,638,000	426,000	2,582,000	0

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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3.4 million All Funds** (\$3.4 million General Fund) for the Division of Tax Appeals. This net decrease of **\$150,000** from the 2008-09 budget reflects reductions in employee costs and savings in nonpersonal service expenditures. The Executive Budget recommends a staffing level of **30 FTEs**, a decrease of 1 FTE from the 2008-09 budget. This decrease reflects the impact of the statewide hiring freeze, implemented by the Executive in July of 2008.

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 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	3,503,000	3,353,000	(150,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	3,503,000	3,353,000	(150,000)	0

TAX APPEALS

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	31	30	(1)
Total	31	30	(1)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	3,503,000	3,353,000	(150,000)
Total	3,503,000	3,353,000	(150,000)

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(230,000)
Appropriated 2008-09	3,273,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	3,503,000	3,353,000	(150,000)
Total	3,503,000	3,353,000	(150,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	2,906,000	(130,000)	2,896,000	(130,000)
Total	2,906,000	(130,000)	2,896,000	(130,000)

Program	Temporary Service (Nonannual Salaried)	
	Amount	Change
Administration	10,000	0
Total	10,000	0

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	447,000	(20,000)	33,000	(2,000)
Total	447,000	(20,000)	33,000	(2,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	24,000	(1,000)	313,000	(14,000)
Total	24,000	(1,000)	313,000	(14,000)

Program	Equipment	
	Amount	Change
Administration	77,000	(3,000)
Total	77,000	(3,000)

THRUWAY AUTHORITY

The Thruway Authority operates a 641 mile highway system, including the nation's longest toll highway and 71 miles of un-tolled Interstate 84 operated under contract for the Department of Transportation. The Thruway Authority also 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. The 2009 annual operating and capital budget is expected to total over \$1.15 billion. The Authority will have a workforce of 3,377 in 2009, a decrease of 30 positions from 2008.

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 \$10.0 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 2009-10 to advance additional Canal capital projects.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	2,000,000	2,000,000	0	10,041,000
Total	2,000,000	2,000,000	0	10,041,000

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Canal Development Program				
New York State Canal System Development Fund	2,000,000	2,000,000	0	10,041,000
Total	2,000,000	2,000,000	0	10,041,000

DEPARTMENT OF TRANSPORTATION

MISSION

The Department of Transportation (DOT) directly maintains and improves the State's more than 38,000 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 21st 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$7.1 billion All Funds (\$78 million General Fund; \$4.2 billion Capital Projects Funds; \$2.8 billion Other Funds)** for the Department of Transportation (DOT). This is a decrease of **\$551 million** (decrease of \$33 million General Fund; decrease of \$254 million Capital Projects Funds; decrease of \$264 million Other Funds) from the 2008-09 budget. This net change primarily reflects: DOT capital program reductions offset by inflationary adjustments for DOT maintenance and other planned capital program changes (\$256 million); reductions in aid-to-localities funding, primarily for transit systems (\$288 million); and the discontinuation of one-time appropriations and other minor adjustments for program activity (\$7 million).

The Executive Budget recommends a staffing level of **9,925 FTEs** for the Department of Transportation, a net **increase of 28** from the 2008-09 budget, revised for financial management plan actions. This reflects an increase of 36 positions for snow and ice control and preventive maintenance activities for 254 State-owned lane miles that were previously performed by municipalities under snow and ice contracts; 15 new positions to replace consultant contracts for information technology and a reduction of 23 positions for DOT administration, planning and program management associated with the reduced capital program.

The Department is responsible for the implementation of transportation programs related to highways and bridges, transit, aviation, ports, rail and other modes. It is

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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.

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 DOT capital plan has been amended from time to time, and totaled approximately \$18.52 billion prior to the actions recommended in this Executive Budget.

The Budget funds a DOT program that balances fiscal austerity with the preservation of essential services and projects. The revised plan maintains core funding to achieve three primary goals: providing funding necessary to accommodate non-discretionary health and safety related capital needs, matching Federal aid and ensuring adequate funding for snow and ice control and demand maintenance activities. Budget actions reduce program levels planned for 2009-10 in the State's five-year transportation capital plan by \$569 million, resulting in an overall five-year program of \$17.95 billion. Major budget actions include:

- **Construction Contract Reductions:** The annual construction contract level for State-owned roads and bridges is reduced by \$274.3 million, from the planned level of \$1.891 billion to \$1.617 billion. These reduced levels would retain core funding to address non-discretionary health and safety needs and match estimated Federal highway aid.
- **Engineering/Administrative Reductions:** Commensurate with capital program reductions, engineering, program management and administrative levels are reduced by \$108.4 million from planned levels. This reduction includes \$73 million for consultant engineering contracts and \$27 million for State forces engineering and administration. An additional reduction of \$8.4 million reflects resources for traffic signal control activities transferred to DOT maintenance and operations.
- **IT and Construction Inspection Insourcing:** Engineering and administrative reductions above also include savings from enhancing the use of state staff for IT and construction inspection functions currently performed by consultant staff.
- **Rail and Aviation Capital Reductions:** The budget includes a reduction in capital rail appropriations of \$10 million from planned levels, and a reduction in rail operating support of \$2.5 million. Aviation funding continues to include a State match to Federal aid of up to \$4 million, but eliminates up to \$4 million for discretionary State-funded projects.
- **CHIPS Program Reduction:** Capital aid to local governments for highway and bridge projects under the Consolidated Highway Improvement Program (CHIPS) is reduced by \$58.8 million from planned levels of \$309.7 million to \$250.9 million (due to a one-time program add in 2008-09, the year-to-year decrease is \$112.2 million). \$39.7 million remains available under the Marchiselli program to provide matching funds for local federally-funded highway and bridge projects.

- **Eliminate Multi-Modal Program Funding:** \$50 million in discretionary funding for multi-modal program projects planned for 2009-10 is eliminated. An additional \$50 million in 2008-09 multi-modal funding is also eliminated.

The Department's operations are devoted primarily to highway maintenance, particularly snow and ice removal. The 2009-10 Executive Budget provides \$665.2 million for snow and ice control and State forces preventive maintenance. This level represents an increase of approximately \$61.8 million from adjusted 2008-09 levels. Primary components of this increase include: \$4.8 million for personal service, fringe benefit and indirect costs associated with collective bargaining agreements and increased lane mileage responsibilities; \$9.6 million for planned inflationary increases in non-personal service expenditures; \$8.6 million for traffic signal repair and control costs previously funded from engineering appropriations; and \$38.8 million to adequately fund core preventive and demand maintenance activities.

The Department's regulatory programs and other operations are primarily funded by fees, miscellaneous revenues and federal aid. Approximately \$24.95 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; revenues generated by the sale and rental of Department property, such as commercial leasing of land for parking or storage; and funds recovered from accident damage to State transportation facilities. These funds support a number of agency activities, including administrative support services, highway safety and aviation programs.

Federal aid of \$20.9 million and dedicated mass transit funds totaling \$5.9 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 State and local highway and bridge construction contracts will total \$2.017 billion in 2009-10, a decrease of \$111 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. The 2009-10 Executive Budget proposes to dedicate an additional \$95 million in revenue to the DHBTF (\$60.5 million from increasing vehicle registration fees by 25 percent; \$21.9 million from increasing drivers' license fees from \$50 to \$62.50; \$8 million from increasing the auto rental tax from 5 percent to 6 percent; and \$4.6 million from increased fees for trucking permit renewals from \$4 to \$15), which helps to reduce General Fund support for funding shortfalls in the DHBTF.

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, is set to expire on September 30, 2009. It is expected that a successor program will be established to continue Federal support for the State's transportation programs. The Federal capital aid appropriation in 2009-10 is available for up to \$2 billion of Federal funding including provisions for State and local highways and bridges, engineering, rail and community

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enhancement programs. In addition, reappropriations are available to accommodate spending of Federal economic stimulus funds for transportation, should they become available.

The Budget would complete appropriation of the Rebuild and Renew New York Transportation Bond Act of 2005. The Bond Act provided \$1.45 billion each for the DOT and MTA capital programs from State fiscal years 2005-06 through 2009-10. Appropriations in the fifth and final year of the program include \$232 million for DOT and \$82 million for the MTA.

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 2009-10, the CHIPS capital program will be funded at \$250.9 million, and the Marchiselli program at \$39.7 million.

A \$7.5 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 will also provide up to \$4 million to match Federal aviation grants.

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.

The Budget provides \$2.68 billion in aid to transit systems throughout the State, including \$2.26 billion for the MTA and \$414.4 million for other systems. This aid level reflects an overall reduction of \$285 million from 2008-09 levels, with a \$256 million reduction for the MTA and \$29 million for other transit systems. The year-to-year change for the MTA includes the non-recurrence of approximately \$150 million in aid that was accelerated to the MTA in 2008-09 from the Metropolitan Mass Transportation Operating Assistance (MMTOA) account as a one-time distribution of fund balance. The MTA decrease also reflects the impact of declining dedicated transit revenues and the discontinuation of \$19.6 million in real estate tax transfers no longer available from the Additional Mass Transportation Assistance Program (AMTAP) fund. Transit aid reductions were distributed by system in proportion to 2008-09 aid levels after adjusting for one-time increases in the 2008-09 Budget and for annualization of 2008-09 deficit reduction actions.

Included in the appropriations recommended for the Metropolitan Transportation Authority (MTA) is \$634.1 million from the Dedicated Mass Transportation Trust Fund in support of the MTA capital program. The MTA operating assistance also includes \$25.3 million in General Fund support for the MTA as the State's contribution to reduced fares for New York City school children. The City also provides a subsidy for this program.

Of the \$414.4 million in new appropriations recommended for transit operators other than the MTA in 2009-2010, \$162.6 million is targeted for upstate transit systems and

\$251.8 million is targeted for downstate non-MTA transit systems. Capital funding of \$42 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 2007-08, the Department replaced or rehabilitated a total of 135 State bridges and completed 6,599 corrective and preventive bridge treatments to slow deterioration. Nearly 5,822 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 130 public transportation operators, 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.

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.

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ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	55,342,000	48,429,000	(6,913,000)	68,312,600
Aid To Localities	2,990,621,656	2,702,389,700	(288,231,956)	212,463,900
Capital Projects	4,560,855,000	4,305,268,000	(255,587,000)	15,337,609,000
Total	7,606,818,656	7,056,086,700	(550,731,956)	15,618,385,500

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Capital Projects Funds - Other	0	750	750
Design and Construction			
Capital Projects Funds - Other	3,878	3,124	(754)
New York Metropolitan Transportation Council			
Special Revenue Funds - Other	68	68	0
Operations Program			
Special Revenue Funds - Other	12	12	0
Passenger and Freight Transportation Program, Office of			
Special Revenue Funds - Federal	79	79	0
Special Revenue Funds - Other	112	112	0
Capital Projects Funds - Other	98	98	0
Planning and Program Management			
Capital Projects Funds - Other	526	523	(3)
Preventive Maintenance			
Capital Projects Funds - Other	4,944	4,980	36
Real Estate			
Capital Projects Funds - Other	180	179	(1)
Total	9,897	9,925	28

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	4,050,000	0	(4,050,000)
Special Revenue Funds - Federal	17,756,000	17,606,000	(150,000)
Special Revenue Funds - Other	33,536,000	30,823,000	(2,713,000)
Total	55,342,000	48,429,000	(6,913,000)

Adjustments:

Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Federal	(591,000)
Special Revenue Funds - Other	(1,668,000)
Appropriated 2008-09	53,083,000

TRANSPORTATION

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

Program	Available 2008-09	Recommended 2009-10	Change
Operations Program			
General Fund	1,050,000	0	(1,050,000)
Special Revenue Funds - Other	14,050,000	14,129,000	79,000
Passenger and Freight Transportation			
Program, Office of			
General Fund	3,000,000	0	(3,000,000)
Special Revenue Funds - Federal	17,756,000	17,606,000	(150,000)
Special Revenue Funds - Other	19,486,000	16,694,000	(2,792,000)
Total	55,342,000	48,429,000	(6,913,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Contractual Services	
	Amount	Change	Amount	Change
Operations Program	0	(1,050,000)	0	(150,000)
Passenger and Freight Transportation				
Program, Office of	0	(3,000,000)	0	(3,000,000)
Total	0	(4,050,000)	0	(3,150,000)

Program	Equipment	
	Amount	Change
Operations Program	0	(900,000)
Passenger and Freight Transportation		
Program, Office of	0	0
Total	0	(900,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations Program	14,129,000	79,000	606,000	44,000
Passenger and Freight Transportation				
Program, Office of	34,300,000	(2,942,000)	11,615,000	(1,736,000)
Total	48,429,000	(2,863,000)	12,221,000	(1,692,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Operations Program	13,523,000	35,000	0	0
Passenger and Freight Transportation				
Program, Office of	13,755,000	(1,206,000)	8,930,000	0
Total	27,278,000	(1,171,000)	8,930,000	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	105,942,656	77,551,700	(28,390,956)
Special Revenue Funds - Federal	53,910,000	53,062,000	(848,000)
Special Revenue Funds - Other	2,830,769,000	2,571,776,000	(258,993,000)
Total	2,990,621,656	2,702,389,700	(288,231,956)

TRANSPORTATION

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

Program	Available 2008-09	Recommended 2009-10	Change
Additional Mass Transportation Assistance Program			
General Fund	31,908,706	24,866,800	(7,041,906)
Special Revenue Funds - Other	19,600,000	0	(19,600,000)
Dedicated Mass Transportation Trust Fund Program			
Special Revenue Funds - Other	618,772,000	634,100,000	15,328,000
Local Transportation Planning Studies Program			
Special Revenue Funds - Federal	23,062,000	18,868,000	(4,194,000)
Mass Transportation Assistance Program			
General Fund	43,053,820	25,251,000	(17,802,820)
Mass Transportation Operating Assistance Fund Program			
Special Revenue Funds - Other	1,997,961,000	1,743,240,000	(254,721,000)
Mass Transportation Operating Assistance Program			
Special Revenue Funds - Other	194,436,000	194,436,000	0
Passenger and Freight Transportation Program, Office of			
General Fund	29,521,130	27,433,900	(2,087,230)
Special Revenue Funds - Federal	8,634,000	9,094,000	460,000
Rural and Small Urban Transit Aid Program			
Special Revenue Funds - Federal	22,214,000	25,100,000	2,886,000
Community Projects			
General Fund	1,459,000	0	(1,459,000)
Total	<u>2,990,621,656</u>	<u>2,702,389,700</u>	<u>(288,231,956)</u>

TRANSPORTATION

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Aviation				
Airport or Aviation Program				
Capital Projects Fund - Aviation (Bondable)	0	0	0	2,073,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	544,000
Regional Aviation Fund	4,000,000	0	(4,000,000)	8,307,000
Airport or Aviation Program -- Bondable				
Capital Projects Fund - Aviation (Bondable)	0	0	0	827,000
Airport or Aviation State Program				
Dedicated Highway and Bridge Trust Fund	8,000,000	4,000,000	(4,000,000)	44,507,000
Regional Aviation Fund	0	0	0	5,204,000
Aviation				
Transportation Capital Facilities Bond Fund	0	0	0	3,394,000
Federal Airport or Aviation				
Federal Capital Projects Fund	6,000,000	6,000,000	0	38,420,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	15,000,000	16,400,000	1,400,000	51,085,000
Bond Proceeds				
Rebuild and Renew New York Transportation Bonds of 2005				
Rebuild and Renew New York Transportation Bonds of 2005	0	0	0	2,600,230,000
Canals and Waterways				
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	40,000,000
Economic Development				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	0	0	0	262,585,000
Health and Safety				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	7,741,000	8,012,000	271,000	11,672,000
Highway Facilities				
Accelerated Capacity and Transportation Improvements Fund				
Accelerated Capacity and Transportation Improvements Fund	0	0	0	30,597,000
Airport or Aviation State Program				
Dedicated Highway and Bridge Trust Fund	0	0	0	472,000
Engineering Services				
Engineering Services Fund	0	0	0	147,504,000
NY Metro Transportation Council Account	19,094,000	19,597,000	503,000	37,043,000
Federal Aid Highways - Bondable Purpose				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	7,375,000
Federal Aid Highways - Federal Purpose				
Federal Capital Projects Fund	2,065,000,000	2,000,000,000	(65,000,000)	7,292,499,000
Highway Facilities				
Dedicated Highway and Bridge Trust Fund	0	0	0	13,760,000
Infrastructure Bond Act Projects				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	7,255,000
Multi-Modal				
Dedicated Highway and Bridge Trust Fund	0	0	0	44,841,000
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	289,301,000

TRANSPORTATION

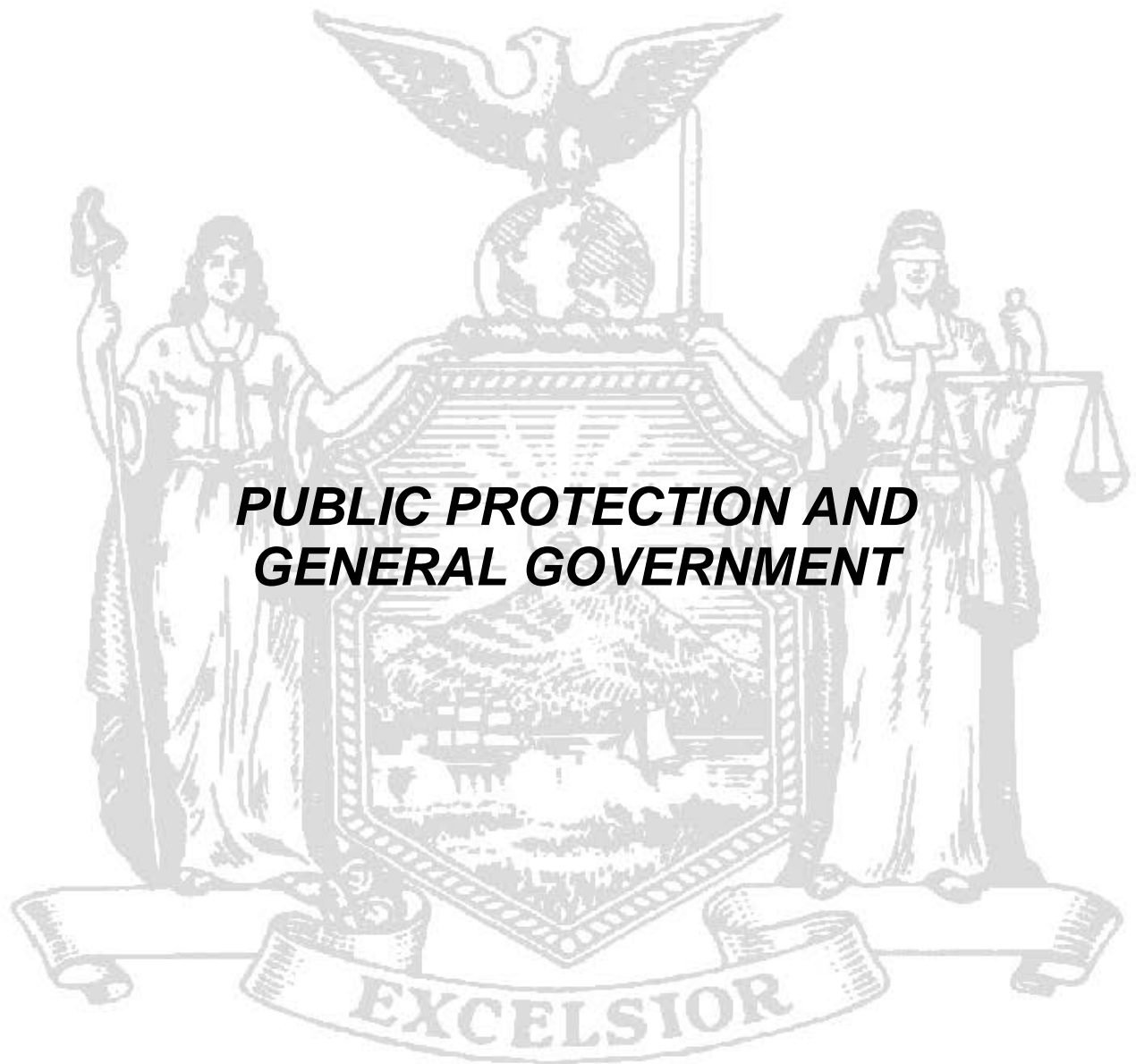
CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Non-Federal Aided Highway Capital Projects				
Capital Projects Fund	5,000,000	0	(5,000,000)	0
Dedicated Highway and Bridge Trust Fund	1,357,169,000	1,223,371,000	(133,798,000)	2,469,195,000
Other Highway Aid				
Dedicated Highway and Bridge Trust Fund	0	0	0	1,150,000
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)	275,000,000	168,600,000	(106,400,000)	790,532,000
Road and Bridge Improvements - Bondable				
Capital Projects Fund - A.C. and T.I. Fund (Bondable)	0	0	0	30,598,000
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	28,082,000
Maintenance Facilities				
Maintenance Facilities				
Dedicated Highway and Bridge Trust Fund	17,685,000	18,165,000	480,000	31,282,000
Mass Transportation and Rail Freight				
Marine Projects				
Dedicated Mass Transportation Non MTA	0	0	0	181,000
Mass Transportation				
Dedicated Mass Transportation Non MTA	20,000,000	21,000,000	1,000,000	102,381,000
Mass Transportation and Rail Freight				
Capital Projects Fund - Energy Conservation (Bondable)	0	0	0	149,000
Dedicated Highway and Bridge Trust Fund	20,000,000	7,500,000	(12,500,000)	83,975,000
Dedicated Mass Transportation Non MTA	50,471,000	50,471,000	0	107,162,000
Federal Capital Projects Fund	0	0	0	19,576,000
Mass Transportation and Rail Freight Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	2,731,000
Rail Freight				
Capital Projects Fund - Advances	0	0	0	21,350,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	121,000
Dedicated Mass Transportation Non MTA	0	0	0	1,351,000
Rail Preservation and Development Fund				
Energy Conservation Improved Transportation Bond Fund	0	0	0	164,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	10,000,000	10,000,000	0	34,786,000
Small and Minority and Women-Owned Small Business Assistance				
Dedicated Mass Transportation Non MTA	0	0	0	5,000,000
Special Rail and Aviation Program				
Capital Projects Fund - Authority Bonds	0	0	0	22,000,000
Dedicated Mass Transportation Non MTA	0	0	0	5,315,000
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	94,611,000

TRANSPORTATION

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Preservation of Facilities				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	593,695,000	665,152,000	71,457,000	531,982,000
Total	4,560,855,000	<u>4,305,268,000</u>	<u>(255,587,000)</u>	<u>15,337,609,000</u>
Adjustments:				
Transfer(s) From				
Special Pay Bill		<u>(58,714,000)</u>		
Appropriated 2008-09		<u>4,502,141,000</u>		



***PUBLIC PROTECTION AND
GENERAL GOVERNMENT***

DIVISION OF ALCOHOLIC BEVERAGE CONTROL

MISSION

The Division of Alcoholic Beverage Control operates under the direction of the State Liquor Authority, a three member board appointed by the Governor with the advice and consent of the Senate. The Division regulates and controls the manufacture, sale and distribution of alcoholic beverages within the State; issues 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's organization includes three functional areas: Administration, Licensing and Compliance. Administration includes the Offices of the Chairman of the Authority, the Chief Operating Officer, Government Affairs, Communications and other traditional administrative functions. Licensing includes the Licensing Bureau which is responsible for processing new and renewal license applications, in addition to the Wholesale Bureau which administers price schedules and trade practices. Compliance includes the Office of Counsel, as well as the Enforcement and Hearing Bureaus.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$21.5 million** in funding for the Division. This is an increase of **\$3 million** in funds from the 2008-09 Budget, reflecting increased resources to support licensing services. These resources will support implementation of legislation authorizing the sale of wine in grocery stores, and will also be used to alleviate the current license application backlog. The Division is entirely self-funded by revenue generated from fees and fines it imposes.

The Executive Budget recommends a staffing level of **215 FTEs**, which is an increase of 50 from the 2008-09 Enacted Budget.

Resources from the 2008-09 Budget suballocated to the State Law Revision Commission will continue to be available to support the Commission's statutorily mandated study of the Alcoholic Beverage Control law. A final report of recommended changes to the law is due in June of 2009.

PROGRAM HIGHLIGHTS

Staff assigned to the Licensing Program will continue efforts to process permits and licenses in a timely manner and will work to reduce the current license application backlog. These steps, in addition to a more user-friendly information technology infrastructure, and sustained public outreach efforts, will ensure that the Division is viewed as responsive and transparent.

The Division will also continue to enhance its compliance activities during 2009-10. The Agency's Rapid Enforcement Unit was created in 2007 in an effort to quickly respond to problem bars. Working in partnership with local law enforcement agencies, including those in the Division of Criminal Justice Services' Operation IMPACT program, these efforts will continue to have a positive impact on the public's health and

ALCOHOLIC BEVERAGE CONTROL

safety. The Division will also continue to investigate complaints and the Authority will conduct hearings to ensure that permit and license holders who violate the State liquor law receive appropriate penalties.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	18,480,000	21,480,000	3,000,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	18,480,000	21,480,000	3,000,000	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Special Revenue Funds - Other	17	28	11
Compliance			
Special Revenue Funds - Other	80	99	19
Licensing and Wholesaler Services			
Special Revenue Funds - Other	68	88	20
Total	165	215	50

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	18,480,000	21,480,000	3,000,000
Total	18,480,000	21,480,000	3,000,000

Adjustments:
Transfer(s) From
 Special Pay Bill
 Special Revenue Funds - Other
Appropriated 2008-09

(924,000)
17,556,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
Special Revenue Funds - Other	4,939,000	4,939,000	0
Compliance			
Special Revenue Funds - Other	8,048,000	8,048,000	0
Licensing and Wholesaler Services			
Special Revenue Funds - Other	5,493,000	8,493,000	3,000,000
Total	18,480,000	21,480,000	3,000,000

ALCOHOLIC BEVERAGE CONTROL

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	4,939,000	0	1,389,000	0
Compliance	8,048,000	0	4,799,000	0
Licensing and Wholesaler Services	8,493,000	3,000,000	3,291,000	0
Total	21,480,000	3,000,000	9,479,000	0

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	3,550,000	0	0	0
Compliance	3,249,000	0	0	0
Licensing and Wholesaler Services	2,202,000	0	3,000,000	3,000,000
Total	9,001,000	0	3,000,000	3,000,000

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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$368.1 million All Funds** (\$173.5 million General Fund; \$101.4 million Fiduciary Fund; \$4.2 million Internal Service Fund; \$89 million All Other Funds). This is a decrease of **\$12.5 All Funds** (a decrease in the General Fund of \$14.7 million; a \$2.3 million increase in the Fiduciary Fund; a \$ 0.1 million increase in the Internal Service Fund; and a \$0.2 million decrease in All Other Funds). The Department of Audit and Control will have a workforce of **2,643 FTEs**.

PROGRAM HIGHLIGHTS

- The Executive Direction, Legal Services, Administration and the Chief Information Office programs are responsible for the public information, internal audit, fiscal research, IT operations, financial administration, legal, office services, management analysis and human resource functions of the Department.
- The Office of Operations provides accounting and financial reporting services, audits State contracts, expenditures and payrolls prior to payment, carries out the mandates of the Abandoned Property Law by safeguarding lost assets belonging to residents, maintains the State's current Central Accounting System, and is leading an initiative to replace the 20 year old system which is the backbone of the State's financial structure. The Office is also responsible for the VendRep system, which was established to promote State agency and Office of the State Comptroller due diligence in assessing the responsibility of vendors with whom the State contracts.
- The State and Local Government Accountability program provides oversight through audits of all State and local government agencies, authorities and special purpose entities. It collects and reviews local government financial data, provides training programs and support services for local financial officials, and publishes

AUDIT AND CONTROL

research and analysis on a variety of local government policy issues. The Office is comprised of the Divisions of State Government Accountability and Local Government and School Accountability.

- 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 3,021 participating government employers, 677,321 active and vested members and approximately 358,109 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.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	264,155,000	258,113,000	(6,042,000)	0
Aid To Localities	116,507,100	110,025,000	(6,482,100)	0
Capital Projects	0	0	0	0
Total	380,662,100	368,138,000	(12,524,100)	0

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

Program	Full-Time Equivalent Positions (FTE)		
	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration Program			
General Fund	124	124	0
Chief Information Office			
General Fund	181	181	0
Environmental Protection and Spill Compensation			
Special Revenue Funds - Other	6	6	0
Executive Direction			
General Fund	106	106	0
Internal Service Funds	13	13	0
Pension Investment and Public Finance Program			
General Fund	5	5	0
Fiduciary Funds	54	54	0
Legal Services			
General Fund	63	63	0
State Services Program			
Special Revenue Funds - Federal	8	8	0
Internal Service Funds	11	11	0
Retirement Services Program			
Fiduciary Funds	815	815	0
Office of the Special Deputy Comptroller for New York City			
Special Revenue Funds - Other	28	28	0
State and Local Accountability			
General Fund	581	581	0
State Operations			
General Fund	648	648	0
Total	<u>2,643</u>	<u>2,643</u>	<u>0</u>

AUDIT AND CONTROL

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	149,657,000	141,457,000	(8,200,000)
Special Revenue Funds - Other	11,246,000	11,008,000	(238,000)
Internal Service Funds	4,210,000	4,258,000	48,000
Fiduciary Funds	99,042,000	101,390,000	2,348,000
Total	264,155,000	258,113,000	(6,042,000)
Adjustments:			
Transfer(s) From			
Audit and Control, Department of			
General Fund	(1,677,500)		
Special Revenue Funds - Other	(1,602,500)		
Internal Service Funds	(66,000)		
Pension Trust Funds	(9,000)		
Higher Education Services Corporation,			
New York State			
Special Revenue Funds - Other	(335,000)		
Special Pay Bill			
General Fund	(8,136,000)		
Special Revenue Funds - Other	(268,000)		
Internal Service Funds	(109,000)		
Pension Trust Funds	(5,338,000)		
Transfer(s) To			
Audit and Control, Department of			
General Fund	1,677,500		
Special Revenue Funds - Other	1,602,500		
Internal Service Funds	66,000		
Pension Trust Funds	9,000		
Appropriated 2008-09	249,969,000		

AUDIT AND CONTROL

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration Program			
General Fund	12,983,000	12,572,000	(411,000)
Chief Information Office			
General Fund	21,517,300	19,453,000	(2,064,300)
Environmental Protection and Spill Compensation			
Special Revenue Funds - Other	1,073,000	1,018,000	(55,000)
Executive Direction			
General Fund	9,758,500	9,379,000	(379,500)
Internal Service Funds	1,820,000	1,868,000	48,000
Pension Investment and Public Finance Program			
General Fund	837,200	756,000	(81,200)
Internal Service Funds	2,240,000	2,240,000	0
Fiduciary Funds	11,007,400	11,288,000	280,600
Legal Services			
General Fund	6,346,000	6,308,000	(38,000)
Retirement Services Program			
Fiduciary Funds	88,034,600	90,102,000	2,067,400
Office of the Special Deputy Comptroller for New York City			
Special Revenue Funds - Other	4,529,000	4,397,000	(132,000)
State and Local Accountability			
General Fund	44,316,300	43,373,000	(943,300)
Special Revenue Funds - Other	545,000	491,000	(54,000)
State Operations			
General Fund	53,898,700	49,616,000	(4,282,700)
Special Revenue Funds - Other	5,099,000	5,102,000	3,000
Internal Service Funds	150,000	150,000	0
Total	264,155,000	258,113,000	(6,042,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration Program	7,274,000	(108,000)	7,124,000	(108,000)
Chief Information Office	14,323,000	(157,300)	13,823,000	(157,300)
Executive Direction	8,502,000	253,500	8,412,000	253,500
Pension Investment and Public Finance Program	561,000	3,800	558,000	3,800
Legal Services	5,932,000	86,000	5,862,000	86,000
State and Local Accountability	38,456,000	269,700	37,981,000	269,700
State Operations	38,726,000	(298,700)	37,309,000	(298,700)
Total	113,774,000	49,000	111,069,000	49,000

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration Program	50,000	0	100,000	0
Chief Information Office	300,000	0	200,000	0
Executive Direction	75,000	0	15,000	0
Pension Investment and Public Finance Program	3,000	0	0	0
Legal Services	50,000	0	20,000	0
State and Local Accountability	275,000	0	200,000	0
State Operations	475,000	0	942,000	0
Total	1,228,000	0	1,477,000	0

AUDIT AND CONTROL

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration Program	5,298,000	(303,000)	346,000	0
Chief Information Office	5,130,000	(1,907,000)	550,000	0
Executive Direction	877,000	(633,000)	74,000	0
Pension Investment and Public Finance Program	195,000	(85,000)	12,000	0
Legal Services	376,000	(124,000)	67,000	0
State and Local Accountability	4,917,000	(1,213,000)	206,000	(2,000)
State Operations	10,890,000	(3,984,000)	458,000	0
Total	27,683,000	(8,249,000)	1,713,000	(2,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration Program	201,000	0	4,603,000	(303,000)
Chief Information Office	125,000	0	3,065,000	(1,907,000)
Executive Direction	91,000	0	682,000	(633,000)
Pension Investment and Public Finance Program	21,000	0	129,000	(85,000)
Legal Services	73,000	0	216,000	(124,000)
State and Local Accountability	2,961,000	(10,000)	1,441,000	(1,196,000)
State Operations	400,000	0	6,661,000	(3,984,000)
Total	3,872,000	(10,000)	16,797,000	(8,232,000)

Program	Equipment	
	Amount	Change
Administration Program	148,000	0
Chief Information Office	1,390,000	0
Executive Direction	30,000	0
Pension Investment and Public Finance Program	33,000	0
Legal Services	20,000	0
State and Local Accountability	309,000	(5,000)
State Operations	3,371,000	0
Total	5,301,000	(5,000)

AUDIT AND CONTROL

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total Amount	Change	Personal Service Amount	Change
Environmental Protection and Spill				
Compensation	1,018,000	(55,000)	523,000	(31,000)
Executive Direction	1,868,000	48,000	1,201,000	26,000
Pension Investment and Public Finance				
Program	13,528,000	280,600	6,696,000	281,000
Retirement Services Program	90,102,000	2,067,400	44,449,000	2,058,000
Office of the Special Deputy Comptroller for				
New York City	4,397,000	(132,000)	2,759,000	(105,000)
State and Local Accountability	491,000	(54,000)	270,000	(30,000)
State Operations	5,252,000	3,000	68,000	3,000
Total	<u>116,656,000</u>	<u>2,158,000</u>	<u>55,966,000</u>	<u>2,202,000</u>

Program	Nonpersonal Service Amount	Change
Environmental Protection and Spill		
Compensation	495,000	(24,000)
Executive Direction	667,000	22,000
Pension Investment and Public Finance		
Program	6,832,000	(400)
Retirement Services Program	45,653,000	9,400
Office of the Special Deputy Comptroller for		
New York City	1,638,000	(27,000)
State and Local Accountability	221,000	(24,000)
State Operations	5,184,000	0
Total	<u>60,690,000</u>	<u>(44,000)</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	38,507,100	32,025,000	(6,482,100)
Special Revenue Funds - Other	78,000,000	78,000,000	0
Total	<u>116,507,100</u>	<u>110,025,000</u>	<u>(6,482,100)</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Executive Direction			
Special Revenue Funds - Other	78,000,000	78,000,000	0
State Operations			
General Fund	38,507,100	32,025,000	(6,482,100)
Total	<u>116,507,100</u>	<u>110,025,000</u>	<u>(6,482,100)</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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$60.8 million All Funds** (\$34.4 million General Fund and \$26.4 million Other Funds) for the Division of the Budget. This is an overall decrease of **\$40.5 million**, due to a \$40 million reduction in the Statewide Financial System Program and a \$510,000 decrease in other Nonpersonal services.

The Executive Budget recommends a staffing level of **365 FTEs** for the Division of the Budget, unchanged from the 2008-09 budget.

Major budget actions include:

- **Statewide Financial System:** Reappropriations totaling \$129.2 million are included to continue 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 system 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 in development, with project teams and agency stakeholders designing a statewide Chart of Accounts, accounting ledgers, and procurement services – including the creation of a statewide vendor file. The project teams will focus on travel expense processing, grants processing, and budget development in the coming months. The joint governance structure established a year ago continues to manage the project teams and ensure successful implementation.

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.

BUDGET

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	101,345,000	60,835,000	(40,510,000)	129,200,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	101,345,000	60,835,000	(40,510,000)	129,200,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Budget Division			
General Fund	297	297	0
Special Revenue Funds - Other	28	28	0
Statewide Financial System Program			
Special Revenue Funds - Other	40	40	0
Total	365	365	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	34,932,000	34,422,000	(510,000)
Special Revenue Funds - Other	64,763,000	24,763,000	(40,000,000)
Internal Service Funds	1,650,000	1,650,000	0
Total	101,345,000	60,835,000	(40,510,000)

Adjustments:

Transfer(s) From	
Special Pay Bill	
General Fund	(1,525,000)
Special Revenue Funds - Other	(559,000)
Appropriated 2008-09	99,261,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Budget Division			
General Fund	30,932,000	30,422,000	(510,000)
Special Revenue Funds - Other	22,763,000	22,763,000	0
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	40,000,000	0	(40,000,000)
Total	101,345,000	60,835,000	(40,510,000)

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Budget Division	25,115,000	0	24,415,000	0
Total	25,115,000	0	24,415,000	0

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Budget Division	500,000	0	200,000	0
Total	500,000	0	200,000	0

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Budget Division	5,307,000	(510,000)	200,000	0
Cash Management Improvement Act	4,000,000	0	0	0
Total	9,307,000	(510,000)	200,000	0

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Budget Division	200,000	0	4,251,000	0
Cash Management Improvement Act	0	0	4,000,000	0
Total	200,000	0	8,251,000	0

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Budget Division	300,000	0	356,000	(510,000)
Cash Management Improvement Act	0	0	0	0
Total	300,000	0	356,000	(510,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Budget Division	24,413,000	0	6,794,000	0
Cash Management Improvement Act	2,000,000	0	0	0
Statewide Financial System Program	0	(40,000,000)	0	(4,500,000)
Total	26,413,000	(40,000,000)	6,794,000	(4,500,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Budget Division	17,469,000	0	150,000	0
Cash Management Improvement Act	0	0	2,000,000	0
Statewide Financial System Program	0	(35,500,000)	0	0
Total	17,469,000	(35,500,000)	2,150,000	0

CAPITAL DEFENDER OFFICE

The Capital Defender Office was closed and ceased operations on Friday, June 13, 2008.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	387,000	0	(387,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	387,000	0	(387,000)	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	387,000	0	(387,000)
Total	387,000	0	(387,000)
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund		(19,000)	
Appropriated 2008-09		368,000	

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

Program	Available 2008-09	Recommended 2009-10	Change
Capital Defense			
General Fund	387,000	0	(387,000)
Total	387,000	0	(387,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Capital Defense	0	(229,000)	0	(229,000)
Total	0	(229,000)	0	(229,000)

CAPITAL DEFENDER

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Capital Defense	0	(158,000)	0	(3,000)
Total	0	(158,000)	0	(3,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Capital Defense	0	(3,000)	0	(152,000)
Total	0	(3,000)	0	(152,000)

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 who is appointed by the Governor. The Civil Service Commission consists of the Commissioner, who serves as its President, and two Commissioners who are also appointed by the Governor. The Commission acts as an appellate body responsible for reviewing determinations of the Department and the Director of Classification and Compensation.

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;
- 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 \$6.3 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 100 local civil service agencies in classifying positions, interpreting laws and rules and, together with the Testing Division, providing selection devices and examinations;
- 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 workforce and is also responsible for administering the Workers With Disabilities Program; and

CIVIL SERVICE

- 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$64.3 million All Funds** (\$22.2 million General Fund; \$39.9 million Internal Service Fund; \$2.2 million Other Funds) for the Department of Civil Service. This is a decrease of **\$6.6 million** (\$2.2 million General Fund; \$4.3 million Internal Service Fund; \$106,000 Other Funds) from the 2008-09 budget. This decrease primarily reflects elimination of funded vacant positions, attrition, reducing the number of exam review sites, using paperless exam announcements and other administrative savings initiatives. It further reflects adjustments for fringe benefits and indirect costs.

The Executive Budget recommends a staffing level of **544 FTEs** for the Department of Civil Service, a **decrease of 16** from the 2008-09 Budget.

PROGRAM HIGHLIGHTS

In 2009-10, the Department will continue targeted investments in technology to improve services to State agencies, employees and retirees.

- **Integrated Testing System (ITS):** The Department has awarded a contract to develop an ITS that will enhance the quality and timeliness of test development, administration and scoring.
- **Eligible List Management System (ELMS):** The Department is completing implementation of the new ELMS, which will automate what is now largely a paper-driven process and result in faster, more up-to-date eligible list information to agencies for their use in filling positions.
- **MyNYSHIP:** Allows employees to view information on their benefits, submit address change requests, order Empire Plan ID cards via the Internet, submit option transfer requests and process new enrollment requests. In addition, the Department continues to develop the “Manage Dependant Information” component, which will allow such activities as adding, deleting or editing dependant information.

As part of the health insurance premium setting process each year, the Department reviews carrier premium demands and negotiates reductions in premium to more accurately reflect expected claim costs and allowable administrative expenses in the coming plan year. The Department has achieved significant plan savings through this process in the past and will diligently continue to identify future plan savings and operational improvements. Through implementation of a new strategy for premium development, the Department negotiated an aggregate 2009 Empire Plan premium increase of only 1.16 percent, significantly lower than previous years.

The Department also recognized the risk that additional costs were being incurred for ineligible dependents enrolled in the program. As a result, the Department recently awarded a contract to conduct an eligibility audit of NYSHIP’s dependent eligibility

population. The contract, which includes a provision guaranteeing a return on investment of 3-to-1, will generate significant savings to the Health Insurance Plan and the State.

The current Empire Plan Prescription Drug Contract has resulted in deeper discounts on prescription drugs, higher rebates and reduced administrative costs. Additionally, the Department was successful in negotiating the recovery of one-time overcharges totaling \$30.4 million by CIGNA and Express Scripts Inc., the Empire Plan's prior prescription drug insurer.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	70,911,000	64,312,000	(6,599,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	70,911,000	64,312,000	(6,599,000)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration and Information			
Management			
General Fund	77	71	(6)
Internal Service Funds	23	23	0
Local Civil Service			
General Fund	11	9	(2)
Labor Management Programs			
General Fund	17	17	0
Personnel Benefit Services			
General Fund	29	27	(2)
Internal Service Funds	171	171	0
Personnel Management Services			
General Fund	176	170	(6)
Special Revenue Funds - Other	5	5	0
Internal Service Funds	51	51	0
Total	560	544	(16)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	24,389,000	22,211,000	(2,178,000)
Special Revenue Funds - Other	2,352,000	2,246,000	(106,000)
Internal Service Funds	44,170,000	39,855,000	(4,315,000)
Total	70,911,000	64,312,000	(6,599,000)

Adjustments:

Transfer(s) From	
Special Pay Bill	
General Fund	(1,364,000)
Special Revenue Funds - Other	(30,000)
Internal Service Funds	(1,515,000)
Appropriated 2008-09	68,002,000

CIVIL SERVICE

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration and Information			
Management			
General Fund	7,617,000	5,921,000	(1,696,000)
Internal Service Funds	4,121,000	3,556,000	(565,000)
Local Civil Service			
General Fund	965,000	711,000	(254,000)
Personnel Benefit Services			
General Fund	2,046,000	2,087,000	41,000
Special Revenue Funds - Other	300,000	300,000	0
Internal Service Funds	31,853,000	28,894,000	(2,959,000)
Personnel Management Services			
General Fund	13,761,000	13,492,000	(269,000)
Special Revenue Funds - Other	2,052,000	1,946,000	(106,000)
Internal Service Funds	8,196,000	7,405,000	(791,000)
Total	70,911,000	64,312,000	(6,599,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration and Information				
Management	5,387,000	(1,460,000)	5,386,000	(1,459,000)
Local Civil Service	695,000	(238,000)	694,000	(238,000)
Personnel Benefit Services	1,910,000	94,000	1,871,000	100,000
Personnel Management Services	12,504,000	1,043,000	11,653,000	988,000
Total	20,496,000	(561,000)	19,604,000	(609,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration and Information				
Management	0	0	1,000	(1,000)
Local Civil Service	0	0	1,000	0
Personnel Benefit Services	28,000	0	11,000	(6,000)
Personnel Management Services	750,000	(27,000)	101,000	82,000
Total	778,000	(27,000)	114,000	75,000

CIVIL SERVICE

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration and Information				
Management	534,000	(236,000)	14,000	(34,000)
Local Civil Service	16,000	(16,000)	0	(6,000)
Personnel Benefit Services	177,000	(53,000)	42,000	5,000
Personnel Management Services	988,000	(1,312,000)	118,000	(50,000)
Total	<u>1,715,000</u>	<u>(1,617,000)</u>	<u>174,000</u>	<u>(85,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration and Information				
Management	38,000	(38,000)	450,000	(114,000)
Local Civil Service	16,000	5,000	0	(15,000)
Personnel Benefit Services	1,000	(19,000)	104,000	(39,000)
Personnel Management Services	50,000	(121,000)	811,000	(1,127,000)
Total	<u>105,000</u>	<u>(173,000)</u>	<u>1,365,000</u>	<u>(1,295,000)</u>

Program	Equipment	
	Amount	Change
Administration and Information		
Management	32,000	(50,000)
Local Civil Service	0	0
Personnel Benefit Services	30,000	0
Personnel Management Services	9,000	(14,000)
Total	<u>71,000</u>	<u>(64,000)</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Information				
Management	3,556,000	(565,000)	1,921,000	(161,000)
Personnel Benefit Services	29,194,000	(2,959,000)	11,685,000	(70,000)
Personnel Management Services	9,351,000	(897,000)	4,053,000	(1,406,000)
Total	<u>42,101,000</u>	<u>(4,421,000)</u>	<u>17,659,000</u>	<u>(1,637,000)</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Information				
Management	1,635,000	(404,000)	0	0
Personnel Benefit Services	10,013,000	(2,886,000)	7,496,000	(3,000)
Personnel Management Services	5,298,000	509,000	0	0
Total	<u>16,946,000</u>	<u>(2,781,000)</u>	<u>7,496,000</u>	<u>(3,000)</u>

CONSUMER PROTECTION BOARD

MISSION

The Consumer Protection Board was created to protect and advance the rights of New York State's consumers. The Board handles consumer complaints and mediates consumer disputes, promotes consumer education and fraud prevention, and represents consumers in utility rate cases and before various regulatory agencies. The Board 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 main bureaus: Outreach and Program Development, Utility Intervention and New Technologies, and Counsel, Policy Research and Investigations. The agency is located in Albany and New York City.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommends **\$3.5 million All Funds** (\$3.1 million General Fund, which is now the primary source for funding this agency; \$0.4 million Other Funds). This is a decrease of **\$1.8 million** (\$0.4 General Fund; \$1.4 million Other Funds) from the 2008-09 Budget. The decrease primarily reflects the shifting of fringe benefit and indirect costs to General State Charges (\$1.2 million) and nonpersonal service savings. The Consumer Protection Board will have a workforce of **33 FTEs** in 2009-10, unchanged from the prior year.

Major budget actions include:

- **Identity Theft Mitigation:** To respond to the new law creating the Identity Theft Mitigation Program, the Board will provide information, assistance and intervention to victims to remediate the harm from identity theft.
- **Enhancement of Product Recall:** To respond to increased consumer concerns regarding recalls of unsafe consumer products, especially lead-based toys and unsafe juvenile durable products, the Board will ensure that New Yorkers are better informed of potentially dangerous products.
- **Leveraging Partnerships:** The Consumer Protection Board will make efficient use of its available resources by leveraging its partnerships with local, State, federal and private entities to transmit its consumer messages and deliver programs to maximize existing resources and reduce costs.

PROGRAM HIGHLIGHTS

In 2008, the Consumer Protection Board focused on its public and private partnerships to facilitate the delivery of important consumer information, warnings and resources, including those relating to financial prudence, identity theft and product safety. The Bureau of Utility Intervention and New Technologies advocates on behalf of New York consumers on utility related issues and provides utility and energy market information. Within the Outreach and Development Bureau, the Consumer Assistance Unit mediates disputes between consumers and businesses. The Counsel, Policy

CONSUMER PROTECTION

Research and Investigations Bureau is responsible for the Board's legal functions including potential violations of New York State's Motor Fuel Marketing Practices Act and enforcement of the "Do Not Call" Law.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	5,310,000	3,494,000	(1,816,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	5,310,000	3,494,000	(1,816,000)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Consumer Protection			
General Fund	0	32	32
Special Revenue Funds - Other	33	1	(32)
Total	33	33	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	3,514,000	3,094,000	(420,000)
Special Revenue Funds - Other	1,796,000	400,000	(1,396,000)
Total	5,310,000	3,494,000	(1,816,000)

Adjustments:

Transfer(s) From

Consumer Protection Board, State

Special Revenue Funds - Other (3,194,000)

Special Pay Bill

Special Revenue Funds - Other (212,000)

Transfer(s) To

Consumer Protection Board, State

General Fund 3,194,000

Appropriated 2008-09

5,098,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Consumer Protection			
General Fund	3,514,000	3,094,000	(420,000)
Special Revenue Funds - Other	1,796,000	400,000	(1,396,000)
Total	5,310,000	3,494,000	(1,816,000)

CONSUMER PROTECTION

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Consumer Protection	2,503,000	(213,000)	2,503,000	(208,000)
Total	2,503,000	(213,000)	2,503,000	(208,000)

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Consumer Protection	0	(5,000)
Total	0	(5,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Consumer Protection	591,000	(207,000)	103,000	(7,000)
Total	591,000	(207,000)	103,000	(7,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Consumer Protection	54,000	(40,000)	358,000	(152,000)
Total	54,000	(40,000)	358,000	(152,000)

Program	Equipment	
	Amount	Change
Consumer Protection	76,000	(8,000)
Total	76,000	(8,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Consumer Protection	400,000	(1,396,000)	107,000	2,000
Total	400,000	(1,396,000)	107,000	2,000

Program	Nonpersonal Service	
	Amount	Change
Consumer Protection	293,000	(1,398,000)
Total	293,000	(1,398,000)

STATE COMMISSION OF CORRECTION

MISSION

The State Commission of Correction (SCOC) 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 as well as juvenile detention facilities. They investigate unusual events at facilities, provide technical assistance to improve facility management and monitor facilities for compliance with standards and regulations. Legislation will be advanced that will permit SCOC to reduce their mandate when a facility is accredited by the American Correctional Association.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3 million General Fund** for the Commission of Correction, an increase of **\$13,000** from the 2008-09 Budget. The recommended staffing level is **34 FTEs**, unchanged from 2008-09.

PROGRAM HIGHLIGHTS

The Commission monitors 70 State correctional facilities, 60 county jails, 16 New York City correctional facilities, 428 locally-operated police department detention facilities throughout the State and 5 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.

CORRECTION

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	2,998,000	3,011,000	13,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>2,998,000</u>	<u>3,011,000</u>	<u>13,000</u>	<u>0</u>

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Improvement of Correctional Facilities			
General Fund	34	34	0
Total	<u>34</u>	<u>34</u>	<u>0</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	2,998,000	3,011,000	13,000
Total	<u>2,998,000</u>	<u>3,011,000</u>	<u>13,000</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(191,000)
Appropriated 2008-09	<u>2,807,000</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Improvement of Correctional Facilities			
General Fund	2,998,000	3,011,000	13,000
Total	<u>2,998,000</u>	<u>3,011,000</u>	<u>13,000</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Improvement of Correctional Facilities	2,447,000	(11,000)	2,427,000	(11,000)
Total	2,447,000	(11,000)	2,427,000	(11,000)

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Improvement of Correctional Facilities	20,000	0
Total	20,000	0

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Improvement of Correctional Facilities	564,000	24,000	16,000	0
Total	564,000	24,000	16,000	0

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Improvement of Correctional Facilities	195,000	24,000	345,000	0
Total	195,000	24,000	345,000	0

Program	Equipment	
	Amount	Change
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, currently operating 70 institutions, grouped within nine regional hubs. Each of the 69 correctional facilities is managed by a Superintendent, who reports to the Commissioner. More than 20,200 – or 67 percent – of the Department's staff are security personnel, with remaining staff 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3.0 billion All Funds** (\$2.5 billion General Fund; \$37 million Federal Funds; \$36 million Other Funds; \$78 million Internal Service Funds; \$43 million Enterprise Funds; \$320 million in Capital Projects Funds) for the Department of Correctional Services. A decrease of **\$100 million General Fund** primarily reflects the closure of four camps and several annexes and other measures in response to the decrease in the inmate population. An increase of **\$15 million Other Funds** primarily reflects the introduction of an option to house inmates from other jurisdictions.

The Executive Budget recommends a staffing level of **30,331 FTEs** for the Department of Correctional Services, a **decrease of 1,342** from the 2008-09 budget, reflecting the planned consolidation of the system.

Major budget actions include:

- **Elimination of Excess Capacity:** Since 1999, the Department's under-custody population has fallen by over 10,500 inmates, particularly in minimum security facilities, and has resulted in significant areas of unused prison capacity. Under current New York State law, the Commissioner is required to issue notification one year prior to closing a prison and to explore the potential for reuse. The Budget includes new legislation that would permit the Commissioner to eliminate excess prison capacity with only a 90-day notice in times of financial crisis. It is estimated that the closure announcement will be made in March 2009 with closure of the camps and annexes in June 2009. Staff at these facilities will be offered positions at other correctional facilities or can accept openings in other State agencies if they prefer.
- **Implementing Commission on Sentencing Reform Proposals:** The Commission on Sentencing Reform, established by Executive Order to review New York's complicated sentencing structure, is in the process of finalizing recommendations to simplify existing statute and to ensure that punishment is aligned with the nature of the offense. Even though the final report of the Commission is scheduled to be released after the Executive Budget, the

CORRECTIONAL SERVICES

Commission Members identified certain proposals upon which they had agreed that would immediately begin to produce savings if enacted expeditiously. These proposals are advanced in Article VII legislation accompanying the Budget.

The Commission recommends the creation of a limited credit time allowance to provide for a six-month merit time allowance to certain violent felony offenders if the inmate displays good behavior during their term of incarceration and completes enhanced program requirements. The Commission also supports expanding eligibility to the Shock Incarceration program by increasing the age limit from 40 to 50 years of age and allowing for the selection of general confinement inmates once they are within three years of the earliest release date. Additionally, the Commission supports the implementation of graduated sanctions, utilizing a risk and needs assessment tool by parole officers for violations and the Board of Parole for releases, and removing re-entry barriers that could reduce the number of violations without negatively impacting public safety. Altogether, the proposals would reduce the prison population by approximately 1,600 inmates, allowing the Department to close an equivalent number of beds by January 2010.

- **Evaluation of Mental Health Programs:** In 2008, the Legislature enacted the Special Housing Unit (SHU) Exclusion bill, imposing requirements for the housing of inmates with mental illness. While nearly all of the provisions of this bill are proposed to be delayed until July 1, 2014, the Department will remain in compliance with a Private Settlement Agreement that DOCS and the Office of Mental Health reached with Disability Advocates, Inc. in April 2007. Delaying the effective date of the bill will allow for an evaluation of the effectiveness of the new Residential Mental Health Unit, located on the grounds of the Marcy Correctional Facility, as well the magnitude of any additional capacity needs to fully implement this new program. It is also recommended that the provisions be limited to facilities that house inmates with the greatest mental health needs and the training requirements for the Department's staff be amended.
- **Elimination of Board of Prisoner Payments:** The Board of Prisoner payments made by DOCS were originally established at a time when DOCS correctional facilities were significantly overcrowded. Over the last ten years the prison population has fallen and the number of "State-ready" inmates incarcerated in county jails fell as well – from a high of 4,425 in 1999 to the current level of only 300 inmates. In recognition of this decline, payments to local jails for housing "State-ready" inmates are eliminated. The Department will be required to provide a bed in a reception center for all "State ready" inmates within ten business days, except in instances where there are circumstances outside of the Department's control. In cases where the ten-day requirement is not met, the Department will reimburse the county for housing that "State ready" inmate in their jail.

PROGRAM HIGHLIGHTS

The under-custody prison population has declined by over 10,500 inmates since peaking at nearly 71,600 in 1999. This decline can be attributed to the increased number of scheduled releases of offenders who received longer determinate sentences under the Truth-In-Sentencing Law of 1995 and Jenna's Law of 1998, as well as the release of low level drug offenders, who are completing determinate sentences under the Felony Drug

Reform Act of 2004. Additionally, offenders who had been denied release by the Parole Board will reach two-thirds of their maximum sentence during 2009-10 and will be eligible to be conditionally released back to the community.

As soon as an inmate enters prison, an assessment is conducted to determine their need for rehabilitative programs. The Department offers educational programming, where the minimum goal is to assist inmates who do not have a high school diploma to receive a General Equivalency Diploma. An inmate can receive vocational training where a certificate is awarded upon learning the basic skills of one of the several trades that is offered. In some trades, they can continue on to a four-year apprenticeship program where the inmate receives certification from the Department of Labor. The inmate can also be placed in one of the Department's substance abuse treatment programs or an Aggression Replacement Training Program which focuses on anger management therapy. The Department's Program Services component also operates the sex offender treatment program which was expanded under the Sex Offender Management and Treatment Act of 2007.

Meeting the critical need of providing appropriate levels of medical services is important to the safety of the prison system and to the general public when an inmate is released. Often, inmates enter prison with significant health care needs which can include tuberculosis, hepatitis, or many other infectious conditions. The Department acts quickly to diagnose and begin treatment, if necessary, when an inmate enters prison and provides the greatest degree of services possible to seek a cure. The Health Services Program ensures that inmates receive a community level of care during their term of incarceration.

The safety and security of the Department's correctional institutions and the surrounding communities is maintained by the Supervision of Inmates Program while the Support Services Program provides all resources necessary for the operation of a correctional institution. This includes inmate food and transportation services, maintenance of the physical plant of the prisons and operating the business offices that provide administrative support for the facilities.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	2,738,943,000	2,660,066,000	(78,877,000)	65,437,000
Aid To Localities	6,276,000	200,000	(6,076,000)	6,091,000
Capital Projects	320,000,000	320,000,000	0	568,129,000
Total	3,065,219,000	2,980,266,000	(84,953,000)	639,657,000

CORRECTIONAL SERVICES

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	243	243	0
Special Revenue Funds - Federal	671	653	(18)
Enterprise Funds	11	11	0
Correctional Industries			
Internal Service Funds	357	367	10
Facilities Planning and Development			
Capital Projects Funds - Other	32	32	0
Health Services			
General Fund	1,971	1,976	5
Program Services			
General Fund	3,480	3,340	(140)
Supervision of Inmates			
General Fund	21,296	20,208	(1,088)
Support Services			
General Fund	3,572	3,461	(111)
Special Revenue Funds - Other	40	40	0
Total	<u>31,673</u>	<u>30,331</u>	<u>(1,342)</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	2,559,722,000	2,465,697,000	(94,025,000)
Special Revenue Funds - Federal	38,520,000	37,300,000	(1,220,000)
Special Revenue Funds - Other	19,950,000	35,750,000	15,800,000
Enterprise Funds	44,366,000	43,343,000	(1,023,000)
Internal Service Funds	76,385,000	77,976,000	1,591,000
Total	<u>2,738,943,000</u>	<u>2,660,066,000</u>	<u>(78,877,000)</u>

Adjustments:

Transfer(s) From

Special Pay Bill	
General Fund	(41,085,000)
Special Revenue Funds - Federal	(220,000)
Enterprise Funds	(19,000)
Internal Service Funds	(2,177,000)
Appropriated 2008-09	<u>2,695,442,000</u>

CORRECTIONAL SERVICES

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	27,106,000	27,106,000	0
Special Revenue Funds - Federal	38,520,000	37,300,000	(1,220,000)
Special Revenue Funds - Other	250,000	25,250,000	25,000,000
Enterprise Funds	2,701,000	2,701,000	0
Correctional Industries			
Internal Service Funds	76,385,000	77,976,000	1,591,000
Health Services			
General Fund	363,910,000	366,472,000	2,562,000
Program Services			
General Fund	259,153,000	245,097,000	(14,056,000)
Special Revenue Funds - Other	100,000	100,000	0
Enterprise Funds	39,900,000	39,900,000	0
Supervision of Inmates			
General Fund	1,408,397,000	1,340,601,000	(67,796,000)
Support Services			
General Fund	501,156,000	486,421,000	(14,735,000)
Special Revenue Funds - Other	19,600,000	10,400,000	(9,200,000)
Enterprise Funds	1,765,000	742,000	(1,023,000)
Total	<u>2,738,943,000</u>	<u>2,660,066,000</u>	<u>(78,877,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	17,455,000	0	17,336,000	0
Health Services	134,080,000	(1,092,000)	120,981,000	(818,000)
Program Services	198,812,000	(8,716,000)	182,933,000	(6,731,000)
Supervision of Inmates	1,316,256,000	(62,841,000)	1,218,157,000	(62,672,000)
Support Services	180,821,000	(4,406,000)	170,069,000	(4,406,000)
Total	<u>1,847,424,000</u>	<u>(77,055,000)</u>	<u>1,709,476,000</u>	<u>(74,627,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	0	0	119,000	0
Health Services	4,910,000	(274,000)	8,189,000	0
Program Services	11,405,000	(1,985,000)	4,474,000	0
Supervision of Inmates	15,126,000	(169,000)	82,973,000	0
Support Services	459,000	0	10,293,000	0
Total	<u>31,900,000</u>	<u>(2,428,000)</u>	<u>106,048,000</u>	<u>0</u>

CORRECTIONAL SERVICES

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	9,651,000	0	399,000	0
Health Services	232,392,000	3,654,000	89,581,000	3,100,000
Program Services	46,285,000	(5,340,000)	12,446,000	552,000
Supervision of Inmates	24,345,000	(4,955,000)	11,902,000	(2,075,000)
Support Services	305,600,000	(10,329,000)	145,206,000	1,232,000
Total	618,273,000	(16,970,000)	259,534,000	2,809,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	354,000	0	6,218,000	0
Health Services	699,000	15,000	139,792,000	1,613,000
Program Services	1,048,000	14,000	29,313,000	(5,754,000)
Supervision of Inmates	3,966,000	(85,000)	6,679,000	(1,866,000)
Support Services	760,000	22,000	140,071,000	(5,162,000)
Total	6,827,000	(34,000)	322,073,000	(11,169,000)

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	680,000	0	2,000,000	0
Health Services	2,320,000	(874,000)	0	(200,000)
Program Services	3,478,000	(152,000)	0	0
Supervision of Inmates	1,798,000	(929,000)	0	0
Support Services	19,563,000	(6,421,000)	0	0
Total	27,839,000	(8,376,000)	2,000,000	(200,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	65,251,000	23,780,000	34,840,000	(220,000)
Correctional Industries	77,976,000	1,591,000	21,336,000	(1,313,000)
Program Services	40,000,000	0	0	0
Support Services	11,142,000	(10,223,000)	1,700,000	0
Total	194,369,000	15,148,000	57,876,000	(1,533,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	2,111,000	0	28,300,000	24,000,000
Correctional Industries	56,640,000	2,904,000	0	0
Program Services	40,000,000	0	0	0
Support Services	9,442,000	(10,223,000)	0	0
Total	108,193,000	(7,319,000)	28,300,000	24,000,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	6,276,000	200,000	(6,076,000)
Total	6,276,000	200,000	(6,076,000)

CORRECTIONAL SERVICES

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

Program	Available 2008-09	Recommended 2009-10	Change
Program Services			
General Fund	396,000	0	(396,000)
Support Services			
General Fund	5,880,000	200,000	(5,680,000)
Total	<u>6,276,000</u>	<u>200,000</u>	<u>(6,076,000)</u>

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Maintenance and Improvement of Existing Facilities				
Special Conservation Activities Account	0	0	0	3,000,000
Correctional Facilities Capital Improvement Fund	320,000,000	320,000,000	0	565,129,000
Total	<u>320,000,000</u>	<u>320,000,000</u>	<u>0</u>	<u>568,129,000</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 98 staff in 2009-10.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$76.8 million All Funds** (\$38.2 million Other Funds and \$38.6 million Federal Funds) for the Board, which is a net increase of **\$897,000** from the 2008-09 budget. The increase is largely a result of shifting operating expenses from the General Fund to the Criminal Justice Improvement Account, and the inclusion of associated fringe benefit costs that were not previously reflected in CVB's appropriations. The Executive Budget recommends a staffing level of **98 FTEs** which is unchanged from the 2008-09 budget.

Additionally, Article VII legislation is being advanced that improves the manner in which claims are processed by establishing a one-year time limit for individuals to submit claims for reimbursement of medical and counseling expenses and to better align reimbursement with actual costs of conducting a forensic rape examination. The proposal also provides for payment of restitution by credit card.

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.

Effective 2008, all claims types are now processed on CVB's new automated claims processing system. Claims processing time has been reduced as a result. Legislation enacted this year expanded CVB benefits to include earnings lost by a parent or a guardian as a result of the hospitalization of a child victim under age eighteen for injuries sustained as a direct result of a crime. In addition, CVB's new public website was

CRIME VICTIMS

recognized for its user-friendly design by the Center for Digital Government, a national research and advisory institute on information technology policies and best practices in state and local government.

PAYMENTS TO VICTIMS

In 2007-08, CVB issued over 14,500 original decisions. Also, there were over 13,500 positive award decisions. These claims are from persons who may have suffered financial loss as the result of violent 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)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	9,778,000	10,675,000	897,000	0
Aid To Localities	66,120,000	66,120,000	0	44,052,000
Capital Projects	0	0	0	0
Total	75,898,000	76,795,000	897,000	44,052,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Special Revenue Funds - Federal	28	28	0
Special Revenue Funds - Other	70	70	0
Total	98	98	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Federal	3,113,000	3,061,000	(52,000)
Special Revenue Funds - Other	6,665,000	7,614,000	949,000
Total	9,778,000	10,675,000	897,000

Adjustments:

Transfer(s) From	
Crime Victims Board	
General Fund	(4,979,000)
Special Pay Bill	
General Fund	(97,000)
Special Revenue Funds - Federal	(158,000)
Special Revenue Funds - Other	(499,000)
Transfer(s) To	
Crime Victims Board	
Special Revenue Funds - Other	4,979,000
Appropriated 2008-09	<u>9,024,000</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
Special Revenue Funds - Federal	2,083,000	2,031,000	(52,000)
Special Revenue Funds - Other	6,405,000	7,354,000	949,000
Victim and Witness Assistance			
Special Revenue Funds - Federal	1,030,000	1,030,000	0
Special Revenue Funds - Other	260,000	260,000	0
Total	9,778,000	10,675,000	897,000

CRIME VICTIMS

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	9,385,000	897,000	5,615,000	(604,000)
Victim and Witness Assistance	1,290,000	0	783,000	0
Total	10,675,000	897,000	6,398,000	(604,000)

Program	Nonpersonal Service	
	Amount	Change
Administration	3,770,000	1,501,000
Victim and Witness Assistance	507,000	0
Total	4,277,000	1,501,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Federal	35,493,000	35,493,000	0
Special Revenue Funds - Other	30,627,000	30,627,000	0
Total	66,120,000	66,120,000	0

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

Program	Available 2008-09	Recommended 2009-10	Change
Payment to Victims			
Special Revenue Funds - Federal	11,523,000	11,523,000	0
Special Revenue Funds - Other	23,520,000	23,520,000	0
Victim and Witness Assistance			
Special Revenue Funds - Federal	23,970,000	23,970,000	0
Special Revenue Funds - Other	7,107,000	7,107,000	0
Total	66,120,000	66,120,000	0

DIVISION OF CRIMINAL JUSTICE SERVICES

MISSION

The mission of the Division of Criminal Justice Services (DCJS) 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 system-wide criminal justice strategies designed to increase public safety.

ORGANIZATION AND STAFFING

The Division of Criminal Justice Services is located in Albany and is headed by a Commissioner who also serves as the Governor's Assistant Secretary of Criminal Justice, overseeing policy development and operations for all criminal justice agencies and programs.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$208 million All Funds** (\$109 million General Fund; \$99 million Other Funds) for the Division of Criminal Justice Services. This is a decrease of **\$46 million All Funds** (\$45 million General Fund; \$1 million Other Funds) from the 2008-09 budget. The Executive Budget recommends a staffing level of **717 FTEs** for the Division of Criminal Justice Services, a decrease of **10** from the 2008-09 Budget.

This decrease primarily reflects the continuation of cost-savings measures that was implemented in the 2008-09 fiscal year, as well as additional spending reduction measures being proposed in the Executive Budget which will ensure that the limited resources available during the course of the upcoming fiscal year are being used effectively and efficiently, without compromising the Division's mission to enhance public safety and improve criminal justice.

Major budget actions include:

- **Criminal Justice Technology:** The Division coordinates and provides information technology services for the criminal justice community. A statewide criminal justice information system, eJusticeNY, is utilized by nearly 1,700 organizations, and includes: the ability to obtain rapsheets; perform name searches; access NYS criminal history data; wanted/missing person data; and the complete NYS Sex Offender Registry. A consolidated criminal justice data center is located at DCJS and run by the Office for Technology.
- **Operation IMPACT:** The Division will provide over \$17 million of funding for the continued support of Operation IMPACT (Integrated Municipal Police Anti-Crime Teams). This multi-agency program supports crime-fighting strategies in 17 upstate counties and certain high-crime areas.
- **Fingerprint Identification:** Funding is provided for the continued operation of the Statewide Automated Fingerprint Identification System (SAFIS) which expedites access to fingerprinting information for local police departments. Capital funding is provided elsewhere in the budget for the acquisition and development of a modern replacement system.

CRIMINAL JUSTICE SERVICES

- **Witness Protection Program:** Funding is provided for the continued operation of a witness protection program. Working cooperatively with local law enforcement officials, the Division will make funding available to protect witnesses and their families whose safety and security has been compromised as a result of their cooperation with an investigation or trial.
- **Offender Re-Entry:** In addition to coordinating New York State's multi-agency re-entry effort, the Division will provide \$3.7 million to promote the successful re-entry of offenders into their communities through Local Re-Entry Task Forces that work with local governments, not-for-profit organizations and the criminal justice community.
- **Sex Offender Management:** \$1 million is provided for the continued operation of the Office of Sex Offender Management. Additionally, funding is provided for the continued maintenance and operation of the Sex Offender Registry.
- **Statewide Support of Law Enforcement:** Funding is provided to the Division's Office of Public Safety, which provides technical support through training and crime analysis to law enforcement agencies to help reduce crime throughout New York State.
- **Efforts to Protect Children:** Funding is provided for the continued operation of the Missing and Exploited Children Clearinghouse.

PROGRAM HIGHLIGHTS

The Division of Criminal Justice Services' vision is to make New York the safest state in the nation. Through strategic planning, the Division is meeting the challenge to continue lowering the crime rate in New York by: improving coordination among Federal, State, and local law enforcement agencies; making vital information more readily available to help fight crime; expanding the use of technology to combat crime; fostering inter-agency initiatives concerning sex offender management and, implementing human trafficking legislation.

Through the Statewide Automated Fingerprint Identification System (SAFIS), the Division identifies individuals through fingerprint comparison and provides criminal history records to authorized representatives of Federal, State and local criminal justice agencies. Modern technology provides speed and accuracy in fingerprint identification and allows police to solve crimes more quickly. The processing of criminal cases is tracked by computer, beginning with the arrest, and ending with the decision by a judge and/or jury. The Division also processes civil fingerprints for certain employment, license and permit applications.

In 2009-10, the Division will directly support inter-agency law enforcement operations such as Operation IMPACT. This program targets 17 counties that account for 80 percent of crime outside New York City. The focus of IMPACT is to bring together the resources and strategies of Federal, State and local law enforcement in order to fight crime more effectively. Additionally, the Division provides local assistance funding to support an array of criminal justice functions such as: law enforcement operations, prosecution, defense, and crime laboratories. The Division also supports the Missing and Exploited Children Clearinghouse, maintains a DNA Identification Index and conducts extensive criminal justice statistical research and policy analysis, and supports New York's Uniform Crime Reporting program.

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In addition, the Division acts as the State planning agency for the receipt and processing of Federal Juvenile Justice and Delinquency Prevention funding. These funds support programs addressing youth who are at risk of criminal and/or delinquent behavior. The Division also administers other Federal programs, including funds which support a statewide anti-drug strategy of prosecution and preventive enforcement efforts, and which focus on prosecution, law enforcement and victim services related to domestic violence.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	119,232,000	113,979,000	(5,253,000)	74,563,000
Aid To Localities	135,426,253	104,405,000	(31,021,253)	188,046,224
Capital Projects	0	0	0	0
Total	254,658,253	218,384,000	(36,274,253)	262,609,224

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	115	112	(3)
Funding and Program Assistance			
General Fund	53	52	(1)
Special Revenue Funds - Federal	79	79	0
Special Revenue Funds - Other	4	4	0
Operation and Systems			
General Fund	399	394	(5)
Special Revenue Funds - Federal	23	23	0
Public Safety			
General Fund	51	50	(1)
Special Revenue Funds - Other	3	3	0
Total	727	717	(10)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	66,478,000	60,300,000	(6,178,000)
Special Revenue Funds - Federal	26,616,000	27,800,000	1,184,000
Special Revenue Funds - Other	26,138,000	25,879,000	(259,000)
Total	119,232,000	113,979,000	(5,253,000)

Adjustments:

Transfer(s) From	
Special Pay Bill	
General Fund	(2,463,000)
Special Revenue Funds - Federal	(866,000)
Special Revenue Funds - Other	(59,000)
Appropriated 2008-09	115,844,000

CRIMINAL JUSTICE SERVICES

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	16,799,967	15,429,000	(1,370,967)
Special Revenue Funds - Federal	866,000	0	(866,000)
Special Revenue Funds - Other	59,000	0	(59,000)
Funding and Program Assistance			
General Fund	4,576,350	4,015,000	(561,350)
Special Revenue Funds - Federal	20,750,000	22,300,000	1,550,000
Special Revenue Funds - Other	829,000	629,000	(200,000)
Operation and Systems			
General Fund	41,152,220	37,294,000	(3,858,220)
Special Revenue Funds - Federal	5,000,000	5,500,000	500,000
Special Revenue Funds - Other	24,000,000	24,000,000	0
Public Safety			
General Fund	3,949,463	3,562,000	(387,463)
Special Revenue Funds - Other	1,250,000	1,250,000	0
Total	119,232,000	113,979,000	(5,253,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	6,761,000	(310,967)	6,756,000	(276,967)
Funding and Program Assistance	3,731,000	(288,350)	3,731,000	(283,350)
Operation and Systems	21,552,000	373,780	21,477,000	443,780
Public Safety	3,111,000	(249,463)	3,111,000	(229,463)
Total	35,155,000	(475,000)	35,075,000	(346,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	0	(5,000)	5,000	(29,000)
Funding and Program Assistance	0	0	0	(5,000)
Operation and Systems	0	0	75,000	(70,000)
Public Safety	0	0	0	(20,000)
Total	0	(5,000)	80,000	(124,000)

CRIMINAL JUSTICE SERVICES

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	8,668,000	(1,060,000)	1,038,000	(287,000)
Funding and Program Assistance	284,000	(273,000)	110,000	0
Operation and Systems	15,742,000	(4,232,000)	416,000	8,000
Public Safety	451,000	(138,000)	145,000	0
Total	25,145,000	(5,703,000)	1,709,000	(279,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	36,000	(144,000)	5,850,000	(648,000)
Funding and Program Assistance	93,000	(57,000)	45,000	(216,000)
Operation and Systems	146,000	(92,000)	12,988,000	(4,015,000)
Public Safety	235,000	(23,000)	41,000	(115,000)
Total	510,000	(316,000)	18,924,000	(4,994,000)

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	744,000	19,000	1,000,000	0
Funding and Program Assistance	36,000	0	0	0
Operation and Systems	2,192,000	(133,000)	0	0
Public Safety	30,000	0	0	0
Total	3,002,000	(114,000)	1,000,000	0

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	0	(925,000)	0	(619,000)
Funding and Program Assistance	22,929,000	1,350,000	2,600,000	0
Operation and Systems	29,500,000	500,000	0	0
Public Safety	1,250,000	0	0	0
Total	53,679,000	925,000	2,600,000	(619,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	0	(306,000)	0	0
Funding and Program Assistance	429,000	(200,000)	19,900,000	1,550,000
Operation and Systems	0	0	29,500,000	500,000
Public Safety	0	0	1,250,000	0
Total	429,000	(506,000)	50,650,000	2,050,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	87,655,053	58,775,000	(28,880,053)
Special Revenue Funds - Federal	23,550,000	18,300,000	(5,250,000)
Special Revenue Funds - Other	24,221,200	27,330,000	3,108,800
Total	135,426,253	104,405,000	(31,021,253)

CRIMINAL JUSTICE SERVICES

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

Program	Available 2008-09	Recommended 2009-10	Change
Funding and Program Assistance			
General Fund	81,158,443	58,775,000	(22,383,443)
Special Revenue Funds - Federal	23,550,000	18,300,000	(5,250,000)
Special Revenue Funds - Other	24,221,200	27,330,000	3,108,800
Community Projects			
General Fund	6,496,610	0	(6,496,610)
Total	<u>135,426,253</u>	<u>104,405,000</u>	<u>(31,021,253)</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.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommends **\$19.9 million All Funds** (\$7.4 million General Fund; \$12.5 million Other Funds) for the State Board of Elections. This is a decrease of **\$2.7 million All Funds** (\$2.2 million General Fund decrease; \$3.0 million Other Funds increase; and a \$3.5 million Federal Funds decrease). The Board will have a workforce of **63 FTEs**, a decrease of **20 FTEs** from 2008-09. The General Fund decrease reflects the elimination of vacant positions, the in-sourcing of support and maintenance of the statewide voter registration database and administrative savings initiatives.

Major budget actions include:

- **Help America Vote Act.** The Budget continues funding for the certification and purchase of Help America Vote Act (HAVA) compliant voting machines and continues \$7.5 million in funding for poll site accessibility projects. The Budget recommends reappropriations of over \$197 million in unspent funds for the HAVA.

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.

New York continues to work toward full compliance with HAVA and achieved a major milestone with the successful deployment in 2007 of the Statewide Voter Registration Database. In response to a Federal Court order, New York is moving towards full compliance with HAVA's voting machine requirements, to that end, the State Board approved for use, ballot marking devices which provide private and

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independent access to the voting process for voters with disabilities. In 2008, the State Board tested and accepted, and counties deployed, over 7,000 ballot marking devices in the Fall 2008 primary and general elections.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	11,581,000	12,395,000	814,000	17,000,000
Aid To Localities	11,000,000	7,500,000	(3,500,000)	185,214,000
Capital Projects	0	0	0	0
Total	22,581,000	19,895,000	(2,686,000)	202,214,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Investigations of Campaign Financing			
General Fund	21	0	(21)
Regulation of Elections			
General Fund	62	63	1
Total	83	63	(20)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	9,581,000	7,395,000	(2,186,000)
Special Revenue Funds - Other	2,000,000	5,000,000	3,000,000
Total	11,581,000	12,395,000	814,000
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(255,000)		
Appropriated 2008-09	11,326,000		

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

Program	Available 2008-09	Recommended 2009-10	Change
Regulation of Elections			
General Fund	9,581,000	7,395,000	(2,186,000)
Special Revenue Funds - Other	2,000,000	5,000,000	3,000,000
Total	11,581,000	12,395,000	814,000

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Regulation of Elections	3,921,000	(1,330,000)	3,897,000	(1,285,000)
Total	3,921,000	(1,330,000)	3,897,000	(1,285,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Regulation of Elections	16,000	(45,000)	8,000	0
Total	16,000	(45,000)	8,000	0

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Regulation of Elections	3,474,000	(856,000)	176,000	(74,000)
Total	3,474,000	(856,000)	176,000	(74,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Regulation of Elections	128,000	3,000	2,924,000	(791,000)
Total	128,000	3,000	2,924,000	(791,000)

Program	Equipment	
	Amount	Change
Regulation of Elections	246,000	6,000
Total	246,000	6,000

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Nonpersonal Service	
	Amount	Change	Amount	Change
Regulation of Elections	5,000,000	3,000,000	5,000,000	3,000,000
Total	5,000,000	3,000,000	5,000,000	3,000,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Federal	11,000,000	7,500,000	(3,500,000)
Total	11,000,000	7,500,000	(3,500,000)

ELECTIONS

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

Program	Available 2008-09	Recommended 2009-10	Change
Regulation of Elections			
Special Revenue Funds - Federal	11,000,000	7,500,000	(3,500,000)
Total	11,000,000	7,500,000	(3,500,000)

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, in order to advance the performance of State government through collaborative labor relations, workforce training, education and benefits.

ORGANIZATION AND STAFFING

OER is located in Albany, and administered by a Director appointed by the Governor.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$5.6 million All Funds** (\$3.7 million General Fund; \$121,000 Other Funds; \$1.8 million Internal Service Funds) for the Office of Employee Relations. This is a decrease of **\$2.0 million** (\$0.8 million General Fund; \$1.2 million Internal Service Funds) from the 2008-09 budget. This change reflects savings initiatives to address the current fiscal situation and yet retain the integrity of the Agency's programs.

The Executive Budget recommends a staffing level of **51 FTEs** for the Office of Employee Relations, a decrease of **5** from the 2008-09 Budget. This change reflects the consolidation of functions to achieve savings in a difficult fiscal environment.

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 arbitration and in hearings before the Public Employment Relations Board. The agency's major focus during 2009-10 will be to continue collective bargaining negotiations, if needed, with several of the State employee unions, and to implement the agreements reached during 2008-09 with most of the State employee unions.

The Office of Employee Relations is also charged with advancing sound labor management practices, improving productivity, and promoting innovation in the State's workforce. The Office works with State agencies and the public employee unions on efficiently implementing changes in working conditions. The Office also offers statewide training programs to assist employees in improving and maintaining their skills. Other activities include training managers, organizational consulting, and assisting State agencies in succession planning to meet the challenges of a changing workforce.

EMPLOYEE RELATIONS

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	7,592,000	5,625,000	(1,967,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	7,592,000	5,625,000	(1,967,000)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Contract Negotiation and Administration			
General Fund	38	33	(5)
Internal Service Funds	14	14	0
Management Confidential Affairs			
General Fund	4	4	0
Total	56	51	(5)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	4,518,000	3,715,000	(803,000)
Special Revenue Funds - Other	125,000	121,000	(4,000)
Internal Service Funds	2,949,000	1,789,000	(1,160,000)
Total	7,592,000	5,625,000	(1,967,000)

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(220,000)
Internal Service Funds	(181,000)
Appropriated 2008-09	7,191,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Contract Negotiation and Administration			
General Fund	4,027,000	3,360,000	(667,000)
Special Revenue Funds - Other	125,000	121,000	(4,000)
Internal Service Funds	2,949,000	1,789,000	(1,160,000)
Management Confidential Affairs			
General Fund	491,000	355,000	(136,000)
Total	7,592,000	5,625,000	(1,967,000)

EMPLOYEE RELATIONS

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Contract Negotiation and Administration	3,110,000	(580,000)	3,100,000	(580,000)
Management Confidential Affairs	287,000	(126,000)	286,000	(126,000)
Total	3,397,000	(706,000)	3,386,000	(706,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Contract Negotiation and Administration	10,000	0	0	0
Management Confidential Affairs	0	0	1,000	0
Total	10,000	0	1,000	0

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Contract Negotiation and Administration	250,000	(87,000)	43,000	(20,000)
Management Confidential Affairs	68,000	(10,000)	2,000	(1,000)
Total	318,000	(97,000)	45,000	(21,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Contract Negotiation and Administration	25,000	(7,000)	182,000	(60,000)
Management Confidential Affairs	3,000	(1,000)	63,000	(8,000)
Total	28,000	(8,000)	245,000	(68,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Contract Negotiation and Administration	1,910,000	(1,164,000)	971,000	(755,000)
Total	1,910,000	(1,164,000)	971,000	(755,000)

Program	Nonpersonal Service	
	Amount	Change
Contract Negotiation and Administration	939,000	(409,000)
Total	939,000	(409,000)

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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$20.5 million All Funds** (\$20.4 million General Fund, \$100,000 Other Funds) for the Executive Chamber. Appropriations have decreased by approximately **\$1.1 million** from available 2008-09 levels with reductions in both personal and nonpersonal service. The Executive Budget also recommends a staffing level of **169 FTEs**, a decrease of 5 from the 2008-09 level.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	21,576,000	20,497,000	(1,079,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	21,576,000	20,497,000	(1,079,000)	0

ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS			
Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Executive Chamber			
General Fund	174	169	(5)
Total	174	169	(5)

EXECUTIVE CHAMBER

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
General Fund	21,476,000	20,397,000	(1,079,000)
Special Revenue Funds - Other	100,000	100,000	0
Total	21,576,000	20,497,000	(1,079,000)

Adjustments:

Transfer(s) From

Special Pay Bill

General Fund

Appropriated 2008-09

(876,000)

20,700,000

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Executive Chamber			
General Fund	21,476,000	20,397,000	(1,079,000)
Special Revenue Funds - Other	100,000	100,000	0
Total	21,576,000	20,497,000	(1,079,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 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	15,104,000	(422,000)	14,704,000	(422,000)
Total	15,104,000	(422,000)	14,704,000	(422,000)

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Executive Chamber	200,000	0	200,000	0
Total	200,000	0	200,000	0

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 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	5,293,000	(657,000)	300,000	0
Total	5,293,000	(657,000)	300,000	0

<u>Program</u>	<u>Travel</u>		<u>Contractual Services</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Executive Chamber	500,000	0	3,843,000	(657,000)
Total	500,000	0	3,843,000	(657,000)

<u>Program</u>	<u>Equipment</u>		<u>Maintenance Undistributed</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Executive Chamber	350,000	0	300,000	0
Total	350,000	0	300,000	0

EXECUTIVE CHAMBER

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Executive Chamber	100,000	0	100,000	0
Total	100,000	0	100,000	0

OFFICE OF THE LIEUTENANT GOVERNOR

The Office of the Lieutenant Governor is responsible for assisting the Governor as well as leading the State's efforts on a number of special projects.

Due to the current vacancy in the position of the Lieutenant Governor, the 2009-10 Executive Budget eliminates all appropriations for this agency, a decrease of nearly **\$1.4 million**. The Executive Budget also recommends elimination of all FTEs for the Office of the Lieutenant Governor, a decrease of **15 FTEs** from the 2008-09 budget.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	1,378,000	0	(1,378,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	1,378,000	0	(1,378,000)	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	1,378,000	0	(1,378,000)
Total	1,378,000	0	(1,378,000)

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	1,378,000	0	(1,378,000)
Total	1,378,000	0	(1,378,000)

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	0	(1,191,000)	0	(1,174,000)
Total	0	(1,191,000)	0	(1,174,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	0	(10,000)	0	(7,000)
Total	0	(10,000)	0	(7,000)

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	0	(187,000)	0	(10,000)
Total	0	(187,000)	0	(10,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	0	(105,000)	0	(66,000)
Total	0	(105,000)	0	(66,000)

Program	Equipment	
	Amount	Change
Administration	0	(6,000)
Total	0	(6,000)

OFFICE OF GENERAL SERVICES

MISSION

The Office of General Services (OGS) mission is to manage and lease real property, design, build and operate facilities, and deliver a wide array of support services, enabling the State of New York to function optimally. The unifying goal throughout all of the Office's varied operations is to assure the efficient use of State resources for all of their customers, whether they are other State agencies, local governments, non-governmental organizations, or the public. As OGS influences the spending of approximately \$7 billion in public funds, it is essential that they continually strive to increase efficiencies and overall effectiveness.

ORGANIZATION AND STAFFING

OGS is headed by a Commissioner, appointed by the Governor, with a central executive staff and is structured around customer-focused business enterprises: Real Property Management and Development; Technology and Asset Management; and Design and Construction.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommends **\$889.6 million All Funds** (\$148.5 million General Fund; \$610 million Internal Service Funds; \$131.1 million Other Funds) to support ongoing agency activities. This is an increase of **\$378.6 million All Funds** (a decrease of \$15.1 million General Fund; an increase of \$380.3 million Internal Service Funds and an increase of \$13.4 million Other Funds) from the 2008-09 Budget. The decrease in the General Fund reflects continued efforts to achieve savings through reductions in energy consumption as well as reductions in lower priority services. In addition, this decrease reflects the transfer of \$7.6 million to a newly established Office of Procurement Services.

The largest increase reflects the addition of a new \$400 million appropriation to permit the consolidation of lease payments under OGS. From this central vantage point, OGS expects to recapture \$15 million in savings for the State, resulting from audits of leases, relocations from leased to State space, and negotiations of improved rental rates and terms.

The Budget also reflects a \$13.3 million investment in the design and development of sustainability projects (e.g., green roofs, energy saving lighting, and climate control devices). OGS plans to make the generation of renewable energy and the application of sustainability concepts to both new construction and rehabilitation projects a centerpiece of their capital program.

The Executive Budget recommends **staff of 1,498** for the Office of General Services in 2009-10, a decrease of 103 from the prior year, which is entirely attributable to the transfer of functions to the new Office for Procurement Services.

GENERAL SERVICES

PROGRAM HIGHLIGHTS

EXECUTIVE DIRECTION

This program provides the day-to-day management of the Agency, helps State agencies to acquire vehicle insurance, administers financing for the State equipment purchasing program and coordinates the centralized purchase of electricity from the Power Authority of the State of New York.

REAL PROPERTY MANAGEMENT AND DEVELOPMENT

This program is responsible for providing for the safe and efficient operation of approximately 54 major and 76 ancillary State-owned and operated buildings. Services provided by this program include building management, operation, maintenance, cleaning and security for facilities encompassing 17.1 million interior gross square feet with a replacement value estimated at \$6.2 billion. Employees assigned to this program also manage building renovation projects, administer service contracts for the maintenance and operation of certain heating, ventilation and air conditioning systems, and negotiate agreements as needed for leased space.

TECHNOLOGY AND ASSET MANAGEMENT

With the transfer of the Procurement Services Group to the new Office for Procurement Services, the "Procurement Services" program has been renamed as the "Technology and Asset Management" program. This program will be responsible for managing Information Technology, the Central Printing and Copy Center, seized assets, the interagency mail service, visitor parking, Federal and State surplus property.

DESIGN AND CONSTRUCTION

This group provides architectural, engineering, planning, and design and construction management services to State agencies (including OGS) that operate State-owned facilities, and has projects valued at approximately \$1.3 billion in design and \$900 million under construction. The program will be focusing on enhancing energy efficiency, the use of renewable energy sources wherever feasible, and the utilization of environmentally friendly material in all the new construction and rehabilitation projects it undertakes for its State agency clients.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	427,879,000	791,634,000	363,755,000	7,230,000
Aid To Localities	0	0	0	0
Capital Projects	83,140,000	98,000,000	14,860,000	281,610,000
Total	511,019,000	889,634,000	378,615,000	288,840,000

GENERAL SERVICES

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Design and Construction			
Internal Service Funds	417	417	0
Executive Direction			
General Fund	95	84	(11)
Internal Service Funds	26	26	0
Technology and Asset Management			
Program			
General Fund	143	51	(92)
Special Revenue Funds - Other	17	17	0
Internal Service Funds	78	78	0
Real Property Management and			
Development			
General Fund	715	715	0
Special Revenue Funds - Other	50	50	0
Enterprise Funds	11	11	0
Internal Service Funds	49	49	0
Total	1,601	1,498	(103)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	163,577,000	148,457,000	(15,120,000)
Special Revenue Funds - Federal	8,230,000	8,230,000	0
Special Revenue Funds - Other	23,532,000	22,127,000	(1,405,000)
Enterprise Funds	2,081,000	2,014,000	(67,000)
Internal Service Funds	229,709,000	610,056,000	380,347,000
Fiduciary Funds	750,000	750,000	0
Total	427,879,000	791,634,000	363,755,000

Adjustments:

Transfer(s) From

Special Pay Bill	
General Fund	(4,311,000)
Special Revenue Funds - Other	(429,000)
Enterprise Funds	(75,000)
Internal Service Funds	(4,595,000)
Appropriated 2008-09	418,469,000

GENERAL SERVICES

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

Program	Available 2008-09	Recommended 2009-10	Change
Curatorial Services Program			
Fiduciary Funds	750,000	750,000	0
Design and Construction			
Internal Service Funds	64,155,000	64,158,000	3,000
Executive Direction			
General Fund	14,531,000	12,443,000	(2,088,000)
Special Revenue Funds - Other	1,240,000	849,000	(391,000)
Enterprise Funds	89,000	89,000	0
Internal Service Funds	98,274,000	98,382,000	108,000
Technology and Asset Management Program			
General Fund	12,681,000	4,935,000	(7,746,000)
Special Revenue Funds - Federal	8,230,000	8,230,000	0
Special Revenue Funds - Other	5,336,000	4,903,000	(433,000)
Internal Service Funds	44,493,000	24,555,000	(19,938,000)
Real Property Management and Development			
General Fund	136,365,000	131,079,000	(5,286,000)
Special Revenue Funds - Other	16,956,000	16,375,000	(581,000)
Enterprise Funds	1,992,000	1,925,000	(67,000)
Internal Service Funds	22,787,000	422,961,000	400,174,000
Total	<u>427,879,000</u>	<u>791,634,000</u>	<u>363,755,000</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Executive Direction	4,998,000	(3,017,000)	4,967,000	(3,017,000)
Technology and Asset Management Program	4,086,000	(6,778,000)	4,056,000	(6,778,000)
Real Property Management and Development	38,766,000	(3,555,000)	34,832,000	(3,555,000)
Total	<u>47,850,000</u>	<u>(13,350,000)</u>	<u>43,855,000</u>	<u>(13,350,000)</u>
Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Executive Direction	0	0	31,000	0
Technology and Asset Management Program	0	0	30,000	0
Real Property Management and Development	2,468,000	0	1,466,000	0
Total	<u>2,468,000</u>	<u>0</u>	<u>1,527,000</u>	<u>0</u>

GENERAL SERVICES

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Executive Direction	7,445,000	929,000	83,000	(20,000)
Technology and Asset Management Program	849,000	(968,000)	14,000	(21,000)
Real Property Management and Development	92,313,000	(1,731,000)	7,966,000	0
Total	100,607,000	(1,770,000)	8,063,000	(41,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Executive Direction	65,000	(7,000)	6,052,000	963,000
Technology and Asset Management Program	29,000	(43,000)	775,000	(858,000)
Real Property Management and Development	204,000	0	83,505,000	(1,731,000)
Total	298,000	(50,000)	90,332,000	(1,626,000)

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Executive Direction	70,000	(7,000)	1,175,000	0
Technology and Asset Management Program	31,000	(46,000)	0	0
Real Property Management and Development	638,000	0	0	0
Total	739,000	(53,000)	1,175,000	0

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Curatorial Services Program	750,000	0	0	0
Design and Construction	64,158,000	3,000	29,420,000	255,869
Executive Direction	99,320,000	(283,000)	2,221,000	73,925
Technology and Asset Management Program	37,688,000	(20,371,000)	4,526,000	(234,730)
Real Property Management and Development	441,261,000	399,526,000	6,582,000	(236,064)
Total	643,177,000	378,875,000	42,749,000	(141,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Curatorial Services Program	750,000	0	0	0
Design and Construction	34,738,000	(252,869)	0	0
Executive Direction	97,099,000	(356,925)	0	0
Technology and Asset Management Program	33,162,000	(20,136,270)	0	0
Real Property Management and Development	34,679,000	(237,936)	400,000,000	400,000,000
Total	200,428,000	(20,984,000)	400,000,000	400,000,000

GENERAL SERVICES

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Design and Construction Supervision				
Capital Projects Fund	12,600,000	13,000,000	400,000	24,862,000
Maintenance and Improvement of Real Property				
Facilities				
Capital Projects Fund	57,400,000	61,700,000	4,300,000	215,875,000
Capital Projects Fund - Advances	0	0	0	5,347,000
Capital Projects Fund - Authority Bonds	13,140,000	10,000,000	(3,140,000)	35,526,000
Sustainability				
Capital Projects Fund - Authority Bonds	0	13,300,000	13,300,000	0
Total	<u>83,140,000</u>	<u>98,000,000</u>	<u>14,860,000</u>	<u>281,610,000</u>

OFFICE OF HOMELAND SECURITY

MISSION

The Office of Homeland Security is responsible for the development and coordination of a comprehensive strategy for counter-terrorism and hazard prevention, preparedness and response, to protect the citizens of the State of New York. 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 central office in Albany with a satellite office in New York City, and a State Preparedness Training Center in Oriskany, New York. 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$ 524 million All Funds** (\$18 million General Fund; \$506 million Other Funds) for the Office of Homeland Security. This is a net increase of **\$150 million** which primarily reflects an anticipated increase in Federal Homeland Security Grant funding. The General Fund increase of \$6.6 million is due to a change in funding sources supporting the Oneida Training Center and the Office of Cyber Security. The Office will continue to take a leadership role in maximizing Federal funding and ensuring distribution of that funding in an effective manner which supports the State's comprehensive security strategy. 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.

The Executive Budget recommends a staffing level of **186 FTEs** for the Office of Homeland Security, a **decrease of 6** from the 2008-09 Budget.

Major budget actions include:

- **New Federal Grant Programs:** Beginning in 2009-10, the Office of Homeland Security will award over \$10.5 million in new Federal Homeland Security Grant Programs including \$6.9 million under the Interoperable Communications Grant Program (IECGP) and \$3.6 million under the Regional Catastrophic Planning Grant Program (RCPGP). In addition, New York State will compete for grant awards under the Emergency Operations Grant Program (EOCGP) and Operation Stonegarden Grant Program (OPSG).
- **Increase in Federal Award:** The 2009-10 Executive Budget recommends an increase in appropriation authority for the Homeland Security Program. Through

HOMELAND SECURITY

this program, New York State will receive approximately \$500 million during the next fiscal year; an increase of about \$150 million.

- **Cyber Security Partnerships:** The Budget supports the creation of a not-for-profit (NFP) corporation to provide improved and expanded cyber security and critical infrastructure coordination services. The NFP structure will facilitate the development of essential partnerships with and among Federal, State, and local governments and private industry. Such partnerships will increase opportunities to promote innovative and improved approaches that will enhance the State's capacity to prepare for and respond to rapidly evolving cyber security threats and to coordinate critical infrastructure information.

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. Highlights of these efforts include:

- **Federal Homeland Security Grant Programs:** Since 2001, OHS has allocated over \$2 billion in Federal homeland security grants including over \$507 million in 2008. This includes the development and execution of over 1,000 contracts with State, local and other entities that comply with State and Federal contracting, reporting and oversight requirements. In addition, OHS works with State agencies and the Urban Area Work Groups to submit a comprehensive application for Federal homeland security funds not later than 90 days after the release of federal guidance.
- **Intelligence Collection, Analysis and Dissemination:** OHS will sustain the analysis and dissemination of relevant terrorism information to law enforcement agencies at the New York State Intelligence Center's (NYSIC) Counter-Terrorism Center (CTC). The CTC provides "one-stop shopping" for law enforcement in counter-terrorism matters. In addition OHS will continue to work closely with numerous Federal, State, local, tribal and Canadian authorities to facilitate a secure border. Federal agencies that OHS works closely with include the FBI, Immigration and Customs Enforcement (ICE), Customs and Border Protection (CBP), the Transportation Security Administration (TSA) and the U.S. Coast Guard. Finally, OHS will sustain information sharing efforts with the Canadian Provinces of Quebec and Ontario.
- **Critical Infrastructure/Key Resources:** The Office's Critical Infrastructure Assessment Teams continue to conduct security assessments of critical infrastructure in New York State to determine gaps and develop potential solutions. OHS will continue its effort, begun in 2008, to integrate threat analysis and critical infrastructure intelligence into the planning for critical infrastructure protection in conjunction with the OHS Critical Infrastructure Program, OHS Intelligence Division, the NYSIC and the DHS Homeland Infrastructure Threat and Risk Analysis Center (HITRAC).

- **Enhancing First Responder Capabilities Through Training and Exercises:** In 2009, OHS will sustain first responder capabilities by training or directly supporting the training of more than 1,200 students at the State Preparedness Training Center (SPTC) in Oriskany. In 2008, the SPTC received accreditation from the Commission on Accreditation for Law Enforcement Agencies (CALEA), only the second training center in New York State to receive this prestigious recognition. In addition, OHS will deliver or facilitate more than 200 courses to train over 6,000 first responders at locations other than the SPTC. OHS expects to coordinate over 25 separate exercises in 15 Counties in New York in 2009. Expansion plans for the SPTC include an Emergency Vehicle Operators Course and a Weapons Training Complex.
- **Threat Based Asset Management System:** The Office continues development of the Threat Based Asset Management System (TBAMS) and the Critical Infrastructure Suspicious Activity Reporting (CI-SAR) system. CI-SAR is a tool for Intelligence Analysts and the resulting Suspicious Activity Reporting data is being integrated with several other states' data under the Federal Office of the Director for National Intelligence. OHS will sustain broader information sharing applications using the Homeland Security Information Network – New York (HSIN-NY).

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	24,101,000	24,303,000	202,000	114,405,000
Aid To Localities	350,000,000	500,000,000	150,000,000	1,343,880,000
Capital Projects	0	0	0	0
Total	374,101,000	524,303,000	150,202,000	1,458,285,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	110	99	(11)
Cyber Security and Critical Infrastructure			
Coordination Program			
Special Revenue Funds - Federal	4	4	0
Special Revenue Funds - Other	42	42	0
Homeland Security Program			
Special Revenue Funds - Federal	36	41	5
Total	192	186	(6)

HOMELAND SECURITY

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	11,441,000	18,102,000	6,661,000
Special Revenue Funds - Federal	216,000	0	(216,000)
Special Revenue Funds - Other	10,944,000	4,701,000	(6,243,000)
Internal Service Funds	1,500,000	1,500,000	0
Total	24,101,000	24,303,000	202,000

Adjustments:

Transfer(s) From

Special Pay Bill

General Fund

(400,000)

Special Revenue Funds - Federal

(216,000)

Special Revenue Funds - Other

(401,000)

Appropriated 2008-09

23,084,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	11,441,000	12,981,000	1,540,000
Special Revenue Funds - Federal	216,000	0	(216,000)
Cyber Security and Critical Infrastructure Coordination Program			
General Fund	0	5,121,000	5,121,000
Special Revenue Funds - Other	10,944,000	4,701,000	(6,243,000)
Internal Service Funds	1,500,000	1,500,000	0
Total	24,101,000	24,303,000	202,000

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	7,927,000	3,014,000	7,648,000	3,014,000
Cyber Security and Critical Infrastructure Coordination Program	2,243,000	2,243,000	2,234,000	2,234,000
Total	10,170,000	5,257,000	9,882,000	5,248,000

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	262,000	0	17,000	0
Cyber Security and Critical Infrastructure Coordination Program	0	0	9,000	9,000
Total	262,000	0	26,000	9,000

HOMELAND SECURITY

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	5,054,000	(1,474,000)	931,000	(200,000)
Cyber Security and Critical Infrastructure Coordination Program	2,878,000	2,878,000	30,000	30,000
Total	7,932,000	1,404,000	961,000	(170,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	0	0	3,275,000	(1,074,000)
Cyber Security and Critical Infrastructure Coordination Program	15,000	15,000	2,728,000	2,728,000
Total	15,000	15,000	6,003,000	1,654,000

Program	Equipment	
	Amount	Change
Administration	848,000	(200,000)
Cyber Security and Critical Infrastructure Coordination Program	105,000	105,000
Total	953,000	(95,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	0	(216,000)	0	(145,000)
Cyber Security and Critical Infrastructure Coordination Program	6,201,000	(6,243,000)	568,000	(2,243,000)
Total	6,201,000	(6,459,000)	568,000	(2,388,000)

Program	Nonpersonal Service	
	Amount	Change
Administration	0	(71,000)
Cyber Security and Critical Infrastructure Coordination Program	5,633,000	(4,000,000)
Total	5,633,000	(4,071,000)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Federal	350,000,000	500,000,000	150,000,000
Total	350,000,000	500,000,000	150,000,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Homeland Security Program			
Special Revenue Funds - Federal	350,000,000	500,000,000	150,000,000
Total	350,000,000	500,000,000	150,000,000

OFFICE OF THE STATE INSPECTOR GENERAL

MISSION

The Office of the State Inspector General is responsible for detecting, investigating, deterring and eliminating corruption, fraud, criminal activity, conflicts of interest, abuses of office, and waste in the State entities under its jurisdiction. The Office's jurisdiction includes Executive branch agencies, departments, divisions, offices, boards, commissions, public authorities and public benefit corporations and any entity of State government headed by an appointee of the Governor that does not have its own statutory Inspector General. Its mission is designed to ensure that State government maintains the highest standards of integrity and accountability.

ORGANIZATION AND STAFFING

The Office of the State Inspector General consolidates most of the State's inspector general activities in a single office that replaced what were formerly separate, semi-independent deputy inspectors general located within 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.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommendations provide over **\$6.9 million All Funds** (\$6.8 million General Fund; \$0.1 million All Other Funds). This is a **\$0.5 million General Fund** decrease from the 2008-09 budget and reflects the elimination of vacant positions and administrative savings initiatives. The Office will have a workforce of **63 FTEs** in 2009-10, which is a reduction of 3 positions from 2008-09.

PROGRAM HIGHLIGHTS

The Office of the State Inspector General has handled more than 12,000 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. The Office works 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, construction industry fraud, and systemic abuse and waste in various agencies that have resulted in the arrest of more than over 550 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.

INSPECTOR GENERAL

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	7,448,000	6,925,000	(523,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>7,448,000</u>	<u>6,925,000</u>	<u>(523,000)</u>	<u>0</u>

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Inspector General			
General Fund	66	63	(3)
Total	<u>66</u>	<u>63</u>	<u>(3)</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	7,348,000	6,825,000	(523,000)
Special Revenue Funds - Other	100,000	100,000	0
Total	<u>7,448,000</u>	<u>6,925,000</u>	<u>(523,000)</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(223,000)
Appropriated 2008-09	<u>7,225,000</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Inspector General			
General Fund	7,348,000	6,825,000	(523,000)
Special Revenue Funds - Other	100,000	100,000	0
Total	<u>7,448,000</u>	<u>6,925,000</u>	<u>(523,000)</u>

INSPECTOR GENERAL

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Inspector General	5,932,000	(540,000)	5,921,000	(540,000)
Total	5,932,000	(540,000)	5,921,000	(540,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Inspector General	8,000	0	3,000	0
Total	8,000	0	3,000	0

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Inspector General	893,000	17,000	103,000	3,000
Total	893,000	17,000	103,000	3,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Inspector General	126,000	(24,000)	561,000	35,000
Total	126,000	(24,000)	561,000	35,000

Program	Equipment	
	Amount	Change
Inspector General	103,000	3,000
Total	103,000	3,000

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Nonpersonal Service	
	Amount	Change	Amount	Change
Inspector General	100,000	0	100,000	0
Total	100,000	0	100,000	0

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 IOLA Fund to finance 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 and new regulations initiated in 2007 ensure that banking institutions pay a fair interest rate on IOLA escrow accounts – one that is not less than that paid on similar types of bank accounts.

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 located in New York City. IOLA is completely supported by revenue generated by the interest earned on IOLA escrow accounts.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommends **\$47.1 million All Funds, a decrease of \$25.1 million reflecting the decline in interest rates.** IOLA will have a workforce of **9 FTEs**, which is unchanged from 2008-09.

PROGRAM HIGHLIGHTS

For the 2009 calendar year, the board administering the Interest on Lawyer Account is expected to award \$35 million in grants to over 65 organizations statewide, a \$10 million increase from 2008.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	2,190,000	2,050,000	(140,000)	0
Aid To Localities	70,000,000	45,000,000	(25,000,000)	0
Capital Projects	0	0	0	0
Total	72,190,000	47,050,000	(25,140,000)	0

INTEREST ON LAWYER

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
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 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	2,190,000	2,050,000	(140,000)
Total	2,190,000	2,050,000	(140,000)

Adjustments:	
Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Other	(56,000)
Appropriated 2008-09	2,134,000

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

Program	Available 2008-09	Recommended 2009-10	Change
New York Interest on Lawyer Account			
Special Revenue Funds - Other	2,190,000	2,050,000	(140,000)
Total	2,190,000	2,050,000	(140,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
New York Interest on Lawyer Account	2,050,000	(140,000)	789,000	(67,000)
Total	2,050,000	(140,000)	789,000	(67,000)

Program	Nonpersonal Service	
	Amount	Change
New York Interest on Lawyer Account	1,261,000	(73,000)
Total	1,261,000	(73,000)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	70,000,000	45,000,000	(25,000,000)
Total	70,000,000	45,000,000	(25,000,000)

INTEREST ON LAWYER

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

Program	Available 2008-09	Recommended 2009-10	Change
New York Interest on Lawyer Account			
Special Revenue Funds - Other	70,000,000	45,000,000	(25,000,000)
Total	70,000,000	45,000,000	(25,000,000)

TEMPORARY STATE COMMISSION OF INVESTIGATION

MISSION

Established in 1958, the Temporary State Commission of Investigation was created 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. The 2009-10 Executive Budget reflects the planned sunset of the Commission on March 31, 2009.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	4,153,000	0	(4,153,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	4,153,000	0	(4,153,000)	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	3,866,000	0	(3,866,000)
Special Revenue Funds - Other	287,000	0	(287,000)
Total	4,153,000	0	(4,153,000)

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(177,000)
Appropriated 2008-09	3,976,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Investigation			
General Fund	3,866,000	0	(3,866,000)
Special Revenue Funds - Other	287,000	0	(287,000)
Total	4,153,000	0	(4,153,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Investigation	0	(2,937,000)	0	(2,937,000)
Total	0	(2,937,000)	0	(2,937,000)

INVESTIGATION

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Investigation	0	(929,000)	0	(42,000)
Total	0	(929,000)	0	(42,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Investigation	0	(84,000)	0	(766,000)
Total	0	(84,000)	0	(766,000)

Program	Equipment	
	Amount	Change
Investigation	0	(37,000)
Total	0	(37,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Nonpersonal Service	
	Amount	Change	Amount	Change
Investigation	0	(287,000)	0	(287,000)
Total	0	(287,000)	0	(287,000)

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 **51 FTEs** in fiscal year 2009-10, which is unchanged from 2008-09. Its main office is in New York City, with branches in Albany and Rochester. The recommended 2009-10 Budget of **\$5.3 million General Fund** is a **decrease of \$0.1 million**, reflecting the achievement of administrative savings.

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 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	5,372,000	5,268,000	(104,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	5,372,000	5,268,000	(104,000)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Judicial Conduct			
General Fund	51	51	0
Total	51	51	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	5,372,000	5,268,000	(104,000)
Total	5,372,000	5,268,000	(104,000)

Adjustments:
Transfer(s) From
 Special Pay Bill
 General Fund
Appropriated 2008-09

(131,000)
5,241,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Judicial Conduct			
General Fund	5,304,000	5,200,000	(104,000)
Judicial Nomination, Commission on			
General Fund	30,000	30,000	0
Judicial Screening Committees			
General Fund	38,000	38,000	0
Total	5,372,000	5,268,000	(104,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Judicial Conduct	3,887,000	(91,000)	3,887,000	(91,000)
Judicial Screening Committees	13,000	0	13,000	0
Total	3,900,000	(91,000)	3,900,000	(91,000)

JUDICIAL COMMISSIONS

STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Judicial Conduct	1,313,000	(13,000)	55,000	1,000
Judicial Nomination, Commission on	30,000	0	0	0
Judicial Screening Committees	25,000	0	0	0
Total	1,368,000	(13,000)	55,000	1,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Judicial Conduct	103,000	3,000	1,058,000	(19,000)
Judicial Nomination, Commission on	30,000	0	0	0
Judicial Screening Committees	10,000	0	15,000	0
Total	143,000	3,000	1,073,000	(19,000)

Program	Equipment	
	Amount	Change
Judicial Conduct	97,000	2,000
Judicial Nomination, Commission on	0	0
Judicial Screening Committees	0	0
Total	97,000	2,000

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 and administrative functions of the Department of Law are divided into eight major divisions: Administration, Appeals and Opinions, Counsel for the State, Criminal Justice, Economic Justice, Investigations, Social Justice and Regional Offices. Each division consists of smaller bureaus or specialized units dealing with specific issues.

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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$249.4 million All Funds** (\$133.4 million General Fund; \$41.1 million Federal funds; \$74.9 million Other Funds) for the Department of Law. This is a **decrease of \$10.2 million** (\$7 million General Fund; \$3.2 million Other Funds). The Department of Law will have a work force of **2,032 FTEs**.

PROGRAM HIGHLIGHTS

Agency divisions perform the following functions:

- The Administration Division provides budget, personnel, operations and technology services for the agency.
- 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 Investigations Division provides investigative support for legal divisions throughout the Department, and works cooperatively with State, local and Federal law enforcement agencies on cases that cross jurisdictional lines.
- 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 Economic Justice defends and protects the public interest in the courts. It enforces laws to prevent restraint of trade, protects consumers from fraudulent and/or deceptive business practices, regulates the sale of securities, and addresses people's concerns about criminal online activities.
- The Division of Social Justice also defends and protects the public interest in the courts. It ensures compliance with the State's health care and environmental laws, enforces State Labor and Workers' Compensation Laws, protects charitable donors and beneficiaries, and enforces laws prohibiting discrimination.
- The Regional Offices' Division provides 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)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	259,576,000	249,380,000	(10,196,000)	66,950,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>259,576,000</u>	<u>249,380,000</u>	<u>(10,196,000)</u>	<u>66,950,000</u>

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	181	181	0
Appeals and Opinions			
General Fund	63	63	0
Counsel for the State			
General Fund	403	403	0
Special Revenue Funds - Other	274	274	0
Criminal Investigations			
General Fund	100	100	0
Economic Justice			
General Fund	134	134	0
Special Revenue Funds - Other	16	16	0
Social Justice			
General Fund	156	156	0
Capital Projects Funds - Other	7	7	0
Criminal Prosecutions			
General Fund	99	99	0
Special Revenue Funds - Other	68	68	0
Medicaid Fraud Control			
Special Revenue Funds - Federal	285	285	0
Special Revenue Funds - Other	95	95	0
Regional Offices			
General Fund	151	151	0
Total	<u>2,032</u>	<u>2,032</u>	<u>0</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	140,453,000	133,431,000	(7,022,000)
Special Revenue Funds - Federal	41,083,000	41,083,000	0
Special Revenue Funds - Other	78,040,000	74,866,000	(3,174,000)
Total	<u>259,576,000</u>	<u>249,380,000</u>	<u>(10,196,000)</u>
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(6,093,000)		
Special Revenue Funds - Federal	(1,649,000)		
Special Revenue Funds - Other	(2,239,000)		
Appropriated 2008-09	<u>249,595,000</u>		

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	32,958,000	29,675,000	(3,283,000)
Appeals and Opinions			
General Fund	6,133,000	6,048,000	(85,000)
Counsel for the State			
General Fund	44,300,000	43,242,000	(1,058,000)
Special Revenue Funds - Other	57,376,000	57,066,000	(310,000)
Criminal Investigations			
General Fund	9,518,000	8,963,000	(555,000)
Economic Justice			
General Fund	12,697,000	12,136,000	(561,000)
Special Revenue Funds - Other	1,200,000	1,140,000	(60,000)
Social Justice			
General Fund	12,697,000	12,136,000	(561,000)
Criminal Prosecutions			
General Fund	8,468,000	7,962,000	(506,000)
Special Revenue Funds - Other	4,904,000	2,100,000	(2,804,000)
Medicaid Fraud Control			
Special Revenue Funds - Federal	41,083,000	41,083,000	0
Special Revenue Funds - Other	14,560,000	14,560,000	0
Regional Offices			
General Fund	13,682,000	13,269,000	(413,000)
Total	<u>259,576,000</u>	<u>249,380,000</u>	<u>(10,196,000)</u>

STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	12,017,000	223,000	10,944,000	187,000
Appeals and Opinions	5,262,000	(44,000)	5,260,000	(44,000)
Counsel for the State	32,358,000	(485,000)	32,106,000	(472,000)
Criminal Investigations	8,746,000	(232,000)	8,639,000	(226,000)
Economic Justice	12,136,000	(561,000)	12,049,000	(556,000)
Social Justice	12,136,000	(561,000)	12,050,000	(556,000)
Criminal Prosecutions	7,775,000	(226,000)	7,644,000	(219,000)
Regional Offices	12,056,000	(349,000)	12,021,000	(348,000)
Total	<u>102,486,000</u>	<u>(2,235,000)</u>	<u>100,713,000</u>	<u>(2,234,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	1,019,000	39,000	54,000	(3,000)
Appeals and Opinions	0	0	2,000	0
Counsel for the State	209,000	(11,000)	43,000	(2,000)
Criminal Investigations	0	0	107,000	(6,000)
Economic Justice	0	0	87,000	(5,000)
Social Justice	0	0	86,000	(5,000)
Criminal Prosecutions	101,000	(5,000)	30,000	(2,000)
Regional Offices	12,000	0	23,000	(1,000)
Total	<u>1,341,000</u>	<u>23,000</u>	<u>432,000</u>	<u>(24,000)</u>

STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	17,658,000	(3,506,000)	3,044,000	(2,056,000)
Appeals and Opinions	786,000	(41,000)	0	0
Counsel for the State	10,884,000	(573,000)	0	0
Criminal Investigations	217,000	(323,000)	0	0
Criminal Prosecutions	187,000	(280,000)	5,000	0
Regional Offices	1,213,000	(64,000)	0	0
Total	30,945,000	(4,787,000)	3,049,000	(2,056,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	244,000	(13,000)	13,019,000	(1,366,000)
Appeals and Opinions	0	0	786,000	(41,000)
Counsel for the State	379,000	(20,000)	10,505,000	(553,000)
Criminal Investigations	217,000	(11,000)	0	(312,000)
Criminal Prosecutions	182,000	(10,000)	0	(270,000)
Regional Offices	332,000	(18,000)	881,000	(46,000)
Total	1,354,000	(72,000)	25,191,000	(2,588,000)

Program	Equipment	
	Amount	Change
Administration	1,351,000	(71,000)
Appeals and Opinions	0	0
Counsel for the State	0	0
Criminal Investigations	0	0
Criminal Prosecutions	0	0
Regional Offices	0	0
Total	1,351,000	(71,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Counsel for the State	57,066,000	(310,000)	19,676,000	0
Economic Justice	1,140,000	(60,000)	773,000	(30,000)
Criminal Prosecutions	2,100,000	(2,804,000)	0	0
Medicaid Fraud Control	55,643,000	0	30,521,000	150,000
Total	115,949,000	(3,174,000)	50,970,000	120,000

Program	Nonpersonal Service	
	Amount	Change
Counsel for the State	37,390,000	(310,000)
Economic Justice	367,000	(30,000)
Criminal Prosecutions	2,100,000	(2,804,000)
Medicaid Fraud Control	25,122,000	(150,000)
Total	64,979,000	(3,294,000)

DIVISION OF MILITARY AND NAVAL AFFAIRS

MISSION

The Division of Military and Naval Affairs' (DMNA) primary mission is to maintain a well-trained military force ready to respond to civil emergencies, natural disasters, and threats to the nation's security. The State Emergency Management Office (SEMO) 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 SEMO. Coordinated through the State headquarters in Latham, the Division operates 55 armories as well as 21 Field and Combined Support Maintenance facilities, 3 training sites, 6 Air National Guard facilities, and 3 Aviation Support 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 addition to the Albany headquarters, SEMO operates 5 regional emergency management facilities. In 2009-10, DMNA and SEMO will have a combined workforce of 643.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$582 million All Funds** (\$25 million General Fund; \$557 million Other Funds) for DMNA and SEMO. This is a net increase of **\$455 million** from the 2008-09 Budget, which primarily reflects an increase in Federal Grant Funds, the addition of a NY Alert enterprise fund, and an increase in Disaster Assistance appropriation authority.

Major budget actions include:

- **Support for Empire Shield:** The 2009-10 Executive Budget includes approximately \$16 million to support the National Guard for the Empire Shield mission in the New York City metro area. Since 2008-09, Empire Shield has been headquartered at Fort Hamilton. These are random missions with flexible threat-based, rapid response units. Support for this initiative is appropriated within the All State Agencies/All Funds Homeland Security Miscellaneous appropriation.
- **Funding for NY Alert emergency notification system:** The 2009-10 Executive Budget recommends that \$4.6 million be made available to the State Emergency Management Office to continue development of the New York Alert emergency notification system. In addition, a new \$50 million Enterprise Fund will be established to permit this system to be offered for use by other entities across the Northeast. Rapid emergency alert capabilities are currently offered to all State University of New York campuses. Public schools and citizens throughout the State also have access to utilize this state-of-the-art emergency notification system.

MILITARY AND NAVAL AFFAIRS

The Division's Aid to Localities budget of \$412 million in new State and Federal disaster assistance appropriations is available to provide support in the event of future disasters. Appropriations are also provided for annual Federal grants and to expend fees collected from nuclear power plant operators for local radiological emergency preparedness planning.

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 nearly 20,000 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. In 2008-09, the Division fully modernized and re-designed the Joint Task Force Empire Shield mission, headquartered at Fort Hamilton in New York City. This mission will continue to make efficient use of State resources in regards to National Guard security deployments in the metropolitan area.

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.

Beginning in 2007-08, SEMO initiated a statewide solution to emergency notifications, benefiting schools, State University of New York campuses, and citizens across the State known as NY-ALERT. The 2009-10 Executive Budget makes \$4.6 million available to SEMO to further improve and expand this rapid emergency notification system. Version 2.0 of NY-ALERT will contain hundreds of new features and will be rolled out in six phases. Major enhancements will include new procedures for collecting information, acceptance of more enrollments, GIS integration and new notification types with detail reporting, an easier registration process, additional communication mediums and new tools for administering all of NY-ALERT.

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 April Nor'easter of 2007 which affected multiple counties from Albany to Westchester and the June 2007 Severe Storms and Flooding in southern 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

MILITARY AND NAVAL AFFAIRS

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.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	89,803,000	139,379,000	49,576,000	29,246,000
Aid To Localities	9,665,500	411,897,000	402,231,500	742,377,000
Capital Projects	30,700,000	30,700,000	0	91,223,000
Total	130,168,500	581,976,000	451,807,500	862,846,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	57	57	0
Emergency Management			
General Fund	30	30	0
Special Revenue Funds - Federal	75	75	0
Special Revenue Funds - Other	14	14	0
Military Readiness			
General Fund	164	164	0
Special Revenue Funds - Federal	292	292	0
Special Service			
Special Revenue Funds - Other	11	11	0
Total	643	643	0

MILITARY AND NAVAL AFFAIRS

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
General Fund	25,524,000	25,293,000	(231,000)
Special Revenue Funds - Federal	47,776,000	48,512,000	736,000
Special Revenue Funds - Other	16,503,000	15,574,000	(929,000)
Enterprise Funds	0	50,000,000	50,000,000
Total	89,803,000	139,379,000	49,576,000

Adjustments:

Transfer(s) From

Special Pay Bill

General Fund

(853,000)

Special Revenue Funds - Federal

(1,735,000)

Special Revenue Funds - Other

(238,000)

Appropriated 2008-09

86,977,000

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Administration			
General Fund	4,315,000	4,263,000	(52,000)
Disaster Assistance			
Special Revenue Funds - Federal	5,097,000	4,786,000	(311,000)
Emergency Management			
General Fund	4,815,000	4,321,000	(494,000)
Special Revenue Funds - Federal	575,000	575,000	0
Special Revenue Funds - Other	7,580,000	6,803,000	(777,000)
Enterprise Funds	0	50,000,000	50,000,000
Military Readiness			
General Fund	16,004,000	16,419,000	415,000
Special Revenue Funds - Federal	42,104,000	43,151,000	1,047,000
Special Service			
General Fund	390,000	290,000	(100,000)
Special Revenue Funds - Other	8,923,000	8,771,000	(152,000)
Total	89,803,000	139,379,000	49,576,000

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 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	3,805,000	(52,000)	3,790,000	(52,000)
Emergency Management	2,279,000	(52,000)	2,242,000	(52,000)
Military Readiness	8,276,000	(31,000)	7,552,000	69,000
Special Service	0	(137,000)	0	(137,000)
Total	14,360,000	(272,000)	13,584,000	(172,000)

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	0	0	15,000	0
Emergency Management	0	0	37,000	0
Military Readiness	633,000	(100,000)	91,000	0
Special Service	0	0	0	0
Total	633,000	(100,000)	143,000	0

MILITARY AND NAVAL AFFAIRS

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	458,000	0	91,000	0
Emergency Management	2,042,000	(442,000)	137,000	0
Military Readiness	8,143,000	446,000	1,050,000	5,000
Special Service	290,000	37,000	66,000	0
Total	10,933,000	41,000	1,344,000	5,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	19,000	0	230,000	0
Emergency Management	94,000	(7,000)	1,367,000	(435,000)
Military Readiness	140,000	0	6,595,000	506,000
Special Service	12,000	0	120,000	19,000
Total	265,000	(7,000)	8,312,000	90,000

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	118,000	0	0	0
Emergency Management	404,000	0	40,000	0
Military Readiness	258,000	40,000	100,000	(105,000)
Special Service	92,000	18,000	0	0
Total	872,000	58,000	140,000	(105,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Disaster Assistance	4,786,000	(311,000)	2,365,000	(443,000)
Emergency Management	57,378,000	49,223,000	1,528,000	(8,000)
Military Readiness	43,151,000	1,047,000	14,240,000	778,000
Special Service	8,771,000	(152,000)	1,095,000	375,000
Total	114,086,000	49,807,000	19,228,000	702,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Disaster Assistance	2,421,000	132,000	0	0
Emergency Management	55,850,000	49,231,000	0	0
Military Readiness	28,911,000	269,000	0	0
Special Service	7,676,000	(89,000)	0	(438,000)
Total	94,858,000	49,543,000	0	(438,000)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	48,500	90,000,000	89,951,500
Special Revenue Funds - Federal	8,000,000	318,930,000	310,930,000
Special Revenue Funds - Other	1,617,000	2,967,000	1,350,000
Total	9,665,500	411,897,000	402,231,500

MILITARY AND NAVAL AFFAIRS

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

Program	Available 2008-09	Recommended 2009-10	Change
Disaster Assistance			
General Fund	0	90,000,000	90,000,000
Special Revenue Funds - Federal	0	300,000,000	300,000,000
Emergency Management			
Special Revenue Funds - Federal	8,000,000	18,930,000	10,930,000
Special Revenue Funds - Other	1,617,000	2,967,000	1,350,000
Community Projects			
General Fund	48,500	0	(48,500)
Total	<u>9,665,500</u>	<u>411,897,000</u>	<u>402,231,500</u>

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Design and Construction Supervision				
Capital Projects Fund	4,500,000	5,100,000	600,000	10,069,000
Federal Capital Projects Fund	3,600,000	3,000,000	(600,000)	10,832,000
Maintenance and Improvements				
Capital Projects Fund	8,600,000	8,000,000	(600,000)	19,532,000
Federal Capital Projects Fund	14,000,000	14,600,000	600,000	50,790,000
Total	<u>30,700,000</u>	<u>30,700,000</u>	<u>0</u>	<u>91,223,000</u>

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.

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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$194.2 million All Funds** (\$183.6 million General Funds; \$9.3 million Internal Services Funds; \$1.3 million Other Funds) for the Division of Parole. This is a **\$40 million** decrease over the prior year which primarily reflects the elimination of the subsidy to local governments for costs in detaining parole violators in local jails. Also, the Division will no longer fund treatment contracts in order to focus its resources on its core mission. It is expected that parolees who were receiving services through these contracted slots will continue treatment in the Office of Alcoholism and Substance Abuse Services' provider network.

The Executive Budget recommends a staffing level of **2,111 FTEs** for the Division of Parole, a **decrease of 24** from the 2008-09 Budget. This primarily reflects the decrease in court-mandated strict and intensive supervision of sex offender cases and decreased workload resulting from post release supervision litigation. Major budget actions include:

- **Parolee Population Decrease.** Approximately 3,000 parolees pending post release supervision litigation will have the supervision term removed from their sentences. Also, the court-mandated sex offender population projection has been updated to reflect the actual population of approximately 100 parolees. Savings are estimated at \$2.9 million.
- **Community Supervision Restructuring.** A risk assessment tool will be used to identify low risk parolees who can be placed under a less intensive supervision program. The Division of Parole will also restructure the level of supervision of certain parolees who have attended the Willard Drug Treatment Campus or participated in Shock Incarceration. Savings are estimated at \$3.6 million.
- **Operational Efficiencies.** Conserving resources and materials, making better use of video conferencing equipment, and purchasing equipment only for critical health and safety needs will lower spending by \$2.2 million.

PAROLE

PROGRAM HIGHLIGHTS

The State's 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 supportive housing and employment training.

Intensive supervision is provided for sex offenders, certain violent felony offenders, offenders with severe mental health conditions, and for certain parolees who graduate from Shock Incarceration or 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, the Division of Parole will continue its cooperative efforts with the Department of Correctional Services to expand re-entry programs. 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)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	185,569,000	178,392,000	(7,177,000)	0
Aid To Localities	49,243,218	15,830,000	(33,413,218)	3,208,000
Capital Projects	0	0	0	0
Total	234,812,218	194,222,000	(40,590,218)	3,208,000

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	112	102	(10)
Parole Operations			
General Fund	2,023	2,009	(14)
Total	<u>2,135</u>	<u>2,111</u>	<u>(24)</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	184,244,000	177,067,000	(7,177,000)
Special Revenue Funds - Federal	500,000	500,000	0
Special Revenue Funds - Other	825,000	825,000	0
Total	<u>185,569,000</u>	<u>178,392,000</u>	<u>(7,177,000)</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(10,328,000)
Appropriated 2008-09	<u>175,241,000</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	9,392,000	8,222,000	(1,170,000)
Parole Operations			
General Fund	174,852,000	168,845,000	(6,007,000)
Special Revenue Funds - Federal	500,000	500,000	0
Special Revenue Funds - Other	825,000	825,000	0
Total	<u>185,569,000</u>	<u>178,392,000</u>	<u>(7,177,000)</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	7,012,000	(625,000)	6,980,000	(633,000)
Parole Operations	131,617,000	(1,921,000)	125,975,000	(2,469,000)
Total	<u>138,629,000</u>	<u>(2,546,000)</u>	<u>132,955,000</u>	<u>(3,102,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	4,000	0	28,000	8,000
Parole Operations	98,000	0	5,544,000	548,000
Total	<u>102,000</u>	<u>0</u>	<u>5,572,000</u>	<u>556,000</u>

PAROLE

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	1,210,000	(545,000)	8,000	(40,000)
Parole Operations	37,228,000	(4,086,000)	1,166,000	(153,000)
Total	38,438,000	(4,631,000)	1,174,000	(193,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	325,000	(38,000)	838,000	(467,000)
Parole Operations	3,518,000	(1,024,000)	30,322,000	(1,739,000)
Total	3,843,000	(1,062,000)	31,160,000	(2,206,000)

Program	Equipment	
	Amount	Change
Administration	39,000	0
Parole Operations	2,222,000	(1,170,000)
Total	2,261,000	(1,170,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Nonpersonal Service	
	Amount	Change	Amount	Change
Parole Operations	1,325,000	0	825,000	0
Total	1,325,000	0	825,000	0

Program	Maintenance Undistributed	
	Amount	Change
Parole Operations	500,000	0
Total	500,000	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	39,993,218	6,580,000	(33,413,218)
Internal Service Funds	9,250,000	9,250,000	0
Total	49,243,218	15,830,000	(33,413,218)

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

Program	Available 2008-09	Recommended 2009-10	Change
Parole Operations			
General Fund	39,993,218	6,580,000	(33,413,218)
Internal Service Funds	9,250,000	9,250,000	0
Total	49,243,218	15,830,000	(33,413,218)

OFFICE FOR THE PREVENTION OF DOMESTIC VIOLENCE

MISSION

The Office for the Prevention of Domestic Violence (OPDV) leads New York State's efforts to respond to and prevent domestic violence, advising the Governor and Legislature, developing statewide policies, conducting domestic violence training for judges, prosecutors, police, attorneys, probation and parole personnel, social services and health care providers, and serving as a clearinghouse of information and guidance on domestic violence for the entire State.

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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3.4 million All Funds** (\$2.3 million General Fund; \$890,000 Internal Service Fund; \$170,000 Other Funds) for the Office. This represents a decrease of **\$344,180 All Funds** from the 2008-09 Budget. The Executive Budget recommends a staffing level of **33 FTEs**, which is unchanged from the 2008-09 Budget.

PROGRAM HIGHLIGHTS

The Office was created in 1992 to advise the Governor and Legislature on the most effective ways for State government to respond to the problem of domestic violence and 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, distributing over 145,000 pieces of material to more than 600 organizations annually, and managing an annual average of 55,000 individual constituent contacts through telephone calls and website hits. OPDV is contacted by social service and health care agencies, police departments, domestic violence shelters, local violence prevention programs and domestic violence victims.

During 2008-09, the Office:

- Implemented Executive Order 19, making New York State one of only 9 states that require all agencies and authorities to adopt a domestic violence workplace policy, began collecting data regarding the number of incidents identified, and referrals made, and will issue a report regarding the results of this effort in 2009.

PREVENTION OF DOMESTIC VIOLENCE

- Collaborated with the Division of Criminal Justice Services and Operation IMPACT to strengthen the criminal justice response to domestic violence in high-prevalence jurisdictions and monitor outcomes.
- Republished its essential victim guide, *Finding Safety and Support*, with updated content, and in 5 languages for the first time. The brochure was published in hard copy and on CD-ROM.
- Launched an innovative series of conferences for child welfare and child protective staff that address working with abusive fathers. This unique series will be repeated in 2009-10.

In addition, the Domestic Violence Advisory Council expanded its membership through legislation to include the Division of Parole and the Department of Correctional Services. The Council issued the State's first Domestic Violence Dashboard which will annually track a cross section of agency indicators to measure trends in domestic violence prevalence and response.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	2,853,000	2,718,000	(135,000)	0
Aid To Localities	894,180	685,000	(209,180)	112,000
Capital Projects	0	0	0	0
Total	3,747,180	3,403,000	(344,180)	112,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	15	15	0
Internal Service Funds	18	18	0
Total	33	33	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	1,775,000	1,658,000	(117,000)
Special Revenue Funds - Federal	118,000	100,000	(18,000)
Special Revenue Funds - Other	70,000	70,000	0
Internal Service Funds	890,000	890,000	0
Total	2,853,000	2,718,000	(135,000)

Adjustments:

Transfer(s) From	
Special Pay Bill	
General Fund	(153,000)
Special Revenue Funds - Federal	(18,000)
Appropriated 2008-09	2,682,000

PREVENTION OF DOMESTIC VIOLENCE

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	1,775,000	1,658,000	(117,000)
Special Revenue Funds - Federal	118,000	100,000	(18,000)
Special Revenue Funds - Other	70,000	70,000	0
Internal Service Funds	890,000	890,000	0
Total	<u>2,853,000</u>	<u>2,718,000</u>	<u>(135,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	1,267,000	(36,000)	1,267,000	(36,000)
Total	<u>1,267,000</u>	<u>(36,000)</u>	<u>1,267,000</u>	<u>(36,000)</u>

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	391,000	(81,000)	50,000	0
Total	<u>391,000</u>	<u>(81,000)</u>	<u>50,000</u>	<u>0</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	42,000	0	281,000	(81,000)
Total	<u>42,000</u>	<u>0</u>	<u>281,000</u>	<u>(81,000)</u>

Program	Equipment	
	Amount	Change
Administration	18,000	0
Total	<u>18,000</u>	<u>0</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	1,060,000	(18,000)	770,000	(12,000)
Total	<u>1,060,000</u>	<u>(18,000)</u>	<u>770,000</u>	<u>(12,000)</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	190,000	(6,000)	100,000	0
Total	<u>190,000</u>	<u>(6,000)</u>	<u>100,000</u>	<u>0</u>

PREVENTION OF DOMESTIC VIOLENCE

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	894,180	685,000	(209,180)
Total	894,180	685,000	(209,180)

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	894,180	685,000	(209,180)
Total	894,180	685,000	(209,180)

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, provides training and technical assistance, and monitors outcomes related to the supervision and treatment of offenders.

ORGANIZATION AND STAFFING

Headed by a State Director appointed by the Governor, the Division of Probation and Correctional Alternatives is located in Albany. The Division will operate in 2009-10 with a **staff of 35**, unchanged from 2008-09.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$71.4 million General Fund** for the Division of Probation and Correctional Alternatives. This is a decrease of **\$9.9 million** from the 2008-09 Budget, primarily reflecting a decrease in support for local probation departments and community correction agencies. However, legislation is being advanced to reduce probation caseloads by allowing probation sentences to be reduced by time served under interim supervision. In addition, a one-time \$25 probation registration fee would generate revenue that could be retained by the local probation departments.

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 and need assessment instruments that it offers local probation departments for their use.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	3,107,000	3,006,000	(101,000)	0
Aid To Localities	78,221,251	68,376,000	(9,845,251)	34,579,000
Capital Projects	0	0	0	0
Total	81,328,251	71,382,000	(9,946,251)	34,579,000

PROBATION AND CORRECTIONAL ALTERNATIVES

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Community Corrections			
General Fund	35	35	0
Total	35	35	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	3,107,000	3,006,000	(101,000)
Total	3,107,000	3,006,000	(101,000)

Adjustments:			
Transfer(s) From			
Probation and Correctional Alternatives,			
Division of			
General Fund (Aid To Localities)	(300,000)		
Special Pay Bill			
General Fund	(136,000)		
Appropriated 2008-09	2,671,000		

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

Program	Available 2008-09	Recommended 2009-10	Change
Community Corrections			
General Fund	3,107,000	3,006,000	(101,000)
Total	3,107,000	3,006,000	(101,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Community Corrections	2,502,000	35,000	2,502,000	35,000
Total	2,502,000	35,000	2,502,000	35,000

PROBATION AND CORRECTIONAL ALTERNATIVES

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Community Corrections	504,000	(136,000)	33,000	2,000
Total	504,000	(136,000)	33,000	2,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Community Corrections	66,000	3,000	395,000	(141,000)
Total	66,000	3,000	395,000	(141,000)

Program	Equipment	
	Amount	Change
Community Corrections	10,000	0
Total	10,000	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	78,221,251	68,376,000	(9,845,251)
Total	78,221,251	68,376,000	(9,845,251)

Adjustments:

Transfer(s) To

 Probation and Correctional Alternatives,
 Division of

 General Fund (State Operations)

300,000

Appropriated 2008-09

78,521,251

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

Program	Available 2008-09	Recommended 2009-10	Change
Community Corrections			
General Fund	76,626,620	68,376,000	(8,250,620)
Community Projects			
General Fund	1,594,631	0	(1,594,631)
Total	78,221,251	68,376,000	(9,845,251)

OFFICE FOR PROCUREMENT SERVICES

MISSION

The 2009-10 Executive Budget recommends the establishment of a new Office for Procurement Services (OPS). The Office is charged with ensuring that the State is adhering to procurement best practices, taking full advantage of new procurement methods, and leveraging the State's purchasing power to achieve best value and price.

ORGANIZATION AND STAFFING

This new Office will be the official procurement office for the State of New York, serving all State agencies and other governmental entities as well. It will be located in Albany and will be overseen by the Chief Procurement Officer, a new Executive position established in statute. The Office will consist of 103 employees transferred from the Office of General Services' Procurement Services Group.

The Chief Procurement Officer's statutory responsibilities will include:

- Chairing the State Procurement Council;
- Ensuring that the State is undertaking purchasing consistent with best practices;
- Leveraging the purchasing volume of the State, localities, other municipal organizations and eligible non-profits to obtain the best value and price for goods and services;
- Standardizing the State's purchasing process to make certain it is both efficient and effective;
- Maximizing the use of information technology to reduce procurement processing time;
- Implementing new approaches to procurement, such as reverse auctions and rate contracts;
- Setting policies regarding the diversity of the vendor pool and state preferred sourcing goals; and
- Coordinating and/or conducting evaluations of State agency procurement activities and recommending any needed changes or improvements.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommends **\$7.6 million General Fund** for this new agency.

PROGRAM HIGHLIGHTS

New York annually spends billions of dollars to procure goods and services, requiring a strategic approach to procurement decision-making – one that ensures the State gets the greatest value for the best price. By consolidating and standardizing purchases to obtain lower prices, savings are achieved over time, and the cost of government permanently reduced. This approach has been used successfully by other states, the Federal government and the private sector. It emphasizes a strategic sourcing procurement model, rather than a transaction based approach, focusing on continuous improvement using measurable results.

OFFICE FOR PROCUREMENT SERVICES

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	7,564,000	7,564,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	0	7,564,000	7,564,000	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	0	6	6
Procurement Services			
General Fund	0	97	97
Total	0	103	103

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	0	7,564,000	7,564,000
Total	0	7,564,000	7,564,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	0	725,000	725,000
Procurement Services			
General Fund	0	6,839,000	6,839,000
Total	0	7,564,000	7,564,000

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total Amount	Change	Personal Service Regular (Annual Salaried) Amount	Change
Administration	700,000	700,000	700,000	700,000
Procurement Services	5,937,000	5,937,000	5,937,000	5,937,000
Total	6,637,000	6,637,000	6,637,000	6,637,000

OFFICE FOR PROCUREMENT SERVICES

STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	25,000	25,000	15,000	15,000
Procurement Services	902,000	902,000	26,000	26,000
Total	927,000	927,000	41,000	41,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	5,000	5,000	0	0
Procurement Services	45,000	45,000	783,000	783,000
Total	50,000	50,000	783,000	783,000

Program	Equipment	
	Amount	Change
Administration	5,000	5,000
Procurement Services	48,000	48,000
Total	53,000	53,000

PUBLIC EMPLOYMENT RELATIONS BOARD

MISSION

The Public Employment Relations Board was created by the Public Employees' Fair Employment Act of 1967 and resolves labor disputes between public employers and employees. The Board provides mediation, fact-finding and arbitration in contract disputes for approximately 4,760 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, makes determinations regarding applications for injunctive relief 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$4.7 million All Funds** (\$4.1 million General Fund; \$0.6 million Other Funds) for the Public Employment Relations Board. This is an increase of **\$215,000** (decrease of \$96,000 General Fund; increase of \$311,000 Other Funds) from the 2008-09 Budget. Within these amounts, the Public Employment Relations Board is expected to fully absorb the responsibilities of the State Employment Relations Board, at a savings of \$1.7 million to the State.

The Executive Budget recommends a staffing level of **38 FTEs** for the Public Employment Relations Board, an increase of **1** from 2008-09. This change reflects the impact of assuming the responsibilities of the State Employment Relations Board.

PROGRAM HIGHLIGHTS

The Board provides three principal services: conciliation, settlement of petitions involving representation and rulings on charges of improper employment practices.

CONCILIATION

The Board provided assistance in approximately 320 of the 2,450 State and local contracts negotiated in 2007-08. 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. Beginning in 2009-10, the Board will now perform these functions for private employers and their unions.

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

PUBLIC EMPLOYMENT RELATIONS

requests to remove positions from negotiating units and may designate them management or confidential. In 2009-2010, the Board expects to receive approximately 90 petitions raising questions about representation and to conduct 12 elections for representation.

The Board also addresses matters of bargaining unit changes through unit clarification/placement and management/confidential applications. In 2007-08, 81 such applications were received by the Board and 102 cases were resolved: 61 by settlement after a conference was conducted and 41 by issuing a decision. Approximately 90 applications of this type are expected in 2009-10.

EMPLOYMENT PRACTICES

The Board conducts hearings and renders decisions on improper practice charges, and received 782 charges of improper employment and negotiating practices in 2007-08 and expects 860 such charges in the coming year. In 2007-08, the agency wrote 148 decisions and closed, either by decision or settlement, over 775 improper practice cases. In advance of a hearing, 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. Beginning in 2009-10, the Board will now resolve improper labor practices within the private sector which do not fall within the jurisdiction of the National Labor Relations Board.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	4,469,000	4,684,000	215,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	4,469,000	4,684,000	215,000	0

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

Program	Full-Time Equivalent Positions (FTE)		
	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	37	38	1
Total	37	38	1

PUBLIC EMPLOYMENT RELATIONS

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
General Fund	4,212,000	4,116,000	(96,000)
Special Revenue Funds - Other	257,000	568,000	311,000
Total	4,469,000	4,684,000	215,000
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(171,000)		
Appropriated 2008-09	4,298,000		

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Administration			
General Fund	4,212,000	4,116,000	(96,000)
Special Revenue Funds - Other	257,000	568,000	311,000
Total	4,469,000	4,684,000	215,000

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 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	3,648,000	6,000	3,373,000	89,000
Total	3,648,000	6,000	3,373,000	89,000

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>
Administration	275,000	(83,000)
Total	275,000	(83,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 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	468,000	(102,000)	63,000	(20,000)
Total	468,000	(102,000)	63,000	(20,000)

<u>Program</u>	<u>Travel</u>		<u>Contractual Services</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	62,000	(10,000)	301,000	(62,000)
Total	62,000	(10,000)	301,000	(62,000)

<u>Program</u>	<u>Equipment</u>	
	<u>Amount</u>	<u>Change</u>
Administration	42,000	(10,000)
Total	42,000	(10,000)

PUBLIC EMPLOYMENT RELATIONS

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	568,000	311,000	140,000	0
Total	568,000	311,000	140,000	0

Program	Nonpersonal Service	
	Amount	Change
Administration	428,000	311,000
Total	428,000	311,000

COMMISSION ON PUBLIC INTEGRITY

MISSION

Established in 2007 by the merger of the State Ethics Commission and the Temporary State Commission on Lobbying, the Commission on Public Integrity is charged with the responsibility of administering and enforcing the State's ethics and lobbying statutes along with anti-nepotism laws and the New York State "little Hatch Act." Building upon the strong foundations established by the Temporary State Commission on Lobbying and the State Ethics Commission, the new Commission combines all powers, duties, functions, and staff of both Commissions into a single independent agency to ensure compliance with the ethical standards that public officials and lobbyists must observe in order to foster public trust and confidence in government.

ORGANIZATION AND STAFFING

The Public Employee Ethics Reform Act sets forth the administrative and enforcement responsibilities of the 13-member Commission. The Commission's office is in Albany. The Commission operates through 8 units: Executive, Public Information, Administration, Technology, Legal, Investigations, Programs, and Training and Educational Services.

BUDGET HIGHLIGHTS

The Executive Budget recommends over **\$5.1 million General Fund** for the Commission on Public Integrity. This is a decrease of **\$0.7 million** from the 2008-09 budget, reflecting administrative efficiencies, and savings achieved through the use of technology. For 2009-10, the Commission will have a workforce of **55 FTEs**.

PROGRAM HIGHLIGHTS

The Commission has jurisdiction over 250,000 Executive Branch employees and officials filing over 26,000 financial disclosure statements annually, as well as approximately 6,300 lobbyists representing 4,000 clients that reported spending \$172 million in lobbying efforts. The Commission is responsible for issuing formal and informal advisory opinions to those under its jurisdiction, providing comprehensive outreach and education programs, administering a website that offers online filing for all lobbyists, State employees and officials, managing the disclosure of all information that is required to be made available to the public, and conducting investigations and holding hearings to enforce the laws under the Commission's mandate.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	5,902,000	5,162,000	(740,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	5,902,000	5,162,000	(740,000)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Public Integrity, Commission on			
General Fund	55	55	0
Total	<u>55</u>	<u>55</u>	<u>0</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	5,902,000	5,162,000	(740,000)
Total	<u>5,902,000</u>	<u>5,162,000</u>	<u>(740,000)</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(123,000)
Appropriated 2008-09	<u>5,779,000</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Public Integrity, Commission on			
General Fund	5,902,000	5,162,000	(740,000)
Total	<u>5,902,000</u>	<u>5,162,000</u>	<u>(740,000)</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Public Integrity, Commission on	3,890,000	(483,000)	3,840,000	(483,000)
Total	<u>3,890,000</u>	<u>(483,000)</u>	<u>3,840,000</u>	<u>(483,000)</u>

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Public Integrity, Commission on	50,000	0
Total	<u>50,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Public Integrity, Commission on	1,272,000	(257,000)	51,000	1,000
Total	1,272,000	(257,000)	51,000	1,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Public Integrity, Commission on	27,000	1,000	1,088,000	(262,000)
Total	27,000	1,000	1,088,000	(262,000)

Program	Equipment	
	Amount	Change
Public Integrity, Commission on	106,000	3,000
Total	106,000	3,000

OFFICE OF REAL PROPERTY SERVICES

MISSION

The Office of Real Property Services is statutorily 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 including the necessary review and equalization of local assessments for purposes of taxation. Through targeted local assistance programs and incentives, the Office is committed to improving and transforming the local property tax system in New York State into a more efficient, equitable and cost-effective operation, statewide.

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 presently has its central office in Albany and five regional offices in Batavia, Syracuse, Newburgh, Melville and Ray Brook.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommends **\$46.5 million in All Funds appropriations** (\$41.1 million General Fund; \$5.4 million Other Funds) for the Office of Real Property Services. This is a decrease of **\$23.2 million** from the 2008-09 budget, consisting of a \$19.7 million increase in the General Fund offset by a \$42.9 million decrease in Other Funds. This net change reflects savings from ongoing efforts to achieve administrative efficiencies and reductions in discretionary local assistance funding. In addition, the majority of funding for agency operations is shifted to the General Fund with a fee increase necessary to address an accumulated shortfall in dedicated revenues.

The Executive Budget recommends a staffing level of **328 FTEs** for the Office of Real Property Services, a **decrease of 30** from the 2008-09 budget that is attributable to continued application of the hiring freeze and reduced staffing needs from a restructuring of agency administrative support functions.

Major budget actions include:

- **Administrative Efficiencies:** The Executive Budget seeks greater operational efficiencies for the Office through a host agency arrangement with the Department of Taxation and Finance that will reduce overall costs for administrative support by approximately \$700,000 on a full annual basis. The agency also plans to reduce its central office lease expense to achieve approximately \$1.0 million in full-annual savings beginning in 2010-11.
- **Targeted Reductions in Local Assistance:** The Executive Budget proposes to limit the Agency's local assistance funding to its core, statutory aid programs by completing a multiyear phase-out of aid for administration of the STAR program for \$3.3 million in savings and by eliminating \$4.1 million in discretionary grant funding to promote changes in local property tax administration.
- **Restructured Funding of Agency Operations:** The Executive Budget proposes to fund most of the Office's operations directly from the General Fund,

REAL PROPERTY SERVICES

discontinuing the use of a Special Revenue account that has experienced a deficit in recent years. This accumulated deficit, caused by declining revenues from a real property transfer fee that supports agency operations, is addressed by increasing the fee from \$50 to \$100 for housing cooperatives, from \$75 to \$125 for residential property, and from \$165 to \$250 for commercial property.

PROGRAM HIGHLIGHTS

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. At present, State law does not require assessing at full market value (100 percent), so long as the percentage is uniform throughout the local assessing unit. Every assessing unit is required, however, 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. Due to the numerous differences in percentage of full value between local assessing units, the Office must establish equalization rates for every applicable unit.

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 2008, the assessment ratios supplied by 92 percent of local assessors were adopted without change as State equalization rates.
- The 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 dramatically over the years, resulting in reduced costs for rate complaint hearings and improved State-local relations. In 2008, only 6 complaints were filed as compared to 360 in the early 1990s.
- Since 1994-95, the continuing base cost of the Office's equalization program has been reduced from \$17 million to \$14 million.

OTHER STATE VALUATION 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.

The Office is statutorily authorized to assess property of utility companies in the public right of way. The Office also establishes values of agricultural land, ceilings on assessments of railroad properties and values of oil- and gas-producing facilities.

LOCAL SUPPORT

Support is provided to local governments seeking to reassess property and ensure equity for their taxpayers. Over time the Office has moved to a support model which seeks to build local internal capacity to manage the many complex tasks involved in reassessment. This has resulted in a three-fold increase in cities and towns reassessing in any one year.

The Office of Real Property Services provides a range of services to encourage and support local governments in their assessment responsibilities.

- 95% of assessing units use computer software developed and supported by the Office for effective and efficient assessment administration.
- The Office performs 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.
- The Office collects and audits school tax apportionment data and certifies more than \$2.6 billion of STAR reimbursement payments to school districts.
- The Office provides timely property ownership information to the Department of Taxation and Finance to ensure that 3 million taxpayers promptly receive STAR rebate checks.
- A grant program was developed to encourage local governments to examine the effectiveness of their assessment and property tax collection practices and to explore options which would provide a greater role for county government. Fifty-one counties encompassing 975 assessing units have undertaken a study of options to improve the assessment function and 45 counties are studying options for better coordinated tax collection.

The Office will continue to administer additional State aid programs in support of local assessment administration and property tax relief, including:

- Local assistance of up to \$5 per parcel for assessing units that meet State standards, including annual or triennial revisions of assessments and comprehensive re-inventory and revaluation at least once every six years;
- Financial incentives for consolidation or coordination of local assessment functions;
- Targeted state assistance to affected municipalities pursuant to the 2002 Railroad Infrastructure Act; and,
- Assessor training aid to reimburse county, city and town assessment officials for their cost of attending State mandated training and continuing-education courses.

REAL PROPERTY SERVICES

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	48,373,000	32,557,000	(15,816,000)	0
Aid To Localities	21,397,000	13,965,000	(7,432,000)	0
Capital Projects	0	0	0	0
Total	69,770,000	46,522,000	(23,248,000)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Policy and Organizational Support Services			
General Fund	0	293	293
Special Revenue Funds - Other	358	35	(323)
Total	358	328	(30)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	0	27,100,000	27,100,000
Special Revenue Funds - Other	48,373,000	5,457,000	(42,916,000)
Total	48,373,000	32,557,000	(15,816,000)

Adjustments:	
Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Other	(3,330,000)
Appropriated 2008-09	45,043,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Policy and Organizational Support Services			
General Fund	0	27,100,000	27,100,000
Special Revenue Funds - Other	48,373,000	5,457,000	(42,916,000)
Total	48,373,000	32,557,000	(15,816,000)

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Policy and Organizational Support Services	20,800,000	20,800,000	20,800,000	20,800,000
Total	20,800,000	20,800,000	20,800,000	20,800,000

REAL PROPERTY SERVICES

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Policy and Organizational Support Services	6,300,000	6,300,000	250,000	250,000
Total	6,300,000	6,300,000	250,000	250,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Policy and Organizational Support Services	350,000	350,000	5,000,000	5,000,000
Total	350,000	350,000	5,000,000	5,000,000

Program	Equipment	
	Amount	Change
Policy and Organizational Support Services	700,000	700,000
Total	700,000	700,000

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Policy and Organizational Support Services	5,457,000	(42,916,000)	3,300,000	(23,634,000)
Total	5,457,000	(42,916,000)	3,300,000	(23,634,000)

Program	Nonpersonal Service	
	Amount	Change
Policy and Organizational Support Services	2,157,000	(19,282,000)
Total	2,157,000	(19,282,000)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	21,397,000	13,965,000	(7,432,000)
Total	21,397,000	13,965,000	(7,432,000)

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

Program	Available 2008-09	Recommended 2009-10	Change
Policy and Organizational Support Services			
General Fund	21,397,000	13,965,000	(7,432,000)
Total	21,397,000	13,965,000	(7,432,000)

DIVISION OF STATE POLICE

MISSION

The mission of the Division of State Police is to promote highway safety and protect against 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends approximately **\$677 million All Funds** (\$434 million General Fund; \$232 million Other Operating Funds; \$11.5 million Capital Funds) for the Division. This is a net increase of approximately **\$6 million All Funds** (\$44 million General Fund decrease; \$50 million Other Operating Funds increase;) from the 2008-09 Budget. The changes in operating funds primarily reflect offsetting General Fund support of Patrol operations with additional Motor Vehicle Law Enforcement fee revenue and other various Division efficiencies.

The Executive Budget recommends a staffing level of **5,989 FTEs** for the Division, including 4,939 sworn police officers. These levels are unchanged from 2008-09.

Major budget actions include:

- **Redeployment:** In order to further enhance safety on the State's highways, the Executive Budget recommends the redeployment of 30 Troopers from general patrol duties to the Thruway.
- **Speed Enforcement Cameras:** To improve highway safety, and in further support of the 2005 Work Zone Safety Act, the Executive Budget includes funding to deploy speed enforcement photo-monitoring equipment to combat speeding in workzones and on certain stretches of highway. The cost of the equipment and administration of the program will be covered by revenue generated from civil fines incurred by the registered owners of vehicles identified by the speed enforcement cameras.
- **Increase surcharge on vehicle insurance:** The Executive Budget includes legislation to raise the annual fee from \$5 to \$10 on insurance policies for all registered motor vehicles to support State Police public and highway safety operations. This action will result in an estimated \$64.5 million in new annual recurring revenue dedicated to the State Police and local anti-auto-theft programs.

STATE POLICE

- **Operating Efficiencies:** The Budget recommends the delay of equipment purchases and the procurement of more efficient fleet vehicles, for a savings of \$6 million.

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)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	660,501,000	665,901,000	5,400,000	24,902,000
Aid To Localities	0	0	0	0
Capital Projects	11,500,000	11,500,000	0	93,709,000
Total	672,001,000	677,401,000	5,400,000	118,611,000

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	147	147	0
Criminal Investigation Activities			
General Fund	1,373	1,373	0
Special Revenue Funds - Other	107	107	0
Patrol Activities			
General Fund	3,200	3,200	0
Special Revenue Funds - Federal	41	41	0
Special Revenue Funds - Other	28	28	0
Governor's Traffic Safety Committee			
Special Revenue Funds - Other	4	4	0
Policing the Thruway			
Special Revenue Funds - Other	310	310	0
Technical Police Services			
General Fund	779	779	0
Total	<u>5,989</u>	<u>5,989</u>	<u>0</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	478,217,000	434,076,000	(44,141,000)
Special Revenue Funds - Federal	7,235,000	7,235,000	0
Special Revenue Funds - Other	175,049,000	224,590,000	49,541,000
Total	<u>660,501,000</u>	<u>665,901,000</u>	<u>5,400,000</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(3,672,000)
Special Revenue Funds - Other	(121,000)
Appropriated 2008-09	<u>656,708,000</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	19,908,000	19,583,000	(325,000)
Special Revenue Funds - Other	429,000	308,000	(121,000)
Criminal Investigation Activities			
General Fund	152,348,000	149,420,000	(2,928,000)
Special Revenue Funds - Other	16,719,000	17,387,000	668,000
Patrol Activities			
General Fund	226,901,000	187,879,000	(39,022,000)
Special Revenue Funds - Federal	5,500,000	5,500,000	0
Special Revenue Funds - Other	68,618,000	116,858,000	48,240,000
Policing the Thruway			
Special Revenue Funds - Other	49,185,000	49,939,000	754,000
Technical Police Services			
General Fund	79,060,000	77,194,000	(1,866,000)
Special Revenue Funds - Federal	1,735,000	1,735,000	0
Special Revenue Funds - Other	40,098,000	40,098,000	0
Total	<u>660,501,000</u>	<u>665,901,000</u>	<u>5,400,000</u>

STATE POLICE

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	19,273,000	(14,000)	17,601,000	(14,000)
Criminal Investigation Activities	139,208,000	(128,000)	133,983,000	(128,000)
Patrol Activities	175,951,000	(45,162,000)	162,884,000	(45,162,000)
Technical Police Services	41,673,000	(37,000)	36,647,000	(37,000)
Total	376,105,000	(45,341,000)	351,115,000	(45,341,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	682,000	0	990,000	0
Criminal Investigation Activities	0	0	5,225,000	0
Patrol Activities	295,000	0	12,772,000	0
Technical Police Services	2,363,000	0	2,663,000	0
Total	3,340,000	0	21,650,000	0

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	310,000	(311,000)	95,000	0
Criminal Investigation Activities	10,212,000	(2,800,000)	1,380,000	0
Patrol Activities	11,928,000	6,140,000	479,000	(900,000)
Technical Police Services	35,521,000	(1,829,000)	4,473,000	0
Total	57,971,000	1,200,000	6,427,000	(900,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	80,000	0	60,000	(311,000)
Criminal Investigation Activities	112,000	0	2,576,000	(700,000)
Patrol Activities	25,000	(1,200,000)	10,836,000	9,140,000
Technical Police Services	0	0	16,091,000	(1,222,000)
Total	217,000	(1,200,000)	29,563,000	6,907,000

Program	Equipment	
	Amount	Change
Administration	75,000	0
Criminal Investigation Activities	6,144,000	(2,100,000)
Patrol Activities	588,000	(900,000)
Technical Police Services	14,957,000	(607,000)
Total	21,764,000	(3,607,000)

STATE POLICE

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	308,000	(121,000)	0	(81,000)
Criminal Investigation Activities	17,387,000	668,000	10,470,000	235,000
Patrol Activities	122,358,000	48,240,000	102,421,000	48,240,000
Policing the Thruway	49,939,000	754,000	33,549,000	754,000
Technical Police Services	41,833,000	0	4,000,000	0
Total	231,825,000	49,541,000	150,440,000	49,148,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	308,000	(40,000)	0	0
Criminal Investigation Activities	6,917,000	433,000	0	0
Patrol Activities	14,437,000	0	5,500,000	0
Policing the Thruway	16,390,000	0	0	0
Technical Police Services	36,098,000	0	1,735,000	0
Total	74,150,000	393,000	7,235,000	0

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Maintenance and Improvement of Existing Facilities				
Capital Projects Fund	5,500,000	5,500,000	0	16,134,000
Capital Projects Fund - Authority Bonds	6,000,000	6,000,000	0	6,000,000
New Facilities				
Capital Projects Fund - Authority Bonds	0	0	0	71,575,000
Total	11,500,000	11,500,000	0	93,709,000

CHIEF INFORMATION OFFICER/OFFICE FOR TECHNOLOGY

MISSION

Since its inception in 1997, the Chief Information Officer/Office for Technology (CIO/OFT) 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 the efficiency of New York State government.

ORGANIZATION AND STAFFING

CIO/OFT is located in Albany and is overseen by the Chief Information Officer. The Agency is supported with State tax dollars from the General Fund, payments from other State agencies, and Special Revenue Funds.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommends **\$535.5 million All Funds** (\$28.9 million General Fund; \$405.7 million Internal Service Funds; \$100.9 million Other Funds) to support ongoing agency activities. This is an increase of **\$104 million All Funds** (\$2.6 million General Fund; \$82.2 million Internal Service Funds; \$19 million Other Funds) from the 2008-09 Budget. This change primarily reflects continuing the Statewide Wireless Network (SWN) project, leasing interim disaster recovery space, and increasing Enterprise solutions, including sourcing strategies for selected information technology services. The Executive Budget recommends a staffing level of 749 FTEs, unchanged from the 2008-09 Budget.

Major budget actions include:

- **Leasing Disaster Recovery Space:** An increase of \$6.4 million is recommended for the State Data Center Internal Service Fund to support annual lease and utility costs associated with retro-fitting a facility outside of the Capital Region to serve the State's disaster recovery needs. In addition, CIO/OFT is cultivating other interested customers, including New York City.
- **New Consolidated State Data Center:** A \$99.1 million Capital Projects reappropriation is recommended 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. The State continues to consider options for the facility and, in light of the fiscal climate, is seeking to identify the most cost-effective approach in order to yield the greatest long-term benefits.
- **Interim Data Center Space:** An \$11 million Capital Projects reappropriation is recommended to renovate existing State-owned office space. This additional space is necessary to accommodate current and future demand until the multi-year construction of the new data center is completed.
- **Additional Centralization of Technology Services:** An increase of \$75 million is recommended for the Centralized Services Internal Service Fund appropriation to expand Enterprise contracting and service opportunities.

TECHNOLOGY

PROGRAM HIGHLIGHTS

The Office for Technology identified the following priorities to improve the State's technology infrastructure: leasing existing space outside of the Capital Region power grid to meet State agency disaster recovery needs and to provide disaster recovery capacity to other public sector entities in need of such services; beginning construction of a new, consolidated data center to meet the growing needs for secure space with adequate power and cooling; rehabilitation and repair of existing data center space and renovation of available State-owned office space to provide additional data center capacity, as current projected needs for power and cooling will exceed what is available before construction of the new facility can be completed.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	370,651,000	455,515,000	84,864,000	0
Aid To Localities	0	0	0	2,500,000
Capital Projects	61,000,000	80,000,000	19,000,000	160,060,000
Total	431,651,000	535,515,000	103,864,000	162,560,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Statewide Technology Program			
Special Revenue Funds - Other	47	47	0
Technology			
General Fund	158	158	0
Internal Service Funds	544	544	0
Total	749	749	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	26,228,000	28,858,000	2,630,000
Special Revenue Funds - Other	20,868,000	20,905,000	37,000
Internal Service Funds	323,555,000	405,752,000	82,197,000
Total	370,651,000	455,515,000	84,864,000

Adjustments:

Transfer(s) From

Special Pay Bill

General Fund

(677,000)

Special Revenue Funds - Other

(295,000)

Internal Service Funds

(4,295,000)

Appropriated 2008-09

365,384,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Statewide Technology Program			
Special Revenue Funds - Other	20,868,000	20,905,000	37,000
Technology			
General Fund	26,228,000	28,858,000	2,630,000
Internal Service Funds	323,555,000	405,752,000	82,197,000
Total	<u>370,651,000</u>	<u>455,515,000</u>	<u>84,864,000</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Technology	11,405,000	180,000	11,195,000	180,000
Total	<u>11,405,000</u>	<u>180,000</u>	<u>11,195,000</u>	<u>180,000</u>
Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Technology	180,000	0	30,000	0
Total	<u>180,000</u>	<u>0</u>	<u>30,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Technology	17,453,000	2,450,000	290,000	0
Total	<u>17,453,000</u>	<u>2,450,000</u>	<u>290,000</u>	<u>0</u>
Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Technology	50,000	0	12,208,000	2,688,000
Total	<u>50,000</u>	<u>0</u>	<u>12,208,000</u>	<u>2,688,000</u>
Program	Equipment			
	Amount	Change		
Technology	4,905,000	(238,000)		
Total	<u>4,905,000</u>	<u>(238,000)</u>		

TECHNOLOGY

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Statewide Technology Program	20,905,000	37,000	3,822,000	25,000
Technology	405,752,000	82,197,000	38,077,000	2,215,000
Total	426,657,000	82,234,000	41,899,000	2,240,000

Program	Nonpersonal Service	
	Amount	Change
Statewide Technology Program	17,083,000	12,000
Technology	367,675,000	79,982,000
Total	384,758,000	79,994,000

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
New Facilities				
Capital Projects Fund - Authority Bonds	0	0	0	99,060,000
Maintenance and Improvement of Facilities				
Capital Projects Fund	40,000,000	80,000,000	40,000,000	40,000,000
Capital Projects Fund - Authority Bonds	11,000,000	0	(11,000,000)	11,000,000
Economic Development				
Capital Projects Fund - Authority Bonds	10,000,000	0	(10,000,000)	10,000,000
Total	61,000,000	80,000,000	19,000,000	160,060,000

DIVISION OF VETERANS' AFFAIRS

MISSION

The core mission of the Division of Veterans' Affairs is to link veterans, members of the armed forces and their families and dependents to various economic, medical and social benefits and services available as the result of active duty military service. The Division's professional counseling staff prepares, presents and prosecutes claims including applications for monthly compensation and pension awards, education benefits, burial benefits, vocational rehabilitation training, health care, nursing home care, tax exemption and other services.

The Division is committed to fulfilling its statutory responsibility within the fiscal resources of its budget, and will continue to offer, through a network of community-based veterans counseling offices, accessible professional assistance to 1.1 million veterans and their dependents, as well as to thousands of New Yorkers currently on active military duty.

ORGANIZATION AND STAFFING

The Division is headed by the Director who is appointed by the Governor. The Division's central office is in Albany, with regional and claims processing offices in New York City and Buffalo. The Division maintains a network of 69 local points of access, both full-time and itinerant, where the veteran's community can obtain information and assistance from the Division's veterans counseling staff.

The Division maximizes its presence in the veterans community by establishing office locations that are readily accessible to veterans, such as United States Department of Veterans Affairs (VA) medical centers and community outpatient clinics, providing veterans seeking medical care an opportunity to also secure counseling assistance at a single location. These locations provide a collateral benefit for the agency, which is provided free office space, thereby reducing costs associated with securing rented office space.

To further expand its outreach and accessibility, more than half of the Division's State veterans counselors are assigned to multiple offices, providing direct, local services in a greater number of communities throughout the State. In 2009-10, mobile counseling services will be provided, further expanding services to veterans and their families.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$17.7 million in All Funds** (\$15.2 million General Fund; \$2.5 million Other Funds) in new appropriations for the Division of Veterans' Affairs. This is a net decrease of **\$3.0 million** from the 2008-09 Budget. This net change reflects the expiration of the Merchant Marines Program, offset by \$1.0 million for expanded counseling services and the restoration of the temporary reductions to the Blind Veterans Annuity.

The Executive Budget recommends a **staffing level of 112** for the Division of Veterans Affairs, an increase of four full time positions from 2008-09.

VETERANS' AFFAIRS

PROGRAM HIGHLIGHTS

The largest of the Division of Veterans' Affairs three principal programs is the Veterans' Counseling Program. In State fiscal year 2009-10, new claims for Federal benefits that provide direct, economic (and generally recurring) assistance to veterans and their families, are expected to exceed the \$79 million in VA payments for compensation and pension for disabled and low-income veterans and dependents paid during 2007-08.

Similarly, claims filed and awards issued during the current 2009 calendar year are on a pace to match or exceed those of recent years. The Division of Veterans' Affairs' VA accredited counseling staff is responsible for securing and maintaining a substantial portion of the \$1.25 billion in Federal VA benefits paid annually to veterans and dependents in New York State. The Division, in collaboration with other State, Federal, local and not-for-profit agencies, continued its efforts to assist returning active duty military personnel in 2008. In July 2008, the Division of Veterans' Affairs together with the Division of Military and Naval Affairs and the Office of Mental Health added behavioral health screening for Post Traumatic Stress Disorder (PTSD) and Traumatic Brain Injury to the informational outreach programs throughout the State for returning Guard units and their families. This provides the Division an opportunity to disseminate information about benefits and familiarize veterans and their families with services offered by the Agency's counseling staff.

The Division is involved in the National Policy Academy for returning veterans; a public-private collaborative aimed at developing strategies to improve services provided to returning veterans needing assistance with human, social and economic challenges. Through the National Policy Academy, the New York State team has explored new approaches for helping returning veterans and their families address problems and concerns in such areas as finances and insurance, family relationships, health and mental health care, substance abuse issues, employment and complex medical injuries. The team's recommendation has led to a consolidated plan to better serve veterans and their families. The development of a comprehensive strategy to help returning veterans and their families has been one of the Division's highest priorities.

The Division also partners with the New York State Department of Health and the State University of New York at Stony Brook to assist veterans and eligible dependents in gaining admission to the State Veterans Home Program that operates five long-term healthcare facilities around the State.

State Veterans Counselors – each a veteran – also assist veterans in accessing the VA's network of health care, State veterans' homes and nursing homes, as well as local public assistance and private venues that offer programs or services.

The Division is now being fully hosted by the Office of General Services, which provides various administrative and information technology functions for the Division.

VETERANS' EDUCATION PROGRAM

The Veterans' Education Program staff – located in Albany and New York City – investigates and certifies post-secondary educational and vocational institutions as providing legitimate and quality education for veterans seeking to utilize their Federal education benefits to attend such facilities. The Veterans Education Bureau also is responsible for approving on-the-job training and apprenticeship programs. The Office of General Services provides administrative support for this program.

BLIND ANNUITY PROGRAM

The Blind Annuity Program provides visually impaired veterans and eligible un-remarried surviving spouses an annual annuity paid in monthly installments. The statute creating the annual adjustment provides for an increase of one to four percent each year. The Division of Veterans' Affairs processes applications and authorizes awards with administrative support provided by the Office of General Services. Currently there are more than 4,500 annuitants receiving benefits.

SUPPLEMENTAL BURIAL BENEFIT PROGRAM

Families of members of the armed forces killed in combat or who die while serving in a hostile theater of operation are eligible for a Supplemental Burial Benefit, established in 2003 under the Governor's Patriot Plan II, that provides a maximum reimbursement of \$6,000 to defray funeral and burial expenses. The Division processes applications and authorizes payment of the benefit to qualified individuals responsible for burial costs.

GOLD STAR PARENT ANNUITY

Awards annual annuities to parents of veterans who are identified as "Gold Star Parents" in the amount of \$500 per parent, not to exceed \$1000 per veteran. Any Gold Star Parent, who is the parent of a deceased veteran, and a resident of New York State with an income at or below 200 percent of the Federal poverty level, shall be eligible for the annuity.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	8,868,000	9,261,000	393,000	5,121,000
Aid To Localities	11,845,550	8,446,000	(3,399,550)	614,000
Capital Projects	0	0	0	0
Total	20,713,550	17,707,000	(3,006,550)	5,735,000

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

Full-Time Equivalent Positions (FTE)			
Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	7	7	0
Higher Education			
Special Revenue Funds - Federal	12	12	0
Veteran Counseling Services Program			
General Fund	89	93	4
Total	108	112	4

VETERANS' AFFAIRS

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
General Fund	6,902,000	7,295,000	393,000
Special Revenue Funds - Federal	1,966,000	1,966,000	0
Total	8,868,000	9,261,000	393,000

Adjustments:

Transfer(s) From

Special Pay Bill	
General Fund	(424,000)
Special Revenue Funds - Federal	(112,000)
Appropriated 2008-09	8,332,000

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Administration			
General Fund	922,000	941,000	19,000
Special Revenue Funds - Federal	85,000	0	(85,000)
Higher Education			
General Fund	136,000	0	(136,000)
Special Revenue Funds - Federal	1,881,000	1,966,000	85,000
Veteran Counseling Services Program			
General Fund	5,844,000	6,354,000	510,000
Total	8,868,000	9,261,000	393,000

STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 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	786,000	19,000	786,000	19,000
Higher Education	0	(136,000)	0	(136,000)
Veteran Counseling Services Program	5,579,000	230,000	5,554,000	205,000
Total	6,365,000	113,000	6,340,000	88,000

<u>Program</u>	<u>Holiday/Overtime Pay (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>
Administration	0	0
Higher Education	0	0
Veteran Counseling Services Program	25,000	25,000
Total	25,000	25,000

VETERANS' AFFAIRS

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	155,000	0	11,000	0
Veteran Counseling Services Program	775,000	280,000	120,000	70,000
Total	930,000	280,000	131,000	70,000

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	16,000	0	97,000	0
Veteran Counseling Services Program	139,000	20,000	266,000	0
Total	155,000	20,000	363,000	0

Program	Equipment	
	Amount	Change
Administration	31,000	0
Veteran Counseling Services Program	250,000	190,000
Total	281,000	190,000

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	0	(85,000)	0	(57,000)
Higher Education	1,966,000	85,000	1,161,000	57,000
Total	1,966,000	0	1,161,000	0

Program	Nonpersonal Service	
	Amount	Change
Administration	0	(28,000)
Higher Education	805,000	28,000
Total	805,000	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	11,345,550	7,946,000	(3,399,550)
Special Revenue Funds - Federal	500,000	500,000	0
Total	11,845,550	8,446,000	(3,399,550)

VETERANS' AFFAIRS

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	2,373,820	799,000	(1,574,820)
Blind Veteran Annuity Assistance			
General Fund	5,622,014	5,720,000	97,986
Veteran Counseling Services Program			
General Fund	906,516	1,427,000	520,484
Special Revenue Funds - Federal	500,000	500,000	0
Community Projects			
General Fund	2,443,200	0	(2,443,200)
Total	<u>11,845,550</u>	<u>8,446,000</u>	<u>(3,399,550)</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. The Board has additional customer service centers located throughout the State.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$217 million All Funds** for the Workers Compensation Board, all of which is funded from assessments on businesses. This is a decrease of **\$54 million** from the 2008-09 Budget. This net change primarily reflects elimination of a \$59.5 million contingency appropriation for the group self-insurance program. The Board will continue to have a **workforce of 1,533** positions in 2009-10, which is unchanged from 2008-09.

PROGRAM HIGHLIGHTS

Over the past several years, New York has seen sweeping statutory reform in the workers' compensation system. Since then, benefits have increased while costs have decreased; injured workers are getting benefits faster; and fraud is being rooted out. Most recently, the Board's efforts have been dedicated to implementing these reforms, and an agenda of positive transformation within the Board. Both have dramatically sped up the resolution of disputed cases and significantly reduced the number of cases awaiting hearing. In the past, it took an average of over 200 days to resolve disputed claims. The goal set forth by the reform measure is to resolve these cases in 90 days, which the Board expects to meet.

In addition, the Board successfully resolved recent difficulties within the group self-insurance program. Legislation was enacted that ensures injured workers will continue to receive benefits, while maintaining self-insurance as an option for businesses across the State. The new law strengthens regulation of group self-insured trusts through regular review of trust finances by independent actuaries, heightened penalties for misconduct and new procedures to ensure that under-funded trusts become fully funded.

WORKERS' COMPENSATION

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	271,538,000	217,405,000	(54,133,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>271,538,000</u>	<u>217,405,000</u>	<u>(54,133,000)</u>	<u>0</u>

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	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	1,401	1,401	0
Total	<u>1,533</u>	<u>1,533</u>	<u>0</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	271,538,000	217,405,000	(54,133,000)
Total	<u>271,538,000</u>	<u>217,405,000</u>	<u>(54,133,000)</u>
Adjustments:			
Transfer(s) From			
Special Pay Bill			
Special Revenue Funds - Other	(10,277,000)		
Appropriated 2008-09	<u>261,261,000</u>		

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

Program	Available 2008-09	Recommended 2009-10	Change
Disability Benefits			
Special Revenue Funds - Other	8,217,000	7,339,000	(878,000)
Systems Modernization			
Special Revenue Funds - Other	40,978,000	34,116,000	(6,862,000)
Workers Compensation			
Special Revenue Funds - Other	222,343,000	175,950,000	(46,393,000)
Total	<u>271,538,000</u>	<u>217,405,000</u>	<u>(54,133,000)</u>

WORKERS' COMPENSATION

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Disability Benefits	7,339,000	(878,000)	3,924,000	(171,000)
Systems Modernization	34,116,000	(6,862,000)	5,298,000	(127,000)
Workers Compensation	175,950,000	(46,393,000)	82,358,000	1,142,000
Total	<u>217,405,000</u>	<u>(54,133,000)</u>	<u>91,580,000</u>	<u>844,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Disability Benefits	3,415,000	(707,000)	0	0
Systems Modernization	28,818,000	(6,735,000)	0	0
Workers Compensation	73,235,000	(7,650,000)	20,357,000	(39,885,000)
Total	<u>105,468,000</u>	<u>(15,092,000)</u>	<u>20,357,000</u>	<u>(39,885,000)</u>



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 2009-10 Executive Budget does not advance any new appropriations for the Community Projects Fund.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	0	0	0	235,000,000
Capital Projects	0	0	0	0
Total	0	0	0	235,000,000

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. The 2009-010 Executive Budget does not advance any new appropriations for the Community Projects Fund.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	56,900,000	0	(56,900,000)	31,275,000
Capital Projects	0	0	0	0
Total	56,900,000	0	(56,900,000)	31,275,000

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 worked with State agencies to meet this requirement, which has now been fully implemented. The 2009-10 Executive Budget, therefore, contains no further appropriations or reappropriations for this initiative.

AUTHORITY BUDGET OFFICE

MISSION

The Authority Budget Office (ABO) was statutorily created to study, review and report on State and local public authorities, and to promote the principles of effective corporate governance. Consistent with its mission, the Authority Budget Office:

- Collects, analyzes and makes available to the public information on the finances, structure, and operations of public authorities;
- Assesses the practices of public authorities and their compliance with applicable State laws;
- Issues guidance and recommends model practices to assist public authorities adopt and adhere to the principles of accountability, transparency and full financial disclosure; and
- Issues reports on its findings, analysis, recommendations and activities.

ORGANIZATION AND STAFFING

Since its formation in 2006, the Authority Budget Office has been administratively housed within the Division of the Budget. The Authority Budget Office is not supported by a General Fund appropriation. Rather, a portion of the assessment the State charges public authorities is used to fund its operations. The Office has a workforce of 8 FTE's.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$1.326 million** (\$1.326 million State Operating Funds, no General Fund) to finance the activities and responsibilities of the Authority Budget Office, including the review and analysis of the operations, records and structure of public authorities, and assistance to public authorities to facilitate compliance with management and financial reporting practices that are consistent with statutorily required principles of good corporate governance. This appropriation will also allow the Authority Budget Office to continue supporting the Public Authorities Reporting Information System, the electronic data collection system jointly designed, developed, and maintained by the Authority Budget Office and the Office of the State Comptroller, and to provide the mandatory training of public authority boards of directors at no cost to the authorities. This recommended funding represents a decrease of \$174,000 from the 2008-09 budget. These savings result primarily from the end of initial development work on the Public Authorities Reporting Information System. Major budget actions include:

- **Staffing:** A separate personal service appropriation is specifically provided to support the cost of conducting compliance and operational reviews, managing and analyzing information reported by public authorities, providing guidance and assistance to public authorities on corporate governance, and issuing public reports on the findings and recommendations of the Office.
- **Public Authorities Reporting Information System (PARIS):** Public authorities use PARIS to submit information on annual budgets, independent financial statement audits, compensation practices, debt issuances, property and procurement transactions, and other information required to be reported by law. PARIS was first implemented in November 2007, and additional enhancements

were made in 2008. Budget recommendations reflect a shift from funding systems development costs to supporting the ongoing operations and maintenance of PARIS.

- **Board Member Training:** By law, the members of public authority boards are to participate in State-approved training focused on their fiduciary, ethical, and oversight responsibilities. Over the past three years, more than 1,800 board members, executive staff and other individuals have attended training provided by the City University of New York (CUNY) and other trainers authorized by the Authority Budget Office. The budget recommends that up to \$125,000 be made available to continue providing subsidized training opportunities in 2009-10.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	1,500,000	1,326,000	(174,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	1,500,000	1,326,000	(174,000)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Authority Budget Office			
Special Revenue Funds - Other	8	8	0
Total	8	8	0

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

Program	Available 2008-09	Recommended 2009-10	Change
Authority Budget Office			
Special Revenue Funds - Other	1,500,000	1,326,000	(174,000)
Total	1,500,000	1,326,000	(174,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Authority Budget Office	1,326,000	(174,000)	680,000	100,000
Total	1,326,000	(174,000)	680,000	100,000

Program	Nonpersonal Service	
	Amount	Change
Authority Budget Office	646,000	(274,000)
Total	646,000	(274,000)

MISCELLANEOUS

COLLECTIVE BARGAINING AGREEMENTS

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$38.5 million All Funds** (\$38 million General Fund; \$500,000 Other Funds) for Collective Bargaining Agreements. This is a decrease of **\$730,000** from the 2008-09 budget. This decrease reflects the timing and amounts of funding required by recently finalized agreements. Unspent funds from existing agreements have been reappropriated. Costs of new collective bargaining agreements will be incorporated within separate legislation.

The Executive Budget recommends a staffing level of **106 FTEs** in 2009-10 for Collective Bargaining Agreements, which is an increase of **28** from 2008-09. This change reflects positions added to implement the latest round of collective bargaining agreements.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	39,230,000	38,500,000	(730,000)	48,829,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	39,230,000	38,500,000	(730,000)	48,829,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Labor Management Programs			
General Fund	78	106	28
Total	78	106	28

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	38,730,000	38,000,000	(730,000)
Special Revenue Funds - Other	500,000	500,000	0
Total	39,230,000	38,500,000	(730,000)

Adjustments:

Transfer(s) From

Labor Management Committees

General Fund

(500,000)

Special Pay Bill

General Fund

(34,630,000)

Transfer(s) To

Labor Management Committees

Special Revenue Funds - Other

500,000

Appropriated 2008-09

4,600,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Labor Management Programs			
General Fund	38,730,000	38,000,000	(730,000)
Special Revenue Funds - Other	500,000	500,000	0
Total	<u>39,230,000</u>	<u>38,500,000</u>	<u>(730,000)</u>

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Labor Management Programs	38,000,000	(730,000)	0	(730,000)
Total	<u>38,000,000</u>	<u>(730,000)</u>	<u>0</u>	<u>(730,000)</u>

Program	Maintenance Undistributed	
	Amount	Change
Labor Management Programs	38,000,000	0
Total	<u>38,000,000</u>	<u>0</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Labor Management Programs	500,000	0	500,000	0
Total	<u>500,000</u>	<u>0</u>	<u>500,000</u>	<u>0</u>

**COMMUNITY SERVICE PROVIDER
ASSISTANCE PROGRAM**

These reappropriations continue the spending authority for the expenditure of Community Projects Fund lump sum appropriations originally enacted in the 2001-02 budget. The 2009-10 Executive Budget does not advance any new appropriations for the Community Projects Fund.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	0	0	0	4,000,000
Capital Projects	0	0	0	0
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,000,000</u>

DEFERRED COMPENSATION BOARD

MISSION

The Deferred Compensation Board oversees public employer-sponsored deferred compensation plans, including the New York State Deferred Compensation 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 government plans are overseen by local committees, but must operate in compliance with the Board's rules.

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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$1 million All Funds** (\$0.2 million General Fund; \$0.8 million Other Funds) for the Deferred Compensation Board. This is a decrease of **\$28,000 General Fund** from the 2008-09 budget, reflecting administrative savings initiatives.

The Executive Budget recommends a staffing level of **4 FTEs** for the Board, which is unchanged from 2008-09.

PROGRAM HIGHLIGHTS

The Board continues to pursue opportunities to provide a well balanced supplemental retirement savings program, improve services to State Plan participants, and further State Plan participants' ability to meet their retirement savings goals. 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 exceeded \$863 million (an increase of nearly 6 percent) during the past fiscal year, and more than 1,200 local governments participate in the State Plan. The Board increased its outreach to local plans through additional regular 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)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	989,000	961,000	(28,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	989,000	961,000	(28,000)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Operations			
Special Revenue Funds - Other	4	4	0
Total	4	4	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	185,000	157,000	(28,000)
Special Revenue Funds - Other	804,000	804,000	0
Total	989,000	961,000	(28,000)

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(3,000)
Special Revenue Funds - Other	(23,000)
Appropriated 2008-09	963,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Operations			
General Fund	185,000	157,000	(28,000)
Special Revenue Funds - Other	804,000	804,000	0
Total	989,000	961,000	(28,000)

MISCELLANEOUS

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Operations	157,000	(28,000)	16,000	0
Total	157,000	(28,000)	16,000	0

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Operations	10,000	0	131,000	(28,000)
Total	10,000	0	131,000	(28,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations	804,000	0	401,000	6,000
Total	804,000	0	401,000	6,000

Program	Nonpersonal Service	
	Amount	Change
Operations	403,000	(6,000)
Total	403,000	(6,000)

DEVELOPMENT AUTHORITY OF THE NORTH COUNTRY

The Development Authority of the North Country was created in 1985 to institute a comprehensive, coordinated program of economic development activities in Jefferson, Lewis, and St. Lawrence Counties, which surround the United States Army base at Fort Drum. The Development Authority operates a solid waste management facility, water and wastewater facilities, an open access telecom network, and administers several business and housing loan programs. The 2009-10 Executive Budget does not advance any new appropriations for the Authority.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	71,000	0	(71,000)	71,000
Capital Projects	0	0	0	0
Total	71,000	0	(71,000)	71,000

EXTRAORDINARY UTILITY COSTS

A contingency appropriation of \$45 million was provided to cover extraordinary energy and utility cost increases experienced by the State University of New York and the City University of New York for the 2008-09 academic fiscal year. This appropriation is not recommended in 2009-10.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	45,000,000	0	(45,000,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	45,000,000	0	(45,000,000)	0

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

Program	Available 2008-09	Recommended 2009-10	Change
Energy Costs			
General Fund	45,000,000	0	(45,000,000)
Total	45,000,000	0	(45,000,000)

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 HIGHLIGHTS

Recommended 2009-10 appropriations for General State Charges total **\$2.2 billion All Funds** (\$1.9 billion General Fund and \$211 million in Fiduciary Funds), an increase of approximately **\$144 million All Funds** (\$174 million increase in General Fund and a \$30 million decrease in Fiduciary Funds) from 2008-09. This increase largely stems from the elimination of the \$433 million offset associated with the appropriation restructuring initiative that was included in the 2008-09 General State Charges budget. This amount will be augmented by \$969 million initially appropriated to the State University of New York for employee fringe benefits.

PROGRAM HIGHLIGHTS

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. In 2009-10, revenue collected from fringe benefit assessments is expected to increase to **\$2.3 billion**. The increased assessments will be paid by certain agencies, primarily those under the Department of Mental Hygiene.

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 87 percent of State employees and retirees are enrolled in the Empire Plan.

The recommended actions include implementing a sliding scale for health insurance contributions for future retirees. Currently, the State contributes 90 percent of premiums for individual coverage and 75 percent for dependent coverage for all employees who retire with more than 10 years of service. This proposal would require employees retiring on or after 30 days from its enactment to make health insurance premium contributions on a sliding scale based upon years of service at the time of retirement. The State would pay a minimum premium share of 50 percent for individual coverage and 35 percent for dependent coverage for employees who retire with 10 years of service. The State's contribution would increase by 2 percent of premium for each additional year of service up to a maximum contribution of 90 percent for individual coverage and 75 percent for dependent coverage for employees who retire with 30 or more years of service. A second proposal would require Medicare Part B premium sharing for active and retired employees. Currently, the State pays 100 percent of the Medicare Part B Premium. Finally, included is a proposal permitting NYSHIP to have the option to self insure.

The recommended 2009-10 General Fund appropriation for the State's employee health insurance is **\$1.3 billion**.

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 \$154 billion in combined invested assets as of March 31, 2008, 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 2009-10 is **\$836 million**. This appropriation reflects an estimated normal contribution rate of 7.0 percent of salary, and assumes a September 1 payment date. Recommended actions for 2009-10 include enactment of a new tier of pension benefits for newly hired employees. The proposal calls for all State employees who are members of the Employees' Retirement System and hired after March 1, 2009 to continue making three percent employee contributions after 10 years of service, delaying retirement eligibility until age 62, and other changes.

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 \$106,800 in 2009, and the Medicare tax rate is 1.45 percent on all wages.

The recommended General Fund appropriation for Social Security and Medicare taxes in 2009-10 is **\$379 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 \$600 per week. Most State employees are paid supplemental benefits pursuant to collective bargaining agreements.

The recommended General Fund appropriation for workers' compensation benefits in 2009-10 is **\$181 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 **\$106 million** in General Fund appropriations is recommended in 2009-10 to fund dental, vision and other employee benefits.

Fringe Benefits for State University Employees: A **\$969 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.

FIXED COSTS

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

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

Tax payments on State owned lands are recommended to be frozen at their 2008-09 levels during 2009-10. A six percent reduction in State payments in lieu of taxes is also recommended in 2009-10, commensurate with the reduction applied to many other local

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assistance programs during 2008-09. After reflecting for these adjustments, a total of **\$213 million** in appropriations is recommended in 2009-10 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 **\$113 million** in appropriations is recommended in 2009-10 for these litigation expenses. The 2009-10 Executive Budget includes a proposal to reduce the rate of interest paid on judgments against the State in the Court of Claims.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	2,016,061,000	2,159,665,000	143,604,000	3,096,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	2,016,061,000	2,159,665,000	143,604,000	3,096,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	1,774,761,000	1,948,665,000	173,904,000
Fiduciary Funds	241,300,000	211,000,000	(30,300,000)
Total	2,016,061,000	2,159,665,000	143,604,000

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(31,055,000)
Appropriated 2008-09	1,985,006,000

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

Program	Available 2008-09	Recommended 2009-10	Change
General State Charges			
General Fund	1,774,761,000	1,948,665,000	173,904,000
Fiduciary Funds	241,300,000	211,000,000	(30,300,000)
Total	2,016,061,000	2,159,665,000	143,604,000

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 2009-10 Executive Budget recommends a General Fund appropriation of \$2,831,000, a decrease of \$1,038,000 from the funding level provided in 2008-09. This reduction is recommended because, as a savings measure, the Office of Parks, Recreation, and Historic Preservation will no longer participate in the program.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	3,869,000	2,831,000	(1,038,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	3,869,000	2,831,000	(1,038,000)	0

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total Amount	Change	Contractual Services Amount	Change
Green Thumb Program	2,831,000	(1,038,000)	2,831,000	(1,038,000)
Total	2,831,000	(1,038,000)	2,831,000	(1,038,000)

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 2009-10 Executive Budget recommends elimination of the Conservancy and continuation of its mission by the Department of State, within its existing resources.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	256,000	0	(256,000)	0
Aid To Localities	50,000	0	(50,000)	0
Capital Projects	0	0	0	0
Total	306,000	0	(306,000)	0

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HEALTH INSURANCE RESERVE RECEIPTS FUND

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	192,400,000	192,400,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	192,400,000	192,400,000	0	0

HEALTH INSURANCE CONTINGENCY RESERVE

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	639,976,068	655,394,062	15,417,994	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	639,976,068	655,394,062	15,417,994	0

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)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	829,800	829,800	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	829,800	829,800	0	0

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Higher Education	829,800	0	416,100	0
Total	829,800	0	416,100	0

Program	Nonpersonal Service	
	Amount	Change
Higher Education	413,700	0
Total	413,700	0

**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 2009-10 Executive Budget continues \$150 million in reappropriation authority for grants to be determined by the Board in 2009-10. To date, 40 capital projects have been approved, representing \$52 million in capital matching grants from the State. For 2009-10, new commitments are projected to be \$30 million and disbursements are projected to be \$40 million reflecting the continued implementation of this program.

When fully implemented, this program 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)**

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Higher Education Capital Matching Grants	0	0	0	150,000,000
Capital Projects Fund - Authority Bonds	0	0	0	150,000,000
Total	0	0	0	150,000,000

HOMELAND SECURITY

Since fall 2001, State agencies have deployed numerous resources to detect and protect against domestic security threats. The 2009-10 Executive Budget provides appropriations of approximately \$179 million to support a continuation of homeland security activities throughout New York State, including a \$65 million contingency appropriation for costs of security measures implemented during periods of heightened threat alerts.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	140,873,000	129,347,000	(11,526,000)	50,061,000
Aid To Localities	50,000,000	50,000,000	0	165,505,000
Capital Projects	0	0	0	9,341,000
Total	190,873,000	179,347,000	(11,526,000)	224,907,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Domestic Anti-Terrorism Program			
Special Revenue Funds - Other	3,000,000	3,000,000	0
All Funds	137,873,000	126,347,000	(11,526,000)
Total	140,873,000	129,347,000	(11,526,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Domestic Anti-Terrorism Program	129,347,000	(11,526,000)	129,347,000	(11,526,000)
Total	129,347,000	(11,526,000)	129,347,000	(11,526,000)

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

Program	Available 2008-09	Recommended 2009-10	Change
Domestic Anti-Terrorism Program			
Special Revenue Funds - Federal	50,000,000	50,000,000	0
Total	50,000,000	50,000,000	0

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Homeland Security				
Capital Projects Fund	0	0	0	6,506,000
Federal Capital Projects Fund	0	0	0	2,835,000
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,341,000</u>

**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 Executive Budget recommends elimination of the Council and continuation of its mission by the Department of State (DOS), within its existing resources. As part of its responsibilities, DOS will continue to maintain a strong State and local partnership in the Hudson River Valley.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	404,000	0	(404,000)	0
Aid To Localities	200,000	0	(200,000)	0
Capital Projects	0	0	0	0
Total	<u>604,000</u>	<u>0</u>	<u>(604,000)</u>	<u>0</u>

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Operations			
General Fund	3	0	(3)
Total	<u>3</u>	<u>0</u>	<u>(3)</u>

MISCELLANEOUS

INSURANCE AND SECURITIES FUNDS RESERVE GUARANTEE

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
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	1,605,000,000	1,605,000,000	0	0

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

Program	Available 2008-09	Recommended 2009-10	Change
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	1,605,000,000	1,605,000,000	0

LOCAL GOVERNMENT ASSISTANCE

Local Government Assistance programs support a range of State aid and assistance for all classes of local governments. Key General Fund-supported programs include Aid and Incentives for Municipalities (AIM), which allocates direct State aid to cities, towns and villages, and the Local Government Efficiency Grant (LGEG) program, which provides grants to all classes of local governments intended to encourage municipal shared services and consolidation.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$835 million in All Funds** appropriations to fund miscellaneous State aid and assistance programs including \$802 million in General Fund support to local governments under several aid programs and \$30 million in Fiduciary Funds to cover contingency appropriation requirements. This is a decrease of **\$37 billion** in All Funds appropriations below the 2008-09 budget, consisting of a \$36.7 billion decrease in contingency appropriations that are no longer needed because the New York City Municipal Assistance Corporation has fulfilled its obligations and a \$290 million General Fund decrease primarily for AIM assistance.

PROGRAM HIGHLIGHTS**AID AND INCENTIVES FOR MUNICIPALITIES**

The Executive Budget recommends \$769.2 million for the overall AIM program in 2009-10, a decrease of \$273.9 million. Major program recommendations include:

- \$755.7 million in AIM funding to municipalities outside the City of New York. This allocation holds funding constant for all these municipalities while eliminating scheduled aid increases under current law. Even without the aid increases currently scheduled for 2009-10 and 2010-11, municipalities will receive \$289.6 million (62.2 percent) more than they did in 2004-05.
- Elimination of AIM funding for New York City beginning in 2009-10. The loss of this aid, totaling \$245.9 million in 2008-09 and scheduled to increase to \$327.9 million in 2009-10, is largely offset by City savings attributable to recommended mandate relief initiatives advanced in the Budget as well as a range of proposed new local revenue alternatives.
- \$13.5 million for the Local Government Efficiency Grant (LGEG) program, including \$11.5 million for grants and \$2.0 million for merger incentives. This allocation eliminates new funding for technical assistance and State agency assistance, while reducing by 50 percent the maximum amount available for grants and merger incentives to facilitate municipal shared services and consolidation. The \$11.5 million available for grants under the LGEG program in 2009-10 more closely mirrors the \$13.7 million available for grants in 2006-07 and 2007-08 under the former Shared Municipal Services (SMSI) grant program.

OTHER LOCAL GOVERNMENT ASSISTANCE PROGRAMS

In addition to AIM and LGEG, Local Government Assistance appropriations fund several programs targeted to specific municipalities for a variety of purposes. In 2009-10, recommendations affecting these programs include:

- \$26.5 million to support aid for municipalities with video lottery gaming facilities. This reflects a 50 percent reduction in 2009-10, totaling \$6.97 million for eligible municipalities outside the City of Yonkers. Yonkers will continue to receive a \$19.6 million annual payment under this program to support the City's school district.
- \$1.96 million each to Oneida and Madison counties to continue interim financial assistance related to land claim settlements.
- \$2.09 million for the Small Government Assistance program, which provides funding to certain counties and school districts. The \$48,925 reduction from appropriations available in 2008-09 reflects non-recurring payments to the villages of South Blooming Grove and Woodbury in Orange County.
- New appropriations for Efficiency Incentive Grants to support cost-saving investments in Erie County and the City of Buffalo are no longer required in 2009-10, reflecting a \$9.8 million reduction from new appropriations available in 2008-09. The Executive Budget includes reappropriations sufficient to honor all existing commitments, but reduces remaining available funds by 50 percent.
- 33 cities outside New York City will no longer receive \$11.6 million originally appropriated in 2008-09 for Special Aid due to the elimination of this one-time funding.

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FIDUCIARY FUNDS

Fiduciary appropriations totaling \$30 million are recommended for the Municipal Assistance State Aid Fund and the Municipal Assistance Tax Fund to comply with the City of Troy Municipal Assistance Corporation's debt service coverage requirements. This amount reflects a \$36.7 billion decrease in total contingency appropriations, since the City of New York Municipal Assistance Corporation has fulfilled its obligations.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	3,381,000	3,243,000	(138,000)	0
Aid To Localities	37,869,116,678	831,718,968	(37,037,397,710)	59,070,000
Capital Projects	0	0	0	0
Total	37,872,497,678	834,961,968	(37,037,535,710)	59,070,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	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 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	3,381,000	3,243,000	(138,000)
Total	3,381,000	3,243,000	(138,000)

Adjustments:	
Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Other	(138,000)
Appropriated 2008-09	3,243,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Financial Control Board, New York State			
Special Revenue Funds - Other	3,381,000	3,243,000	(138,000)
Total	3,381,000	3,243,000	(138,000)

**STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
2009-10 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Financial Control Board, New York State	3,243,000	(138,000)	1,634,000	(248,000)
Total	3,243,000	(138,000)	1,634,000	(248,000)

Program	Nonpersonal Service	
	Amount	Change
Financial Control Board, New York State	1,609,000	110,000
Total	1,609,000	110,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	1,394,816,678	801,718,968	(593,097,710)
Fiduciary Funds	36,474,300,000	30,000,000	(36,444,300,000)
Total	37,869,116,678	831,718,968	(37,037,397,710)

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

Program	Available 2008-09	Recommended 2009-10	Change
Aid and Incentives for Municipalities			
General Fund	1,043,087,785	769,159,000	(273,928,785)
Contingency Appropriation for the City of New York			
General Fund	302,355,000	0	(302,355,000)
Efficiency Incentive Grants Program			
General Fund	9,800,000	0	(9,800,000)
Miscellaneous Financial Assistance			
General Fund	3,920,000	3,920,000	0
Municipal Assistance State Aid Fund			
Fiduciary Funds	563,300,000	15,000,000	(548,300,000)
Municipal Assistance Tax Fund			
Fiduciary Funds	20,463,000,000	15,000,000	(20,448,000,000)
Municipalities with VLT Facilities			
General Fund	33,516,000	26,551,000	(6,965,000)
Small Government Assistance			
General Fund	2,137,893	2,088,968	(48,925)
Stock Transfer Tax Fund			
Fiduciary Funds	15,448,000,000	0	(15,448,000,000)
Total	37,869,116,678	831,718,968	(37,037,397,710)

OUT OF STATE DIFFERENTIAL TUITION

Contingency appropriations are provided in the amounts of \$20 million for the State University of New York and \$12 million for the City University of New York to allow for the expenditure of additional revenue generated by authorizing the State University of New York and City University of New York Boards of Trustees to establish differential tuition rates by individual campus and academic program for non-New York State

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resident students. The Executive Budget assumes that campuses will retain all incremental revenue generated as a result of this change. These appropriations will be allocated pursuant to a plan approved by the Director of the Budget.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	32,000,000	32,000,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	0	32,000,000	32,000,000	0

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)			
Program	Available 2008-09	Recommended 2009-10	Change
Non Resident Differential Tuition			
Special Revenue Funds - Other	0	20,000,000	20,000,000
Fiduciary Funds	0	12,000,000	12,000,000
Total	0	32,000,000	32,000,000

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 providing youth education, assistance to individuals with disabilities, public health services 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. In 2008, Governor Paterson created a cabinet position to address issues related to national and community service and elevated the chair of the National and Community Service Commission to this cabinet post.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$30.9 million All Funds** (\$878,000 General Fund; \$30 million Other Funds) for the Office of National and Community Service, a **\$477,000** General Fund increase from the 2008-09 budget. General Fund support of \$378,000 allows the State to meet its match requirements. The remaining \$500,000 in General Fund will support a new volunteerism initiative.

The Executive Budget recommends a staffing level of **11 FTEs** for the Office of National and Community Service.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	30,401,000	30,378,000	(23,000)	81,365,000
Aid To Localities	0	500,000	500,000	0
Capital Projects	0	0	0	0
Total	30,401,000	30,878,000	477,000	81,365,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Operations			
General Fund	5	5	0
Special Revenue Funds - Federal	6	6	0
Total	11	11	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	401,000	378,000	(23,000)
Special Revenue Funds - Federal	30,000,000	30,000,000	0
Total	30,401,000	30,378,000	(23,000)

Adjustments:

Transfer(s) From

 Children and Family Services Office of

 General Fund

(34,000)

 Special Revenue Funds - Federal

(54,000)

Transfer(s) To

 Children and Family Services Office of

 Special Revenue Funds - Federal

54,000

Appropriated 2008-09

30,367,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Operations			
General Fund	401,000	378,000	(23,000)
Special Revenue Funds - Federal	30,000,000	30,000,000	0
Total	30,401,000	30,378,000	(23,000)

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STATE OPERATIONS - GENERAL FUND SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Operations	369,000	1,000	365,000	1,000
Total	369,000	1,000	365,000	1,000

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Operations	4,000	0
Total	4,000	0

STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Operations	9,000	(24,000)	2,000	(1,000)
Total	9,000	(24,000)	2,000	(1,000)

Program	Contractual Services	
	Amount	Change
Operations	7,000	(23,000)
Total	7,000	(23,000)

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2009-10 RECOMMENDED (dollars)

Program	Total		Maintenance Undistributed	
	Amount	Change	Amount	Change
Operations	30,000,000	0	30,000,000	0
Total	30,000,000	0	30,000,000	0

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

Program	Available 2008-09	Recommended 2009-10	Change
Operations			
General Fund	0	500,000	500,000
Total	0	500,000	500,000

NEW YORK POWER AUTHORITY ASSET TRANSFER PROGRAM

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	318,000,000	318,000,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	0	318,000,000	318,000,000	0

NORTHEASTERN QUEENS NATURE AND HISTORICAL PRESERVE COMMISSION

The Northeastern Queens Nature and Historical Preserve Commission was created in 1973 to regulate publicly owned lands and wetlands in this section of Queens County.

The 2009-10 Executive Budget recommends elimination of the Commission, and resolution of any remaining obligations by the Office of Parks, Recreation and Historic Preservation, within its existing resources.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	125,000	0	(125,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	125,000	0	(125,000)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	2	0	(2)
Total	2	0	(2)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	125,000	0	(125,000)
Total	125,000	0	(125,000)
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(5,000)		
Appropriated 2008-09	120,000		

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 the refinancing of prior New York City Municipal Assistance Corporation debt by the Sales Tax Asset Receivable Corporation (STARC), a local development corporation established by the City of New York.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	170,000,000	170,000,000	0	0
Capital Projects	0	0	0	0
Total	170,000,000	170,000,000	0	0

RACING REFORM PROGRAM

The Racing Reform Program's appropriations were originally established to facilitate and finance activities associated with the implementation of Chapter 354 of the Laws of 2005. Subsequently, the Legislature enacted further reforms to the New York Racing Association in Chapters 18 and 140 of the Laws of 2008. The 2009-10 Executive Budget recommends reappropriations of \$2 million, which are available to finance any State costs resulting from this legislation.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	1,000,000	0	(1,000,000)	2,000,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	1,000,000	0	(1,000,000)	2,000,000

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 2009-10 Executive Budget recommends an appropriation consistent with the prior year.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	200,000,000	200,000,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	200,000,000	200,000,000	0	0

ROOSEVELT ISLAND OPERATING CORPORATION

The Roosevelt Island Operating Corporation of the State of New York (RIOC) was created by the New York State Legislature in 1984. Its mandate is to manage, develop and operate the 147 acre Roosevelt Island, located in New York City's East River, in the borough of Manhattan.

RIOC has promoted the development of a mixed-use, residential and commercial community that is home to more than 12,000 residents. The island has six historic landmarks, several parks, sports facilities, an aerial tramway, playgrounds and a waterfront promenade.

RIOC continues to develop and maintain utilities, public promenades and commercial opportunities on the island to support private development. The RIOC Board of Directors recently approved the planning and design of the Franklin Delano Roosevelt Four Freedoms Park to be located at the southernmost tip of Roosevelt Island and to be supported by funding from New York State, New York City and the Franklin and Eleanor Roosevelt Institute. The 2009-10 Executive Budget recommends \$4 million as the State's commitment to phase one of this effort.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	4,000,000	4,000,000	0
Total	0	4,000,000	4,000,000	0

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Design and Construction Supervision				
Capital Projects Fund	0	4,000,000	4,000,000	0
Total	0	4,000,000	4,000,000	0

SALARY DEFERRAL

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

Program	Available 2008-09	Recommended 2009-10	Change
Salary Deferral			
Unspecified Funds	0	(263,879,000)	(263,879,000)
Total	0	(263,879,000)	(263,879,000)

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. The 2009-10 Executive Budget recommends an appropriation consistent with the prior year.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	100,000,000	100,000,000	0	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	100,000,000	100,000,000	0	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 2009-10 Executive Budget recommends an increase in this appropriation to \$5,000,000,000 in order to have adequate appropriation authority for requested Federal fiscal relief.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	1,000,000,000	5,000,000,000	4,000,000,000	0
Capital Projects	0	0	0	0
Total	1,000,000,000	5,000,000,000	4,000,000,000	0

SPECIAL PAY BILL

These appropriations were enacted in pay bills which implemented the collective bargaining agreements for the Civil Service Employees Association, Inc., the Public Employees Federation, the United University Professions, District Council 37 as well as the benefits that were extended to Management/Confidential employees. The pay bills enacted two-year appropriation amounts (2007-08 and 2008-09). The 2007-08 appropriations were allocated to the employing agencies; however, due to the late passage of the pay bills, these appropriations were necessarily transferred to a 2007-08 Pay Bill Transfer agency and not directly to the employing agencies. All but a small portion of the 2008-09 appropriations (related to the Program to Eliminate the Gap) were allocated to the employing agencies.

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	19,658,500	0	(19,658,500)
Special Revenue Funds - Federal	3,454,000	0	(3,454,000)
Special Revenue Funds - Other	9,215,000	0	(9,215,000)
Enterprise Funds	584,000	0	(584,000)
Internal Service Funds	624,000	0	(624,000)
Fiduciary Funds	7,203,000	0	(7,203,000)
Capital Projects Funds - Other	1,916,000	0	(1,916,000)
Total	42,654,500	0	(42,654,500)

Adjustments:

Transfer(s) From

Special Pay Bill

General Fund

(79,600,000)

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Transfer(s) To			
2007-08 Paybill Transfer			
General Fund	146,797,000		
Special Revenue Funds - Federal	4,502,000		
Special Revenue Funds - Other	28,907,000		
Enterprise Funds	68,000		
Internal Service Funds	2,297,000		
Private Purpose Trust Funds	1,000		
Pension Trust Funds	1,185,000		
Capital Projects Funds - Other (Capital Projects)	14,504,000		
Adirondack Park Agency			
General Fund	321,000		
Aging, Office for the			
General Fund	159,000		
Special Revenue Funds - Federal	775,000		
Agriculture and Markets, Department of			
General Fund	1,999,000		
Special Revenue Funds - Federal	134,000		
Special Revenue Funds - Other	1,089,000		
Enterprise Funds	47,000		
Private Purpose Trust Funds	29,000		
Alcoholic Beverage Control, Division of			
Special Revenue Funds - Other	924,000		
Alcoholism and Substance Abuse Services, Office of			
Special Revenue Funds - Federal	751,000		
Special Revenue Funds - Other	6,440,000		
Arts, Council on the			
General Fund	270,000		
Special Revenue Funds - Other	110,000		
Audit and Control, Department of			
General Fund	8,136,000		
Special Revenue Funds - Other	268,000		
Internal Service Funds	109,000		
Pension Trust Funds	5,338,000		
Banking Department			
Special Revenue Funds - Other	5,527,000		
Budget, Division of the			
General Fund	1,525,000		
Special Revenue Funds - Other	559,000		
Capital Defender Office			
General Fund	19,000		
Children and Family Services Office of			
General Fund	14,394,000		
Special Revenue Funds - Federal	3,840,000		
Special Revenue Funds - Other	1,200,000		
Civil Service, Department of			
General Fund	1,364,000		
Special Revenue Funds - Other	30,000		
Internal Service Funds	1,515,000		
Consumer Protection Board, State			
Special Revenue Funds - Other	212,000		
Correction, Commission of			
General Fund	191,000		
Correctional Services, Department of			
General Fund	41,085,000		
Special Revenue Funds - Federal	220,000		
Enterprise Funds	19,000		
Internal Service Funds	2,177,000		
Crime Victims Board			
General Fund	97,000		
Special Revenue Funds - Federal	158,000		
Special Revenue Funds - Other	499,000		

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Criminal Justice Services, Division of			
General Fund	2,463,000		
Special Revenue Funds - Federal	866,000		
Special Revenue Funds - Other	59,000		
Deferred Compensation Board			
General Fund	3,000		
Special Revenue Funds - Other	23,000		
Economic Development, Department of			
General Fund	1,052,000		
Special Revenue Funds - Other	49,000		
Education Department, State			
General Fund	2,133,000		
Special Revenue Funds - Federal	10,043,000		
Special Revenue Funds - Other	7,628,000		
Internal Service Funds	1,339,000		
Elections, State Board of			
General Fund	255,000		
Employee Relations, Office of			
General Fund	220,000		
Internal Service Funds	181,000		
Environmental Conservation, Department of			
General Fund	5,848,000		
Special Revenue Funds - Federal	4,188,000		
Special Revenue Funds - Other	9,796,000		
Environmental Facilities Corporation			
Special Revenue Funds - Other	708,000		
Executive Chamber			
General Fund	876,000		
General Services, Office of			
General Fund	4,311,000		
Special Revenue Funds - Other	429,000		
Enterprise Funds	75,000		
Internal Service Funds	4,595,000		
General State Charges			
General Fund	31,055,000		
Health, Department of			
General Fund	11,503,000		
Special Revenue Funds - Federal	7,754,000		
Special Revenue Funds - Other	18,452,000		
Higher Education Services Corporation, New York State			
Special Revenue Funds - Other	4,693,000		
Homeland Security, Office of			
General Fund	400,000		
Special Revenue Funds - Federal	216,000		
Special Revenue Funds - Other	401,000		
Housing and Community Renewal, Division of			
General Fund	1,954,000		
Special Revenue Funds - Federal	3,701,000		
Special Revenue Funds - Other	594,000		
Human Rights, Division of			
General Fund	961,000		
Inspector General, Office of the			
General Fund	223,000		
Insurance Department			
General Fund	61,000		
Special Revenue Funds - Other	9,682,000		
Interest on Lawyer Account			
Special Revenue Funds - Other	56,000		
Investigation, Temporary State Commission of			
General Fund	177,000		
Judicial Commissions			
General Fund	131,000		

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Labor Management Committees			
General Fund	34,630,000		
Labor, Department of			
General Fund	52,000		
Special Revenue Funds - Federal	25,438,000		
Special Revenue Funds - Other	2,655,000		
Law, Department of			
General Fund	6,093,000		
Special Revenue Funds - Federal	1,649,000		
Special Revenue Funds - Other	2,239,000		
Local Government Assistance			
Special Revenue Funds - Other	138,000		
Lottery, Division of the			
Special Revenue Funds - Other	2,238,000		
Medicaid Inspector General, Office of the			
General Fund	1,025,000		
Special Revenue Funds - Federal	1,738,000		
Special Revenue Funds - Other	93,000		
Mental Health, Office of			
Special Revenue Funds - Other	106,544,000		
Enterprise Funds	39,000		
Internal Service Funds	103,000		
Mental Retardation and Developmental Disabilities, Office of			
Special Revenue Funds - Federal	121,000		
Special Revenue Funds - Other	90,203,000		
Enterprise Funds	13,000		
Military and Naval Affairs, Division of			
General Fund	853,000		
Special Revenue Funds - Federal	1,735,000		
Special Revenue Funds - Other	238,000		
Motor Vehicles, Department of			
Special Revenue Funds - Federal	102,000		
Special Revenue Funds - Other	5,590,000		
Capital Projects Funds - Other (Capital Projects)	10,329,000		
Northeastern Queens Nature and Historical Preserve Commission			
General Fund	5,000		
Parks, Recreation and Historic Preservation, Office of			
General Fund	5,846,000		
Special Revenue Funds - Federal	96,000		
Special Revenue Funds - Other	3,206,000		
Parole, Division of			
General Fund	10,328,000		
Prevention of Domestic Violence, Office for			
General Fund	153,000		
Special Revenue Funds - Federal	18,000		
Probation and Correctional Alternatives, Division of			
General Fund	136,000		
Public Employment Relations Board			
General Fund	171,000		
Public Integrity, Commission on			
General Fund	123,000		
Public Service Department			
Special Revenue Funds - Federal	123,000		
Special Revenue Funds - Other	5,143,000		
Quality of Care and Advocacy for Persons With Disabilities, Commission on			
General Fund	257,000		
Special Revenue Funds - Federal	174,000		
Special Revenue Funds - Other	247,000		

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Racing and Wagering Board, State			
Special Revenue Funds - Other	811,000		
Real Property Services, Office of			
Special Revenue Funds - Other	3,330,000		
Regulatory Reform, Governor's Office of			
General Fund	168,000		
Science, Technology and Innovation, NYS Foundation for			
General Fund	143,000		
Special Pay Bill			
Special Revenue Funds - Other	79,600,000		
State Police, Division of			
General Fund	3,672,000		
Special Revenue Funds - Other	121,000		
State University Construction Fund			
Special Revenue Funds - Other	917,000		
State University of New York			
General Fund	128,769,000		
Special Revenue Funds - Other	140,698,000		
State, Department of			
General Fund	1,018,000		
Special Revenue Funds - Federal	488,000		
Special Revenue Funds - Other	3,304,000		
Tax Appeals, Division of			
General Fund	230,000		
Taxation and Finance, Department of			
General Fund	20,663,000		
Special Revenue Funds - Other	223,000		
Technology, Office for			
General Fund	677,000		
Special Revenue Funds - Other	295,000		
Internal Service Funds	4,295,000		
Temporary and Disability Assistance, Office of			
General Fund	5,531,000		
Special Revenue Funds - Federal	10,412,000		
Special Revenue Funds - Other	1,044,000		
Transportation, Department of			
Special Revenue Funds - Federal	591,000		
Special Revenue Funds - Other	1,668,000		
Capital Projects Funds - Other (Capital Projects)	58,714,000		
Veterans Affairs, Division of			
General Fund	424,000		
Special Revenue Funds - Federal	112,000		
Welfare Inspector General, Office of			
General Fund	25,000		
Special Revenue Funds - Other	33,000		
Workers Compensation Board			
Special Revenue Funds - Other	10,277,000		
Appropriated 2008-09	<u>1,210,136,500</u>		

MISCELLANEOUS

SPECIAL PAY BILL TRANSFER

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	146,797,000	0	(146,797,000)
Special Revenue Funds - Federal	4,502,000	0	(4,502,000)
Special Revenue Funds - Other	28,907,000	0	(28,907,000)
Enterprise Funds	68,000	0	(68,000)
Internal Service Funds	2,297,000	0	(2,297,000)
Fiduciary Funds	1,186,000	0	(1,186,000)
Total	183,757,000	0	(183,757,000)

Adjustments:

Transfer(s) From

Special Pay Bill

General Fund	(146,797,000)
Special Revenue Funds - Federal	(4,502,000)
Special Revenue Funds - Other	(28,907,000)
Enterprise Funds	(68,000)
Internal Service Funds	(2,297,000)
Private Purpose Trust Funds	(1,000)
Pension Trust Funds	(1,185,000)

Appropriated 2008-09

0

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	14,504,000	0	(14,504,000)	0
Total	14,504,000	0	(14,504,000)	0

Adjustments:

Transfer(s) From

Special Pay Bill

Appropriated 2008-09

(14,504,000)

0

STATE EQUIPMENT FINANCING PROGRAM

Statewide equipment represents spending for major equipment purchases and information systems research, development, and upgrades across all State agencies.

ALL FUNDS
APPROPRIATIONS
(dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	141,000,000	129,800,000	(11,200,000)	192,616,000
Total	141,000,000	129,800,000	(11,200,000)	192,616,000

STATEWIDE ENERGY IMPROVEMENT ACCOUNT

The Statewide Energy Improvement Account is utilized for the disbursement of Petroleum Overcharge Recovery Funds (POCR) to the New York Power Authority. POCR funds, received by New York State from the Federal Government as part of a petroleum overcharge settlement with several oil companies, can be utilized for energy efficiency and clean energy purposes. Due to a lack of remaining funds from the Federal government for these purposes, the 2009-10 Executive Budget does not recommend an appropriation from the Statewide Energy Improvement Account.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	45,000	0	(45,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	45,000	0	(45,000)	0

TRIBAL STATE COMPACT REVENUE

State Finance Law requires that, in instances where the State receives Native American casino revenues pursuant to a compact with the respective Tribe, the State must provide local host governments with up to twenty five percent of the State's share of compact revenues. Accordingly, the Executive Budget recommends \$ 47.6 million, which represents twenty five percent of the State's estimated revenues from Native American casinos located in Buffalo, Niagara Falls, Salamanca and Hogansburg.

ALL FUNDS APPROPRIATIONS (dollars)				
Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	40,000,000	47,600,000	7,600,000	36,500,000
Capital Projects	0	0	0	0
Total	40,000,000	47,600,000	7,600,000	36,500,000

WAGE FREEZE

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

Program	Available 2008-09	Recommended 2009-10	Change
Wage Freeze			
Unspecified Funds	0	(332,215,000)	(332,215,000)
Total	0	(332,215,000)	(332,215,000)

WORKERS' COMPENSATION RESERVE**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	22,370,000	19,800,000	(2,570,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	22,370,000	19,800,000	(2,570,000)	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 associated with the engineering and construction of State capital projects in lower Manhattan, including the reconstruction and improvement of Route 9A, and September 11th related expenses.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	0	0	0	60,000,000
Capital Projects	0	0	0	404,570,000
Total	0	0	0	464,570,000