

# NEW YORK STATE BUDGET SUMMARY

1957-58



"The budget is based on a year-long process of constant interchange between citizens and the various agencies and offices of government. . . .

"In considering this Budget, we need to remind ourselves and the citizens we serve that we are endeavoring to make and keep New York a low-tax State, yet one with enlightened and effective services. . . . I believe we are more than ever before well in the forefront in the type, scope and effectiveness of our services to citizens, carrying on the best traditions of the State."

Governor Averell Harriman  
Budget Message, February 1, 1957

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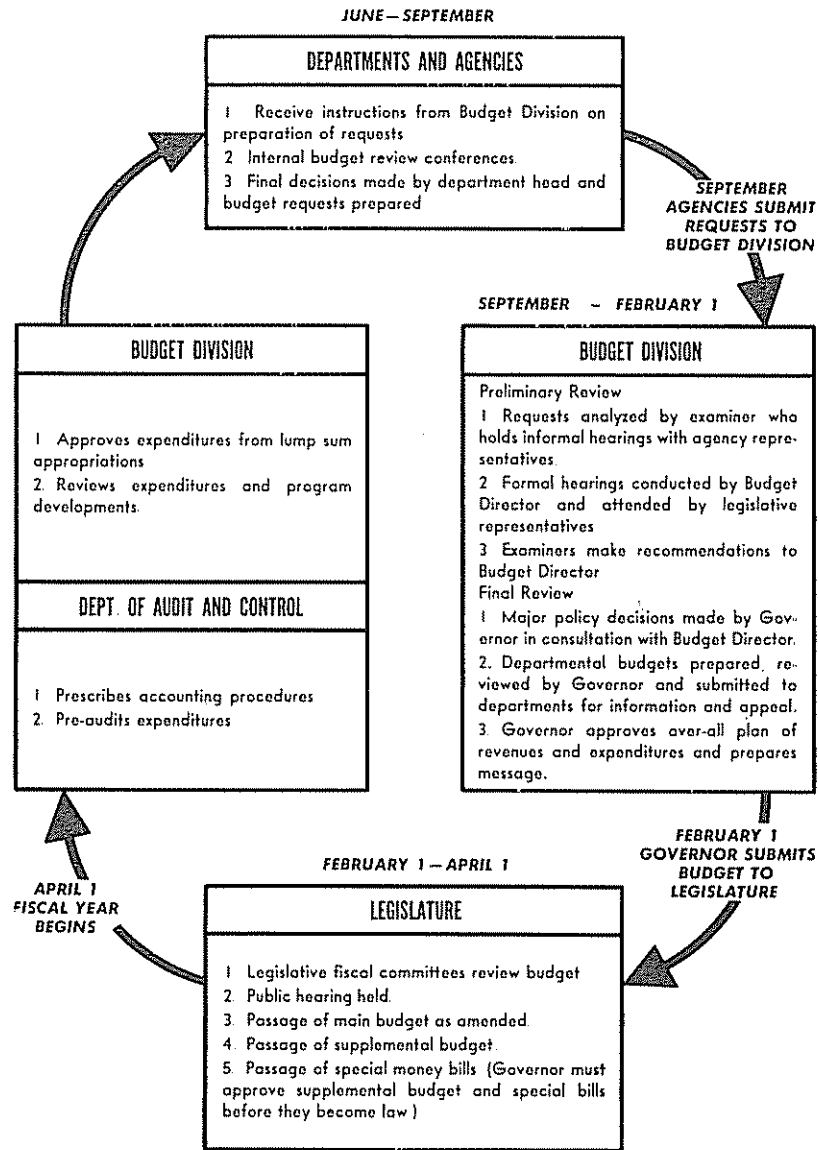
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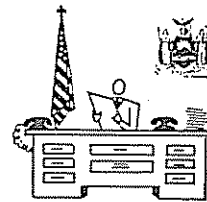


# New York State BUDGET PROCESS



## INTRODUCTION

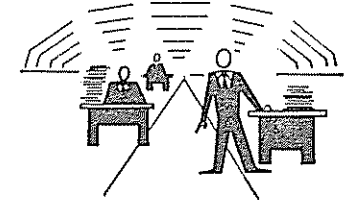
New York State government provides services for a population of over 16 million. The State's agriculture and industry are highly varied as are its communities, which range from New York City to small hamlets in the State Forest Preserve.



In order to meet the needs of all its citizens, the activities of the State's government must be varied. Its programs presently include such diverse services as care of the mentally ill, promotion of travel within the State, operation of the State University, and licensing of real estate brokers. New York State also furnishes extensive financial assistance to the large number of local governments within its borders and constructs and maintains highways, buildings, and other capital facilities.

To coordinate these activities and to provide for their financing, the State Constitution requires the Governor to prepare annually a comprehensive plan of proposed expenditures and anticipated income for the next fiscal year. This plan is known as the Executive Budget which the Governor is required to submit to the Legislature by February 1. The Legislature may strike out or reduce any item in the Executive Budget. It may also authorize additional expenditures subject to the Governor's approval. The budget which is ultimately adopted, therefore, represents the combined action of the Governor and the Legislature.

This booklet presents the State's budget as adopted for the fiscal year ending March 31, 1958, and describes the State's major programs. The expenditure and income estimates for the fiscal year 1957-58 are those prepared for the Executive Budget, adjusted to reflect more recent conditions as well as changes made during the regular and special legislative sessions this year. These estimates will be subject to future revision, as operating realities require. Construction expenditures are most apt to require adjustment due to such factors as availability of labor and materials, and weather conditions.

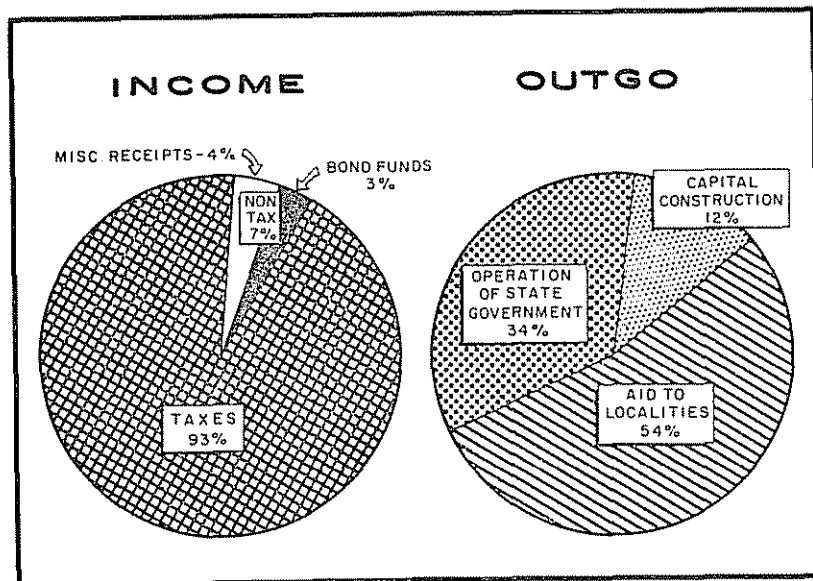


## THE FINANCIAL SUMMARY

Total outgo of the General Fund and the Capital Construction Fund\* in the fiscal year which ended March 31, 1957 amounted to \$1,437 million compared with income of \$1,473 million. The \$36 million excess of income over outgo consisted of an \$8 million cash surplus and \$28 million which will be received from future sales of bonds.

Total outgo for the current fiscal year is estimated at \$1,627 million. Of this total \$869 million is for State aid to localities, \$558 million will be spent for the operation of State government and \$189 million will be used for capital projects. Total income is estimated at \$1,579 million. Taxes will contribute \$1,470 million, \$52 million will be received from future bond sales and \$57 million will be received from other non-tax sources. The \$48 million excess of outgo over income will be financed by drawing upon the resources of the Capital Construction Fund.

### ESTIMATED INCOME AND OUTGO OF THE GENERAL FUND AND THE CAPITAL CONSTRUCTION FUND Year Ending March 31, 1958

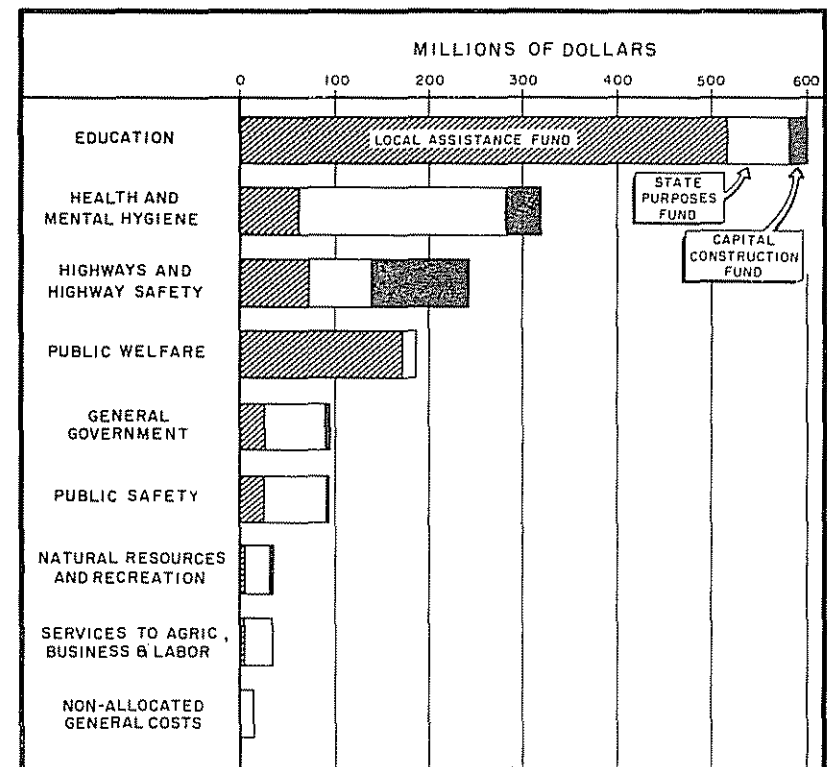


\* These funds are explained on page 36 in the Appendix

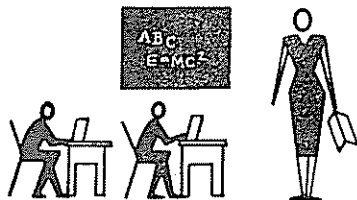
## MAJOR STATE FUNCTIONS

Expenditures have been grouped into nine major functions. The graph below shows the total amount to be spent for each function. It also indicates the amounts to be spent for State aid to localities, for the operation of State government and for capital construction, since a particular governmental function may require all three types of expenditure.

### ESTIMATED STATE EXPENDITURES BY FUNCTION Year Ending March 31, 1958



## EDUCATION



New York is a leader among the states in the scope of its education activities. It provides local public schools throughout the State with financial assistance and general supervision. It operates the State University, and provides programs for vocational rehabilitation and adult education. This year the State will spend about \$598.6 million, or 37 per cent of its total expenditures, for educational purposes.

### *Elementary and Secondary Schools . . .*

Approximately 2.4 million pupils attend public elementary and secondary schools in this State. The public schools are locally administered and operated with the State providing financial assistance and supervisory services. The broad purpose of grants for elementary and secondary school programs is to give every child an opportunity for an adequate education. State aid to localities is based on formulas which take into account varying economic resources and enrollments. Additional aid is available for school construction in rapidly expanding school districts, for school lunch programs and for special classes for handicapped children. This year, in addition to normal growth, State aid will be further increased as the result of last year's changes in aid formulas, and modifications enacted at the 1957 legislative session. It is estimated that State aid in support of elementary and secondary school programs will total \$498.6 million in 1957-58, an increase of \$89.3 million over 1956-57 and of \$136.2 million over 1955-56.

The State furnishes administrative, advisory and research services to help local school districts maintain high educational standards. Other services include preparation and rating of examinations, assistance with school building plans and business management, and development of curricula. The State also evaluates and certifies qualifications of teacher applicants, and provides general supervision for school districts operating without superintendents. Scholarships for special college courses will be awarded to present and prospective teachers of mentally retarded children under a new program designed to increase the number and competence of teachers in this field.

In addition to services and assistance given the public school system, the State operates a school for the blind, supervises the education of deaf and blind children in privately operated schools, and contracts for the public school education of Indian children residing on reservations.

### *Higher Education . . .*

The State supports higher education through the State University, an extensive scholarship program, and assistance for local programs. The support of higher education is expected to cost \$76.0 million in 1957-58.

The State University comprises institutions of higher education in a variety of technical and professional fields. The State supports a liberal arts college; eleven teachers colleges; medical centers at Syracuse and Brooklyn; programs at Cornell University which include the College of Agriculture, the College of Home Economics, the Veterinary College and the School of Industrial and Labor Relations; the Geneva Experiment Station; the College of Ceramics at Alfred University; the College of Forestry at Syracuse University; the Maritime College in New York City; and six agricultural and technical institutes. The State also provides the main support for the School of Nutrition at Cornell. This year a new college, the State University College on Long Island, will accept its first students at a temporary campus at Oyster Bay. This college, whose permanent campus will be located at Stony Brook in Suffolk County, will provide scientific and mathematical training to prospective teachers. Expenditures for the operation of the State University will approximate \$39.5 million this year, 12 per cent more than in 1956-57.

Continued improvement of capital facilities is necessary to meet existing needs and to provide for the anticipated expansion in enrollments over the next decade. To assist the financing of this capital program, New York State voters will be asked this fall to vote on a \$250 million bond issue. This year new instructional buildings, expansion of existing facilities, and other improvements at the State University are expected to cost \$9.8 million.

Another important requirement of the State University program is the provision of adequate dormitory facilities for increasing enrollments. A substantial dormitory construction program is well under way. The first stage has been completed and provides facilities for 3,281

students. The second stage, providing accommodations for 3,450 students, was authorized last year and most of the projects are now under construction. The third stage, which will accommodate approximately 2,750 students, is now being planned. Total expenditures for dormitory construction subsidies are expected to be \$7.3 million in 1957-58.

The State assists local government in financing higher education in two ways. Under the community college program, the State contributes one-third of the operating costs and one-half the capital costs of 11 locally sponsored and operated community colleges. As part of its teacher-training program the State gives aid to New York City for teacher training in the municipal colleges. The costs of these programs to the State will be approximately \$13.4 million in 1957-58.

The State maintains an extensive scholarship program which includes Regents college scholarships, war service scholarships, scholarships for children of deceased or disabled veterans, scholarships at Cornell University, and scholarships for the study of engineering and science, medicine, dentistry and nursing. The number of scholarships this year totals 21,579, or 4,125 more than were in effect last year. The cost of this program is expected to exceed \$6 million in 1957-58. More awards will be made in the future as enrollments rise since legislation enacted this year has set the basic number of scholarships at five per cent of high school graduates. Beginning in 1958-59 the value of the awards will be raised and financial need will be a factor in determining the size of most of these grants.

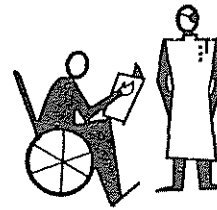
#### *Other Programs . . .*

The Education Department maintains the State Museum and the State Library and also provides advisory assistance to other libraries. In addition, local public libraries are eligible for State financial aid upon approval of their plans for library service.

Another continuing program of educational benefit is the vocational rehabilitation of physically handicapped persons. Through a program of counseling, medical treatment and vocational training, over 6,000 persons will be assisted this year. State aid for education programs for the aging is also being continued.

The use of closed circuit television as an educational technique is being continued. This program includes experimentation in classroom use both for teaching and for teacher-training observation.

## HEALTH AND MENTAL HYGIENE



Public health departments were first organized to prevent the spread of communicable disease while mental health agencies originally provided only custodial care for the mentally ill. Within recent years the traditional functions have been broadened to include more positive services. The prevention as well as treatment of illness is stressed in the State's health programs. New York State is expanding its programs of research in chronic and mental illnesses and is improving its treatment of the mentally ill. In 1957-58 the State will spend \$317.8 million, or 20 per cent of total expenditures, to maintain and improve the health of its citizens.

#### *Mental Health . . .*

Mental health care is the largest single service administered directly by the State which operates 18 hospitals, seven schools for the mentally defective, and two institutions for research and training. In addition there are two day-care hospitals, four after-care clinics, and extensive child guidance services. These and related activities, which require a staff of over 35,000, are estimated to cost \$176.8 million in the current year.

Before 1955 the number of mental patients under the State's care had been increasing by 2,500 to 3,000 each year. Since then, the patient population has leveled off at about 116,000. While admissions to the mental hospitals are still high, the use of tranquilizing drugs and intensified hospital treatment have helped make it possible to return many more patients to their homes. In 1957-58 tranquilizing drugs will be used in the treatment of 32,000 mentally ill patients and 3,000 mentally defective persons at an estimated cost of \$2.0 million.

Intensive treatment services for newly admitted patients have been provided at four State hospitals and in 1957-58 four more hospitals are initiating such services. For the first time this kind of treatment is being administered to long-term chronic cases in two hospitals. Services for the improved care of senile patients is also being expanded this year. Increasing emphasis is being placed on research and training. In 1957-58, programs of research, intensive treatment of patients and training mental health personnel, will cost approximately \$10.7 million.

Additional hospital facilities are needed to reduce overcrowding and to provide more effective treatment. This year \$38.9 million will be spent for new buildings to accommodate 5,960 patients, and to modernize existing facilities. Contracts will be let during the year for constructing accommodations for 1,160 patients.

To encourage preventive mental health services at the local level, the State pays counties and cities of over 50,000 population half the costs of clinic services, short term hospital care and other preventive services, up to \$1.00 per capita. This year, 32 counties and New York City are expected to receive \$9.3 million in State aid for programs totaling over twice that amount.

In cooperation with local citizen groups and professional personnel, the Interdepartmental Health Resources Board will continue research in the fields of drug addiction and alcoholism, work with emotionally disturbed children, and counseling parents of mentally retarded children.

### *Tuberculosis . . .*

In addition to the improved care and treatment provided in the State's six tuberculosis hospitals, the State offers modern outpatient and clinic services to those recovering from tuberculosis. The decreasing tuberculosis hospital population made it possible for the State to transfer the Hermann M. Biggs Memorial Hospital to Tompkins County in 1956 for use as a general hospital. The State's tuberculosis hospital program will cost \$6.7 million in 1957-58.

The State also pays part of the cost of the care and treatment of tuberculosis patients in local hospitals. Progress toward the control of this disease has made it possible to close several local institutions and has reduced the patient population in others. State aid for tuberculosis care is expected to total \$11.2 million this year, a drop of \$595,000 below 1956-57.

### *General Public Health . . .*

The Department of Health carries on programs to control the spread of communicable diseases, to promote maternal and child health and to improve dental health. Cities and counties which maintain local health departments, or operate local laboratories or blood banks are reimbursed by the State for at least 50 per cent of their expenses. The

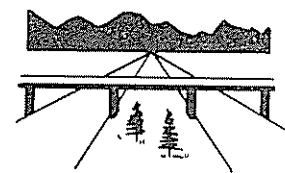
State also reimburses cities and counties for half the expenses of caring for physically handicapped children and adult polio victims. The program to vaccinate children against poliomyelitis is being continued and this year the State is paying part of the cost of vaccinating adults between the ages of 20 and 40. These programs will cost the State about \$22.4 million this year.

Major health research activities are conducted at the Roswell Park Memorial Institute in Buffalo, one of the world's largest institutions devoted to the study of cancer. Its operation this year will cost \$5.9 million. The expansion of this facility is going forward with the construction of a new research building which is expected to cost \$5.5 million.

The State also operates a research program at its rehabilitation hospital where physically disabled persons of all ages are treated. At this institution, a program is being conducted to determine the proportion of disabled persons receiving public welfare assistance that can be rehabilitated. Preliminary indications are that the disabilities of over half such persons can be alleviated. The hospital will spend \$2.2 million in 1957-58.

Research in virus and other diseases as well as analytical and diagnostic services are carried out by the Division of Laboratories and Research. Research is also being continued this year on heart disease and other chronic illnesses. A nine-member board has been established in the Department of Health to establish standards and methods of enforcement under a new program for the control of air pollution. The board consists of the commissioners of five State departments and four appointees of the Governor.

## HIGHWAYS AND HIGHWAY SAFETY



The economy of the State is dependent in large measure upon the adequacy and safety of over 100,000 miles of State and local highways which are used by six million New York State motorists and a large number of visitors. Construction, reconstruction and maintenance of these highways are expected to require \$244.5 million or 15 per cent of this year's total expenditures. This amount includes expenditures for most highway safety activities and for payments to localities for the construction and maintenance of local

roads. Expenditures of the New York State Thruway Authority are financed outside the State's budget and are not included in this presentation.

#### *Construction, Reconstruction and Improvement of Highways . . .*

Congressional approval of an expanded program of Federal highway aid and approval by the voters of this State of a \$500 million bond issue for highway construction have permitted the acceleration of programs for the construction of highways, parkways and bridges, and for the elimination of grade crossings. However, the full impact of the increase in available funds will not be felt this year due to the time required for planning, design, acquisition of rights of way and letting of contracts. This year direct State spending for State highway construction, which includes new construction, reconstruction and improvement projects, is expected to total \$122.2 million. Federal funds are expected to raise total expenditures for these projects to almost \$200 million. To provide continued improvement of the State's highway system, contracts totaling \$300 million will be let during the year, over three times the annual average of the previous decade.

In addition to direct expenditures for highway construction, the State provides financial assistance for town and county highway construction. This assistance includes money distributed to towns and counties for town and county roads, and also aid payments to counties based upon the State's motor fuel and motor vehicle revenues. An amount equal to 25 per cent of the State's revenue from motor vehicle fees is paid to counties, including for the first time this year those counties comprising New York City. The City's share of these fees in 1957-58 is estimated at \$9.6 million. An amount equal to ten per cent of the State's revenue from the motor fuel tax is paid to all counties outside of New York City. The State indirectly aids local highway construction activities through per capita aid payments to the extent that these payments are used for highway purposes.

As a result of changes in State law, cities in New York no longer contribute to the cost of acquiring rights of way for urban arterial projects which are part of the interstate highway system. Formerly cities paid 50 per cent of these costs. State expenditures for local highway construction are expected to total \$30.4 million this year. This amount reflects formula changes approved last year for highway aid

programs as well as an anticipated increase in motor fuel and motor vehicle revenues.

#### *Highway Maintenance . . .*

Greater use of the State's highways and parkways requires an expansion of maintenance activities. Proper maintenance involves the improvement of pavements and shoulders, cleaning of culverts and drainage ditches, snow and ice removal, marking of pavements, repairing traffic signals and painting and repairing of bridges. Direct spending by the State for the maintenance and repair of over 13,000 miles of State highways and highway facilities is expected to total \$41.3 million this year. This amount includes funds for the gradual assumption by the State of responsibility for 650 bridges which have been maintained by various towns and counties.

The State also contributes to the maintenance of local highways. Payments to towns and counties for the maintenance of local highways are expected to total approximately \$40.2 million in 1957-58.

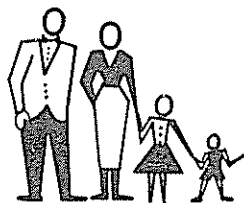
#### *Highway Safety . . .*

Continued emphasis on highway safety will require the expenditure of \$10.4 million this year. This provides for the registration of motor vehicles, the examination and licensing of drivers, operation of the motor vehicle inspection program inaugurated last year and administration of the Motor Vehicle Financial Security Act.

Increasing use of the Thruway and the improvement of arterial highways have drastically altered traffic patterns in and around the State's urban areas. Additional funds are provided this year for the study and regulation of traffic, largely for the purpose of reducing congestion in these areas.

Money is also provided for continuation of the medical testing program begun last year and for revision of the manual on uniform traffic control devices.

## PUBLIC WELFARE



New York State supervises an extensive system of public assistance supported by Federal, State and local funds. The State operates and maintains seven institutions, primarily for delinquent children, and supervises all public and private institutions and agencies throughout the State which care for persons in need. The State also has undertaken programs to provide better housing; to reduce juvenile delinquency; and to assist veterans, older citizens and consumers. This year the State will spend approximately \$183.7 million, or 11 per cent of total expenditures, for welfare activities.

### *Public Assistance Programs . . .*

Public assistance programs are primarily the responsibility of the State's 66 local welfare districts. In 1957-58 about 427,000 persons will receive some type of public assistance each month. The Federal government will contribute about \$129.7 million to New York State for programs which aid dependent children, the aged, the disabled and the blind. The State turns over to its localities all monies received from the Federal government for these programs and pays one-half the remaining costs of these and all other State-authorized programs. State aid for the four Federally-aided programs, for home relief and for other approved programs of assistance and care will total \$132.9 million in 1957-58. This includes provision for an expansion of infirmary facilities in New York City. The conversion of 2,000 municipal beds to infirmary care will enable New York City to receive an additional \$3.1 million in State aid for part of the costs of caring for chronically ill patients confined to these hospitals. Although the number of persons receiving payments under public assistance programs is expected to remain at last year's level, the size of payments is increasing due to the growing proportion of public welfare recipients who require medical and hospital services and to the rising costs of these services. Additional Federal aid authorized by Congress in 1956 will partially offset these increases.

### *Supervision of Public and Private Welfare Activities . . .*

The Department of Social Welfare is empowered to inspect all public and private institutions and agencies engaged in welfare activities. This includes approximately 2,400 hospitals, child-care and child-placement agencies, public homes, shelters and dispensaries. It also includes the work of the county and city welfare districts. This year the supervision of welfare activities is expected to cost the State \$1.7 million.

### *Operation of Welfare Institutions . . .*

The State operates five training schools for delinquent boys and girls committed to its custody by the courts. Rehabilitation programs of the schools, including academic and vocational training, counseling and recreation, prepare these youths for return to the community. Half the cost is borne by the State and half by the communities from which they were committed. The population of these schools will average about 1,600 this year, slightly more than in 1956-57, and will require State expenditures of \$5.7 million.

The State school for indigent Indian children at Iroquois in Erie County will be closed in September 1957 when all these children will have been placed in foster homes. This change from institutional care to home care is part of the program planned by the Department of Social Welfare and local welfare departments to benefit these children. It will permit a saving of \$206,000 this year and of \$400,000 each year thereafter.

New York State operates the Women's Relief Corps Home at Oxford in Chenango County. This year this institution will provide care for 200 aged and disabled persons and require State expenditures of \$503,000.

### *Housing Programs and Studies . . .*

The State participates in several programs directed toward better housing. Under the low-rent public housing program the State makes loans to municipalities and housing authorities for the entire cost of such projects. This year six low-rent housing projects providing over

3,500 apartments are scheduled for completion, and projects involving an additional 9,350 apartments will be under construction. The State also subsidizes the operation of these housing projects in order that low rents may be maintained. All payments made by the State for this purpose are matched by the municipalities through a combination of local tax exemption, free municipal services and direct subsidies. This year subsidies for 40,800 apartments in 68 low-rent housing projects will cost the State \$14.5 million.

The State supervises a program of limited-dividend housing under which the builder agrees to limit his profit to six per cent and the municipality agrees to maintain the original assessed valuation of the property. This program presently encompasses 11,145 apartments in 21 projects.

The State also participates in a limited-profit housing program under which low-interest loans up to 90 per cent of costs are made to private housing companies which provide middle-income housing. In 1955 the voters authorized the use of bonds totaling \$50 million for this purpose. This year two middle-income housing projects providing 335 apartments are scheduled for completion while seven projects with 1,197 apartments are expected to be under construction. Eleven more projects with 2,232 units are in the planning stage.

A study of the need for housing for the aging and the type of facilities required will be completed this year. A study of housing codes, undertaken by the State in cooperation with the Federal government, is nearing completion, and a new survey of the impact of urban renewal on Utica is under way in order to provide guides for future projects.

Administrative expenses payable from State funds for housing programs and studies are expected to total about \$300,000 this year.

#### *Youth Programs and Care . . .*

The State will match local expenditures up to \$400 per 1,000 children for activities which help prevent or reduce juvenile delinquency. Over one-half of the State's expenditures under this program are for recreation projects. This year about 1,000 recreation projects and 60 other youth projects are expected to be eligible for State aid. Twelve city and county youth bureaus will also be in operation and receive aid. These bureaus coordinate and supplement the work of public and

private agencies concerned with the welfare and protection of youth. Aid to localities for youth programs is expected to be \$3.0 million this year.

The State also reimburses localities for half the expenses of caring for juvenile delinquents in local facilities. Aid for this purpose will total about \$1.7 million this year.

#### *Veterans' Services . . .*

The State provides counseling services to veterans and servicemen and to their families, and reimburses cities and counties which provide such services for one-half of their expenditures. The State also operates a rest camp in Saratoga County for convalescing veterans. This year the State's expenditures for veterans' services will total approximately \$2.4 million.

#### *Services to the Aging . . .*

The Office of the Governor's Special Assistant on the Problems of the Aging coordinates a variety of activities directed toward meeting the needs of older citizens. This year the State will begin a program of guidance to communities that develop programs for the aging. Provision also has been made for the State University to employ outstanding professors emeriti. Research and demonstration projects conducted by the Department of Health are being expanded, and job counseling for older workers and pre-retirement counseling for State employees are being continued. Other activities include a program of inspection, consultation and training in institutions which care for the aging, the housing study mentioned earlier, research in arteriosclerosis, and the community recreation program under which funds are made available to localities which establish recreation programs for the aging.

#### *Consumer Protection . . .*

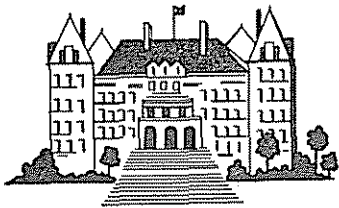
The Office of the Consumer Counsel has been instrumental in obtaining legislation for the protection of the consumer. This year it took an active part in obtaining legislation to extend the regulation and supervision of installment sales from automobiles to other goods and services. This office also holds hearings and publishes pamphlets on matters of concern to consumers.

*Other Activities . . .*

The program under which surplus food is distributed to needy families is being continued this year. It is expected that over 50 million pounds of food, made available to the State by the Federal government, will be distributed to families in 36 counties and New York City.

Studies of the causes and effects of low incomes are being continued. These projects are being conducted by several State agencies and are coordinated in the Department of Labor.

**GENERAL GOVERNMENT**



Many general governmental services are necessary in the formulation and execution of public policies. These include the activities of the Legislature and Judiciary and the general services provided by the Executive Branch of government such as the

collection of taxes, financial management, administration of the personnel system and supervision of the State's legal affairs. The cost of all these services this year will be about \$93.4 million, or six per cent of total expenditures.

*The Legislature . . .*

The legislative branch of the State government is concerned with the formulation of State policy and evaluation of programs already authorized. The State Legislature convenes annually in early January and usually adjourns in late March. Permanent staffs are maintained by the Legislature and its committees to assist in their work. It is anticipated that the Legislature will spend \$7.4 million during 1957-58.

*The Judiciary . . .*

The Judiciary is responsible for the conduct and administration of the State's court system. The general statewide system of courts consists of the Supreme Court and its Appellate Division and the Court of Appeals, which is the highest State court. The Court of Claims

adjudicates claims against the State, which include those resulting from the acquisition of private land for public use, breach of contract, and accidents. In addition to jurists, the administration of the courts requires the maintenance of law libraries, reporting facilities, and referee and stenographic services. Expenditures for the support of the State court system are expected to total \$8.3 million in 1957-58.

The Temporary Commission on the Courts has been engaged in a study of the State and local court system. Although Commission recommendations for the modernization and simplification of the system were not enacted at the 1957 session of the Legislature, funds were provided for the continuation of the Commission in the hope that improvements in the court system may be adopted in the future.

*General Assistance to Localities . . .*

The State distributes financial aid to cities, towns and villages on a per capita basis according to the population at the last Federal census. Each year cities receive \$6.75 per person, towns \$3.55 and villages \$3.00. Legislation enacted last year permits local governments to contract with the United States Bureau of the Census for a special census to be used as a basis for increased State aid. This year 423 such enumerations were conducted. Per capita State aid payments and administrative costs will total \$91.1 million in 1957-58. It is estimated that \$21.4 million of this will be used for general governmental purposes; the remainder has been allocated to specific functions.

*Executive Services . . .*

*. . . for executive management*

The Governor's office is responsible for the study, development and coordination of policies. Staff assistants conduct investigations and explore special problems. Expenditures for the Executive Chamber and the Office of the Commissioner of Investigation will total approximately \$1.1 million this year.

*. . . for financial administration*

An important responsibility of the State is the careful management of public monies. Revenues are received from a variety of sources, and are collected principally by the Department of Taxation and Finance. Before State money is spent, the needs of the various State agencies

are studied to plan programs and to determine priority of need. These determinations are brought together in the Executive Budget and presented to the Legislature. Following legislative action, careful auditing by the Department of Audit and Control assures that the State money is spent for the purposes defined by law. Central purchasing through the Division of Standards and Purchase enables the State to secure equipment and material at the lowest possible prices. Local units of government may also avail themselves of this service. The Department of Audit and Control, in addition to its other duties, supervises the financial affairs of 59 cities, 57 counties, 932 towns, 549 villages and nearly 6,000 school, fire and improvement districts. Expenditures for these operations will approximate \$26.1 million.

#### . . . for legal services

The Attorney General represents the State in all proceedings in which the State has an interest. He issues legal opinions at the request of State officials, enforces claims and performs other related work. The Secretary of State, in addition to his regulatory and licensing duties, is the general recording officer for the State. He charters domestic corporations, administers the oath of office to State officials, records and publishes State laws and regulations, maintains official election records, and performs related services of a legal nature. Expenditures for legal services will total about \$4.0 million.

#### . . . for personnel management

State civil service employees are selected and promoted on the basis of merit. To assure that the personnel system operates fairly and efficiently, the Department of Civil Service classifies positions according to duties, administers examinations and conducts training courses for State employees. The Department performs services to improve management-employee relations and to provide employee benefits. The Department of Civil Service enforces standards and provides personnel services to localities. Expenditures for these purposes will total about \$2.9 million.

Salaries and other conditions of employment for State workers were further improved this year. Employees received annual salary increases ranging from \$100 to \$1,500. About 25,000 employees formerly working 44 hours a week now work 42 hours a week, with no loss in pay. State employees may obtain social security coverage retroactive to March 16, 1956. This coverage, estimated to cost \$11.5 million this

year, is in addition to benefits provided under the State Employees' Retirement System. A comprehensive health insurance plan for State employees is expected to be in operation in the fall. The costs of these benefits have been allocated among the respective functions.

#### . . . for other housekeeping duties

The Department of Public Works maintains office buildings for the use of State agencies with major centers located in Albany, New York City, Syracuse and Buffalo. A group of new State office buildings is planned in Albany with the first two buildings scheduled for completion this year. The Department of Public Works also is providing increased administrative, architectural and engineering services for the accelerated construction of mental institutions and State University facilities. Expenditures for these services are estimated at \$15.0 million for 1957-58.

## PUBLIC SAFETY



In the interest of public safety, the State maintains correctional institutions, directs parole and probation activities, operates a civil defense system, promotes accident prevention and safety education, and maintains the State's military establishment. The State has its own police force which is responsible for patrolling the highways and for crime prevention and detection in rural areas. These activities will cost approximately \$92.5 million this year, or six per cent of total State expenditures.

#### Correctional Institutions . . .

The Department of Correction administers six prisons and four reformatories for men, a prison reformatory for women, two institutions for defective delinquents, two hospitals for the criminally insane, a reception center at Elmira for the study and classification of male offenders between the ages of 16 and 21, and the new forestry work camp for the rehabilitation of youth. Total population at these 17 correctional institutions is expected to increase from almost 19,500 last year to 20,000 in 1957-58. These institutions are staffed by about

5,400 employees. Total expenditures for operating all correctional institutions will approximate \$36.0 million this year. Expansion and improvement of facilities at these institutions will require an additional \$2.9 million.

Rehabilitation of inmates, particularly youthful offenders, is receiving increased attention. As a result of the experience at the forestry work camp for youthful offenders in Chenango County, plans are being developed for a second camp in Schuyler County. Guidance and counseling work at several institutions is being strengthened. Studies of the characteristics of prisoners have helped in planning more effective and economical programs and facilities, such as less costly quarters for older prisoners who are minimum security risks.

#### *Probation and Parole . . .*

Supervision of an offender during probation or parole often contributes more to successful rehabilitation than does a long period of imprisonment. In addition to the humane considerations, parole and probation services are less expensive than prisons. The annual cost of maintaining an inmate in a State correctional institution, excluding construction expenditures, is about \$1,900. The cost of parole administration is estimated at \$207 for each parolee, while the cost of probation services is even lower. Currently there are approximately 44,000 convicted persons under the supervision of local probation officers, and 10,200 others on parole from State correctional institutions.

The Board of Parole has intensified its review of parole violator records to determine if those with minor violations could, without undue risk to the community, be restored to parole supervision rather than to the more costly institution supervision. Job finding for potential parolees has been stepped up. These efforts have increased the number of parolees and have provided substantial savings to the State.

Under a program started in 1955, the State pays to New York City and upstate counties 50 per cent of the cost of new or additional probation services. This year \$450,000 has been made available for such State aid to an estimated 20 counties and New York City. To assist further, the State offers scholarships to interest young people in probation work and provides financial aid to universities in the State which expand their courses for probation officers.

The total cost of the State's correctional rehabilitation program, including aid for local probation services, will be \$3.3 million in 1957-58.

#### *General Safety, Civil and Military . . .*

Prevention and detection of crime, and patrol of the roads by the State police are vital to day-to-day protection of the public. The Division of State Police is being strengthened this year by the addition of some 25 civilian positions to release desk-bound troopers for road patrol duty. A management survey also is being made to improve methods of operation and to release more troopers for patrol work.

The State's military and civil defense organizations provide additional safety services. The Division of Military and Naval Affairs is engaged in a program of expanding existing armories and building new ones. Three-fourths of the construction cost of these facilities is paid by the Federal government.

A comprehensive plan for the defense and care of the State's civilian population in the event of enemy attack has been developed by the Civil Defense Commission. In addition, the Commission coordinates relief work in the event of natural disasters.

State agencies also organize and coordinate a wide variety of other safety activities. Training courses for volunteer fire companies will be attended by over 10,000 persons this year. The State coordinates a mutual aid system comprising 58 county fire control centers, and gathers information for accident prevention and methods of meeting disasters.

In 1957-58, the combined cost of the State's police, military, civil defense, and general safety organizations will be \$21.4 million.

## NATURAL RESOURCES AND RECREATION



Protection and improvement of the State's natural resources and recreational facilities require constant expert attention. State employees maintain and supervise an extensive park system, large forest areas, recreational facilities, water resources, waterways and wildlife.

The State, participating with the Federal government, assists communities in providing protection against natural disasters. For these services, the State will spend approximately \$39.1 million in 1957-58, or two per cent of total expenditures.

*Forest Management . . .*

The State owns and maintains 2,480,000 acres of Forest Preserve in the Adirondack and Catskill ranges and 566,000 reforestation acres reclaimed largely from marginal land. The growing need for recreation areas, for water conservation facilities and for timber production requires the expansion of Forest Preserve and reforestation acres. The State assists counties in reclaiming marginal land for forest purposes through payments to counties having approved plans for reforestation. Expenditures for forest management and related programs will be \$3.1 million this year.

*Parks and Recreation . . .*

Population growth, improved transportation and more leisure time have all contributed to the increased use of State parks. The number of visitors to the more than 80 State parks and public beaches is expected to reach 27 million this year. It will cost about \$8.9 million in 1957-58 to operate these facilities which are being enlarged and diversified to meet the needs of the public.

*Capital Facilities for Forests and Parks . . .*

The program of enlarging and developing the State's recreational areas is a continuing one. In addition to the acquisition of land, this program includes the development of new facilities and the modernization of existing ones, such as grounds, campsites, water supply, bathing facilities, ski slopes and play areas. Approximately \$5.3 million will be spent for these purposes in 1957-58. Among the major projects being undertaken are the expansion of Sunken Meadow State Park, the final construction at Evangola State Park and the completion of a new boardwalk at Jones Beach. The State is also advancing \$2.5 million to the Whiteface Mountain Authority for the development of a new ski center in the Adirondacks. Construction on this second slope is now under way and it is expected to be completed in time for skiing in the 1957-58 season.

*Water Resources, Waterways, Flood and Erosion Control . . .*

The regulation of rivers, streams, lakes and ground water sources is a State responsibility. Preservation of these essential natural resources requires classification of water supplies in order to guard

against contamination, regulation of surface and ground water levels, control of navigable waters and repair of damage caused by flood or erosion. The use of the State canal system by business and pleasure boats continues to rise; last year traffic was five per cent heavier than the previous year. In 1957-58 State expenditures for control, use and improvement of water resources will total \$9.5 million.

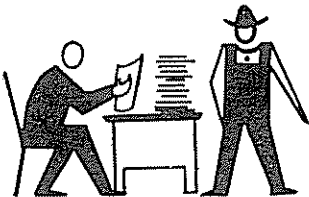
*Fish and Wildlife Management . . .*

The care, control and management of fish and wildlife provides greater opportunities for persons to enjoy the State's outdoor facilities. This requires the improvement of existing hunting and fishing areas as well as the development of new ones. These activities are financed primarily from license fees, supplemented by Federal aid and State tax revenues. Total State expenditures for these purposes in 1957-58 will approximate \$5.0 million, including \$4.4 million from license fees.

*Other Services and Functions . . .*

A variety of other services help meet the recreational needs of New York's citizens and preserve the natural resources of the State. Through its publication *The New York State Conservationist*, the State informs the public about proper conservation practices. Youth camps, exhibits, and sportsmen's shows are conducted to achieve better understanding of the prudent use of the State's natural riches and scenic attractions.

SERVICES TO AGRICULTURE, BUSINESS AND LABOR



The State provides farmers, businessmen and wage earners with important services that benefit all the citizens of the State in their capacities as producers and consumers. New York State regulates rents and utility rates, provides employment services, and furnishes market data and other information in order to promote the State's economic welfare. These services will cost the State approximately \$37.3 million this year, or two per cent of total expenditures.

### *Services to Agriculture . . .*

To assist the farmer in the many technical problems of farm production and marketing, the State administers various instructional and regulatory programs. These include the organization and regulation of market facilities for the sale and distribution of farm products, the eradication of harmful insects and plant and animal diseases, and promotion of the interests of farmers and consumers through the farm product exhibits at county fairs and the annual State Fair in Syracuse. The State also supports a College of Agriculture and a Veterinary College at Cornell and agricultural and technical institutes throughout the State, where study and experimentation are carried on to assist the farmer, and where future farmers and agricultural technicians are trained.

To promote the sale of New York State farm products, a new program is being started to aid in their marketing. State funds of \$100,000 and matching Federal funds will finance the project.

Under another new program, the State will participate with soil conservation districts in projects eligible for aid from the Federal government. Federal, State and local funds will be used to facilitate planning and carrying out improvements in soil conservation, flood prevention and watershed protection.

Rehabilitation of the electrical system and other work at the State Fair grounds is planned in 1957-58. For all farm programs, except agricultural education, the State will spend approximately \$5.4 million this year.

### *Services to Labor . . .*

Protection of the wage earner against hazardous employment, substandard working conditions, inadequate wage standards and accidental loss of earning capacity is accepted as a function of modern government. This requires inspection of industries with high accident rates and vigorous enforcement of laws regarding employment. Improved labor relations are promoted by the State Labor Relations Board and the State Board of Mediation. Expenditures for these activities will total about \$7.9 million in 1957-58.

The State also administers systems of unemployment insurance and job placement, workmen's compensation, and disability benefits insurance. These three programs protect the covered wage earner against loss of earnings due to layoffs, and injuries or sickness incurred both on

and off the job. Protection against wage loss because of unemployment is financed by employers and administered through a State-operated unemployment insurance system. Similar protection against sickness or injury incurred on the job is financed entirely by the employer, while compensation for disabilities suffered off the job is financed by both employee and employer contributions. During 1956, approximately four-fifths of the nonagricultural wage earners employed in the State were covered by all three programs. This year the maximum weekly benefits under disability benefits coverage were raised from \$40 to \$45.

Funds were also provided to enable the Workmen's Compensation Board to make a comprehensive study of legal, medical, social and related aspects of rehabilitating injured workers covered by compensation insurance.

### *Services to Business . . .*

New York's complex and highly diversified economy poses difficult problems in the promotion, coordination, and regulation of commercial activities. State economists, business consultants, engineers, statisticians, and other specialists work with private industry to achieve more prosperous business and employment conditions. This work includes regional studies to determine the suitability of various areas for industrial location and development, maintenance of a foreign trade referral service, and promotion of the State's tourist attractions. Expenditures for these programs will total about \$2.5 million this year.

### *Other Related Services . . .*

Other services provided by the State cut across occupational lines. These include: regulation of public utilities; licensing and certification of the professions to assure compliance with professional standards in medicine, teaching and related fields; prevention of discrimination in employment because of race, creed, color or national origin; and support of local rent control. The State also regulates banks and insurance companies in the public interest, an activity which is financed by the organizations supervised. A division of the Banking Department licenses sales finance companies and supervises their operations in relation to consumers. The pension welfare fund divisions of the Banking and Insurance Departments, which supervise employee welfare funds,

are being expanded to handle the growing number of such funds under their jurisdictions. Direct State expenditures for all such regulatory services are expected to be \$11.9 million in 1957-58.

In the field of utility regulation, \$75,000 was provided this year to seek means of improving service on the Long Island Railroad. Money was also provided for an index of public service decisions to aid the Public Service Commission, utility companies and others engaged in this activity. On April 1, 1957 a new policy became effective under which the State shares up to one-half the cost of the installation of flashing lights, automatic gates and appurtenances at railroad crossings.

The urban planning program is being expanded. More localities are undertaking community planning for effective use of land resources in keeping with modern health, safety and aesthetic standards. This program is financed by Federal, State and local funds.

## NON-ALLOCATED GENERAL COSTS

Certain general costs of operating State government are chargeable to the State as a whole and are not allocated to a particular function or program. These expenditures will total \$8.7 million in 1957-58, or less than one per cent of all State expenditures. Of this amount, \$4.7 million is for the payment of taxes on public lands and for judgments, and \$4.0 million is set aside for expenditures which will require authorization by the 1958 session of the Legislature.

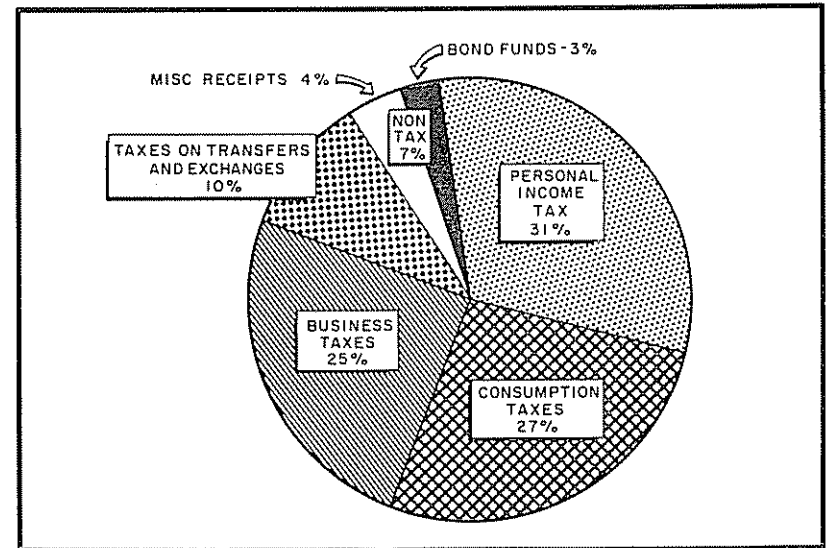
Debt service, considered as a non-allocated cost last year, is now divided among the functions for which debt was incurred. Costs of employee fringe benefits, such as retirement and social security benefits, workmen's compensation, unemployment insurance and health insurance also have been allocated to appropriate functions. The allocation of these items to specific functions has reduced substantially the amount of expenditures classified as non-allocated general costs.

## INCOME

The State's income in 1957-58 is estimated at \$1,579 million. This represents income of the General Fund and the Capital Construction Fund from all sources. Taxes are expected to contribute \$1,470 million, or approximately 93 per cent of total income, while non-tax sources such as bond funds and other miscellaneous receipts will account for the remainder.

## ESTIMATED INCOME OF THE GENERAL FUND AND CAPITAL CONSTRUCTION FUND

Year Ending March 31, 1958



## TAXES



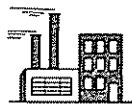
### ... on personal incomes

New York's largest single revenue source is the personal income tax, which is expected to produce nearly one-third of the State's income. The yield of this tax depends primarily on the level of income received by individuals during the preceding calendar year. Personal income tax revenue has grown significantly as a result of rising personal incomes, an increase in the number of taxpayers, and better enforcement methods. These increases are partially offset this year by a number of tax reduction measures, including the "humanizing" amendments enacted last year, continuation of the \$40 million general tax reduction, and special tax relief for New York residents subject to income taxes in other states. Collections from this tax, exclusive of the one-ninth reserved for retirement of veterans' bonus and mental health construction bonds, were estimated in this year's Budget Message at \$462.5 million.

However, this estimate has been revised downward to \$458.5 million to reflect the revenue loss resulting from a recent ruling exempting disability benefits income from this tax and the trend of collections during the first months of the 1957-58 year. Tax reduction measures will result in savings to the taxpayers of about \$55 million this year.

An additional liberalization of the personal income tax, enacted this year, doubled the dependency credit for college students. Since this increased exemption is first effective on 1957 income, the revenue loss to the State will not be felt until the 1958-59 fiscal year.

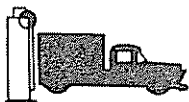
#### *... on business*



Taxes on business are expected to provide approximately one-fourth of total State income. The bulk of this revenue is derived from corporate enterprise, including general business corporations, financial corporations, public utilities and insurance companies. Most corporations are taxed on the basis of net income, but certain businesses are taxed on other bases: public utilities are taxed on gross earnings, insurance companies on receipts from premiums, and real estate companies on gross assets. Unincorporated businesses are taxed on net income.

Total revenue from all business taxes is estimated at \$395.1 million, after giving effect to an unincorporated business tax reduction which will benefit approximately 85,000 firms.

#### *... on consumption and use*



Taxes on consumption and use are expected to produce approximately one-fourth of total State income. Included in this group are taxes on motor fuel, cigarettes and alcoholic beverages, fees for motor vehicle registrations and operators' licenses, and the highway use tax on heavy trucks. The most significant revenue producers in the group are the motor fuel tax and motor vehicle fees. Revenue from consumption and use taxes, exclusive of the one cent per package tax on cigarettes used to finance veterans' bonus and mental health construction bonds, is expected to total \$403.4 million.

#### *... on transfers and exchanges*



This group consists of taxes on pari-mutuel betting at horse races, on the sale or exchange of stock securities, and on estates left by wealthy decedents. These three sources, which produce about one-tenth of total State income, are expected to yield \$160.4 million. Legislation enacted this year decreased the State's share of the pari-mutuel pool at flat races. However, the revenue loss resulting from this legislation is expected to be offset by gains from the extended racing season and increased betting.

#### *... on other activities*

Taxes on admissions to horse racing meets and boxing events, and fees for licensing motion pictures will account for less than one per cent of all State revenues. Together they are expected to produce \$2.6 million.

## NON-TAX RECEIPTS

Receipts from sources other than taxes will provide less than one-tenth of total State income. These include: receipts anticipated from the sale of bonds for mental health construction, highways, and grade crossing elimination; various departmental receipts, including reimbursements for the care of patients at State institutions, and revenue from licenses and fees; and other miscellaneous receipts. Non-tax receipts are expected to total \$109.4 million.

## APPENDIX

### New York State Funds

Table 1. Budget of the General Fund and Capital Construction Fund

Table 2. Financial Operations of the General Fund

Table 3. General Fund Revenues

Table 4. Local Assistance Fund Appropriations

Table 5. State Purposes Fund Appropriations

Table 6. Capital Construction Fund Appropriations in Force

Table 7. Functional Classification of Estimated Expenditures from  
All Sources

Selected Current Source Material on State Finance

## NEW YORK STATE FUNDS

Expenditures for State programs are made primarily from the General Fund and the Capital Construction Fund. In addition, special funds are maintained to pay debt service on certain bonds, and two funds are used as reserves for State revenues. A number of other funds are maintained for special purposes. These include funds for monies received from the Federal government, college income funds, institutional community store funds, the State Insurance Fund, the Conservation Fund, the Broadway Office Building Fund, the Correctional Industry Fund and other funds established by law.

### *The General Fund . . .*

The major operating fund of the State is the General Fund which is divided into two components: (1) the Local Assistance Fund, from which appropriations are made for support of units of local government and for transfers to the Capital Construction Fund to finance the State's share of local capital projects, and (2) the State Purposes Fund, from which appropriations are made for operation of State departments, for general state charges, for debt service, and for transfers to the Capital Construction Fund. The General Fund is financed mainly from tax revenues which are divided between the Local Assistance and State Purposes Funds. In 1956-57, the Local Assistance Fund received 57 per cent and the State Purposes Fund 43 per cent of total General Fund revenues. Appropriations from the General Fund are shown in Tables 4 and 5 of this Appendix.

### *The War Bonus and Mental Health Bond Account . . .*

One-ninth of the receipts from the personal income tax and one-third of the cigarette tax receipts are deposited in the War Bonus and Mental Health Bond Account. The money in this fund has been used to service bonds issued for veterans' bonuses and will also service mental health construction bonds when these are sold. Revenue of the fund beyond that needed for debt service and administrative costs is transferred to the Capital Construction Fund.

### *The Capital Construction Fund . . .*

Construction, such as highways, bridges and buildings, is financed through the Capital Construction Fund. This fund derives its revenue mainly from transfers from the General Fund, from the War Bonus and Mental Health Bond Account and from bond funds.

The operations of the Capital Construction Fund differ from those of the General Fund because of the nature of capital financing. The resources and contract commitments of the Capital Construction Fund carry over from year to year. Its appropriations are authorizations to commit and spend State funds for specific purposes, and since the completion of contracts often requires several years, most unexpended balances are reappropriated annually. These re-enactments constitute the major part of total Capital Construction Fund appropriations, which greatly exceed annual expenditures. Appropriations from the Capital Construction Fund are shown in Table 6 of this Appendix.

### *The Tax Stabilization Reserve Funds . . .*

These funds were established as a depository for year-end General Fund surpluses. Both the Local Assistance and State Purposes Funds have reserve funds to which operating surpluses are transferred at the end of the fiscal year. These reserves may be drawn upon if a deficit occurs in either operating fund, but such withdrawals are repaid from succeeding years' revenues.

Table 1  
BUDGET OF THE GENERAL FUND AND  
CAPITAL CONSTRUCTION FUND  
(millions)

	1956-57 Actual	1957-58 Estimated	Change
Income:			
General Fund revenue.....	\$1,391	\$1,473	+\$82
Surplus in War Bonus and Mental Health Bond Account.....	49	50	+1
Reimbursables from bond funds...	28	52	+24
Miscellaneous receipts of Capital Construction Fund.....	5	4	-1
Total income.....	\$1,473	\$1,579	+\$106
Outgo:			
Expenditures:			
Local Assistance Fund.....	\$751	\$869	+\$118
State Purposes Fund.....	517	558	+41
Capital Construction Fund.....	166	189	+23
Total expenditures.....	\$1,434	\$1,616	+\$182
Net cash outgo from Capital Con- struction Fund for first instance advances.....	\$3	\$11	+\$8
General Fund surplus to Tax Stabilization Reserve Funds.....	"	"	"
Total outgo.....	\$1,437	\$1,627	+\$190
Excess of income over outgo.....	\$36	-\$48	-\$84
(Change in usable assets in Capital Construction Fund)			
Balance of usable assets in Capital Construction Fund at end of year...	\$199	\$151	-\$48

<sup>a</sup> Less than \$0.5 million.

Table 2  
FINANCIAL OPERATIONS OF THE GENERAL FUND  
(millions)

	1956-57 Actual			1957-58 Estimated		
	Local Assistance Fund	State Purposes Fund	Total General Fund	Local Assistance Fund	State Purposes Fund	Total General Fund
INCOME						
Revenue collections.....	\$787.4	\$603.3	\$1,390.7	\$876.4	\$596.6	\$1,473.0
APPROPRIATIONS AND OUTGO						
Total appropriations for the year <sup>a</sup> .....	\$775.3	\$571.2	\$1,346.5	\$870.4	\$603.9	\$1,474.3
Deficiencies and reimbursement of Governmental Emergency Fund provided for in succeeding year's appropriations.....	37.5	54.6	92.1	6.1	17.2	23.3
Total appropriations for the year.....	\$812.8	\$625.8	\$1,438.6	\$876.5	\$621.1	\$1,497.6
Add: Unexpended appropriations and reappropriations car- ried forward from prior years.....	8.8	35.4	44.2	31.5	45.7	77.2
Less: Lapses and repeals during the year.....	2.9	12.3	15.2	24.1	23.3	47.4
Less: Unexpended appropriations and reappropriations car- ried forward to succeeding year.....	31.5	45.7	77.2	7.8	47.1	54.9
Outgo during the year.....	\$787.2	\$603.2	\$1,390.4	\$876.1	\$596.4	\$1,472.5
BALANCE						
Excess of income over outgo (for transfer to the Tax Stabiliza- tion Reserve Funds).....	\$0.2	\$0.1	\$0.3	\$0.3	\$0.2	\$0.5

<sup>a</sup> Excluding deficiencies.

Table 3  
GENERAL FUND REVENUES\*  
(millions)

	1956-57 Actual	1957-58 Estimated	Change
Personal income tax.....	\$ 423.4	\$ 458.5	+\$35.1
Business taxes.....	\$ 374.2	\$ 395.1	+\$20.9
Corporation franchise tax.....	192.7	202.0	+ 9.3
Corporation tax (Article 9).....	66.2	70.9	+ 4.7
Utilities tax (gross receipts).....	43.1	46.2	+ 3.1
Unincorporated business tax.....	33.1	33.3	+ 0.2
Bank tax.....	25.6	31.4	+ 5.8
Other business taxes.....	13.5	11.3	- 2.2
Taxes on consumption and use.....	\$ 381.7	\$ 403.4	+\$21.7
Motor fuel tax.....	132.6	141.0	+ 8.4
Motor vehicle tax.....	114.2	124.8	+ 10.6
Alcoholic beverage tax.....	55.0	55.3	+ 0.3
Cigarette tax.....	40.9	42.0	+ 1.1
Alcoholic beverage control licenses.....	24.0	24.2	+ 0.2
Highway use tax.....	15.0	16.1	+ 1.1
Taxes on transfers and exchanges.....	\$ 161.7	\$ 160.4	-\$ 1.3
Pari-mutuel tax.....	71.2	72.4	+ 1.2
Estate tax.....	51.9	48.0	- 3.9
Stock transfer tax.....	38.6	40.0	+ 1.4
Other taxes.....	\$ 2.4	\$ 2.6	+\$ 0.2
Other receipts.....	\$ 47.3	\$ 53.0	+\$ 5.7
Grand total.....	\$1,390.7	\$1,473.0	+\$82.3

\* Excludes collections earmarked for the War Bonus and Mental Health Bond Account as follows:

Personal income tax.....	\$52.9	\$57.3	+\$4.4
Cigarette tax.....	20.5	21.0	+ 0.5

Table 4—LOCAL ASSISTANCE FUND APPROPRIATIONS

	1956-57	1957-58*
Conservation		
County reforestation.....	\$ 55,000	\$ 56,000
County rabies control.....	7,000	7,000
Correction		
Probation services.....	300,000	450,000
Education		
Support of common schools.....	416,090,000	487,940,000
School lunch program.....	7,000,000	5,000,000
Aid to libraries.....	2,450,000	2,550,000
Physically handicapped children.....	150,000	175,000
Emergency school building.....	3,380,000	5,000,000
Teacher training—New York City.....	6,620,000	7,170,000
Community colleges.....	4,500,000	6,200,000
Recreation for elderly.....	50,000	50,000
General local assistance		
Per capita aid.....	91,100,000	91,150,000
Counties share of motor fuel tax.....	13,500,000	13,600,000
Distribution of motor vehicle fees.....	19,150,000	29,500,000
Health		
General public health work.....	15,845,000	17,120,000
Tuberculosis care and control.....	12,533,000	11,220,000
Local laboratories.....	1,151,000	1,250,000
Adult poliomyelitis care.....	55,000	80,000
Physically handicapped children.....	2,796,000	3,100,000
Administration of health local assistance.....	476,000	500,000
Joint Hospital Survey and Planning Commission.....	140,000	154,500
Housing		
Housing subsidies.....	12,672,374	14,500,000
Administration of loans and subsidies.....	277,268	320,800
Mental Hygiene		
Community mental health services.....	7,616,265	9,346,440
Treatment of chronic alcoholism.....	86,803	.....
Public Works		
County roads.....	2,200,000	2,200,000
Town highways.....	8,500,000	13,000,000
Municipal public works planning.....	600,000	635,000
Emergency disaster aid.....	1,500,000	.....
Administration of local assistance.....	121,679	127,957
Social Welfare.....	135,629,000	136,526,000
State Housing Rent Commission.....	3,530,000	3,916,447
Veterans' service agencies.....	450,000	450,000
Miscellaneous		
Youth Commission.....	3,250,000	3,200,000
Civil Defense Commission.....	.....	1,557
Distribution of Federal surplus foods.....	2,500,000	2,500,000
Rentals of Federal flood control lands.....	7,093	.....
Salary adjustments.....	358,000	365,000
Watershed protection districts.....	.....	36,000
Total—exclusive of transfer to Capital Construction Fund.....	\$776,646,482	\$869,397,701
Transfer to Capital Construction Fund.....	36,200,000	1,000,000
Grand total.....	\$812,846,482	\$870,397,701

\* Does not provide for possible deficiency appropriations.

Table 5—STATE PURPOSES FUND APPROPRIATIONS

	1956-57	1957-58 <sup>a</sup>
Executive Department		
Executive Chamber	\$ 937,447	\$ 1,009,675
Office of Commissioner of Investigation	250,000	257,180
Division of Budget	919,413	1,032,514
Division of Military and Naval Affairs	6,263,175	6,223,516
Division of Veterans' Affairs	1,987,273	2,108,470
Division of Standards and Purchase	1,697,871	2,234,035
Division of Parole	2,601,052	2,881,208
Division of State Police	8,910,002	9,609,010
Division of Alcoholic Beverage Control	1,801,854	1,932,455
Local Alcoholic Beverage Control	1,049,029	1,121,071
Division of Housing	878,428	952,500
Division of Safety	305,463	317,607
Commission Against Discrimination	462,595	630,668
State Building Code Commission	378,500	403,300
State Civil Defense Commission	1,428,855	2,535,644
State Commission on Pensions	35,000	35,000
State Lottery Control Commission		100,000
Youth Commission	327,000	338,000
Department of Law	2,420,292	2,963,860
Department of Audit and Control	4,552,545	5,017,170
Department of Agriculture and Markets	5,091,914	5,292,086
Banking Department	83,500	178,500
Department of Civil Service	2,720,726	2,896,955
Department of Commerce	2,781,494	3,098,831
Conservation Department	12,439,525	14,048,595
Department of Correction	33,843,992	37,060,700
Education Department	19,614,321	21,839,211
State University	34,752,033	39,075,820
Department of Health	22,092,901	22,413,442
Insurance Department		323,870
Department of Labor	7,480,814	7,885,752
Department of Mental Hygiene	162,581,002	178,681,216
Department of Public Service	3,357,436	3,641,098
Department of Public Works	45,882,866	48,317,434
Department of Social Welfare	7,448,226	8,206,877
Department of State	3,149,831	3,313,302
Department of Taxation and Finance	23,797,943	26,466,690
Miscellaneous		
All State departments and agencies—to supplement appropriations for personal service	25,200,000	17,752,000
Temporary State commissions	547,000	685,000
All other	3,587,143	2,779,870
Legislature	8,192,817	8,100,277
Judiciary	8,227,442 <sup>b</sup>	8,903,533
General State charges		
Pension contributions and administration	32,562,875	33,689,232
Social security contributions and administration	424,509	4,925,000
Taxes on public lands	2,702,300	2,759,300
Compensation insurance	4,883,834	1,250,000
Health insurance	1,500,000	4,200,000
Court of Claims judgments and other judgments	2,035,000	1,527,500
Other general State charges	716,056	51,429
Total—current operations	\$514,903,294	\$551,066,403
Debt service	24,299,088	24,040,153
Transfer to Capital Construction Fund	86,500,000	28,800,000
Grand total	\$625,702,382	\$603,906,556

<sup>a</sup> Includes appropriations of extraordinary legislative session, but does not provide for possible deficiency appropriations.

<sup>b</sup> Includes \$3,250 transferred from the 1955-56 deficiency to the regular appropriation

Table 6  
CAPITAL CONSTRUCTION FUND APPROPRIATIONS IN FORCE

	Prior Appropriations in Force April 1, 1957 <sup>a</sup>	New Appropriations 1957-58 <sup>b</sup>	Total Appropriations Available 1957-58
Departmental projects			
Conservation and Parks	\$ 3,661,476	\$ 3,576,500	\$ 7,237,976
Correction	20,486,168	7,451,000	27,937,168
Education and State University	57,857,703	21,236,000	79,093,703
Health	5,096,105	1,900,000	6,996,105
Mental Hygiene	217,171,326	27,295,000	244,466,326
Military and Naval Affairs	4,440,890	3,505,000	7,945,890
Social Welfare	4,841,977	119,000	4,960,977
State Police	955,513	225,000	1,180,513
Public Works Buildings	6,127,515	1,328,000	7,455,515
Planning and inspection	2,182,275	8,000,000	10,182,275
Miscellaneous	1,116,739	2,109,500	3,226,239
Unapportioned equipment	7,211	9,099,411	9,106,622
Unapportioned rehabilitations	79,042	4,800,000	4,879,042
Unapportioned construction	2,086,305	3,000,000	5,086,305
Services and expenses	469,519	5,121,990	5,591,509
Total—departmental projects	\$326,579,764	\$ 98,766,401	\$425,346,165
Highways, parkways and grade crossing elimination including services and expenses	\$304,563,805	\$142,179,301	\$446,743,106
Flood control	1,043,971	727,000	1,770,971
Shore protection	977,705	1,522,000	2,499,705
Canals	2,082,051	2,077,000	4,159,051
Dormitory Authority		7,284,000	7,284,000
Employee salary increase		1,222,000	1,222,000
Grand total	\$635,247,296	\$253,777,702	\$889,024,998

<sup>a</sup> Includes deficiency appropriations made available prior to April 1, 1957.

<sup>b</sup> Includes appropriations contained in special bills

Table 7  
FUNCTIONAL CLASSIFICATION OF ESTIMATED EXPENDITURES  
FROM ALL SOURCES  
Year Ending March 31, 1958  
(millions)

	General Fund and Capital Construction Fund	Federal Funds	Other Funds	Total
Education .....	\$ 599	\$ 12	\$ 9	\$ 620
Health and Mental Hygiene .....	318	3	3	324
Highways and Highway Safety .....	245	74	9	328
Public Welfare .....	184	130	47	361
General Government .....	93	...	1	94
Public Safety .....	92	4	7	103
Natural Resources and Recreation .....	39	"	9	48
Services to Agriculture, Business and Labor .....	37	41	33	111
Non-allocated General Costs .....	9	...	3	12
Total estimated expenditures .....	<u>\$1,616</u>	<u>\$264</u>	<u>\$121</u>	<u>\$2,001</u>

\* Less than \$0.5 million

## SELECTED CURRENT SOURCE MATERIAL ON STATE FINANCE

### Annual Reports

New York State Division of the Budget, *The Executive Budget* [1957] 128 pp. (The Governor's Message including appendices, 1957-58; Legislative Document, 1957, No. 80).

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United States Department of Commerce, Bureau of the Census, *Compendium of State Government Finances in 1956* [1957] 65 pp.

### Special Reports

New York State-New York City Fiscal Relations Committee, *A Report to the Governor of the State of New York and the Mayor of the City of New York* [November 1956] 347 pp.

New York State Temporary Commission on the Constitutional Convention, *First Interim Report* [February 19, 1957] 17 pp. (Legislative Document, 1957, No. 8).

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New York State Temporary State Commission on Educational Finances, *Financing Public Education in New York State* [1956] 342 pp.

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