

# **EDUCATION, LABOR & FAMILY ASSISTANCE**

**Summary of Recommended Appropriations  
By Agency**

# COUNCIL ON THE ARTS

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	7,250,000	5,300,000	5,300,000	0
Special Revenue-Other	400,000	22,033,000	3,033,000	(19,000,000)
Special Revenue-Federal	827,000	993,000	993,000	0
<b>Total for STATE OPERATIONS</b>	<b>8,477,000</b>	<b>28,326,000</b>	<b>9,326,000</b>	<b>(19,000,000)</b>
<b>AID TO LOCALITIES</b>				
General Fund	37,400,000	37,400,000	37,400,000	0
Special Revenue-Other	200,000	200,000	200,000	0
Special Revenue-Federal	250,000	520,000	520,000	0
<b>Total for AID TO LOCALITIES</b>	<b>37,850,000</b>	<b>38,120,000</b>	<b>38,120,000</b>	<b>0</b>

## Executive Year-to-Year Change

In State Fiscal Year (SFY) 2005-06, the Executive proposes an All Funds appropriation of \$66,446,000, which reflects an increase of \$20,119,000, or 43.4 percent from SFY 2004-05 levels. This results in a General Fund State Operations appropriation totaling \$42,700,000, a decrease of \$1,950,000, or 4.4 percent from SFY 2004-05 levels. The Executive recommends a Special Revenue-Other appropriation totaling \$22,233,000, an increase of \$21,633,000 from SFY 2004-05 levels.

## Legislative Changes

The Assembly rejects the Executive proposal to transfer the administration of cultural education programs from the State Education Department to a newly created New York Institute for Cultural Education (NYICE). In rejecting this proposal, the Assembly recommends the following savings within the Council on the Arts agency budget.

DENY NY INSTITUTE FOR CULTURAL EDUCATION PROGRAM	-\$14,000,000	ST/SRO
DENY THE CREATION OF A CHALLENGE MATCHING GRANT.	-\$5,000,000	ST/SRO

## Legislative Proposals

The Assembly accepts the Executive proposal for providing a Special Revenue Fund-Other appropriation of \$600,000 for the Empire State Plaza Performing Arts Center.

The Assembly accepts the Executive proposal for providing a Special Revenue Fund-Other appropriation of \$2,033,000 for the New York State Theatre Institute.

# CITY UNIVERSITY OF NEW YORK

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
Special Revenue-Other	153,700,000	145,000,000	145,000,000	0
Total for Agency	153,700,000	145,000,000	145,000,000	0
Total Contingency	1,248,699,000	1,322,766,000	1,329,135,000	6,369,000
<b>Total for STATE OPERATIONS</b>	<b>1,402,399,000</b>	<b>1,467,766,000</b>	<b>1,474,135,000</b>	<b>6,369,000</b>
<b>AID TO LOCALITIES</b>				
General Fund	771,772,000	806,575,000	844,887,750	38,312,750
<b>Total for AID TO LOCALITIES</b>	<b>771,772,000</b>	<b>806,575,000</b>	<b>844,887,750</b>	<b>38,312,750</b>
<b>CAPITAL PROJECTS</b>				
Capital Projects Fund	1,115,000,000	89,000,000	339,446,500	250,446,500
<b>Total for CAPITAL PROJECTS</b>	<b>1,115,000,000</b>	<b>89,000,000</b>	<b>339,446,500</b>	<b>250,446,500</b>

## Executive Year-to-Year Change

The Executive proposal includes a \$34,803,000 or 4.5 percent increase in General Fund Support for the City University of New York (CUNY) due to collective bargaining and fringe benefit increases. The Executive provides an appropriation of \$600,017,000 for the Senior College Revenue Offset. This reflects a net increase of \$28,652,000 above State Fiscal Year (SFY) 2004-05 levels. This increase in appropriation authority is sufficient to support a \$250 tuition increase for CUNY Senior Colleges from \$4,000 to \$4,250. The Executive proposal includes a \$1,026,000,000 decrease in appropriation authority for Capital Projects from SFY 2004-05 to SFY 2005-06.

## Legislative Changes

The Assembly rejects the Executive's proposal to increase tuition by \$250 from \$4,000 to \$4,250 for resident students enrolled full time at CUNY Senior Colleges and provides a restoration of \$37,400,000 in State General Fund support for CUNY Senior Colleges to offset an equal reduction of \$37,400,000 in the CUNY Senior College Revenue Offset that results from a reduction in tuition revenues generated at CUNY Senior Colleges.

The Assembly denies funding for the Executive proposal for a new Partnership to Accelerate Completion Time (PACT) Program at both CUNY Senior Colleges and CUNY Community Colleges. This results in \$1,120,750 in savings in SFY 2005-06.

REJECT TUITION INCREASE AT CUNY SENIOR COLLEGES	-\$37,400,000	ST/AGY
REJECT PACT PROGRAM AT CUNY SENIOR COLLEGES	-\$801,000	ST/AGY
REJECT PACT PROGRAM AT CUNY SENIOR COLLEGES	-\$600,750	ATL/GEN
REJECT PACT PROGRAM AT CUNY COMMUNITY COLLEGES	-\$520,000	ATL/GEN

## Legislative Proposals

The Assembly provides additional funding of \$7,170,000 for the SEEK program, reflecting a restoration of the Executive proposal to reduce funding in SFY 2005-06 and the restoration of funding vetoed by the Governor in SFY 2004-05. Similarly, the Assembly provides \$400,000 for the College Discovery Program again restoring the Executive proposal to reduce funding in SFY 2005-06 and the Governor's SFY 2004-05 veto.

The Assembly provides \$7,475,000 for an increase in CUNY Community College Base Aid support of \$115 per Full-Time Equivalent (FTE) student, returning State support of CUNY Community Colleges to the 2004-05 level of \$2,350 per FTE, the level enacted by the Legislature in SFY 2004-05 prior to being vetoed by the Governor.

The Assembly provides an additional \$250,446,500 in capital project appropriations. This appropriation supports an additional year for the CUNY multi-year capital plan and includes the following projects enacted by the Legislature and vetoed by the Governor in SFY 2004-05:

CAMPUS	PROJECT DESCRIPTION	AMOUNT
Borough Manhattan Community College	North Campus Building	\$1,000,000
Borough Manhattan Community College	Chambers Street Renovation Phase II	\$2,753,000
Borough Manhattan Community College	Training Program for Emergency First Response	\$10,700,000
Bronx Community College	North Instructional Building	\$30,481,000
Bronx Community College	Mechanical Systems & Infrastructure Upgrade Phase 1	\$2,037,000
Brooklyn College	Environmental Analysis Core Center	\$421,000
College of Staten Island	Various Renovations - Building 3M	\$3,000,000
College of Staten Island	Campus Facilities Improvements	\$500,000
College of Staten Island	Campus Facilities Improvements	\$896,000
CUNY Community College Systemwide	Condition Assessment: Health & Safety	\$4,881,000
CUNY Community College Systemwide	Condition Assessment: Facilities Preservation	\$1,997,000
CUNY Community College Systemwide	Condition Assessment: ADA	\$1,910,000
CUNY Community College Systemwide	Network Infrastructure	\$25,280,500
CUNY Systemwide	CUNY Incubator Network	\$7,500,000
CUNY Systemwide	Additional Capital Projects	\$62,000,000
Hostos Community College	475 Grand Concourse Renovation	\$2,474,000
Hostos Community College	Site Acquisition	\$375,000
Kingsborough Community College	Roof Replacement	\$1,500,000
Kingsborough Community College	Fire Alarm Rehab	\$3,128,000
Kingsborough Community College	Gymnasium	\$3,030,000
Kingsborough Community College	Marine/Academic Center	\$2,525,000
Kingsborough Community College	Primary Arts	\$425,000
Kingsborough Community College	Additional Roof Costs	\$1,500,000
LaGuardia Community College	Center 3 Renovations, Phase II	\$2,673,000
LaGuardia Community College	Department of Humanities	\$8,506,000
LaGuardia Community College	Department of Computer Information Systems	\$10,500,000
Medgar Evers College	Athletic Fields	\$980,000
NYC College of Technology	Facilitate public/private partnership	\$50,000,000
NYC College of Technology	Additional Projects	\$1,000,000
Queensborough Community College	Instruction Building Planning and Design costs	\$2,474,000
Queensborough Community College	Upgrade Campus Wide Electric System	\$500,000
Queensborough Community College	Upgrade Campus Wide Drainage System	\$500,000
Queensborough Community College	Holocaust Resource Center	\$3,000,000
<b>TOTAL</b>		<b>\$250,446,500</b>

ADDITIONAL CUNY CAPITAL PROJECTS	\$250,446,500	CAPITAL
CUNY SENIOR COLLEGE OPERATING AID RESTORATION-CONTINGENCY	\$37,400,000	ST/AGY
CUNY SENIOR COLLEGE OPERATING AID RESTORATION	\$28,050,000	ATL/GEN
SEEK PROGRAM RESTORATION - CONTINGENCY	\$7,170,000	ST/AGY
RESTORATION OF CUNY COMMUNITY COLLEGE BASE AID	\$5,606,000	ATL/GEN
SEEK PROGRAM RESTORATION	\$5,377,500	ATL/GEN
COLLEGE DISCOVERY RESTORATION	\$400,000	ATL/GEN

## Article VII

The Assembly provides for the extension of the CUNY Part-Time TAP Program for one-year to June 30, 2006.

The Assembly rejects the Executive proposal authorizing the CUNY Board of Trustees to establish a differential tuition policy and establishing tuition rates prior to the enactment of the State budget.

# EDUCATION DEPARTMENT

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	40,952,600	37,124,000	42,274,000	5,150,000
Special Revenue-Other	127,657,800	131,438,200	142,288,200	10,850,000
Special Revenue-Federal	260,159,500	225,467,800	270,154,300	44,686,500
Internal Service Fund	21,253,000	22,947,000	22,947,000	0
<b>Total for STATE OPERATIONS</b>	<b>450,022,900</b>	<b>416,977,000</b>	<b>477,663,500</b>	<b>60,686,500</b>
<b>AID TO LOCALITIES</b>				
General Fund	14,146,453,400	14,625,474,400	15,141,262,900	515,788,500
Special Revenue-Other	5,321,508,000	5,553,150,000	5,309,250,000	(243,900,000)
Special Revenue-Federal	3,520,357,100	3,662,753,000	3,662,753,000	0
Total for Agency	22,988,318,500	23,841,377,400	24,113,265,900	271,888,500
Total Contingency	7,239,000	6,205,000	6,205,000	0
<b>Total for AID TO LOCALITIES</b>	<b>22,995,557,500</b>	<b>23,847,582,400</b>	<b>24,119,470,900</b>	<b>271,888,500</b>
<b>CAPITAL PROJECTS</b>				
Capital Projects Fund	90,300,000	4,000,000	4,000,000	0
Capital Projects Fund - Bondable	0	0	5,000,000	5,000,000
Capital Projects Fund - Authority Bonds	0	15,000,000	15,000,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>90,300,000</b>	<b>19,000,000</b>	<b>24,000,000</b>	<b>5,000,000</b>

## Executive Year-to-Year Change

For the 2005-06 School Year (SY), the Governor provides an increase of \$201,330,000 in General Support for Public Schools (GSPS) over 2004-05 levels. This represents a 1.31 percent increase over the prior year. The Governor also proposes an additional \$324,870,000 in Sound Basic Education Aid (SBE) to be funded by Video Lottery Terminal (VLT) revenues for a total increase of \$526,200,000. The Governor appropriates \$24,274,216,400 on an All Funds basis to the Education Department in State Fiscal Year (SFY) 2005-06.

This agency is included in the Education, Labor and Family Assistance appropriation bill.

## Legislative Changes

The Assembly denies the Executive's proposal for a Sound Basic Education plan and instead proposes a Foundation formula to distribute school aid through a comprehensive, functioning formula. Additionally, the Assembly rejects the Executive's cost shift of Tenured Teacher Hearings to localities and funds this program in the traditional manner with State support. The Assembly also rejects the Executive's plan to fund School Audits through a plan approved by the Department of Budget, and instead funds this program in the Office of the State Comptroller.

ELIMINATION OF FUNDING FOR SOUND BASIC EDUCATION	-\$227,500,000	ATL/SRO
REJECTION OF QUICK DRAW EXPANSION	-\$39,000,000	ATL/SRO
ELIMINATION OF FUNDING FOR THE FUND FOR INNOVATION	-\$10,500,000	ATL/GEN
ELIMINATION OF FUNDING FOR CHARTER SCHOOLS	-\$6,000,000	ATL/GEN
DENY THE CREATION OF THE TENURED TEACHER HEARING ACCOUNT	-\$3,150,000	ST/SRO

ELIMINATION OF FUNDING FOR AUDITS	-\$2,030,000	ATL/GEN
ELIMINATION OF FUNDING FOR CHARACTER EDUCATION	-\$475,000	ATL/GEN
ELIMINATION OF FUNDING FOR ACADEMIC ACHIEVEMENT AWARDS	-\$350,000	ATL/GEN
DENY NEW YORK INSTITUTE FOR CULTURAL EDUCATION	\$14,000,000	ST/SRO
DENIAL OF VESID TRANSFER TO DEPARTMENT OF LABOR	\$44,686,500	ST/SRF

## Legislative Proposals

For the 2005-06 School Year (SY) the Assembly provides an increase of \$790,500,000 in General Support for Public Schools over SY 2004-05. Computerized Aids are increased by \$781,000,000 over 2004-05 levels, which is \$300,000,000 over the Executive proposal for 2005-06. This is an increase of \$196,300,000 over the Executive proposal for State Fiscal Year (SFY) 2005-06. The Assembly will provide an additional \$45,840,000 in General Fund spending on a State Fiscal Year basis for restorations and enhancements of other education programs outside of General Support for Public Schools.

### Foundation Formula and Computerized Aids

The Assembly proposes the creation of a Foundation Operating Aid formula that will provide transparent, predictable school funding, thereby allowing school districts to plan their budgets in a timely manner. A Foundation formula will provide the stability and predictability for which school districts have been asking and will ensure a comprehensive, functioning Operating Aid formula. The Assembly rejects the creation of Flex Aid.

More specifically, the Foundation formula estimates the cost of providing a sound basic education using a methodology endorsed by the Regents for the calculation of a base funding level. This pupil amount is then adjusted for regional cost, student enrollment which provides a better indicator of district costs than attendance, and student need as measured by geographic sparsity and free and reduced price lunch (FRPL) eligibility. In addition, the formula reflects school district fiscal capacity by using measures of relative income and property wealth. The formula consolidates several existing formulas into the new proposed Foundation Operating Aid including Comprehensive Operating Aid, Extraordinary Needs Aid, Reorganization Operating Aid, Educationally Related Support Services Aid and Summer School Aid. All school districts will receive at least a minimum year-to-year Operating Aid increase through the new Foundation formula. See Attachment A for details on this proposal.

The Foundation formula provides a \$490,000,000 increase for the 2005-06 school year. This formula targets 81.7 percent of the funding increase, or \$400,000,000, to high need school districts.

The Assembly denies funding of \$324,867,000 for the Executive's Sound Basic Education Aid.

The Assembly denies the Executive's consolidation of six different aids into Flex Aid. The Assembly restores Limited English Proficiency as a distinct aid category and funds the program at \$105,612,000 and restores Minor Maintenance as a distinct program funded at \$50,000,000.

The Assembly proposes funding Public Excess Cost Aid at \$2,360,000,000, which is its present law level. This level of funding is \$13,875,000 above the Executive's proposal.

The Assembly denies the Executive's cut in funding for Private Excess Cost Aid and restores aid to the present law level of \$222,715,000, which is \$108,000,000 above the Executive's proposal.

The Assembly denies the Executive's cuts to BOCES Aid and Special Services Aid and restores both aids to present law levels. BOCES is funded at \$549,204,000, which is \$61,960,000 above the Executive's proposal. Special Services Aid is funded at \$140,523,000, which is \$5,926,000 above the Executive's proposal.

The Assembly denies the Executive's Building Aid plan and proposes funding Building Aid projects with signed contracts as of February 15<sup>th</sup>. Building Aid is funded at \$1,448,894,000, which is \$25,443,000 above the Executive's proposal.

The Assembly accepts the Executive's proposal of \$78,450,000 for Tax Limitation Aid, an increase of \$30,460,000 over last year.

The Assembly proposes funding for instructional materials including Textbooks, Software, Library Materials and Hardware at present law levels.

The Assembly proposes continuing Transportation Aid at the present law level of \$1,207,044,000, which is \$11,299,000 above the Executive's proposal.

The Assembly proposes funding Growth Aid at the present law level of \$27,729,000, which is \$17,761,000 over the Executive's proposal.

#### Other GSPS Programs

The Assembly accepts the Executive's proposal to fund Employment Preparation Education at \$90,000,000.

The Assembly accepts the Executive's proposal to fund Aid to Small City Schools at \$81,880,000.

The Assembly accepts the Executive's proposal to fund Bilingual Education at \$11,200,000.

The Assembly accepts the Executive's proposal to fund Urban Suburban Transfer at \$1,130,000.

The Assembly accepts the Executive's proposal to fund Aid for Incarcerated Youth at \$16,500,000.

The Assembly accepts the Executive's proposal to fund Homeless Pupils at \$6,480,000.

The Assembly accepts the Executive's proposal to fund Bus Driver Safety at \$400,000.

The Assembly accepts the Executive's proposal to fund Academic Improvement Grants for the Roosevelt School District at \$6,000,000.

The Assembly accepts the Executive's proposal to fund Magnet Schools, Categorical Reading and Improving Pupil Performance at \$136,100,000, \$63,950,000 and \$66,350,000 respectively.

The Assembly accepts the Executive's proposal to fund Learning Technology Grants; Education of OMH / OMR Pupils; Aid to Fort Drum and BOCES Aid for Special Act Districts at 2004-05 levels.

The Assembly accepts the Executive's proposal to maintain Prior Year Claims (PYC) / Fiscal Stabilization grants at \$28,000,000.

#### LADDER: Learning, Achieving Developing by Directing Educational Resources

Both Universal Prekindergarten and Class Size Reduction are maintained at \$204,000,000 and \$140,000,000 respectively. The Assembly proposes restoring Extended Day / School Violence Prevention to \$30,200,000, which is \$1,510,000 above the Executive's proposal. Funding for Experimental Prekindergarten is maintained at \$50,200,000.

The Assembly funds Full Day Kindergarten at \$3,437,000, \$94,000 over the Executive's proposal.

The Assembly keeps Minor Maintenance as a distinct program funded at \$50,000,000.



### Teacher Programs

The Teachers of Tomorrow program is maintained at \$20,000,000. Teacher Resource and Computer Centers and the Mentor Teacher Internship program are maintained at their 2004-05 levels of \$31,000,000 and \$6,000,000, respectively. Teacher Support Aid is maintained at 2004-05 levels of \$67,480,000.

The Assembly restores funding for the National Board for Professional Teaching Standards to \$500,000.

The Assembly restores \$500,000 for the New York City Peer Intervention program.

### Other Elementary and Secondary Programs

The Assembly denies the Executive's consolidation of three separate health programs into the Health Education Program and restores AIDS Education, Comprehensive School Health Demonstration and School Health Demonstration Project. These programs are restored to \$990,000, \$525,000, and \$150,000 respectively, which is \$915,000 above the Executive's proposal.

The Assembly restores \$3,000,000 in funding for Adult Basic Education programs, for a total of \$5,000,000. In addition the Assembly accepts the Executive's proposal to fund Adult Literacy Education at \$3,324,000.

The Assembly restores \$270,000 in funding for Apprenticeship Training, for a total of \$1,830,000, and restores \$206,100 to Workplace Literacy for a total of \$1,376,100.

The Assembly restores \$4,500 in funding for the Children of Migrant Workers Program, for a total of \$90,000.

The Assembly restores \$31,400 in funding to Transferring Success, for a total of \$629,800.

The Assembly proposes a restoration of \$100,000 for SURR schools, for a total of \$2,000,000.

The Assembly proposes \$570,000 for Primary Mental Health Project, reflecting a restoration of \$28,300.

The Assembly accepts the Executive's proposal to maintain Non-Public School Aid at \$87,500,000.

The Assembly accepts the Executive's proposal to fund Academic Intervention Services (AIS) for Non-Public Schools at \$1,000,000.

The Assembly accepts the Executive's proposal to fund School Lunch / Breakfast; Statewide School Safety Center and Summer Food Program at 2004-05 levels.

The Assembly accepts the Executive's proposal to fund Native American Education at \$24,000,000.

The Assembly denies \$6,000,000 in funding for Charter Schools.

### State Operations

The Assembly rejects the Executive's proposed shift of VESID from the State Education Department to the Department of Labor. The Assembly rejects the Executive's proposed shift of Cultural Education to a new entity, the New York Institute for Cultural Education (NYICE). The Assembly also rejects the Executive's proposed Management Efficiencies program that would reduce 20 FTE positions in the State Education Department; this restoration would be funded at \$2,000,000. When combined, these three programs total what would have been a net reduction of 1,170 Full Time Equivalent (FTE) positions in State Education Department (SED) staffing levels.

The Assembly rejects the Executive's proposal for an Office of Educational Accountability and Efficiency for \$2,000,000.

The Assembly rejects the Executive's proposal of \$2,900,000 for school audits to be conducted by a state agency pursuant to a plan approved by the Department of Budget. In its stead, the Assembly recommends \$2,900,000 be provided for school audits to be conducted by the Office of the State Comptroller. These audits will help to increase the financial accountability of schools and ensure that school district expenditures are made appropriately throughout New York State by providing funds for increased oversight by the State Comptroller, which will help to restore public confidence.

The Assembly rejects the Executive's shift to school districts for the cost of Tenured Teacher Hearings and instead continues State funding at \$3,150,000, which is \$1,050,000 above last year.

The Assembly accepts the Executive's proposal for \$3,700,000 for the General Equivalency Diploma (GED) program.

The Assembly provides \$39,000,000 to offset the cost of denying Quick Draw expansion.

The Assembly provides \$20,000,000 to offset the cost of denying STAR Plus.

#### Office of Higher Education and the Professions

The Assembly provides \$14,875,000 in new funding for Higher Education Programs administered by the State Education Department. This represents a restoration of the Executive cuts in State Fiscal Year (SFY) 2005-06 and a reversal of the Executive Higher Education Program vetoes enacted in SFY 2004-05. Thus the Assembly provides \$11,550,000 for the Higher Education Opportunity Program, \$500,000 in support of the Science and Technology Entry Program and the Collegiate Science and Technology Entry Program (STEP/CSTEP), \$2,212,000 to restore Bundy Aid, \$575,000 for the Liberty Partnership Program, and \$38,000 for the Teacher Opportunity Corps Program.

#### VESID

The Assembly accepts the Executive's proposal of \$54,600,000 for Case Services, representing an increase of \$2,000,000 over SFY 2004-05.

The Assembly recommends \$15,402,000 for Supported Employment, reflecting a restoration of \$618,000.

The Assembly recommends \$10,730,600 for Independent Living Centers, which is a restoration of \$536,600.

The Assembly rejects the Executive's transfer of the Deaf Infant Program to the Department of Health and restores funding of \$1,000,000.

The Assembly accepts the Executive's proposal to maintain a \$2,000,000 appropriation for salary enhancements for teachers who teach in private schools for students with disabilities.

#### Cultural Education

The Assembly restores \$4,478,000 in Library Aid. In addition, the Assembly provides an additional \$2,600,000 in funding from the Cultural Education Account in order to reflect the use of the 2000 census. This brings total Library Aid funding to \$91,500,000.

The Assembly proposes funding the New York Public Library (NYPL) at \$1,925,000, which is a \$225,000 restoration above the Executive's proposal. The Assembly also proposes \$962,500 for the New York Public Library's Science, Industry and Business Library, which is a restoration of \$112,500.

The Assembly proposes \$13,830,000 for Public Broadcasting, which is a restoration of \$692,000.

The Assembly rejects the Executive's proposal for a Cultural Arts Challenge Fund program for \$5,000,000 in the Council on the Arts. The Assembly maintains \$5,000,000 for renovations to the State Library, Museum and Archives in the State Education Department but rejects the Executive's recommendation that this money be matched from non-governmental sources. In addition the Assembly also proposes \$5,000,000 in Capital funding for renovations to the State Library, Museum and Archives.

The Assembly accepts the Executive's proposal to provide funding for the New York State Theater Institute, Summer Program for the Arts and the Empire State Plaza Performing Arts Center Corporation from the Cultural Education Account. These programs are funded at \$2,033,000, \$1,000,000, and \$600,000 respectively.

### Capital Projects

The Assembly accepts the Executive's proposals for:

- a \$15,000,000 bonded Public Broadcasting Facilities Assistance program to provide matching grants for public broadcasting stations;
- \$3,000,000 in capital funds for the School for the Blind in Batavia;
- \$1,000,000 in capital funds for minor rehabilitation projects.

In addition, the Assembly proposes \$5,000,000 in Capital funding for renovations to the State Library, Museum and Archives.

ADDITIONAL GENERAL SUPPORT TO PUBLIC SCHOOLS	\$436,552,100	ATL/GEN
COST TO REJECT QUICK DRAW EXPANSION	\$39,000,000	ATL/GEN
MISCELLANEOUS GRANTS	\$38,054,300	ATL/GEN
INCREASE IN STAR ESTIMATE DUE TO THE REJECTION OF STAR PLUS	\$20,000,000	ATL/SRO
HIGHER EDUCATION OPPORTUNITY PROGRAM RESTORATION	\$11,550,000	ATL/GEN
CULTURAL EDUCATION BONDABLE CAPITAL	\$5,000,000	CAPITAL
AID TO PUBLIC LIBRARIES	\$4,478,000	ATL/GEN
REJECT COST SHIFT OF TENURED TEACHER HEARINGS	\$3,150,000	ST/GEN
FUND LIBRARIES USING 2000 CENSUS	\$2,600,000	ATL/SRO
BUNDY AID RESTORATION	\$2,212,000	ATL/GEN
RESTORATION OF SED STATE OPERATIONS CUT	\$2,000,000	ST/GEN
PUBLIC BROADCASTING	\$692,000	ATL/GEN
VESID - SUPPORTED EMPLOYMENT	\$618,000	ATL/GEN
LIBERTY PARTNERSHIPS RESTORATION	\$575,000	ATL/GEN
VESID - INDEPENDENT LIVING CENTERS	\$536,600	ATL/GEN
STEP/CSTEP RESTORATION	\$500,000	ATL/GEN
AID TO THE NEW YORK PUBLIC LIBRARY	\$225,000	ATL/GEN
AID TO THE NEW YORK PUBLIC LIBRARY'S SCIENCE, INDUSTRY AND BUSINESS LIBRARY	\$112,500	ATL/GEN
TEACHER OPPORTUNITY CORPS RESTORATION	\$38,000	ATL/GEN

## Article VII

The Assembly accepts the Executive's proposal for legislation which authorizes \$13,000,000 in uncommitted Federal IDEA funds for teacher certification initiatives in private schools for school-age and pre-school pupils with disabilities.

The Assembly rejects the Executive's proposal to reinstate the moratorium on the creation or expansion of preschool programs that serve children with disabilities.

The Assembly rejects the Executive's proposal to transfer the Deaf Infant Program from the New York State Education Department to the Department of Health.

The Assembly rejects the Executive's proposal requiring a second, independent evaluation for students with disabilities, in cases where the child is maintaining his / her enrollment with his / her Early Intervention Provider.

The Assembly rejects the Executive's proposal allowing school districts to seek private insurance information from parents of disabled preschool and school age students.

The Assembly rejects the Executive's proposal to cap school district increases in total spending to the lesser of four percent or 120 percent of the increase in the CPI unless there is a two-thirds majority vote to exceed the cap.

The Assembly rejects the Executive's proposal transferring VESID to the Department of Labor.

The Assembly rejects the Executive's proposal to establish a New York Institute for Cultural Education (NYICE).

The Assembly accepts the Executive's proposal to clarify the State Aid payment schedule for libraries with modifications.

The Assembly rejects the Executive's plans for a program to Reform the School Voting Process (RSVP).

The Assembly rejects the Executive's proposal requiring School Board member training and instead supports legislation implementing the plan proposed by the Office of the State Comptroller.

The Assembly rejects the Executive's proposal requiring school districts to notify the public of significant audit findings and instead supports legislation implementing the plan proposed by the Office of the State Comptroller.

The Assembly rejects the Executive's proposed new requirements for the school property tax report card.

The Assembly rejects the Executive's plans for altering school district reporting requirements.

The Assembly rejects the Executive's proposal requiring the Board of Regents to present an annual report on student performance in a public meeting with the Governor.

The Assembly modifies the Executive's proposal to provide additional Building Aid to New York City in order to address certain additional costs and expenses.

The Assembly rejects the Executive's proposal increasing New York City Transitional Finance Authority's statutory bonding authority by \$2,800,000,000 as the primary means of addressing New York City's capital needs.

The Assembly rejects the Executive's proposal creating a State Clearinghouse for Efficient Construction Practices and Designs. The Assembly also rejects the Executive's proposal for the Dormitory Authority of the State of New York (DASNY) to provide advisory services to school districts.

The Assembly rejects the Executive's proposal for State Education Department review of New York City school's construction plans.

The Assembly rejects the Executive's proposal changing the building aid formula to alter cost allowance calculations.

The Assembly rejects the Executive's proposal eliminating aid for BOCES administrative services. Additionally, the Assembly rejects the Executive's plan requiring BOCES to demonstrate cost savings over existing State contracting services in order to continue to generate BOCES aid.

The Assembly rejects the Executive's proposal authorizing the Mayors of Buffalo, Rochester, Syracuse and Albany to appoint members to their respective city boards of education.

The Assembly rejects the Executive's proposal creating a maintenance of effort requirement for the Big 4 city school districts.

The Assembly rejects the Executive's proposal exempting 50 new charter schools in New York City from counting against the current statutory limit on charter schools. Also, the Assembly rejects the Executive's plan to make charter schools eligible to access DASNY financing services.

The Assembly rejects the Executive's proposal to provide Building Aid for Charter Schools.

The Assembly rejects the Executive's proposal allowing districts to replace tenure for principals and administrators with renewable three to five year contracts.

The Assembly rejects the Executive's changes to the existing 3020-A disciplinary process for teachers.

The Assembly rejects the Executive's proposal creating an alternative certification for teachers and administrators and rejects the Executive's proposal requiring 175 hours of professional development for administrators.

The Assembly rejects the Executive's proposal requiring school districts to develop a three year Comprehensive SBE Plan.

The Assembly rejects the Executive's proposal creating the Office of Educational Accountability and Efficiency (OEAE).

The Assembly modifies the Executive's proposal to extend the authority school districts have to lease buses.

The Assembly authorizes school districts to bond for additional TRS payments due to one time changes in accounting practices.

The Legislature allows for an accelerated STAR payment schedule.

## Attachment A

The Foundation formula will generate an additional \$490 million increase in the 2005-06 School Year. Below is a description of how the Foundation formula will be calculated:

### Foundation Amount (\$4,594)

This represents the cost of providing general education services based on NYS schools that are performing well (Regent's Successful Schools Study). TIMES

### Regional Cost Factor (9 regions based on the wages of non-school professionals in NYS).

This ranges from an index of 1 in the North Country to 1.496 in NYC/Long Island. TIMES

Pupil Need Index (This index is based on geographical sparsity and eligibility for the Free and Reduced Price Lunch program, a measure of poverty. These are common measures of need in existing school aid formulas.) TIMES

Measurement of Fiscal Capacity (A particular district's sharing ratio will determine the State share of the total calculated foundation amount. Local fiscal capacity is based on both income and property wealth measures.) =

State Aid Per Pupil (\$500 minimum if aid generated from the previous calculation is less than \$500 per pupil) TIMES

Number of Pupils (weighted and based on enrollment as opposed to attendance).

=

### Total Foundation Aid

(100% Save harmless to a base of several consolidated aid categories. Minimum increase of 1 percent)

There is a consolidation of several existing formulas into the new proposed Foundation Operating Aid. These include:

- Comprehensive Operating Aid
- Extraordinary Needs Aid
- Reorganization Operating Aid
- Educationally Related Support Services Aid
- Summer School Aid

# OFFICE OF CHILDREN AND FAMILY SERVICES

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	217,477,500	221,947,000	218,650,000	(3,297,000)
Special Revenue-Other	133,060,000	119,021,000	119,021,000	0
Special Revenue-Federal	78,182,000	81,478,000	81,478,000	0
Internal Service Fund	100,000	100,000	100,000	0
Enterprise	500,000	500,000	500,000	0
<b>Total for STATE OPERATIONS</b>	<b>429,319,500</b>	<b>423,046,000</b>	<b>419,749,000</b>	<b>(3,297,000)</b>
<b>AID TO LOCALITIES</b>				
General Fund	1,305,588,000	1,348,156,000	1,311,306,000	(36,850,000)
Special Revenue-Other	15,780,000	15,780,000	15,780,000	0
Special Revenue-Federal	1,407,338,000	1,398,119,000	1,398,119,000	0
<b>Total for AID TO LOCALITIES</b>	<b>2,728,706,000</b>	<b>2,762,055,000</b>	<b>2,725,205,000</b>	<b>(36,850,000)</b>
<b>CAPITAL PROJECTS</b>				
Capital Projects Fund	1,325,000	1,325,000	1,325,000	0
Youth Facilities Improvement Fund	18,700,000	22,602,000	22,602,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>20,025,000</b>	<b>23,927,000</b>	<b>23,927,000</b>	<b>0</b>

## Executive Year-to-Year Change

The Executive proposes a total All Funds appropriation in State Fiscal Year (SFY) 2005-06 of \$3,209,028,000, a net increase of \$30,977,500, or 1.0 percent, over SFY 2004-05. Agency appropriations will support a workforce of 3,754 full-time equivalent (FTE) positions.

## Legislative Changes

The Assembly rejects the proposed Flexible Fund for Family Services and shifts funding for Advantage Schools, the Home Visiting program, child welfare quality and the kinship demonstration project back to Temporary Assistance to Needy Families, resulting in a General Fund savings of \$38,350,000.

The Assembly also rejects new General Fund support for the State Automated Child Welfare Information System (CONNECTIONS).

ELIMINATE GENERAL FUND SPENDING FOR THE ADVANTAGE SCHOOLS PROGRAM.	-\$20,200,000	ATL/GEN
ELIMINATE GENERAL FUND SPENDING FOR THE HOME VISITING PROGRAM.	-\$16,000,000	ATL/GEN
REDUCE CONNECTIONS FUNDING.	-\$3,297,000	ST/GEN
ELIMINATE GENERAL FUND SPENDING FOR CHILD WELFARE QUALITY PROJECTS.	-\$1,900,000	ATL/GEN
ELIMINATE GENERAL FUND SPENDING FOR THE KINSHIP DEMONSTRATION PROJECT.	-\$250,000	ATL/GEN

## Legislative Proposals

The Assembly supports preventive, community-based approaches to the delivery of services to vulnerable children and families. Thus, the Assembly accepts the Governor's proposed \$2,340,000 appropriation for expansion of the Home and Community-based Mental Health waiver to support 245 additional slots that will enable local districts to increase mental health services for children at risk of out-of-home placements.

The Assembly also accepts the Governor's proposed \$1,567,000 General Fund appropriation that supports Article VII legislation requiring all local districts to pay the maximum State aid rate ("MSAR") for foster care. The Assembly further recommends additional clarifying language to ensure that the requirement to pay the MSAR applies to all local districts, regardless of their status on January 1, 2005. The Assembly rejects the Executive's proposal to pass through to local districts any penalties to the State that result from a recent federal Title IVE audit and its subsequent requirements for corrective action.

The Assembly accepts the Governor's proposed \$5,200,000 General Fund appropriation that supports Article VII legislation that requires local districts to provide alternatives to PINS detention.

The Governor proposes a \$26,972,000 General Fund appropriation, together with \$1,500,000 from federal Workforce Investment Act discretionary funds, to support the Youth Development and Delinquency Prevention (YDDP) program. The Assembly adds \$1,500,000 to YDDP to restore this program's General Fund appropriation to its SFY 2004-05 level.

The affordability and accessibility of quality child care are goals of the Assembly. Thus, the Assembly accepts the \$40,000,000 added to the State share of the Child Care Block Grant, and proposes an additional direct transfer of Temporary Assistance to Needy Families (TANF) funds of \$4,000,000 above the current fiscal year. The Assembly further proposes legislation that would cap family co-payments for child care at 10 percent.

YOUTH DEVELOPMENT AND DELINQUENCY PREVENTION

\$1,500,000

AT/GEN

## Article VII

The Assembly accepts the Executive's proposal that would require local government and the courts to exhaust community-based alternatives before filing PINS petitions and making detention placements.

The Assembly accepts the Executive's proposal that would require all local districts to pay the maximum state aid rate ("MSAR") as of the SFY 2007-08 rate year and thereafter, but recommends clarifying language that would ensure that no district which is currently paying the MSAR is exempt from this mandate at some future date.

The Assembly further proposes legislation that would cap family co-payments for child care at 10 percent.



# OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	48,984,000	51,680,000	50,282,000	(1,398,000)
Special Revenue-Other	149,935,000	156,757,000	156,757,000	0
Special Revenue-Federal	230,084,000	222,000,000	210,500,000	(11,500,000)
Internal Service Fund	1,200,000	1,200,000	1,200,000	0
<b>Total for STATE OPERATIONS</b>	<b>430,203,000</b>	<b>431,637,000</b>	<b>418,739,000</b>	<b>(12,898,000)</b>
<b>AID TO LOCALITIES</b>				
General Fund	1,355,209,300	1,422,188,000	1,431,518,525	9,330,525
Special Revenue-Other	15,100,000	26,361,000	26,361,000	0
Special Revenue-Federal	3,434,545,600	3,270,885,000	3,270,885,000	0
Fiduciary	10,000,000	20,000,000	20,000,000	0
<b>Total for AID TO LOCALITIES</b>	<b>4,814,854,900</b>	<b>4,739,434,000</b>	<b>4,748,764,525</b>	<b>9,330,525</b>
<b>CAPITAL PROJECTS</b>				
Capital Projects Fund	30,000,000	30,000,000	30,000,000	0
<b>Total for CAPITAL PROJECTS</b>	<b>30,000,000</b>	<b>30,000,000</b>	<b>30,000,000</b>	<b>0</b>

## Executive Year-to-Year Change

The Executive requests All Funds appropriations totaling \$5,201,071,000 in State Fiscal Year (SFY) 2005-06, a decrease of \$73,986,900 or 1.4 percent from SFY 2004-05 levels.

The Executive recommends All Funds State Operations appropriations totaling \$431,637,000, which represents an increase of \$1,434,000 or 0.33 percent over SFY 2004-05 levels.

The Executive proposes All Funds Aid to Localities appropriations totaling \$4,739,434,000 in SFY 2005-06, which reflects a decrease of \$75,420,900 or 1.57 percent from SFY 2004-05 levels.

## Legislative Changes

The Assembly forecast for Public Assistance expenditures is approximately \$165 million lower than that of the Executive. This includes estimated savings of \$79,434,996 in SFY 2004-05, and \$86,047,477 in SFY 2005-06. Of these amounts, General Fund savings are estimated to be \$54,722,109 in SFY 2004-05 and \$60,591,475 in SFY 2005-06. The remainder of the savings is federal Temporary Assistance for Needy Families (TANF) funds. The Executive and Senate concur with these re-estimates.

The Assembly proposes to reduce funding for Systems Support and Information Services out of the TANF block grant. Although technological improvements in welfare management systems remain a worthy goal, the Assembly believes that these funds would be better spent on programs to assist public assistance recipients as they move to self sufficiency. The Assembly also proposes to reduce the Executive's requested Maintenance Undistributed funding for Systems Support and Information Services to the same level provided in SFY 2004-05.

The Assembly rejects the Executive proposal to initiate a five county pilot program for non-custodial parents.

The Assembly proposes funding certain programs paid for with General Fund dollars in the Executive proposal with TANF dollars instead, as has been done in the past. As the cost of these programs is shifted from the General Fund back to TANF, the General Fund offset is reduced by using TANF to pay for a smaller portion of the Earned Income Tax Credit (EITC).

RE-ESTIMATION OF PUBLIC ASSISTANCE SPENDING	-\$60,591,475	ATL/GEN
REDUCE TANF FUNDING FOR SYSTEMS SUPPORT AND INFORMATION SERVICES	-\$11,500,000	ST/SRF
DENY PILOT PROGRAM IN EITC ARTICLE VII	-\$3,000,000	ATL/GEN
REJECT MU INCREASE FOR SYSTEMS SUPPORT AND INFORMATION SERVICES	-\$1,398,000	ST/GEN
SHIFT GENERAL FUND PROGRAMS BACK TO TANF	\$60,225,000	ATL/GEN

## Legislative Proposals

### Federal TANF Block Grant

SFY 2005-06 will be the ninth year in which New York has received its federal public assistance funding through the Temporary Assistance to Needy Families (TANF) Block Grant. New York's \$2.44 billion TANF Allocation is based on the State's caseload and expenditures in Federal Fiscal Year (FFY) 1995, which were significantly higher than in subsequent years. As a result, the State has annually experienced federal TANF funding above the amount needed to support the Federal share of the Family Assistance Program. This funding overage is referred to as the TANF Surplus.

Traditionally, TANF Surplus funds have been used to support programs and initiatives designed to assist low-income New Yorkers in achieving self-sufficiency. However, this year the Executive has proposed major changes to the way in which the TANF Surplus will be allocated. He has recommended that all TANF funding not used for public assistance benefits, State operations, or the EITC be allocated to social services districts in the form of a \$1 billion Flexible Fund for Family Services (FFFS) block grant, which could be used by the districts for any federally allowable TANF purpose.

The \$1 billion FFFS block grant would be allocated among districts based primarily on SFY 2004-05 allocations and awards, which means that all programs that were vetoed by the Governor last year would be disregarded in determining the distribution of this fund. In addition to prior year awards, there is also a county wealth factor that would be taken into account in determining the block grant allocation. There would be no adjustments made for the size of a district's Public Assistance caseload. The end result of this methodology would be that districts with the highest need would be hardest hit by this proposal. For example, New York City has about 70 percent of the caseload in the State, but would receive less than 60 percent of the Executive's proposed block grant, resulting in a difference of approximately \$115 million. Similarly, in the Executive proposal Niagara County would receive 10 percent less than what its share of the statewide caseload would provide.

The Assembly is concerned that the Executive's proposed FFFS block grant does not contain the funding necessary to continue programming at current levels. First, counties would need to use their allocations on mandatory costs such as child welfare and child care programs. In addition, the Executive proposal no longer provides approximately \$236 million in funding for local administrative costs that was previously allocated. Instead, local districts would have to pay for these administrative costs within their block grant allocation.

The Executive provides for approximately \$2.519 billion in appropriation authority for TANF spending, which includes roughly \$773 million in the TANF base to pay for public assistance benefits and certain State Operations costs, and about \$1.746 billion in TANF Surplus funds to provide for General Fund relief and his proposed \$1 billion FFFS block grant.

The Assembly proposal denies the Executive request for a \$1 billion FFFS block grant, and instead funds all programs traditionally funded with TANF dollars at or above levels appropriated in the SFY 2004-05 Legislative Budget.

The Assembly proposal also transfers programs the Executive proposed to support with the General Fund and HCRA back to TANF, with the exception of Child Welfare Investments, Child Care, and Pregnancy Prevention. In addition, the Assembly plan restores administrative funding to localities that the Executive's plan included as part of his block grant, as well as funding that the Executive cut for assessment centers in New York City.

These proposed changes, combined with caseload re-estimates and the \$11.5 million cut in TANF funding for Systems Support and Information Services, result in TANF base costs of approximately \$951 million, and an available TANF Surplus of approximately \$1.593 billion. The six broad categories below provide a breakdown of how the Assembly proposes to distribute the TANF Surplus. The Assembly plan would require a detailed schedule of programs and specific funding amounts in the appropriation bill.

The Assembly proposes that the TANF Surplus be spent in the following broad categories:

– Support for Low Income Working Families \$686,165,000

Traditionally, the Governor has chosen to use a significant portion of the TANF Surplus to offset the funding of the Earned Income Tax Credit (EITC) and the Child and Dependent Care Credit (CDCC). These tax credits are valuable tools that help low-income families in New York, but they are funded by statute regardless of whether TANF dollars are used to pay for them as a General Fund offset. The Assembly proposes a partial reduction in TANF spending on these tax credits in order to support the use of TANF funding for important programs included within the categories below. To reduce the offset further would create a substantial impact on the State's financial plan.

– Child Care Investments \$379,000,000

The State's Child Care Block Grant supports child care subsidies for public assistance recipients, families transitioning from welfare-to-work, and other low-income working families, as well as initiatives to enhance the quality of child care. Funding is transferred from TANF to the State's Child Care Block Grant to provide additional child care subsidies, to continue the operation of demonstration projects, to provide additional support for child care at SUNY and CUNY, and to support a 10 percent cap of family co-payments.

– Child Welfare Investments \$335,150,000

Child welfare initiatives seek to prevent the entry or re-entry of children into either the Foster Care System or the Juvenile Justice System, as well as to enhance the quality of life for children already within these systems. Funds in this category support the Title XX transfer, other child welfare services, and programs and services for juvenile delinquents and persons in need of supervision.

– Services and Health Initiatives \$100,050,000

Programs included within this category are designed to address health and wellness concerns of the target population, as well as to provide services to enhance educational or employment opportunities. Programs provide services such as food support for individuals and families, pregnancy prevention, and summer employment opportunities for youth across the State. In addition, other programs within this category provide after school services and early intervention services for at-risk young families. These programs are vital for helping individuals obtain employment and ensuring that children are safe and healthy.

– Legislative Initiatives \$52,150,000

This category includes programs established by the Legislature to provide a variety of additional services to help low-income families overcome barriers to work and self-sufficiency. These initiatives are aimed at reducing homelessness, improving literacy and technology skills, supporting families at-risk of involvement in the child welfare system, and ensuring that individuals with disabilities receive appropriate services and supports.

– Employment and Transitional Initiatives

\$ 40,553,000

Programs in this category provide employment training and other assistance for individuals as they transition to self-sufficiency. Employment services provide work-based training, employment, and post-employment services in selected educational and training centers across the State. Services are also included in this category to ensure that employment related transportation needs are met for low-income families. In addition, support is provided to ensure that counties have the resources necessary to comply with required domestic violence screening, and drug screening and treatment.

Under the Executive proposal, critical programs that have been funded out of the TANF Surplus in the past would be in jeopardy. The Assembly plan would ensure the continuation of these important initiatives by funding TANF Surplus programs at or above levels appropriated in the SFY 2004-05 Legislative Budget.

REJECT FULL FAMILY SANCTION ARTICLE VII	\$6,211,000	ATL/GEN
REJECT WORK PARTICIPATION RATE PENALTIES ARTICLE VII	\$3,750,000	ATL/GEN
REJECT EARNED INCOME DISREGARD ARTICLE VII	\$2,736,000	ATL/GEN

## Article VII

The Assembly rejects the Executive’s plan to punish children and spouses by imposing a “Full Family Sanction” on public assistance families in which the head of household is in non-compliance with work requirements.

The Assembly rejects the Executive’s proposal to impose fiscal penalties on local social services districts that fail to meet both Family Assistance and Safety Net mandatory work participation rates.

The Assembly rejects the Executive’s proposal to tie the amount of earned income disregarded when determining benefit eligibility to the length of time a family has been on public assistance.

The Assembly rejects the Executive’s “Strengthening Families through Stronger Fathers” proposal.

The Assembly accepts the Executive’s proposal to transfer Welfare-to-Work Programs from the Department of Labor to the Office of Temporary and Disability Assistance.

# NEW YORK STATE HIGHER EDUCATION SERVICES CORPORATION

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
Special Revenue-Other	100,618,000	103,307,000	103,307,000	0
Special Revenue-Federal	7,210,000	5,000,000	5,000,000	0
<b>Total for STATE OPERATIONS</b>	<b>107,828,000</b>	<b>108,307,000</b>	<b>108,307,000</b>	<b>0</b>
<b>AID TO LOCALITIES</b>				
General Fund	944,898,000	773,615,000	931,294,000	157,679,000
Special Revenue-Other	4,000,000	18,630,000	18,630,000	0
Special Revenue-Federal	5,216,000	7,000,000	7,000,000	0
<b>Total for AID TO LOCALITIES</b>	<b>954,114,000</b>	<b>799,245,000</b>	<b>956,924,000</b>	<b>157,679,000</b>

## Executive Year-to-Year Change

The Executive recommends All Funds appropriations of \$907,552,000, reflecting a net decrease of \$154,390,000 from State Fiscal Year 2004-05. This decrease is made up of a General Fund reduction of \$171,283,000, an 18.1 percent change, a Special Revenue Fund-Federal reduction of \$426,000, and a Special Revenue Fund-Other increase of \$17,319,000.

## Legislative Changes

The Assembly rejects the Executive Proposal to restructure the Tuition Assistance Program (TAP). Included within the Executive Proposal was authorization to create a TAP Loan Program for students who would exhaust their Federal Student Loan eligibility due to the increased tuition burdens the Executive Proposal would place on them. In rejecting the Executive Proposal for TAP, the Assembly recommends the following savings:

DENY THE CREATION OF A TAP LOAN PROGRAM	-\$6,000,000	ATL/GEN
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## Legislative Proposals

The Assembly proposes an addition of \$163,679,000 to the Tuition Assistance Program (TAP), reflecting a rejection of the Executive's proposed 50 percent deferral of awards for students first becoming eligible for TAP in the 2005-06 academic year. The Assembly also rejects the additional restructuring proposals that deny eligibility to students in default of Federal student loans, require colleges to certify full-time attendance and eligibility of students in order to receive TAP funding, and deny TAP eligibility to students that do not meet new academic progress and academic good standing criteria.

TUITION ASSISTANCE PROGRAM	\$163,679,000	ATL/GEN
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## **Article VII**

The Assembly rejects the following proposals of the Executive which would have provided statutory authorization to restructure the TAP Program.

The Assembly accepts the Executive Proposal for the creation of the new American Airlines Flight 587 Memorial Scholarships Program and would authorize the administration of the new scholarship program pursuant to a chapter of the laws of 2005.

## DIVISION OF HUMAN RIGHTS

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	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	13,495,000	14,110,000	14,110,000	0
Special Revenue-Other	115,000	140,000	140,000	0
Special Revenue-Federal	4,704,000	4,704,000	4,704,000	0
<b>Total for STATE OPERATIONS</b>	<b>18,314,000</b>	<b>18,954,000</b>	<b>18,954,000</b>	<b>0</b>

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### Executive Year-to-Year Change

The Executive recommends an All Funds appropriation of \$18,954,000, an increase of \$640,000, or 3.5 percent, in State Fiscal Year (SFY) 2005-06, to support a workforce of 203 employees. This increase is primarily due to negotiated salary agreements, and an increase in federal grants that will support anticipated caseload growth.

### Legislative Changes

The Assembly makes no changes to the Executive's proposal.

# DEPARTMENT OF LABOR

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	3,429,000	1,417,000	6,137,000	4,720,000
Special Revenue-Other	303,118,600	313,068,000	129,302,000	(183,766,000)
Special Revenue-Federal	532,751,500	532,074,500	490,688,000	(41,386,500)
Enterprise	4,800,000,000	3,800,000,000	3,800,000,000	0
<b>Total for STATE OPERATIONS</b>	<b>5,639,299,100</b>	<b>4,646,559,500</b>	<b>4,426,127,000</b>	<b>(220,432,500)</b>
<b>AID TO LOCALITIES</b>				
Special Revenue-Other	430,000	0	0	0
Special Revenue-Federal	271,838,000	304,457,000	304,457,000	0
<b>Total for AID TO LOCALITIES</b>	<b>272,268,000</b>	<b>304,457,000</b>	<b>304,457,000</b>	<b>0</b>

## Executive Year-to-Year Change

The Executive requests All Funds appropriations totaling \$4,951,016,500 in State Fiscal Year (SFY) 2005-06. This represents a decrease of \$960,550,600 or approximately 16.2 percent from the SFY 2004-05 level, due primarily to a decrease in Enterprise Funds.

## Legislative Changes

The Assembly rejects the Executive proposal to transfer the Vocational Rehabilitation component of Vocational and Educational Services for Individuals with Disabilities (VESID) to the Department of Labor (DOL) from the State Education Department (SED). The Assembly also denies the Executive proposal to merge the Workers' Compensation Board into DOL. As a result of these recommendations, the Assembly proposes the following savings for the Department of Labor:

WORKERS' COMPENSATION PROGRAM	-\$72,558,000	ST/SRO
WORKERS' COMPENSATION PROGRAM	-\$66,621,000	ST/SRO
WORKERS' COMPENSATION SYSTEMS MODERNIZATION	-\$32,152,000	ST/SRO
DENIAL OF VESID TRANSFER FROM SED TO DOL	-\$23,335,000	ST/SRF
DENIAL OF VESID TRANSFER FROM SED TO DOL	-\$21,351,500	ST/SRF
WORKERS' COMPENSATION SYSTEMS MODERNIZATION	-\$4,646,000	ST/SRO
WORKERS' COMPENSATION DISABILITY BENEFITS FUND	-\$3,856,000	ST/SRO
WORKERS' COMPENSATION DISABILITY BENEFITS FUND	-\$3,660,000	ST/SRO
WORKERS' COMPENSATION PROGRAM	-\$703,000	ST/SRO

## Legislative Proposals

The Assembly rejects the Executive's proposal to establish the State Labor Relations Board (SLRB), as a result of merging the State Employment Relations Board (SERB), currently housed within the Department of Labor (DOL) and the Public Employment Relations Board (PERB). The Assembly fully restores SERB funding in DOL at \$1,720,000.

The Assembly also restores funding in DOL for the Displaced Homemaker program at \$3,300,000.



The Assembly rejects the Executive's proposal to eliminate the Hazard Abatement Board and the Capital Abatement Program within the Board, and the transfer of all other functions of the Board to the Compliance Assistance unit in DOL. The Assembly fully restores funding for the Capital Abatement Program at \$430,000.

The Assembly also provides \$3,000,000 in funding for various other labor-related programs and initiatives.

DISPLACED HOMEMAKER	\$3,300,000	ST/SRF
VARIOUS LABOR PROGRAMS	\$3,000,000	ST/GEN
STATE EMPLOYMENT RELATIONS BOARD (SERB)	\$1,720,000	ST/GEN
HAZARD ABATEMENT BOARD RESTORATION	\$430,000	ST/SRO

## Article VII

The Assembly rejects the Executive proposal to transfer the Vocational Rehabilitation component of Vocational and Educational Services for Individuals with Disabilities (VESID) to DOL from SED.

The Assembly rejects the Executive proposal to merge the Workers' Compensation Board into DOL.

The Assembly rejects the Executive proposal to eliminate the Hazard Abatement Board and transfer its functions to a new Compliance Assistance unit.

The Assembly rejects the Executive proposal to eliminate boards and councils including the State Unemployment Insurance Advisory Council, Asbestos Advisory Board, Public Work Advisory Board, and Minimum Wage Standards for Farm Workers Advisory Council, and the Laser Operating Examination Board.

The Assembly rejects the Executive proposal for the creation of the Worker Protection License, Certificate Permit Processing and Collections Unit.

The Assembly accepts the Executive proposal to transfer the Welfare to Work (WTW) program from DOL to the Office of Temporary and Disability Assistance.

## OFFICE OF REAL PROPERTY SERVICES

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	2,672,000	0	0	0
Special Revenue-Other	38,695,200	44,750,700	44,750,700	0
<b>Total for STATE OPERATIONS</b>	<b>41,367,200</b>	<b>44,750,700</b>	<b>44,750,700</b>	<b>0</b>
<b>AID TO LOCALITIES</b>				
General Fund	23,044,000	21,197,000	21,197,000	0
<b>Total for AID TO LOCALITIES</b>	<b>23,044,000</b>	<b>21,197,000</b>	<b>21,197,000</b>	<b>0</b>

### Executive Year-to-Year Change

The Executive requests \$65,947,700 for State Fiscal Year (SFY) 2005-06, an increase of \$1,536,500 or 2.4 percent from SFY 2004-05. The fee increase for recording real property transfers approved by the Legislature during SFY 2004-05 provided sufficient funds for ORPS to become independent from General Fund support for the agency's operations. The Executive's recommendation includes the following changes: a \$1,500,000 decrease for local STAR administration to reflect reduced workload; a \$1,700,000 increase for financial assistance for assessment improvement to meet projected reassessment programs; and \$3,000,000 for reimbursements to local governments for their revenue losses under the Rail Infrastructure Act of 2002.

### Legislative Changes

The Assembly makes no changes to the Executive's proposal.

# STATE UNIVERSITY OF NEW YORK

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	1,768,215,000	1,794,180,000	1,884,400,000	90,220,000
Special Revenue-Other	3,523,442,900	3,731,184,000	3,646,884,000	(84,300,000)
Special Revenue-Federal	200,550,000	200,500,000	200,500,000	0
Internal Service Fund	11,000,000	12,000,000	12,000,000	0
<b>Total for STATE OPERATIONS</b>	<b>5,503,207,900</b>	<b>5,737,864,000</b>	<b>5,743,784,000</b>	<b>5,920,000</b>
<b>AID TO LOCALITIES</b>				
General Fund	370,400,000	373,066,000	385,164,000	12,098,000
<b>Total for AID TO LOCALITIES</b>	<b>370,400,000</b>	<b>373,066,000</b>	<b>385,164,000</b>	<b>12,098,000</b>
<b>CAPITAL PROJECTS</b>				
Capital Projects Fund - Bondable	1,784,293,000	234,400,000	423,157,000	188,757,000
<b>Total for CAPITAL PROJECTS</b>	<b>1,784,293,000</b>	<b>234,400,000</b>	<b>423,157,000</b>	<b>188,757,000</b>

## Executive Year-to-Year Change

General Fund appropriations for the State University of New York (SUNY) increased by \$28,631,000 in the Executive proposal due to an increase in fringe benefits offset by a decrease in operating support of \$84,899,000. The Executive proposed a \$207,741,100 increase in Special Revenue-Other Funds primarily composed of increased appropriation authority to support an across the board tuition increase of \$500 for full-time students enrolled at State operated campuses. In the Executive proposal, Special Revenue-Federal Funds decreased by \$50,000, and Capital Project appropriations decreased by \$1,549,893,000 from State Fiscal Year (SFY) 2004-05 to SFY 2005-06. Internal Service Fund Appropriations increase by \$1,000,000.

## Legislative Changes

The Assembly rejects the Executive's proposal to increase tuition by \$500 from \$4,350 to \$4,850 for resident students enrolled full time at SUNY State operated campuses and provides a restoration of \$84,300,000 in State General Fund support for SUNY State operated campuses to offset an equal reduction of \$84,300,000 in the State University General Revenue Offset Account that results from a reduction in tuition revenues generated at SUNY State operated campuses.

The Assembly denies funding for the Executive proposal for a new Partnership to Accelerate Completion Time (PACT) Program at both SUNY State operated campuses and SUNY Community Colleges. This results in \$2,508,000 in savings in SFY 2005-06.

In addition, the Assembly rejects the Executive proposal to increase the operating budget of the SUNY Central Administration for savings of \$907,000.

REJECT EXECUTIVE PROPOSED \$500 SUNY TUITION INCREASE	-\$84,300,000	ST/SRO
REJECT ASML RESEARCH CENTER - SUNY ALBANY	-\$75,000,000	CAPITAL
REJECT EXECUTIVE PROPOSAL FOR SUNY SYSTEMWIDE PRIORITIES	-\$50,000,000	CAPITAL
REJECT PACT PROGRAM AT SUNY COMMUNITY COLLEGES	-\$1,969,000	ATL/GEN
REJECT PACT PROGRAM AT STATE OPERATED CAMPUSES	-\$1,473,000	ST/GEN
REJECT PROPOSED INCREASE TO SUNY CENTRAL ADMINISTRATION	-\$907,000	ST/GEN

## Legislative Proposals

The Assembly provides \$8,300,000 for the Educational Opportunity Program, reflecting a restoration of the Executive's proposal to reduce program funding in SFY 2005-06 and the restoration of program funding vetoed by the Governor in SFY 2004-05. The Assembly rejects the Executive's proposed \$500 tuition increase for full-time students enrolled at SUNY State operated campuses and provides an additional \$84,300,000 in State support for SUNY operations.

For SUNY Community Colleges, the Assembly provides \$18,755,000 for an increase to Base Aid of \$115 per Full-Time Equivalent (FTE) student, returning State support for SUNY Community Colleges to the 2004-05 enacted level of \$2,350 per FTE, the level enacted prior to the 2004-05 Executive veto.

The Assembly also provides an additional \$313,757,000 in capital project appropriations. This appropriation supports an additional year for the SUNY multi-year capital plan and includes the following projects enacted by the Legislature in SFY 2004-05 but vetoed by the Governor:

CAMPUS	PROJECT DESCRIPTION	AMOUNT
Albany	Nanotechnology Consortium (Invent)	\$75,000,000
Albany	Life Sciences Building	\$8,000,000
Binghamton University	Science & Engineering Building Design & Planning	\$7,000,000
Brooklyn HSC	Incubator Phase III	\$3,000,000
Brooklyn HSC	Brooklyn Army Terminal Incubator	\$12,000,000
Canton	Nevaldine Hall Renovation	\$6,000,000
Cornell	ILR Faculty Wing Restoration	\$3,000,000
Educational Opportunity Centers	New Facilities in Rochester & Buffalo	\$24,000,000
Environmental Science & Forestry	Bio Fuel Initiative	\$500,000
Environmental Science & Forestry	Distance Learning Project	\$3,150,000
Erie Community College	Industrial Refrigeration and Tech Center	\$300,000
Erie Community College	Convert to Lab Space for Classes	\$15,000
Farmingdale	Baseball Stadium Complex	\$1,000,000
Farmingdale	Library and Roof Renovation	\$1,500,000
Fashion Institute of Technology	New Bill Blass Center for Innovative Design	\$200,000
Finger Lakes Community College	Auditorium Performing Arts	\$1,000,000
Fredonia	Business Incubator	\$3,000,000
Hudson Valley Community College	Facility Planning and Design	\$500,000
Maritime	Renovation of Gym and Athletic Field Lights	\$700,000
Morrisville	Automotive Performance Center Rehabilitation	\$2,500,000
Morrisville	Equine Facility	\$1,500,000
New Paltz	Student Union	\$10,000,000
Oneonta	Fine Arts Building	\$8,000,000
Onondaga Community College	Various Capital Construction Projects	\$7,932,000
Orange County Community College	Master Plan	\$809,000
Oswego	Renovate TV and Radio Facility	\$875,000
Plattsburgh	Emergency Power and Electrical System	\$3,000,000
Potsdam	Co-generation Facility Project	\$8,000,000
Purchase	Campus Central Plaza Improvements	\$15,000,000
Schenectady County Community College	Workforce Training Facilities	\$555,000
Stonybrook	Computational Neuroscience Facility	\$22,200,000
Stonybrook	Athletic Equipment	\$1,500,000
Stonybrook	Student recreation center	\$19,500,000
SUNY Systemwide	High Tech Portal	\$2,500,000
Utica-Rome	Auxiliary Services Building	\$13,600,000

Tompkins Cortland Community College	Athletic Facility Renovation/Master Plan	\$10,600,000
Ulster Community College	Microbiology lab	\$286,000
University at Buffalo	School of Engineering Facility - Phase 1	\$25,000,000
Westchester Community College	Technology Building Renovation	\$7,048,500
Westchester Community College	Classroom Building Renovation	\$1,447,500
Westchester Community College	Academic Arts Building Renovation	\$2,039,000
<b>TOTAL</b>		<b>\$313,757,000</b>

ADDITIONAL SUNY CAPITAL PROJECTS	\$313,757,000	CAPITAL
SUNY STATE OPERATED CAMPUSES - OPERATING AID RESTORATION	\$84,300,000	ST/GEN
SUNY COMMUNITY COLLEGE BASE AID RESTORATION	\$14,067,000	ATL/GEN
EDUCATIONAL OPPORTUNITY PROGRAM RESTORATION	\$8,300,000	ST/GEN

## Article VII

The Assembly rejects the Executive proposal to provide the SUNY Board of Trustees with the authorization to privatize the SUNY Health Science Centers (HSC).

The Assembly rejects the entire Executive proposal to authorize the SUNY Board of Trustees to establish a differential tuition policy, and to authorize annual incremental tuition increases for incoming students.

The Assembly rejects the Executive proposal for statutory authorization for the creation of the PACT program at SUNY State operated and Community Colleges.

# STATE UNIVERSITY CONSTRUCTION FUND

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	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<hr/>				
<b>STATE OPERATIONS</b>				
Special Revenue-Other	12,707,000	14,533,000	14,533,000	0
<b>Total for STATE OPERATIONS</b>	<b>12,707,000</b>	<b>14,533,000</b>	<b>14,533,000</b>	<b>0</b>

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## Executive Year-to-Year Change

In State Fiscal Year (SFY) 2005-06, the Executive provides a \$1,826,000, or 14.4 percent, increase in Special Revenue-Other Funds for the State University Construction Fund.

## Legislative Changes

The Assembly makes no changes to the Executive's proposal.

# OFFICE OF WELFARE INSPECTOR GENERAL

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	736,000	730,000	0	(730,000)
Special Revenue-Other	370,000	400,000	1,130,000	730,000
<b>Total for STATE OPERATIONS</b>	<b>1,106,000</b>	<b>1,130,000</b>	<b>1,130,000</b>	<b>0</b>

## Executive Year-to-Year Change

The Executive proposes an All Funds appropriation totaling \$1,130,000, representing an increase of \$24,000 or 2.2 percent over SFY 2004-05 levels.

## Legislative Changes

The Assembly proposes shifting \$730,000 in spending from the General Fund to the Special Revenue Fund, while keeping the total Agency appropriation stable at \$1,130,000.

DECREASE GENERAL FUND APPROPRIATION	-\$730,000	ST/GEN
INCREASE SPECIAL REVENUE APPROPRIATION	\$730,000	ST/SRO

## MISCELLANEOUS: EDUCATION, LABOR & FAMILY ASSISTANCE

	Adjusted Appropriation 2004-05	Executive Request 2005-06	Legislative Appropriation 2005-06	Change
<b>STATE OPERATIONS</b>				
General Fund	332,000	2,332,000	332,000	(2,000,000)
Special Revenue-Other	723,000	734,000	734,000	0
Special Revenue-Federal	30,000,000	30,000,000	30,000,000	0
<b>Total for STATE OPERATIONS</b>	<b>31,055,000</b>	<b>33,066,000</b>	<b>31,066,000</b>	<b>(2,000,000)</b>
National and Community Service				
General Fund	332,000	332,000	332,000	0
Special Revenue-Federal	30,000,000	30,000,000	30,000,000	0
Total for Program	30,332,000	30,332,000	30,332,000	0
Educational Accountability & Efficiency, Office of				
General Fund	0	2,000,000	0	(2,000,000)
Total for Program	0	2,000,000	0	(2,000,000)
Misc. Higher Ed.				
Special Revenue-Other	723,000	734,000	734,000	0
Total for Program	723,000	734,000	734,000	0
<b>CAPITAL PROJECTS</b>				
Capital Projects Fund - Authority Bonds	0	250,000,000	300,000,000	50,000,000
<b>Total for CAPITAL PROJECTS</b>	<b>0</b>	<b>250,000,000</b>	<b>300,000,000</b>	<b>50,000,000</b>
Higher Education Facilities Capital Matching Grants Program				
Capital Projects Fund - Authority Bonds	0	250,000,000	300,000,000	50,000,000
Total for Program	0	250,000,000	300,000,000	50,000,000

### Legislative Changes

The Assembly rejects the \$2,000,000 in funding for the creation of the Office of Educational Accountability and Efficiency. The Assembly plan instead provides for enhanced school audits conducted by the Office of the State Comptroller.

ELIMINATE FUNDING FOR OFFICE OF EDUCATIONAL ACCOUNTABILITY &  
EFFICIENCY

-\$2,000,000      ST/GEN

### Legislative Proposals

The Assembly provides an additional \$50,000,000 for the Higher Education Capital Facilities Matching Grant Program. The Assembly rejects the Executive proposal to alter the manner in which the program is administered and provides for the administration of the program to be governed by statutory authorization enacted in State Fiscal Year 2004-05. Of



the amounts provided, independent colleges and universities will be eligible to receive \$150,000,000 and public colleges and universities, SUNY and CUNY, will also be eligible to receive \$150,000,000 in capital project support.

HIGHER EDUCATION FACILITIES CAPITAL MATCHING GRANTS PROGRAM	\$50,000,000	CAPITAL
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