

**TRANSPORTATION,
ECONOMIC
DEVELOPMENT &
ENVIRONMENTAL
CONSERVATION**

**Summary of Recommended Appropriations
By Agency**

ADIRONDACK PARK AGENCY

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	5,457,000	5,119,000	(338,000)	-6.2%
Special Revenue-Federal	700,000	700,000	0	0.0%
Capital Projects Fund	0	500,000	500,000	--
Total for AGENCY SUMMARY:	6,157,000	6,319,000	162,000	2.6%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
General Fund:	69	59	(10)
TOTAL:	69	59	(10)

Agency Mission

(Executive Budget: pp. 167-169)

The Adirondack Park Agency (APA) is charged with insuring the optimum overall protection, development and use of the unique scenic, aesthetic, wildlife, recreational, open space, ecological and natural resources of the Adirondack Park. The APA is responsible for the administration of the Adirondack Park State Land Master Plan and the Adirondack Park Land Use and Development Plan. The APA administers the State's Wild Scenic and Recreational River System, operates two Visitor Interpretive Centers, and helps local governments develop land use plans consistent with the State Land Master Plan.

This agency is included in the Transportation, Economic Development and Environmental Conservation appropriations bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- The closure of two Visitor Interpretive Centers in Newcomb, Essex County and near Paul Smith's College in Franklin County in January of 2011.

Budget Detail

The Executive proposes an All Funds appropriation of \$6,319,000, an increase of \$162,000 or 2.6 percent over the SFY 2009-10 level. The Executive recommends funding support of 59 full-time equivalent positions, a decrease of ten positions.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$5,819,000, a decrease of \$338,000 or 5.5 percent from the SFY 2009-10 level. This reflects the closure of two Visitor Interpretive Centers, which will result in eight layoffs, as well as the continuation of across-the-board reductions.

Capital Projects

The Executive proposes an overall capital appropriation of \$500,000, an increase of \$500,000 or 100 percent from the SFY 2009-10 level. This is a dry appropriation that would allow the APA to utilize gift or grant money.

DEPARTMENT OF AGRICULTURE AND MARKETS

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	55,054,000	40,789,000	(14,265,000)	-25.9%
Special Revenue-Other	48,224,000	47,257,000	(967,000)	-2.0%
Special Revenue-Federal	49,644,000	49,644,000	0	0.0%
Enterprise	24,361,000	21,361,000	(3,000,000)	-12.3%
Misc. Capital Projects	2,000,000	2,000,000	0	0.0%
Fiduciary	1,836,000	1,836,000	0	0.0%
Capital Projects Fund	1,750,000	1,750,000	0	0.0%
Total for AGENCY SUMMARY:	182,869,000	164,637,000	(18,232,000)	-10.0%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
General Fund:	343	300	(43)
All Other Funds:	240	243	3
TOTAL:	583	543	(40)

Agency Mission

(Executive Budget: pp. 171-175)

The Department of Agriculture and Markets is charged with fostering a competitive and safe New York food and agricultural industry. Its major responsibilities include: encouraging the growth and prosperity of the State's agricultural and food industry; conducting various inspection and testing programs to enforce laws on food safety, and animal and plant health; and accuracy in labeling. The Department also acts to preserve the use of agricultural resources, to improve soil and water quality, and to operate the annual State Fair.

This Department is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- Additional funding in the amount of \$1,500,000 for the Cornell Diagnostic Laboratory.
- A reduction in local assistance funding by \$7,731,000.
- Discontinuation of the Department's role in the grading of farm products for quality and potential price.
- A reduction in kosher enforcement staffing.
- Elimination of the State's role in dog licensing while diverting its share of licensing revenue to municipalities.

Budget Detail

The Executive proposes an All Funds appropriation of \$164,637,000, a decrease of \$18,232,000 or 10 percent from the SFY 2009-10 level. The Executive recommends funding support of 543 full-time equivalent (FTE) positions, a decrease of 40 positions.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$127,584,000, a decrease of \$9,643,000 or seven percent from the SFY 2009-10 level. This is primarily the result of across-the-board reductions as well as staff layoffs.

Proposed Decreases

The Executive proposes:

- a reduction of 20 positions or \$430,000 associated with the discontinuation of farm products grading;
- a reduction of eight positions or \$117,000 associated with kosher enforcement;
- a reduction of five positions or \$157,000 due to dog licensing reform; and
- a \$3,000,000 reduction in the appropriation for the State Fair.

Aid to Localities

The Executive proposes an All Funds Aid to Localities appropriation of \$33,303,000, a decrease of \$8,589,000 or 20.5 percent from the SFY 2009-10 level. This is primarily the result of a \$7,731,000 reduction to local assistance programs.

Proposed Increases

The Executive proposes:

- an increase of \$1,500,000 for the Cornell Diagnostic Laboratory, bringing the total appropriation to \$3,750,000..

Proposed Decreases

The Executive proposes:

- the elimination of 3,242,000 in funding for the Farm Viability Institute;
- the elimination of \$453,000 in funding for local fairs;
- the elimination of \$951,000 in funding for the Wine and Grape Foundation;
- the elimination of \$376,000 in funding for the Center for Dairy Excellence; and
- the elimination of \$250,000 in funding for the Cornell Rabies program.

Capital Projects

The Executive proposes capital appropriations of \$3,750,000, thereby maintaining the SFY 2009-10 level. These appropriations will be used to maintain and repair the State Fair's 19 major buildings and other structures as well as continue support for the development of private partnerships at the Fair.

Article VII

The Executive recommends Article VII legislation that would:

- eliminate the State's role in dog licensing while allowing municipalities more flexibility in maintaining their own licensing programs.

BANKING DEPARTMENT

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
Special Revenue-Other	107,210,000	106,044,000	(1,166,000)	-1.1%
Special Revenue-Federal	0	1,000,000	1,000,000	--
Total for AGENCY SUMMARY:	107,210,000	107,044,000	(166,000)	-0.2%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
All Other Funds:	555	555	0
TOTAL:	555	555	0

Agency Mission

(Executive Budget: pp. 177-180)

The New York State Banking Department is charged with overseeing and monitoring the banking industry and approximately 3,600 State chartered banking institutions for the benefit of balancing the interests of New York State consumers, businesses, and the banking industry as a whole. Responsibilities include regulation of New York State banking companies and their products, monitoring the financial stability of such institutions and ensuring compliance with banking laws and regulations.

This Department is included in the Transportation, Economic Development, and Environmental Conservation appropriation bill.

Budget Detail

The Executive recommends an All Funds appropriation of \$107,044,000 for the Banking Department for State Fiscal Year (SFY) 2010-11, reflecting a net decrease of \$166,000 from the current State Fiscal Year (SFY) 2009-10 funding level.

The Executive recommends a workforce of 555 full-time equivalent (FTE) funded positions reflecting no change from current year levels.

State Operations

The Executive proposes an appropriation of \$106,194,000 in State Operations funding reflecting an net increase of \$2,584,000 in funding over the current fiscal year.

Proposed Increases

The Executive proposes the following:

- a \$2,233,000 increase in the Regulation program to reflect a movement in funds within the Banking Department to the Regulation program in order to provide greater oversight. This increase includes \$1,000,000 in new Federal funding which is provided for services and expenses of the Holocaust claims processing office;
- a \$206,000 increase in the Analysis and Compliance program to reflect increases in Personal services; and
- A \$595,000 increase in the Administration program to reflect increases in Personal and Non Personal services.

Proposed Decreases

The Executive proposes the following:

- an appropriation of \$50,000, which reflects a \$450,000 decrease in funding for the Settlement account within the Administration program.

Aid to Localities

The Executive proposes an appropriation of \$850,000 which reflects a decrease of \$2,650,000 from the SFY 2009-10 funding level for the Settlement Account, in order to accommodate increases in the Regulation and Analysis and Compliance Programs.

In addition, the Seized Asset Account was reduced from \$150,000 to \$50,000.

Article VII

The Executive proposes a one year extension for major provisions of the 1985 and 1987 Bank Tax reforms, as well as current transitional provisions of the Bank Tax contained within the Revenue Bill.

NYS ENERGY RESEARCH AND DEVELOPMENT AUTHORITY

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
Special Revenue-Other	15,652,874	16,230,000	577,126	3.7%
Capital Projects Fund - Authority Bonds	13,500,000	19,247,000	5,747,000	42.6%
Total for AGENCY SUMMARY:	29,152,874	35,477,000	6,324,126	21.7%

Agency Mission

(Executive Budget: pp. 181-183)

The New York State Energy Research and Development Authority (NYSERDA) is a public benefit corporation responsible for the management of energy research, development and demonstration programs which are funded by assessments on gas and electric utilities. NYSERDA also administers federal grant programs related to energy efficiency, issues tax-exempt bonds on behalf of private energy supply companies for environmental improvements, and carries out the programmatic and regulatory functions of the former State Energy Office. In addition, NYSERDA administers the Systems Benefit Charge (SBC) and manages the former nuclear fuel reprocessing plant at West Valley in Cattaraugus County and Saratoga Technology and Energy Park (STEP) in Saratoga County.

NYSERDA is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- A proposal to finance the Department of Environmental Conservation's (DEC) Climate Change program through assessments on gas and electric corporations.

Budget Detail

The Executive proposes an All Funds appropriation of \$ 35,477,000, an increase of \$6,324,126 or 21.7 percent over the SFY 2009-10 level.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$6,996,000, maintaining funding at the SFY 2009-10 level. This includes authority to suballocate up to \$1,000,000 for the services and expenses of the DEC.

Aid to Localities

The Executive proposes an All Funds Aid to Localities appropriation of \$9,234,000, a restoration of \$577,126 or 6.7 percent to the SFY 2009-10 level. This reflects the restoration of local assistance funding that had been reduced in the 2009-10 Deficit Reduction Plan.

Capital Projects

The Executive proposes \$19,247,000 in capital appropriations for ongoing work at the West Valley Nuclear Fuel Reprocessing Facility, an increase of \$5,747,000 or 42.6 percent from the SFY 2009-10 level. This reflects an increase in Federal spending on the West Valley facility, as NYSERDA's costs are matched nine to one by the Federal contribution.

Article VII

The Executive recommends Article VII legislation that would:

- authorize NYSERDA to make \$913,000 available to the General Fund to offset New York State's debt service requirements related to West Valley; and
- authorize NYSERDA to finance its Research, Development and Demonstration Program and its Policy and Planning Program, as well as the DEC's climate change program with revenues from utility assessments collected pursuant to section 18-a of the Public Service Law.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	144,308,857	124,248,000	(20,060,857)	-13.9%
Special Revenue-Other	282,730,700	265,350,300	(17,380,400)	-6.1%
Special Revenue-Federal	90,000,000	128,419,000	38,419,000	42.7%
Capital Projects Fund	47,084,000	16,834,000	(30,250,000)	-64.2%
Federal Capital Projects Fund	149,250,000	156,700,000	7,450,000	5.0%
Clean Water-Clean Air Implementation Fund	1,050,000	0	(1,050,000)	-100.0%
Environmental Protection Fund	212,000,000	143,000,000	(69,000,000)	-32.5%
Internal Service Fund	60,000	60,000	0	0.0%
Cap Proj Fund - DEC Regular Auth Bonds	12,000,000	12,000,000	0	0.0%
Cap Proj Fund - State Revolving Fund Auth Bonds	29,600,000	29,600,000	0	0.0%
Capital Project Fund - Onondaga Lake (Auth. Bonds)	10,000,000	5,000,000	(5,000,000)	-50.0%
Capital Projects Fund - EQBA 86 Bondable	0	342,000	342,000	--
UnKnown Fund Type	435,000,000	0	(435,000,000)	-100.0%
Hazardous Waste Remedial Fund - Oversight and Assesment	12,250,000	12,250,000	0	0.0%
Hazardous Waste Remedial Fund - Cleanup	120,000,000	120,000,000	0	0.0%
Total for AGENCY SUMMARY:	1,545,333,557	1,013,803,300	(531,530,257)	-34.4%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
General Fund:	1,323	1,152	(171)
All Other Funds:	2,045	2,162	117
TOTAL:	3,368	3,314	(54)

Agency Mission

(Executive Budget: pp. 185-194)

The Department of Environmental Conservation (DEC) is responsible for conserving and improving the State's natural resources and environment, as well as controlling water, land, and air pollution to enhance the health, safety and general welfare of New York State residents. DEC responsibilities also include the administration of a portion of the State's Environmental Protection Fund (EPF) and the Clean Water/Clean Air Bond Act of 1996.

This agency is included in the Transportation, Economic Development, and Environmental Conservation appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- A reduction to the EPF of \$69,000,000, bringing the total appropriation to \$143,000,000. This includes the elimination of funding for open space land acquisition.
- An increase of \$2,465,000 to fund staff for oversight and regulation of natural gas drilling in the Marcellus Shale region.
- A proposal to establish a three percent tax on the fair market value of natural gas extracted from Marcellus or Utica Shale formations.
- Eliminating the sunset on the Waste Tire Management and Recycling Fee and expanding the authorized purposes of the Waste Tire Management and Recycling Fund, which would be renamed the Waste Management and Cleanup Fund.

Budget Detail

The Executive proposes an All Funds appropriation of \$1,013,803,300, a decrease of \$541,530,257 or 34.8 percent from the SFY 2009-10 level. This decrease is primarily the result of the non-reoccurrence of SFY 2009-10 federal stimulus funding for Clean Water projects as well as a substantial reduction in the EPF. The Executive recommends funding support of 3,314 full-time equivalent (FTE) positions, a decrease of 54 positions.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$516,209,400, an increase of \$1,400,600 or 0.3 percent.

Proposed Increases

The Executive proposal includes:

- an increase of \$2,465,000 for 29 FTEs dedicated to the oversight and regulation of activity in the Marcellus Shale formation. Authority is also provided for a total of six FTEs to be suballocated to the Public Service Commission and the Department of Health; and
- a dry appropriation of \$60,000,000 for the restoration of the Great Lakes.

Proposed Decreases

The Executive proposal includes:

- the elimination of \$24,450,000 in one-time federal stimulus funding;
- a reduction of \$19,638,000 from the General Fund for personal service (PS) and non-personal service (NPS); and
- a net reduction of \$17,380,400 from Special Revenue Funds for PS and NPS costs.

Aid to Localities

The Executive proposes an All Funds Aid to Localities appropriation of \$1,867,900, a decrease of \$422,857 or 18.5 percent from the SFY 2009-10 level.

Proposed Decreases

The Executive proposal includes:

- the elimination of \$10,900 in funding for the Ohio River Basin Commission; and
- the elimination of \$411,957 in funding from the Community Projects Fund.

Capital Projects

The Executive recommends capital appropriations totaling \$495,726,000, a reduction of \$532,508,000 or 51.8 percent. This is primarily due to the elimination of \$435,000,000 in Clean Water funding from the federal stimulus funds, as well as a \$69,000,000 reduction to the EPF.

The Executive proposal includes the following capital projects:

- funding of \$5,000,000 in bondable funds for the remediation of Onondaga Lake;

- funding of \$342,000 in funds from the 1986 Environmental Quality Bond Act for landfill closure projects; and
- funding of \$120,000,000 for the State Superfund program to continue the cleanup of inactive hazardous waste sites.

Environmental Protection Fund (EPF)

The Executive proposes \$143,000,000 in appropriations for the EPF, a decrease of \$69,000,000 or 32.6 percent. These appropriations provide funding for high priority environmental projects including farmland preservation, recycling programs, non-point source pollution control and municipal park and waterfront revitalization projects.

The Executive proposes to support the EPF with \$143,000,000 in cash disbursements for SFY 2010-11. The Executive projects an opening balance of \$32,399,000 and a closing balance of \$32,499,000 for the Fund.

The individual SFY 2010-11 appropriations are outlined in the following table:

2010-11 ENVIRONMENTAL PROTECTION FUND

(000's)

	2009-10 Enacted	2010-11 Executive	Change 09-10 v. Executive	Percent Change 09-10 v. Executive
SOLID WASTE				
Landfill Closure/Gas Management	0	700	700	
Municipal Recycling	10,825	8,000	-2,825	-26.10%
Pollution Prevention Institute	2,253	2,250	-3	-0.13%
<i>Green Initiative Institute*</i>	959	600	-359	-37.43%
<i>Intrste Chemicals Clearinghouse*</i>	336	25	-311	-92.56%
Secondary Marketing	1,381	1,100	-281	-20.35%
Natural Resource Damages	431	450	19	4.41%
Pesticide Database	500	575	75	15.00%
BCERF	450	0	-450	-100.00%
Solid Waste	15,840	13,075	-2,765	-17.46%
PARKS & REC				
Waterfront Revitalization	24,021	12,000	-12,021	-50.04%
<i>Inner City/Underserved</i>	9,750	6,000	-3,750	-38.46%
<i>Hudson and Champlain Docks*</i>	700	700	0	0.00%
<i>Buffalo Waterfront*</i>	1,000	500	-500	-50.00%
<i>Niagara River Greenway*</i>	300	300	0	0.00%
Municipal Parks	20,813	12,000	-8,813	-42.34%
<i>Innercity/Underserved</i>	8,490	6,000	-2,490	-29.33%
<i>Olmsted Park*</i>	500	250	-250	-50.00%

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2010-11 ENVIRONMENTAL PROTECTION FUND

(000's)

- continued -

	2009-10 Enacted	2010-11 Executive	Change 09-10 v. Executive	Percent Change 09-10 v. Executive
Hudson River Park (HRP)	6,000	3,000	-3,000	-50.00%
Public Access & Stewardship	5,000	30,000	25,000	500.00%
<i>DEC</i>	5,000	15,000	10,000	200.00%
<i>OPRHP</i>	0	15,000	15,000	
State Park Operations**	0	5,000	5,000	
Hud-Ful-Champ Quadricentennial	450	0	-450	-100.00%
ZBGA	9,000	5,000	-4,000	-44.44%
Parks & Rec	65,284	67,000	1,716	2.63%
OPEN SPACE				
Land Acquisition	58,900	0	-58,900	-100.00%
<i>Land Trust Alliance</i>	1,575	0	-1,575	-100.00%
<i>Urban Forestry</i>	500	0	-500	-100.00%
Land Trust Alliance	0	1,575	1,575	
Urban Forestry	0	500	500	
Taxes - Forest Preserve Lands**	0	5,000	5,000	
Smart Growth	400	400	0	0.00%
Farmland Protection	22,054	10,500	-11,554	-52.39%
Agricultural Waste Management	450	450	0	0.00%
Biodiversity Stewardship	500	500	0	0.00%
<i>Cayuga Island*</i>	100	75	-25	-25.00%
Albany Pine Bush Commission	2,000	2,000	0	0.00%
Invasive Species	4,794	4,800	6	0.13%
<i>Lake George</i>	96	100	4	4.17%
LI Pine Barrens Commission	1,100	1,100	0	0.00%
Oceans & Great Lakes Initiative	5,953	6,000	47	0.79%
Water Quality Improvement Prog	8,900	2,000	-6,900	-77.53%
LI South Shore Estuary Reserve	900	900	0	0.00%
Non-Point Source Poll Cont	17,068	19,000	1,932	11.32%
<i>Agricultural</i>	11,468	14,000	2,532	22.08%
<i>Non-Agricultural</i>	5,600	5,000	-600	-10.71%
Soil & Water Conserv. Dist	3,000	3,000	0	0.00%
Finger Lk-Lk Ontario Watershed	1,151	1,200	49	4.26%
Hudson River Estuary Plan	3,706	4,000	294	7.93%
Open Space	130,876	62,925	-67,951	-51.92%
TOTAL EPF	212,000	143,000	-69,000	-32.55%

* 2009-10 New categories

** 2010-11 New categories

Article VII

The Executive recommends Article VII legislation that would:

- authorize the DEC to establish a waiver process for vehicles that are to be retired on or before December 31, 2013 from the requirement to install best available retrofit pollution control devices;
- eliminate the sunset of the Waste Tire Management and Recycling Fee, expand the authorized purpose of the Waste Tire Management and Recycling Fund and rename the fund the Waste Management and Cleanup Fund;
- modify the DEC's public notice requirements including newspaper publication requirements and web postings, revise certain annual reporting requirements and authorize mutual aid and assistance pursuant to forest fire protection compacts;
- amend the Tax Law to reduce the amount of Real Estate Transfer tax revenue that is deposited into the EPF from \$199,300,000 to \$132,300,000; and
- establish, beginning September 1, 2010, a three percent tax on the fair market value of natural gas extracted from the Marcellus or Utica shale formations using a horizontal drilling process.

ENVIRONMENTAL FACILITIES CORPORATION

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
Special Revenue-Other	13,031,000	12,310,000	(721,000)	-5.5%
Clean Water-Clean Air Implementation Fund	343,000	343,000	0	0.0%
Total for AGENCY SUMMARY:	13,374,000	12,653,000	(721,000)	-5.4%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
All Other Funds:	97	97	0
TOTAL:	97	97	0

Agency Mission

(Executive Budget: pp. 195-198)

The Environmental Facilities Corporation (Corporation) is a public benefit corporation responsible for assisting local governments, State agencies and private businesses in their compliance with State and Federal environmental laws and regulations. The Corporation assists in the design, construction, operation, and financing of air pollution control, drinking water and wastewater treatment, and solid and hazardous waste disposal facilities. The Corporation administers the Clean Water State Revolving Loan Fund which provides interest-free, short-term and low-interest rate, long-term financing to assist in the planning, design and construction of water quality protection projects. The Corporation also jointly administers the Safe Drinking Water State Revolving Loan Fund with the New York State Department of Health.

The Corporation is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Budget Detail

The Executive proposes an All Funds appropriation of \$12,653,000, a decrease of \$721,000 or 5.4 percent from the State Fiscal Year (SFY) 2009-10 level. The Executive recommends funding support of 97 full-time equivalent positions, thereby maintaining the SFY 2009-10 level.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$12,310,000, a decrease of \$721,000 or 5.5 percent from the SFY 2009-10 level.

Proposed Decreases

The Executive proposes:

- A \$721,000 reduction to the State Operations appropriations reflects a salary deferral and the continuation of across-the-board reductions.

Capital Projects

The Executive proposes a capital appropriation of \$343,000, thereby maintaining funding at the SFY 2009-10 level. This appropriation would finance clean water and air quality activities set forth in accordance with the 1996 Clean Water/ Clean Air Bond Act.

HUDSON RIVER PARK TRUST

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
Capital Projects Fund - Advances	7,000,000	0	(7,000,000)	-100.0%
Total for AGENCY SUMMARY:	7,000,000	0	(7,000,000)	-100.0%

Agency Mission

(Executive Budget: pp. 199)

The Hudson River Park Trust (the Trust) is a public benefit corporation that was established to design, develop and maintain the 550-acre, five-mile long Hudson River Park along Manhattan's West Side from Battery Park to 59th Street.

The Trust is included in the Transportation, Economic Development and Environmental Conservation appropriations bill.

Budget Detail

Traditionally, the appropriations for the Trust represent advance payments for New York City's (NYC) share of costs associated with the Park. These advance payments typically serve as a match for previous and/or current year State contributions, which often come from the Environmental Protection Fund (EPF). This year the Executive proposes to eliminate the NYC advance, a reduction of \$7,000,000 from the State Fiscal Year (SFY) 2009-10 level, while funding the Trust with \$3,000,000 in EPF appropriations.

Capital Projects

The Executive proposes to eliminate the capital appropriation for the Trust, which would have represented a NYC advance, for a reduction of \$7,000,000 from the SFY 2009-10 level.

INSURANCE DEPARTMENT

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	81,544,000	51,792,000	(29,752,000)	-36.5%
Special Revenue-Other	452,692,826	450,340,555	(2,352,271)	-0.5%
Special Revenue-Federal	150,000	0	(150,000)	-100.0%
Total for AGENCY SUMMARY:	534,386,826	502,132,555	(32,254,271)	-6.0%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
General Fund:	11	11	0
All Other Funds:	911	981	70
TOTAL:	922	992	70

Agency Mission

(Executive Budget: pp. 201-204)

The Insurance Department oversees and monitors the insurance industry to balance the interests of New York State consumers, companies and producers. The Department's responsibilities include approving formations, consolidations, and mergers of New York State insurance companies; all new insurance products; monitoring financial stability; ensuring compliance with insurance laws and regulations through enforcement, education, testing, and licensing of insurance employees; and commencing disciplinary actions against firms and employees that violate such laws. The Department receives its operating revenue primarily from assessments levied on the insurance industry.

The Department is included in the Transportation, Economic Development, and Environmental Conservation appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- A reduction in funding for the Timothy's Law Small Business Subsidy program to bring total program spending to \$50 million per year.
- A reinstatement of the Insurance Department's responsibility to provide prior approval for any health insurance premium increase.

Budget Detail

The Executive proposes an All Funds appropriation of \$502,132,555, a decrease of \$32,254,271 or 6.0 percent from SFY 2009-10 levels. The Executive recommendation includes funding to support 992 full-time Equivalent (FTE) positions, an increase of 70 FTE positions over SFY 2009-10 levels, including the addition of 60 FTE positions associated with the hiring of three new classes of insurance examiner trainees and 10 FTE positions associated with the Executive's proposal to require Insurance Department approval for health insurance rate increases.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$230,564,000, a decrease of \$533,445 from SFY 2009-10 funding levels.

Proposed Increases

The Executive proposal includes:

- a net increase of \$7,239,087 related to personal service and non-personal service for the Regulation program;
- a net increase of \$2,073,511 related to personal service and non-personal service for the Administration program; and
- a net increase of \$1,178,688 related to personal service and non-personal service for the Consumer Services program;

Proposed Decreases

The Executive proposal includes:

- a reduction of \$10,865,711 in Maintenance Undistributed appropriations to reflect actual spending in programs that are presently sub-allocated to other State agencies;
- a reduction of \$150,000 related to the Feasibility Risk Pool Study; and
- a reduction of \$9,000 related to personal service for the administration of the Timothy's Law Program.

Aid to Localities

The Executive proposes an All Funds-Aid to Localities appropriation of \$271,566,000, a decrease of \$31,720,826, or 10.5 percent from SFY 2009-10 funding levels.

Proposed Decreases

The Executive proposal includes:

- a decrease of \$29,743,000 in support for the Timothy's law Small Business Subsidy program, which reduces total funding for the program to \$50,000,000; and
- a decrease of \$1,977,826 in Maintenance Undistributed appropriations to reflect actual spending in programs that are sub-allocated to other State agencies.

Article VII

The Executive recommends Article VII legislation that would reinstitute Insurance Department prior approval of health insurance premium increases. This proposal is projected to generate \$70 million in State savings in SFY 2010-100, achieved by reducing the number of persons who shift to public insurance programs when employer-sponsored programs become unaffordable.

JOB DEVELOPMENT CORPORATION

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	66,268,000	73,441,000	7,173,000	10.8%
Special Revenue-Other	4,570,000	3,765,000	(805,000)	-17.6%
Special Revenue-Federal	1,000,000	1,000,000	0	0.0%
Capital Projects Fund - Authority Bonds	100,000,000	25,000,000	(75,000,000)	-75.0%
Total for AGENCY SUMMARY:	171,838,000	103,206,000	(68,632,000)	-39.9%

Agency Mission

(Executive Budget: pp. 224-254)

The Executive proposes to create a new hybrid agency which will assume the responsibilities and administer the programs of the Empire State Development Corporation (ESDC) – formerly the Urban Development Corporation – and the Department of Economic Development (DED). Named the New York State Job Development Corporation (JDC), this new entity would centralize current economic development efforts to promote growth in New York State.

This agency is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2010-11 Executive Budget includes the following:

- The consolidation of the ESDC and DED into the JDC, which will provide administrative savings of \$4,700,000.
- A multi-agency Capital Reduction Program intended to achieve \$317,000,000 in projected spending reductions over a five-year period.
- Funding of \$25,000,000 for the Small Business Revolving Loan Fund.
- Funding of \$25,000,000 for the New Technology Seed Fund.

Budget Detail

The Executive proposes an All Funds appropriation of \$103,206,000, a decrease of \$68,632,000 or 39.9 percent from the SFY 2009-10 level due to the merger of ESDC and DED. The Executive recommends funding support of 406 full time equivalent (FTE) positions, which is consistent with SFY 2009-10 levels prior to the merger.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$4,765,000, a decrease of \$33,700,000 or 87.6 percent from the SFY 2009-10 level due to lower administrative costs from the merger.

Aid to Localities

The Executive proposes an All Funds Aid to Localities appropriation of \$73,441,000, an increase of \$40,068,000 or 120.1 percent above the SFY 2009-10 level. The Executive Proposal maintains funding for the following programs transferred from ESDC at the same level as SFY 2009-10:

- funding of \$6,180,000 for the Empire State Economic Development Fund;
- funding of \$3,404,000 for the Urban and Community Development program in economically distressed areas;
- funding of \$2,940,000 for the retention of football in Western New York;
- funding of \$980,000 for the University at Buffalo's Krabbe Disease Research Institute;
- funding of \$980,000 for the University at Albany's Institute for Nanoelectronics Discovery and Exploration (INDEX); and
- funding of \$490,000 for the Entrepreneurial Assistance Program.

Proposed Increases

The Executive proposes transferring programs and activities related to the promotion of International Trade from DED and increasing funding by \$1,207,000 to \$2,707,000 from the SFY 2009-10 level.

The Executive also proposes the following increases:

- an appropriation of \$25,000,000 to create the new Small Business Revolving Loan Fund;

- an increase of \$14,222,000 in administrative spending, from \$2,518,000 in SFY 2009-10 to \$16,740,000 in SFY 2010-11, relating to the merger of ESDC and DED; and
- an increase of \$2,769,000 in the Minority and Women-owned Business Development and Lending program, from \$635,000 in SFY 2009-10 to \$3,404,000 in SFY 2010-11.

Proposed Decreases

The Executive Proposal decreases funding for the following program transferred from DED:

- a \$3,550,000 total decrease to tourism promotion efforts, which includes the I Love New York program, Local Tourism Matching Grants program, and the Explore New York program. The aggregate total of these programs from SFY 2009-10 was \$14,160,000, and funding is proposed under one appropriation at \$10,610,000 for three programs in SFY 2010-11.
- a decrease of \$1,274,000 due to the elimination of additional support for the Entrepreneurial Assistance Program (EAP);
- a decrease of \$196,000 due to the elimination of Gateway Information Center at Beekmantown, New York; and
- a \$196,000 decrease from the elimination of Gateway Information Center at Binghamton, New York.

Capital Projects

The Executive recommends a \$25,000,000 appropriation for new Capital projects reflecting a decrease of \$75,000,000 from the SFY 2009-10 Budget. This funding is designated for the Empire State Economic Development Fund and remains at the SFY 2009-10 level.

Article VII

The Executive recommends Article VII legislation that would:

- consolidate the ESDC and DED into the new JDC;
- establish a new Small Business Revolving Loan Fund;
- establish the New Technology Seed Fund;
- make permanent the general loan powers of the ESDC;

- make technical corrections to Chapter 57 of the Laws of 2009 clarifying legislative intent for Empire Zone decertification;
- establish a new Excelsior Jobs Program, which is designed to replace the current Empire Zone Program that is set to expire June 30, 2010; and
- authorize contributions from ESDC to the New York City Empowerment Zones, the New Technology Seed Fund, and Governors Island.

DIVISION OF THE LOTTERY

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
Special Revenue-Other	117,552,101	95,310,700	(22,241,401)	-18.9%
Total for AGENCY SUMMARY:	117,552,101	95,310,700	(22,241,401)	-18.9%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
All Other Funds:	329	329	0
TOTAL:	329	329	0

Agency Mission

(Executive Budget: pp. 211-213)

The Division of Lottery (DOL) is an independent unit of the Department of Taxation and Finance. DOL is responsible for the administration and operational logistics of New York State Lottery games and video lottery terminals (VLTs), which operate to raise revenue for the support of education.

This agency is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Budget Detail

The Executive recommends an All Funds appropriation of \$95,310,700, a decrease of \$22,241,401 or 18.9 percent over the State Fiscal Year (SFY) 2009-10 level. The Executive recommends funding support of 329 full-time equivalent (FTE) positions, the staffing level remains at the SFY 2009-10 level and reflects the impact of the state-wide hiring freeze.

State Operations

Proposed Decreases

The Executive proposes the following:

- an appropriation of \$84,476,800 for the administration of the Lottery Program. The appropriation represents a decrease of \$21,665,213, or 20.4 percent from SFY 2009-10. This represents a \$711,997, or 3.4 percent reduction in personal service funds and \$20,953,216, or 21.8 percent reduction in non-personal funds. The reduction in non-personal services is related to DOL securing a new telecommunications contract as well as contract services related to upgrading the lottery terminals; and.
- an appropriation of \$10,833,900 for the administration of the Video Lottery Terminal Program. This appropriation represent a decrease of \$576,188 or 5.0 percent from SFY 2009-10. This represents a \$726,809, or 8.2 percent reduction in non-personal service funds and a modest increase in personal service funding of 150,621 or 6.0 percent from SFY 2009-10.

Article VII

The Executive recommends Article VII legislation that would:

- eliminate the sunset date and hour restriction for Video Lottery Terminal gaming operations. The Division of Lottery would determine the hours of operation for each VLT facility. The Executive estimates this will generate an additional \$45,000,000 in 2010-11 and thereafter; and,
- eliminate the sunset date and the facility restriction related to the game "Quick Draw". The Executive estimates this will generate an additional \$33,000,000 in 2010-11 and \$54,000,000 in SFY 2011-12.

DEPARTMENT OF MOTOR VEHICLES

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
Special Revenue-Other	93,202,000	89,850,000	(3,352,000)	-3.6%
Special Revenue-Federal	35,400,000	36,800,000	1,400,000	4.0%
Dedicated Highway and Bridge Trust Fund	220,435,000	217,842,000	(2,593,000)	-1.2%
Internal Service Fund	10,500,000	11,500,000	1,000,000	9.5%
Total for AGENCY SUMMARY:	359,537,000	355,992,000	(3,545,000)	-1.0%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
All Other Funds:	2,812	2,809	(3)
TOTAL:	2,812	2,809	(3)

Agency Mission

(Executive Budget: pp. 219-222)

The New York State Department of Motor Vehicles (DMV) is responsible for registering vehicles to identify and authorize use, providing vehicle titles to establish vehicle ownership, licensing and regulating the motor vehicle industry, and licensing drivers to protect consumers and promote traffic safety. The DMV Traffic Violations Bureau also helps to adjudicate traffic infractions. The DMV collects fees and generates non-tax revenues to support these objectives.

The DMV is included in the Transportation, Economic Development, and Environmental Conservation appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- The Executive Budget reflects the Governor's decision to eliminate the requirement that all vehicle owners obtain a new license plate as of April 1st, 2010.

Budget Detail

The Governor proposes a total All Funds appropriation of \$355,992,000, a decrease of \$3,545,000 or 0.98 percent from the adjusted SFY 2009-10 Budget. The Executive recommends funding to support 2,809 full-time equivalent (FTE) positions, a decrease of three positions over the previous fiscal year.

State Operations

The Executive proposes a total All Funds State Operations appropriation of \$117,740,000, a decrease of \$1,822,000 or 1.52 percent from the adjusted SFY 2009-10 Budget.

Proposed Decreases

The Executive proposes:

- a decrease of \$972,000 is primarily the result of further administrative efficiencies in the Compulsory Insurance and Transportation Safety Programs. It reflects the fully annualized value of a workforce reduction plan and overall State operations reductions, offset by increases due to collective bargaining agreements and fringe benefit rates;
- a savings of \$600,000 and nine FTE positions from DMV operations by reducing certain report processing of accident reports; and
- a savings of \$250,000 from the utilization of less expensive mailing rates by obtaining up-to-date addresses from the United States Postal Service.

Aid to Localities

The Executive proposes a total Aid to Localities appropriation of \$20,410,000, an increase of \$870,000 or 4.45 percent from the adjusted SFY 2009-10 Budget.

Proposed Increases

The Executive proposes:

- an increase of \$870,000 reflects the projection of additional Federal grants for the Governor's Traffic Safety Committee, which administers State highway safety programs.

Capital Projects

The Executive proposes an appropriation of \$217,842,000 from the Dedicated Highway and Bridge Trust Fund for Capital Projects. This represents a decrease of \$2,593,000 or 1.17 percent from the SFY 2009-10 level.

Article VII

The Executive recommends Article VII legislation that would:

- increase the Law Enforcement Motor Vehicle Accident Report threshold from \$1,000 to \$3,000 and eliminate the requirement that motorists also file accident report; and
- allow the Department of Motor Vehicles to take advantage of bulk mailing rates by using the most up-to-date addresses provided by the United States Postal Service.

OLYMPIC REGIONAL DEVELOPMENT AUTHORITY

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	7,826,000	6,222,000	(1,604,000)	-20.5%
Special Revenue-Other	400,000	354,000	(46,000)	-11.5%
Total for AGENCY SUMMARY:	8,226,000	6,576,000	(1,650,000)	-20.1%

Agency Mission

(Executive Budget: pp. 223-225)

The Olympic Regional Development Authority (ORDA) administers the post-1980 Winter Olympic program for the facilities in Lake Placid and the surrounding areas. These facilities include: the Olympic Ice Center; the Olympic Speed-Skating Oval; the Whiteface Mountain Ski Area; Veteran's Memorial Highway; the Mt. Van Hoevenberg Complex; the Olympic Ski Jumping Complex; and the U.S. Olympic Training Center. ORDA also manages the Gore Mountain Ski Center in Warren County. ORDA's activities are supported by revenue generated by venue marketing, fees, and ticket sales to athletic and other events, as well as through appropriation in the State Budget.

ORDA is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Budget Detail

The Executive proposes an All Funds appropriation of \$6,576,000, a decrease of \$1,650,000 or 20.1 percent from the State Fiscal Year (SFY) 2009-10 level.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$6,576,000, a decrease of \$1,650,000 or 20.1 percent from the SFY 2009-10 level.

Proposed Decreases

The Executive proposes:

- a \$1,650,000 decrease to be achieved through reduced energy costs and deferred maintenance.

OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	147,930,438	123,133,600	(24,796,838)	-16.8%
Special Revenue-Other	96,184,900	99,901,900	3,717,000	3.9%
Special Revenue-Federal	9,320,900	9,820,900	500,000	5.4%
Enterprise	1,500,000	1,500,000	0	0.0%
Misc. Capital Projects	3,800,000	3,800,000	0	0.0%
State Parks Infrastructure Fund	73,200,000	29,001,000	(44,199,000)	-60.4%
Federal Capital Projects Fund	4,000,000	4,000,000	0	0.0%
Total for AGENCY SUMMARY:	335,936,238	271,157,400	(64,778,838)	-19.3%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
General Fund:	1,583	1,622	39
All Other Funds:	490	384	(106)
TOTAL:	2,073	2,006	(67)

Agency Mission

(Executive Budget: pp. 227-232)

The Office of Parks, Recreation and Historic Preservation (OPRHP) provides recreational and interpretive opportunities for New York State residents and visitors at 178 parks and 35 historic sites across the State. The Office also hosts cultural and educational programs and provides a variety of recreational programs, including the Empire State Summer and Winter Games. The parks and historic sites serve over 60 million visitors annually.

OPRHP is included in the Transportation, Economic Development and Environmental Conservation appropriations bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- A delay in the graduation of a new Parks Police Academy Class until after SFY 2010-11.
- A shift of Parks' operating costs to the Environmental Protection Fund (EPF) to achieve General Fund savings.
- Elimination of certain Historic Preservation functions.
- An expansion of the authorized use of funds in the Snowmobile Trail Development and Maintenance Fund.

Budget Detail

The Executive proposes an All Funds appropriation of \$271,157,400, a decrease of \$64,778,838 or 19.3 percent from the SFY 2009-10 level. The Executive recommends funding support of 2,006 full-time equivalent (FTE) positions, a decrease of 67 positions.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$211,681,400, a decrease of \$15,205,000 or 6.7 percent from the SFY 2009-10 level.

Proposed Decreases

The Executive proposes the following:

- the elimination of 30 FTEs for Park Police through attrition for a General Fund reduction of \$1,650,000;
- the elimination of certain Historic Preservation functions for a General Fund reduction of \$1,730,000;
- the elimination of Environmental Resource Management functions for a General Fund reduction of \$350,000;
- across the board reductions of \$8,941,000; and
- a five-day salary deferral of \$1,751,000.

Aid to Localities

The Executive proposes an All Funds Aid to Localities appropriation of \$12,675,000, a decrease of \$5,374,838 or 29.8 percent from the SFY 2009-10 level.

Proposed Decreases

The Executive proposes the following:

- a reduction of \$1,000,000 in Navigation Law reimbursement payments; and
- the elimination of \$4,374,838 in appropriations from the Community Projects Fund.

Capital Projects

The Executive recommends capital appropriations of \$46,801,000, a decrease of \$44,199,000 or 48.6 percent from the SFY 2009-10 level. This is primarily due to the removal of a one-time Parks Capital initiative of \$31,000,000, and the removal of \$8,000,000 in funding for the Walkway over the Hudson. Additionally \$5,000,000 in costs associated with the State Parks Infrastructure Fund (SPIF) are shifted to the EPF.

Article VII

The Executive recommends Article VII legislation that would:

- reduce the authorized reimbursement rate paid to governmental entities that voluntarily enforce provisions of the Navigation Law from 75 percent to 50 percent; and
- expand the authorized use of funds in the Snowmobile Trail Development and Maintenance Fund to include all recreational activities.

DEPARTMENT OF PUBLIC SERVICE

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
Special Revenue-Other	81,111,000	76,392,000	(4,719,000)	-5.8%
Special Revenue-Federal	3,097,000	3,750,000	653,000	21.1%
Total for AGENCY SUMMARY:	84,208,000	80,142,000	(4,066,000)	-4.8%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
General Fund:	0	2	2
All Other Funds:	553	553	0
TOTAL:	553	555	2

Agency Mission

(Executive Budget: pp. 247-249)

The Department of Public Service (DPS) is the staff arm of the Public Service Commission (PSC) and has the mandate of ensuring New Yorkers' access to reliable and low cost utility services. The PSC is responsible for regulating the rates and services of the State's public utilities, overseeing the siting of major electric and gas transmission lines and facilities, and ensuring the safety of natural gas and liquid petroleum pipelines. The Department is also responsible for the oversight and regulation of the cable television industry.

The DPS is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- Funding of \$1,000,000 in local assistance funding for parties seeking to intervene in the electric generation and transmission facility siting review process.

Budget Detail

The Executive proposes an All Funds appropriation of \$80,142,000, a decrease of \$4,066,000 or 4.8 percent from the SFY 2009-10 level. The Executive recommends funding support of 555 full-time equivalent (FTE) positions, an increase of two positions.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$79,142,000, a decrease of \$4,516,000 or 5.4 percent from the SFY 2009-10 level. This decrease is primarily the result of across-the-board reductions, partially offset by additional funding for pipeline safety.

Proposed Increases

The Executive Budget includes the following:

- an increase of \$653,000 in Federal funding for pipeline safety.

Aid to Localities

The Executive proposes an All Funds Aid to Localities appropriation of \$1,000,000, reflecting an increase of \$450,000 or 81.8 percent from the SFY 2009-10 level.

Proposed Increases

The Executive Budget includes the following:

- an increase of \$450,000 for transmission intervenor funding.

Article VII

The Executive recommends Article VII legislation that would:

- authorize the Department of Health to finance public service education activities with revenues generated from an assessment on cable television companies.

Deficiency Request

The adjusted appropriation includes a recommended deficiency appropriation of \$1,250,000 from the American Recovery and Reinvestment Act of 2009 for utility regulation.

STATE RACING AND WAGERING BOARD

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
Special Revenue-Other	25,203,000	22,470,000	(2,733,000)	-10.8%
Total for AGENCY SUMMARY:	25,203,000	22,470,000	(2,733,000)	-10.8%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
All Other Funds:	99	99	0
TOTAL:	99	99	0

Agency Mission

(Executive Budget: pp. 251-254)

The State Racing and Wagering Board (Board) regulates all legalized gambling activities in New York State with the exception of the State Lottery. The Board also has shared responsibility for the oversight of bingo and other permitted games of chance conducted by not-for-profit and religious organizations.

The Board is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Budget Detail

The Executive recommends an All Funds appropriation of \$22,470,000 for State Fiscal Year (SFY) 2010-11, reflecting a net decrease of \$2,733,000 or 10.84 percent below SFY 2009-10. The decrease reflects recurring personal and non-personal services spending reductions.

A workforce of 99 full-time equivalent (FTE) positions is proposed, representing no change in FTE positions from the current level.

State Operations

Proposed Decreases

The Executive proposes the following:

- Special Revenue Fund - Other appropriations of \$12,970,000 for the support of the Regulation of Racing program representing a \$1,814,000 or 12.27 percent net reduction in funding below SFY 2009-10 ; and
- Special Revenue Fund Other appropriations of \$9,500,000 for the support of the Regulation of Wagering program reflecting an overall decrease of \$919,000 or 8.82 percent funding below SFY 2009-10 for the Bell Jar Collection and Indian Gaming accounts .

Article VII

The Executive recommends Article VII legislation that:

- would provide for "Equine Drug Testing" to be conducted by a State college with an equine sciences program. This proposal opens up equine drug testing to other universities by removing the requirement that equine drug testing be performed exclusively by Cornell University;
- would extend for one year the current Pari Mutuel tax rates and rules governing out-of-State racing (Revenue Bill); and
- would repeal the Task Force on the Future of Off Track Betting in New York State, which was created in 2008 (Office of Taxpayer Accountability bill).

Racing Reform

The Executive recommends the continuation of \$2,000,000 in General Fund reappropriations to support costs and expenses associated with the Racing Reform Program as provided in Chapters 18 and 140 of the Laws of 2008.

GOVERNOR'S OFFICE OF REGULATORY REFORM

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	3,072,521	2,350,000	(722,521)	-23.5%
Total for AGENCY SUMMARY:	3,072,521	2,350,000	(722,521)	-23.5%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
General Fund:	22	22	0
TOTAL:	22	22	0

Agency Mission

(Executive Budget: pp. 255-258)

The Governor's Office of Regulatory Reform (GORR) was created in 1995 and focuses on the oversight, review and streamlining of State regulations, providing information on regulatory requirements and expediting regulatory approval.

This Office is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Budget Detail

The Executive recommends an All Funds appropriation of \$2,350,000 for State Fiscal Year (SFY) 2010-11 reflecting a net reduction of \$722,521 or 23.5 percent below SFY 2009-10 funding levels.

The Executive recommends a workforce of 22 full-time equivalent (FTE) funded positions which reflects no change from the current SFY 2009-10 staffing levels.

State Operations

The Executive proposal includes \$2,350,000 in State Operations General Fund appropriations reflecting the following changes in spending:

Proposed Decreases

The Executive proposes:

- a \$376,000 reduction in Personal Service funding in the Administration program; and
- a \$346,000 reduction in Non-Personal Service funding associated with contractual services and equipment in the Administration program.

Decreases in funding reflect recurring savings taken as a result of the transfer of Online Permit and Licensing System (OPAL) functions, equipment and 10 associated FTEs to the Chief Information Officer/Office of Technology. The transfer will facilitate technological upgrades to the aging OPAL system and would make the system more user-friendly and efficient.

SCIENCE, TECHNOLOGY AND INNOVATION, NYS FOUNDATION FOR

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	41,694,000	142,033,000	100,339,000	240.7%
Special Revenue-Other	500,000	500,000	0	0.0%
Total for AGENCY SUMMARY:	42,194,000	142,533,000	100,339,000	237.8%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
General Fund:	24	24	0
TOTAL:	24	24	0

Agency Mission

(Executive Budget: pp. 306-326)

The New York State Foundation for Science, Technology, and Innovation Foundation is a public benefit corporation responsible for promoting and investing in enterprises with the potential to create and retain high-technology jobs. The Foundation is also responsible for directing the State's university-based high-technology economic development programs.

This agency is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2010-11 Executive Budget includes the following:

- An appropriation of \$100,000,000 for the Innovation Economy Matching Grants Program.
- An appropriation of \$6,934,000 for the operating expenses of the Centers of Excellence. The administration of this program, and the respective appropriations, were transferred to the Foundation from the New York State Urban Development Corporation.

Budget Detail

The Executive proposes an All Funds appropriation of \$142,533,000, an increase of \$100,339,000 or 337.8 percent over the SFY 2009-10 level. The Executive recommends funding support of 24 full time equivalent (FTE) positions, which is consistent with SFY 2009-10 levels.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$3,351,000, a decrease of \$942,000 or 21.9 percent below the SFY 2009-10 level due to lower administrative costs.

Aid to Localities

The Executive proposes an All Funds Aid to Localities appropriation of \$139,182,000, an increase of \$101,281,000 or 267.7 percent above the SFY 2009-10 level. The Executive Proposal maintains funding for the following programs at the same level as SFY 2009-10:

- \$13,818,000 for the Centers for Advanced Technology;
- \$4,606,000 for the High Technology Matching Grants program;
- \$1,470,000 for the Training and Business Assistance Program;
- \$1,382,000 for the Technology Development Organization Matching Grants program;
- \$921,000 for the Industrial Technology Extension Service;
- \$750,000 for University at Albany Institute for Nanoelectronics Discovery and Exploration (INDEX);
- \$690,000 for SUNY Albany Semiconductor Research Corporation Center for Advanced Interconnect System Technologies (CAIST);
- \$500,000 for Rensselaer Polytechnic Institute Smart Lighting Systems Engineering Research Center;

- \$490,000 for Columbia University/NSF Nanoscale Science and Engineering Center;
- \$490,000 for Cornell University/NSF Nanoscale Science and Engineering Center;
- \$490,000 for Cornell University/NSF National Nanotechnology Infrastructure Network;
- \$490,000 for RPI/NSF Nanoscale Science and Engineering Center;
- \$392,000 for Cornell University NSF Materials Research Science and Engineering Center;
- \$343,000 for the Science and Technology Law Center;
- \$294,000 for Cornell University NSF Nanobiotechnology Center;
- \$250,000 for Stony Brook University Semiconductor High-energy Radiation project; and
- \$245,000 for Columbia University/NSF Materials Research Science and Engineering Center.

The Executive proposal maintains funding of \$6,934,000 for the six current Centers of Excellence transferred from the Empire State Development Corporation at the same level as SFY 2009-10.

Proposed Increases

The Executive proposal includes:

- a new \$100,000,000 appropriation to create the new Innovation Economy Matching Grants Program.

Proposed Decreases

The Executive proposal includes:

- a \$2,050,000 decrease to the Incentive Program from \$2,920,000 in SFY 2009-10 to \$870,000 in SFY 2010-11;
- a \$1,934,000 decrease to the Faculty Development Program from \$2,685,000 in SFY 2009-10 to \$751,000 in SFY 2010-11;
- a \$1,600,000 decrease to the Focus Center from \$4,606,000 in SFY 2009-10 to \$3,006,000 in SFY 2010-11; and
- a \$69,000 decrease from the elimination of CUNY Optical Sensing and Imaging Center.

DEPARTMENT OF STATE

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	39,747,384	20,907,000	(18,840,384)	-47.4%
Special Revenue-Other	46,342,000	41,082,000	(5,260,000)	-11.4%
Special Revenue-Federal	112,585,000	118,286,940	5,701,940	5.1%
Hazardous Waste Remedial Fund - Oversight and Assesment	2,750,000	2,750,000	0	0.0%
Total for AGENCY SUMMARY:	201,424,384	183,025,940	(18,398,444)	-9.1%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
General Fund:	175	147	(28)
All Other Funds:	632	530	(102)
TOTAL:	807	677	(130)

Agency Mission

(Executive Budget: pp. 263 - 268)

The Department of State (Department) is the State's oldest agency, and is responsible for programs relating to services to local governments and community based organizations. The Department protects public safety by managing arson investigation, fire prevention, building and energy code programs; administers programs for community development and local government service activities; and supports businesses through various licensing and registration activities.

This Department is located in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- The Executive proposes the elimination of \$9,300,000 due to the transfer of Local Wireless 911 Service Costs to the Division of Homeland Security and Emergency Services.
- The Executive proposes an increase of 6 full-time equivalent (FTE) positions within the Business and Licensing Program attributed to the licensing and regulating of mixed martial arts. The increase of 6 FTE positions would be offset by the elimination of 15 FTE positions attributed to attrition. The FTE adjustment would result in a reduction of \$5,473,000 which is comprised of personal and nonpersonal service cost reductions.
- The Executive proposes to accept federal funding for the Great Lakes Initiative in the amount of \$5,306,000.
- The Executive proposes the transfer of the Office of Fire Prevention and Control, and the New York Fire Academy from the Local Government and Community Services Program to the Division of Homeland Security and Emergency Services. The proposal would result in a reduction of \$4,708,000 due to the transfer 124 FTE positions to the Division of Homeland Security and Emergency Services and the elimination of 8 FTE positions due to attrition. In addition, the Emergency Services Revolving Loan Fund Program Aid to Localities funding in the amount of \$3,787,700 would also be transferred to the Division of Homeland Security and Emergency Services.
- The Executive proposes the elimination of Civil Legal Services in the amount of \$8,395,911, the Census Program in the amount of \$2,000,000 and the Public Utility Law Project in the amount of \$505,000 for a net reduction of \$10,900,911.
- The Executive proposes funding in the amount of \$1,826,000 to support 11 FTE positions and program operations attributed to the transfer of the Authorities Budget Office Program to the Department.

Budget Detail

The Executive Budget recommends an All Funds appropriation of \$183,025,940, a \$18,398,444 decrease from its SFY 2009-10 funding levels. The Executive proposes support for a workforce of 677 full-time equivalent FTE positions, a decrease of 130 FTEs below SFY 2009-10.

State Operations

The Executive proposes an All Funds State Operations appropriation of \$71,760,309, a decrease of \$5,432,191 from the SFY 2009-10 level.

Proposed Increases

The Executive proposal includes:

- an increase of \$1,826,000 to support the Authorities Budget Office Program which includes 11 FTE positions;
- an increase of \$5,306,000 in federal funding in order to establish the Great Lakes Initiative Program; and
- a \$4,809 increase to the Community Services Block Grant Program.

Proposed Decreases

The Executive proposes the following actions to reduce support for state operations:

- a \$5,473,000 reduction in the Business and Licensing Program attributed to nonpersonal service cost reductions, primarily contractual services, as well as personal service cost adjustments;
- a \$4,708,000 decrease in support for the Local Government and Community Services Program due to the transfer of the Office of Fire Prevention and Control, Emergency Services Revolving Loan Fund and the New York Fire Academy to the Division of Homeland Security and Emergency Services;
- a \$2,016,000 decrease in General Fund support for the Administration Program, Local government and Community Services Program, Tug Hill Commission and New York State Commission on Uniform Laws attributed to personal and nonpersonal service cost reductions;
- a \$827,207 decrease in personal and nonpersonal service costs attributed to the transfer of the Office of Fire Prevention and Control and related fire safety programs to the Division of Homeland Security and Emergency Services;
- a \$273,000 net decrease in support for the Local Government and Community Services Program, Regulation of Manufactured Housing program, Fire Protection program, Cigarette Safety program and the Watershed Partnership program attributed to personal and nonpersonal service cost reductions;

- a \$49,406 decrease in support for the Coastal Zone Management program and the Appalachian Technical Assistance program attributed to personal and nonpersonal service cost reductions;
- a \$40,809 decrease in federal support for the Community Services Block Grant Program reflecting a reduction in administrative support; and
- a \$14,000 decrease in support for the Lake George Park Commission attributed to a reduction of administrative services.

Aid to Localities

The Executive proposes an All Funds Aid to Localities appropriation of \$105,133,631 a decrease of \$16,348,253 from the SFY 2009-10 level.

Proposed Increases

The Executive proposes:

- An increase of \$476,131 from a federal stimulus appropriation for the Community Services Block Grant program in the amount of \$43,194,631.

Proposed Decreases

The Executive proposes:

- A \$9,300,000 decrease from the transferring of the Local Wireless 911 Service to the Division of Homeland Security and Emergency Services;
- the elimination of Civil Legal Services in the amount of \$8,395,911;
- a decrease of \$3,797,700 from the transfer of the Emergency Services Revolving Loan Fund Program to the Division of Homeland Security and Emergency Services;
- the elimination of the Census Program in the amount of \$2,000,000; and
- the elimination of the Public Utility Law Project in the amount of \$505,000.

Capital Projects

The Executive proposes capital funding for the Hazardous Waste Remedial Fund in the amount of \$2,750,000, consistent with the 2009-10 funding level.

Article VII

The Executive recommends Article VII legislation that would:

- extend for one year the authority of the Secretary of State to charge increased fees for the expedited handling of documents;
- extend for one year the funding distribution formula for the Community Services Block Grant Program;
- authorize and regulate the conduct of professional mixed martial arts in New York State; and
- streamline the classification of not for profit corporations.

Deficiency Request

Amend Chapter 56 of the Laws of 2009 to increase the authorized transfer from the Statewide Public Safety Communications Account to the General Fund from \$20 million to \$70 million.

DEPARTMENT OF TAXATION AND FINANCE

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	391,585,750	388,691,000	(2,894,750)	-0.7%
Special Revenue-Other	92,799,000	107,297,000	14,498,000	15.6%
Special Revenue-Federal	2,582,000	2,500,000	(82,000)	-3.2%
Internal Service Fund	46,202,000	41,806,000	(4,396,000)	-9.5%
Total for AGENCY SUMMARY:	533,168,750	540,294,000	7,125,250	1.3%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
General Fund:	4,403	4,818	415
All Other Funds:	775	804	29
TOTAL:	5,178	5,622	444

Agency Mission

(Executive Budget: pp. 269-275)

The Department of Taxation and Finance (Department) is responsible for the administration and collection of various State taxes as well as numerous local taxes. In addition, the Department also manages the State Treasury and provides investment and cash management services to various State agencies.

This agency is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2010-11 Executive Budget includes the following:

- An increase in tax “collections/compliance” by assigning up to 330 additional staff members to focus on personal income taxes and lower volume sales tax vendors; the Executive estimates this will generate \$221,000,000 in additional annual revenue; and
- Merging of the Office of Real Property Services (ORPS) into the Department. The function of ORPS as well as those of the “State Board” of Real Property Services will be a subdivision known as the Office of Real Property Tax Services (ORPTS) within the Department; and, similar to other tax grievances with the Department, the Tax Appeals Agency will be responsible for real property tax disputes, including equalization challenges. The merger is considered an expansion of the current host arrangement between the agencies; the Executive estimates a savings of over \$1,900,000 annually.

Budget Detail

The Executive proposes an All Fund appropriation of \$540,294,000, an increase of \$7,125,250 or 1.3 percent over SFY 2009-10. The Executive recommends funding support of 5,622 full-time equivalent (FTE) positions, an increase of 444 positions; however, it is important to note that 268 of the FTE’s are being reassigned to the Department as a result of the proposed ORPS merger.

State Operations

The Executive proposes an All Funds State Operations/Aid to Localities appropriation of \$12,325,000, a decrease of \$608,750 or 4.71 percent from the SFY 2009-10 level.

Proposed Increases

The Executive proposes the following:

- an All Funds increase of \$19,259,913 or 10.5 percent from the SFY 2009-10 level for the Audit Collections and Enforcement; this includes a General Fund increase of \$6,841,913, an increase of \$12,500,000 in Special Revenue Funds – Other (SRO) with a modest decrease of \$82,000 in Special Revenue Funds – Federal (SRF). The increase in SRO is for equitable sharing agreements with law enforcement and contractual services for the administration and collection of outstanding tax liabilities; while the SRF reduction is related to the equitable sharing agreement with Federal law enforcement;
- a General Fund increase of \$410,316 or 2.4 percent from the SFY 2009-10 level for the Management, Administration and Counsel unit; this unit provides a full range of legal services to the Department;

- an All Funds increase of \$159,751 or 0.1 percent from the SFY 2009-10 level for the Revenue Processing and Reconciliation unit; this unit maintains taxpayers' accounts to include taxpayer returns and remittance; and
- a General Fund increase of \$153,096 or 8.7 percent from the SFY 2009-10 level for the Office of Conciliation and Mediation; this department provides taxpayers with a statutorily mandated option of informal and impartial dispute resolution.

Proposed Decreases

The Executive proposes:

- a General Fund decrease of \$4,019,405 or 13.9 percent from the SFY 2009-10 level for the "Central Operations Support" unit which provides infrastructure support (e.g. printing and mailing services, telecommunications support, in-house security) within the agency;
- a General Fund decrease of \$1,662,133 or 2.4 percent from the SFY 2009-10 level for the Technology and Information Service; this unit maintains, secures and improves the Department's technological infrastructure;
- a General Fund decrease of \$215,538 or 4.7 percent from the SFY 2009-10 level for Tax Policy, Revenue Accounting and Taxpayer Guidance; this unit works as a legislative and budget liaison as well as tax policy analysis to include fiscal analysis; and
- an All funds decrease of \$6,352,000 or 19.5 percent for the "merging" of Office of Real Property Services into the Department.

Aid to Localities

Proposed Decreases

The Executive proposes:

- The Governor proposes a General Fund decrease of \$608,750 or 4.7 percent for the aid to localities which includes payments to local governments pursuant to the rail infrastructure act of 2002 for assessor training and aid to municipalities for quality assessments (prior ORPS dedicated appropriation).

Article VII

The Executive recommends Article VII legislation that would:

- improve the administration of the Department's electronic filing and electronic payment programs by eliminating the taxpayer's ability to "opt out" of electronic filing when using a qualified tax preparer. This proposal would also provide the Department with the authority to allow a penalty free period for electronic filings that are filed timely but subsequently rejected and prohibits tax preparers and software companies from charging separate electronic filing fees to New York filers;
- require the Department to complete a report within 245 days that makes recommendations to modernize the taxation of telecommunication services;
- reduce certified mail and registered mail filings by authorizing the Department to use other established methods for communication, including electronic mail when authorized by the addressee;
- authorize the Department more latitude in collecting outstanding taxes where the tax debtor can show exceptional circumstances and where such discharge or compromise in the collection of unpaid taxes are in the best interest of the State;
- merge ORPS into the Department for an annual savings of \$1.9 million. The new unit within the Department would be known as the ORPTS. The merger proposal includes the following:
 - ORPS and the Board of Real Property Services to merge into the Department;
 - the newly established ORPTS would be overseen by a deputy commissioner, who would be appointed by the Governor and report to the Commissioner ;
 - the responsibility of the Board would be transferred to the Commissioner - except for matters related to the special franchise assessments, railroad ceilings, and state equalization rate complaints, which would be the responsibility of the Tax Appeals Tribunal; and
 - all ORPS employees will be reassigned to the Department;
- decrease the "floor" used in the computation of the STAR exemption from 89 percent to 81 percent. The Governor estimates this will provide a savings to the State of \$40 million in SFY 2010-11 and thereafter;
- limit STAR to homes valued at less than \$1.5 million. The Governor estimates a savings to the State of \$30 million in SFY 2010-11 and thereafter; and

- eliminate the NYC STAR PIT rate reduction for taxpayers with incomes above \$250,000. The rate would increase from 3.2 percent to 3.4 percent, returning to pre-STAR level. The Governor estimates a savings to the State of \$143 million in SFY 2010-11.

DIVISION OF TAX APPEALS

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	3,353,000	2,913,000	(440,000)	-13.1%
Total for AGENCY SUMMARY:	3,353,000	2,913,000	(440,000)	-13.1%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
General Fund:	27	27	0
TOTAL:	27	27	0

Agency Mission

(Executive Budget: pp. 277-279)

The Division of Tax Appeals provides taxpayers with a system of due process for resolving disputes with the Department of Taxation and Finance. The separation of tax administration from tax adjudication promotes impartial and timely hearing of taxpayers' disputes.

This agency is included in the Transportation, Economic Development and Environmental Conservation Budget appropriation bill.

Budget Detail

The Executive proposes an All Funds appropriate of \$2,913,000, a decrease of \$440,000 or 13.1 percent from SFY 2009-10 levels. The Executive recommends support of 27 full-time equivalent (FTE) positions, the staffing level remains at the SFY 2009-10 level.

State Operations

Proposed Decreases

- The Executive proposes a decrease of \$440,000 to reflect a reduction in employee costs of \$360,000 (personal service) and \$80,000 in non-personal service expenditures; of the \$80,000, \$56,000 or 70 percent is a reduction in contractual services.

NEW YORK STATE THRUWAY AUTHORITY

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
NYS Canal System Development Fund	2,000,000	2,000,000	0	0.0%
Total for AGENCY SUMMARY:	2,000,000	2,000,000	0	0.0%

Agency Mission

(Executive Budget: pp. 281)

The New York State Thruway Authority (TA) is responsible for operating a 641-mile toll highway system, along with the New York State Canal System. Through its subsidiary, the New York State Canal Corporation, the Authority maintains, operates, develops, and makes capital improvements to the 524-mile canal system which includes 57 locks, 16 lift bridges, and numerous dams, reservoirs, and water control structures.

The Canal Development Program is the only Authority Program reflected in the Executive Budget. All other Thruway and Canal System programs are supported by TA revenues and are not included in the Executive Budget.

The Thruway Authority is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2010-11 Executive Budget includes the transfer of operational responsibility for Interstate 84 from the Thruway Authority to the New York State Department of Transportation.

Budget Detail

The Executive proposes an appropriation of \$2,000,000 for the Canal Development Program, unchanged from the State Fiscal Year (SFY) 2009-10 funding level. The revenues deposited into

the Canal System Development Fund (CSDF) are generated by canal tolls and other user fees. CSDF re-appropriations of \$10,239,000 are also requested. Revenues from the CSDF are available strictly for the development, promotion, maintenance, and construction of the canals.

DEPARTMENT OF TRANSPORTATION

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	61,587,591	97,550,900	35,963,309	58.4%
Special Revenue-Other	4,197,171,128	4,312,458,000	115,286,872	2.7%
Special Revenue-Federal	70,668,000	71,093,000	425,000	0.6%
Fiduciary	0	50,000,000	50,000,000	-
Federal Capital Projects Fund	4,516,000,000	2,316,000,000	(2,200,000,000)	-48.7%
Dedicated Highway and Bridge Trust Fund	1,329,504,000	1,945,144,000	615,640,000	46.3%
Cap. Proj. Fund - Rebuild Renew NY 2005 - Bondable	232,000,000	0	(232,000,000)	-100.0%
Total for AGENCY SUMMARY:	10,406,930,719	8,792,245,900	(1,614,684,819)	-15.5%

ALL FUNDS PERSONNEL BUDGETED FILL LEVELS

Fund	Current 2009-10	Requested 2010-11	Change
All Other Funds:	9,701	9,610	(91)
TOTAL:	9,701	9,610	(91)

Agency Mission

(Executive Budget: pp. 283-292)

The Department of Transportation (DOT) maintains and improves the state's more than 40,000 highway lane miles and 7,500 bridges. In addition, DOT partially funds locally operated transit systems, local government highway and bridge construction, as well as rail and aviation programs. DOT closely coordinates with other State transportation agencies and authorities with the goal of creating an interconnected statewide transportation system that addresses environmental and community concerns and efficiently moves people and goods throughout the State.

The Department is included in the Transportation, Economic Development and Environmental Conservation appropriation bill.

Programmatic Highlights

The State Fiscal Year (SFY) 2009-10 Executive Budget includes the following:

- A proposal for a new two year Road and Bridge Capital Plan totaling \$6,990,000,000.
- A proposal to require the Department of Environmental Conservation to issue waivers to State Agencies, regional public authorities and their contractors that would defer the statutory retrofitting requirements under the Diesel Emissions Reduction Act for vehicles that will be retired before December 31, 2013, which will generate \$36,000,000 in savings for the transit systems and \$1,400,000 for the DOT.
- A transfer of operational responsibility for I-84 from the Thruway Authority to DOT for an estimated annual savings of \$3,000,000 and the creation of 54 full time positions.

Budget Detail

The Executive recommends a total All Funds appropriation of \$8,792,245,900 for SFY 2010-11, which represents a decrease of \$3,456,577,819 or 28.2 percent from funding levels in the current fiscal year. The Executive also recommends funding to support 9,610 full-time equivalent (FTE) positions, a net decrease of 91 positions over SFY 2009-10 staffing levels.

State Operations

The Executive recommends total State Operations appropriations of \$37,840,000 for SFY 2010-11, which represents a decrease of \$10,589,000 or 21.8 percent from funding levels in the current fiscal year.

Proposed Increases

The Executive proposes:

- a \$15,300,000 increase to Fund the Amtrak service from Albany to Montreal to meet Federal requirements and to make additional rail investments; and
- a \$10,000,000 increase over the SFY 2009-10 funding levels in the Dedicated Highway and bridge Trust Fund for a total of \$501,000,000 for use on highway and bridge construction.

Proposed Decreases

The Executive proposes:

- a \$28,600,000 reduction resulting from the fund shift of personal and non-personal services cost in order to maximize utilization of Federal transportation funding;
- a \$6,000,000 decrease from a reduction of 100 FTE positions for preventative maintenance, snow and ice control, and the implementation of new salt application techniques;
- a \$1,000,000 decrease resulting from reduced maintenance costs from the closing of unmanned highway rest areas in locations where other services are available to motorists; and
- a \$600,000 reduction resulting from a decrease of 15 FTE positions for information technology functions.

Aid to Localities

The Executive recommends total Aid to Localities appropriations of \$4,357,490,900 for SFY 2010-11, which represents an increase of \$147,964,181 or 3.51 percent from funding levels in the current fiscal year. The preservation of Capital aid to local governments for highway and bridge projects at SFY 2009-10 levels, with \$363,100,000 provided for the Consolidated Highway Improvement Program (CHIPS) and \$39,700,000 for the Marchiselli program.

Proposed Increases

The Executive proposes:

- a \$147,964,181 increase due to additional in Metropolitan Transportation Authority funding from dedicated revenue sources enacted in May 2009.

Capital Projects

The current DOT Capital Plan ends April 1, 2010. The 2010-14 DOT Capital Plan is a five-year plan to improve and rehabilitate critical components of the State's transportation infrastructure by providing funds for State and local roads and bridges, transit systems, the State's freight and passenger rail network, airports, ports, and canals. The 2010-14 DOT Capital Plan totaled \$25,845,000,000, but was presented without funding and was vetoed by the Executive.

The 2010-11 Executive Budget includes a two year Capital Plan totaling \$6,990,000,000, in which \$3,487,000,000 would be spent in SFY 2010-11 and \$3,503,000,000 would be spent in

SFY 2011-12. This is a reduction in spending of \$221,000,000 from SFY 2009-10 due to a reduction in funding from the Bond Act of \$278,000,000.

Additionally, the previous 2005-2009 Capital Plan has a proposed reduction in reappropriations for the Multi-Modal Program by \$101,000,000 and the Industrial Access Program by \$32,000,000.

Article VII

The Executive recommends Article VII legislation that would:

- provide the annual authorization for the CHIPS and Marchiselli programs;
- consolidate DOT's Accident Damage Account with the Dedicated Highway and Bridge Trust Fund;
- establish a waiver process so that State agencies, transit systems, and authorities subject to the Diesel Emission Reduction Act can postpone compliance if approved vehicles will be retired within three years;
- eliminate the ability of industrial development agencies to grant an exemption on the additional portion of the Mortgage Recording Tax dedicated to transit systems; and
- extend the Department of Transportation's Single Audit program for one year.

Deficiency Request

The adjusted appropriation includes a recommended deficiency appropriation of \$5,000,000 to the Department of Transportation for SFY 2009-10 for unanticipated grants from the Environmental Protection Administration. The appropriation is necessary to allow DOT to obligate funds received from the American Recovery and Reinvestment Act of 2009 from agencies other than the United States Department of Transportation.

MISCELLANEOUS: TRANSPORTATION, ECONOMIC DEVELOPMENT & ENVIRONMENTAL CONSERVATION

	Adjusted Appropriation 2009-10	Executive Request 2010-11	Change	Percent Change
AGENCY SUMMARY				
General Fund	3,473,000	3,305,000	(168,000)	-4.8%
Special Revenue-Other	681,254,000	2,292,400,000	1,611,146,000	236.5%
Cap. Proj. Fund - Rebuild Renew NY 2005 - Bondable	82,000,000	0	(82,000,000)	-100.0%
Total for AGENCY SUMMARY:	766,727,000	2,295,705,000	1,528,978,000	199.4%

Budget Details

State Operations

Proposed Decreases

Green Thumb

The Executive proposes an appropriation of \$2,782,000 for the Green Thumb Program, which provides income-eligible seniors with part-time employment in State agencies. In SFY 2010-11, the Department of Environmental Conservation's participation in the program will be reduced, generating a decrease of \$49,000 or 1.7 percent in the Green Thumb Program.

Hudson River Valley Greenway Communities Council (Greenway Council)

The Executive proposes an appropriation of \$203,000 in State Operations funding for the Greenway Council, a reduction of \$95,000 or 31.9 percent from the SFY 2009-10 level.

Aid to Localities

Proposed Increases

Metropolitan Transportation Authority

The Executive proposes a contingency appropriation for the Metropolitan Transportation Authority (MTA) in the amount of \$2,253,300,000, an increase of \$153,764,000 or 215 percent from the SFY 2009-10 Enacted Budget. This includes annual appropriation of \$621,300,000, a decrease of \$12,354,000 or 1.95 percent, from the Dedicated Mass Transportation Trust Fund and a new appropriation of \$1,632,000,000 from the dedicated revenue sources that were enacted in May 2009. This contingency appropriation can be used for support operating costs as well as debt service payments for the MTA in SFY 2011-12 in the event that the State budget for that fiscal year is not enacted by April 1, 2011.

Proposed Decreases

Hudson River Valley Greenway Communities Council (Greenway Council)

The Executive proposes an appropriation of \$136,000 in Aid to Localities funding for the Greenway Council, a reduction of \$24,000 or 15 percent from the SFY 2009-10 level.

Tribal State Compact Revenue

The Executive proposes a Special Revenue Funds-Other appropriation of \$39,100,000 for the Tribal State Compact revenue for purposes identified in Section 99-h of the State Finance Law. This represents a decrease of \$8,500,000 from the SFY 2009-10 appropriation.

Capital Projects

Article VII

The Executive recommends Article VII legislation that would:

- facilitate a more efficient transfer of the State's share of the Native American Casino revenue to the General Fund;
- make a technical correction to the distribution of the local share of the revenues associated with the Niagara Falls Casino;

- eliminate the ability of the Metropolitan Transportation Authority (MTA) employees from receiving double the amount of workers' compensation benefits when injuries occur on leased New York City property;
- extend owner controlled insurance to all MTA capital projects in order to provide savings to the Authority;
- authorize the MTA to conduct a pilot program to test the use of electronic and reverse bidding; and
- indemnify the MTA from fault for injuries resulting from reckless or deliberate misconduct.