



***TRANSPORTATION,
ECONOMIC DEVELOPMENT AND
ENVIRONMENTAL CONSERVATION***

ADIRONDACK PARK AGENCY

MISSION

The Adirondack Park Agency was established in 1971 to “insure the optimum overall conservation, protection, development and use of the unique scenic, aesthetic, wildlife, recreational, open space, ecological and natural resources of the Adirondack Park.” The Park itself was created in 1892, and contains six million acres of publicly and privately owned lands.

ORGANIZATION AND STAFFING

The Adirondack Park Agency is governed by an 11-member board, including the Commissioners of Environmental Conservation, Economic Development and the Secretary of State. The other members, five of whom must be Park residents, are nominated by the Governor and confirmed by the Senate. The principal functions of the Agency are:

- Reviewing and issuing permits for private and State land-use projects, consistent with the Adirondack Park State Land Master Plan and the Adirondack Park Private Land Use and Development Plan, and for certain activities on or near fresh water wetlands, pursuant to the 1975 Freshwater Wetlands Act;
- Helping local governments develop land use plans and providing technical expertise;
- Administering the State’s Wild, Scenic and Recreational River System; and
- Operating two Visitor Interpretive Centers: one near Paul Smith’s College in Franklin County, and one in Newcomb, Essex County, at which visitors can better understand and appreciate the Park’s resources.

The Adirondack Park Agency’s responsibilities are carried out by the following divisions: Planning, which handles local and regional land use policy issues; Counsel’s Office, which provides legal advice to all Agency functions and oversees jurisdictional determinations and enforcement functions; Regulatory, which performs the Agency’s permitting function; Interpretive, which operates the Visitor Centers; Resource Analysis, which conducts scientific research of the ecology of the Adirondacks; Economic Services, which assists project sponsors in the review process; and Local Government Services, which provides technical expertise and assistance to communities.

BUDGET HIGHLIGHTS

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

For 2009-10, the Adirondack Park Agency will have a **workforce of 72** positions, the same amount as in 2008-09. The budget will support the Agency’s core regulatory functions and the operation of the Visitor Interpretive Centers at Newcomb and Paul Smith’s. In addition, the Executive Budget funds the Adirondack Park Local Government Review Board. The Board advises and assists the Agency in carrying out its responsibilities and monitors the implementation of the Adirondack Park Land Use and Development Plan.

ADIRONDACK PARK

PROGRAM HIGHLIGHTS

Since its inception, the Agency has worked to achieve a balance between strong environmental protection and sustainable economic development opportunities for the residents of the Adirondack Park. The Agency's priorities for the future include continued updating of the Agency's rules and regulations, facilitating the development of land use plans by local governments, providing local governments with technical expertise and training, working toward completing Unit Management Plans for the State lands of the Adirondack Park and improving resource data base information to better protect the resources of the Adirondack Park.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	6,569,000	6,157,000	(412,000)	2,781,000
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	6,569,000	6,157,000	(412,000)	2,781,000

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

Full-Time Equivalent Positions (FTE)

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

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

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

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

ADIRONDACK PARK

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

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

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

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

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

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

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

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

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

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

<u>Program</u>	<u>Total</u>		<u>Nonpersonal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	700,000	0	700,000	0
Total	<u>700,000</u>	<u>0</u>	<u>700,000</u>	<u>0</u>

DEPARTMENT OF AGRICULTURE AND MARKETS

MISSION

The Department of Agriculture and Markets is charged with fostering a competitive and safe New York food and agricultural industry for the benefit of producers and consumers. Over the next year, the Department will continue to carry out its major responsibilities for encouraging the growth and economic health of the State's agricultural and food industry and conducting various inspections and testing programs to enforce laws on food safety, animal and plant health, and accuracy of labeling. The Department will also continue to act to preserve agricultural resources, improve soil and water quality and operate the annual State Fair in concert with the Industrial Exhibit Authority.

ORGANIZATION AND STAFFING

The Department will have a **workforce of 611** positions (including the Industrial Exhibit Authority) for fiscal year 2009-10. The agency is headquartered in Albany and maintains four regional offices located in Buffalo, Syracuse, Rochester and Brooklyn. Approximately 24 percent of the Department of Agriculture and Markets' operating programs are funded by tax dollars from the General Fund and the remaining 76 percent are financed by fees, Federal grants and other funds.

BUDGET HIGHLIGHTS

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

The Executive Budget recommends \$1.75 million for capital projects to maintain, repair, and rehabilitate the State Fair's 20 major buildings and other structures and \$2 million for a capital special revenue fund to continue support for development of private partnerships at the State Fair. Funding from the Environmental Protection Fund (EPF) is also provided for Soil and Water Conservation Districts, non-point source pollution control, and farmland protection programs.

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

Continued Federal appropriation authority will allow the Department to apply for Federal grants to fund Federal nutrition programs for senior citizens, animal health initiatives and food safety programs, including essential funding for the State Food Laboratory.

AGRICULTURE AND MARKETS

PROGRAM HIGHLIGHTS

The Agricultural Business Services program promotes the agricultural economy of the State and fosters the responsible use of resources to preserve agricultural land and the environment. These purposes are carried out through six divisions which:

- Inspect and test livestock, poultry and plants to control and eradicate diseases which can both cause severe economic losses for farmers and present a public health hazard;
- Oversee the activities of county soil and water conservation districts, direct the agricultural non-point source pollution control and farmland preservation grant programs, establish agricultural districts, administer agricultural product market orders and the Federal Farmers Market Nutrition Program for low-income families and collect and disseminate statistical agricultural information; and
- Exercise a variety of statutorily required activities involving the pricing and marketing of milk and milk products, and the licensing and bonding of milk and farm products dealers.

The Consumer Food Services program ensures that wholesome food products are sold to the consumer and that the industry and the public are protected from fraud, adulteration or malpractice in the production, processing, transportation and retailing of food and gasoline, and in the use of measuring devices. In carrying out these purposes, the program:

- Licenses and inspects over 28,000 businesses that produce, process, manufacture, or distribute food products, registers food represented as kosher and grades farm products;
- Inspects and tests dairy products to enforce laws pertaining to milk and milk product sanitation and guards against harmful or misrepresented food; and
- Certifies and calibrates weighing and measuring devices and oversees the testing of motor fuels under the Motor Fuel Quality and Clean Air programs.

STATE FAIR

The Department and the Industrial Exhibit Authority together direct the New York State Fair and Fairgrounds, located in Syracuse. The Fairgrounds, a 365-acre complex, has 20 major exhibit buildings and 107 other structures. It is used for the annual 12-day State Fair, and its facilities are rented year round for various shows and activities. The operating costs of the Fair and Fairgrounds are fully funded from admission, rental and concession fees.

ALL FUNDS APPROPRIATIONS (dollars)

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

AGRICULTURE AND MARKETS

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

Full-Time Equivalent Positions (FTE)

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

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

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

Adjustments:

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

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

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

AGRICULTURE AND MARKETS

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

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

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

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

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

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

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

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

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

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

AGRICULTURE AND MARKETS

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

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

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

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

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
New Facilities				
Capital Projects Fund	10,000,000	0	(10,000,000)	10,000,000
Capital Projects Fund - Authority Bonds	0	0	0	43,513,000
State Fair				
Capital Projects Fund	1,750,000	1,750,000	0	1,218,000
Misc. Capital Projects	2,000,000	2,000,000	0	0
Total	<u>13,750,000</u>	<u>3,750,000</u>	<u>(10,000,000)</u>	<u>54,731,000</u>

BANKING DEPARTMENT

MISSION

The Banking Department is charged with protecting the public interest and promoting a desirable business climate by regulating and supervising approximately 3,400 State-chartered banking institutions and licensees with total assets of approximately \$2.1 trillion. In carrying out this responsibility, the Department approves acquisitions, branch expansions, mergers and other forms of consolidation. It also levies fines, orders cessation of unsound financial practices and replaces management as needed. In addition, the Department is authorized to take possession of failing institutions and to operate or liquidate them for the benefit of depositors and creditors. In exercising this oversight, the Banking Department maintains the highest standards to assure the continued safety and soundness of, and the full public confidence in, the institutions supervised. By dealing decisively with institutions that are not in compliance with banking laws and regulations, or cases of malfeasance, the Department promotes a desirable business climate for all financial institutions operating in New York State.

ORGANIZATION AND STAFFING

The Superintendent of Banks, appointed by the Governor, directs the Department. The Superintendent is also the Chair of the 17-member Banking Board, a quasi-legislative body which regulates the conduct of banking in the State. Members of the Board are appointed by the Governor with the consent of the Senate. They receive travel reimbursement but are not otherwise compensated. The Department maintains offices in Albany, New York City, and Syracuse.

BUDGET HIGHLIGHTS

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

The Banking Department's operations are primarily funded through assessments charged to regulated financial institutions and organizations. The remainder of the Department's operating budget is derived from fees such as investigation fees paid by entities applying for licensure or State charter. Of the recommended \$105 million, the Department's operating budget totals \$91 million and the remaining \$14 million is an appropriation to support the State Transmitter of Money Insurance Fund which protects moneys that New Yorkers electronically transfer via commercial third parties.

PROGRAM HIGHLIGHTS

To ensure the safety and soundness of banking institutions, the Department monitors these institutions to identify problems and works with management to promptly solve them. This responsibility is carried out through annual on-site examinations of most State-chartered institutions, the regular review of institutional financial reports and periodic site visits.

To ensure that State-chartered banking institutions are complying with State laws and regulations and that no individuals are unfairly denied credit, Department employees

BANKING

conduct consumer compliance examinations and resolve consumer complaints. Other staff monitors whether institutions are helping to meet the credit and banking needs of local communities as required by various State laws.

The Department's investigation and prosecution of criminal banking activities protects the public and provides support to institutions that do abide by applicable laws and regulations. Lastly, the Department continues to review its internal programs, policies and procedures in order to respond to the changing financial services environment and to promote a strong and healthy financial services industry.

Additionally, the Department is actively engaged with supervised institutions and the regulatory community to bring about subprime lending reform. In August 2008 Governor Paterson signed into law a subprime lending reform bill which provides protections to homeowners at risk for foreclosure along with changes to existing law to prevent future subprime crises. The Holocaust Claims Processing Office, established in 1997, assists Holocaust survivors and their heirs in their search for assets that are held by banks, insurance companies and other institutions.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	101,610,000	101,610,000	0	4,500,000
Aid To Localities	3,500,000	3,500,000	0	0
Capital Projects	0	0	0	0
Total	105,110,000	105,110,000	0	4,500,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Special Revenue Funds - Other	63	63	0
Analysis and Compliance			
Special Revenue Funds - Other	35	35	0
Regulation			
Special Revenue Funds - Other	447	447	0
Total	545	545	0

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

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

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

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

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

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

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

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

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

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

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

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

DEPARTMENT OF ECONOMIC DEVELOPMENT

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

ALL FUNDS APPROPRIATIONS (dollars)

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

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

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

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

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

Adjustments:

Transfer(s) From	
Special Pay Bill	
General Fund	(1,052,000)
Special Revenue Funds - Other	(49,000)
Transfer(s) To	
Empire State Development Corporation	
General Fund (Aid To Localities)	45,019,000
Special Revenue Funds - Federal	1,000,000
Special Revenue Funds - Other	5,439,000
Appropriated 2008-09	<u>51,857,000</u>

ECONOMIC DEVELOPMENT

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

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

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

Program	Total Amount	Change	Maintenance Undistributed Amount	Change
Economic Development	0	(1,500,000)	0	(1,500,000)
Total	<u>0</u>	<u>(1,500,000)</u>	<u>0</u>	<u>(1,500,000)</u>

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

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

Adjustments:
Transfer(s) To

Empire State Development Corporation	7,418,000
General Fund	<u>7,418,000</u>
Appropriated 2008-09	<u>15,373,610</u>

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

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

EMPIRE STATE DEVELOPMENT CORPORATION

MISSION

Doing business as Empire State Development Corporation (ESDC), the Urban Development Corporation (UDC) is a New York State public benefit corporation. Its overall objective is to stimulate economic growth through the creation of jobs by fostering business development, enhancing industrial competitiveness, revitalizing downtown areas, advancing high technology and promoting tourism. It engages in three principal activities: economic and real estate development; State facility financing; and housing portfolio maintenance.

ECONOMIC AND REAL ESTATE DEVELOPMENT

The Corporation provides financial and technical assistance to businesses, local governments, and community-based not-for-profit corporations for economic development and large-scale real estate projects that create and/or retain jobs in New York and reinvigorate distressed areas.

STATE FACILITY FINANCING

The Empire State Development Corporation issues bonds to finance the construction and modernization of correctional facilities and other special projects for the State. Debt service on these bonds is paid from State appropriations.

HOUSING PORTFOLIO MAINTENANCE

In the early 1970s, the Urban Development Corporation built 113 large-scale housing developments for low- to middle-income persons. The Corporation also built non-residential civic and industrial properties, including the Niagara Falls Convention Center, the Wards Island Fire Training Center, the Monroe County Fairgrounds, the Ten Eyck Plaza in Albany, and public school facilities in Buffalo, Manhattan, the Bronx, and Brooklyn. Since the mid-1970s, activity in this area has been limited to the monitoring and loan servicing of projects.

ORGANIZATION AND STAFFING

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

EMPIRE STATE DEVELOPMENT

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

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

OVERSIGHT

The Corporation is governed by a nine-member Board of Directors comprising two ex-officio members and seven members appointed by the Governor with the consent of the Senate. The chairman of the Empire State Development Corporation Board is selected by the Governor. Board members serve without compensation.

SUBSIDIARIES

The Corporation's Board of Directors is authorized to create subsidiaries to manage specific projects or economic development activities. Subsidiaries have been established to: (1) oversee revitalization of Lower Manhattan in the wake of September 11; (2) formulate policies and initiatives to promote economic growth in Harlem; (3) redevelop Times Square; (4) plan and oversee a mixed-use development on 74.5 acres on the East River in Queens County; (5) redevelop the U.S. Postal Service facility, known as the Farley Building, in connection with the New York City Amtrak Train Station Redevelopment project; (6) promote economic development and tourism, and leverage private investment in Niagara Falls; (7) oversee conversion of the 300-acre Harriman State Office Building Campus in Albany into a world-class research and development park; (8) coordinate the development of the former Buffalo Memorial Auditorium and additional projects along the waterfront and inner harbor in downtown Buffalo; and (9) redevelop Governor's Island to create new civic spaces enhanced with educational, historical, artistic and cultural uses that benefit the island's rich history and harbor setting.

BUDGET HIGHLIGHTS

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

In 2009-10, the Empire State Development Corporation's activities will be funded through a combination of state general fund appropriations and corporate revenues generated by corporation-owned residential and non-residential properties and by its financing programs. Major budget actions include:

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

- the manufacturing, financial services, agribusiness or high technology industries that demonstrate substantial job creation unlikely to occur without State assistance.
- **Economic Development Initiatives:** Over \$50 million in support for economic development initiatives, including: the Empire State Economic Development Fund; Minority - and Women-Owned Business Development and Lending programs; the Urban and Community Development Program; the Entrepreneurial Assistance Program; the retention of professional football in Western New York; military base retention; and the operation and development of the Centers of Excellence or other high technology research centers.
 - **“I ♥ NY” Program:** \$11 million for “I ♥ NY” tourism advertising, a decrease of \$6 million from the 2008-09 budget;
 - **Tourism Matching Grants:** \$4.2 million is provided to assist local tourism promotion agencies, a decrease of \$1 million from the 2008-09 budget;
 - **International Trade:** \$1.5 million, a decrease of \$2 million from the 2008-09 budget, to attract the international investment to New York State, and increase export sales to foreign countries;
 - **Visitor Centers:** \$392,000 to support visitor welcome centers in Beekmantown and Binghamton;
 - **High Technology:** \$31.6 million to support critical university-based matching grants, and other high technology and research and development programs previously administered by the Foundation;
 - **Economic Development Capital:** \$375 million in cost savings will be identified through the reduction or elimination of non-essential projects. A portion of this savings will be reprogrammed to support critical economic development initiatives, such as \$50 million for the development of a semiconductor packaging center in Upstate, \$25 million to support activities at Albany Nanotech, and \$200 million to be administered by the Corporation to identify new high value opportunities;
 - **Continued support of specific projects:** \$1.285 billion for continued support of various economic development and regional initiatives including a statewide competitive grant program administered by the Corporation, specific downstate regional initiatives and upstate city-by-city projects. In addition, this Executive Budget recommends over \$2.5 billion for economic development, cultural facilities, university development, environmental, and energy projects administered by the Corporation and Dormitory Authority of the State of New York. These projects include \$300 million for the development of an international computer chip research and development center; \$50 million to support capital improvement projects at Governor’s and Roosevelt Islands in New York City, as well as redevelopment initiatives at the Harriman Research and Technology Park in Albany and in Niagara Falls; \$650 million for the development of a semiconductor manufacturing facility; and \$300 million for the Restore New York Communities initiative; and
 - **Operations:** \$18.8 million to support the Empire State Development Corporation’s operations and administration of State economic development programs.

EMPIRE STATE DEVELOPMENT

PROGRAM HIGHLIGHTS

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

- **Economic Development:** These programs provide low-cost loans and grants to businesses to help cover the cost of machinery and equipment purchases, factory improvements, training and business incubator development; provide financial assistance for projects ranging from development of or improvements to commercial or retail facilities, tourism destinations, child care facilities, and commercial centers; provide funding for the economic development initiatives in distressed urban communities; and provide funding for military base retention and redevelopment efforts.
- **High Technology:** Through the consolidation, the Corporation will now administer various Foundation programs including: Centers for Advanced Technology; Industrial Technology Extension Service; Manufacturing Extension Partnership Program; Technology Development Organizations; the Focus Center-New York semiconductor research center; the High-Technology Matching Grants Program, including the Security Through Advanced Research and Technology (START) initiative; the Cornell University Nanobiotechnology Center; the Cornell University Materials Research Science and Engineering Center; the Cornell University Nanoscale Science and Engineering Center; the Cornell University National Nanotechnology Infrastructure Network; the Columbia University Nanoscale Science and Engineering Center; the Columbia University Materials Research Science and Engineering Center; the Rensselaer Polytechnic Institute Nanoscale Science and Engineering Center; the Rensselaer Polytechnic Institute Engineering Research Center; the City University of New York Optical Sensing and Imaging Center; the University at Albany Semiconductor Research Corporation Center for Advanced Interconnect Systems Technologies. Additional university-based matching grant funding will be provided to support the University at Albany Institute for Nanoelectronics Discovery and Exploration (INDEX) project; the Rensselaer Polytechnic Institute Smart Lighting Systems project; and Stony Brook University Semiconductor High-Energy Radiation project.
- **Marketing and Advertising:** This program promotes New York State as a premier tourist destination and business location. Major activities include the “I ♥ NY” advertising campaign and local tourism matching grants administered through locally based tourism promotion agencies representing the State’s 62 counties. The Corporation will manage tourist information services at the Beekmantown and Binghamton Gateway Centers, develop the State’s tourism master plan, target information to consumers and the travel trade, participate in national and international trade shows, and provide technical assistance to tour directors.
- **Minority and Women’s Business Development:** The Division of Minority and Women’s Business Development was established to increase the participation of minority- and women-owned businesses in State procurement opportunities. The Division identifies and certifies minority- and women-owned business enterprises; publishes a directory of certified firms to market small businesses to public and

- private sector organizations; and provides technical assistance to minority- and women-owned businesses. In addition, a disparity study is nearing completion to provide the data needed to more fully understand minority- and women-owned business enterprise procurement of state contracts in New York.
- **International:** The International Trade program promotes exports from, and attracts foreign investment to, New York State. Based in New York City, this program manages the international offices in Montreal, Toronto, London, and Tokyo, and maintains a contractual presence in several other countries. The program also coordinates State participation in trade shows and missions, compiles and disseminates trade leads and administers grants and seminars designed to encourage increased exporting.
 - **Empire Zones:** The Empire Zones program was intended to benefit distressed areas suffering from high unemployment. Businesses located in a designated Zone may qualify for tax incentives and other economic development benefits designed to encourage business expansion and job creation. There are currently 85 Zones located in the following communities: Albany, Amsterdam, Auburn, Binghamton, Brookhaven, Brooklyn Navy Yard, Buffalo, Dunkirk, East New York, East Harlem, Elmira, Friendship, Fulton, Geneva, Gloversville, Griffiss Air Force Base, Hancock Air Force Base, Hunts Point, Islip, Jamestown, Kingston, Kirkwood, Lackawanna, Lowville/Martinsburg, Moriah/Port Henry, Niagara Falls, North Shore/Staten Island, Norwich, Ogdensburg, Olean/Allegany, Oswego, Plattsburgh, Plattsburgh Air Force Base, Port Morris, Potsdam, Poughkeepsie, Riverhead, Rochester, Rockaway, Rome, Schenectady, South Jamaica, Seneca Army Depot, Stewart Air Force Base, Sunset Park/Red Hook/Southwest Brooklyn, Syracuse, Tioga County, Troy, Utica, Watertown, Watervliet Arsenal, Yonkers, Town of Tonawanda, Monroe County, Columbia County, Staten Island/West Shore, Sullivan County, Cortland County, the City of Hornell, Warren County, Saratoga County, Buffalo, Schuyler County, Mt. Vernon, Franklin County, Otsego County, Madison County, Washington County, Wayne County, Orleans County, Genesee County, Rensselaer County, Delaware, Greene, Livingston, Nassau, Rockland, Schoharie, Tompkins, Wyoming, Putnam, Yates, Hamilton and the Chinatown area of Manhattan. Currently, each of New York's 62 counties has at least one Empire Zone. In addition, Empire Zone benefits are available to businesses outside a designated zone that offer a "regionally significant impact," by achieving considerable job creation in selected industries such as bio-technology or financial services. In 2009-2010, ESDC will undertake Empire Zone program reforms and administrative changes to improve overall program performance. The proposal is expected to generate more than \$300 million of full annual savings to the State, allow only projects with favorable cost/benefit ratios to receive benefits, and ensure that the program targets strategic industries. A portion of these savings will be reinvested in new tax and grant incentive programs.
 - **Business Assistance Programs:** To improve the competitiveness of New York State companies, the Corporation provides assistance to businesses for productivity assessments, business-specific skills training for new and existing workers and third-party technical assistance to develop strategies for expanding export markets.
 - **Small Business Assistance:** The Division for Small Business serves as an ombudsman for small businesses and also offers these enterprises training and

EMPIRE STATE DEVELOPMENT

- technical assistance. In addition, the Corporation provides State and Federal procurement assistance to small businesses. The Division also operates the Clean Air Act Ombudsman Unit, which helps small businesses comply with these environmental regulations.
- **Environmental Compliance Assistance:** Pollution Prevention and Compliance Assistance is a cooperative program between the Corporation, the Department of Environmental Conservation, and the Environmental Facilities Corporation. The Program coordinates existing funding opportunities and other services of the three agencies to assist businesses in developing environmentally benign operations.
 - **Linked Deposit Program:** This joint public/private program enables companies to obtain loans from commercial banks at an interest rate that is 2 percent to 3 percent lower than the prevailing rate. The banks are compensated by deposits of State funds earning interest at comparably reduced rates.
 - **Policy and Research Division:** This Division develops the annual State strategic plan for economic development; collects and disseminates economic and demographic information; performs policy analysis and economic research; monitors and intervenes in State regulatory activities affecting energy supply, telecommunications, transportation, environmental facilities and commercial/industrial site and facility development; and coordinates the development and review of State economic development programs.

ALL FUNDS APPROPRIATIONS (dollars)

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

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

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

Adjustments:

Transfer(s) From

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

EMPIRE STATE DEVELOPMENT

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

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

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

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

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

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

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

Adjustments:

Transfer(s) From

Economic Development, Department of			
General Fund	(7,418,000)		
General Fund (State Operations)	(45,019,000)		
Science, Technology and Innovation,			
NYS Foundation for			
General Fund	(40,696,280)		
General Fund (State Operations)	(4,179,000)		
Appropriated 2008-09	<u>56,670,940</u>		

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

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

EMPIRE STATE DEVELOPMENT

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

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

ENERGY RESEARCH AND DEVELOPMENT AUTHORITY

MISSION

The New York State Energy Research and Development Authority (NYSERDA) was established in 1975 to develop and implement new energy technologies, focusing on renewable energy sources and energy conservation.

As part of its central mission, the Authority manages energy research, development and demonstration programs, which are funded by assessments on gas and electric utilities. Projects are selected on a competitive basis to promote applied research on State energy problems.

The Authority administers Federal grant programs which help businesses, schools and hospitals implement energy efficiency measures, and issues tax-exempt bonds on behalf of investor-owned utilities for capital improvements. The Authority also administers the System Benefits Charge, which supports energy programs for low-income consumers, energy efficiency, energy research and development, and environmental protection. In addition, the Authority administers the Renewable Portfolio Standard program, designed to increase the percentage of electricity used by retail customers in the State which is derived from renewable resources.

The Authority also manages the former nuclear fuel reprocessing plant at West Valley in Cattaraugus County and the Saratoga Technology and Energy Park (STEP) in Saratoga County. Currently, NYSERDA has several clean-energy technology companies located at STEP, and is continuing to work toward bringing in other clean-energy technology companies.

ORGANIZATION AND STAFFING

The Energy Research and Development Authority is headed by a 13-member board, consisting of nine members nominated by the Governor with the consent of the Senate and four ex-officio members, which include the commissioners of the departments of Transportation and Environmental Conservation, and the chairs of the Public Service Commission and the Power Authority of the State of New York. All board members serve without compensation.

BUDGET HIGHLIGHTS

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

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

ENERGY RESEARCH AND DEVELOPMENT

ALL FUNDS APPROPRIATIONS (dollars)

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

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

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

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

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

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

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

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

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

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

ENERGY RESEARCH AND DEVELOPMENT

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

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

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

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

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

MISSION

The Department of Environmental Conservation is responsible for conserving, improving and protecting the State's natural resources and environment. The Department also works to control water, land and air pollution in order to enhance the health, safety and welfare of all New Yorkers. In addition, the Department plays a major role in implementing the Environmental Protection Fund, the State's dedicated environmental fund.

ORGANIZATION AND STAFFING

The Department is headed by a commissioner appointed by the Governor. The Department's Central Office is in Albany, with regional offices in Avon, Buffalo, Long Island City, New Paltz, Ray Brook, Schenectady, Stony Brook, Syracuse and Watertown. These regional offices are the operational arms of the Department. Staff in the regional offices review and issue environmental permits for activities regulated by the Department such as the operation of landfills and sewage treatment plants. In addition, these offices ensure compliance with State and Federal environmental statutes, consistent with policy and management direction from program divisions in the Central Office.

BUDGET HIGHLIGHTS

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

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

General Fund appropriations will finance 29.2 percent of the Department of Environmental Conservation's operations in 2009-10. Fees and license revenues will support 57.6 percent, including the major permitting functions, the hazardous substances bulk storage and oil spill programs and the hazardous waste remedial and enforcement programs. Federal funds will support the remaining 13.2 percent of the Department's budget.

The Environmental Protection Fund (EPF) will provide appropriations of \$205 million to support environmental programs, including open space protection, farmland preservation, recycling programs, non-point source pollution control projects, and municipal park and waterfront revitalization projects. The EPF has been supported primarily by revenues from the real estate transfer tax as well as by the sale or lease of State property and by Fund interest earnings. To provide an ongoing revenue source for environmental programs, the Budget proposes to expand the "Bottle Bill" and redirect all unclaimed deposits to the EPF.

ENVIRONMENTAL CONSERVATION

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

The voter-approved Clean Water/Clean Air Bond Act authorizes \$1.75 billion for critical environmental programs in the following categories: Safe Drinking Water Program (\$355 million); Clean Water Program (\$790 million); Solid Waste Projects (\$175 million); Air Quality Projects (\$230 million); and Environmental Restoration Projects (\$200 million).

The Clean Air Fund will continue to provide the resources needed to meet the State’s obligations under the Federal Clean Air Act to control stationary and mobile sources of air pollution. The Fund is supported by vehicle emission inspection fees and fees on regulated pollutants emitted by factories, power plants and other stationary source facilities.

General Fund appropriations will support the preservation and maintenance of the State’s trails, regional facilities, campgrounds and the 20 percent match required for Federal grants provided through the Clean Water State Revolving Fund. Since 1992-93, the cost of the State match has been reimbursed by proceeds from the sale of bonds issued by the Environmental Facilities Corporation. Principal and interest on the bonds are paid from State taxes.

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

- \$120 million to support the refinanced Superfund program to continue the cleanup of inactive hazardous waste sites and to address hazardous substance sites. Recommendations also include \$102.9million in reappropriated funds from the 1986 Environmental Quality Bond Act to continue work already underway for existing Superfund sites;
- \$205 million in funding from the Environmental Protection Fund to provide resources to address such high priority programs as open space preservation, continued implementation of the Hudson River Estuary Management Plan, State lands access, the Hudson River Park, the Walkway over the Hudson River and stewardship projects. Other projects funded by the EPF in 2009-10 will include: the Pollution Prevention Institute; local solid waste reduction/recycling and marketing of recycled materials; landfill closure/gas management projects; natural resource damages; local parks and historic preservation grants; local waterfront revitalization projects; non-point source water pollution control projects; farmland protection; funding for soil and water conservation districts; Land Trust Alliance; urban forestry projects; and invasive species grants;
- The total 1996 Clean Water/Clean Air Bond Act authorization of \$1.75 billion has been appropriated. However, the Executive Budget includes \$50 million in continued Bond Act disbursements in 2009-10 for critical Water Quality, Air, Solid Waste, Brownfield and Safe Drinking Water Projects;
- \$22 million in appropriations to support the abatement of illegal waste tire piles and the development of new markets for waste tires under the Waste Tire Management and Recycling Act of 2003;

ENVIRONMENTAL CONSERVATION

- \$5.6 million to implement the New York City Watershed Agreement. These funds will support State enforcement and monitoring efforts in the Watershed and the provision of technical assistance to participating Watershed communities;
- \$177.6 million in new State and Federal funds for the Clean Water State Revolving Fund low-interest loan program to build and rehabilitate municipal sewage treatment facilities;
- \$10 million for the remediation of Onondaga Lake;
- \$54.7million to support the programs of the Conservation Fund;
- \$32 million in new funding for basic capital infrastructure projects to ensure health, safety and compliance with State and Federal laws and environmental requirements, including \$11 million for rehabilitation and improvement of State owned facilities;
- \$33 million in non-General Fund support for the State's Clean Air programs. New programs began in 1997-98 to control pollution from automobiles and to establish new consolidated permits for major stationary sources of air pollution, and in 1999-2000 to control air pollution from heavy-duty vehicles; and
- \$487.6 million to support the operations of the Department, including a workforce of 3,506 positions.

PROGRAM HIGHLIGHTS

Under both State and Federal law, the Department carries out a wide range of environmental, regulatory, remedial, resource management, outdoor recreation and education programs. These include the protection and management of the State's air, water, mineral and energy resources, as well as the management of both solid and hazardous waste. In this regard, the Department has undertaken expanded responsibilities as part of the State's Homeland Security effort including air and water toxic assessments, hazardous materials monitoring, water infrastructure monitoring and security and other activities to protect public health and safety.

The Department has restructured its operations to eliminate redundant management layers and refocused its attention on the core mission of the Department. Additionally, the regulatory process for issuing environmental permits has been streamlined to simplify requirements while still ensuring that environmental standards are maintained and the State's natural resources are protected.

The Department's functions can be divided into the following categories: Natural Resources, Environmental Quality/Remediation and Environmental Enforcement and Regulation.

NATURAL RESOURCES

In addition to its responsibility to protect the State's fish, wildlife and marine resources and habitats, the Fish, Wildlife and Marine program also manages 200,000 acres of Wildlife Management Area Lands, operates 12 fish hatcheries, and maintains more than 300 boat launching and fishing access sites. The primary source of funding for this program is sporting license fees (over \$39 million annually) deposited to the Conservation Fund.

The Lands and Forests program manages more than four million acres of State land under the Department's jurisdiction, including nearly three million acres of State-owned land within the Adirondack and Catskill parks and manages over 690,000 acres of

ENVIRONMENTAL CONSERVATION

conservation easements. The Lands and Forests program also supports state-wide urban and community forestry, forest health and other programs to encourage the long-term sustainable management of private forest lands. Revenues from the sale of forest products from State lands help offset program costs. The State Forest Ranger force is charged with firefighting, search and rescue and enforcing rules, regulations and laws on State land.

The Mineral Resources program regulates more than 13,000 active oil and gas wells and oversees the mined land reclamation program. This program is focused on returning land used for mining to a productive use and also performs technical and environmental review of new and 2,200 existing active mines.

The Water program protects and conserves the State's water resources which include 52,337 miles of rivers, 7,849 lakes, 2.4 million acres of fresh water wetlands, and 25,000 acres of tidal wetlands.

The Department also operates 52 campgrounds and seven day-use areas within the Adirondack and Catskill parks, as well as the Belleayre Mountain Ski Center. These recreational facilities serve approximately 1.7 million visits annually, generating over \$14 million in revenue and greatly increasing tourist trade to their host communities. Camping and skiing user fees are intended to fully support facility operations.

ENVIRONMENTAL QUALITY/REMEDATION

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

The 1988 Solid Waste Management Act established the State's policies for the management of solid waste, identifying reduction and recycling as the preferred options. The Act required municipalities to implement source separation programs and to prepare Local Solid Waste Management Plans. Also in 1988, the Department of Environmental Conservation established requirements for the construction and operation of solid waste management facilities, such as landfills. Local governments must meet those requirements before the Department will grant an operating permit.

The 1990 amendments to the Federal Clean Air Act imposed new mandates on the State designed to improve air quality. While the cost of complying with the Act is significant, the cost of non-compliance would be more severe. If the Federal Environmental Protection Agency determines that there is a deficiency in New York's clean air programs, then it must apply sanctions if the deficiency is not corrected within 18 months. Sanctions include the withholding of Federal highway funds and the requirement of a two-for-one air pollution emissions offset for new or modified sources of emissions in areas that do not meet Federal air quality standards. The sanction would result in a virtual ban on industrial expansion and would place New York at a severe economic disadvantage with other states.

New York has taken steps to implement a comprehensive stationary source air permit program, a small business assistance program and programs to reduce vehicular emissions and inspect vehicle emission systems. In 1997-98, the State began implementing a decentralized vehicle emission testing system mandated by the Federal Clean Air Act. New York's system is more convenient and less costly to motorists than other federally-approved testing systems, while still reducing air pollution. This decentralized and simpler testing program allows motorists to visit their local automotive

service stations to have emissions inspections performed. In addition, the Heavy Duty Inspection and Maintenance Program, which is supported by motor vehicle inspection sticker fees, inspects on-road heavy duty diesel vehicles for conformance with emission requirements.

The Department has also established regulations implementing the most aggressive Acid Rain controls on emissions of sulfur dioxide and nitrogen oxide in the country.

In addition, the Department will initiate or complete other actions to address serious air pollution problems. New York will adopt additional regulations to further control vehicle emissions as a result of changes in the low emission vehicle program. Equipment used in the reconstruction of lower Manhattan will use low sulfur diesel fuel and will be equipped with emission controls. The Metropolitan Transportation Authority's (MTA) bus fleet is now the largest fleet as well as one of the cleanest in the world, with the retrofit of more than 4,000 diesel buses, and the purchase of clean diesel technology and clean compressed natural gas buses. MTA also has the largest hybrid-electric fleet in North America with 825 buses in 2007 and an order for 850 more hybrid buses.

The 1986 Environmental Quality Bond Act – commonly known as the State Superfund – made \$1.1 billion available for inactive hazardous waste cleanups, allowing the Department to embark on one of the most ambitious remedial programs in the nation. In response to New York's actions, responsible parties have committed more than \$4.51 billion for the investigation and remediation of identified inactive hazardous waste sites. This is in addition to the \$1.1 billion in Bond Act funds committed to investigate and remediate 990 hazardous waste sites.

Comprehensive Superfund refinance and reform legislation was enacted in 2003. This legislation refinanced and reformed the State's Superfund Program and created a new State Brownfields Cleanup Program to encourage private investment and job creation through liability reform, tax incentives, and a predictable process for cleaning up and redeveloping brownfields. A total of 407 sites have applied to the Brownfield Cleanup Program, and 48 have been completely cleaned as of November 2008. The legislation also improves the municipal Environmental Restoration Program funded through the 1996 Clean Water/Clean Air Bond Act to encourage even more municipal participation, while providing liability reform for the State Superfund Program, Oil Spill Program, and Brownfield Cleanup Program. In addition, the legislation established a Brownfield Opportunity Area Grant Program to assist municipalities and community-based organizations in strategically planning the redevelopment of brownfields within targeted urban areas. As part of the 2008-09 Legislative Session, the Brownfields Cleanup Program tax credits were changed to include a cap on the redevelopment credits of \$35 million or 3 times the cost of remediation, whichever is less. Redevelopment credits for manufacturing projects are capped at \$45 million or 6 times the cost of remediation, whichever is less. Oversight of the \$2.75 million Brownfields Opportunity Areas Program was also transferred from the Department of Environmental Conservation to the Department of State (DOS).

The Department has also undertaken significant new initiatives including the most aggressive program in the nation to address the emerging problem of soil vapor intrusion from contaminated sites.

ENVIRONMENTAL CONSERVATION

ENVIRONMENTAL ENFORCEMENT AND REGULATION

The Department of Environmental Conservation also enforces and regulates a myriad of activities carried out by businesses, local governments and individuals that can have an impact on the environment and the State's natural resources.

The Department carries out this responsibility through a variety of regulatory and permitting processes and through ongoing communication with those subject to environmental laws and regulations to ensure that such requirements are understood. The Department uses its Environmental Conservation Officers and Forest Rangers as its frontline to interact directly with the public and the regulated community to ensure compliance with all Department regulations and the initiatives described above.

The Department has enhanced and improved its overall regulatory and enforcement capabilities, including the coordination of enforcement and inspection programs at each of its regional offices. The Department will continue to review its regulatory practices to streamline procedures and eliminate unnecessary requirements, while still ensuring that strict environmental standards are maintained.

ALL FUNDS APPROPRIATIONS (dollars)

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

ENVIRONMENTAL CONSERVATION

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

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

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

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

Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(5,848,000)		
Special Revenue Funds - Federal	(4,188,000)		
Special Revenue Funds - Other	(9,796,000)		
Appropriated 2008-09	498,385,300		

ENVIRONMENTAL CONSERVATION

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

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

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

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

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

ENVIRONMENTAL CONSERVATION

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

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

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

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

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

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

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

ENVIRONMENTAL CONSERVATION

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

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

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

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

ENVIRONMENTAL CONSERVATION

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

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

ENVIRONMENTAL CONSERVATION

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

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

ENVIRONMENTAL FACILITIES CORPORATION

MISSION

The Environmental Facilities Corporation (EFC) is a public benefit corporation whose mission is to promote environmental quality by providing low cost financing and technical assistance to municipalities, businesses and State agencies for environmental and public health projects in New York State.

The Environmental Facilities Corporation's largest program is the Clean Water State Revolving Fund. This program, administered jointly with the Department of Environmental Conservation, provides reduced interest rate financing to municipalities for infrastructure projects that control water pollution. EFC, in conjunction with the New York State Department of Health, also administers the Drinking Water State Revolving Fund, which provides reduced interest rate financing and grants to community and private water systems for safe drinking water projects. A Federal grant and corresponding State match provide funding for these programs. The Clean Water/Clean Air Bond Act provides a State match for the Drinking Water State Revolving Fund. Administration of these programs is also supported with a portion of the Federal Capitalization Grant and fees charged on financings.

The Environmental Facilities Corporation also administers other funding programs including the Financial Assistance to Business, Industrial Finance, Pipeline for Jobs, Beginning Farmer, and the Clean Vessel Assistance Program (in conjunction with the Department of Environmental Conservation). It also provides technical assistance through its New York City Watershed Programs and Small Business Environmental Assistance Program.

ORGANIZATION AND STAFFING

A seven-member Board of Directors governs the Corporation. Ex-officio board members include the Commissioner of the Department of Environmental Conservation, who serves as the Board Chair, the Commissioner of the Department of Health, and the Secretary of State. The four remaining board members serve six-year terms and require nomination by the Governor and confirmation by the State Senate. The Board of Directors appoints the Corporation President and Corporate Officers.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$13.4 million** for the Environmental Facilities Corporation (EFC). This is a decrease of **\$1.5 million** from the 2008-09 enacted budget. In addition, State funds are included in the Department of Environmental Conservation and Department of Health's capital budgets for the required match to Federal funding for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund programs.

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

ENVIRONMENTAL FACILITIES

Corporate operations are funded by:

- Financing fees and annual fees charged to recipients that receive Revolving Fund loans and a portion of State and Federal grants made for the Clean Water and Drinking Water programs; and
- User fees paid by businesses, municipalities, and industrial clients for the Corporation's technical and financial services.

PROGRAM HIGHLIGHTS

The Environmental Facilities Corporation currently administers seven major programs: the two State Revolving Funds, the Industrial Finance Program, Technical Advisory Services, the Clean Water/Clean Air Bond Act's business environmental compliance assistance programs, the Pipeline for Jobs Program and New York Beginning Farmer Loan Program.

CLEAN WATER STATE REVOLVING FUND PROGRAM

This program was established in 1989 to help municipalities comply with the Federal Clean Water Act by providing low-interest rate financings to build or upgrade water pollution control facilities. Since 1989, the program has received Federal and State appropriations totaling \$2.9 billion and \$573 million, respectively. The State Revolving Fund has made financings totaling \$13.1 billion to 482 recipients across the State. Interest rates range from as low as zero percent to no more than two-thirds of the market rate. These low-interest rate financings substantially reduce the cost of water pollution control projects for borrowers, making environmental compliance and protection more attainable.

In July 2007, the Governor signed legislation creating a Water Pollution Control Linked Deposit Program (LDP) that requires EFC to invest CWSRF monies with participating lending institutions for agricultural non-point source projects and for residential and small business on-site wastewater treatment system projects. The legislation is limited to \$10 million per intended use plan period and was effective January 14, 2008.

DRINKING WATER STATE REVOLVING FUND PROGRAM

In 1996, Congress enacted Federal legislation authorizing the Drinking Water State Revolving Fund program. This program, modeled after the Clean Water State Revolving Fund program, provides reduced interest rate financings to community and private water systems to finance safe drinking water projects. In cases of financial hardship, funds are also available from the Clean Water/Clean Air Bond Act to make grants for the construction of drinking water facilities. The Drinking Water Program has made loans and grants totaling \$2.3 billion to 326 recipients across the State. Federal funding provided for the Drinking Water State Revolving Fund requires a 20 percent State match. Since 1996, the program has received Federal and State appropriations totaling \$612 million and \$265 million, respectively. The State's share of the Drinking Water State Revolving Fund is provided from the Clean Water/Clean Air Bond Act.

INDUSTRIAL FINANCE PROGRAM

Since 1976, the Industrial Finance Program has provided more than \$2.3 billion in low-interest rate loans to businesses and State agencies for environmental improvement projects. Projects eligible for loans include solid waste management facilities, hazardous waste management facilities, and water supply and wastewater management facilities. Loans under the program are financed from the proceeds of special obligation revenue bonds issued by the Corporation.

TECHNICAL ADVISORY SERVICES

The Technical Advisory Services Program advises businesses, industrial clients, State agencies, and municipalities on pollution prevention, waste management, and compliance with environmental laws and regulations. The Corporation also provides fund management and loan and grant servicing to its clients. The Environmental Facilities Corporation addresses such issues as air pollution control and compliance, multi-media waste management, inactive hazardous waste site remediation, water and wastewater management, and solid waste management and landfill closure. This program is funded by fees paid by Corporation clients who contract for these services.

FINANCIAL ASSISTANCE TO BUSINESS

The 1996 Clean Water/Clean Air Bond Act provides \$60 million to assist businesses in achieving compliance with environmental laws and regulations pertaining to air and water quality. The air and water quality programs are funded at \$30 million each and are used to assist businesses in targeted sectors to achieve environmental compliance including procurement of new capital equipment. The Corporation works with village, town, and city governments to identify businesses in need of assistance.

PIPELINE FOR JOBS

The Pipeline for Jobs Program was created in 1999 to provide low-cost loans and financial assistance to municipalities, public utilities, public benefit corporations, and businesses. The purpose of the program is to encourage and support water supply and cold water supply improvement projects which provide an economic development benefit to the State. The recommendation for this program includes \$1.3 million in reappropriations.

NEW YORK BEGINNING FARMER LOAN PROGRAM

The New York Beginning Farmer Loan Program provides low interest loans of up to \$250,000 to individuals for the purchase of agricultural property and equipment. The purpose of this program is to attract and support New York's next generation of farmers.

ENVIRONMENTAL FACILITIES

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	14,536,000	13,031,000	(1,505,000)	0
Aid To Localities	0	0	0	0
Capital Projects	343,000	343,000	0	1,648,000
Total	14,879,000	13,374,000	(1,505,000)	1,648,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Special Revenue Funds - Other	98	94	(4)
Clean Water/Clean Air Administration Program			
Capital Projects Funds - Other	2	3	1
Total	100	97	(3)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	14,536,000	13,031,000	(1,505,000)
Total	14,536,000	13,031,000	(1,505,000)
Adjustments:			
Transfer(s) From			
Special Pay Bill			
Special Revenue Funds - Other	(708,000)		
Appropriated 2008-09	13,828,000		

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
Special Revenue Funds - Other	14,536,000	13,031,000	(1,505,000)
Total	14,536,000	13,031,000	(1,505,000)

ENVIRONMENTAL FACILITIES

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

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	13,031,000	(1,505,000)	7,844,000	(906,000)
Total	13,031,000	(1,505,000)	7,844,000	(906,000)

Program	Nonpersonal Service	
	Amount	Change
Administration	5,187,000	(599,000)
Total	5,187,000	(599,000)

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Pipeline for Jobs Program				
Capital Projects Fund - Authority Bonds	0	0	0	1,305,000
Clean Water - Clean Air Implementation				
Clean Water Clean Air Implementation Fund	343,000	343,000	0	343,000
Total	343,000	343,000	0	1,648,000
Adjustments:				
Prior Year Deficiency				
Air Resources		4,400,000		
Appropriated 2008-09		4,743,000		

HUDSON RIVER PARK TRUST

MISSION

The Hudson River Park Trust (the Trust) is a public benefit corporation established in 1998 to design, develop, and maintain the 550-acre Hudson River Park in Manhattan, which extends five miles along the Hudson River waterfront from Battery Park to 59th Street. The Trust is governed by a 13-member board: 5 members appointed by the Governor, 5 by the Mayor of New York City, and 3 by the Manhattan Borough President.

ORGANIZATION AND STAFFING

The Trust is headed by a President and Chief Executive Officer who is appointed by the Board.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$11 million** for the Trust. Specifically, the 2009-10 budget recommendations provide a capital advance appropriation of \$6 million for New York City's share of the project. The budget also proposes funding for new obligations of \$5 million for capital projects to aid in the completion of the remaining segments of the Park to be financed through the State Environmental Protection Fund. All Trust administrative activities, including operating costs, are paid directly from a portion of the commercial lease payments and other revenues generated by businesses and activities conducted on the Park property. These receipts are deposited directly to the Trust. Additionally, the Trust has a **workforce of 55** full time employees.

PROGRAM HIGHLIGHTS

During 2009-10, the Trust will continue the design and construction of the remaining segments of the Park, develop detailed cost estimates, explore alternative sources of funding and continue to oversee capital projects to build the Park.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	25,000,000	6,000,000	(19,000,000)	41,704,000
Total	25,000,000	6,000,000	(19,000,000)	41,704,000

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Regional Development				
Capital Projects Fund - Advances	25,000,000	6,000,000	(19,000,000)	41,704,000
Total	25,000,000	6,000,000	(19,000,000)	41,704,000

INSURANCE DEPARTMENT

MISSION

The Insurance Department, which was established in 1860, is charged with regulating the insurance industry and with balancing the interests of insurance consumers, companies and producers. Specific statutory responsibilities include: approving the formation, consolidation or merger of insurance organizations and all new insurance products, monitoring the financial stability of insurers, overseeing the testing and licensing of agents, adjusters, consultants and insurance intermediaries and disciplining licensees who violate the Insurance Law or regulations.

ORGANIZATION AND STAFFING

The Insurance Department is headed by a Superintendent who is appointed by the Governor. The Department maintains offices in Albany, New York City and local offices in Mineola, Rochester, Syracuse, Oneonta, Brooklyn and Buffalo. The Department's activities are carried out through three programs: Administration, Regulation and Consumer Services.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$542 million All Funds** (\$542 million Other Funds) for the Insurance Department. This is an increase of **\$192 million All Funds** (\$292 million Special Revenue Other Funds, offset by a decrease of \$100 million in General Fund) from the 2008-09 budget. This change primarily reflects proposals to shift funding for Timothy's Law and certain public health programs from the General Fund to the insurance industry assessment.

The Executive Budget recommends a staffing level of **925 FTEs** for the Insurance Department, a **decrease of 12 FTEs** from the 2008-09 budget. This decrease is attributed to the impact of the statewide hiring freeze implemented by the Executive in July of 2008 and the conclusion of the Commission to Modernize the Regulation of Financial Services and the Universal Health Care Task Forces.

The Insurance Department is funded by assessments on New York State based insurance carriers, and company examination fees. These monies fully support the operations of the Department as well as insurance-related operations in other agencies.

PROGRAM HIGHLIGHTS

The Department ensures that insurance companies meet statutory requirements regarding their finances and corporate conduct by monitoring the financial condition of companies and conducting periodic field examinations of insurers. It strives for the fair treatment of policyholders, claimants and the public through the regulation of company claim payments and sales practices, responses to consumer complaints, and the timely review of insurance company denials of coverage. Risk-focused examinations are being incorporated by state insurance regulators, replacing the traditional full scope financial statement verification examinations. The Department has devoted resources to areas of higher risk, where effective and efficient uses of resources are realized.

INSURANCE

The Department promotes high standards of conduct and competence through testing, oversight, and pre-licensing and continuing education of insurers and agents. It maintains a registry of all licensees, collects fees, and imposes fines related to the revocation of licenses and irregular activities.

With the passage of the Workers' Compensation Reform Act of 2007, the Department is responsible for developing reforms to streamline and speed up claims processes, reviewing and reporting on the effectiveness and benefits of the Compensation Insurance Rating Board, developing medical treatment and disability guidelines for injured workers, and evaluating the cost, economic efficiency, and fairness of the workers' compensation system.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	324,280,000	230,564,000	(93,716,000)	150,000
Aid To Localities	26,021,000	311,510,900	285,489,900	0
Capital Projects	0	0	0	0
Total	350,301,000	542,074,900	191,773,900	150,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Special Revenue Funds - Other	131	131	0
Consumer Services			
Special Revenue Funds - Other	153	153	0
Regulation			
General Fund	12	0	(12)
Special Revenue Funds - Other	641	641	0
Total	937	925	(12)

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
General Fund	100,061,000	0	(100,061,000)
Special Revenue Funds - Federal	150,000	150,000	0
Special Revenue Funds - Other	224,069,000	230,414,000	6,345,000
Total	<u>324,280,000</u>	<u>230,564,000</u>	<u>(93,716,000)</u>
Adjustments:			
Prior Year Deficiency			
Insurance Department			
Special Revenue Funds - Other	10,000,000		
Transfer(s) From			
Insurance Department			
General Fund	(61,000)		
Special Revenue Funds - Other	(61,000)		
Special Pay Bill			
General Fund	(61,000)		
Special Revenue Funds - Other	(9,682,000)		
Transfer(s) To			
Insurance Department			
General Fund	61,000		
Special Revenue Funds - Other	61,000		
Appropriated 2008-09	<u>324,537,000</u>		

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Administration			
Special Revenue Funds - Other	17,020,000	17,020,000	0
Consumer Services			
Special Revenue Funds - Other	13,490,000	13,490,000	0
Regulation			
General Fund	100,061,000	0	(100,061,000)
Special Revenue Funds - Federal	150,000	150,000	0
Special Revenue Funds - Other	193,559,000	199,904,000	6,345,000
Total	<u>324,280,000</u>	<u>230,564,000</u>	<u>(93,716,000)</u>

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

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Regulation	0	(861,000)	0	(861,000)
Total	<u>0</u>	<u>(861,000)</u>	<u>0</u>	<u>(861,000)</u>

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

<u>Program</u>	<u>Total</u>		<u>Contractual Services</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Regulation	0	(99,200,000)	0	(99,200,000)
Total	<u>0</u>	<u>(99,200,000)</u>	<u>0</u>	<u>(99,200,000)</u>

INSURANCE

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

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	17,020,000	0	10,788,000	0
Consumer Services	13,490,000	0	8,752,000	0
Regulation	200,054,000	6,345,000	58,194,000	861,000
Total	<u>230,564,000</u>	<u>6,345,000</u>	<u>77,734,000</u>	<u>861,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	6,232,000	0	0	0
Consumer Services	4,738,000	0	0	0
Regulation	51,297,000	404,000	90,563,000	5,080,000
Total	<u>62,267,000</u>	<u>404,000</u>	<u>90,563,000</u>	<u>5,080,000</u>

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

Fund Type	Available	Recommended	Change
	2008-09	2009-10	
Special Revenue Funds - Other	26,021,000	311,510,900	285,489,900
Total	<u>26,021,000</u>	<u>311,510,900</u>	<u>285,489,900</u>

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

Program	Available	Recommended	Change
	2008-09	2009-10	
Regulation			
Special Revenue Funds - Other	26,021,000	311,510,900	285,489,900
Total	<u>26,021,000</u>	<u>311,510,900</u>	<u>285,489,900</u>

DIVISION OF THE LOTTERY

MISSION

In 1966, New Yorkers approved a constitutional amendment to authorize a State Lottery in support of education. The Division of the Lottery raises revenue through the sale and marketing of Lottery games.

ORGANIZATION AND STAFFING

The Division of the Lottery is an independent unit of the Department of Taxation and Finance, whose Commissioner appoints the Director of the Lottery. The Division maintains a central office in Schenectady, regional offices in Buffalo, Syracuse, New York City and Long Island, a satellite office in Fishkill to serve the Hudson Valley, and a claims center in Rochester. Marketing sales representatives are assigned to the regional offices around the State, and recruit and support point-of-sale retailers, which include convenience stores, newsstands, supermarkets, restaurants and bowling centers.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$118 million All Funds** (\$118 million Other Funds) for the Division of the Lottery. This is a decrease of **\$5 million in All Funds** (\$5 million Other Funds) from the 2008-09 budget, primarily reflecting achieved savings in nonpersonal services expenditures. The Executive Budget recommends a staffing level of **358 FTEs** for the Division of the Lottery, a decrease of 3 FTEs from the 2008-09 budget. This decrease reflects the impact of the statewide hiring freeze, implemented by the Executive in July of 2008. Selective hiring will continue for positions that will enable Lottery to advance its goal of maximizing revenue for education.

PROGRAM HIGHLIGHTS

Lottery games sold on the Division's on-line computer system include Numbers, Win 4, Take 5 and other Lottery games. These games can be played from approximately 16,000 locations across the State and offer players the opportunity to match their "picks" to televised drawings that take place twice daily, daily, or twice weekly, depending on the game. Winning tickets up to \$600 can be validated and redeemed by customers at any location selling Lottery products.

The Lottery Division's Instant games have contributed significantly to the growth of Lottery revenues. The Division will market approximately 40 new Instant games during 2009-10, with ticket prices starting at \$1.

Quick Draw, first introduced in 1995, is an electronically drawn game with winning numbers drawn by a central computer every four minutes. Quick Draw is displayed at approximately 3,200 authorized establishments statewide, such as restaurants and bowling centers.

In 2001, legislation was enacted to broaden the Lottery gaming opportunities in New York State, authorizing New York's involvement in a multi-state Lottery game and permitting the installation of Video Lottery Terminals (VLTs) at horse racing facilities across the State. Pursuant to this legislation, the Division of the Lottery entered into an

LOTTERY

agreement with nine other states to create a new multi-state Lottery game, "Mega Millions". Currently, 12 states including New York participate. Mega Millions' first drawing occurred on May 17, 2002.

The 2009-10 Executive Budget provides funds necessary to market and operate traditional Lottery games for the coming fiscal year. In addition, Lottery has continued efforts to implement the VLT program at various horse racing facilities across the State with eight VLT gaming facilities currently operational. The 2009-10 Executive Budget also provides the necessary funding for the video lottery program's continued operation and implementation.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	122,552,100	117,552,101	(4,999,999)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	122,552,100	117,552,101	(4,999,999)	0

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration of the Lottery Program			
Special Revenue Funds - Other	314	311	(3)
Administration of the VLT Program			
Special Revenue Funds - Other	47	47	0
Total	361	358	(3)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	122,552,100	117,552,101	(4,999,999)
Total	122,552,100	117,552,101	(4,999,999)

Adjustments:

Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Other	(2,238,000)
Appropriated 2008-09	120,314,100

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Administration of the Lottery Program Special Revenue Funds - Other	105,899,820	106,142,013	242,193
Administration of the VLT Program Special Revenue Funds - Other	16,652,280	11,410,088	(5,242,192)
Total	<u>122,552,100</u>	<u>117,552,101</u>	<u>(4,999,999)</u>

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

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration of the Lottery Program	106,142,013	242,193	20,799,697	1,850,593
Administration of the VLT Program	11,410,088	(5,242,192)	2,513,379	(655,817)
Total	<u>117,552,101</u>	<u>(4,999,999)</u>	<u>23,313,076</u>	<u>1,194,776</u>

<u>Program</u>	<u>Nonpersonal Service</u>	
	<u>Amount</u>	<u>Change</u>
Administration of the Lottery Program	85,342,316	(1,608,400)
Administration of the VLT Program	8,896,709	(4,586,375)
Total	<u>94,239,025</u>	<u>(6,194,775)</u>

METROPOLITAN TRANSPORTATION AUTHORITY

MISSION

The Metropolitan Transportation Authority (MTA) is responsible for operating, maintaining and improving public transportation in the Metropolitan Commuter Transportation District consisting of New York City and Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester counties. The Authority oversees the operations of the bus and subway systems in New York City, commuter railroads in the region, and seven bridges and two tunnels in New York City. This oversight includes general policy direction and development and financing of the operating and capital programs.

The Authority is comprised of three independent entities: The Metropolitan Transportation Authority, MTA New York City Transit and MTA Bridges and Tunnels. The Metropolitan Transportation Authority has six subsidiaries: MTA Staten Island Rapid Transit, MTA Long Island Rail Road, MTA Long Island Bus, MTA Metro North Railroad, MTA Bus and MTA Capital Construction. MTA New York City Transit, which operates the New York City subway and bus systems, has one subsidiary: MTA Manhattan and Bronx Surface Transit.

ORGANIZATION AND STAFFING

Each of the three independent entities mentioned above is governed by its own Board, although by law membership on each Board is identical. There are 19 board members, 17 voting and 2 non-voting, each nominated by the Governor and confirmed by the Senate. Four members are nominated from a list provided by the Mayor of the City of New York and one each from lists prepared by the seven county executives in the Metropolitan Commuter Transportation District. The remaining six voting members are appointed directly by the Governor, with one serving as Board Chair.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$1.3 billion All Funds** (\$1.3 billion from the General Fund) for the Metropolitan Transportation Authority (MTA) from the Rebuild and Renew New York Bond Act of 2005. Funds appropriated directly to the MTA include new appropriations and reappropriations from the Bond Act, approved by voters in November 2005, which provided \$1.45 billion of capital aid from SFYs 2005-06 through 2009-10. The \$1.3 billion includes approximately \$1.2 billion in reappropriations of capital aid and approximately \$82 million in new capital aid for 2009-10. The appropriations made directly to the MTA are in addition to the approximately \$2.26 billion subsidy (a decrease of approximately \$256 million from the 2008-09 Amended Budget level) provided by the State to the Metropolitan Transportation Authority that is appropriated in the Department of Transportation's Aid to Localities budget. This year-to-year decrease in aid levels is due to the non-recurrence of approximately \$150 million in aid that was accelerated to the MTA in 2008-09 from one of the transit accounts as a one-time distribution of fund balance. The decrease also includes a portion of the impact of declining transit revenues and the discontinuation of \$19.6 million in real estate tax transfers appropriated from the Additional Mass Transportation Assistance Program (AMTAP) fund to the MTA that are no longer available.

METROPOLITAN TRANSPORTATION

PROGRAM HIGHLIGHTS

MTA NEW YORK CITY TRANSIT AND MTA COMMUTER RAILROADS

The Metropolitan Transportation Authority provides 24 hour-a-day transit and commuter services in the New York City metropolitan region. Its subway system is the largest in the nation and one of the largest in the world. MTA New York City Transit operates approximately 230 local and express bus routes throughout New York City. Complementing this service are additional bus routes in Nassau County provided by MTA Long Island Bus. MTA Long Island Rail Road and MTA Metro North Railroad, the two largest commuter rail systems in the nation, provide transportation for travelers entering New York City from outlying suburban areas in New York State and Connecticut. Over two and a half billion passengers ride the subways, buses and commuter rail systems each year.

MTA BRIDGES AND TUNNELS

MTA Bridges and Tunnels, the largest toll system in the nation serving 300 million vehicles annually, operates nine intra-city bridges and tunnels in New York City: Triborough Bridge, Bronx-Whitestone Bridge, Henry Hudson Bridge, Marine Parkway-Gil Hodges Bridge, Cross Bay Veterans' Memorial Bridge, Throgs Neck Bridge, Verrazano-Narrows Bridge, Queens-Midtown Tunnel and Brooklyn Battery Tunnel. It also provides financing for MTA New York City Transit's and the commuter railroads' capital programs. In addition, MTA Bridges and Tunnels is required by law to transfer surplus revenues to MTA New York City Transit and the commuter railroads to support their operations.

OTHER SUBSIDIARIES

In July 2003, the MTA created MTA Capital Construction Company, which has the ability to manage, design and effectuate the system expansion projects of all the MTA agencies. The other subsidiaries – MTA Staten Island Rapid Transit, MTA Long Island Bus, and MTA Manhattan and Bronx Surface Transit – provide regional transportation services. MTA Staten Island Rapid Transit operates transit services on Staten Island. MTA Manhattan and Bronx Surface Transit, in conjunction with MTA New York City Transit, provides bus service within New York City, primarily to passengers traveling within a particular borough or as a feeder service to the subway. In September 2004, the MTA Board created the MTA Bus Company. Pursuant to an agreement with the City of New York, the MTA has assumed operation of bus service in the areas previously serviced by the City-franchised private bus lines. Specifically, the MTA is now responsible for all aspects of service delivery; the City of New York will pay to the MTA the difference between the actual cost of operations and all revenues. MTA Bus now operates the 11th largest bus fleet in North America.

MTA Long Island Bus provides bus service to Nassau County, western Suffolk County and eastern Queens County, connecting these areas to MTA Long Island Rail Road's stations and New York City Transit's subway stations. The Metropolitan Transportation Authority is responsible for the operation and general oversight of MTA

METROPOLITAN TRANSPORTATION

Long Island Bus. Nassau County is financially responsible for MTA Long Island Bus' operating costs that are over and above those supported by fares and by Federal and State assistance.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	636,000,000	633,654,000	(2,346,000)	0
Capital Projects	487,000,000	82,000,000	(405,000,000)	1,279,552,000
Total	<u>1,123,000,000</u>	<u>715,654,000</u>	<u>(407,346,000)</u>	<u>1,279,552,000</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	636,000,000	633,654,000	(2,346,000)
Total	<u>636,000,000</u>	<u>633,654,000</u>	<u>(2,346,000)</u>

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

Program	Available 2008-09	Recommended 2009-10	Change
Dedicated Tax			
Special Revenue Funds - Other	636,000,000	633,654,000	(2,346,000)
Total	<u>636,000,000</u>	<u>633,654,000</u>	<u>(2,346,000)</u>

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Mass Transportation and Rail Freight				
Metropolitan Transportation Authority				
Capital Projects Fund - Advances	0	0	0	36,000,000
Urban and Commuter Mass Transportation Bondable				
Capital Projects Fund - Rebuild Renew NY 2005				
(Bondable)	487,000,000	82,000,000	(405,000,000)	1,243,552,000
Total	<u>487,000,000</u>	<u>82,000,000</u>	<u>(405,000,000)</u>	<u>1,279,552,000</u>

DEPARTMENT OF MOTOR VEHICLES

MISSION

The Department of Motor Vehicles is a customer-oriented agency whose employees and partners work together to promote traffic safety, protect consumers, provide information services, and collect revenues for the benefit of the people of this state.

ORGANIZATION AND STAFFING

Under the direction of the Commissioner, the Department operates from its main office in Albany (Empire State Plaza) and from three regional headquarters in Albany, Long Island and New York City. The Department also operates 28 district and branch offices, which issue licenses and registrations. In addition, County Clerk offices act as DMV agents at 101 locations throughout the State.

Dedicated funds and fees, including a portion of traffic violation fines in certain localities, support approximately 99 percent of the Department's positions. The remaining one percent is funded with Federal grants.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$358 million All Funds (\$0 General Fund, \$358 million Other Funds)** for the Department of Motor Vehicles. This is a decrease of **\$20 million All Funds (\$0 General Fund, \$20 million Other Funds)** from the 2008-09 budget. This net change reflects the fully annualized financial management plan savings implemented by the Department during 2008-09, which include personal service savings resulting from the hiring freeze and limitations on non-personal services spending. The decrease is also a result of additional savings actions recommended by the Executive Budget. Budget actions include authorizing the Commissioner of Motor Vehicles to replace the Non-Commercial Driver's License written examination with completion of either a 5-hour pre-licensing course or a driver education course as the prerequisite to obtain a driver's permit, saving the Department approximately \$1.4 million. The Executive Budget recommendations also include an increase of \$3.2 million of Federal funds due to a projected increase in grants to the Governor's Traffic Safety Commission.

The Dedicated Highway and Bridge Trust Fund, supported primarily by revenues from motor vehicle fees, highway use and motor fuel taxes, will fund \$219.1 million, or 61 percent of DMV's budget. The balance is financed by Federal funds and special revenue funds supported by various fees and fines. The Executive Budget includes several actions to increase revenues deposited in the Dedicated Highway and Bridge Trust Fund and the General Fund. Major revenue actions include:

- **Increasing Registration Fees:** The 2009-10 Executive Budget recommends increasing most registration fees by twenty-five percent. This increase will be directed to the Dedicated Highway and Bridge Trust Fund to reduce the subsidy from the General Fund. New revenues are projected to total \$60.5 million in SFY 2009-10 and \$103.7 million thereafter.
- **Increasing License Document Fees:** The Executive Budget recommends increasing license fees by twenty-five percent and directing the increase to the Dedicated Highway and Bridge Trust Fund to reduce the subsidy from the General Fund. New revenues are projected to total \$21.9 million in 2009-10 and \$37.6 million in 2010-11.

MOTOR VEHICLES

- **Reissue License Plates:** The Executive Budget recommends a license plate fee increase of ten dollars and implementing a license plate reissuance. The increase in revenue will generate \$129 million, for the State's General Fund, over the 2010-11 and 2011-12 fiscal years.

The Executive Budget recommends a staffing level of **2,876 FTEs** for the Department of Motor Vehicles; **an increase of 15** from the reduced 2008-09 budget following financial management plan savings. This change reflects staffing needed to accommodate an anticipated large cyclical increase in the department's drivers' license renewals, which facilitates revenue collection.

PROGRAM HIGHLIGHTS

CUSTOMER SERVICE

DMV issues drivers licenses and vehicle registrations, collects more than \$1.35 billion in revenue for the State and localities, monitors driver training and enforces the directives of local magistrates and departmental referees. State offices are also responsible for conducting road tests and maintaining enforcement sections that issue conditional and restricted use licenses and handle other suspension and revocation activities. The Department of Motor Vehicles served more than 20 million customers last year.

The Department also adjudicates traffic violations at 11 locations in New York City and several other jurisdictions across the State. This allows local judges and criminal courts to dedicate their activities to criminal matters. This program is funded entirely by fines collected from violators. After State operating expenses are deducted, remaining funds are returned to the jurisdictions where the violations occurred.

The Department continues to enhance its Internet website to provide customers an alternative means for transacting Department business. Through the convenience of personal computers, more than two million transactions per year are processed via the DMV website. Through the Internet, customers can renew registrations and drivers licenses, order personalized and custom plates, order duplicate titles, registrations and licenses, plead and pay Traffic Violations Bureau (TVB) tickets, obtain an accident report, and if requested, post insurance proof. The Internet Point Insurance Reduction Program (IPIRP), will establish a pilot program to study the use of the internet and other technologies as an effective tool in the delivery of the accident prevention course program. Customers can also check the status of their plate or title orders, schedule their road tests, pay certain fines, and obtain information and instructions from DMV's Right Now Web knowledge base. Businesses with secure access can order supplies of inspection stickers and post lien information.

VEHICLE AND DRIVER SAFETY

Highway safety policies have resulted in reductions in fatalities and serious injuries on our roads. Contributing to this success have been new enforcement and educational efforts by State, local and non-profit agencies, including a statewide crackdown to stop those who drink and drive or engage in aggressive driving, initiatives to promote proper child safety seat usage and the statewide Click It or Ticket enforcement campaign, which has increased seatbelt usage to over 89 percent. These efforts have resulted in New York State's roadways being some of the safest in the nation.

MOTOR VEHICLES

DMV vehicle safety activities include: licensing and monitoring safety and emissions inspection stations; registering auto repair shops, dealers, transporters and dismantlers; and certifying vehicle inspectors, junk and salvage businesses and automotive body damage estimators.

Driver safety initiatives include implementation and oversight of educational or rehabilitative programs for motorists convicted of alcohol or drug related driving offenses, the point insurance reduction program and pre-licensing courses. DMV also licenses and monitors driving schools and instructors.

FIELD INVESTIGATION AND AUDIT

One of the Department's major functions is to issue credentials, which establish the identity and license status of drivers, the ownership of vehicles and boats, and the authenticity of auto-related businesses. External investigation activities concern stolen automobiles, odometer fraud, fraudulent identity and motor vehicle documents and complaints regarding unlicensed and suspended drivers.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	128,922,000	119,562,000	(9,360,000)	38,154,200
Aid To Localities	17,264,000	19,540,000	2,276,000	35,004,000
Capital Projects	231,782,000	219,035,000	(12,747,000)	2,500,000
Total	<u>377,968,000</u>	<u>358,137,000</u>	<u>(19,831,000)</u>	<u>75,658,200</u>

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administrative Adjudication			
Special Revenue Funds - Other	430	430	0
Clean Air			
Special Revenue Funds - Other	261	261	0
Compulsory Insurance			
Special Revenue Funds - Other	202	202	0
Governor's Traffic Safety Committee			
Special Revenue Funds - Federal	19	19	0
Transportation Safety			
Special Revenue Funds - Other	3	3	0
Transportation Support			
Capital Projects Funds - Other	1,946	1,961	15
Total	<u>2,861</u>	<u>2,876</u>	<u>15</u>

MOTOR VEHICLES

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Special Revenue Funds - Federal	14,943,000	15,860,000	917,000
Special Revenue Funds - Other	103,479,000	93,202,000	(10,277,000)
Internal Service Funds	10,500,000	10,500,000	0
Total	128,922,000	119,562,000	(9,360,000)

Adjustments:

Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Federal	(102,000)
Special Revenue Funds - Other	(5,590,000)
Appropriated 2008-09	123,230,000

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Administration			
Special Revenue Funds - Federal	102,000	0	(102,000)
Special Revenue Funds - Other	10,590,000	1,400,000	(9,190,000)
Internal Service Funds	10,500,000	10,500,000	0
Administrative Adjudication			
Special Revenue Funds - Other	44,899,000	44,818,000	(81,000)
Clean Air			
Special Revenue Funds - Other	25,952,000	25,488,000	(464,000)
Compulsory Insurance			
Special Revenue Funds - Other	18,933,000	18,190,000	(743,000)
Governor's Traffic Safety Committee			
Special Revenue Funds - Federal	14,841,000	15,860,000	1,019,000
Transportation Safety			
Special Revenue Funds - Other	3,105,000	3,306,000	201,000
Total	128,922,000	119,562,000	(9,360,000)

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

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	11,900,000	(9,292,000)	0	(3,810,000)
Administrative Adjudication	44,818,000	(81,000)	23,500,000	831,000
Clean Air	25,488,000	(464,000)	15,050,000	451,000
Compulsory Insurance	18,190,000	(743,000)	9,700,000	465,000
Governor's Traffic Safety Committee	15,860,000	1,019,000	526,000	22,000
Transportation Safety	3,306,000	201,000	275,000	(171,000)
Total	119,562,000	(9,360,000)	49,051,000	(2,212,000)

<u>Program</u>	<u>Nonpersonal Service</u>		<u>Maintenance Undistributed</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Administration	11,900,000	(5,482,000)	0	0
Administrative Adjudication	21,318,000	(912,000)	0	0
Clean Air	10,438,000	(915,000)	0	0
Compulsory Insurance	8,490,000	(1,208,000)	0	0
Governor's Traffic Safety Committee	337,500	4,500	14,996,500	992,500
Transportation Safety	3,031,000	372,000	0	0
Total	55,514,500	(8,140,500)	14,996,500	992,500

MOTOR VEHICLES

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Special Revenue Funds - Federal	17,264,000	19,540,000	2,276,000
Total	<u>17,264,000</u>	<u>19,540,000</u>	<u>2,276,000</u>

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Governor's Traffic Safety Committee			
Special Revenue Funds - Federal	17,264,000	19,540,000	2,276,000
Total	<u>17,264,000</u>	<u>19,540,000</u>	<u>2,276,000</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>	<u>Reappropriations 2009-10</u>
Transportation Support				
Dedicated Highway and Bridge Trust Fund	231,782,000	219,035,000	(12,747,000)	2,500,000
Total	<u>231,782,000</u>	<u>219,035,000</u>	<u>(12,747,000)</u>	<u>2,500,000</u>

Adjustments:

Transfer(s) From

Special Pay Bill	(10,329,000)
Appropriated 2008-09	<u>221,453,000</u>

OLYMPIC REGIONAL DEVELOPMENT AUTHORITY

MISSION

In 1980, Lake Placid and the surrounding areas were host to the Winter Olympic Games. The following year, the Olympic Regional Development Authority was established to create and administer a post-Olympic program for the Lake Placid facilities. These facilities include: the Olympic Ice Center; the Olympic Speedskating Oval; the Whiteface Mountain Ski Area and Veterans' Memorial Highway; the Mt. Van Hoevenberg Complex that includes bobsled and luge runs, cross-country ski trails and a biathlon range; the Olympic Ski Jumping Complex; and the U.S. Olympic Training Center. In 1984, the Olympic Regional Development Authority's responsibility expanded to include the management of the Gore Mountain Ski Center in North Creek, Warren County.

ORGANIZATION AND STAFFING

The Authority is governed by a ten-member Board of Directors, consisting of the commissioners of Economic Development, Environmental Conservation, Parks and seven other members appointed by the Governor and confirmed by the Senate. The Governor selects one member as Chair. Board members serve without compensation.

BUDGET HIGHLIGHTS

The 2009-10 Executive Budget recommends **\$7.8 million** for the Olympic Regional Development Authority, which is approximately 21 percent of its \$36.4 million operating budget. This is a decrease of \$800,000 from the 2008-09 Budget. This net change primarily reflects increases in revenues generated at the ski facilities and other Olympic venues as well as enhanced operational efficiencies. State funding supplements \$27.3 million in revenue generated from venue marketing, fees and ticket sales to athletic and other special events; over \$900,000 from the Town of North Elba; \$200,000 from the Winter Sports Education Trust Fund; and \$200,000 from the Olympic Training Center Account.

The Authority has a **workforce of 200**, a **decrease of 3** from the 2008-09 Budget, and employs up to 1,115 full- and part-time hourly workers, depending on the season.

PROGRAM HIGHLIGHTS

OLYMPIC FACILITIES

The Olympic Regional Development Authority manages one of four primary sites (the others being in California, Colorado and Utah) for year-round training of America's Olympic athletes. In 2007-08, the Olympic facilities at Lake Placid received more than 800,000 visitors. The Authority hosts numerous national and international athletic and entertainment events. In 2007-08, major events included: the NCAA Division III Men's Ice Hockey Championships; ISU Junior Grand Prix of Figure Skating; Smuckers Stars on Ice; The Harlem Globetrotters; Long Track National Speed Skating Championships; Summer Ice Dance and Figure Skating Championships; International Bobsled and

OLYMPIC REGIONAL DEVELOPMENT

Skeleton Sliding School; Junior Luge World Championships; World Cups in Bobsled and Skeleton; the 2008 Ski Freestyle World Cup; and several festivals and shows. In addition, the Authority has been the home of the Stars on Ice figure skating rehearsal and preview show since 1992.

SKI FACILITIES

The Authority also manages the Gore and Whiteface Mountain ski centers, two major downhill ski facilities that received more than 444,000 visitors in the 2007-08 ski season; and over 121,500 visitors for off-season activities such as mountain biking and sightseeing tours.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	9,026,000	8,226,000	(800,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	4,325,000
Total	9,026,000	8,226,000	(800,000)	4,325,000

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	8,626,000	7,826,000	(800,000)
Special Revenue Funds - Other	400,000	400,000	0
Total	9,026,000	8,226,000	(800,000)

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

Program	Available 2008-09	Recommended 2009-10	Change
Operations			
General Fund	8,626,000	7,826,000	(800,000)
Special Revenue Funds - Other	400,000	400,000	0
Total	9,026,000	8,226,000	(800,000)

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

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Operations	4,210,000	(431,000)	4,210,000	(431,000)
Total	4,210,000	(431,000)	4,210,000	(431,000)

OLYMPIC REGIONAL DEVELOPMENT

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

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Operations	3,616,000	(369,000)	1,900,000	(197,000)
Total	<u>3,616,000</u>	<u>(369,000)</u>	<u>1,900,000</u>	<u>(197,000)</u>

Program	General State Charges	
	Amount	Change
Operations	1,716,000	(172,000)
Total	<u>1,716,000</u>	<u>(172,000)</u>

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

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations	400,000	0	170,000	0
Total	<u>400,000</u>	<u>0</u>	<u>170,000</u>	<u>0</u>

Program	Nonpersonal Service	
	Amount	Change
Operations	230,000	0
Total	<u>230,000</u>	<u>0</u>

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Recreation				
Capital Projects Fund - Authority Bonds	0	0	0	4,325,000
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,325,000</u>

OFFICE OF PARKS, RECREATION AND HISTORIC PRESERVATION

MISSION

The Office of Parks, Recreation and Historic Preservation's mission is to provide safe and enjoyable recreational and interpretive opportunities for all New York State residents and visitors, and to be responsible stewards of our valuable natural, historic, and cultural resources. The Office operates and maintains 178 parks and 35 historic sites, hosts a multitude of cultural and educational programs and offers diverse recreational opportunities, ranging from secluded campsites to the internationally renowned Niagara Falls State Park. Approximately 55 million people visit the State's parks and historic sites annually.

New York's park system and its unparalleled recreational opportunities are an important factor in the State's tourism industry and economy. Services open to the public at State parks include beaches, golf courses, performing arts centers, swimming pools, marinas, cabins, campgrounds and many significant bird conservation, wildlife habitat, historic properties and natural areas.

ORGANIZATION AND STAFFING

The Office is headed by a Commissioner appointed by the Governor. Operations are administered through a network of 11 regional offices: Allegany, Central, Finger Lakes, Genesee, Long Island, New York City, Niagara, Palisades, Saratoga/Capital District, Taconic and Thousand Islands. The central office, which includes executive staff and other administrative support functions, is located in Albany.

BUDGET HIGHLIGHTS

The Executive Budget recommends more than **\$296 million All Funds** (\$139.6 million General Fund; \$5.2 million Federal funds) for the Office of Parks, Recreation and Historic Preservation (OPRHP). This is a decrease of more than **\$110 million All Funds** with a decrease of \$8.5 million on a General Fund basis from the 2008-09 budget. This change primarily reflects a year-to-year adjustment related to a \$95 million capital initiative in the 2008-09 budget. These funds will support the operation of all existing park facilities and the development of parklands acquired with funding from the Environmental Protection Fund (EPF) and 1996 Clean Water/Clean Air Bond Act.

The 2009-10 Executive Budget includes reductions in state park and historic site operations resulting from the 2008-09 ten percent agency spending reduction plan. These include the consolidation of services, reduced hours of operations, shorter seasons of peak operations and reduced levels of patron and program services at state parks and historic sites.

Specifically, preliminary operations plans for 2009-10 call for the following:

- Delayed openings and early seasonal closings;
- Mid-week service reductions/closures at parks, historic sites and recreation areas;
- Reduced operating hours for pools, beaches, nature centers, historic sites and other activities; and
- Elimination of services at satellite and underutilized facilities, select special event and holiday programs, select park recreational services and the reduction or elimination of group programming at parks, nature centers and historic sites.

PARKS, RECREATION AND HISTORIC PRESERVATION

Further, savings associated with implementation of the statewide hiring freeze continues in 2009-10.

For fiscal year 2009-10, the Office will have a **workforce of 2,214**. This is a **decrease of 57 positions** from 2008-09 levels as a result of the statewide hiring freeze and the Office's 2008-09 Financial Management Plan.

The General Fund continues to be the Office's primary source of support for its operating and local assistance budgets by providing 61.5 percent of its funding. The remaining 38.5 percent is provided by a variety of sources, including:

- User fees at the parks (35.5 percent);
- Federal grants for activities related to the use of recreational vehicles and land and water conservation (2.3 percent); and
- Other miscellaneous funds, including moneys earmarked for historic sites and arboretums (0.7 percent).

The primary focus of the Office's capital program is the health and safety of park visitors and the maintenance and rehabilitation of existing facilities. Park facilities include more than 5,000 buildings, 29 golf courses, 53 swimming pools, 76 beaches, 27 marinas, 40 vacation rentals, 18 nature centers, 817 cabins and 8,355 campsites. The Office also maintains hundreds of miles of roads and over 1,350 miles of trails, expansive utility systems, 106 dams and 604 bridges.

For 2009-10, appropriations of \$56 million are recommended for capital projects from the State Park Infrastructure Fund, a dedicated fund consisting of revenues generated from day use and camping fees at the parks, as well as concession revenues and other miscellaneous revenues. Budget recommendations also include \$4 million in Federal appropriations for Federal Land and Water Conservation funding, \$10 million in fiduciary appropriations for other potential gifts to improve various parks and \$3.8 million for miscellaneous capital projects.

Funding from the State Park Infrastructure Fund will be supplemented with resources for State parks capital projects from the Federal Land and Water Conservation Fund and the EPF. In 2009-10, the EPF will provide \$38 million for infrastructure and stewardship projects at State parks and lands operated by the OPRHP and the Department of Environmental Conservation.

PROGRAM HIGHLIGHTS

The Office's mission is carried out through the operations of its 213 parks and historic sites, providing safe and attractive facilities, accessible and affordable services and quality visitor experiences. State parks and historic sites serve as models for sound natural, historic and cultural resource protection policies and effective sustainability practices. The Office also plays a key leadership role in these areas both nationally and with local governments and the non-profit community.

The Office has reorganized functions and consolidated management operations and continues to achieve efficiencies through the streamlining of administrative oversight, redeployment of staff and consolidation of functions. The Office has also fostered public-private partnerships to enhance park facilities and events, including corporate sponsorships for fireworks displays, playground construction and the Empire State Games. With private sector support and expertise, the Black Course at Bethpage State Park was the first public course ever to host the U.S. Open national golf championship in the summer of 2002, and will host the tournament again in 2009.

PARKS, RECREATION AND HISTORIC PRESERVATION

The responsibilities of the Office are carried out through five major programs:

- Administration provides executive direction, fiscal, personnel and audit services, public communications, and management of the Office's capital program;
- Park Operations operates the State's 178 parks. Seasonal and full-time personnel are assigned to specific facilities in one of the Office's 11 regions. Staff includes a statewide police force, security and field operations staff, as well as skilled and semi-skilled maintenance personnel. Day use, golf course and other user fees directly offset the cost of facility operations;
- Empire State Games plans and implements the Games for the Physically Challenged, Senior Games, Summer Games and Winter Games;
- Historic Preservation oversees preservation activities at 35 historic sites, develops a statewide Comprehensive Historic Preservation Plan and maintains the State Register of Historic Places; and
- Natural Heritage Trust receives and administers funds, including private gifts and bequests, to advance conservation, outdoor recreation and historic preservation purposes. Created under the Public Authorities Law in 1968, the Natural Heritage Trust is a public benefit corporation.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	227,915,900	226,886,400	(1,029,500)	16,292,200
Aid To Localities	32,196,510	13,675,000	(18,521,510)	26,952,405
Capital Projects	147,000,000	56,000,000	(91,000,000)	241,406,000
Total	<u>407,112,410</u>	<u>296,561,400</u>	<u>(110,551,010)</u>	<u>284,650,605</u>

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	81	78	(3)
Historic Preservation			
General Fund	199	193	(6)
Special Revenue Funds - Federal	12	12	0
Special Revenue Funds - Other	1	0	(1)
Park Operations			
General Fund	1,449	1,402	(47)
Special Revenue Funds - Federal	9	9	0
Special Revenue Funds - Other	386	386	0
Capital Projects Funds - Other	120	120	0
Recreation Services			
General Fund	14	14	0
Total	<u>2,271</u>	<u>2,214</u>	<u>(57)</u>

PARKS, RECREATION AND HISTORIC PRESERVATION

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	148,135,600	139,635,600	(8,500,000)
Special Revenue Funds - Federal	5,200,900	5,200,900	0
Special Revenue Funds - Other	73,079,400	80,549,900	7,470,500
Enterprise Funds	1,500,000	1,500,000	0
Total	<u>227,915,900</u>	<u>226,886,400</u>	<u>(1,029,500)</u>

Adjustments:

Transfer(s) From

Parks, Recreation and Historic
Preservation, Office of

Special Revenue Funds - Federal (96,000)

Special Revenue Funds - Other (59,500)

Special Pay Bill

General Fund (5,846,000)

Special Revenue Funds - Federal (96,000)

Special Revenue Funds - Other (3,206,000)

Transfer(s) To

Parks, Recreation and Historic
Preservation, Office of

General Fund 59,500

Special Revenue Funds - Other 96,000

Appropriated 2008-09

218,767,900

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	9,553,900	8,053,900	(1,500,000)
Special Revenue Funds - Federal	1,000,000	0	(1,000,000)
Special Revenue Funds - Other	0	1,000,000	1,000,000
Historic Preservation			
General Fund	12,439,800	12,139,800	(300,000)
Special Revenue Funds - Federal	1,200,900	1,200,900	0
Special Revenue Funds - Other	71,500	42,000	(29,500)
Park Operations			
General Fund	123,097,500	116,597,500	(6,500,000)
Special Revenue Funds - Federal	3,000,000	4,000,000	1,000,000
Special Revenue Funds - Other	73,007,900	79,507,900	6,500,000
Recreation Services			
General Fund	3,044,400	2,844,400	(200,000)
Enterprise Funds	1,500,000	1,500,000	0
Total	<u>227,915,900</u>	<u>226,886,400</u>	<u>(1,029,500)</u>

PARKS, RECREATION AND HISTORIC PRESERVATION

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

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	5,553,800	(500,000)	5,378,200	(500,000)
Historic Preservation	10,650,200	0	8,463,500	0
Park Operations	98,224,200	(3,500,000)	65,556,000	(1,500,000)
Recreation Services	1,127,900	0	888,000	0
Total	<u>115,556,100</u>	<u>(4,000,000)</u>	<u>80,285,700</u>	<u>(2,000,000)</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	131,100	0	44,500	0
Historic Preservation	2,090,000	0	96,700	0
Park Operations	27,945,000	(1,500,000)	4,723,200	(500,000)
Recreation Services	225,000	0	14,900	0
Total	<u>30,391,100</u>	<u>(1,500,000)</u>	<u>4,879,300</u>	<u>(500,000)</u>

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

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	2,500,100	(1,000,000)	60,200	(45,000)
Historic Preservation	1,489,600	(300,000)	328,800	(75,000)
Park Operations	18,373,300	(3,000,000)	6,487,000	(1,175,000)
Recreation Services	1,716,500	(200,000)	393,000	(70,000)
Total	<u>24,079,500</u>	<u>(4,500,000)</u>	<u>7,269,000</u>	<u>(1,365,000)</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	55,400	(45,000)	2,279,500	(865,000)
Historic Preservation	65,700	(75,000)	973,500	(75,000)
Park Operations	222,000	(250,000)	10,884,300	(1,000,000)
Recreation Services	16,000	(5,000)	1,268,000	(75,000)
Total	<u>359,100</u>	<u>(375,000)</u>	<u>15,405,300</u>	<u>(2,015,000)</u>

Program	Equipment	
	Amount	Change
Administration	105,000	(45,000)
Historic Preservation	121,600	(75,000)
Park Operations	780,000	(575,000)
Recreation Services	39,500	(50,000)
Total	<u>1,046,100</u>	<u>(745,000)</u>

PARKS, RECREATION AND HISTORIC PRESERVATION

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

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	1,000,000	0	200,000	200,000
Historic Preservation	1,242,900	(29,500)	500,000	0
Park Operations	83,507,900	7,500,000	32,446,100	3,000,000
Recreation Services	1,500,000	0	0	0
Total	<u>87,250,800</u>	<u>7,470,500</u>	<u>33,146,100</u>	<u>3,200,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	800,000	(200,000)	0	0
Historic Preservation	742,900	(29,500)	0	0
Park Operations	49,160,800	4,500,000	1,901,000	0
Recreation Services	1,500,000	0	0	0
Total	<u>52,203,700</u>	<u>4,270,500</u>	<u>1,901,000</u>	<u>0</u>

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

Fund Type	Available	Recommended	Change
	2008-09	2009-10	
General Fund	21,441,510	3,920,000	(17,521,510)
Special Revenue Funds - Federal	5,120,000	4,120,000	(1,000,000)
Special Revenue Funds - Other	5,635,000	5,635,000	0
Total	<u>32,196,510</u>	<u>13,675,000</u>	<u>(18,521,510)</u>

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

Program	Available	Recommended	Change
	2008-09	2009-10	
Administration			
General Fund	3,920,000	3,920,000	0
Historic Preservation			
Special Revenue Funds - Federal	120,000	120,000	0
Natural Heritage Trust			
General Fund	1,081,000	0	(1,081,000)
Park Operations			
Special Revenue Funds - Federal	3,000,000	2,000,000	(1,000,000)
Special Revenue Funds - Other	5,635,000	5,635,000	0
Recreation Services			
Special Revenue Funds - Federal	2,000,000	2,000,000	0
Community Projects			
General Fund	16,440,510	0	(16,440,510)
Total	<u>32,196,510</u>	<u>13,675,000</u>	<u>(18,521,510)</u>

PARKS, RECREATION AND HISTORIC PRESERVATION

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Parks EQBA 86				
Capital Projects Fund - EQBA 86 (Bondable)	0	0	0	3,610,000
Natural Heritage Trust				
Capital Projects Fund	0	0	0	300,000
Federal Capital Projects Fund				
Federal Capital Projects Fund	4,000,000	4,000,000	0	12,834,000
Maintenance and Improvements of Existing Facilities				
Capital Projects Fund	0	0	0	31,000
Fiduciary Funds - Misc. Combined Expendable Trust Fund	10,000,000	10,000,000	0	55,492,000
State Parks Infrastructure Fund	129,200,000	38,200,000	(91,000,000)	157,413,000
Misc. Capital Projects	3,800,000	3,800,000	0	10,713,000
Outdoor Recreation Development Bond Fund				
Outdoor Recreation Development Bond Fund	0	0	0	230,000
Parks and Recreation Land Acquisition Bond Fund				
Parks and Recreation Land Acquisition Bond Fund	0	0	0	783,000
Total	<u>147,000,000</u>	<u>56,000,000</u>	<u>(91,000,000)</u>	<u>241,406,000</u>

NEW YORK STATE PUBLIC AUTHORITIES

Public authorities are statutorily created agents of State and local government, established primarily to finance, build, manage or improve specific capital facilities and serve public purposes. Enacted into law as independent and autonomous public benefit corporations, public authorities are governed by boards of directors whose members serve by virtue of their public positions or are appointed by the Governor, the Legislature or local officials of involved municipalities. With their statutorily granted management and operating flexibility, public authorities are an effective means to address public needs, which may not otherwise be met within the limitations imposed on traditional government agencies. Public authorities derive their powers and responsibilities from the legislation by which they are established.

The Public Authorities Accountability Act of 2005 opened the operations and financial dealings of public authorities to enhanced public scrutiny. State and local public authorities now must adhere to accepted corporate governance standards, disclose their budgets, indebtedness, independent audit reports, financial statements and activities, and follow prescribed procedures for the custody, control and disposition of real property.

It is the responsibility of the Authority Budget Office to monitor and assess compliance with these governance and reporting requirements. By law, the Authority Budget Office reviews and reports on the operations, practices and finances of public authorities and provides guidance to public authorities on ways to improve their practices for disclosing information to the public. The Authority Budget Office is also authorized to make recommendations to the Governor and the Legislature concerning the performance, structure, formation and oversight of public authorities, and to ensure that directors receive training on the fiduciary, legal and ethical obligations of board members. These actions are intended to strengthen public confidence in the integrity and accountability of public authorities, their boards of directors and executive management.

Detailed information on a number of public authorities reflected in Tables 1 through 4 can be found elsewhere in this Executive Budget. These authorities include:

BRIDGE, TUNNEL AND HIGHWAY

Thruway Authority

ECONOMIC DEVELOPMENT

Development Authority of the North Country
Empire State Development Corporation

ENERGY AND ENVIRONMENT

Energy Research and Development Authority
Environmental Facilities Corporation

HOUSING AND FINANCE

Housing Finance Agency
Local Government Assistance Corporation
State of New York Mortgage Agency

PUBLIC AUTHORITIES

REGIONAL TRANSPORTATION

Metropolitan Transportation Authority

Public authorities which are not included elsewhere in the Executive Budget are discussed below:

BRIDGE, TUNNEL AND HIGHWAY AUTHORITIES

Buffalo and Fort Erie Public Bridge Authority

The Buffalo and Fort Erie Public Bridge Authority is a bi-national entity which owns and operates the “Peace Bridge,” crossing the Niagara River between Buffalo and Fort Erie, Ontario. The Authority is mainly financed through toll revenue and property lease revenue.

New York State Bridge Authority

The New York State Bridge Authority is responsible for the Bear Mountain, Kingston-Rhinecliff, Mid-Hudson, Newburgh-Beacon and Rip Van Winkle toll bridges that span the lower Hudson River. The Authority is mainly financed through toll revenue.

Thousand Islands Bridge Authority

The Thousand Islands Bridge Authority operates two bridges connecting U.S. Interstate 81 in Jefferson County with Highway 401 in Ontario, Canada. The Authority also operates a sewage treatment facility and recreational facilities. The Authority is mainly financed through toll revenue and service fees.

ECONOMIC DEVELOPMENT AUTHORITIES

Battery Park City Authority

The Battery Park City Authority (BPCA) is a public benefit corporation charged with the management and development of Battery Park City, a 92-acre mixed-use community located on the southwest tip of Manhattan, across from the World Trade Center site. The Authority generates revenues by leasing individual plots of land to private developers through a public bid process. It collects rents and real estate tax equivalency payments to support its operations.

The Authority’s adoption of environmental building guidelines in early 2000 resulted in the construction of the nation’s first sustainable residential high-rise. When Battery Park City is completed, it will contain nearly five million square feet of sustainable construction – the largest concentration of “green” buildings in the world.

Job Development Authority

The New York Job Development Authority provides loans to New York State businesses to expand facilities, build new plants and acquire machinery and equipment.

New York City Off-Track Betting Corporation

The mission of the New York City Off-Track Betting Corporation is threefold: first, to generate revenue for municipal and state government; second, to help fund the state's horse racing and breeding industry; and, third, to help stamp out illegal wagering on horse races. NYCOTB offers off-track pari-mutuel wagering on thoroughbred and harness horse racing to customers in the City of New York through its network of fifty-seven branch offices, eight restaurants, and three teletheaters and through its account wagering (telephone and internet betting) operation.

On June 17, 2008, Governor Paterson signed legislation that provided for a State takeover of the Corporation. In connection with this takeover, provisions of the Racing, Pari-Mutuel Wagering and Breeding Law (the "Racing Law") were amended to reflect the Corporation's status change from being a component unit of the City of New York to becoming a component unit of the State of New York.

United Nations Development Corporation

The United Nations Development Corporation develops and manages commercial and residential facilities for United Nations-related activities in New York City including One, Two and Three United Nations Plaza. The Corporation does not rely on any State support to pay debt service or for its own operations.

ENERGY AND ENVIRONMENTAL AUTHORITIES

New York Power Authority

The New York Power Authority finances, builds and operates electric generation and transmission facilities. It currently owns and operates 5 major generating facilities, 5 small hydroelectric facilities, 11 small natural gas powered generating plants and more than 1,400 circuit miles of transmission lines. The Authority supplies economical electric power to New York State's municipal electric systems and rural electric cooperatives, private sector businesses and not-for-profit institutions throughout the State, municipalities and public corporations in the New York City metropolitan area, and investor-owned utilities for resale to their customers. The Authority receives no State subsidy. It generally finances construction projects through sales of bonds and notes and pays the related debt service with revenues from the generation and transmission of electricity.

Long Island Power Authority

The Long Island Power Authority (LIPA) has the broad authority and responsibility to ensure adequate, dependable and affordable electric service within its service area, including Nassau and Suffolk counties and the Rockaway Peninsula in Queens. LIPA serves approximately 1.1 million residential and commercial electricity customers. No State tax dollars are used to fund the Authority.

PUBLIC AUTHORITIES

HOUSING AND FINANCE AUTHORITIES

Dormitory Authority

The Dormitory Authority provides financing, construction management, planning and design and purchasing services for higher and secondary education, not-for-profit health care, judicial and other not-for-profit institutions. The Authority funds its operations from its own client-generated revenues.

Municipal Assistance Corporation (MAC) for the City of New York

The Municipal Assistance Corporation (MAC) for the City of New York was created in 1975 to provide access to the credit markets for the City during a period of fiscal crisis and to help oversee its financial affairs. As of November 2004, the Sales Tax Asset Receivable Corporation (STAR-C), a local development corporation organized by the City of New York, issued bonds and funded an escrow account in order to “economically defease” MAC’s remaining bondholder obligations. MAC has now completed all its activities, and the Corporation shall terminate as required by law on September 30, 2009.

Municipal Assistance Corporation for the City of Troy

The Municipal Assistance Corporation for the City of Troy was created in 1995 to provide the City with access to credit markets and to oversee Troy’s fiscal affairs. The Authority is subject to a debt cap of \$75 million. The State is authorized, subject to legislative review and appropriation, to provide moneys as necessary to ensure a 1.5:1 debt service coverage ratio on Authority debt. No State moneys are used to finance the Corporation, and failure of the State to appropriate State aid to the City does not constitute an event of default for Corporation obligations.

Nassau County Interim Finance Authority

The Nassau County Interim Finance Authority was established in 2000 to restore fiscal stability to Nassau County by overseeing its finances and issuing debt on its behalf. Authority debt service and operating expenses are funded with County sales tax revenues, on which the Authority has first lien.

Buffalo Fiscal Stability Authority

The Buffalo Fiscal Stability Authority was established in 2003 to restore fiscal health to the City of Buffalo by overseeing its finances and issuing debt on its behalf. Authority debt service and operating expenses are funded with City sales tax revenues and aid to municipalities on which the Authority has first lien.

Municipal Bond Bank Agency

The Municipal Bond Bank Agency was established in 1972 to provide low-cost capital financing to towns, villages, cities and counties. In addition, the Agency is

authorized to issue special program bonds and tax lien collateralized securities. The Agency is staffed by the Housing Finance Agency. No State tax dollars are used to fund the Agency.

Tobacco Settlement Financing Corporation

The Tobacco Settlement Financing Corporation (TSFC) is a subsidiary of the Municipal Bond Bank Agency, established by statute in June 2003 to securitize amounts to be received by the State of New York under the Master Settlement Agreement (MSA) entered into in 1998 by the State, the other “settling jurisdictions” and certain participating cigarette manufacturers. In June 2003, TSFC issued \$2.3 billion of bonds backed by 50 percent of the anticipated MSA funds. In December 2003, TSFC issued an additional \$2.2 billion of bonds backed by the remaining 50 percent of the anticipated MSA funds.

PORT DEVELOPMENT AUTHORITIES

Albany Port District Commission

The Albany Port District Commission develops and operates port facilities in the cities of Albany and Rensselaer. Lease revenues account for the majority of the Port’s annual revenue, with maritime traffic making up the remainder. No State tax dollars are used to fund the Commission.

Ogdensburg Bridge and Port Authority

The Ogdensburg Bridge and Port Authority operates an international bridge between Ogdensburg, New York and Prescott, Ontario, Canada, as well as a marine port, an airport, two industrial parks and a short-line railroad. The Authority has become increasingly involved in developing port and industrial park properties in the North Country region. The Authority’s industrial parks currently have 15 buildings with over 600,000 square feet of space. The industrial parks are home to businesses that employ hundreds of residents of Northern New York. The Authority’s marine terminal provides the North Country’s mining industries with economically priced export capabilities and provides road salt to the New York State Department of Transportation and municipalities throughout Northern New York State. The Authority has received State support in the past, but no additional support is anticipated in SFY 2009-10.

Port Authority of New York and New Jersey

The Port Authority of New York and New Jersey was created in 1921 to improve port and transportation facilities in the New York metropolitan area. This bi-state authority is responsible for the management and daily operation of more than 30 facilities, including airports, marine terminal facilities, bus terminals, interstate bridges and tunnels, an interstate commuter railroad and industrial parks. No New York State funds are used to support the Port Authority.

The Port Authority is continuing to work with the Lower Manhattan Development Corporation, the Federal government and other agencies on the redevelopment of the World Trade Center site and the adjacent portion of lower Manhattan.

PUBLIC AUTHORITIES

Port of Oswego Authority

The Port of Oswego Authority operates port facilities in the Oswego Port District, which includes the City of Oswego, the Town of Scriba, and all waters of the Oswego River and Lake Ontario within its boundaries. The Authority operates a commercial shipping terminal and storage facilities and supports recreational boating activities at three marinas.

REGIONAL TRANSPORTATION AUTHORITIES

Capital District Transportation Authority

The Capital District Transportation Authority (CDTA) provides public transportation service within Albany, Rensselaer, Saratoga and Schenectady counties. State funding for the CDTA is provided through appropriations to the New York State Department of Transportation.

Central New York Regional Transportation Authority

The Central New York Regional Transportation Authority (CNYRTA) provides public transportation service within Central New York through four subsidiary corporations: CNY Centro (Onondaga County); Centro of Oswego (Oswego County); Centro of Oneida (Oneida County); and Centro of Cayuga (Cayuga County). State funding for CNYRTA is provided through appropriations to the New York State Department of Transportation.

Niagara Frontier Transportation Authority

The Niagara Frontier Transportation Authority (NFTA) oversees the operations of a public transportation system providing bus, rail and paratransit services in Niagara and Erie counties. The Authority also operates the Buffalo Niagara International Airport, a primary commercial airport and the Niagara Falls International Airport, a joint-use military/general aviation airport that serves as a reliever airport. Additionally, the NFTA operates a small boat harbor and two metro transit centers which are primary terminals for private inter-city bus service for Niagara and Erie counties. State funding for the NFTA is provided through appropriations to the New York State Department of Transportation.

Rochester-Genesee Regional Transportation Authority

The Rochester-Genesee Regional Transportation Authority (RGRTA) provides public transportation service in the counties of Genesee, Livingston, Monroe, Orleans, Seneca, Wayne and Wyoming. The Authority operates the Regional Transit Service (Rochester area), Wayne Area Transportation System, Livingston Area Transportation Service, Orleans Transit Service Inc., Seneca Transit Service Inc., Wyoming Transportation Service and Batavia Bus Service. State funding for RGRTA is provided through appropriations to the New York State Department of Transportation.

PUBLIC AUTHORITIES

TABLE 1
FINANCIAL OPERATIONS ^{a/} OF NEW YORK STATE PUBLIC AUTHORITIES
2008 AND 2009
(thousands of dollars)

Authorities by Function	Fiscal Year Begins	2008				2009			
		Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) ^{b/}	Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) ^{b/}
BRIDGE, TUNNEL AND HIGHWAY									
Buffalo and Fort Erie Public Bridge Authority	Jan. 1	36,479	15,482	1,857	19,140	31,439	16,329	3,237	11,873
New York State Bridge Authority	Jan. 1	39,952	26,613	7,996	5,343	39,827	26,993	7,982	4,852
Thousand Islands Bridge Authority	Mar. 1	11,021	7,551	734	2,736	10,511	7,972	738	1,801
Thruway Authority ^{c/}	Jan. 1	633,261	413,042	167,624	52,595	694,663	429,196	182,969	82,498
ECONOMIC DEVELOPMENT									
Battery Park City Authority	Nov. 1	284,566	32,412	68,681	183,473	216,330	33,369	81,000	101,961
Development Authority of the North Country	April 1	22,760	11,028	5,572	6,160	22,787	11,081	5,157	6,549
Empire State Development Corporation	April 1	709,744	128,338	593,768	(12,362)	812,226	121,033	720,898	(29,705)
Job Development Authority	April 1	12,350	450	6,624	5,276	11,826	450	6,282	5,094
New York City OTB	July 1	175,893	184,985	0	(9,092)	228,820	246,393	0	(17,573)
United Nations Development Corporation	Jan. 1	38,933	28,977	9,956	0	39,409	28,697	10,712	0
ENERGY AND ENVIRONMENT									
Energy Research and Development Authority	April 1	478,685	476,863	1,822	0	568,440	568,440	0	0
Environmental Facilities Corporation	April 1	755,677	21,973	729,280	4,424	775,168	23,600	751,533	35
Long Island Power Authority	Jan. 1	3,644,863	3,068,105	545,772	30,986	3,958,665	3,306,754	576,910	75,001
Power Authority	Jan. 1	3,325,500	2,814,800	280,300	230,400	3,451,600	3,006,700	205,400	239,500
HOUSING, HEALTH AND FINANCE									
Dormitory Authority	April 1	3,581,250	115,151	3,466,099	0	3,937,782	118,989	3,818,793	0
Housing Finance Agency	Nov. 1	627,720	29,420	597,239	1,061	458,391	28,684	429,086	621
Local Government Assistance Corporation	April 1	387,514	10,514	357,839	19,161	383,781	12,286	365,921	5,574
Mortgage Agency	Nov. 1	467,872	122,352	345,400	120	442,645	20,800	421,831	14
Municipal Assistance Corporation for the City of Troy	Jan. 1	6,087	40	6,047	0	5,982	30	5,952	0
Nassau County Interim Finance Authority ^{d/}	Jan. 1	183,882	1,301	182,581	0	186,889	1,406	185,483	0
Municipal Bond Bank Agency	Nov. 1	52,649	463	52,186	0	52,534	369	52,165	0
Tobacco Settlement Financing Corporation	Nov. 1	483,380	9,439	486,225	(12,284)	460,311	398	292,013	167,900
Buffalo Fiscal Stability Authority ^{e/}	July 1	276,852	920	14,370	261,562	297,604	1,185	17,508	278,911

PUBLIC AUTHORITIES

TABLE 1
FINANCIAL OPERATIONS ^{a/} OF NEW YORK STATE PUBLIC AUTHORITIES
2008 AND 2009
 (thousands of dollars)

Authorities by Function	Fiscal Year Begins	2008				2009			
		Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) ^{b/}	Total Revenues	Operating Expenses	Debt Service Requirements	Surplus (Deficit) ^{b/}
PORT DEVELOPMENT									
Albany Port District Commission	Jan. 1	5,204	4,469	853	(118)	4,858	4,629	688	(459)
Ogdensburg Bridge and Port Authority	April 1	5,565	3,907	1,201	457	5,850	3,926	1,177	747
Port Authority of New York and New Jersey ^{f/}	Jan. 1	4,709,355	2,039,826	740,000	1,929,529	4,761,283	2,492,147	825,000	1,444,136
Port of Oswego Authority	April 1	1,655	1,600	84	(29)	1,790	1,647	82	61
REGIONAL TRANSPORTATION									
Capital District Transportation Authority	April 1	69,718	70,605	0	(887)	66,431	83,379	0	(16,948)
Central New York Regional Transportation Authority	April 1	55,806	58,026	18	(2,238)	55,513	61,099	16	(5,602)
Metropolitan Transportation Authority ^{g/}	Jan. 1	11,528,204	9,916,277	1,504,458	107,469	11,283,424	10,979,779	1,473,530	(1,169,885)
Niagara Frontier Transportation Authority	April 1	185,604	169,562	12,568	3,474	197,447	177,316	12,634	7,497
Rochester-Genesee Regional Transportation Authority	April 1	80,790	78,241	0	2,549	79,991	85,441	0	(5,450)
GRAND TOTAL		32,878,791	19,862,732	10,187,154	2,828,905	33,544,217	21,900,517	10,454,697	1,189,003

^{a/} This table is based on authority estimates and may not reflect approval by the Board of Directors. This table covers the Authority fiscal year which includes September 30. Data vary as to cash or accrual accounting.

^{b/} The operating surplus may be committed to reserve requirements, repayment of State advances or funding of capital programs or programs operated by other authorities. Deficits are to be financed from existing resources, by management actions, and/or by securing revenues from outside sources greater than anticipated by the Authority.

^{c/} Excludes debt service for bonds sold to finance State transportation programs.

^{d/} Excess sales tax funds of the Authority are remitted immediately to Nassau County as required under the NIFA Act.

^{e/} Surplus funds of the Authority are remitted immediately to the City of Buffalo and the Buffalo School District as required by the BFS Act.

^{f/} 2009 information is a preliminary estimate of Authority Operating Budget and is subject to change.

^{g/} Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority. These figures do not include debt service on State Service Contract bonds.

Note: As of November 2004, the Sales Tax Asset Receivable Corporation, a local development corporation organized by the City of New York, issued bonds and funded an escrow account in order to "economically defease" the Municipal Assistance Corporation for the City of New York's remaining bondholder obligations. Surplus revenues are traditionally transferred to the City of New York. MAC completed all its remaining activities on September 30, 2008, and the Corporation shall terminate as required by law on September 30, 2009.

TABLE 2
CAPITAL PROGRAMS ^{aj} OF NEW YORK STATE PUBLIC AUTHORITIES
2008 AND 2009
(thousands of dollars)

Authorities by Function	2008			2009		
	Capital Program Disbursements	Available Resources	Sale of New Debt ^{aj}	Capital Program Disbursements	Available Resources	Sale of New Debt ^{aj}
BRIDGE, TUNNEL AND HIGHWAY						
Buffalo and Fort Erie Public Bridge Authority	9,620	50,788	0	6,535	53,041	0
New York State Bridge Authority	11,345	30,462	0	11,703	25,852	0
Thousand Islands Bridge Authority	1,795	1,795	0	2,763	2,763	0
Thruway Authority	443,848	443,848	0	547,757	253,146	294,611
ECONOMIC DEVELOPMENT						
Battery Park City Authority	27,700	10,106	0	32,100	0	100,000
Development Authority of the North Country	4,423	4,423	0	1,628	1,628	0
Empire State Development Corporation	463,767	0	409,694	894,197	0	971,450
Job Development Authority	0	4,946	0	15,000	(10,236)	0
New York City OTB	2,546	2,546	0	3,343	3,343	0
United Nations Development Corporation	3,860	7,306	0	2,142	7,960	0
ENERGY AND ENVIRONMENT						
Energy Research and Development Authority	9,630	0	9,630	13,500	0	13,500
Environmental Facilities Corporation	1,019,215	0	1,019,215	970,000	0	970,000
Long Island Power Authority	286,400	81,400	205,000	259,700	174,700	85,000
Power Authority	247,138	240,177	6,290	319,714	315,966	3,748
HOUSING, HEALTH AND FINANCE						
Dormitory Authority	2,843,170	4,026,487	3,935,550	3,955,211	5,118,867	4,320,338
Housing Finance Agency	1,273,357	775,112	1,352,050	1,039,205	854,096	387,915
Local Government Assistance Corporation	0	0	0	0	0	0
Mortgage Agency	534,712	0	499,515	510,000	0	400,000
Municipal Assistance Corporation for the City of Troy	0	0	0	0	0	0
Nassau County Interim Finance Authority ^{aj}	0	0	0	0	0	0
Municipal Bond Bank Agency	0	0	0	0	0	0
Tobacco Settlement Financing Corporation	0	0	0	0	0	0
Buffalo Fiscal Stability Authority	0	0	0	0	0	0

PUBLIC AUTHORITIES

TABLE 2
CAPITAL PROGRAMS ^{a/} OF NEW YORK STATE PUBLIC AUTHORITIES
2008 AND 2009
(thousands of dollars)

Authorities by Function	2008			2009		
	Capital Program Disbursements	Available Resources	Sale of New Debt ^{b/}	Capital Program Disbursements	Available Resources	Sale of New Debt ^{b/}
PORT DEVELOPMENT						
Albany Port District Commission	469	469	0	500	500	0
Ogdensburg Bridge and Port Authority	10,739	10,139	600	23,398	23,398	0
Port Authority of New York and New Jersey ^{d/}	2,500,684	2,186,428	1,135,549	3,295,167	2,153,688	1,454,600
Port of Oswego Authority ^{e/}	561	514	0	1,777	1,777	0
REGIONAL TRANSPORTATION						
Capital District Transportation Authority	22,505	22,505	0	39,481	24,538	0
Central New York Regional Transportation Authority	4,350	4,350	0	11,940	11,940	0
Metropolitan Transportation Authority ^{f/}	6,633,320	2,783,470	3,849,850	5,543,100	2,776,176	2,766,924
Niagara Frontier Transportation Authority	89,130	46,139	10,843	26,117	3,772	2,259
Rochester-Genesee Regional Transportation Authority	27,410	65,324	0	56,984	56,562	0
GRAND TOTAL	16,471,694	10,798,734	12,433,786	17,582,962	11,853,477	11,770,345

^{a/} This table is based on authority estimates and may not reflect approval by the Board of Directors. The table covers the Authority fiscal year which includes September 30. "Available resources" may include anticipated and/or requested State and Federal funds.

^{b/} Includes proceeds available for capital program only.

^{c/} All capital borrowings are made by the Authority on behalf of Nassau County and all capital bond proceeds are disbursed to Nassau County. The Authority issues debt only at the request of Nassau County.

^{d/} All estimates are preliminary and are subject to change.

^{e/} A project will be funded with funds received from a claim against an engineering firm. The project will take place at the time funds are received and in the amount received thereby offsetting any potential disbursements.

^{f/} Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority.

PUBLIC AUTHORITIES

**TABLE 3
DEBT STRUCTURE OF NEW YORK STATE PUBLIC AUTHORITIES
AS OF SEPTEMBER 30, 2008
(thousands of dollars)**

Authorities by Function	All Bonds and Notes				Moral Obligation Bonds		
	Statutory Authorization	Bonds Issued	Bonds Outstanding	Notes Outstanding	Authorized Limit	Bonds Issued	Bonds Outstanding
BRIDGE, TUNNEL AND HIGHWAY							
Buffalo and Fort Erie Public Bridge Authority	165,000	44,120	44,120	0	0	0	0
New York State Bridge Authority	100,000	83,522	58,645	0	0	0	0
Thousand Islands Bridge Authority	Unlimited	5,745	1,395	0	0	0	0
Thruway Authority	Unlimited	19,476,980	12,691,960	0	0	0	0
ECONOMIC DEVELOPMENT							
Battery Park City Authority ^{af}	810,000	0	1,062,429	0	0	0	0
Development Authority of the North Country	Unlimited	67,552	22,665	0	0	0	0
Empire State Development Corporation	10,950,037	9,589,258	6,780,906	0	0	0	0
Job Development Authority	750,000	0	37,350	0	0	0	0
New York City OTB	None	0	0	0	0	0	0
United Nations Development Corporation	Unlimited	260,728	123,028	0	75,000	34,035	0
ENERGY AND ENVIRONMENT							
Energy Research and Development Authority	Unlimited	8,094,695	3,658,245	0	0	0	0
Environmental Facilities Corporation	Unlimited	14,556,330	8,223,355	0	0	0	0
Long Island Power Authority	Unlimited	11,392,443	6,508,862	100,000	0	0	0
Power Authority	Unlimited	7,469,425	1,289,035	962,059	0	0	0
HOUSING, HEALTH AND FINANCE							
Dormitory Authority	Unlimited	87,414,351	37,087,198	184,725	926,015	698,660	3,605
Housing Finance Agency ^{bf}	22,776,941	17,366,596	8,982,600	0	7,112,115	6,524,379	37,680
Local Government Assistance Corporation	4,700,000	6,920,760	3,848,493	0	0	0	0
Mortgage Agency	8,720,000	13,534,718	3,237,010	0	0	0	0
Municipal Assistance Corporation for the City of Troy	75,000	69,583	59,084	0	0	0	0
Nassau County Interim Finance Authority	Unlimited	3,235,495	1,867,050	0	0	0	0
Municipal Bond Bank Agency	1,000,000	620,550	493,110	0	0	0	0
Tobacco Settlement Financing Corporation	4,200,000	4,552,495	3,588,055	0	0	0	0
Buffalo Fiscal Stability Authority	Unlimited	156,580	143,860	0	0	0	0

PUBLIC AUTHORITIES

**TABLE 3
DEBT STRUCTURE OF NEW YORK STATE PUBLIC AUTHORITIES
AS OF SEPTEMBER 30, 2008
(thousands of dollars)**

Authorities by Function	All Bonds and Notes				Moral Obligation Bonds		
	Statutory Authorization	Bonds Issued	Bonds Outstanding	Notes Outstanding	Authorized Limit	Bonds Issued	Bonds Outstanding
PORT DEVELOPMENT							
Albany Port District Commission	Unlimited	0	0	451	0	0	0
Ogdensburg Bridge and Port Authority	Unlimited	0	5,505	2,463	0	0	0
Port Authority of New York and New Jersey	Unlimited	18,732,319	12,616,090	577,005	0	0	0
Port of Oswego Authority	Unlimited	0	0	581	0	0	0
REGIONAL TRANSPORTATION							
Capital District Transportation Authority	Unlimited	0	0	0	0	0	0
Central New York Regional Transportation Authority	Unlimited	0	0	0	0	0	0
Metropolitan Transportation Authority ^{a/}	57,754,000	30,085,320	26,500,630	750,000	0	0	0
Niagara Frontier Transportation Authority	Unlimited	199,334	171,792	14,726	0	0	0
Rochester-Genesee Regional Transportation Authority	Unlimited	0	0	0	0	0	0
GRAND TOTAL		<u>253,928,899</u>	<u>139,102,472</u>	<u>2,592,010</u>	<u>8,113,130</u>	<u>7,257,074</u>	<u>41,285</u>

^{a/} \$400 million in bonding authority related to the Housing New York Program sunsetted on June 30, 1995.

^{b/} HFA moral obligation bond limit is reduced as bonds outstanding after April 1, 1976 are repaid.

^{c/} Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority and does include debt outstanding numbers for State Service Contract bonds and Convention Center bonds. Bond cap is applicable only to projects set forth in transit and commuter capital programs approved by the MTA Capital Program Review Board. Authorization for State Service Contract bonds is limited to \$165 million in annual debt service maturing no later than July 1, 2031.

PUBLIC AUTHORITIES

**TABLE 4
STATE INVOLVEMENT IN FINANCING OF PROJECTS AND OPERATIONS
OF NEW YORK STATE PUBLIC AUTHORITIES
2008 AND 2009-10
(thousands of dollars)**

Authorities by Function	Authority Bonds Outstanding, 2008 ^{a/}			Outstanding Reimbursable State Appropriations, 2008	State Appropriations Requested in Support of Authority Programs, 2009-10 ^{b/}		
	Revenue and Nonrecourse	State Guaranteed	Moral Obligation		New Appropriations	Reappropriations	Total
BRIDGE, TUNNEL AND HIGHWAY							
Buffalo and Fort Erie Public Bridge Authority	44,120	0	0	0	0	0	0
New York State Bridge Authority	58,645	0	0	0	0	0	0
Thousand Islands Bridge Authority	1,395	0	0	0	0	0	0
Thruway Authority	12,691,960	0	0	0	2,000	8,809	10,809
ECONOMIC DEVELOPMENT							
Battery Park City Authority	1,062,429	0	0	0	0	0	0
Development Authority of the North Country	22,665	0	0	0	0	0	0
Empire State Development Corporation	6,780,906	0	0	0	251,030	4,985,993	5,237,023
Job Development Authority	0	37,350	0	0	0	0	0
New York City OTB	0	0	0	0	0	0	0
United Nations Development Corporation	123,028	0	0	0	0	0	0
ENERGY AND ENVIRONMENT							
Energy Research and Development Authority	3,658,245	0	0	0	30,354	50,000	80,354
Environmental Facilities Corporation	8,223,355	0	0	13,828	13,374	1,305	14,679
Long Island Power Authority	6,508,862	0	0	0	0	0	0
Power Authority	1,289,035	0	0	0	0	0	0
HOUSING, HEALTH AND FINANCE							
Dormitory Authority	37,083,593	0	3,605	47,733	0	0	0
Housing Finance Agency	8,944,920	0	37,680	0	0	0	0
Local Government Assistance Corporation	3,848,493	0	0	0	378,207	0	378,207
Mortgage Agency	3,237,010	0	0	0	0	0	0
Municipal Assistance Corporation for the City of Troy	59,084	0	0	0	0	0	0
Nassau County Interim Finance Authority	1,867,050	0	0	0	0	0	0
Municipal Bond Bank Agency	493,110	0	0	0	0	0	0
Tobacco Settlement Financing Corporation	3,588,055	0	0	0	0	0	0
Buffalo Fiscal Stability Authority	143,860	0	0	0	0	0	0

PUBLIC AUTHORITIES

TABLE 4
STATE INVOLVEMENT IN FINANCING OF PROJECTS AND OPERATIONS
OF NEW YORK STATE PUBLIC AUTHORITIES
2008 AND 2009-10
(thousands of dollars)

Authorities by Function	Authority Bonds Outstanding, 2008 ^{a/}			Outstanding Reimbursable State Appropriations, 2008	State Appropriations Requested in Support of Authority Programs, 2009-10 ^{b/}		
	Revenue and Nonrecourse	State Guaranteed	Moral Obligation		New Appropriations	Reappropriations	Total
PORT DEVELOPMENT							
Albany Port District Commission	0	0	0	0	0	0	0
Ogdensburg Bridge and Port Authority	5,505	0	0	19,079	0	0	0
Port Authority of New York and New Jersey	12,616,090	0	0	0	0	0	0
Port of Oswego Authority	0	0	0	3,956	0	0	0
REGIONAL TRANSPORTATION							
Capital District Transportation Authority	0	0	0	0	29,969	0	29,969
Central New York Regional Transportation Authority	0	0	0	0	28,488	0	28,488
Metropolitan Transportation Authority ^{c/}	26,500,630	0	0	0	2,346,350	1,243,552	3,589,902
Niagara Frontier Transportation Authority	171,792	0	0	0	62,375	16,866	79,241
Rochester-Genesee Regional Transportation Authority	0	0	0	0	29,036	0	29,036
GRAND TOTAL		➤ 37,350	➤ 41,285	➤ 84,596	3,171,183	6,306,525	9,477,708
	<u>139,023,837</u>	<u>0</u>	<u>5</u>	<u>96</u>	<u>3,171,183</u>	<u>6,306,525</u>	<u>9,477,708</u>

^{a/} This table covers bonds outstanding as of September 30.

^{b/} Appropriations are included in the Executive Budget for State Fiscal Year 2009-10 from the State's General Fund, dedicated tax funds, Capital Projects Fund or bond funds. Some of these funds may be appropriated to an intermediary which, in turn, makes payment to the named authority.

^{c/} Data represents consolidated reporting for the Metropolitan Transportation Authority and the Triborough Bridge and Tunnel Authority. Outstanding bonds do not include Convention Center Project Bonds that are not covered by the Authority's bond cap, and are solely supported by rental income.

DEPARTMENT OF PUBLIC SERVICE

MISSION

The Department of Public Service is the staff arm of the Public Service Commission, which regulates the rates and services of the State's public utilities, including electric, gas, steam, telephone and water. The Commission also oversees the siting of major electric and gas transmission lines and facilities. In addition, it ensures the safety of natural gas and liquid petroleum pipelines and is responsible for oversight and regulation of the cable television industry in New York State.

ORGANIZATION AND STAFFING

The Public Service Commission consists of five members who are nominated by the Governor and confirmed by the Senate. The Chairman serves as the chief executive officer of the Department which operates offices in Albany, New York City, Buffalo and Syracuse.

The Department's budget has two programs: the Administration Program, which supports the Public Service Commission and Department activities; and the Regulation Program, which undertakes activities to ensure fair and reasonable rates, monitor service standards, address consumer complaints, promote efficient operation and ensure that industry construction programs meet safety and environmental requirements.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$83.0 million All Funds** (\$81.1 million Special Revenue Funds; \$1.8 million Federal funds) for the Department of Public Service. This is a decrease of **\$2.7 million** (\$2.7 million Special Revenue Funds) from the 2008-09 budget. This change primarily reflects the recurring impact of across the board reductions implemented in 2008-09, partially offset by the addition of new staffing. The Department will have an estimated **workforce of 560** for 2009-10, a recommended increase of 20 from the 2008-09 budget, to support high priority programs, including consumer protection, ensuring reasonable rates and reliable service, and enhancing the State's energy efficiency programs.

The Department's 2009-10 operating budget includes funding of \$80.6 million from utility and cable assessments. Public utility assessments are based on a utility's gross intrastate operating revenues above \$500,000. Cable television assessments are based on revenues from those companies with 1,000 or more subscribers.

In addition, the local assistance budget provides a total of \$550,000 from fees paid by entities proposing the siting of electric generation facilities. These funds can be accessed by local governments and community groups to fund intervention activities related to the siting review process.

The Department also receives Federal grants to perform pipeline safety activities.

PROGRAM HIGHLIGHTS

The Department's highest priorities for the coming year will be:

- Developing energy efficiency programs to ensure the goal of reducing electricity consumption by 15 percent below the forecasted level in 2015;
- Continuing to develop a long-range energy planning process;

PUBLIC SERVICE

- Continuing implementation of the Renewable Portfolio Standard, designed to increase to at least 25 percent by 2013 the proportion of electricity sold to consumers in New York State that is generated from renewable resources; and
- Ensuring the reliability of the electric, gas, steam, and telecommunications networks.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	85,094,000	82,408,000	(2,686,000)	0
Aid To Localities	550,000	550,000	0	3,589,000
Capital Projects	0	0	0	0
Total	85,644,000	82,958,000	(2,686,000)	3,589,000

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Special Revenue Funds - Other	98	98	0
Regulation of Utilities			
Special Revenue Funds - Federal	12	12	0
Special Revenue Funds - Other	430	450	20
Total	540	560	20

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Federal	1,814,000	1,847,000	33,000
Special Revenue Funds - Other	83,280,000	80,561,000	(2,719,000)
Total	85,094,000	82,408,000	(2,686,000)

Adjustments:

Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Federal	(123,000)
Special Revenue Funds - Other	(5,143,000)
Appropriated 2008-09	79,828,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
Special Revenue Funds - Other	13,855,000	13,439,000	(416,000)
Regulation of Utilities			
Special Revenue Funds - Federal	1,814,000	1,847,000	33,000
Special Revenue Funds - Other	69,425,000	67,122,000	(2,303,000)
Total	85,094,000	82,408,000	(2,686,000)

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

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	13,439,000	(416,000)	7,496,000	196,000
Regulation of Utilities	68,969,000	(2,270,000)	38,253,000	(1,380,000)
Total	82,408,000	(2,686,000)	45,749,000	(1,184,000)

Program	Nonpersonal Service	
	Amount	Change
Administration	5,943,000	(612,000)
Regulation of Utilities	30,716,000	(890,000)
Total	36,659,000	(1,502,000)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Special Revenue Funds - Other	550,000	550,000	0
Total	550,000	550,000	0

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

Program	Available 2008-09	Recommended 2009-10	Change
Regulation of Utilities			
Special Revenue Funds - Other	550,000	550,000	0
Total	550,000	550,000	0

STATE RACING AND WAGERING BOARD

MISSION

The Racing and Wagering Board regulates all legalized gambling activities in New York except those regulated by the State Lottery. Horse racing, off-track betting (OTB), and Indian casino gaming are directly regulated by the Board. The responsibility for oversight of bingo and other permitted games of chance conducted by religious and not-for-profit organizations is shared with municipalities, which collect license fees and ensure that the Board's rules and regulations are followed.

ORGANIZATION AND STAFFING

A three-member Board oversees agency activities. The Governor appoints each member to a six-year term with the consent of the Senate.

The Chair and central office staff are stationed in Albany with additional staff operating from the New York City regional office. The Board employs on-site inspectors at the Oneida Indians' Turning Stone Casino in Verona, Oneida County, the Mohawk Indians' Akwesasne Mohawk Casino in Hogansburg, Franklin County, the Seneca Nation's Seneca Niagara Casino in Niagara Falls, Seneca Buffalo Creek Casino in Buffalo and Seneca Alleghany Casino in Salamanca. Temporary and full-time employees oversee horse racing at New York's four thoroughbred race tracks – Aqueduct, Belmont, Saratoga and Finger Lakes – and eight harness tracks – Buffalo, Monticello, Saratoga, Syracuse, Tioga Downs, Vernon Downs, Batavia Downs and Yonkers. The Racing and Wagering Board staff will be supported by revenues generated by the racing industry, Indian casinos and charitable gaming activities.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$25.2 million All Funds** (\$25.2 million Other Funds) for the State Racing and Wagering Board. The Executive Budget recommends a staffing level of **105 FTEs** for the Racing and Wagering Board, a decrease of 17 from 2008-09 levels. This decrease reflects the impact of the statewide hiring freeze, implemented by the Executive in July of 2008. In addition, up to 3 positions will be reduced as a result of a new administrative "hosting" arrangement with the Division of the Lottery. The Board anticipates employing as many as 160 per diem staff in the 2009-10 fiscal year.

To ensure adequate funding for the State Racing and Wagering Board's Regulation of Racing Program, the Executive Budget recommends an Article VII Proposal to impose a \$10 entry fee for every horse entered into a pari-mutuel race conducted in New York State.

PROGRAM HIGHLIGHTS

REGULATION OF GAMES OF CHANCE

The Racing and Wagering Board promulgates rules and regulations governing bingo and other games of chance operated by more than 15,000 charitable and not-for-profit organizations throughout the State. The Board establishes standards for issuing licenses to suppliers and manufacturers of gaming equipment; reviews financial statements of

RACING AND WAGERING

charitable gaming operations; and, in conjunction with local law enforcement officials, investigates illegal gaming activities. In accordance with legislation enacted in 1996, the Board will continue its oversight of “bell jar” games in order to decrease illegal activity.

INDIAN GAMING

The State has negotiated compacts or protocols with the Oneida Nation, the St. Regis Mohawk Tribe and the Seneca Nation to conduct gaming activities. Under these compacts, the Racing and Wagering Board is responsible for the regulation and oversight of gaming activities operating on these Indian lands. To oversee these activities, the Board maintains 11 employees at the Oneida Nation’s Turning Stone Casino, 12 employees at the St. Regis Mohawk Tribe’s Akwesasne Casino, 13 employees at the Seneca Nation’s Seneca Niagara Casino, 12 employees at the Seneca Nation’s Seneca Alleghany Casino, and 5 employees at the Seneca Buffalo Creek Casino.

REGULATION OF RACING

The Board’s permanent staff oversees as many as 160 temporary, seasonal employees who ensure that horse races at the State’s racetracks are conducted legally. To help oversee racing activities, the Board has a contract with Cornell University to conduct research and to carry out post-race testing of blood and urine samples taken from race horses.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	25,829,000	25,203,000	(626,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	25,829,000	25,203,000	(626,000)	0

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

Program	Full-Time Equivalent Positions (FTE)		
	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
	Regulation of Racing Special Revenue Funds - Other	26	9
Regulation of Wagering Special Revenue Funds - Other	96	96	0
Total	122	105	(17)

RACING AND WAGERING

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Special Revenue Funds - Other	25,829,000	25,203,000	(626,000)
Total	25,829,000	<u>25,203,000</u>	<u>(626,000)</u>

Adjustments:

Transfer(s) From Special Pay Bill	
Special Revenue Funds - Other	(811,000)
Appropriated 2008-09	<u>25,018,000</u>

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Regulation of Racing			
Special Revenue Funds - Other	15,113,000	14,784,000	(329,000)
Regulation of Wagering			
Special Revenue Funds - Other	10,716,000	10,419,000	(297,000)
Total	<u>25,829,000</u>	<u>25,203,000</u>	<u>(626,000)</u>

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

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Regulation of Racing	14,784,000	(329,000)	6,305,000	(711,000)
Regulation of Wagering	10,419,000	(297,000)	5,734,000	(139,000)
Total	<u>25,203,000</u>	<u>(626,000)</u>	<u>12,039,000</u>	<u>(850,000)</u>

<u>Program</u>	<u>Nonpersonal Service</u>	
	<u>Amount</u>	<u>Change</u>
Regulation of Racing	8,479,000	382,000
Regulation of Wagering	4,685,000	(158,000)
Total	<u>13,164,000</u>	<u>224,000</u>

GOVERNOR'S OFFICE OF REGULATORY REFORM

MISSION

The Governor's Office of Regulatory Reform (GORR) improves the State's regulatory process by assisting State agencies in the development of regulations that are well conceived, understandable, and based upon adequate input from the parties affected. GORR also helps businesses start or expand their operations by expediting permit approvals and facilitating communication between regulators and affected parties. In 2008, an estimated 50,000 applications for new and expanding businesses were submitted electronically through the Online Permit and Licensing System (OPAL).

ORGANIZATION AND STAFFING

Led by a Director appointed by the Governor, the Office is located in Albany. Agency objectives are achieved through its Business Permits Assistance and Regulatory Review programs.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3 million All Funds** (\$3 million General Fund) and a staffing level of **23 FTEs** for the Governor's Office of Regulatory Reform to support the Office's regulatory review and business permits assistance activities. Funding is reduced by \$.7 million from the 2008-09 budget to reflect a restructuring of the agency to focus more directly on its core mission. This restructuring will reduce staffing levels by 13 FTEs from the 2008-09 budget.

PROGRAM HIGHLIGHTS

REGULATORY REVIEW

The Office reviews the need for proposed new and revised regulations and their economic impact. The Office requires regulating agencies to analyze the costs and benefits of any proposed new or amended rule and to consider its effect on job creation and retention, public health, safety and welfare. Recommendations are also made to agencies to help them simplify their regulatory processes.

BUSINESS PERMITS ASSISTANCE

The Business Permits Assistance program provides comprehensive information about permits required to operate businesses in New York State, and consults with local governments to better coordinate local permit applications. Program staff also assist agencies in streamlining and simplifying permit procedures required for business and local government undertakings. This program has provided assistance to over 650,000 individuals or firms interested in starting or growing a business in New York. This effort was facilitated by the development of a master application form for complex business ventures, a comprehensive permit reform program and development of a web site, www.nys-permits.org, which provides businesses with permit information.

REGULATORY REFORM

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	3,773,000	3,072,521	(700,479)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>3,773,000</u>	<u>3,072,521</u>	<u>(700,479)</u>	<u>0</u>

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	36	23	(13)
Total	<u>36</u>	<u>23</u>	<u>(13)</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	3,773,000	3,072,521	(700,479)
Total	<u>3,773,000</u>	<u>3,072,521</u>	<u>(700,479)</u>

Adjustments:
Transfer(s) From
 Special Pay Bill
 General Fund
Appropriated 2008-09

(168,000)
3,605,000

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	3,773,000	3,072,521	(700,479)
Total	<u>3,773,000</u>	<u>3,072,521</u>	<u>(700,479)</u>

REGULATORY REFORM

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

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	2,376,350	(254,650)	2,336,890	(244,110)
Total	2,376,350	(254,650)	2,336,890	(244,110)

Program	Temporary Service (Nonannual Salaried)	
	Amount	Change
Administration	39,460	(10,540)
Total	39,460	(10,540)

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

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	696,171	(445,829)	73,153	(46,847)
Total	696,171	(445,829)	73,153	(46,847)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	4,267	(2,733)	478,541	(306,459)
Total	4,267	(2,733)	478,541	(306,459)

Program	Equipment	
	Amount	Change
Administration	140,210	(89,790)
Total	140,210	(89,790)

FOUNDATION FOR SCIENCE, TECHNOLOGY, AND INNOVATION

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

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	3,077,000	0	(3,077,000)	0
Capital Projects	0	0	0	0
Total	<u>3,077,000</u>	<u>0</u>	<u>(3,077,000)</u>	<u>0</u>

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration Program			
General Fund	30	0	(30)
Total	<u>30</u>	<u>0</u>	<u>(30)</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
Total	0	<u>0</u>	<u>0</u>

Adjustments:	
Transfer(s) From	
Special Pay Bill	
General Fund	(143,000)
Transfer(s) To	
Empire State Development Corporation	
General Fund (Aid To Localities)	4,179,000
Special Revenue Funds - Other	<u>500,000</u>
Appropriated 2008-09	<u>4,536,000</u>

SCIENCE, TECHNOLOGY, AND INNOVATION

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	3,077,000	0	(3,077,000)
Total	3,077,000	0	(3,077,000)

Adjustments:

Transfer(s) To

Empire State Development Corporation

General Fund

40,696,280

Appropriated 2008-09

43,773,280

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

Program	Available 2008-09	Recommended 2009-10	Change
Community Projects			
General Fund	445,000	0	(445,000)
High Technology Program			
General Fund	2,632,000	0	(2,632,000)
Total	3,077,000	0	(3,077,000)

DEPARTMENT OF STATE

MISSION

Established in 1788, the Department of State (DOS) is the State's oldest agency. Historically serving as the State's general recording officer and custodian of the State's "Great Seal", the Department's mission has grown to include a broad range of activities that coordinate programs with, and provide services to, local governments and businesses. The Department protects public safety by managing arson investigation, fire prevention, and building and energy code programs; administers programs for community development and local government service activities; and supports businesses through various licensing and registration activities.

ORGANIZATION AND STAFFING

The Department is headed by the Secretary of State, who is appointed by the Governor and confirmed by the Senate. The Department's central office is located in Albany. It also has 20 regional offices across the State and operates the Academy of Fire Science in Montour Falls, Schuyler County.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$158.4 million All Funds** (\$22.9 million General Fund; \$135.5 million Other Funds) for the Department of State. This is a net decrease of **\$31 million All Funds** from the 2008-09 budget. This net change results from the elimination of \$31.4 million in nonrecurring program additions and \$2.4 million in state operations spending, offset by a new \$2.8 million capital appropriation for the Brownfield Opportunity Areas Program. The Executive Budget recommends a staffing level of **860 FTEs** for the Department of State, a **decrease of 47** from the 2008-09 budget. This decrease primarily reflects the impact of the statewide hiring freeze, implemented by the Executive in July of 2008.

Additionally, the Executive Budget recommends an Article VII proposal to increase examination fees for sixteen disciplines licensed and regulated by the Department.

PROGRAM HIGHLIGHTS

The responsibilities of the Department of State are carried out through three programs:

- The Local Government and Community Services Program consists of several functions, including the Office of Fire Prevention and Control (OFPC), which works with both paid and volunteer firefighters by providing training, technical support and assistance with arson investigations, and conducts fire safety inspections of colleges and state-owned buildings. OFPC trains and equips an urban search and rescue team based in the Capital Region. OFPC also provides low interest loans to fire and ambulance companies through the Emergency Services Revolving Loan Program. The Division of Code Enforcement and Administration manages New York's building and energy codes. In addition to these activities, Local Government and Community Services program staff provide services to citizens; offer planning and management services to local governments through the Division of Local Government; support land use

STATE

planning activities in the New York City/Catskill watershed; administer the Hudson River Valley Greenway program, coordinate New York's coastal resources and waterfront revitalization activities; serve as the lead agency involved in providing technical assistance and administering grants for the Brownfield Opportunity Areas Program and administer the Department's Federal grant programs, including the Appalachian Regional Commission. The federally funded Division of Community Services provides a means for achieving economic self-sufficiency through programs designed to improve opportunities for its low-income participants.

- The Business and Licensing Services Program maintains all certificates on file for businesses and corporations; administers qualifying examinations and licensing of 26 occupations; and prepares the State Register and other publications.
- The Administration Program provides the basic executive direction, fiscal, personnel, legal and electronic data processing activities that support the Department's operations.

Additionally, the Department's appropriations contain funds for the Lake George Park Commission, the Commission on Uniform State Laws, the State Athletic Commission, the Committee on Open Government, and the Tug Hill Commission.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	82,576,000	80,143,000	(2,433,000)	24,866,000
Aid To Localities	106,946,396	75,526,700	(31,419,696)	116,337,800
Capital Projects	0	2,750,000	2,750,000	7,556,000
Total	189,522,396	158,419,700	(31,102,696)	148,759,800

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
General Fund	58	58	0
Lake George Park Commission			
Special Revenue Funds - Other	9	9	0
Law Revision Commission			
General Fund	3	0	(3)
Licensing Services			
Special Revenue Funds - Other	423	403	(20)
Local Government and Community Services			
General Fund	133	109	(24)
Special Revenue Funds - Federal	58	58	0
Special Revenue Funds - Other	205	205	0
Tug Hill Commission			
General Fund	18	18	0
Total	907	860	(47)

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

<u>Fund Type</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
General Fund	24,155,000	22,923,000	(1,232,000)
Special Revenue Funds - Federal	11,402,000	11,335,000	(67,000)
Special Revenue Funds - Other	47,019,000	45,885,000	(1,134,000)
Total	<u>82,576,000</u>	<u>80,143,000</u>	<u>(2,433,000)</u>
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(1,018,000)		
Special Revenue Funds - Federal	(488,000)		
Special Revenue Funds - Other	(3,304,000)		
State, Department of			
General Fund	(439,000)		
Special Revenue Funds - Federal	(555,000)		
Special Revenue Funds - Other	(994,000)		
Transfer(s) To			
State, Department of			
General Fund	965,000		
Special Revenue Funds - Federal	67,000		
Special Revenue Funds - Other	956,000		
Appropriated 2008-09	<u>77,766,000</u>		

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Administration			
General Fund	11,258,000	11,258,000	0
Lake George Park Commission			
Special Revenue Funds - Other	1,639,000	1,509,000	(130,000)
Law Revision Commission			
General Fund	168,000	0	(168,000)
Licensing Services			
Special Revenue Funds - Other	41,727,000	41,112,000	(615,000)
Local Government and Community Services			
General Fund	11,056,000	10,292,000	(764,000)
Special Revenue Funds - Federal	11,402,000	11,335,000	(67,000)
Special Revenue Funds - Other	3,600,000	3,231,000	(369,000)
Tug Hill Commission			
General Fund	1,513,000	1,213,000	(300,000)
Special Revenue Funds - Other	53,000	33,000	(20,000)
Uniform State Laws, NY Commission on			
General Fund	160,000	160,000	0
Total	<u>82,576,000</u>	<u>80,143,000</u>	<u>(2,433,000)</u>

STATE

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

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	5,434,000	0	5,387,000	0
Law Revision Commission	0	(158,000)	0	(158,000)
Local Government and Community Services	8,643,000	(764,000)	8,604,000	(764,000)
Tug Hill Commission	1,103,000	0	1,103,000	0
Total	15,180,000	(922,000)	15,094,000	(922,000)

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay	
	Amount	Change	Amount	Change
Administration	41,000	0	6,000	0
Law Revision Commission	0	0	0	0
Local Government and Community Services	34,000	0	5,000	0
Tug Hill Commission	0	0	0	0
Total	75,000	0	11,000	0

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

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	5,824,000	0	646,000	0
Law Revision Commission	0	(10,000)	0	(2,000)
Local Government and Community Services	1,649,000	0	78,500	0
Tug Hill Commission	110,000	(300,000)	13,000	0
Uniform State Laws, NY Commission on	160,000	0	0	0
Total	7,743,000	(310,000)	737,500	(2,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	58,500	0	4,405,500	0
Law Revision Commission	0	0	0	0
Local Government and Community Services	140,300	0	1,047,100	0
Tug Hill Commission	8,000	0	87,000	(300,000)
Uniform State Laws, NY Commission on	0	0	160,000	0
Total	206,800	0	5,699,600	(300,000)

Program	Equipment	
	Amount	Change
Administration	714,000	0
Law Revision Commission	0	(8,000)
Local Government and Community Services	383,100	0
Tug Hill Commission	2,000	0
Uniform State Laws, NY Commission on	0	0
Total	1,099,100	(8,000)

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

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Lake George Park Commission	1,509,000	(130,000)	624,000	(85,000)
Licensing Services	41,112,000	(615,000)	20,081,000	(615,000)
Local Government and Community Services	14,566,000	(436,000)	5,458,000	(102,000)
Tug Hill Commission	33,000	(20,000)	0	0
Total	57,220,000	(1,201,000)	26,163,000	(802,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Lake George Park Commission	885,000	(45,000)	0	0
Licensing Services	21,031,000	0	0	0
Local Government and Community Services	8,508,000	(334,000)	600,000	0
Tug Hill Commission	33,000	(20,000)	0	0
Total	30,457,000	(399,000)	600,000	0

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	30,439,696	0	(30,439,696)
Special Revenue Funds - Federal	61,400,000	61,400,000	0
Special Revenue Funds - Other	15,106,700	14,126,700	(980,000)
Total	106,946,396	75,526,700	(31,419,696)

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

Program	Available 2008-09	Recommended 2009-10	Change
Licensing Services			
Special Revenue Funds - Other	539,000	539,000	0
Local Government and Community Services			
General Fund	5,961,396	0	(5,961,396)
Special Revenue Funds - Federal	61,400,000	61,400,000	0
Special Revenue Funds - Other	14,567,700	13,587,700	(980,000)
Community Projects			
General Fund	24,478,300	0	(24,478,300)
Total	106,946,396	75,526,700	(31,419,696)

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Local Government and Community Services				
Capital Projects Fund - Authority Bonds	0	0	0	7,006,000
Office of Fire Prevention				
Capital Projects Fund	0	0	0	550,000
Solid and Hazardous Waste Management				
Hazardous Waste Remedial Fund - Oversight & Assessment	0	2,750,000	2,750,000	0
Total	0	2,750,000	2,750,000	7,556,000

DEPARTMENT OF TAXATION AND FINANCE

MISSION

The Department of Taxation and Finance (DTF) collects tax revenue and provides associated services in support of government operations in New York State. In fulfilling its responsibilities, the Department collects and accounts for almost \$60 billion in State taxes and \$40 billion in local taxes; administers 35 State and 7 local taxes, including New York City and City of Yonkers income taxes; and processes approximately 27 million returns, registrations, and associated documents. The Department also manages the State Treasury, which provides investment and cash management services to various State agencies, and administers the State's Middle Class STAR Property Tax Rebate Program.

ORGANIZATION AND STAFFING

The Department is headed by a Commissioner who is appointed by the Governor and confirmed by the Senate. The Department fulfills its mission through eight programs: Audit, Collection and Enforcement, Centralized Operations Support, Office of Conciliation and Mediation, Management, Administration and Counsel, Revenue Processing and Reconciliation, Tax Policy, Revenue Accounting and Taxpayer Guidance, Technology and Information Services, and Treasury Management.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$485.7 million All Funds** (\$349.6 million General Fund; \$136.1 million Other Funds) for the Department of Taxation and Finance. This is an increase of **\$14.5 million All Funds** (\$14.2 million General Fund, \$.3 million Other Funds) from the 2008-09 budget. This net change primarily reflects additional costs associated with staffing increases offset by reductions in nonpersonal services.

The Executive Budget recommends a staffing level of **5,336 FTEs** for the Department of Taxation and Finance, an **increase of 300 FTEs** from the 2008-09 budget. These additional staff positions will be assigned to the Department's Audit, Collection, and Enforcement program to supplement the Department's ongoing efforts to achieve full voluntary taxpayer compliance. The Executive Budget proposes legislation that will establish service fees for returned checks, the establishment of installment payment plans for tax liabilities, the processing of paper tax returns filed with the Department and a tax preparers registration fee.

PROGRAM HIGHLIGHTS

The Department's strategic goal is to achieve "universal voluntary compliance" to ensure that all taxpayers voluntarily pay the correct amount of tax due on a timely basis. To achieve this goal, the Department is committed to increasing the current high level of voluntary compliance through taxpayer education initiatives, technology, and enforcement efforts.

The operations of the Department are organized along the following functional lines to support its legal mission:

TAXATION AND FINANCE

- **Audit, Collection and Enforcement:** Ensures that voluntarily remitted taxes are accurate and complete; leverages sophisticated technologies and highly-trained personnel to collect delinquent taxes; and identifies and investigates alleged evasion of the State tax code, whether through underreporting, non-filing or schemes of avoidance.
- **Centralized Operations Support:** Provides infrastructure support services; vehicle fleet management; printing and mailing services; telecommunications support; space planning, management, and utilization; in-house security; and parking services.
- **Office of Conciliation and Mediation:** Provides taxpayers with a statutorily-mandated option of informal and impartial dispute resolution that potentially mitigates time-consuming, formal administrative hearings with the Division of Tax Appeals.
- **Management, Administration and Counsel:** Provides departmental financial services, including budgeting, accounting, and procurement; provides a full range of legal services to the Department; and provides personnel services, including workforce strategies and solutions.
- **Revenue Processing and Reconciliation:** Processes taxpayer returns and remittance to compute liability, identify underpayments or overpayments, and issue assessments and refunds; creates and maintains taxpayer accounts and records; and responds to taxpayer inquiries.
- **Tax Policy, Revenue Accounting and Taxpayer Guidance:** Performs revenue accounting; reviews tax policies; assesses tax proposals and proposed legislation; prepares fiscal impacts; performs sophisticated studies and analyses for the Legislature and the Division of the Budget; and develops tax information, advice, forms, and instructions.
- **Technology and Information Services:** Maintains, secures, and improves the Department's information technology infrastructure, applications, and networks.
- **Treasury Management:** Acts on the Tax Commissioner's behalf as custodian of the State Treasury, and joint-custodian of the State General Checking Account; provides various financial and investment services to certain State agencies and public benefit corporations.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	471,227,000	485,680,000	14,453,000	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	471,227,000	485,680,000	14,453,000	0

TAXATION AND FINANCE

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

Program	Full-Time Equivalent Positions (FTE)		
	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Audit, Collection and Enforcement General Fund	2,541	2,841	300
Centralized Operations Support General Fund	122	122	0
Office of Conciliation and Mediation General Fund	25	25	0
Management, Administration and Counsel General Fund	253	253	0
Revenue Processing and Reconciliation General Fund	584	584	0
Special Revenue Funds - Other	731	731	0
Tax Policy, Revenue Accounting and Taxpayer Guidance General Fund	176	176	0
Technology and Information Services General Fund	560	560	0
Treasury Management Special Revenue Funds - Other	44	44	0
Total	5,036	5,336	300

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	335,383,000	349,554,000	14,171,000
Special Revenue Funds - Federal	2,582,000	2,582,000	0
Special Revenue Funds - Other	87,060,000	87,342,000	282,000
Internal Service Funds	46,202,000	46,202,000	0
Total	471,227,000	485,680,000	14,453,000
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(20,663,000)		
Special Revenue Funds - Other	(223,000)		
Appropriated 2008-09	450,341,000		

TAXATION AND FINANCE

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Audit, Collection and Enforcement			
General Fund	136,118,101	174,947,987	38,829,886
Special Revenue Funds - Federal	2,582,000	2,582,000	0
Special Revenue Funds - Other	4,000,000	4,000,000	0
Centralized Operations Support			
General Fund	38,357,578	29,020,005	(9,337,573)
Office of Conciliation and Mediation			
General Fund	1,785,673	1,754,904	(30,769)
Management, Administration and Counsel			
General Fund	17,347,217	16,834,684	(512,533)
Special Revenue Funds - Other	121,000	0	(121,000)
Revenue Processing and Reconciliation			
General Fund	45,396,425	44,663,949	(732,476)
Special Revenue Funds - Other	79,653,000	79,653,000	0
Internal Service Funds	46,202,000	46,202,000	0
Tax Policy, Revenue Accounting and Taxpayer Guidance			
General Fund	12,746,114	12,253,238	(492,876)
Technology and Information Services			
General Fund	83,631,892	70,079,233	(13,552,659)
Treasury Management			
Special Revenue Funds - Other	3,286,000	3,689,000	403,000
Total	<u>471,227,000</u>	<u>485,680,000</u>	<u>14,453,000</u>

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

<u>Program</u>	<u>Total</u>		<u>Personal Service Regular (Annual Salaried)</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Audit, Collection and Enforcement	168,535,101	41,217,000	166,515,101	41,217,000
Centralized Operations Support	5,582,578	0	4,983,578	0
Office of Conciliation and Mediation	1,677,673	0	1,677,673	0
Management, Administration and Counsel	15,548,217	0	15,379,217	0
Revenue Processing and Reconciliation	42,825,425	0	36,559,425	0
Tax Policy, Revenue Accounting and Taxpayer Guidance	11,016,114	0	10,913,114	0
Technology and Information Services	36,061,892	0	35,261,892	0
Total	<u>281,247,000</u>	<u>41,217,000</u>	<u>271,290,000</u>	<u>41,217,000</u>

<u>Program</u>	<u>Temporary Service (Nonannual Salaried)</u>		<u>Holiday/Overtime Pay</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Audit, Collection and Enforcement	1,020,000	0	1,000,000	0
Centralized Operations Support	549,000	0	50,000	0
Office of Conciliation and Mediation	0	0	0	0
Management, Administration and Counsel	159,000	0	10,000	0
Revenue Processing and Reconciliation	5,766,000	0	500,000	0
Tax Policy, Revenue Accounting and Taxpayer Guidance	38,000	0	65,000	0
Technology and Information Services	300,000	0	500,000	0
Total	<u>7,832,000</u>	<u>0</u>	<u>2,125,000</u>	<u>0</u>

TAXATION AND FINANCE

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

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	6,412,886	(2,387,114)	420,479	(167,521)
Centralized Operations Support	23,437,427	(9,337,573)	9,360,669	(3,729,331)
Office of Conciliation and Mediation	77,231	(30,769)	3,575	(1,425)
Management, Administration and Counsel	1,286,467	(512,533)	97,969	(39,031)
Revenue Processing and Reconciliation	1,838,524	(732,476)	788,756	(314,244)
Tax Policy, Revenue Accounting and Taxpayer Guidance	1,237,124	(492,876)	44,336	(17,664)
Technology and Information Services	34,017,341	(13,552,659)	107,265	(42,735)
Total	68,307,000	(27,046,000)	10,823,049	(4,311,951)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	3,700,646	(1,474,354)	1,127,577	(281,423)
Centralized Operations Support	27,889	(11,111)	13,424,586	(5,348,414)
Office of Conciliation and Mediation	68,650	(27,350)	4,291	(1,709)
Management, Administration and Counsel	111,556	(44,444)	810,209	(322,791)
Revenue Processing and Reconciliation	100,114	(39,886)	782,320	(311,680)
Tax Policy, Revenue Accounting and Taxpayer Guidance	20,023	(7,977)	1,159,893	(462,107)
Technology and Information Services	214,530	(85,470)	31,381,480	(12,502,520)
Total	4,243,408	(1,690,592)	48,690,356	(19,230,644)

Program	Equipment	
	Amount	Change
Audit, Collection and Enforcement	1,164,184	(463,816)
Centralized Operations Support	624,283	(248,717)
Office of Conciliation and Mediation	715	(285)
Management, Administration and Counsel	266,733	(106,267)
Revenue Processing and Reconciliation	167,334	(66,666)
Tax Policy, Revenue Accounting and Taxpayer Guidance	12,872	(5,128)
Technology and Information Services	2,314,066	(921,934)
Total	4,550,187	(1,812,813)

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

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	6,582,000	0	0	0
Management, Administration and Counsel	0	(121,000)	0	(81,000)
Revenue Processing and Reconciliation	125,855,000	0	36,881,000	0
Treasury Management	3,689,000	403,000	2,025,000	(63,000)
Total	136,126,000	282,000	38,906,000	(144,000)

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Audit, Collection and Enforcement	4,000,000	0	2,582,000	0
Management, Administration and Counsel	0	(40,000)	0	0
Revenue Processing and Reconciliation	88,974,000	0	0	0
Treasury Management	1,664,000	466,000	0	0
Total	94,638,000	426,000	2,582,000	0

DIVISION OF TAX APPEALS

MISSION

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

ORGANIZATION AND STAFFING

The Division of Tax Appeals is headed by the Tax Appeals Tribunal, which is comprised of three commissioners appointed by the Governor and confirmed by the Senate. Under the direction of the Tax Tribunal, dispute adjudication is provided through small claims hearings, formal hearings and the Tribunal appeals process. The Division holds formal hearings in Troy, New York City and Rochester, while Tax Tribunal oral arguments are held in New York City, Buffalo and Troy. Small claims hearings are conducted throughout the State.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$3.4 million All Funds** (\$3.4 million General Fund) for the Division of Tax Appeals. This net decrease of **\$150,000** from the 2008-09 budget reflects reductions in employee costs and savings in nonpersonal service expenditures. The Executive Budget recommends a staffing level of **30 FTEs**, a decrease of 1 FTE from the 2008-09 budget. This decrease reflects the impact of the statewide hiring freeze, implemented by the Executive in July of 2008.

PROGRAM HIGHLIGHTS

The Division's hearing process has been substantially improved in recent years to benefit taxpayers. These improvements have allowed taxpayers more flexibility in scheduling hearings, thus minimizing delays caused by sudden cancellations.

The Division also conducts formal hearings in New York City and Rochester to provide easier access for taxpayers in these metropolitan areas. At these locations, the Division utilizes existing State office space, thus providing improved service at nominal additional cost.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	3,503,000	3,353,000	(150,000)	0
Aid To Localities	0	0	0	0
Capital Projects	0	0	0	0
Total	<u>3,503,000</u>	<u>3,353,000</u>	<u>(150,000)</u>	<u>0</u>

TAX APPEALS

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

Program	Full-Time Equivalent Positions (FTE)		
	2008-09	2009-10	FTE Change
	Estimated FTEs 03/31/09	Estimated FTEs 03/31/10	
Administration			
General Fund	31	30	(1)
Total	31	30	(1)

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	3,503,000	3,353,000	(150,000)
Total	3,503,000	3,353,000	(150,000)
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(230,000)		
Appropriated 2008-09	3,273,000		

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

Program	Available 2008-09	Recommended 2009-10	Change
Administration			
General Fund	3,503,000	3,353,000	(150,000)
Total	3,503,000	3,353,000	(150,000)

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

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
Administration	2,906,000	(130,000)	2,896,000	(130,000)
Total	2,906,000	(130,000)	2,896,000	(130,000)
Program	Temporary Service (Nonannual Salaried)			
	Amount	Change		
Administration	10,000	0		
Total	10,000	0		

TAX APPEALS

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

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration	447,000	(20,000)	33,000	(2,000)
Total	447,000	(20,000)	33,000	(2,000)

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration	24,000	(1,000)	313,000	(14,000)
Total	24,000	(1,000)	313,000	(14,000)

Program	Equipment	
	Amount	Change
Administration	77,000	(3,000)
Total	77,000	(3,000)

THRUWAY AUTHORITY

The Thruway Authority operates a 641 mile highway system, including the nation's longest toll highway and 71 miles of un-tolled Interstate 84 operated under contract for the Department of Transportation. The Thruway Authority also has jurisdiction over the New York State Canal System. Through its subsidiary, the New York State Canal Corporation, the Thruway maintains, operates, develops and makes capital improvements to the 524-mile navigable waterway which includes 57 locks, 16 lift bridges, numerous dams, reservoirs and water control structures.

Thruway Authority and Canal System programs are primarily supported by Authority funds, which are not reflected in the Executive Budget. The 2009 annual operating and capital budget is expected to total over \$1.15 billion. The Authority will have a workforce of 3,377 in 2009, a decrease of 30 positions from 2008.

Revenues from canal tolls and other user fees are deposited into the Canal System Development Fund and, in accordance with the State Constitution, are used exclusively for the canals. The Executive Budget recommends a new appropriation of \$2 million and reappropriations of \$10.0 million from the Canal System Development Fund for a portion of the maintenance, construction, reconstruction, development and promotion of the canals.

The Rebuild and Renew New York Transportation Bond Act of 2005 (appropriated through the Department of Transportation budget) provides \$10 million in State fiscal year 2009-10 to advance additional Canal capital projects.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	0	0	0	0
Aid To Localities	0	0	0	0
Capital Projects	2,000,000	2,000,000	0	10,041,000
Total	<u>2,000,000</u>	<u>2,000,000</u>	<u>0</u>	<u>10,041,000</u>

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Canal Development Program				
New York State Canal System Development Fund	2,000,000	2,000,000	0	10,041,000
Total	<u>2,000,000</u>	<u>2,000,000</u>	<u>0</u>	<u>10,041,000</u>

DEPARTMENT OF TRANSPORTATION

MISSION

The Department of Transportation (DOT) directly maintains and improves the State's more than 38,000 State highway lane miles and over 7,500 bridges. In addition, the Department partially funds locally-operated transit systems, local government highway and bridge construction, and rail, airport, and canal programs.

The DOT of the 21st Century is capitalizing on evolving world trade patterns, using intelligent transportation technology to manage increases in traffic and balancing security concerns with the need to move people and products safely and efficiently. The Department closely coordinates with other State transportation agencies and authorities, with the goal of creating a seamless statewide transportation system that addresses environmental and community concerns and more efficiently moves people and goods throughout the State's transportation system.

ORGANIZATION AND STAFFING

The Department is headed by a Commissioner appointed by the Governor. The Department's main office is in Albany, with 11 regional offices in Schenectady, Utica, Syracuse, Rochester, Buffalo, Hornell, Watertown, Poughkeepsie, Binghamton, Hauppauge and New York City. The Department also maintains highway maintenance and equipment repair facilities across the State.

Employees of the Department perform such activities as highway maintenance, snow and ice removal, highway and bridge design and construction inspection. In addition, the Department's staff inspects school and charter buses, regulates commercial transportation, oversees public transportation systems and state-owned airports, and provides administrative support for the Department.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$7.1 billion All Funds (\$78 million General Fund; \$4.2 billion Capital Projects Funds; \$2.8 billion Other Funds)** for the Department of Transportation (DOT). This is a decrease of **\$551 million** (decrease of \$33 million General Fund; decrease of \$254 million Capital Projects Funds; decrease of \$264 million Other Funds) from the 2008-09 budget. This net change primarily reflects: DOT capital program reductions offset by inflationary adjustments for DOT maintenance and other planned capital program changes (\$256 million); reductions in aid-to-localities funding, primarily for transit systems (\$288 million); and the discontinuation of one-time appropriations and other minor adjustments for program activity (\$7 million).

The Executive Budget recommends a staffing level of **9,925 FTEs** for the Department of Transportation, a net **increase of 28** from the 2008-09 budget, revised for financial management plan actions. This reflects an increase of 36 positions for snow and ice control and preventive maintenance activities for 254 State-owned lane miles that were previously performed by municipalities under snow and ice contracts; 15 new positions to replace consultant contracts for information technology and a reduction of 23 positions for DOT administration, planning and program management associated with the reduced capital program.

The Department is responsible for the implementation of transportation programs related to highways and bridges, transit, aviation, ports, rail and other modes. It is

TRANSPORTATION

supported by revenues from the Petroleum Business Tax, highway use tax, motor fuel taxes, auto rental tax, transportation/transmission tax, motor vehicle fees, and other fees. Substantial Federal aid is also used to support the programs. The 2005 Bond Act provides additional funding for the 2005-10 period.

The five-year transportation capital plan enacted in State Fiscal Year 2005-06 included over \$35.9 billion for the State's transportation systems during the period, with over \$17.9 billion for DOT capital programs and over \$17.9 billion for the Metropolitan Transportation Authority program. To finance the plan, existing resources were augmented by increases in motor vehicle fees, a restructuring of the Dedicated Highway and Bridge Trust Fund debt, increases in the sales tax and mortgage recording tax levied in the MTA service district, and the Rebuild and Renew New York Transportation Bond Act passed by the voters in November 2005. The DOT capital plan has been amended from time to time, and totaled approximately \$18.52 billion prior to the actions recommended in this Executive Budget.

The Budget funds a DOT program that balances fiscal austerity with the preservation of essential services and projects. The revised plan maintains core funding to achieve three primary goals: providing funding necessary to accommodate non-discretionary health and safety related capital needs, matching Federal aid and ensuring adequate funding for snow and ice control and demand maintenance activities. Budget actions reduce program levels planned for 2009-10 in the State's five-year transportation capital plan by \$569 million, resulting in an overall five-year program of \$17.95 billion. Major budget actions include:

- **Construction Contract Reductions:** The annual construction contract level for State-owned roads and bridges is reduced by \$274.3 million, from the planned level of \$1.891 billion to \$1.617 billion. These reduced levels would retain core funding to address non-discretionary health and safety needs and match estimated Federal highway aid.
- **Engineering/Administrative Reductions:** Commensurate with capital program reductions, engineering, program management and administrative levels are reduced by \$108.4 million from planned levels. This reduction includes \$73 million for consultant engineering contracts and \$27 million for State forces engineering and administration. An additional reduction of \$8.4 million reflects resources for traffic signal control activities transferred to DOT maintenance and operations.
- **IT and Construction Inspection Insourcing:** Engineering and administrative reductions above also include savings from enhancing the use of state staff for IT and construction inspection functions currently performed by consultant staff.
- **Rail and Aviation Capital Reductions:** The budget includes a reduction in capital rail appropriations of \$10 million from planned levels, and a reduction in rail operating support of \$2.5 million. Aviation funding continues to include a State match to Federal aid of up to \$4 million, but eliminates up to \$4 million for discretionary State-funded projects.
- **CHIPS Program Reduction:** Capital aid to local governments for highway and bridge projects under the Consolidated Highway Improvement Program (CHIPS) is reduced by \$58.8 million from planned levels of \$309.7 million to \$250.9 million (due to a one-time program add in 2008-09, the year-to-year decrease is \$112.2 million). \$39.7 million remains available under the Marchiselli program to provide matching funds for local federally-funded highway and bridge projects.

- **Eliminate Multi-Modal Program Funding:** \$50 million in discretionary funding for multi-modal program projects planned for 2009-10 is eliminated. An additional \$50 million in 2008-09 multi-modal funding is also eliminated.

The Department's operations are devoted primarily to highway maintenance, particularly snow and ice removal. The 2009-10 Executive Budget provides \$665.2 million for snow and ice control and State forces preventive maintenance. This level represents an increase of approximately \$61.8 million from adjusted 2008-09 levels. Primary components of this increase include: \$4.8 million for personal service, fringe benefit and indirect costs associated with collective bargaining agreements and increased lane mileage responsibilities; \$9.6 million for planned inflationary increases in non-personal service expenditures; \$8.6 million for traffic signal repair and control costs previously funded from engineering appropriations; and \$38.8 million to adequately fund core preventive and demand maintenance activities.

The Department's regulatory programs and other operations are primarily funded by fees, miscellaneous revenues and federal aid. Approximately \$24.95 million is derived from fees, including those imposed on trucks registered to transport products throughout the State; landing fees and rents levied at Republic Airport; revenues generated by the sale and rental of Department property, such as commercial leasing of land for parking or storage; and funds recovered from accident damage to State transportation facilities. These funds support a number of agency activities, including administrative support services, highway safety and aviation programs.

Federal aid of \$20.9 million and dedicated mass transit funds totaling \$5.9 million help finance the Department's remaining operating responsibilities for mass transportation, aviation and motor-carrier safety programs.

Capital appropriations provide funding for construction and reconstruction projects on State highways, bridges, railways and airports, as well as financing the engineering staff and private-sector consultants who work on these projects. Obligations for State and local highway and bridge construction contracts will total \$2.017 billion in 2009-10, a decrease of \$111 million over enacted budget levels for the prior year.

The centerpiece of the State's Highway and Bridge Program is the Dedicated Highway and Bridge Trust Fund (DHBTF), established in 1993. The Trust Fund derives its revenues from portions of the petroleum business tax, motor fuel tax, motor vehicle fees, highway user fees, auto rental tax, transportation/transmission tax, and miscellaneous transportation-related revenues. These funds are used both on a pay-as-you-go basis and to pay debt service on bonds issued by the Thruway Authority to finance portions of the State and local highway programs. The 2009-10 Executive Budget proposes to dedicate an additional \$95 million in revenue to the DHBTF (\$60.5 million from increasing vehicle registration fees by 25 percent; \$21.9 million from increasing drivers' license fees from \$50 to \$62.50; \$8 million from increasing the auto rental tax from 5 percent to 6 percent; and \$4.6 million from increased fees for trucking permit renewals from \$4 to \$15), which helps to reduce General Fund support for funding shortfalls in the DHBTF.

A significant portion of the State and local highway capital program is supported by Federal aid, authorized in accordance with multi-year Federal transportation acts. The most recent Federal Transportation Act, known as SAFETEA-LU, is set to expire on September 30, 2009. It is expected that a successor program will be established to continue Federal support for the State's transportation programs. The Federal capital aid appropriation in 2009-10 is available for up to \$2 billion of Federal funding including provisions for State and local highways and bridges, engineering, rail and community

TRANSPORTATION

enhancement programs. In addition, reappropriations are available to accommodate spending of Federal economic stimulus funds for transportation, should they become available.

The Budget would complete appropriation of the Rebuild and Renew New York Transportation Bond Act of 2005. The Bond Act provided \$1.45 billion each for the DOT and MTA capital programs from State fiscal years 2005-06 through 2009-10. Appropriations in the fifth and final year of the program include \$232 million for DOT and \$82 million for the MTA.

Local highway and bridge capital programs include the Consolidated Highway Improvement Program (CHIPS), the Municipal Streets and Highways Program ("Marchiselli" Program) and the Multi-Modal Program. The CHIPS and Marchiselli programs are funded by bonds issued by the Thruway Authority with debt service paid from the State's Dedicated Highway and Bridge Trust Fund. In 2009-10, the CHIPS capital program will be funded at \$250.9 million, and the Marchiselli program at \$39.7 million.

A \$7.5 million appropriation for rail freight and passenger projects will continue to expand shipping opportunities for New York businesses, reduce costs for consumers and improve passenger transportation. The State will also provide up to \$4 million to match Federal aviation grants.

The Aid to Localities budget is comprised primarily of appropriations supported by State taxes dedicated to public transportation through the Mass Transportation Operating Assistance (MTOA) Fund and the Dedicated Mass Transportation Trust Fund. Mass Transportation Operating Assistance Fund revenues are derived from a 3/8 percent sales tax; a business tax surcharge levied in the New York City metropolitan region; and a portion of statewide taxes on transmission, transportation and petroleum-related businesses. Dedicated Mass Transportation Trust Fund revenues are derived from a share of the revenues deposited in the Transportation Dedicated Funds Pool, which includes portions of the Petroleum Business Tax, the Motor Fuel Tax and motor vehicle fees.

The Budget provides \$2.68 billion in aid to transit systems throughout the State, including \$2.26 billion for the MTA and \$414.4 million for other systems. This aid level reflects an overall reduction of \$285 million from 2008-09 levels, with a \$256 million reduction for the MTA and \$29 million for other transit systems. The year-to-year change for the MTA includes the non-recurrence of approximately \$150 million in aid that was accelerated to the MTA in 2008-09 from the Metropolitan Mass Transportation Operating Assistance (MMTOA) account as a one-time distribution of fund balance. The MTA decrease also reflects the impact of declining dedicated transit revenues and the discontinuation of \$19.6 million in real estate tax transfers no longer available from the Additional Mass Transportation Assistance Program (AMTAP) fund. Transit aid reductions were distributed by system in proportion to 2008-09 aid levels after adjusting for one-time increases in the 2008-09 Budget and for annualization of 2008-09 deficit reduction actions.

Included in the appropriations recommended for the Metropolitan Transportation Authority (MTA) is \$634.1 million from the Dedicated Mass Transportation Trust Fund in support of the MTA capital program. The MTA operating assistance also includes \$25.3 million in General Fund support for the MTA as the State's contribution to reduced fares for New York City school children. The City also provides a subsidy for this program.

Of the \$414.4 million in new appropriations recommended for transit operators other than the MTA in 2009-2010, \$162.6 million is targeted for upstate transit systems and

\$251.8 million is targeted for downstate non-MTA transit systems. Capital funding of \$42 million is recommended for transit systems other than the MTA from the Dedicated Mass Transportation Trust Fund. This capital program funds a variety of transit-related needs, primarily bus purchases and a portion of the required match to Federal transit capital aid.

PROGRAM HIGHLIGHTS

HIGHWAYS AND BRIDGES

Improving the State's vital transportation infrastructure remains the agency's highest priority. During 2007-08, the Department replaced or rehabilitated a total of 135 State bridges and completed 6,599 corrective and preventive bridge treatments to slow deterioration. Nearly 5,822 lane miles of State highway were resurfaced, rehabilitated or given preventive maintenance treatment. The Executive Budget continues this commitment to strategic investments in critical infrastructure needs. Even more than in previous years, preventive maintenance performed by State forces and private sector contractors will be an area of significant concentration.

State staff and private-sector consultants perform the planning, property acquisition, design engineering, environmental reviews, surveying, materials and soils testing and construction inspection associated with the Department's capital program. Construction of virtually all highway and bridge projects is performed by private firms.

The State makes a significant investment in helping localities maintain safe roads and bridges through its CHIPS and Marchiselli capital programs. These programs fund local construction projects, with the majority performed by private firms. Through its safety inspections of school and charter buses and its regulation of commercial transport, the Department also focuses its resources on passenger safety and environmental issues.

PUBLIC TRANSPORTATION

The Department provides oversight and funding for more than 130 public transportation operators, including the Metropolitan Transportation Authority, the four upstate regional transportation authorities and other (usually county-sponsored) transit systems. These systems provide bus, subway, light rail and commuter rail services, as well as "paratransit" services designed to meet the needs of disabled people, as required by the Federal Americans with Disabilities Act.

State financial assistance to transit systems is supported by the Mass Transportation Operating Assistance Fund, the Dedicated Mass Transportation Trust Fund and the General Fund. In addition, State law authorizes the imposition of an additional mortgage recording tax in regions covered by the Metropolitan Transportation Authority and the four upstate transit authorities. These moneys are collected by the affected counties and transmitted directly to the transit systems.

TRANSPORTATION

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2008-09	Appropriations Recommended 2009-10	Change	Reappropriations Recommended 2009-10
State Operations	55,342,000	48,429,000	(6,913,000)	68,312,600
Aid To Localities	2,990,621,656	2,702,389,700	(288,231,956)	212,463,900
Capital Projects	4,560,855,000	4,305,268,000	(255,587,000)	15,337,609,000
Total	7,606,818,656	7,056,086,700	(550,731,956)	15,618,385,500

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

Full-Time Equivalent Positions (FTE)

Program	2008-09 Estimated FTEs 03/31/09	2009-10 Estimated FTEs 03/31/10	FTE Change
Administration			
Capital Projects Funds - Other	0	750	750
Design and Construction			
Capital Projects Funds - Other	3,878	3,124	(754)
New York Metropolitan Transportation Council			
Special Revenue Funds - Other	68	68	0
Operations Program			
Special Revenue Funds - Other	12	12	0
Passenger and Freight Transportation Program, Office of			
Special Revenue Funds - Federal	79	79	0
Special Revenue Funds - Other	112	112	0
Capital Projects Funds - Other	98	98	0
Planning and Program Management			
Capital Projects Funds - Other	526	523	(3)
Preventive Maintenance			
Capital Projects Funds - Other	4,944	4,980	36
Real Estate			
Capital Projects Funds - Other	180	179	(1)
Total	9,897	9,925	28

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	4,050,000	0	(4,050,000)
Special Revenue Funds - Federal	17,756,000	17,606,000	(150,000)
Special Revenue Funds - Other	33,536,000	30,823,000	(2,713,000)
Total	55,342,000	48,429,000	(6,913,000)

Adjustments:

Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Federal	(591,000)
Special Revenue Funds - Other	(1,668,000)
Appropriated 2008-09	53,083,000

TRANSPORTATION

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

Program	Available 2008-09	Recommended 2009-10	Change
Operations Program			
General Fund	1,050,000	0	(1,050,000)
Special Revenue Funds - Other	14,050,000	14,129,000	79,000
Passenger and Freight Transportation Program, Office of			
General Fund	3,000,000	0	(3,000,000)
Special Revenue Funds - Federal	17,756,000	17,606,000	(150,000)
Special Revenue Funds - Other	19,486,000	16,694,000	(2,792,000)
Total	<u>55,342,000</u>	<u>48,429,000</u>	<u>(6,913,000)</u>

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

Program	Total		Contractual Services	
	Amount	Change	Amount	Change
Operations Program	0	(1,050,000)	0	(150,000)
Passenger and Freight Transportation Program, Office of	0	(3,000,000)	0	(3,000,000)
Total	<u>0</u>	<u>(4,050,000)</u>	<u>0</u>	<u>(3,150,000)</u>

Program	Equipment	
	Amount	Change
Operations Program	0	(900,000)
Passenger and Freight Transportation Program, Office of	0	0
Total	<u>0</u>	<u>(900,000)</u>

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

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations Program	14,129,000	79,000	606,000	44,000
Passenger and Freight Transportation Program, Office of	34,300,000	(2,942,000)	11,615,000	(1,736,000)
Total	<u>48,429,000</u>	<u>(2,863,000)</u>	<u>12,221,000</u>	<u>(1,692,000)</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Operations Program	13,523,000	35,000	0	0
Passenger and Freight Transportation Program, Office of	13,755,000	(1,206,000)	8,930,000	0
Total	<u>27,278,000</u>	<u>(1,171,000)</u>	<u>8,930,000</u>	<u>0</u>

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

Fund Type	Available 2008-09	Recommended 2009-10	Change
General Fund	105,942,656	77,551,700	(28,390,956)
Special Revenue Funds - Federal	53,910,000	53,062,000	(848,000)
Special Revenue Funds - Other	2,830,769,000	2,571,776,000	(258,993,000)
Total	<u>2,990,621,656</u>	<u>2,702,389,700</u>	<u>(288,231,956)</u>

TRANSPORTATION

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

<u>Program</u>	<u>Available 2008-09</u>	<u>Recommended 2009-10</u>	<u>Change</u>
Additional Mass Transportation Assistance Program			
General Fund	31,908,706	24,866,800	(7,041,906)
Special Revenue Funds - Other	19,600,000	0	(19,600,000)
Dedicated Mass Transportation Trust Fund Program			
Special Revenue Funds - Other	618,772,000	634,100,000	15,328,000
Local Transportation Planning Studies Program			
Special Revenue Funds - Federal	23,062,000	18,868,000	(4,194,000)
Mass Transportation Assistance Program			
General Fund	43,053,820	25,251,000	(17,802,820)
Mass Transportation Operating Assistance Fund Program			
Special Revenue Funds - Other	1,997,961,000	1,743,240,000	(254,721,000)
Mass Transportation Operating Assistance Program			
Special Revenue Funds - Other	194,436,000	194,436,000	0
Passenger and Freight Transportation Program, Office of			
General Fund	29,521,130	27,433,900	(2,087,230)
Special Revenue Funds - Federal	8,634,000	9,094,000	460,000
Rural and Small Urban Transit Aid Program			
Special Revenue Funds - Federal	22,214,000	25,100,000	2,886,000
Community Projects			
General Fund	1,459,000	0	(1,459,000)
Total	<u>2,990,621,656</u>	<u>2,702,389,700</u>	<u>(288,231,956)</u>

TRANSPORTATION

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Aviation				
Airport or Aviation Program				
Capital Projects Fund - Aviation (Bondable)	0	0	0	2,073,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	544,000
Regional Aviation Fund	4,000,000	0	(4,000,000)	8,307,000
Airport or Aviation Program -- Bondable				
Capital Projects Fund - Aviation (Bondable)	0	0	0	827,000
Airport or Aviation State Program				
Dedicated Highway and Bridge Trust Fund	8,000,000	4,000,000	(4,000,000)	44,507,000
Regional Aviation Fund	0	0	0	5,204,000
Aviation				
Transportation Capital Facilities Bond Fund	0	0	0	3,394,000
Federal Airport or Aviation				
Federal Capital Projects Fund	6,000,000	6,000,000	0	38,420,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	15,000,000	16,400,000	1,400,000	51,085,000
Bond Proceeds				
Rebuild and Renew New York Transportation Bonds of 2005				
Rebuild and Renew New York Transportation Bonds of 2005	0	0	0	2,600,230,000
Canals and Waterways				
Canals and Waterways - Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	485,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	10,000,000	10,000,000	0	40,000,000
Economic Development				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	0	0	0	262,585,000
Health and Safety				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	7,741,000	8,012,000	271,000	11,672,000
Highway Facilities				
Accelerated Capacity and Transportation Improvements Fund				
Accelerated Capacity and Transportation Improvements Fund	0	0	0	30,597,000
Airport or Aviation State Program				
Dedicated Highway and Bridge Trust Fund	0	0	0	472,000
Engineering Services				
Engineering Services Fund	0	0	0	147,504,000
NY Metro Transportation Council Account	19,094,000	19,597,000	503,000	37,043,000
Federal Aid Highways - Bondable Purpose				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	7,375,000
Federal Aid Highways - Federal Purpose				
Federal Capital Projects Fund	2,065,000,000	2,000,000,000	(65,000,000)	7,292,499,000
Highway Facilities				
Dedicated Highway and Bridge Trust Fund	0	0	0	13,760,000
Infrastructure Bond Act Projects				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	7,255,000
Multi-Modal				
Dedicated Highway and Bridge Trust Fund	0	0	0	44,841,000
Municipal Highway - Railroad Crossing Alterations				
Dedicated Highway and Bridge Trust Fund	0	0	0	1,568,000
New York State Agency Fund				
Miscellaneous New York State Agency Fund	50,000,000	50,000,000	0	289,301,000

TRANSPORTATION

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Non-Federal Aided Highway Capital Projects				
Capital Projects Fund	5,000,000	0	(5,000,000)	0
Dedicated Highway and Bridge Trust Fund	1,357,169,000	1,223,371,000	(133,798,000)	2,469,195,000
Other Highway Aid				
Dedicated Highway and Bridge Trust Fund	0	0	0	1,150,000
Priority Bond Act Projects				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	8,830,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	275,000,000	168,600,000	(106,400,000)	790,532,000
Road and Bridge Improvements - Bondable				
Capital Projects Fund - A.C. and T.I. Fund (Bondable)	0	0	0	30,598,000
Small and Minority and Women-Owned Small Business Assistance				
Dedicated Highway and Bridge Trust Fund	0	0	0	3,500,000
Transportation Infrastructure Renewal Bond Fund				
Transportation Infrastructure Renewal Bond Fund	0	0	0	28,082,000
Maintenance Facilities				
Maintenance Facilities				
Dedicated Highway and Bridge Trust Fund	17,685,000	18,165,000	480,000	31,282,000
Mass Transportation and Rail Freight				
Marine Projects				
Dedicated Mass Transportation Non MTA	0	0	0	181,000
Mass Transportation				
Dedicated Mass Transportation Non MTA	20,000,000	21,000,000	1,000,000	102,381,000
Mass Transportation and Rail Freight				
Capital Projects Fund - Energy Conservation (Bondable)	0	0	0	149,000
Dedicated Highway and Bridge Trust Fund	20,000,000	7,500,000	(12,500,000)	83,975,000
Dedicated Mass Transportation Non MTA	50,471,000	50,471,000	0	107,162,000
Federal Capital Projects Fund	0	0	0	19,576,000
Mass Transportation and Rail Freight Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	2,731,000
Rail Freight				
Capital Projects Fund - Advances	0	0	0	21,350,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	121,000
Dedicated Mass Transportation Non MTA	0	0	0	1,351,000
Rail Preservation and Development Fund				
Energy Conservation Improved Transportation Bond Fund	0	0	0	164,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	10,000,000	10,000,000	0	34,786,000
Small and Minority and Women-Owned Small Business Assistance				
Dedicated Mass Transportation Non MTA	0	0	0	5,000,000
Special Rail and Aviation Program				
Capital Projects Fund - Authority Bonds	0	0	0	22,000,000
Dedicated Mass Transportation Non MTA	0	0	0	5,315,000
Port Development				
Port Development Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	57,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	27,000,000	27,000,000	0	94,611,000

TRANSPORTATION

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

Comprehensive Construction Program	Available 2008-09	Recommended 2009-10	Change	Reappropriations 2009-10
Preservation of Facilities				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	<u>593,695,000</u>	<u>665,152,000</u>	<u>71,457,000</u>	<u>531,982,000</u>
Total	<u>4,560,855,000</u>	<u>4,305,268,000</u>	<u>(255,587,000)</u>	<u>15,337,609,000</u>
Adjustments:				
Transfer(s) From				
Special Pay Bill	<u>(58,714,000)</u>			
Appropriated 2008-09	<u>4,502,141,000</u>			

