

*Dear New Yorker,*

*Every legislative session brings new challenges and new possibilities for accomplishing progressive reform. This year was no different, embodied in the election of the first new Governor in 12 years.*

*While I can't say "everything changed," I'm happy to report that there was real progress on a number of long-delayed issues, including reforming the budget process, establishing equitable school aid formulas, improving the workers' compensation system, and strengthening laws against human trafficking.*

*That said, there's still plenty of room for improvement. While new budget reform legislation was passed, the actual budget process didn't fully implement the requirements of that legislation. And my efforts to strengthen the committee process, equalize resources between members, and make it easier to move bills to the floor of the Senate for an up-or-down vote regardless of party sponsor, were once again defeated by the Senate majority.*

*We've taken important steps toward a more functional legislative process, but we still have a long road ahead of us. This "Albany Update" offers a review of what we did accomplish.*

Sincerely,



State Senator Liz Krueger  
lkrueger@senate.state.ny.us

*P.S. Save the date: I'll be holding a Long Term Care Insurance Town Hall on November 1 at Sutton Place Synagogue, 225 E. 55th St., from 5:30pm to 7:30pm. A panel will discuss the need for Long Term Care Insurance, as well as benefits and options. Please call my office at 212-490-9535 for more details.*

## CAMPAIGN FINANCE REFORM: DEAL OR NO DEAL?

In July, an agreement in principle was announced by Governor Spitzer and legislative leaders on the first major campaign reform in decades. The changes would, according to the New York Times, "ban contributions from registered lobbyists, greatly improve transparency by requiring donors to disclose their occupation and employer, and set new and lower limits on contributions to individual candidates as well as to political parties."

This deal is far from perfect, and still allows for ridiculously high contribution limits: \$25,000 for statewide candidates and \$11,500 for State Senate candidates—which is still more than double the limit for federal candidates—and it doesn't include any public financing. But it does represent an important step in the right direction. As of this writing, though, the Senate leader has not brought this legislation to the floor or indicated if a vote will be scheduled this year.

I hope he'll do that. If given the opportunity, I'll be voting for the legislation as described, and will continue to work with advocates to make further progress on this critical piece of Albany reform.

## BUDGET REFORM, BUDGET REALITY

On April 1st, the Legislature provided final approval for the 2007-2008 fiscal year budget, just a few hours after the official deadline.

As important as it is to pass an on-time budget, I found the process leading up to passage to be disappointing for two reasons:

■ Key negotiations occurred almost entirely behind closed doors, a continuation of Albany's culture



*I presented a proclamation to Lycée Français students honoring them for their public service to the community. Last year they completed over 8000 hours of community service such as parks cleanup, tutoring and helping in soup kitchens and senior centers.*

of secrecy and backroom deals. Those negotiations added over \$1 billion in new spending and shifted around billions more. That magnitude of horsetrading isn't a new situation, but one I'd hoped would change with a new Governor.

■ Budget bills were passed using “messages of necessity” by the Governor and were literally still warm from the printing press when votes were called on the Senate floor. As a result, the Legislature and the public had no time to adequately review the final budget proposals, double-check the agreements, or even check the arithmetic.

What's most disappointing is that significant budget reform legislation was agreed to earlier in the session by the Governor and legislative leaders—reforms that were supposed to ensure a more deliberative and transparent process.

But the first test of these reforms leaves great room for improvement; the requirement in the budget reform bill that each house provide members with a summary report on each budget bill itemizing impacts of proposed budget changes, including impacts on local governments and on the state workforce, was simply ignored.

I've proposed legislation requiring a 10-day waiting period from the time a budget bill is printed to the time it is voted upon (S3288). This bill would provide the opportunity for real public participation in the budget process.

Some argue that if we did that this year our budget would have been at least 10 days late and that Governor Spitzer had the disadvantage of needing to move too quickly because it was his first year in of-

fice. I disagree with the first—we could have started negotiations 10 days earlier!—but agree with the second. Next year, the Legislature should start budget work the first day of the new session and actually follow the process outlined in the reform law.

## STATE SCHOOL FUNDING FORMULA CHANGED TO AID URBAN DISTRICTS

One incredibly important accomplishment in this year's budget was the long delayed implementation of the Campaign for Fiscal Equity court decision ordering the State to fund a sound basic education for all New York City school children.

The new budget includes an unprecedented additional \$600 million in operating aid for New York City schools, with accountability requirements that include a class size reduction plan for all grade levels. The budget also increased funding for universal Pre-K programs by \$142 million.

This budget replaces the convoluted “shares” system, which had limited the amount of funding to high needs districts including New York City and many upstate communities. In its place is a “foundation aid” formula based on a simple calculation of need. Unfortunately this critical reform was undermined—at least for this year's budget—by the addition of \$400 million outside the formula funnelled primarily to Long Island school systems.

## HUMAN TRAFFICKING ADDRESSED IN NEW LAW

The legislature passed a Human Trafficking Law, the strongest state anti-trafficking legislation in the country. This bill includes all the major provisions recommended by the New York State Anti-Trafficking Coalition in its model legislation.

The new anti-trafficking statute establishes felony crimes for sex and labor trafficking; provides for a range of comprehensive services for trafficking survivors such as health care, emergency housing, job training, and services related to immigration protection; and clarifies existing state law on sex tourism.

The U.S. State Department estimates that 14,500 to 17,500 people are trafficked into the U.S. every year, many into New York—a prominent port of entry for trafficking victims. Because local law enforcement is more likely to have interaction with trafficking perpetrators and victims than the FBI, it is critical that states enact laws to empower police and district attorneys to act against these crimes—and we've now done that.

## WORKERS' COMPENSATION REFORM, FINALLY!

This legislative session also finally produced a comprehensive reform of the state workers' compensation system.

This was a situation where everyone knew that the system had been broken for more than a decade. New York businesses have faced some of the highest workers' compensation premiums in the country, while benefits for workers have been among the lowest.

Labor and business came together, negotiated, and agreed on a workers' compensation package that will prove to be a significant benefit to our state's workforce and economy. By rationalizing the workers' compensation payment system and cracking down on companies that are evading their responsibilities, these reforms can save businesses 10-15% on their premiums, while at the same time allowing for significant increases in benefits.

## STUDENT LENDING ACCOUNTABILITY AND TRANSPARENCY ACT PASSED

Given how important access to higher education is for success in our modern economy, I was extremely disturbed by the recent student loan scandals revealed by Attorney General Andrew Cuomo and others, which highlighted the vulnerability of students and families desperate to find ways of financing a college education and shed bright light on loopholes in the system.

The Legislature and the Governor responded quickly to this situation and passed the Student Lending Accountability, Transparency and Enforcement Act (S4524). This legislation, which I cosponsored, will protect students and parents from being "steered" by lenders or colleges toward student loan programs where a conflict of interest exists, imposes strict disclosure standards on loan companies and bans gifts to college employees.

## STEM CELL RESEARCH FUNDING

Research on stem cells advances our knowledge about how an organism develops from a single cell and how healthy cells can replace damaged cells in adult organisms. Because of the federal ban on research funding, states are stepping up to support this promising area of science.

Included in this year's state budget was \$100 million for stem cell research, as part of \$600 million in funding over the next 11 years.

In related news, I sponsored the Reproductive Cloning Prohibition and Stem Cell Research Protection Act (S1257) to establish an ethical policy framework, complete with an oversight board, to ensure that proper procedures are followed. The bill would address ethical issues by banning reproductive human cloning, with criminal penalties for violators, and would protect individuals by requiring the clear and informed consent of donors.

While I was disappointed the Senate did not act on this legislation, Lieutenant Governor David Paterson, who is responsible for overseeing the state's stem cell research program, has recognized the importance of establishing ethical standards. I've shared my legislation with his office, and am working closely with him on the promulgation of stem cell research standards.

## A 'UNIQUE AND PECULIAR' AFFORDABLE HOUSING VICTORY

In a major victory for the preservation of affordable housing, Governor Spitzer and the Division of Housing and Community Renewal (DHCR) recently decided to close a regulatory loophole that would have led to the loss of tens of thousands of rent stabilized units in buildings that were leaving the Mitchell Lama program or other government subsidized housing.

Known as the "unique & peculiar provision," the loophole allowed owners to apply for huge rent increases, to market-rate levels, for rent regulated apartments. By issuing new regulations, the Governor and DHCR have helped to preserve these units and prevented the displacement of thousands of tenants from their homes. There will be a public hearing where individuals can present testimony and comments on these new regulations on Sept. 24, at the DHCR office at 22 Reade St., 1st floor, from 10am to 4pm.

## AFFORDABLE HOUSING FORUMS HELD

I've begun a series of forums throughout the state on the creation and preservation of affordable housing. The first forum took place in New York City in April and focused on models for strengthening New York's preservation programs to protect affordable housing.

A variety of expert witnesses offered testimony, including the new heads of the DHCR and of the Housing Finance Agency. Witnesses testified to the importance of preserving as much affordable hous-

Warning—there's a warming! Join us!

**WHO:** Environmental Advocates of New York and St. Bartholomew's Church  
**WHAT:** Al Gore's An Inconvenient Truth powerpoint presented by Grammy Winner Kathy Mattea, and a panel with NYS Dept. of Environmental Conservation Commissioner Pete Grannis, leading advocates, and environmental legal experts.  
**WHEN:** 6:00 pm to 8:30 pm, Tuesday, October 23, 2007  
**WHERE:** St. Bart's Auditorium, Park Avenue @ E. 51st St.  
**WHY:** Do we really have to say? Global warming is a problem for us all. **This forum is free and open to the public.**

State Senator Liz Krueger's Albany Update  
211 East 43rd St., Suite 1300, New York, NY 10017



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ing stock as possible and offered evidence that it is more cost effective to preserve existing stock than to build from scratch.

The second public forum took place in Albany in May and focused on the creation of a true New York State housing trust fund.

## ANIMAL ELECTROCUTION BANNED

Both houses of the legislature passed legislation banning electrocution of fur-bearing animals to facilitate harvesting their fur. The Senate also passed legislation banning the slaughter of horses for human consumption and I'm hopeful the Assembly will take up that bill before the end of the year.

One important piece of animal protection legislation that failed to advance so far this year was a ban on "canned hunts," where non-native big game animals are hunted in a fenced-in area from which there is no means for their escape. This legislation passed both houses last year but was vetoed by then-Governor Pataki. I was disappointed that this important bill failed to move this year, but will continue to seek its passage.

## NYC ARTS MARKETING EFFORTS REFINED AT CONFERENCE

This spring, I hosted a Conference on Contemporary Marketing and Audience Development for the



*I joined other Manhattan elected officials and Mayor Bloomberg to show support for legislation to crack down on vehicles blocking city intersections; this legislation would help calm traffic and improve pedestrian safety throughout New York City.*

arts community. Held at MOMA, the conference attracted nearly 200 people from dozens of arts institutions who participated in the two panel discussions: "Reaching Younger Audiences" and "Working Together: Arts and Business." The arts community is a crucial part of New York's economic development and appeal, and since being elected, I've hosted six Arts Roundtables that have attracted leaders from large and small arts organizations throughout the City.

## STATE COUNCIL ON FOOD POLICY CREATED BY GOVERNOR SPITZER

Before I was elected State Senator, I worked on food and nutrition issues, so I'm particularly happy to report that Governor Spitzer has established the New York State Council on Food Policy. Charged with launching a new era in food policy, the Council will recommend policies to help ensure the availability of safe, fresh, nutritious and affordable food for all New Yorkers, and to increase sales of New York-grown agricultural products in an effort to help improve the upstate economy.

I'm working with representatives of the NYS Department of Agriculture and Markets, the Mayor, the City Council, and the City's Department of Education School Food program to bring new ideas and to help make our state a leader in providing nutritious foods for residents and in supporting our farmers.