



## NEW YORK STATE BUDGET SUMMARY 1960-61

*This budget was developed in the best interests of all our citizens: school children as well as taxpayers, the old and the young, farmers and city-dwellers, business and labor.*

*It is our responsibility, on behalf of the people of the State, to insure that their State government serves their needs efficiently and well—and with a minimum tax burden upon them. Government, if it fulfills this aspiration of our people, becomes a tremendous force for good — encouraging economic growth, permitting higher standards of living and encouraging the fullest possible development of each individual.*

—Governor Nelson A. Rockefeller,  
Budget Message, February 1, 1960

## CONTENTS

|                                                           |    |
|-----------------------------------------------------------|----|
| THE STATE BUDGET .....                                    | 2  |
| FINANCIAL SUMMARY .....                                   | 4  |
| STATE INCOME .....                                        | 6  |
| MAJOR STATE FUNCTIONS .....                               | 9  |
| Education .....                                           | 10 |
| Health and Mental Health .....                            | 11 |
| Highways and Highway Safety .....                         | 13 |
| Public Welfare .....                                      | 15 |
| General Government .....                                  | 16 |
| Public Safety .....                                       | 18 |
| Services to Agriculture, Business and Labor .....         | 19 |
| Natural Resources and Recreation .....                    | 21 |
| STATE FUNDS .....                                         | 24 |
| APPENDIX .....                                            | 25 |
| Tables                                                    |    |
| 1. State Income .....                                     | 25 |
| 2. Local Assistance Fund Appropriations .....             | 26 |
| 3. State Purposes Fund Appropriations .....               | 27 |
| 4. Capital Construction Fund Appropriations .....         | 28 |
| 5. Functional Classification of Estimated Expenditures... | 29 |
| 6. Net Outstanding Debt .....                             | 29 |
| 7. Direct State Aid to Localities by County .....         | 30 |
| Selected Source Material on State Finance .....           | 32 |

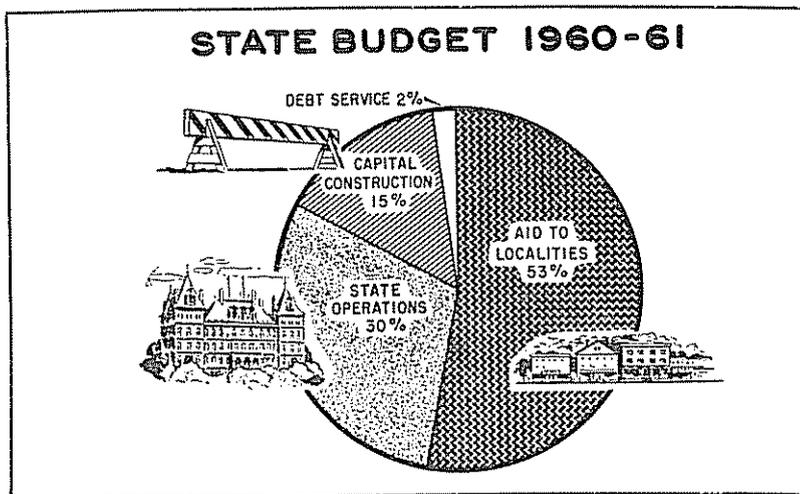
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# THE STATE BUDGET

The budget is the financial plan under which State programs are carried out. The Constitution requires the Governor to submit his budget to the Legislature by February 1 of each year. In the budget the Governor outlines proposed activities for the fiscal year beginning April 1, together with their estimated cost and the means of raising the needed revenues. The Legislature considers the Governor's proposals, and reduces, eliminates or adds items as it thinks desirable. Any added items are subject to the Governor's approval. By means of the supplemental budget and enactment of various proposals originating in the Legislature, the budget is further adjusted. After legislative action this year, estimated State outgo for 1960-61 totals \$2,120 million.

The budget covers the operations of the General Fund (including the Capital Construction Fund), the War Bonus and Mental Health Bond Account, and the Highway Account, the latter two being wholly included for the first time. This is a step toward a more comprehensive presentation of State finances, and is part of the continuing goal of producing a more meaningful budget document.

More than one-half of the budget, or \$1,122 million, represents programs of State assistance to local units of government, as shown in the accompanying chart. Of this total, \$1,105 million is paid directly to localities to help them provide a variety of essential services, and \$17 million is for State administrative and other costs. To be eligible for aid, a community must meet prescribed standards which often require the spending of a certain amount of its own funds on a particular program.



By far the largest amount of State aid, \$721 million, is for education. Public welfare accounts for another sizable segment, \$196 million, and local highways will benefit by \$95 million. The remaining State grants to localities for specific programs are for health and other purposes. The State's general grant to cities, towns and villages, paid on a per capita basis, totals \$97 million this year.

Less than one-third of the budget, or \$641 million, is for operations of the departments and other agencies of State government. The largest part of this, \$261 million, is for health activities, notably the operation of State mental hospitals and other institutions. Other important parts are for the State University and other education programs, \$87 million; general governmental services, \$75 million; highway maintenance and safety, \$70 million; and public safety, which includes the State Police, prisons and the parole system, \$68 million.

Construction of State facilities is estimated to cost \$307 million in 1960-61. This includes State highways, hospitals, additions to the State University, and other structures. Included also are net advances to public authorities for capital purposes. Construction of some State office buildings is accomplished through lease-purchase arrangements with State retirement systems. Under this plan, retirement funds finance construction, and the State acquires the buildings through payment to the retirement systems each year by appropriation from the Capital Construction Fund. At the present time, about \$52 million of such buildings are in the planning or construction stage.

The balance of the budget, \$50 million, is for payment of interest and principal on State debt, mainly for highways, canals, hospitals and the State University.

In addition to monies in the State budget, Federal funds and certain other funds are used by the State (Appendix table 5). It is the duty of the Governor, with the assistance of the Budget Director, to see that such funds are properly spent, just as he is responsible for budget expenditures financed by State taxes. In 1960-61 the State will spend an estimated \$430 million in Federal grants, of which \$189 million is for highway construction, \$148 million for welfare programs and \$47 million for operation of the unemployment insurance and job placement programs. The remainder of the Federal grants is chiefly for education, health, airport improvements, and agricultural statistics. The \$118 million in other funds consists of "first instance" advances to specialized agencies which pay back the State from fees, assessments or other monies received from their operations; and expenditures from college income, bequest, commissary and other funds.

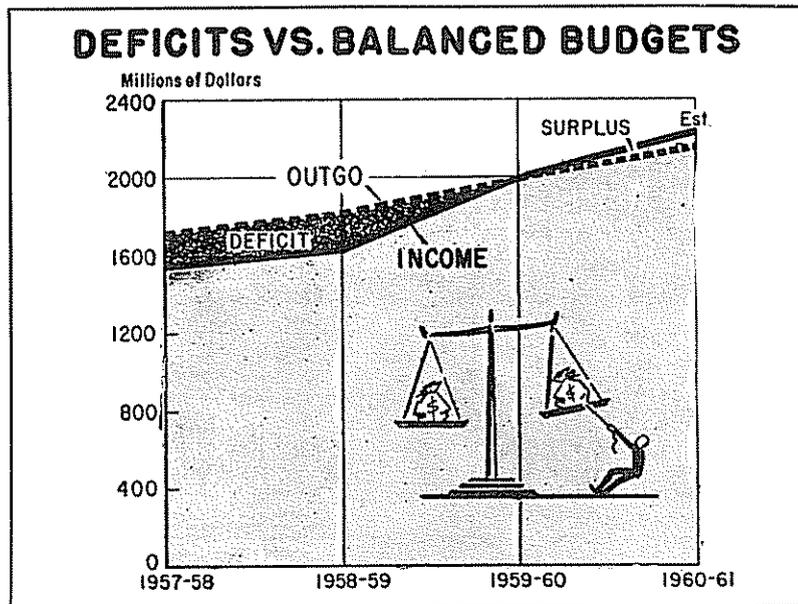
# FINANCIAL SUMMARY

1959-60

At the close of the 1959 session of the Legislature it appeared that 1959-60 income would fall short of outgo by about \$136 million, requiring the withdrawal of \$52 million from usable reserves and the use of \$84 million in bond funds to balance the State's budget. But improved business activity, windfall collections from the estate tax, and strict control of expenditures combined to eliminate the gap between revenues and expenditures. Income for the year totaled \$1,999 million and outgo amounted to \$1,994 million. Earlier in the year when a revenue shortage had been expected, \$33 million of construction was charged to bond funds. This amount, plus the \$5 million difference between income and outgo, had the effect of increasing usable balances by \$38 million during the 1959-60 fiscal year.

1960-61

Outgo for 1960-61 is expected to reach \$2,120 million, or \$126 million over 1959-60 outgo. This compares with an average rise of \$162 million annually over the previous four years and reflects the savings that are expected from the elimination of nonessential activities and the start of reorganization of the executive branch of State government.



Despite this relatively small net growth in expenditures, it has been possible to increase State aid to public schools by about \$65 million this year. On a full-year basis, this increase will amount to \$99 million. Also approved for 1960-61 was \$22 million additional aid to New York City for education, streets and highways, correction and mental health services.

No bond funds or reserves are expected to be used in 1960-61 since current revenues will provide about \$2,240 million—enough to meet all expenditures for the year, allow a personal income tax abatement, and provide funds for future construction needs. For the second consecutive year the State will be operating under a balanced budget.

|                                    | 1959-60<br><i>Actual</i> | 1960-61<br><i>Estimated</i> | <i>Change</i> |
|------------------------------------|--------------------------|-----------------------------|---------------|
| <b>Income</b>                      |                          |                             |               |
| Taxes and miscellaneous receipts   | 1,999                    | 2,240                       | +241          |
| <b>Outgo</b>                       |                          |                             |               |
| Aid to localities                  | 1,041                    | 1,122                       | +81           |
| State operations                   | 625                      | 641                         | +16           |
| Capital construction               | 275                      | 307                         | +32           |
| Debt service                       | 53                       | 50                          | -3            |
| <b>Total outgo</b>                 | 1,994                    | 2,120                       | +126          |
| Capital reserve                    | .....                    | 30                          | +30           |
| <b>Total outgo and reserve</b>     | 1,994                    | 2,150                       | +156          |
| <b>Net surplus (after reserve)</b> | 5                        | 90                          | +85           |

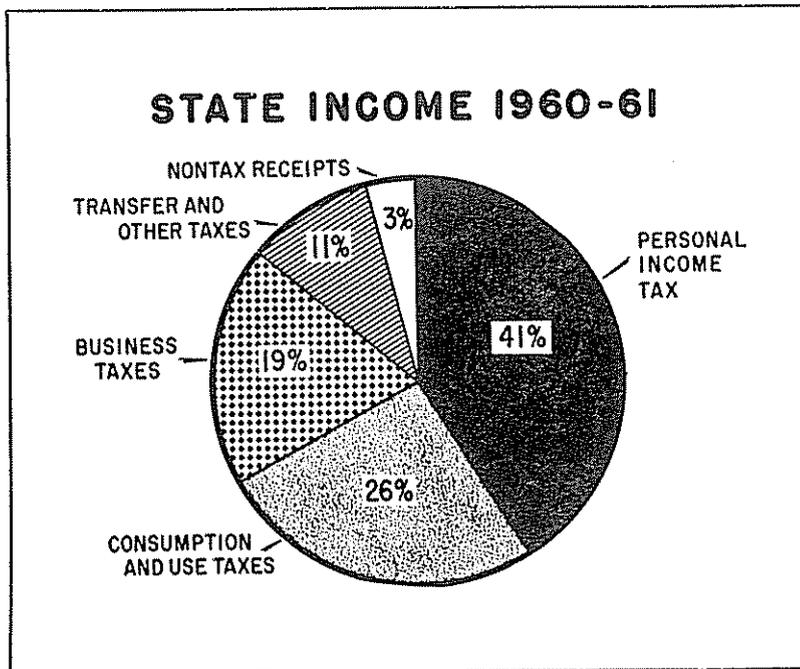
\*General Fund (including the Capital Construction Fund), War Bonus and Mental Health Bond Account, and Highway Account.

The revenue anticipated in 1960-61, after tax reduction, will help finance the State's expanding construction program. Over the next five years, it is expected that more than \$1.5 billion will be needed for highways, mental hospitals, the State University, parks, youth camps, and other capital programs. Any surpluses that might develop during this period from careful management and from growth in the State's economy would help to ensure that these important construction projects will be carried on without recourse to costly borrowing.

## STATE INCOME

Several changes in the State's tax structure, enacted at the 1960 legislative session, are expected to simplify the filing of returns for New York State taxpayers and generally improve the economic climate in the State. With certain modifications, the Federal definition of taxable income will serve as a basis for the State personal income tax, thereby eliminating many of the separate Federal and State computations. The unincorporated business tax has similarly been simplified and, in addition, a program of special tax relief for small unincorporated businesses has been enacted. Truck operators will benefit from changes in the highway use tax, under which they may select either of two alternative methods for paying the tax. These and other tax relief measures will reduce State taxes on a full-year basis by \$22 million below what they would otherwise be.

Total State income in 1960-61 is estimated at \$2,240 million. Of this amount, about \$2,174 million, or 97 per cent, is expected from taxes, with the remainder from other current nontax sources. No use of bond funds or reserves is anticipated under the pay-as-you-go financial program.



## TAXES

### ... on personal income



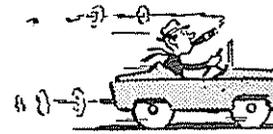
The personal income tax is the largest single source of New York State revenue, providing approximately 41 per cent of total income. Under the recently adopted withholding system, this tax is collected on a current basis. Thus, revenue in fiscal 1960-61 will depend primarily on income earned in the 1960 calendar year and is expected to total \$930 million, after allowing a reserve of \$75 million for refunds. This estimate is based upon collections on 1959 income and upon preliminary collection data for the first two months of 1960-61, which indicate a higher yield than anticipated in the Budget Message, when such data were not available.

The increase over earlier estimates is due to a continued and substantial surge in New York business activity which is producing rising State income. Restoration of the State's fiscal integrity has renewed business confidence in New York State and thus has made a major contribution to the increased job opportunities and higher personal and business incomes underlying the increase in State revenues.

Governor Rockefeller has announced that if this improvement in the State's fiscal outlook continues, he plans to recommend to the Legislature next January a retroactive ten per cent abatement in State taxes on 1960 personal income. Plans to make such a recommendation are conditioned upon continuance of present levels of State income.

The personal income tax estimate makes allowance for the revenue loss due to conforming the State definition of taxable income with the Federal definition, which will simplify the preparation of the income tax returns. The estimate also takes into account the loss due to increasing the tax credit allowed to heads of households from \$10 to \$25. Other legislation was enacted this year to continue to allow New York residents a credit against the State tax for income taxes paid to other states.

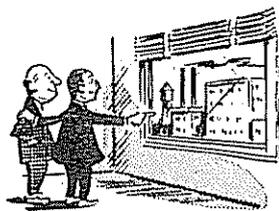
### ... on consumption and use



This group is expected to provide \$580 million, or 26 per cent of State income, and includes taxes on motor fuel, alcoholic beverages, cigarettes and other tobacco products; fees for motor vehicle registrations and operators' licenses, and for alcoholic beverage control licenses; and the highway use tax on heavy trucks.

Tax relief was granted this year which will substantially reduce the compliance cost of truckers under the highway use tax by providing a simplified alternative method for computing the tax. Relief was also granted to station wagon owners by reducing the registration fees for these vehicles to the same fees charged for regular passenger cars.

**... on business**



Slightly less than one-fifth of State revenue is derived from business taxes. The bulk of this money comes from corporate enterprises, including general business concerns, financial corporations, public utilities and insurance companies. Most corporations, as well as unincorporated businesses, are taxed on the basis of net income. Public utilities, however, are taxed primarily on gross earnings, insurance companies on receipts from premiums, and real estate companies on gross assets.

Total revenue from business taxes is estimated at \$425 million for 1960-61, after taking into account the tax relief given to unincorporated businesses this year. Legislation was also enacted to provide further tax relief for the financially depressed bus industry.

**... on transfers and other activities**



This group includes taxes on pari-mutuel betting at horse races, on the sale or exchange of stock securities, and on estates left by wealthy decedents, and other miscellaneous taxes. Total revenue from these taxes in 1960-61 is expected to be \$239 million, or slightly more than one-tenth of total income.

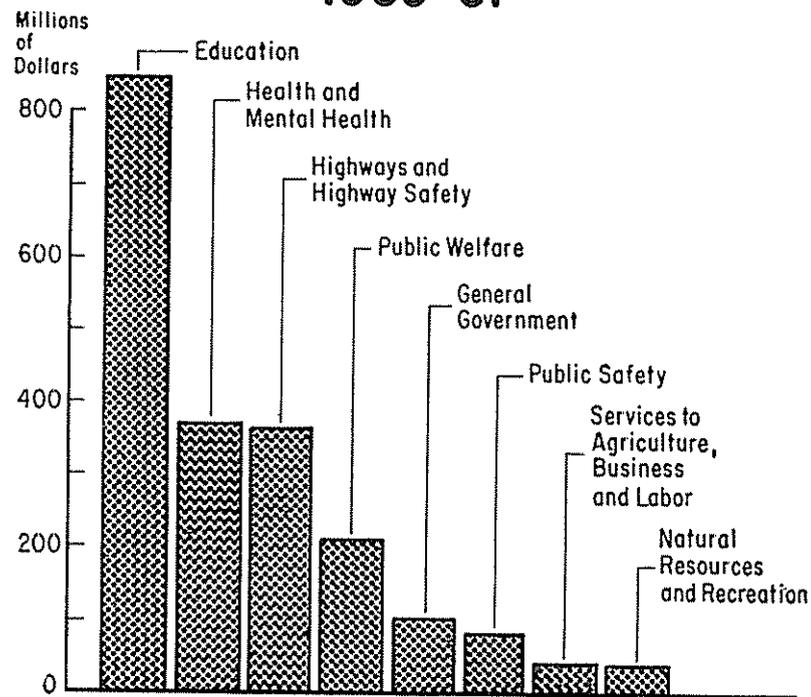
**NONTAX SOURCES**

Nontax income in recent years has been derived from accumulated reserves, proceeds from the sale of bonds, various receipts of State agencies such as charges for the care of patients at State institutions, and other miscellaneous sources. In 1960-61, under the "pay-as-you-go" policy, it will not be necessary to draw upon reserves or issue bonds. Consequently, the \$66 million in nontax income estimated for this year will represent a much smaller proportion—3 per cent—of total State income than in the past.

**MAJOR STATE FUNCTIONS**

The State carries on a great variety of activities authorized by law for the benefit of all residents, businesses and local units of government. For convenience, expenditures for these services are grouped into eight major functions. Principal programs are described in the pages that follow, and the relative amount spent on each function is shown below. In addition to total expenditures of \$2,094 million in 1960-61, the State expects to make cash advances of \$26 million, mainly to public authorities for capital purposes. Of the \$101 million increase in total State expenditures from 1959-60 to 1960-61, more than \$92 million is for education.

**EXPENDITURES BY FUNCTION  
1960-61**



## EDUCATION



The largest share of the budget is for education, amounting to \$853 million in 1960-61, or 41 per cent of total expenditures.

Approximately 2.8 million pupils attend public elementary and secondary schools. The State will aid these schools by \$667 million in 1960-61, or an increase of \$65 million over the previous year. About \$30 million of this rise is due to an enrollment increase of 100,000 students, while \$35 million is for liberalization of aid formulas. Basic formulas allow for differences in local economic resources and school attendance to assure every child the opportunity for an adequate education. Additional aid is granted for school lunches, construction, transportation, rapidly growing districts, and districts with exceptionally high tax rates. Special classes for handicapped and delinquent children, for experimental science teaching and for gifted children also receive aid. The State furnishes advisory and research services to school districts, and prepares and rates certain examinations for them.

Major changes this year in State aid to schools include raising to 18 per cent the 8 per cent increase in the basic formula which has been in effect since 1958-59, with a minimum increase of 9.25 per cent from 1959-60 to 1960-61 to all school districts; placing part of assistance to rapidly growing districts on a more current basis; broadening the program of aid to districts with exceptionally high tax rates; excluding religious holidays from the calculation of attendance; and greater aid for special classes for non-English-speaking, delinquent, and handicapped children, primarily for New York City. The City was granted \$5 million to prevent a decrease in State aid that would have resulted under the formula from higher real property assessments. To help reduce school construction costs, the State was authorized to prepare stock school-building plans which may be used by local districts at nominal cost. As a means of expanding local financial resources, the State adopted "standby" legislation authorizing counties to impose on behalf of school districts a 10 per cent tax on local telephone service provided that the Federal government did not reenact its tax.

The State University includes 11 colleges of education; a college for teachers of mathematics, science and engineering; a liberal arts college; two medical centers; a maritime college; colleges of agriculture, home economics, veterinary medicine, industrial and labor relations, ceramics, and forestry; and six agricultural and technical institutes. The State University is being expanded to meet the need for more

public school teachers and doctors, and to provide for the rising number of high school graduates. Full-time enrollment now totals 32,000. Extensive construction is planned for the Upstate Medical Center at Syracuse and the State College on Long Island, while dormitory facilities are being expanded at various schools. Operation of the State University is expected to cost \$50 million this year and capital outlays about \$27 million.

The State pays one-half of the construction costs and one-third of the operating expenses of 17 locally administered community colleges which together enroll over 10,000 full-time students. This year the State will assume the full cost of teacher training at New York City municipal colleges, and extend the "community college" formula to other programs at these institutions—paying one-third of the operating cost for the first two years of schooling and one-half of the debt service on capital construction. State aid for teacher training and community and municipal colleges will total \$31 million this year.

Annually the State awards scholarships to 5 per cent of the high school graduates. Over 29,000 scholarships are now in effect, including those granted in previous years. These cover general awards, war service, science, engineering, medicine, nursing and other scholarships, at a cost this year of \$11 million. Fellowships are also given to prepare graduate students for college teaching. Financial assistance to local public libraries was greatly increased this year to encourage the formation and expansion of federated library systems. The State also operates programs for vocational rehabilitation and adult education, and maintains a State library, museum and science service.

## HEALTH AND MENTAL HEALTH



Important changes are taking place in public health and mental hygiene services. The use of new concepts of prevention, treatment and rehabilitation now supplements traditional methods of controlling communicable diseases and caring for the mentally ill. Improved techniques make possible shorter stays for many of the 88,000 patients in the State's 18 mental hospitals and 750 patients in three tuberculosis hospitals. These hospitals are staffed by almost 32,000 employees. The State also operates schools for the mentally retarded, after-care mental health clinics, and laboratory facilities. It conducts programs for dental health and maternal and child health, promotes local control of air and water pollution, and coordinates nursing services. Approxi-

mately \$374 million, or 18 per cent of total State expenditures, will be spent this year for health and mental health services and facilities.

The use of tranquilizing drugs and related therapies has greatly improved patient care at mental hospitals. Although admissions are high, the average number of patients has been declining in recent years as a result of the higher discharge rate. In the last two years, the average daily resident population has decreased by 3,000. At the six schools for the mentally retarded, however, the patient population has grown to over 22,000, with a few hundred persons on waiting lists. To relieve overcrowding, a new school with initial capacity of 1,800 individuals is under construction at West Seneca in Erie County, and similar projects are being planned for the New York City and Long Island areas. Three facilities formerly used for other purposes will provide about 1,300 accommodations at Mt. McGregor, Perrysburg and Sampson Air Base. Total expenditures for Department of Mental Hygiene operations are expected to reach \$214 million in 1960-61, and for expansion of facilities, \$32 million.

Tuberculosis as a major public health problem is continuing to show a dramatic decline. In 1960 the J. N. Adam Memorial Hospital at Perrysburg was converted to a school for the mentally retarded. This is the fourth State tuberculosis hospital discontinued since 1956 because of the downward trend in cases requiring hospital care.

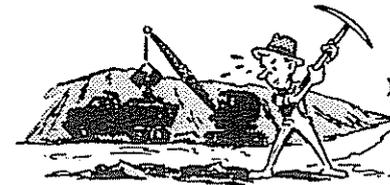
In the search for solutions to major health problems, and to assure the most effective use of funds, the State finances many research and demonstration programs and special studies. Major studies are conducted at Roswell Park Memorial Institute in Buffalo devoted to cancer research and the New York Psychiatric Institute for mental illness. To assist in solving the tragic problem of narcotics addiction, \$570,000 has been provided this year for expansion of research and treatment facilities at Manhattan State Hospital, and \$500,000 to establish similar facilities at other State hospitals. Other important projects are being carried on in the fields of heart disease, alcoholism, rehabilitation of the physically handicapped, emotional disturbances of children, and air pollution.

As part of the Governor's program for reorganization of State government, some functions of the Interdepartmental Health Resources Board were transferred to the departments of Health and Mental Hygiene, and the Joint Hospital Survey and Planning Commission was shifted to the Department of Health. The Interdepartmental Health and Hospital Council and the State Hospital Review and Planning Council were established to advise on more comprehensive

study, planning, and action by State agencies.

State aid to local governments for health and mental hygiene activities will total \$44 million in 1960-61. The State reimburses cities and counties for 50 per cent or more of their expenses for general public health services, such as sanitation control, preventive inoculations, diagnostic clinics, and care and treatment of tuberculosis patients in locally maintained hospitals. It also shares the cost of operating laboratories and some county general hospitals, and of local programs for helping youthful narcotic users, physically handicapped children, adult polio victims and premature infants. Under the community mental health program, the State reimburses localities for 50 per cent of their expenditures for clinical diagnosis, hospitalization and consultation services rendered to schools, courts and other local agencies. Legislation approved in 1960 raised the per capita maximum for this aid from \$1.00 to \$1.20.

## HIGHWAYS AND HIGHWAY SAFETY



New York's highway program embraces construction and maintenance of highways, parkways and bridges; elimination of grade crossings; and such safety activities as accident research, motor vehicle inspection, highway safety education, and traffic law enforcement by State and parkway police. It also includes motor vehicle registration and driver examination and licensing.

Excluding the Thruway and parkways financed by tolls, the State will spend \$369 million for services to motorists in 1960-61, or 18 per cent of total State expenditures. This includes \$70 million in financial aid to counties and towns for road construction and maintenance as well as the cost of technical assistance on local traffic engineering problems. Since 1950, more than 8,000 miles of town highways have been improved under the State's ten-year town highway program. This year the life of this State aid program was extended from 1962 to 1972, permitting additional towns to join the 618 now participating. Beginning this year, New York City will share in the distribution of State motor fuel tax receipts to the extent of \$2.5 million.

Wide fluctuations and uncertain availability of Federal aid from year to year have presented serious problems in maintaining the State highway construction program at a consistently high level. An increase

in State funds will partially offset an anticipated 21 per cent reduction in Federal aid allotments during 1960-61, the first time since 1956 that State funds for this purpose have exceeded Federal highway grants. Unlike the past, when the State relied heavily on borrowed funds, highway construction this year will be financed entirely from current revenue.

Work will proceed during 1960-61 on important segments of the Northway, the North-South Expressway, the Southern Tier Expressway, the Long Island Expressway, the Niagara Expressway, and other arterial and secondary routes. Funds in the amount of \$100,000 are provided for acquiring and developing picnic and roadside rest areas. State advances of \$6 million will be made to the New York Bridge Authority toward construction of the Newburgh-Beacon Bridge and for the Poughkeepsie arterial approaches to the Mid-Hudson Bridge. An East Hudson Parkway Authority has been established to reconstruct, improve and maintain from existing toll revenues the Saw Mill River, Hutchinson River and Cross-County parkways, taken over from Westchester County. Beginning in 1961, the Authority will also operate and maintain with State funds the Taconic and Sprain Brook State parkways.

As part of the reorganization of State government, a Department of Motor Vehicles is being established, in accordance with a 1959 constitutional amendment. The department will assume the powers and duties of the Bureau of Motor Vehicles and include the State Traffic Commission, which cooperates with local officials in adoption of uniform traffic ordinances and markings. Funds are provided for the new department to start mechanization of driver licensing and control, including enforcement of the point system of driver penalties. In addition, new district offices were established in Binghamton, Mineola and White Plains. Truck weighing stations, used to help enforce the highway use tax, were closed this year, saving more than \$750,000 annually. Compliance will be attained at less cost through the use of portable scales by State Police.

Significant highway safety legislation was passed this year effective October 1, 1960. The maximum penalty for driving while intoxicated was raised for a first conviction, and penalties were imposed on those who drive while their ability is "impaired by alcohol." Although the "quarter-mile pursuit" law was repealed, permitting increased use of radar in detecting speed-law violators, the Traffic Commission was empowered to raise speed limits on State controlled-access highways outside New York City. Regulations governing the use of junior operators' licenses were also strengthened.

## PUBLIC WELFARE



The State is expected to spend about \$214 million for welfare activities in 1960-61, or 10 per cent of total expenditures. In addition to turning over to local welfare districts \$148 million in Federal monies for programs aiding dependent children, the aged, the disabled and the blind, the State will spend \$159

million to reimburse localities for one-half of the remaining cost of these and other services. A major factor in this year's anticipated drop in expenditures is a decreased home relief caseload due to improved economic conditions. The number of persons receiving other types of assistance is also expected to decline, but this will be largely offset by higher costs, particularly for medical care. Administration of public assistance programs is the subject of a special study this year by the Commission on Coordination of State Activities.

In 1959, more than 50 per cent of the persons cared for under the above programs were children. Other State facilities and services for children include eight training schools for 2,000 delinquents, a bureau to provide parole services for youth in the New York City area, and group residence and foster homes for those no longer in need of institutional care. The care of juvenile delinquents in local facilities is financed jointly by the State and localities. Expansion of present activities and facilities is planned, including construction of a new training school for 100 seriously disturbed boys. This year "half-way houses" will be established for parolees from training schools who have no other suitable place to go. The newly created Division of Youth in the Executive Department will continue State aid to localities for youth activities, and will establish, with the \$1 million made available, voluntary camps to help prevent boys age 15 to 18 from becoming delinquent.

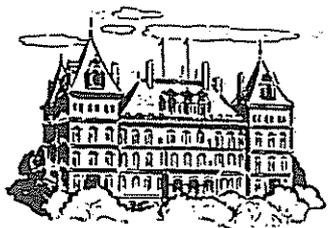
To assist veterans and servicemen, the State operates a counseling program and reimburses cities and counties for one-half of the cost of their services to veterans. In order to consolidate veterans' activities, certain programs formerly carried on in various State agencies are being transferred to the Division of Veterans' Affairs.

This year the surplus food program for needy families has been turned over to localities, with the State reimbursing them for one-half of their cost of administration, storage and distribution. The State,

however, will continue to distribute surplus food to public and private institutions. The State also provides services for the blind, regulates charitable organizations, and inspects public and private welfare institutions. This year studies will be made in preparation for the White House Conference on the Aging to be held in 1961.

The State participates in several programs designed to provide better housing. It maintains a performance building code which has been adopted by many communities. State loans to municipalities and housing authorities cover the entire cost of building low-rent public housing. Rents are kept low through local tax exemption and State subsidies, the latter amounting to \$17 million in 1960-61. Higher interest rates will require additional subsidies to service future issues of bonds already authorized. The voters will be asked to vote upon increased subsidies in the fall of 1960. A Limited-Profit Housing Mortgage Corporation, established last year, is authorized to use both public and private funds to finance middle-income housing. Such housing will be augmented through the new State Housing Finance Agency which will sell bonds publicly and lend the proceeds at low interest rates to private builders. It is expected that more than \$500 million will be made available under this plan. The new agency will be aided by a \$2 million State advance. To assist in eliminating slums, the State was authorized by the voters in 1958 to make loans totaling \$25 million to municipalities participating in Federal urban renewal programs. Loan commitments of more than \$9.6 million were made for this purpose in 1959.

## GENERAL GOVERNMENT



The work of the courts, the Legislature, the Governor's office, and agencies furnishing general services to the State's residents, employees and municipalities will cost \$105 million in 1960-61, or 5 per cent of total expenditures. This includes an estimated \$21 million used by localities for general governmental purposes from the per capita State aid they receive.

The Governor's office develops policy, and directs and coordinates programs enacted by the Legislature. More efficient administration of these tasks will result from the program evaluation studies and the reorganization of State government. Review of 2,000 State programs has brought about substantial economies through curtailment or elimination

of activities. Reorganization studies have led to initial stages of the first reorganization of State government in more than 30 years. Reducing the number of agencies reporting directly to the Governor will tighten lines of authority. A new Office of General Services will consolidate the Division of Standards and Purchase central buying facilities; operation and maintenance of State buildings and the central communications system; responsibility for certain State lands; and the disposal of records and surplus State property.

Organizational changes also include transfer to the Office for Local Government of operations of the State Board of Equalization and Assessment and the Municipal Police Training Council and certain functions of the Division of Safety, which is abolished. Lottery control (bingo regulation) and traffic safety, previously under separate agencies within the Executive Department, are being transferred to more appropriate departmental jurisdictions (State and Motor Vehicles departments, respectively). Upon a second approval by the Legislature and a vote of the people, a proposed constitutional amendment originally passed by the Legislature in 1960 will facilitate further reorganization of departments.

Management of the State's finances involves several agencies. The Division of the Budget reviews State needs, plans methods of financing, and conducts continuing studies of government organization and operations. The Department of Audit and Control assures that expenditures are made according to law, invests State funds, manages the State debt, administers the State Employees' Retirement System, and supervises municipal finances. Most State revenues are collected by the Department of Taxation and Finance. The Department of Law, headed by the Attorney General, supervises the State's legal affairs and protects the public against misrepresentation, business and consumer frauds, monopoly, deceitful practices, and the irregular sale of securities. The office of the Secretary of State charters corporations, publishes State laws, maintains election records and performs other governmental duties.

The Department of Civil Service operates the merit system for State employees, establishes personnel rules, conducts training courses and assists localities in such matters. Under the reorganization plan, other responsibilities were further integrated with the work of the Civil Service Commission—administering employee merit awards, health in-

insurance, classification and compensation appeals, and certain duties in connection with pensions. Benefits to State employees were enhanced this year: take-home pay was increased as the State assumed part of the employee's retirement contribution, in an amount equal to the first 5 per cent of salary that employees had been contributing toward retirement; members of the retirement system with 15 years' service were assured of a vested retirement allowance if they should leave service before reaching retirement age; benefits to survivors of persons dying in service were raised to a maximum of two years' pay after 36 years of service; and supplemental retirement allowances for those retired prior to 1957 were increased in line with advances in the cost of living.

## PUBLIC SAFETY



In the interest of public safety, the State maintains a police force with modern criminal-investigating facilities, conducts a school for training State and local police officers, operates correctional institutions, administers the parole system, exercises general supervision over probation services, provides a civil defense system, and maintains the State's military establishment. In total, these activities will cost \$89 million in 1960-61 or 4 per cent of total State expenditures.

The State's 20 detention and reform institutions care for about 19,000 persons, including those convicted of criminal offenses and the criminally insane. The State's two youth rehabilitation camps are being expanded this year and two new camps are being established, each for 100 youths, bringing total capacity to 360 for the four camps. Reimbursement to localities, principally to the City of New York, was initiated this year at a rate up to \$5.00 per day for the care of certain prisoners, including parole violators, prisoners serving indeterminate sentences, and those awaiting judicial review of their trials, while reimbursement for local care of felony offenders was raised to the same rate. The State will spend \$47 million this year for operation and construction of prisons and other correctional institutions.

Probation or parole often contributes more to successful rehabilitation than does a long prison term, and costs less. During the year about 65,000 convicted persons will be under the supervision of local probation officers rather than serving prison sentences. In order to encourage this program, the State pays one-half the cost of new or additional probation services of counties and New York City. State

funds available for this purpose were increased this year by \$250,000. About 16,000 persons will be under State parole supervision during all or part of the year. A new policy has accelerated the release of prisoners eligible for parole. Formerly no inmate was released unless he had a firm guarantee of a job. Now a prisoner may be released if he has a "reasonable" chance of finding a job on his own. The success of such a policy has been made possible by the hiring of more parole officers during the past year and the addition of 24 positions this year. Another example of a more enlightened parole policy is an experimental project to be initiated this year for intensive rehabilitative treatment of intellectually gifted parolees. Probation and parole programs will cost the State \$4 million this year.

The Division of State Police is responsible for preventing and detecting crime in rural areas. It maintains laboratory and communication facilities for detection purposes, conducts investigations, and provides information to local enforcement officials. The Municipal Police Training Council established last year has been transferred to the Office for Local Government where its program of recommended minimum training standards will be integrated with other services to communities. In 1960-61, law enforcement programs will cost \$6 million.

The State's civil defense program will be augmented this year with expanded educational activities and surveys and planning for civilian protection in schools and other buildings throughout the State. Plans are being prepared for a structure at Albany to serve as a combined State office building for civil defense staff and an alternate seat of government, with Federal sharing of half the cost of the civil defense portion. It also will be used as a permanent headquarters for the Division of Military and Naval Affairs and the State Police. Military and civil defense activities will involve the expenditure of \$11 million this year.

## SERVICES TO AGRICULTURE, BUSINESS AND LABOR



State activities serve businesses of all kinds. Industries are helped to find suitable locations in the State and are informed of foreign trade opportunities. Airports and commercial aviation are assisted, New York products are promoted, and the State's advantages for business and travel are publicized. Small firms are aided through market data, management and technical assistance and local shopping surveys.

Women in business are given special counselling. Communities benefit from State funds and advice on urban planning to insure sound use of land resources.

The over-all economy is aided by studies on the development of the State's resources, with particular attention to current transportation problems. Last year the State assisted the Niagara Frontier Port Authority and this year it is aiding the port authorities of Oswego and Ogdensburg so that they may benefit from the St. Lawrence Seaway. In the atomic field this year, industry is being encouraged to use radioactive isotopes, and appropriate sites are being sought for a nuclear test reactor, a port to service atomic vessels, and the disposal of atomic wastes. In order that prompt State construction decisions can be made to combat either local economic distress or a statewide business decline, stockpiling of public works plans and systematic collection of related economic data were authorized. New agencies which will promote trade and industry are the World's Fair Commission for State participation in the 1964 fair in New York City, the State Council on the Arts to recommend ways in which the State can encourage appreciation of and participation in the fine and performing arts, and the Civil War Centennial Commission.

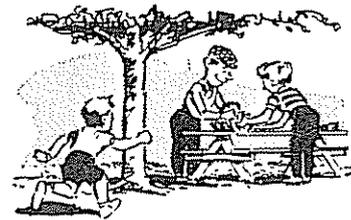
The State protects the public and promotes legitimate business competition through its licensing and regulatory functions. Enterprises regulated include banks, insurance companies, public utilities, sales finance companies, alcoholic beverage firms, horse racing, professional boxing and wrestling, and those dealing in narcotics. The State licenses teachers, physicians, engineers, architects, nurses, private detectives, barbers, real estate brokers, funeral directors and others to assure compliance with accepted standards. The State also licenses motion pictures and administers rent control laws. All the above services to business and regulatory activities paid through the State budget will cost \$25 million in 1960-61.

Improvements were made in the State's labor programs in 1960. A statewide minimum wage of \$1 per hour was established, for both profit and nonprofit organizations, increasing coverage from 1.3 million workers under the old industry orders to 2 million under the new system. The maximum weekly benefit was raised from \$45 to \$50 for unemployment insurance, workmen's compensation and sickness disability, and coverage under the latter two was extended to employers with two or more employees, including nonprofit enterprises. To protect the wage earner, the State acts to detect and prevent the causes of factory accidents and guards against industrial processes

which are health hazards. It maintains employment offices, enforces laws against discrimination, encourages training of apprentices, and provides arbitration and mediation services in labor-management disputes. It also oversees employee welfare funds, union funds, and employer association funds. This year all labor programs paid from the State budget will cost \$11 million.

Farmers are assisted by the control of insects and of plant and animal diseases, inspection of nurseries and nursery stock, agricultural research, the State Fair, aid to county fairs, regular market reports, and sales facilities. Grading of foods aids the farmer in promoting his products and also helps the consumer. The State enforces pure food laws and guards the public against contamination and misrepresentation of foods by taking samples and testing them in its food laboratory. It supervises all weighing and measuring devices and regulates important parts of the dairy industry. The State licenses food handlers, processors of frozen desserts and commercial feeds, refrigerated warehouses, slaughterhouses and others. It also provides centers for care of children of migrant farm workers. Expenditures on the above farm programs this year will total \$6 million. Mentioned elsewhere are the State's agricultural schools (under Education), and soil conservation, flood prevention and watershed protection programs (under Natural Resources).

## NATURAL RESOURCES AND RECREATION



Protection and development of natural resources and recreational facilities will cost \$40 million in 1960-61, or 2 per cent of total expenditures. The State maintains more than 2,505,000 acres of Forest Preserve and 574,000 reforestation acres reclaimed from marginal lands for timber production, water conservation and recreation. Other programs include financial aid to counties for reforestation and soil conservation, and, in cooperation with the Federal government, technical advice on reforestation of private lands. The State promotes improved forest management practices through the operation of tree nurseries, control of insects and blight, and prevention and control of forest fires. Exhibits, sportsmen's shows and the publication, *The New York State Conservationist*, inform the public about proper conservation practices. The State cooperates with towns and counties on Long Island to

protect shoreline wetlands for the benefit of waterfowl and fish, and provides funds for the study of starfish control in Long Island Sound. A law enacted in 1960 authorizes the State to accept grants of land in the Adirondack and Catskill mountains for experiments in forestry, with any income from the sale of forest products to be used for the acquisition of Forest Preserve lands.

For a number of years the State has been enlarging and developing recreational facilities to meet the needs of the people. In 1959 the number of State parks was increased to 84 by the addition of Rockland Lake and St. Lawrence parks; extensive improvement and expansion of other park facilities are planned this year. State campsites, beaches and parks will be used in 1960 by an estimated 34 million visitors for swimming, camping, boating, golf and winter sports. Legislation enacted this year will permit development of Gore Mountain as a second major winter sports area in the Adirondacks, and of Prospect Mountain State Parkway. Fish and wildlife programs also furnish recreational opportunities and include the operation of fish hatcheries and game farms, stocking and improving of streams, development of waterfowl and wildlife areas, research on game and aquatic life, control of rabies in wildlife, and enforcement of the Fish and Game Law. These activities are supported largely by license fees (not included in the budget) supplemented by State revenues and Federal funds.

Despite the many recreational programs supported by New York State, a growing population, improved transportation, increased leisure time, and a greater interest in outdoor activities have resulted in a shortage of recreational facilities which will become acute in the near future unless immediate action is taken to develop new areas. Voters at the November 1960 general election will pass upon State borrowing of \$75 million for buying land for recreational purposes. Of the total, \$35 million would be used directly by the State to acquire recreation areas, while \$12 million is intended for New York City and \$28 million for other cities, counties, towns and villages. The State would provide 75 per cent of the cost of lands acquired by municipalities, with fees for use of State recreation areas paying bond costs. To the extent that current revenues are available for this program, bonds will not be used.

The State participates in a number of programs designed to protect and make the best use of water resources. Preservation and development of water resources, erosion control, classification of water supplies for purity, regulation of waterways and operation of the canal system are State responsibilities. The State provides financial assistance

to counties for development of watershed protection districts, supervision over which was transferred this year from the Commissioner of Agriculture to the Conservation Commissioner. A multi-purpose plan for protecting and improving water resources is being developed by the State Water Resources Commission. This year the State flood control program is being transferred to that commission.

The rapidly increasing number of boats has necessitated an improved system of motorboat regulation. Starting this year, the State is registering all motorboats, setting standards of equipment and sanitation, and promoting boating education and safety. Activities are financed by boat registration fees, one-half of which will be turned over to counties to help meet the cost of local boat regulation.

## STATE FUNDS

**General Fund.** The major operating fund of the State is the General Fund, financed mainly from tax revenues. This year, as a first step in the program to simplify the State's fund structure and improve budgetary procedures, the Capital Construction Fund was incorporated in the General Fund. As a result, the General Fund now consists of three parts: (1) the Local Assistance Fund, for aid to localities; (2) the State Purposes Fund, for operations of State agencies and most debt service; and (3) the Capital Construction Fund, which finances the construction of highways, bridges and State buildings, as well as park, military, canal, flood control and other facilities.

**Special Accounts.** One-third of the motor fuel tax is paid into the Highway Account, part of which is used to pay debt service on highway bonds and the balance transferred to the General Fund for other highway expenditures. The War Bonus and Mental Health Bond Account receives one-ninth of personal income tax receipts and one-fifth of cigarette tax receipts. These monies are used to pay debt service on outstanding bonds for mental hospital construction, with any remainder being transferred to the General Fund.

**Reserve and Other Funds.** The Local Assistance Fund and the State Purposes Fund each has a corresponding Tax Stabilization Reserve Fund, to which small unexpended balances are transferred at the end of the fiscal year. Their assets may be drawn upon only if an unanticipated deficit occurs.

Operating funds outside the budget include the Conservation Fund, the Motorboat Regulation Fund, the Purchase Revolving Fund, the Fund for the Investigation and Valuation of Public Utilities, and others. They derive income from a variety of sources, such as the sale of products, assessment of the industry being regulated, or special fees, licenses, and charges. Expenditures may be made only for purposes specified by law.

Funds are also maintained to receive and disburse Federal grants, such as the Federal Social Security Fund (which receives Federal monies for welfare programs), the Federal Fund for Hospital Construction, and the Federal Airport Project Fund. The Unemployment Insurance Benefit Fund and the State Employees' Retirement System Fund are the largest of the State's many trust, retirement, bequest, custodial and college income funds. The Housing Debt Fund pays debt service on housing bonds, financed by payments from local housing authorities (which are assisted by State subsidies). The Grade Crossing Elimination Debt Fund receives assessments on railroad companies to pay debt service on certain grade crossing elimination bonds.

## APPENDIX

**Table 1—State Income**  
**General Fund, War Bonus and Mental Health Bond Account,**  
**and Highway Account**

(millions of dollars)

|                                                             | 1959-60<br><i>Actual</i> | 1960-61<br><i>Estimated</i> | <i>Change</i> |
|-------------------------------------------------------------|--------------------------|-----------------------------|---------------|
| Personal Income Tax .....                                   | 757                      | 930                         | + 173         |
| Taxes on Consumption and Use .....                          | 554                      | 580                         | + 26          |
| Motor fuel tax .....                                        | 215                      | 228                         | + 13          |
| Motor vehicle tax .....                                     | 125                      | 126                         | + 1           |
| Cigarette and other tobacco taxes .....                     | 117                      | 125                         | + 8           |
| Alcoholic beverage tax .....                                | 57                       | 59                          | + 2           |
| Alcoholic beverage control licenses .....                   | 24                       | 24                          | —             |
| Highway use tax .....                                       | 16                       | 18                          | + 2           |
| Business Taxes .....                                        | 399                      | 425                         | + 26          |
| Corporation franchise tax (Article 9A) .....                | 182                      | 210                         | + 28          |
| Corporation and utilities taxes (Article 9) .....           | 130                      | 137                         | + 7           |
| Bank tax .....                                              | 43                       | 31                          | — 12          |
| Unincorporated business tax .....                           | 31                       | 35                          | + 4           |
| Insurance premium tax .....                                 | 13                       | 12                          | — 1           |
| Taxes on Transfers and Other Activities .....               | 219                      | 239                         | + 20          |
| Pari-mutuel tax .....                                       | 87                       | 97                          | + 10          |
| Estate tax .....                                            | 71                       | 80                          | + 9           |
| Stock transfer tax .....                                    | 58                       | 59                          | + 1           |
| Other taxes .....                                           | 3                        | 3                           | —             |
| Nontax Receipts .....                                       | 70                       | 66                          | — 4           |
| Total Income* .....                                         | 1,999                    | 2,240                       | + 241         |
| <i>*Total income is divided among the funds as follows:</i> |                          |                             |               |
| General Fund .....                                          | 1,824                    | 2,038                       | + 214         |
| War Bonus and Mental Health Bond Account                    |                          |                             |               |
| Personal income tax .....                                   | 84                       | 104                         | + 20          |
| Cigarette tax .....                                         | 23                       | 23                          | —             |
| Highway Account                                             |                          |                             |               |
| Motor fuel tax .....                                        | 68                       | 75                          | + 7           |

**Table 2 — Local Assistance Fund Appropriations**

| <i>Agency or Purpose</i>                                           | <i>1959-60</i>         | <i>1960-61a</i>        |
|--------------------------------------------------------------------|------------------------|------------------------|
| Commerce (urban planning).....                                     | \$ 200,000             | \$ .....               |
| Conservation (water resources, reforestation, rabies control)..... | 104,127                | 141,238                |
| Correction (probation services).....                               | 450,000                | 700,000                |
| Education, total.....                                              | <u>647,632,434</u>     | <u>718,271,000</u>     |
| Support of public schools.....                                     | 609,942,366            | 665,236,000            |
| Teacher training — New York City.....                              | 8,629,157              | 13,600,000             |
| Emergency school building.....                                     | 11,500,000             | 12,000,000             |
| School lunch program.....                                          | 7,000,000              | 8,500,000              |
| Municipal colleges — New York City.....                            | 2,760,911              | 7,900,000              |
| Aid to libraries.....                                              | 3,950,000              | 6,100,000              |
| Community colleges.....                                            | 3,450,000              | 4,610,000              |
| Recreation for the elderly.....                                    | 200,000                | 200,000                |
| Physically handicapped children.....                               | 200,000                | 125,000                |
| General per capita aid.....                                        | 97,140,000             | 97,145,300             |
| Health, total.....                                                 | <u>32,836,000</u>      | <u>32,185,000</u>      |
| General public health work.....                                    | 18,207,000             | 18,400,000             |
| Tuberculosis care.....                                             | 9,425,000              | 8,500,000              |
| Physically handicapped children.....                               | 3,200,000              | 3,500,000              |
| Laboratories and blood banks.....                                  | 1,300,000              | 1,270,000              |
| Administration of local assistance.....                            | 498,000                | 478,000                |
| Joint Hospital Survey and Planning Com.....                        | 161,000                | .....                  |
| Care of adult poliomyelitis.....                                   | 45,000                 | 37,000                 |
| Housing subsidies and Rent Commission.....                         | 21,593,841             | 22,322,532             |
| Mental Hygiene (community services).....                           | 11,798,700             | 13,311,402             |
| Public Works, total.....                                           | <u>16,746,558</u>      | <u>15,963,573</u>      |
| Town highways.....                                                 | 13,750,000             | 12,965,354             |
| County highways.....                                               | 2,225,000              | 2,225,000              |
| Municipal public works planning.....                               | 635,000                | 635,000                |
| Administration of local assistance.....                            | 136,558                | 138,219                |
| Social Welfare.....                                                | 167,529,000            | 156,100,000            |
| Standards and Purchase (surplus commod.).....                      | 1,000,000              | 95,000                 |
| Veterans' Affairs.....                                             | 455,000                | 435,000                |
| Youth Commission.....                                              | 3,200,000              | 3,200,000              |
| Miscellaneous.....                                                 | .....                  | .....                  |
| Counties' share of motor vehicle taxes.....                        | 30,800,000             | 30,100,000             |
| Counties' share of motor fuel taxes.....                           | 20,600,000             | 25,100,000             |
| Aid to localities — railroad tax relief.....                       | 800,000                | 2,000,000              |
| Debt service.....                                                  | 4,480,223              | .....                  |
| Other.....                                                         | 893,954                | 187,853                |
| <b>Total</b> .....                                                 | <u>\$1,058,259,837</u> | <u>\$1,117,257,898</u> |
| Transfer to Capital Construction Fund.....                         | 57,700,000             | .....                  |
| <b>Grand total</b> .....                                           | <u>\$1,115,959,837</u> | <u>\$1,117,257,898</u> |

a Excludes allowance for possible deficiency appropriations.

**Table 3 — State Purposes Fund Appropriations**

| <i>Agency or Purpose</i>                      | <i>1959-60</i>        | <i>1960-61a</i>       |
|-----------------------------------------------|-----------------------|-----------------------|
| Executive Department, total.....              | \$ 35,268,762         | \$ 38,235,903         |
| Alcoholic Beverages Control, Division of..... | 3,259,442             | 3,308,071             |
| Atomic Development, Office of.....            | 100,000               | 142,800               |
| Budget, Division of the.....                  | 1,275,227             | 1,245,836             |
| Civil Defense Commission.....                 | 1,525,107             | 2,618,547             |
| Discrimination, Commission Against.....       | 816,777               | 857,180               |
| Executive Chamber.....                        | 1,220,000             | 1,253,544             |
| Housing, Division of.....                     | 1,032,398             | 396,448               |
| Local Government, Office for.....             | 100,000               | 2,316,294             |
| Military and Naval Affairs, Division of.....  | 5,955,828             | 6,021,305             |
| Parole, Division of.....                      | 3,274,877             | 3,708,849             |
| Safety, Division of.....                      | 341,671               | 25,000                |
| Standards and Purchase, Division of.....      | 2,151,703             | 2,111,049             |
| State Police, Division of.....                | 11,107,053            | 12,154,378            |
| Transportation, Office of.....                | 100,000               | 125,000               |
| Veterans' Affairs, Division of.....           | 2,196,169             | 1,228,122             |
| Youth Commission.....                         | 389,510               | 723,480               |
| Other.....                                    | 423,000               | .....                 |
| Agriculture and Markets, Department of.....   | 5,293,554             | 5,408,473             |
| Audit and Control, Department of.....         | 5,470,601             | 5,664,276             |
| Banking Department.....                       | 265,864               | 236,323               |
| Civil Service, Department of.....             | 3,145,579             | 3,234,254             |
| Commerce, Department of.....                  | 3,100,000             | 3,139,768             |
| Conservation Department.....                  | 15,295,552            | 16,259,311            |
| Correction, Department of.....                | 40,900,444            | 44,503,438            |
| Education Department.....                     | 30,026,535            | 30,855,694            |
| State University.....                         | 46,903,455            | 50,832,418            |
| Health, Department of.....                    | 23,008,998            | 23,263,229            |
| Insurance Department.....                     | 380,939               | 385,652               |
| Labor, Department of.....                     | 8,419,097             | 8,434,801             |
| Law, Department of.....                       | 3,900,133             | 3,637,090             |
| Mental Hygiene, Department of.....            | 203,627,553           | 215,824,556           |
| Public Service, Department of.....            | 3,790,491             | 3,855,000             |
| Public Works, Department of.....              | 55,939,554            | 54,174,660            |
| Social Welfare, Department of.....            | 10,755,153            | 11,490,836            |
| State, Department of.....                     | 4,011,666             | 4,364,228             |
| Taxation and Finance, Department of.....      | 33,107,104            | 37,091,156            |
| Other State agencies and commissions.....     | 5,886,840             | 4,131,325             |
| All agencies — salary adjustments.....        | 18,910,000            | 350,000               |
| General State charges.....                    | .....                 | .....                 |
| Health and compensation insurance.....        | 6,300,000             | 6,397,496             |
| Pension administration, contributions.....    | 41,195,357            | 43,300,346            |
| Social security admin., contributions.....    | 8,163,525             | 9,161,612             |
| Taxes on public lands, judgments, etc.....    | 6,806,229             | 5,511,229             |
| Unemployment insurance.....                   | 2,114,321             | .....                 |
| Judiciary.....                                | 11,647,925            | 6,606,360             |
| Legislature.....                              | 8,472,514             | 8,387,528             |
| <b>Total — current operations</b> .....       | <u>\$ 642,107,745</u> | <u>\$ 644,736,962</u> |
| Debt service.....                             | \$ 35,117,892         | \$ 27,612,871         |
| Transfer to Capital Construction Fund.....    | 64,700,000            | .....                 |
| <b>Grand total</b> .....                      | <u>\$ 741,925,637</u> | <u>\$ 672,349,833</u> |

a Excludes allowance for possible deficiency appropriations.

**Table 4 — Capital Construction Fund Appropriations**

| <i>Agency or Purpose</i>                                                           | <i>Prior Appropriations in Force April 1, 1960</i> | <i>New Appropriations 1960-61</i> | <i>Total Appropriations Available 1960-61</i> |
|------------------------------------------------------------------------------------|----------------------------------------------------|-----------------------------------|-----------------------------------------------|
| Departmental projects                                                              |                                                    |                                   |                                               |
| Atomic development                                                                 | \$ 581,030                                         | \$ 147,000                        | \$ 728,030                                    |
| Conservation and Parks                                                             | 5,247,791                                          | 4,578,500                         | 9,826,291                                     |
| Correction                                                                         | 6,076,425                                          | 3,575,000                         | 9,651,425                                     |
| Education and State University                                                     | 69,040,906                                         | 37,924,000                        | 106,964,906                                   |
| Community colleges                                                                 | 15,723,005                                         | .....                             | 15,723,005                                    |
| Dormitory Authority                                                                | 7,847,267                                          | 5,800,000                         | 13,647,267                                    |
| Health                                                                             | 2,978,226                                          | 160,000                           | 3,138,226                                     |
| Mental Hygiene                                                                     | 157,117,344                                        | 18,402,000                        | 175,519,344                                   |
| Military and Naval Affairs                                                         | 3,698,838                                          | 403,000                           | 4,101,838                                     |
| Public Works                                                                       |                                                    |                                   |                                               |
| Buildings                                                                          | 3,762,908                                          | 3,063,000                         | 6,825,908                                     |
| Canals                                                                             | 2,444,967                                          | .....                             | 2,444,967                                     |
| Flood control                                                                      | 1,172,953                                          | 372,000                           | 1,544,953                                     |
| Planning and inspection                                                            | 4,504,760                                          | 770,000                           | 5,274,760                                     |
| Shore protection                                                                   | 952,819                                            | 700,000                           | 1,652,819                                     |
| Social Welfare                                                                     | 5,348,943                                          | 2,150,000                         | 7,498,943                                     |
| State Police                                                                       | 128,299                                            | .....                             | 128,299                                       |
| Youth Commission                                                                   | .....                                              | 1,100,000                         | 1,100,000                                     |
| Miscellaneous                                                                      | 1,061,486                                          | 2,290,500                         | 3,351,986                                     |
| Services and expenses                                                              | 325,568                                            | 6,660,779                         | 6,986,347                                     |
| Unapportioned construction                                                         | 5,114,970                                          | .....                             | 5,114,970                                     |
| Unapportioned equipment                                                            | 65,901                                             | .....                             | 65,901                                        |
| Unapportioned rehabilitation                                                       | 11,176                                             | 4,200,000                         | 4,211,176                                     |
| Total departmental projects                                                        | \$293,205,582                                      | \$ 92,295,779                     | \$385,501,361                                 |
| Highways, parkways and grade crossing eliminations including services and expenses | 333,324,704                                        | 191,061,015                       | 524,385,719                                   |
| Grand total                                                                        | \$626,530,286                                      | \$283,356,794                     | \$909,887,080                                 |

**Table 5 — Functional Classification of Estimated Expenditures**

**1960-61**

(millions of dollars)

|                                             | <i>Main Budget Funds<sup>a</sup></i> | <i>Federal Funds</i> | <i>Other Funds</i> | <i>Total</i> |
|---------------------------------------------|--------------------------------------|----------------------|--------------------|--------------|
| Education                                   | 853                                  | 28                   | 19                 | 900          |
| Health and Mental Health                    | 374                                  | 11                   | 2                  | 387          |
| Highways and Highway Safety                 | 369                                  | 189                  | 14                 | 572          |
| Public Welfare                              | 214                                  | 148                  | 1                  | 363          |
| General Government                          | 105                                  | .....                | 7                  | 112          |
| Public Safety                               | 89                                   | 1                    | 2                  | 92           |
| Services to Agriculture, Business and Labor | 42                                   | 51                   | 65                 | 158          |
| Natural Resources and Recreation            | 40                                   | 2                    | 8                  | 50           |
| Nonallocated general costs                  | 8                                    | .....                | .....              | 8            |
| Total                                       | <u>2,094</u>                         | <u>430</u>           | <u>118</u>         | <u>2,642</u> |

a Includes General Fund consisting of the Local Assistance, State Purposes and Capital Construction Funds; the War Bonus and Mental Health Bond Account, and the Highway Account.

**Table 6 — Net Outstanding Debt<sup>a</sup>**

**March 31, 1960**

(millions of dollars)

|                               | <i>Bonded</i> | <i>Temporary</i> | <i>Total</i> |
|-------------------------------|---------------|------------------|--------------|
| Housing <sup>b</sup>          | 465           | 61               | 526          |
| Grade crossing elimination    | 146           | .....            | 146          |
| Mental health construction    | 148           | .....            | 148          |
| Highway construction          | 96            | c                | 96           |
| Higher education construction | 41            | .....            | 41           |
| All other                     | 31            | .....            | 31           |
| Total                         | <u>927</u>    | <u>61</u>        | <u>988</u>   |

a Exclusive of debt of the New York State Thruway Authority, which is not financed from State revenue.

b Public housing debt service is paid by municipal housing authorities and limited profit housing corporations to whom loans were made.

c Less than one-half million dollars.

**Table 7 — Direct State Aid to Localities by County<sup>a</sup>**  
**1959-60**

(thousands of dollars)

| County      | Total  | Education | Social Welfare | Per Capita Assistance | Highways | Health | Housing | All Other |
|-------------|--------|-----------|----------------|-----------------------|----------|--------|---------|-----------|
| Albany      | 13,588 | 8,628     | 1,697          | 1,555                 | 1,158    | 488    | .....   | 62        |
| Allegany    | 5,669  | 4,158     | 246            | 213                   | 1,003    | 26     | .....   | 23        |
| Broome      | 17,425 | 13,550    | 1,128          | 1,089                 | 1,145    | 310    | 52      | 151       |
| Cattaraugus | 8,699  | 6,130     | 722            | 418                   | 1,182    | 167    | 53      | 27        |
| Chautauq    | 6,499  | 4,319     | 834            | 385                   | 820      | 63     | 42      | 36        |
| Chenango    | 12,628 | 9,504     | 933            | 784                   | 1,237    | 116    | .....   | 54        |
| Chemung     | 7,580  | 5,627     | 601            | 530                   | 550      | 138    | 96      | 38        |
| Chenango    | 5,729  | 4,292     | 224            | 194                   | 974      | 25     | .....   | 20        |
| Clinton     | 6,309  | 4,564     | 488            | 281                   | 827      | 111    | .....   | 38        |
| Columbia    | 4,566  | 3,233     | 348            | 208                   | 686      | 66     | .....   | 25        |
| Cortland    | 4,057  | 2,996     | 184            | 203                   | 549      | 80     | .....   | 45        |
| Delaware    | 6,076  | 4,275     | 204            | 212                   | 1,321    | 46     | .....   | 18        |
| Dutchess    | 9,560  | 6,937     | 655            | 726                   | 975      | 139    | 68      | 60        |
| Erie        | 58,425 | 34,652    | 11,008         | 5,994                 | 3,136    | 1,912  | 719     | 1,004     |
| Essex       | 3,737  | 2,667     | 319            | 163                   | 542      | 21     | .....   | 25        |
| Franklin    | 5,004  | 3,788     | 307            | 223                   | 625      | 38     | .....   | 23        |
| Fulton      | 4,742  | 3,568     | 418            | 302                   | 384      | 53     | .....   | 17        |
| Genesee     | 4,977  | 3,780     | 287            | 252                   | 533      | 105    | .....   | 20        |
| Greene      | 3,137  | 2,130     | 190            | 136                   | 633      | 30     | .....   | 18        |
| Hamilton    | 481    | 311       | 12             | 16                    | 130      | 6      | .....   | 6         |
| Herkimer    | 6,286  | 4,940     | 275            | 344                   | 688      | 15     | .....   | 24        |
| Jefferson   | 9,135  | 6,616     | 918            | 482                   | 945      | 70     | 54      | 48        |
| Levies      | 3,576  | 2,563     | 152            | 104                   | 690      | 55     | .....   | 12        |
| Livingston  | 4,289  | 3,127     | 255            | 196                   | 660      | 32     | .....   | 19        |
| Madison     | 7,031  | 5,408     | 417            | 266                   | 867      | 26     | .....   | 47        |
| Monroe      | 30,507 | 18,385    | 5,391          | 3,131                 | 1,669    | 1,279  | 172     | 480       |
| Montgomery  | 4,236  | 3,032     | 339            | 354                   | 417      | 74     | .....   | 20        |
| Nassau      | 82,507 | 66,969    | 3,669          | 5,464                 | 3,852    | 1,654  | 218     | 681       |
| Niagara     | 16,147 | 11,849    | 1,454          | 1,329                 | 904      | 446    | 26      | 139       |

| County              | Total     | Education | Social Welfare | Per Capita Assistance | Highways | Health | Housing | All Other |
|---------------------|-----------|-----------|----------------|-----------------------|----------|--------|---------|-----------|
| Oneida              | 20,529    | 15,069    | 2,027          | 1,384                 | 1,568    | 204    | 200     | 77        |
| Onondaga            | 28,401    | 19,145    | 4,324          | 2,260                 | 1,609    | 544    | 164     | 355       |
| Ontario             | 5,844     | 4,320     | 393            | 333                   | 721      | 35     | .....   | 42        |
| Orange              | 12,360    | 9,199     | 770            | 867                   | 1,164    | 131    | 173     | 56        |
| Orleans             | 3,695     | 2,808     | 323            | 147                   | 376      | 32     | .....   | 9         |
| Oswego              | 8,898     | 6,663     | 714            | 419                   | 926      | 38     | 107     | 31        |
| Otsego              | 6,158     | 4,349     | 338            | 252                   | 1,160    | 31     | .....   | 28        |
| Putnam              | 1,864     | 1,269     | 144            | 85                    | 330      | 20     | .....   | 16        |
| Rensselaer          | 9,340     | 6,175     | 1,114          | 795                   | 875      | 257    | 83      | 41        |
| Rockland            | 7,994     | 6,059     | 601            | 474                   | 465      | 276    | .....   | 119       |
| St. Lawrence        | 13,218    | 9,687     | 1,083          | 567                   | 1,706    | 66     | 62      | 47        |
| Saratoga            | 8,971     | 7,163     | 306            | 408                   | 905      | 153    | .....   | 36        |
| Schenectady         | 9,409     | 6,530     | 927            | 885                   | 501      | 316    | 162     | 88        |
| Schoharie           | 3,084     | 2,267     | 102            | 102                   | 571      | 31     | .....   | 11        |
| Schuyler            | 1,783     | 1,188     | 74             | 67                    | 431      | 13     | .....   | 10        |
| Seneca              | 3,076     | 2,214     | 290            | 150                   | 362      | 63     | .....   | 17        |
| Stauben             | 11,404    | 8,552     | 436            | 498                   | 1,806    | 66     | .....   | 46        |
| Suffolk             | 42,944    | 33,428    | 3,704          | 1,966                 | 3,207    | 550    | .....   | 89        |
| Sullivan            | 3,763     | 2,493     | 240            | 178                   | 824      | 15     | .....   | 13        |
| Tioga               | 4,426     | 3,387     | 307            | 149                   | 565      | 5      | .....   | 13        |
| Tompkins            | 5,978     | 4,215     | 409            | 346                   | 617      | 354    | .....   | 37        |
| Ulster              | 8,308     | 5,620     | 683            | 525                   | 1,072    | 313    | 57      | 38        |
| Warren              | 3,812     | 2,676     | 311            | 208                   | 514      | 61     | .....   | 42        |
| Washington          | 5,468     | 4,001     | 317            | 235                   | 815      | 67     | .....   | 33        |
| Wayne               | 7,014     | 5,586     | 315            | 263                   | 778      | 36     | .....   | 36        |
| Westchester         | 37,626    | 22,963    | 4,975          | 4,508                 | 2,282    | 1,322  | 584     | 992       |
| Wyoming             | 4,157     | 3,063     | 189            | 158                   | 647      | 84     | .....   | 16        |
| Yates               | 2,152     | 1,493     | 84             | 84                    | 473      | 10     | .....   | 8         |
| Total - 57 Counties | 634,276   | 453,580   | 59,175         | 43,847                | 56,372   | 12,684 | 3,092   | 5,526     |
| City of New York    | 389,228   | 176,174   | 106,375        | 53,177                | 9,379    | 18,793 | 14,390  | 10,940    |
| Grand total         | 1,023,504 | 629,754   | 165,550        | 97,024                | 65,751   | 31,477 | 17,482  | 16,466    |

<sup>a</sup> From Local Assistance Fund

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