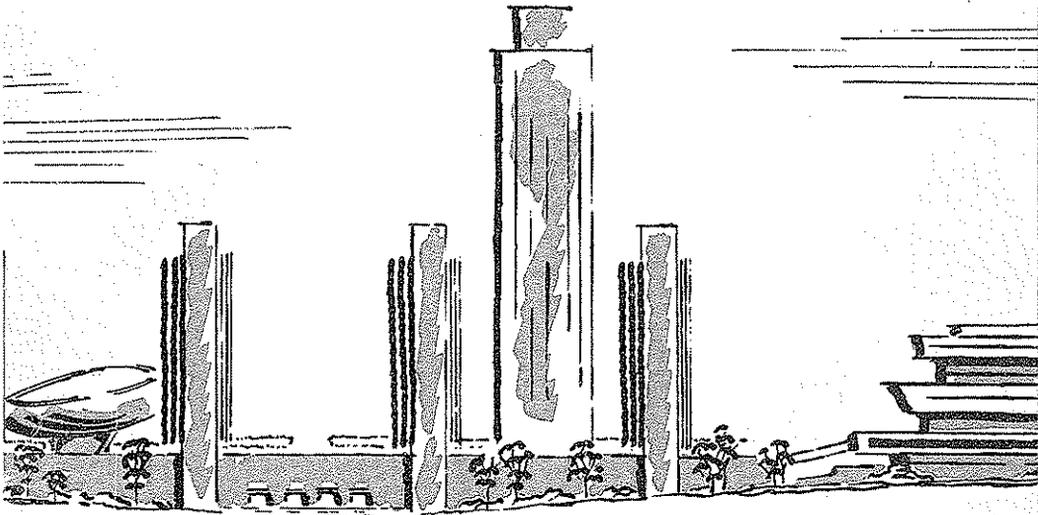


Jeanne P. Williams

BUDGET SUMMARY

1965-66



STATE OF NEW YORK

Nelson A. Rockefeller, Governor



THIS BUDGET is designed to fulfill the State's role in helping to meet the basic human needs of the people and to do everything possible to encourage economic growth and increase job opportunities with the maximum of economy and efficiency in the operation of our State government.

Only by these means can we assure that our children have the best education possible, that the needy and less fortunate are assisted, that our youth are guided into wholesome and productive activities, that our air and water are purified, that our highways and mental health facilities meet the highest standards and that greater progress is achieved in fighting crime. These are some of the specific advances that this Budget will make possible.

The cover shows an artist's rendering of the South Mall complex of State office buildings in Albany, now under construction.

Contents

	Page
FINANCIAL SUMMARY	2
MAJOR STATE FUNCTIONS	6
Education	6
Highways and Highway Safety	11
Health and Mental Health	14
Social Welfare	19
General Government	23
Public Safety	25
Services to Agriculture, Business and Labor	27
Natural Resources and Recreation	29

APPENDIX

Tables

1. State Financial Operations	31
2. State Current Revenue	32
3. Local Assistance Fund Appropriations	33
4. State Purposes Fund Appropriations	34
5. Capital Construction Fund Appropriations	35
6. Functional Classification of Estimated Expenditures, 1965-66	36
7. Net Outstanding State Debt, March 31, 1965	36

Selected Source Material on State Finance Inside Back Cover

EXECUTIVE DEPARTMENT

DIVISION OF THE BUDGET

Albany, N. Y.

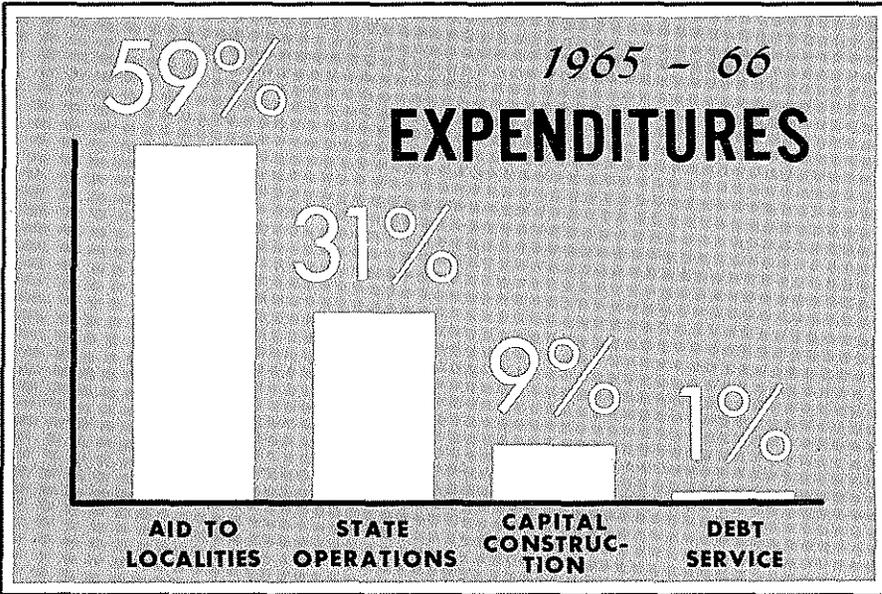
This Budget Summary reflects action by the Legislature on the Governor's 1965-66 budget as well as revisions in the financial outlook. For greater detail on the financing and operations of all State agencies, the reader is referred to the Governor's Executive Budget of January 29, 1965, copies of which are available in libraries throughout the State.

FINANCIAL SUMMARY

FROM 1959 THROUGH 1964, New York State was able to avoid any major tax increases because:

- . . . Economic growth added to personal and business income, hence to tax receipts.
- . . . Economies and greater efficiency in government have saved the State \$132 million in the past two years alone.
- . . . Construction costs for State University and mental health facilities were being paid mainly by users rather than taxpayers.
- . . . Business and income taxes were put on a current collection basis which resulted in substantial sources of one-time revenue.

During this period, 42 other states increased or imposed major new taxes.



WHY ADDITIONAL INCOME WAS NECESSARY THIS YEAR

State government costs are rising due to an expanding population, complex problems arising from rapid development of urban and suburban areas, demands for better public services, and higher costs of things the State buys. The major impact has been felt in the area of education. The State must provide funds for:

- . . . Substantial new aid to public schools for 3,200,000 children.
- . . . Expansion of the State University, community colleges and the City University of New York for 275,000 students.
- . . . 83,000 scholarships and fellowships and 154,000 scholar incentive awards to insure higher education for all who are qualified.
- . . . More aid to localities to help them meet higher costs that would otherwise require local property tax increases averaging 16 per cent.
- . . . A strengthened attack on crime.
- . . . Accelerated highway construction to provide safer highways, ease traffic congestion and promote industrial growth.
- . . . Better care for the mentally ill and mentally retarded, greater health research, and an intensified attack upon narcotic addiction and alcoholism.

Such necessary spending increased by:

. . . \$582 million

One-time revenue sources available in 1964-65, largely from putting most business taxes on a current year collection basis, are not available in 1965-66. This loss of nonrecurring revenues more than offsets the growth in normal revenues and results in a net revenue decline.

Net decline in revenue required:

. . . \$ 41 million

Total revenue needs were:

. . . \$623 million

HOW THE ADDITIONAL MONEY WAS PROVIDED

... To minimize need for new taxes, previously authorized bond funds are being used. . . . \$225 million

... After rigorously examining alternative revenue sources, New York joined 38 other states in adopting a sales tax. The 2 per cent tax exempts food, rent, drugs, and medical services to reduce the impact on those with low incomes. (A 50 per cent increase in New York's personal income tax would have been required to produce an equivalent amount.) . . . \$300 million

... The cigarette tax was increased 5 cents a pack in view of New York's low tax rate on cigarettes compared with other states and the potential health hazard of smoking. . . . \$102 million

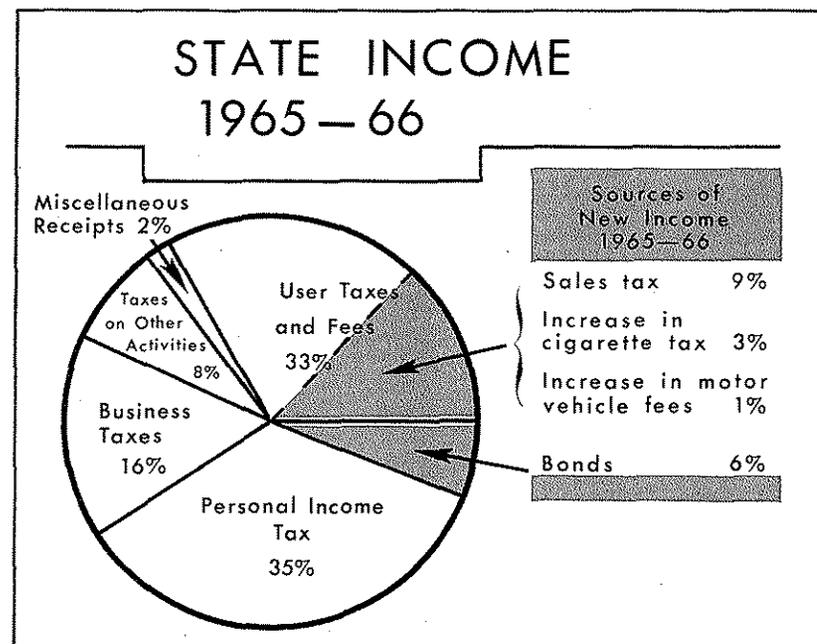
... Passenger car registration fees were raised by 50 per cent — the first increase since 1923. New York's combined fees and taxes on a medium-weight passenger car will still be lower than those of 35 other states. . . . \$ 45 million

... Breakage was increased from 5 cents to 10 cents under the pari-mutuel tax, with the additional revenue going to the State. . . . \$ 11 million

New revenue sources will produce: \$683 million

Less: \$60 million in stock transfer tax revenue turned over to New York City to replace reduced city sales tax revenues. . . . \$ 60 million

Total new income: . . . \$623 million



STATE INCOME AND EXPENDITURES

(millions of dollars)

	1964-65 Actual	1965-66 Estimated	Change
Income			
From current revenues	2,904	3,251	+347
From bond funds		225	+225
Total income	2,904	3,476	+572
Expenditures			
Aid to localities	1,678	2,047	+369
State operations	933	1,065	+132
Capital construction	248	330	+ 82
Debt service (long term)	35	34	- 1
Total expenditures	2,894	3,476	+582
Surplus	10		- 10

MAJOR STATE FUNCTIONS

1965-66 EXPENDITURES

\$ Millions

EDUCATION	1553
HIGHWAYS & HWY. SAFETY	537
HEALTH & MENTAL HEALTH	471
SOCIAL WELFARE	437
GENERAL GOVERNMENT	182
PUBLIC SAFETY	140
SERVICES TO AGRIC., BUSINESS & LABOR	83
NATURAL RESOURCES & RECREATION	57

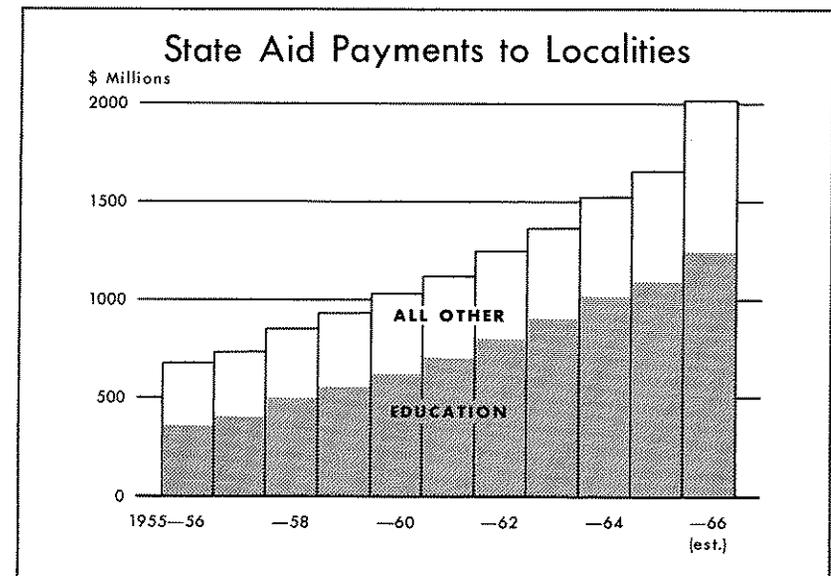
EDUCATION: 45 per cent of State Budget

BECAUSE THE PEOPLE of New York, through their local school boards and elected representatives, demand superior schools, colleges and libraries, education programs account for the largest share of the State's budget. In 1965-66, expenditures for education are expected to rise by \$203 million over the previous year, an increase larger than that for any other function.

Elementary and Secondary Education In the 1965-66 school year, over 3,200,000 pupils will attend locally-operated elementary and secondary public schools in New York State. The responsibility for providing adequate facilities and well-trained teachers for a rapidly expanding pupil enrollment places a great obligation upon local school districts, and the State pays about 47 per cent of this burden. School districts will receive the largest single increase in State aid in history — \$127 million over 1964-65 — as a result of legislation this year. Total State aid for elementary and secondary schools will be at a record level of \$1,173 million in 1965-66.

State aid is distributed according to a formula which helps to improve standards and equalize educational opportunities throughout the State. Districts whose financial capacity, as measured by the full value of real property per pupil, is close to the statewide average receive State aid for 49 per cent of the first \$600 of operating expenses per pupil. The \$600 ceiling was raised from \$500 by legislation in 1965. Districts whose financial capacity is above or below the statewide average receive correspondingly lesser or greater assistance. Aid for school construction is given in the same ratio as for operating expenses, and districts are reimbursed for 90 per cent of approved transportation costs. In addition, the six largest cities receive "density aid" to compensate for higher costs of vocational schools and classes for the emotionally disturbed and the physically, mentally or culturally handicapped. Density aid was raised this year from 10 per cent to 17.5 per cent of the cities' operating aid. "Sparsity aid" may be paid to compensate for either high per-student operating costs or low property valuation. For districts that would not benefit directly from this year's changes in the State aid formula, \$3 million was appropriated to enable them to broaden and enrich their programs.

In nationwide competitive examinations, New York pupils consistently win a large share of top honors. New York State's national leadership in education can be maintained only if it continues to



attract and hold competent, stimulating teachers. Additional State support will help school districts assume a portion of teachers' retirement contributions, giving teachers as much as a 7-8 per cent increase in take-home pay this year. A new teacher salary schedule has been adopted, effective 1966-67, which will raise the present statutory minimum for beginning teachers by \$700.

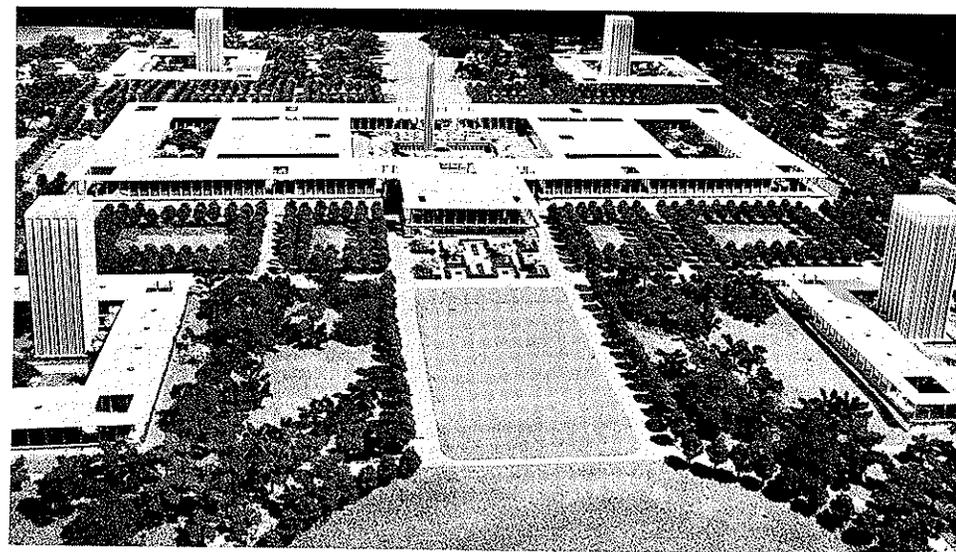
Starting in the 1966-67 school year, State aid will help to finance the purchase of textbooks for use by public and private school pupils in grades 7 through 12. State-aided experimental programs for culturally deprived children were expanded this year to assist children below school age and prepare them for school. State aid for public libraries will amount to \$10 million in 1965-66.

Higher Education The State University is composed of 58 colleges with over 106,000 full-time students. Of these, 30 colleges with an enrollment of 66,000 full-time students offer numerous programs of study which include liberal arts, medicine, veterinary medicine, dentistry, law, pharmacy, engineering, public affairs, maritime studies, agriculture, home economics, ceramics, forestry, industrial and labor relations and teacher training. Recently, new schools for social welfare and criminal justice have been added. The State also pays one-half of construction costs and one-third of operating costs of the 28 locally sponsored and operated community colleges with a total full-time enrollment of 40,000 students.

In a continued drive toward academic excellence in higher education, New York State this year:

- . . . Increased the number of Regents college scholarships awarded each year from 17,400 to 20,000, and raised from \$700 to \$1,000 annually the maximum amount of each award.
- . . . Raised the maximum amount of scholar incentive awards from \$300 to \$500 per year for undergraduates and from \$400 to \$600 for first-year graduate students; the maximum for other graduate students remains at \$800 per year.
- . . . Established Herbert H. Lehman graduate fellowships in the social sciences and public and international affairs as a memorial to the late Governor. Winning doctoral candidates will receive \$5,000 a year; winning master's degree candidates, \$4,000.

- . . . Raised State aid to the City University of New York to \$40 million, approximately one-half of the total cost, and increased State aid for seven New York City community colleges.
- . . . Appropriated \$200,000 for additional Einstein professorships in science and Schweitzer chairs in the humanities.
- . . . Created a Center for International Studies at the State University at Oyster Bay.
- . . . Took initial steps toward establishing a statewide educational television system serving the State University, the public schools and the public.
- . . . Provided additional funds to the New York State Science and Technology Foundation for Visiting Distinguished Professorships to encourage excellence in scientific and technological education in the State.
- . . . Advanced \$2.3 million for a new center for nuclear research and education at the State University in Stony Brook.



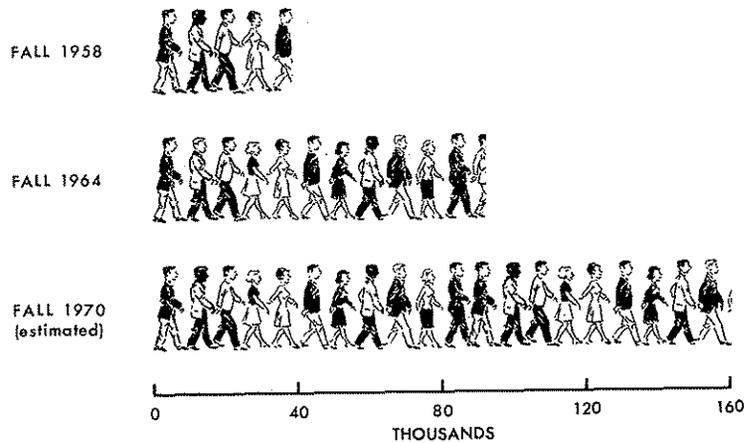
Modern State University campus under construction at Albany

Construction at State University campuses has been advancing rapidly to meet the expected increases in enrollment (see chart). Since mid-1962, an eight-year, \$1 billion construction plan financed by the self-liquidating State University Construction Fund has been under way, and projects worth \$147 million have been completed. Available higher education construction bonds and State University Construction Fund financing can be used for the construction of two new modern medical schools. In its 1964 Master Plan, the Trustees of the State University also proposed establishment of four-year colleges of arts and science in Nassau and Westchester counties.

The Dormitory Authority finances student housing and other facilities for the State University and private colleges within the State. Since it began operations in 1948, the Authority has aided in the financing and planning of educational facilities costing over \$300 million.

To assure that no young man or young woman in this State with the desire and capacity for a college education shall be denied it for lack of personal financial means, New York State offers the nation's most generous and varied financial aids to students. Approximately 73,000 scholarships and fellowships, valued at \$32 million, will be awarded this year for undergraduate and graduate

GROWTH OF STATE UNIVERSITY STUDENT BODY



study, including special awards in medicine, dentistry, nursing, engineering and osteopathy. About 154,000 scholar incentive awards worth \$31 million will be made in 1965-66. In addition, scholarships will be awarded to State University students from low-income families to supplement aid provided under other programs. The State also guarantees bank loans to students and pays all interest costs while students are in college, and the excess over 3 per cent thereafter. An estimated 130,000 students will have loans guaranteed under this program at a cost to the State of \$12 million in 1965-66. All State higher education programs paid from the State budget aggregate \$255 million in 1965-66.

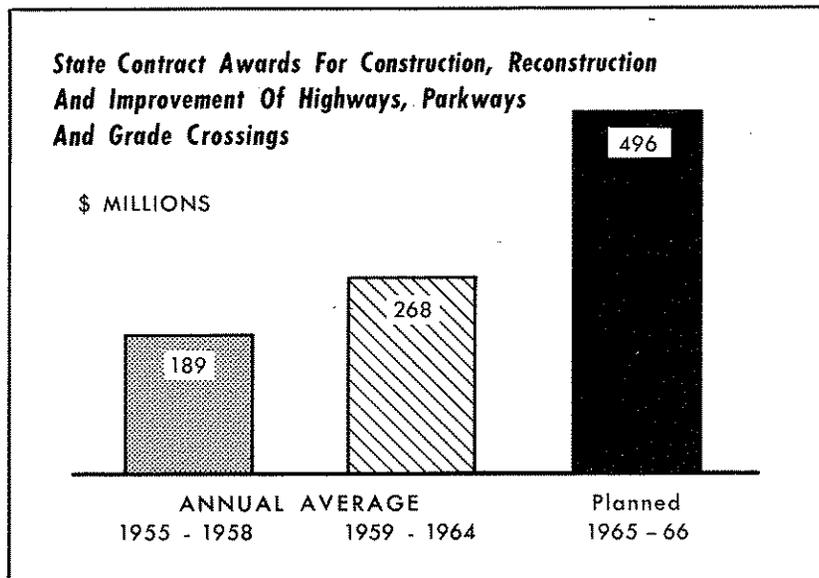
HIGHWAYS and HIGHWAY SAFETY:

15 per cent of State Budget

HIGHWAYS ARE a vital part of the State's transportation system. New York's highways help to attract industry and to encourage expansion of existing business, stimulate tourism, accommodate the trucks that bring us most of our daily necessities, and help make possible a standard of living unknown 50 years ago. Almost 8 million New York motorists, as well as great numbers of out-of-state shoppers, truckers, vacationers, businessmen and others travel the 101,000 miles of modern, safe and scenic roadways in the State.

Construction and Maintenance From 1959 through 1964 over 8,000 miles of road projects have been completed. An estimated \$328 million in State funds will be spent in 1965-66 for planning and building highways, parkways and bridges, acquiring rights-of-way, eliminating grade crossings, and resurfacing and maintaining existing highways. An accelerated highway program this year will speed up land acquisition and highway construction to handle the vastly increasing numbers of vehicles, as well as to avoid higher future costs.

Many road construction projects are joint federal-State efforts. The cost of the interstate highway system, for example, is paid 90 per cent from federal funds and 10 per cent from State funds. New York has completed and opened to traffic mileage equal to more than 71 per cent of its share of this program. The final contracts for one major route — the Adirondack Northway — have been let. State funds for construction, reconstruction and improvement of State



primary and secondary highways and urban extensions are matched equally by the federal government, to the extent that federal funds are available. In addition, the State is constructing many miles of the primary system with 100 per cent State funds.

Continuous inspection and repair of existing roads are essential for motorists' safety and comfort. The State's extensive maintenance program includes pavement repair and marking, road shoulder improvement, culvert and drainage ditch maintenance, snow removal, ice control, traffic signal repair, and bridge painting and repair. New York has long been a leader among the states in highway beautification, and a national magazine has recognized the State's efforts by giving its award for "America's Most Scenic New Highway of 1964" to Route 17 in Broome and Delaware counties (see picture).

The State bears a substantial portion of the costs of constructing and maintaining local roads. The State pays counties and New York City 25 per cent of the motor vehicle fees collected from residents of each county. Legislation this year provides that towns, villages and cities will share the increase in State motor vehicle registration fees, starting in 1966-67. New York City's share of total State motor fuel tax collections will be raised to 10 per cent in 1965-66, the same portion received by counties outside the city. The State provides additional aid to counties and towns for construction and maintenance



Route 17 of the State highway system recently received nationwide recognition for its utility and scenic beauty

of local highways. It is estimated that State highway assistance to localities under all programs will total \$96 million this year. In addition, municipalities may devote a portion of State per capita aid to highway construction, repair and safety.

Highway Safety Safety programs have helped keep New York's highway death rate continually below the national average. In 1964, New York's death rate per 100 million miles travelled was 5.1, compared to a national average of 5.7. These highway safety programs are expected to cost \$40 million in 1965-66.

The State improves the safety of highways through varied research programs and reduction of road hazards by elimination of sharp curves, widening of existing roads, and elimination of grade-level railroad crossings or installation of modern protective devices at such crossings. It establishes standards for vehicle inspection and insurance, registers all vehicles, maintains records of violations and accidents, and conducts driver improvement clinics. The State also tests and licenses each New York driver, and may revoke or suspend licenses for repeated violations of law, physical unfitness to drive or other conditions.

NEW THIS YEAR:

- . . . *The State assumed 100 per cent (previously 50 per cent) of the costs of right-of-way for urban arterial highways.*
- . . . *A staggered automobile registration system was enacted, effective January 1, 1966, thereby spreading the annual vehicle registration over a longer period.*
- . . . *Six-year license plates were authorized for 1966, which will save the State \$3 million over the six-year period.*
- . . . *112 new State Police positions were created for highway safety purposes.*
- . . . *Funds were provided to study the feasibility of developing a prototype safe car.*
- . . . *Interstate compact provisions were adopted to authorize acceptance of out-of-state traffic convictions and to compel driver appearances in out-of-state traffic courts.*

The State Police contribute importantly to highway safety by patrolling highways and parkways, investigating accidents and vehicle breakdowns, weighing and inspecting trucks, and checking privately operated motor vehicle inspection stations.

HEALTH and MENTAL HEALTH:

14 per cent of State Budget



Group therapy, used in the State's mental health program

THE STATE HAS a wide variety of resources to cope with the many problems affecting the health and mental well-being of its citizens. This year \$351 million will be spent for mental health and retardation programs and \$119 million for public health services.

Mental Health Services Care of the mentally disordered is a major State responsibility, with an average of 111,000 patients in the State's 19 mental hospitals, 7 schools for the mentally retarded and a special facility for epileptics. The State also operates aftercare mental health clinics and treatment units for alcoholics and narcotic addicts; promotes research, experimentation and prevention in mental health and retardation; and provides financial assistance to localities for community mental health services. The 1965-66 budget includes funds to improve patient care in State facilities through upgrading personnel to meet new responsibilities, adding needed workers and improving utilization of staff.

This year marks a historic period in the struggle against mental illness — reflecting major advances in treatment methods and the starting point for significant new developments. The first decade of the "new era" in the State's care of mental patients ended in fiscal year 1964-65. The single most dramatic achievement of that period was the reduced number of hospital patients, due primarily to improvements in therapeutic methods, particularly the use of new drugs. Despite a 58 per cent increase in patients admitted during this period, the number released from State institutions rose by 118 per cent. Last year alone, 25,629 persons — a record number — were released. The number of patients has decreased to an average monthly population of 84,000 today, nearly 9,000 less than the 1955 peak. The rising admissions trend does not necessarily indicate an increase in mental illness, but rather that the State's total population is larger, mental illness is detected earlier, less stigma is attached to hospital care, and the demand for treatment is up.

In the State schools for the mentally retarded the situation is noticeably different. Although new educational and training programs have permitted most mildly retarded patients to remain in their home communities, larger numbers of the severely retarded are being admitted to the State schools, with long stays expected in many cases. The number of school residents last year rose by nearly 500 to a total of 27,400. The 1965-66 budget provides for continued expansion of facilities to accommodate the mentally retarded. The Suffolk State School, opened this year to a few hundred persons, will have an ultimate capacity of 2,800. Funds were provided for the State to take over and operate the Veterans Administration Hospital at Sunmount in Franklin County as a school for the mentally retarded, and for continued work on the Institute for Basic Research in Mental Retardation in New York City.

Another era is beginning in the treatment of mental problems, stressing smaller facilities closer to the homes of the mentally ill and retarded. Plans have been announced for a five-year, \$500 million to \$600 million program to construct community-oriented State hospitals and schools, modernize existing institutions, and build community mental health and retardation facilities. The new schools and hospitals, smaller than most existing State facilities, will be located in principal population centers and more closely coordinated with community mental health programs. Planning will begin this year on facilities near Albany and on Staten Island and for special units for emotionally disturbed children in New York City and Suffolk County. This program will be financed primarily on a self-liquidating basis through the Mental Hygiene Facilities Improvement Fund, and requires only a small amount of tax-supported bonds or general tax funds. The new approach will be aided by 1965 legislation enabling the State to pay one-third of local costs for constructing community mental health and retardation facilities. To reduce borrowing costs, a locality can finance its share of these facilities through the Mental Hygiene Facilities Improvement Fund.

Communities are becoming more active in mental health and retardation programs. New York City and 41 counties, representing 96 per cent of the State's population, now offer State-aided community mental health services. The State in 1965-66 will increase its payments to localities for this purpose by \$7 million, partly reflecting the removal in 1964 of the per capita ceiling on State aid.

The State is accelerating its attack on problems of narcotic addiction. New York has developed the nation's most advanced program for rehabilitating narcotic addicts, providing hospital care for over 2,000 patients a year in State facilities and community-based aftercare centers and research units. An increased appropriation of over \$2 million in the 1965-66 budget will help to expand aftercare services, establish two new 75-bed treatment units in State hospitals located in the New York City area, and assist localities with inpatient and outpatient care. Landmark legislation this year authorizes the Commissioner of Mental Hygiene to conduct experimental programs and to permit maintenance dosages of narcotic drugs under medical supervision and control. Regulation of the possession and sale of barbiturate and amphetamine drugs ("goof balls" and "pep pills") and other medicines having an incidental narcotic effect also was approved.

Increasing attention is being given to the major problem of alcoholism, which may affect as many as 700,000 New Yorkers. Funds will permit more inpatient care in State hospitals and expanded services to alcoholics in community facilities. Legislation this year gives further impetus to New York's efforts by permitting voluntary admission of alcoholics to these facilities and establishing civil commitment procedures for alcoholics similar to those governing the mentally ill.

WATER POLLUTION CONTROL

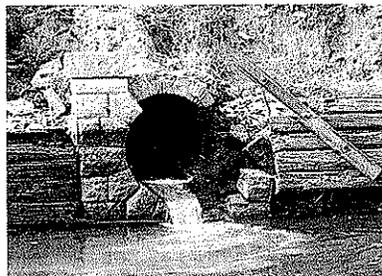
Two out of every three people in New York State live in areas affected by polluted water. Pollution endangers the use of the water for drinking, recreation or industrial purposes and is a blight on a vital natural resource. Despite strict State laws and regulations, many municipalities have been unable to solve their pollution problems, and \$1.7 billion in local sewage treatment plants and intercepting sewers is needed now through 1970 to end water pollution. To meet this monumental challenge, the State has embarked on the most comprehensive program in history to combat pollution and achieve pure waters.

Under this program, legislation this year:

- . . . **Authorizes a \$1 billion State bond issue, subject to voter approval in November 1965, to help finance local construction of sewage treatment facilities by reducing the local share of the cost to 40 per cent.**
- . . . **Enables the State to pay 30 per cent of municipal costs for constructing treatment facilities and to pre-finance the federal government's proper 30 per cent share.**
- . . . **Exempts private industrial waste-treatment facilities constructed before 1972 from local real property taxes.**
- . . . **Permits industries to write off in one year the cost of constructing waste treatment plants.**
- . . . **Strengthens and streamlines administrative procedures for enforcing water pollution control laws.**

In addition, \$14 million has been appropriated to assist communities in comprehensive planning for sewage treatment and water supply needs and in operating and maintaining municipal treatment plants. Increased funds are also provided to expand the statewide water quality surveillance network.

Public Health Services Public health services include State aid to county and city health agencies; treatment and care of tuberculosis, cancer and physically handicapped patients in five State hospitals; and programs for chronic diseases, environmental health, maternal and child care and community health. The State's Roswell Park Memorial Institute is one of the leading cancer research centers in the nation. A cell and virus research building at the institute is near completion, and construction of a \$1 million linear accelerator for radiation research and treatment is expected to begin in 1966.



Dumping of raw sewage in New York rivers, a major barrier to pure waters

To stimulate community health services, the State reimburses localities for about one-half of their expenditures for preventive inoculations, nursing services and environmental sanitation. Legislation this year removed the ceiling on State aid to New York City for air pollution control, making it eligible for the full 50 per cent reimbursement other cities with organized health agencies receive. The State also shares local costs of operating public laboratories and caring for tuberculosis patients and children with muscular dystrophy, cystic fibrosis, cerebral palsy and other diseases. The budget includes more than \$1 million to enable the State to assist localities for the first time in constructing or expanding public nursing homes. In 1965-66, total State aid for local health programs is expected to be \$57 million.

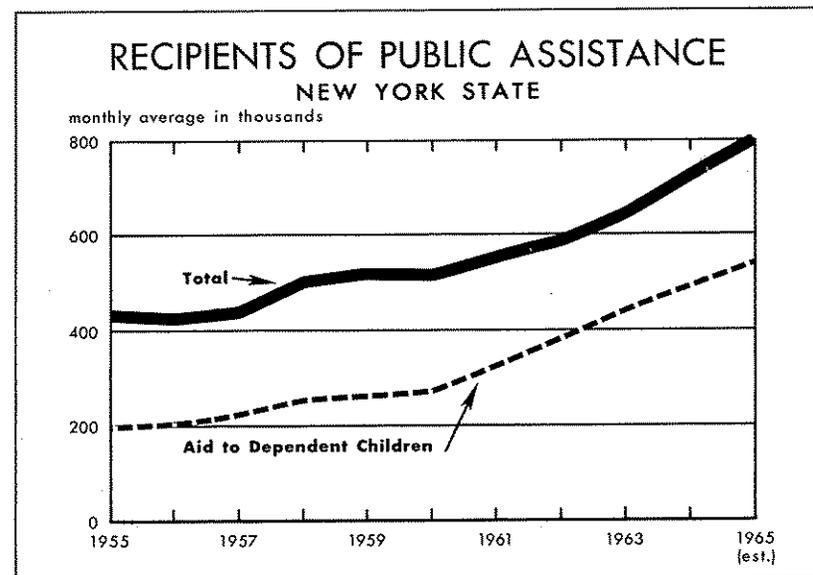
To carry out recommendations of the Governor's Committee on Hospital Costs, legislation was enacted in 1965 to help hold down hospital costs, moderate rising health insurance charges and prevent duplication of expensive medical facilities and equipment. It centralizes in the Department of Health responsibility over construction, operation and inspection of all public and private hospitals and other medical care facilities; establishes a uniform system of hospital cost analysis; and sets up a procedure for certification by the Commissioner of Health of the reasonableness of proposed hospital charges. A statewide system for regulating clinical laboratories and blood banks was established to improve standards and increase the reliability of services rendered to doctors and their patients. A Bureau of X-Ray Technology has been established in the Department of Health to implement a 1964 law requiring licenses for x-ray operators.

SOCIAL WELFARE: 13 per cent of State Budget

Public Assistance and Care Public assistance is offered to those who, through no fault of their own, are unable to provide for themselves. Programs to assist the aged, disabled, blind, dependent children, and other needy persons are administered by localities under State supervision. This year more than \$331 million in federal aid will help finance certain of these local programs, and the State's share of the remaining costs will be \$322 million.

Under 1965 legislation, the State shares in the cost of medical care for persons who were self-supporting prior to their illness but whose resources could not bear the burden of hospitalization. These costs, with the exception of those for medical assistance for the aged, had previously been paid entirely by localities. With this extension of State aid, the State now shares all major welfare costs with localities.

Public assistance programs increasingly are focused on prevention of dependency and helping persons become self-reliant and contributing members of society. Adult elementary education courses, community work-training programs, and job orientation help employable persons to prepare for adequately paying jobs. This year local welfare districts are authorized to pay tuition costs for trade



school courses for home relief recipients and unemployed parents receiving aid for dependent children. Among the State's specialized activities are home teaching and rehabilitative services for the blind, registration of fund-raising organizations, and coordination of services to Indians. The State also counsels veterans, shares in city and county costs for veterans' services, supervises distribution of surplus food to the needy, and inspects public and private institutions.

Youth Programs Assistance, guidance and training for youth and the prevention of delinquency are the aims of many State services. Toward these goals, the State operates youth homes, short-term adolescent resident training centers, youth camps and residential aftercare units that provide treatment and rehabilitation for delinquent or potentially delinquent youths. Ten new facilities will be opened during the year, and construction will begin on a new youth camp to be opened in 1966-67. About \$6 million in State aid will be distributed to support local youth bureaus, recreation projects and community youth centers. Under a new program, almost 2,000 students between 16 and 20 years of age were employed during the vacation period on local beautification projects to improve the appearance of roadside areas, beach fronts and parks. Equipment, supplies and supervision were furnished by localities, while wages were paid by the State. The State administers on-the-job training programs and screens applicants for the federal Job Corps.

Nearly 550,000 children and their parents or guardians benefit from federal-State programs for dependent children and make up almost 70 per cent of all persons in public assistance programs. State aid is also given to localities for the cost of children placed with foster parents. The State administers training schools and group residences which rehabilitate about 2,300 boys and girls committed by family courts as delinquents or in need of supervision, and approximately 6,200 children receive parole services. The State also enforces standards for public and private child-care institutions.

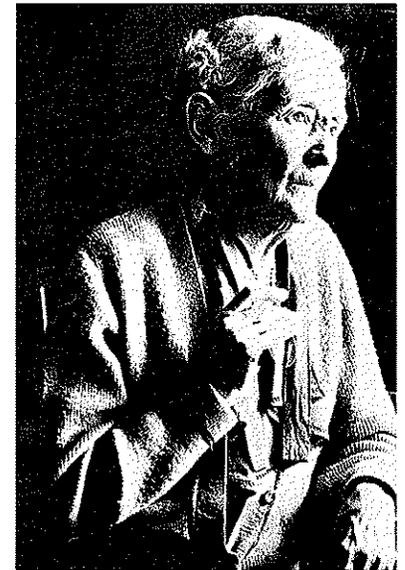
Programs for the Aged About 57,000 persons receive old age assistance and 37,000 receive medical assistance for the aged. Federal aid of \$121 million and State aid of \$52 million help localities finance these programs. In addition, State aid is given to local governments for the cost of care for needy older citizens in public homes and private institutions. Local caseworkers provide a variety of services to

the elderly, such as assistance in obtaining safe housing, nutritional guidance and institutional care. The State inspects and supervises homes for the aged, nursing homes and other facilities, and furnishes advice and training for their staffs.

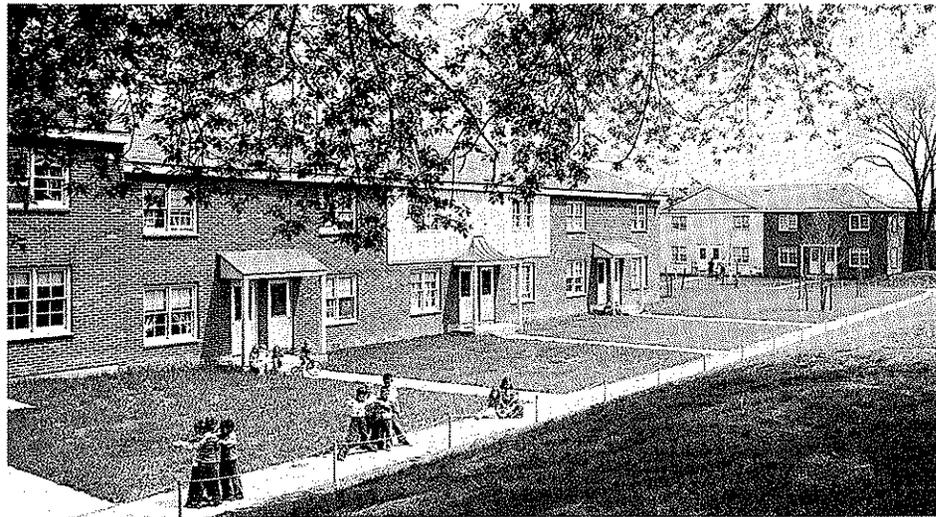
This year a permanent Office for the Aging was established in the Executive Department. This office will sponsor and promote programs of assistance to the aging, stimulate community interest in their problems, and cooperate with local governments and organizations in meeting the needs of the elderly. Through public education and enforcement of anti-discrimination laws, the State combats discrimination

in employment because of age. Special counseling and vocational services are provided older workers. Community recreational and educational programs for the elderly receive financial assistance from the State. In addition, under the State's varied housing programs, a number of efficiency apartments are specially designed for the convenience of older tenants.

Housing and Related Programs New York has pioneered in developing housing and community renewal programs in which public action has spurred private initiative and investment, and in which State government has been an active partner with local governments and the private sector. Since its beginning New York State's low-income housing program has provided over 65,000 low-rent housing apartments, an investment of \$1 billion. Because funds for low-rent housing are nearly exhausted, however, the Legislature authorized \$200 million of housing bonds, subject to approval of the voters in the 1965 general election, to enable additional families to move out of slums into decent housing at rents they can afford. Voters will also decide whether to increase maximum annual low-rent housing subsidies. An additional \$5 million was appropriated to continue an



State programs help the aged to enjoy retirement in dignity



State housing programs give children a chance to grow up in decent homes

imaginative program of aiding low-income families to rent apartments in middle-income, privately owned housing projects.

The State Housing Finance Agency funds from private enterprise to middle-income housing projects sponsored by limited dividend real estate corporations, nonprofit institutions, labor unions and church groups. At no expense to State taxpayers, more than 44,000 apartments have been approved for mortgage loans totaling almost \$725 million since creation of this agency in 1960. The Legislature this year increased the middle-income housing borrowing power of this agency from \$1 billion to \$1.5 billion. In addition, direct State loans amounting to \$118 million have been approved to date for construction of 6,333 middle-income apartments.

Urban renewal programs help check the spread of slums and urban deterioration. Locally initiated and locally guided, urban renewal projects receive State aid for one-half of the community's share of expenses. Contracts for 46 urban renewal projects in 30 communities have been signed since 1959, involving over \$29 million in State aid, and additional projects are planned. Public housing projects and State aid for relocation of tenants minimize possible hardship and help assure slum dwellers — often the poor, the sick and the aged — that urban revitalization will not be made at their expense. Under new legislation, New York City will be reimbursed for 50 per cent of housing inspection costs.

GENERAL GOVERNMENT

*state-wide
structural
& financial*

*coordinates of
intergovernmental
operations*

THE COURTS, LEGISLATURE, GOVERNOR'S OFFICE and other agencies furnish general services to the State's residents, employees and municipalities and represent 5 per cent of the State budget. The internal management activities of State government include preparation and execution of the State budget, collection of revenues, supervision of the State's legal affairs, development of personnel policies, auditing of accounts, long-range planning, and central purchasing and control of State supplies, equipment, property and buildings. Protection against consumer frauds, maintenance of election and other public records, counseling of local officials, auditing of municipal finances, and establishment of equalization rates to help assure fair assessment and taxation of real property are among direct State services to municipalities and the public.

General Assistance to Localities The State's general purpose aid to local governments was modified and expanded this year from \$99 million to \$198 million. (For presentation in this booklet, per capita aid is apportioned among the major programs on the same basis as localities make payments in these major categories.) Per capita aid will be given to counties for the first time, and a new payment is provided for town areas outside villages. The increased per capita rates for cities, towns and villages vary, depending on average full value of taxable real property per capita and, in the case of counties, on personal income per capita as well. This will provide larger aid to jurisdictions least able to meet their needs from local resources. The State also is providing greater technical assistance to local governments. The Office for Local Government, for example, has established a data bank of information for local research and planning purposes.

South Mall Development in Albany The State, Albany County and the City of Albany have signed an agreement for lease-purchase financing of the South Mall complex of State buildings in Albany and, as an initial step, \$45 million of short-term notes were issued by the county. This facility, when completed in 1970, will consolidate State offices scattered throughout the city, making possible ease of access by the public and better communications within the city and with the rest of the State for all government agencies.

Government Efficiency A continuing statewide management improvement program seeks to insure the taxpayer a dollar's worth of service for every dollar spent. New York State government services to the public have greatly improved in recent years through reorganizations, program changes, centralization of operations, accelerated use of electronic data processing systems, elimination of unnecessary forms and facilities and improved purchasing practices. The Interdepartmental Management Improvement Council has achieved numerous administrative gains and has now initiated a review of overlapping agency responsibilities in regulation, auditing and inspection. A central computer has been installed to serve several departments and the Legislature, obviating the need for less efficiently used small computers in individual agencies.

State Employees Carrying out all programs of the Executive Branch of State government requires approximately 123,000 full-time employees. Of this total, the largest group, or 35 per cent, is employed in the State's mental health program, including many attendants, nurses, therapists, psychiatrists, doctors and specialists. These, along with teachers and others in the State University, engineers and technicians handling public works construction, and officers and others in State correctional institutions, comprise 63 per cent of such employees. New York State's ability to provide the high standards of service the public has a right to expect depends on the quality of work performed by these employees. Salary increases and improved employee benefits in recent years have enabled the State to recruit better qualified workers. To continue New York's progress in making State employment more attractive and heightening the quality of its programs, legislation was enacted this year to:

- . . . Place the State retirement system on a noncontributory basis for all State employees, thereby making it comparable to many private pension plans.
- . . . Improve vested retirement benefits by reducing from 15 to 10 years the minimum period of State service required.
- . . . Pay an additional portion of health insurance premiums for retiring employees based on their accumulated sick leave.
- . . . Liberalize the ordinary disability benefit.
- . . . Protect most noncompetitive State employees against arbitrary removal after five years' service, effective March 30, 1967.

PUBLIC SAFETY

THE ENFORCEMENT of laws, preservation of public order, and protection of life and property from criminal acts, from natural dangers such as floods, drought, fire or other disasters, and from enemy attack are basic responsibilities of government involving 4 per cent of the State budget.

Crime Prevention and Detection The problems of law enforcement have become increasingly difficult as major crimes continue to rise nationally at a rate six times the growth in population. Law enforcement and other aspects of administration of criminal justice cost the State and its localities about \$665 million a year.

The State is improving its laws and techniques for controlling crime. The State's 84-year-old Penal Law was substantially revised in 1965 in line with present judicial and social concepts. The new law, to take effect September 1, 1967, reorganizes and modernizes penal provisions, and establishes a new system of sentencing to provide for both rehabilitation of offenders and protection of society. The New York State Identification and Intelligence System was made a permanent State agency, with funds to intensify the research and planning needed to set up a central pool of data for all agencies concerned with law enforcement and criminal justice. Other important public safety actions in 1965 were measures to: create a Division of Police Administration Services in the Office for Local Government to offer administrative advice to local police agencies; establish standard age, education, physical and character qualifications for local police officers; and extend duration of the State Commission of Investigation for two years.

The State Police maintains laboratory and communication facilities for crime prevention and detection, conducts criminal investigations and provides assistance to local officials. This agency has been strengthened in recent years through a major reorganization, increases in personnel, introduction of more efficient procedures, better training and a shorter workweek. The 1965-66 budget makes funds available for a modern statewide communication network, as well as for construction of a new troop headquarters building near Canandaigua to provide more adequate coverage for the western part of the State.

Correction, Parole and Probation The State operates 22 correctional institutions, ranging from minimum-security conservation work camps to maximum-security prisons, housing 20,150 persons this year. Units to house 400 additional inmates at Attica and Green Haven are under construction. In the rehabilitative process, correctional authorities are placing greater emphasis on education geared to the needs of individual inmates. Basic literacy and occupational training to prepare the inmate for successful readjustment are stressed and more teachers have been approved. Expenditures for State correctional institutions will total \$60 million in 1965-66.

Parole and probation often contribute more to rehabilitation of an offender than does a long period of imprisonment. The annual cost of confining a prisoner, apart from construction, is more than \$2,800, while the average cost of supervising a parolee after release from prison is less than \$500, and supervising a person on probation costs about \$400. More than 15,000 persons are supervised by the State Board of Parole and about 41,000 persons, excluding certain civil cases, by local probation officers during a year.

This year State aid for one-half of the costs of local probation services was expanded to cover more than 700 probation officer positions existing prior to 1955 which previously were ineligible for assistance, at an additional cost of \$4 million annually. Funds are also budgeted to permit more intensive parole services for narcotic parolees, who make up nearly 30 per cent of all male parolees. Total costs of the State's parole and probation programs, including State aid, will be \$13 million for 1965-66.

Civil and Military Defense The Civil Defense Commission and the Division of Military and Naval Affairs are responsible for coordinating State preparations for a possible enemy attack, riot, or natural disaster. The 1965-66 budget provides \$4 million for civil defense and \$8 million for military activities. The commission is prepared to carry out a comprehensive State plan for civil defense, utilizing the services, resources, materials and facilities of other State agencies. The commission's district offices provide training and technical assistance to local civil defense units, and the 1965-66 budget enables it to establish two new offices to improve coverage. The Division of Military and Naval Affairs maintains, houses and trains the State's military forces—the Army National Guard, Air National Guard, Naval Militia and the State Guard. It also operates gunnery ranges, training installations for military and police units, and arsenal supply depots.

SERVICES to AGRICULTURE, BUSINESS and LABOR



Services to Business A healthy business climate is essential to all the State's residents. State government actions to stimulate business activity have helped New York to achieve record high levels of production, sales, employment and income in recent years, and have made the State a leader in attracting new or expanded manufacturing, research and other business facilities. The State promotes the sale of New York products from Western Europe to the Far East. New York Job Development Authority loans have helped many businesses to get started or grow. The tourist business in New York is encouraged by vigorous promotional campaigns.

Atomic and Space Development Authority The State is aiding the development of an extensive atomic energy industry in New York: the world's first nuclear sea water desalination plant is one of the exciting projects now under way, and the nation's first commercial nuclear fuel reprocessing plant will be in operation early in 1966.

Transportation The New York State Metropolitan Commuter Transportation Authority was created this year to help assure the future adequacy and improvement of commuter services in the New York metropolitan area. The new authority was granted \$5 million for its corporate purposes and an additional \$5 million for its debt service reserve fund. It will purchase the Long Island Railroad, for which the State's 1965-66 budget advances \$65 million. The State also appropriated \$5 million as its share in a joint venture with Connecticut and the federal government to purchase and lease to the New Haven Railroad 80 new air-conditioned commuter cars at a nominal charge.

The State budget for 1965-66 includes \$750,000 as New York's share of a \$4.5 million demonstration project in cooperation with Connecticut and the federal government which will insure continuation of the New Haven's commuter services for 18 months. The budget also provides \$9 million for aid to communities for property tax relief to railroads. New York, in cooperation with New Jersey and Connecticut, has formed the Tri-State Transportation Commission to provide a regional approach to all forms of transportation in the New York metropolitan area.

State Regulation and Licensing State regulation of financial activities, public utilities, horse racing and other sports, and the alcoholic beverage industry protects consumers and legitimate business competition. In the public interest, the State also licenses certain professions and occupations. Anti-loan-shark laws enacted in 1965 will help end the vicious abuses characterizing this type of lending.

State Council on the Arts The cultural life of New York has been enhanced by the pioneering State Council on the Arts. The council, which has helped illuminate community life throughout the State, was made a permanent State agency in 1965. The new Saratoga Performing Arts Center, aided by State funds, becomes the summer home of the Philadelphia Orchestra and New York City Ballet in 1966.

Labor and Human Rights To aid workers who are unemployed or disabled, the State administers unemployment insurance, workmen's compensation and disability benefits. The maximum benefit under each of these worker-protection programs was increased by \$5 per week this year, bringing total benefits in line with a more realistic evaluation of today's cost of living. The State Employment Service has been particularly successful in placing older workers, the unskilled, the partially disabled, and others with special employment problems. New York also is a leader in the Manpower Development Training Program; more than 10,400 unemployed and underemployed persons have completed courses giving them job skills needed by industry. In addition, New York's rehabilitation services now return more disabled workers to job usefulness than any other state.

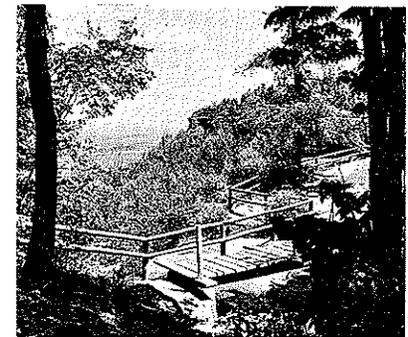
The State provides arbitration and mediation services, protects workers against unfair labor practices, enforces industrial health and safety and wage and hour laws, and supervises apprentice training programs. This year collective bargaining rights were extended to workers at all nonprofit hospitals and a resolution was passed requesting Congress to increase the federal minimum wage to \$1.50 an hour.

New York's extensive anti-discrimination program was further strengthened this year. The State Commission for Human Rights was given the power to initiate complaints and obtain preliminary injunctions, and its jurisdiction was broadened. Part of its expanded staff will provide more State assistance to local efforts in eradicating discrimination. New legislation assures women equal pay for equal work and prohibits an employer from discriminating in hiring, firing or conditions of employment because of a worker's sex.

Agriculture State agricultural activities aid farmers and protect consumers. Daily reports of market prices and other marketing information are provided, and studies are made to help improve crop yields. Assistance is given to growers and packers in organizing market facilities and cooperatives. Continued emphasis will be given this year to bloodtesting of cattle to control brucellosis, and tuberculosis testing will be accelerated. The State inspects and grades farm products, helps fight insects and plant diseases, enforces pure food and labeling laws, licenses milk dealers, inspects slaughterhouses and promotes the State's agricultural economy. With technical assistance from the State College of Agriculture, a revival of the once-abandoned sugar beet industry is now under way in central New York.

NATURAL RESOURCES and RECREATION

Parks and Recreation New York State has undertaken a long-range program to assure adequate outdoor recreation facilities for a growing population. Under the \$100 million Park and Recreation Land Acquisition Act of 1960, more than 361,000 acres have been purchased or reserved by the State and municipalities, with the State providing 75 per cent of the cost of local acquisitions. A 10-year development program was passed by the Legislature this year which would match \$200 million in self-liquidating bond funds with another \$200 million in State, local and federal funds primarily to develop, but also to further acquire, State and local parks, marine facilities, historic sites and forest recreation areas. This program is subject to approval by the voters in 1966.



A further example of the State's vision of future needs and resources is the creation of a 350-mile-long Hudson River Valley Scenic and Historic Corridor linking the more than 2.6 million-acre Adirondack and Catskill Forest Preserves with New York City. Plans will be developed to protect and preserve the Hudson River valley for present and future public use and enjoyment.

Projects for the coming year include construction of an anchorage for recreational craft in Little Neck Bay and development of campsites, boat launching sites and forest recreation facilities throughout the State.

Conservation, Fish and Wildlife To help the people make better recreational use of their natural resources, the State operates 6 game farms and 19 fish hatcheries for the benefit of hunters and fishermen and maintains wildlife refuges and game management areas. Research on wildlife habits and diseases, a hunter safety training program, rabies control and various public information programs help New Yorkers enjoy woods, fields and streams.

To protect our existing woodlands and encourage reforestation, the State provides forest fire control services for 21 million acres of State and private forests, supervises pest control in many areas, and provides technical advice on approved forest practices to many land owners. In addition, State aid is given counties for reforestation, and State tree nurseries will distribute 22 million young trees this year.

Water Resources and Waterways New York State is fortunate in having an abundant supply of water. Rapid development of heavily populated urban areas and industrial concentrations, however, has resulted in increased demands upon that supply. In addition to controlling erosion, floods and drainage, the State is preparing for future water needs by planning and development projects on interstate, State and local levels. In 1965-66, additional county small watershed protection districts and regional planning and development boards will be set up, studies made of the Genesee and Susquehanna river basins, and support given to the Delaware River Basin Commission. Essential to conserving the State's water resources is the new pollution control program discussed on page 17.

About 379,000 motorized boats are registered by the State. Registration fees help finance marine safety programs and reimbursement of up to 50 per cent of expenses to counties enforcing the navigation law. Improvement and maintenance of the extensive New York State Barge Canal system continues.

APPENDIX

Table 1 — State Financial Operations

General Fund, War Bonus and Mental Health
Bond Account, and Highway Account

(millions of dollars)

	1964-65 Actual	1965-66 Estimated	Change
Income			
Current revenues	2,904	3,251	+ 347
Bond funds		225	+ 225
Total income	<u>2,904</u>	<u>3,476</u>	<u>+ 572</u>
Expenditures			
Local assistance	1,678	2,047	+ 369
State operations			
State Purposes Fund	933	1,065	+ 132
War Bonus and Mental Health Bond Account	^a	^a	.....
Subtotal	<u>933</u>	<u>1,065</u>	<u>+ 132</u>
Capital construction			
Capital Construction Fund	248	330	+ 82
Debt service on bonded debt			
State Purposes Fund	15	4	- 11
War Bonus and Mental Health Bond Account	13	15	+ 2
Highway Account	7	15	+ 8
Subtotal	<u>35</u>	<u>34</u>	<u>- 1</u>
Total expenditures	<u>2,894</u>	<u>3,476</u>	<u>+ 582</u>
Surplus	10	.....	- 10
Net first instance advances reimbursable from the federal government, public authorities and localities, temporarily financed from capital reserves	<u>(14)^b</u>	<u>58</u>	<u>- 72</u>

^a Less than \$0.5 million.

^b Repayments were \$14 million more than advances.

Table 2—State Current Revenue

(millions of dollars)

	1964-65 Actual	1965-66 Estimated	Change
Personal income tax	1,132	1,205	+ 73
User taxes and fees	666	1,139	+473
Sales tax		300	+300
Motor fuel tax	251	266	+ 15
Cigarette tax	127	230	+103
Motor vehicle fees	143	191	+ 48
Alcoholic beverage tax	63	66	+ 3
Alcoholic beverage control licenses	63	66	+ 3
Highway use tax	19	20	+ 1
Business taxes	696	546	-150
Corporation franchise tax (Article 9A)	404	285	-119
Corporation and utility taxes (Article 9)	154	161	+ 7
Bank tax	64	47	- 17
Unincorporated business tax	60	38	- 22
Insurance premium tax	14	15	+ 1
Taxes on other activities	326	289	- 37
Pari-mutuel tax	136	146	+ 10
Estate tax	106	115	+ 9
Stock transfer tax	81	24	- 57
Other taxes	3	4	+ 1
Miscellaneous receipts	84	72	- 12
Total current revenue*	<u>2,904</u>	<u>3,251</u>	<u>+347</u>
* Total current revenue is divided among the funds as follows:			
General Fund	2,670	3,007	+337
War Bonus and Mental Health Bond Account			
Personal income tax	126	134	+ 8
Cigarette tax	26	23	- 3
Highway Account			
Motor fuel tax	82	87	+ 5
Total current revenue	<u>2,904</u>	<u>3,251</u>	<u>+347</u>

Table 3—Local Assistance Fund Appropriations

Agency or Purpose	1964-65	1965-66 ^a
Education, total	\$1,124,793,653	\$1,262,493,134
Education Department	1,070,164,300	1,188,993,134
Support of public schools	1,046,839,300	1,167,129,134
School lunch program	12,500,000	11,000,000
Library aid	10,200,000	10,200,000
Recreation for the elderly	425,000	464,000
Physically handicapped children	200,000	200,000
State University	54,629,353	73,500,000
City University of New York	30,918,000	36,800,000
City University—doctoral programs	1,000,000	3,200,000
Community colleges, incl. N.Y.C.	22,711,353	33,500,000
Social Welfare, total	263,949,370	321,914,499
Public assistance and care	219,479,000	273,156,000
Medical assistance for the aged	34,553,000	38,249,000
Care of juvenile delinquents	5,350,000	4,980,000
Administration of local assistance	4,567,370	5,529,499
Taxation and Finance, total	171,800,282	290,410,942
Per capita aid	98,900,282	197,810,942
Counties' share of motor fuel taxes	28,000,000	53,000,000
Counties' share of motor vehicle fees	35,500,000	30,500,000
Railroad tax relief	9,400,000	9,100,000
Health, total	44,760,000	63,014,000
General public health work	28,128,000	32,600,000
Sewage treatment works	1,500,000	13,000,000
Physically handicapped children	7,500,000	8,000,000
Tuberculosis care	5,000,000	4,100,000
Laboratories and blood banks	1,600,000	1,810,000
Nursing home construction		1,100,000
Water supply studies	250,000	1,000,000
Care of adults with poliomyelitis	45,000	45,000
Administration of local assistance	737,000	1,359,000
Housing, total	33,072,743	39,783,828
Housing subsidies	24,283,281	27,770,949
Urban renewal grants	5,000,000	8,000,000
Urban renewal subsidies	812,040	792,240
Administration of local assistance	2,977,422	3,220,639
Mental Hygiene	18,806,783	23,834,667
Public Works, total	14,891,682	13,958,236
Town highways	12,456,000	11,676,247
County highways	2,266,264	2,103,806
Administration of local assistance	169,418	178,183
Correction—probation services	3,325,318	8,244,578
N.Y.C. Rent and Rehabilitation Admin.	7,428,000	7,336,000
Youth, Division for	3,801,922	5,896,642
Housing Finance Agency—low-rent leases ..	1,000,000	5,000,000
Judiciary—justices' salaries	3,240,000	3,403,334
Veterans' Affairs—service agencies	489,000	487,100
Conservation—water resources, watershed protection, reforestation, rabies control....	287,713	336,125
Commerce—urban planning	370,000	318,843
General Services, Office of—surplus commodities	74,005	76,572
Debt service	5,180,000	
Miscellaneous	415,379	222,317
Total	<u>\$1,697,685,850</u>	<u>\$2,046,730,817</u>

^a Excludes allowance for possible deficiency appropriations.

Table 4—State Purposes Fund Appropriations

Agency or Purpose	1964-65	1965-66 ^a
Mental Hygiene, Department of	\$ 231,727,569 ^b	\$ 261,955,985 ^b
State University	124,420,659 ^b	149,945,895 ^b
Education Department	79,526,761	98,355,767
Executive Department, total	65,948,065	73,602,077
Alcoholic Beverage Control, Division of	4,393,774	4,555,630
Atomic and Space Development, Office of	291,250	290,780
Budget, Division of the	2,244,580	2,148,445
Civil Defense Commission	2,337,212	2,758,041
Executive Chamber	2,367,208	3,052,558
Economic Opportunity, Office of	12,000	50,000
General Services, Office of	9,524,897	10,481,701
Human Rights, Commission for	1,693,010	1,876,875
Local Government, Office for	3,093,541	3,395,811
Military and Naval Affairs, Division of ..	7,190,515	7,087,441
Parole, Division of	5,662,543	6,077,843
State Police, Division of	22,637,085	25,021,162
State Identification and Intelligence System		1,250,000
State Recreation Council		33,345
Transportation, Office of	345,423	404,741
Veterans' Affairs, Division of	1,397,350	1,463,251
Youth, Division for	2,757,677	3,654,453
Public Works, Department of	66,211,850	66,342,343
Correction, Department of	54,255,615	56,996,352
Taxation and Finance, Department of	32,002,650	40,309,560
Health, Department of	27,402,519	29,684,372
Conservation Department	24,075,135	25,970,863
Social Welfare, Department of	16,879,848	18,683,195
Motor Vehicles, Department of	13,490,047	17,904,669
Labor, Department of	11,642,958	12,422,578
Judiciary	10,650,218	11,681,915
Legislature	12,190,563	11,576,551
Audit and Control, Department of	7,351,161	8,194,414
Agriculture and Markets, Department of	7,187,079	7,484,540
Law, Department of	6,280,803	7,021,473
State, Department of	5,913,148	6,088,782
Commerce, Department of	4,820,273	5,517,335
Civil Service, Department of	4,517,715	4,886,286
Public Service, Department of	4,385,177	4,577,833
Insurance Department	481,166	558,705
Banking Department	255,814	259,530
Other State agencies and commissions	14,705,110	16,908,925
All agencies—salary adjustments	11,600,000	400,000
General State charges		
Pension administration, contributions	75,300,330	82,729,665
Social security admin., contributions	15,751,110	15,765,200
Health and compensation insurance	11,689,230	12,214,672
Taxes on public lands, judgments, etc.	10,717,929	11,881,429
Unemployment insurance	1,651,434	1,500,500
Total current operations	\$ 953,031,936	\$1,061,421,411
Debt service	14,650,276	4,467,836
Grand total	\$ 967,682,212	\$1,065,889,247

^a Excludes allowance for possible deficiency appropriations.

^b Excludes amounts financed by the Mental Hygiene Services Fund and the State University Income Fund.

Table 5—Capital Construction Fund Appropriations

Agency or Purpose	Prior Appropriations in Force April 1, 1965	New Appropriations 1965-66	Total Appropriations Available 1965-66
Public Works, Dept. of, total	\$ 345,642,115	\$ 451,453,843	\$ 797,095,958
Highways	241,004,235	189,900,000	430,904,235
Accelerated highway construction		176,700,000	176,700,000
Grade crossing elimination ..	51,840,273	12,900,000	64,740,273
Parkways—State	14,590,649	14,000,000	28,590,649
Taconic State Parkway	22,930,234		22,930,234
Accelerated parkway construction		10,000,000	10,000,000
Canals	2,056,915	1,900,000	3,956,915
Flood control	2,623,520	922,000	3,545,520
Shore protection	2,042,109		2,042,109
Capital City improvements ..	545,220	68,400	613,620
Buildings and grounds	1,342,598		1,342,598
District offices and shops	724,343	1,982,500	2,706,843
Acquisition of property	353,407		353,407
Dag Hammarskjold memorial	100,000		100,000
Rehabilitation and improvements	78,491		78,491
Services and expenses	5,410,121	43,080,943	48,491,064
Executive Department, total	112,832,515	20,924,636	133,757,151
Civil Defense Commission	98,406,808		98,406,808
General Services, Office of	5,559,118	16,808,636 ^a	22,367,754
Transportation, Office of	5,000,000		5,000,000
Military and Naval Affairs, Division of	2,818,860	1,665,000	4,483,860
Youth, Division for	440,515	1,175,000	1,615,515
Atomic and Space Development, Office of	490,218		490,218
State Police, Division of	116,996	1,276,000	1,392,996
Mental Hygiene, Department of	128,792		128,792
Mental Hygiene Facilities Improvement Fund	4,000,000	93,669,000	97,669,000
Conservation Department	4,852,169	14,998,508	19,850,677
Correction, Department of	9,292,893	9,893,000	19,185,893
Social Welfare, Department of ..	7,443,818	2,977,000	10,420,818
Metropolitan Trans. Authority ..		10,000,000	10,000,000
Education, total	5,943,356	832,500	6,775,856
Education Department	692,989	832,500	1,525,489
State University	5,250,367		5,250,367
Health, Department of	4,869,115	1,411,000	6,280,115
Law, Department of	27,077	2,313,146	2,340,223
Public Service, Department of ..	1,913,469		1,913,469
Other agencies	409,134	208,162	617,296
All agencies, unapportioned ^b	3,268,069	6,864,000	10,132,069
Grand total	\$ 500,622,522	\$ 615,544,795	\$1,116,167,317

^a Includes \$6,000,000 later transferred to C.C.F. First Instance.

^b Includes amounts for rehabilitation and improvement; supplements for construction, land, and salaries; building access ramps for the physically handicapped; and general State charges.

Table 6—Functional Classification of Estimated Expenditures, 1965-66

(millions of dollars)

	Regular Budget Funds ^a	Federal Funds	Other Funds	Total
Education	1,553	193	228	1,974
Social Welfare	437	333	1	771
Highways and Highway Safety	537	181	17	735
Health and Mental Health	471	19	45	535
Services to Agriculture, Business and Labor	83	86	140	309
General Government	182	.....	8	190
Public Safety	140	6	1	147
Natural Resources and Recreation	57	13	29	99
Nonallocated General Costs	16	.....	.....	16
Total	3,476	831	469	4,776

^a General Fund, War Bonus and Mental Health Bond Account and Highway Account.

**Table 7—Net Outstanding State Debt^a
March 31, 1965**

(millions of dollars)

	Long Term	Temporary	Total
Tax-financed			
Mental health construction	94	....	94
Highway construction	66	b	66
Grade crossing elimination	63	....	63
Higher education construction	29	....	29
State institution buildings	2	....	2
Parks and forest preserve	3	....	3
Canals	1	....	1
General State improvements	1	....	1
Total tax-financed	259	b	259
Other			
Housing and urban renewal ^c	671	52	723
Park and recreation land acquisition ^d	74	....	74
Grade crossing elimination ^e	32	....	32
Total other	777	52	829

^a Exclusive of State-guaranteed debt of the New York State Thruway Authority, Port of New York Authority and Job Development Authority, which is not financed from State revenue.

^b Less than one-half million dollars.

^c Debt service is paid by municipal housing authorities and limited profit housing corporations to whom loans were made.

^d Debt service is financed by park user fees.

^e Debt service is paid by assessments on railroad companies.

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