
News from STATE SENATOR
Liz Krueger



**COMMUNITY
BULLETIN**

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Message from Liz . . .

Between March 31st and April 3rd, the Senate passed the nine bills that make up the State Budget. Debate was spirited, even rancorous, and while I don't think any members were entirely happy with the results, I do believe that the budget we passed was an appropriate response to the deep fiscal crisis our State faces. We made the difficult choices we needed to make, and at the same time protected vital programs and advanced long-delayed policy goals that will make New York a more livable state in the future.

The final budget included significant restorations to healthcare and maintained state support for education. I was also pleased that this budget recognized the impacts of the economic crisis on those most in need by protecting SSI benefits for the elderly and disabled poor and unemployment benefits for New Yorkers who have lost their jobs. Further taking advantage of Federal stimulus funds we were able to increase Food Stamp and public assistance benefits, a win-win which maximizes federal dollars in our local economy.

One of the hard choices we were forced to make was to increase taxes on the top 5% of earners in New York State; a temporary surcharge on families making over \$300,000 a year (after tax income). The vast majority of economists who reviewed our options agreed that while raising taxes during an economic downturn is not optimal, dramatically reducing spending is even worse, as it takes needed money out of the economy and undermines the ability of government to provide basic services. Politicians always try to avoid cutting programs and raising taxes. This year I voted to do both, and believe that given our options, these were the right decisions.

Some good news in the budget was we finally addressed two long-stalled issues that I have worked to pass through my tenure in the Senate—expansion of the Bottle Bill and reform of the draconian Rockefeller Drug Laws. I believe that achieving these changes in our first 90 days in the majority is a sign that we do have the ability to bring about substantial change to the way New York State addresses critical policy issues. (See the “Policy Spotlight” for more in-depth discussions of these reforms).

Last fall, the voters of New York State did something that has not been done in 43 years – they handed control of the State Senate to the Democrats. New Yorkers made a decision that the Senate Democrats deserved an opportunity to lead in the State Senate. They decided to end the partisan rancor and bickering that became the status quo for decades, and tasked us with addressing the needs of the working people of New York State.

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At a time when our State and nation desperately needs its elected officials to work together, the other party has offered little support for our efforts. The budget offers a choice between the party which is looking not to follow the political winds, but to instead work to lead us to better economic times. Disagreement is an important part of our democracy. But disagreeing without offering an alternative vision that recognizes the depth and complexity of the challenges facing our state and nation does not help advance a policy agenda to address those challenges.

Each day, I and my Senate Democratic colleagues are working to understand the issues – and the potential solutions. We're listening more, and talking more. We're trying to get better at building consensus. With a slim 32-30 majority, we don't have a choice.

The Senate Democratic majority is working toward a comprehensive economic recovery strategy that includes taking a hard look at our spending priorities, and making sure that we spend wisely on education, health care, technology and energy. We are also committed to addressing the MTA's fiscal problems, reducing the property tax burden and the cost of operating local governments.

We have shown the ability to make the Senate, as an institution, function. We continue to work to make it function better. While the budget process may not have been perfect this year, it will be better next year.

We are planning regional budget hearings around the state for the end of the year – central, western and northern New York, Long Island, the Hudson Valley and New York City. We need to hear less from Albany insiders, and more from the people we serve.

We have made a commitment to openness and transparency in state government, including the State Senate. We are working to improve and open the Senate Committee process – where key decisions about legislation are made.

We will soon be launching a modern, interactive Senate web site that encourages the public to become a part of the law and policy making process. We are inviting the public to help us become better informed, so we can make better decisions. Help set our agenda, as well as the direction of New York State.

COMMUNITY SPOTLIGHT

Volunteer on “Hands on New York Day”, April 25th

New York Cares is looking for 5,000 volunteers to give our city's public spaces a good spring greening on the 15th Annual Hands on New York Day. Please join us as we clean and revitalize over 75 parks, gardens, playgrounds, community centers, and schools citywide and plant 20,000 trees in partnership with MillionTreesNYC.

To register, visit: www.handsonnewyorkday.org.

Track State Refund Check Status online or through Refund Hotline:

Taxpayers who expect state income tax refunds can call the Department of Taxation and Finance Refund Hotline at 1-800-443-3200, or online at: www.nystax.gov. Tax filers will need to know their social security numbers, the amount of the state refund claimed, and which New York tax forms they filed. The department's automated systems know if a tax return has been received and if it is currently being processed. If processing is complete and the refund check approved, the automated systems will tell the taxpayer when the check will be issued or deposited directly into the taxpayer's bank account.

SPOTLIGHT ON POLICY

Bottle Bill

An expanded Bottle Bill finally received the New York State Senate's approval after being bottled up for several years under the Republican controlled State Senate. In the original Bottle Bill, passed in 1982, only carbonated beverages such as soda and beer required a 5 cent deposit. The new bill will expand the original Bottle Bill to include bottled water.

Since 1982 the Bottle Bill has saved taxpayers and municipalities hundreds of millions of dollars in landfill fees and has diverted more than 6 million tons of glass, plastic, and metal from New York's waste stream. The expanded Bottle Bill promises to prevent even more bottles from clogging up New York's landfills and from becoming litter in parks, streets and coastal areas.

The original Bottle Bill has been the most effective piece of recycling legislation to date. More than 90 billion bottles have been recycled through it. Unfortunately the bill did not include water bottles which led to them being completely over represented in the waste stream. Now these bottles will finally be recycled at a more equal rate, saving New York valuable landfill space and reducing litter.

The new Bottle Bill will also require 80 percent of unclaimed deposits to go into the Environmental Protection Fund. This will generate an estimated \$115 million a year in additional funding. Previously all unclaimed deposits were kept by the beverage industry.

Closing this loophole that has allowed the beverage industry to collect windfall profits totaling more than a billion dollars since the initial Bottle Bill was passed is a major victory for the environmental community. While the bill passed is not exactly the same as the Bigger Better Bottle Bill that Governor David Paterson proposed in his 2009-10 Executive Budget—which would have established a nickel deposit for water and most other non-carbonated beverages, such as sports drinks and iced tea—the expanded version of the law is still a big win for New York.

A review of testimony from a March 4 public hearing held by the Senate Standing Committee on Environmental Conservation on the Bigger Better Bottle Bill found that many of the beverage industry's complaints about Governor Paterson's proposal do not apply to the extended version of the Bottle Bill passed by the Senate. Below are some of the complaints voiced at the public hearing in Albany that no longer hold water:

SANITATION

The beverage industry claimed expansion of the Bottle Bill to include non-carbonated drinks would result in unsanitary conditions in retail stores.

Complaint: "A growing number of our stores are selling food, prepared food, pizza, sandwiches and so forth. The last thing you need anywhere near a food prep table is additional mounds of empty, un-rinsed bottles and cans." (James Calvin, president of the New York Association of Convenience Stores)

Fact: Water is not a sanitation problem, especially bottled water. The U.S. Food and Drug Administration's standards for bottled water are on par with the standards set by the U.S. Environmental Protection Agency for public water systems. Federal law requires water to be packaged in sealed, sanitary containers.

PRICING

The beverage industry claimed enactment of the expanded Bottle Bill would result in a 15-cent increase per container or \$3.60 increase per 24-unit case.

Complaint: "In terms of consumers, we've estimated expansion of the Bottle Bill to include bottled water could raise the price of a case of water ... anywhere from 30 to 50 percent ... because of the nickel, because of the handling fee and additional costs that bottlers must take on in terms of complying with the Bottle Bill." (Daniel Felton, Director of Government Relations for the International Bottle Water Association)

Fact: There already is a huge markup on bottled water prices. Bottled water costs as much as \$10 per gallon whereas tap water costs less than one cent per gallon. According to the National Resource Defense Council, 25 percent of bottled water comes from public water sources. For example, in the Albany suburb of Latham, PepsiCo's Aquafina bottled water comes from municipal supplies. In New York, communities spend \$2 billion annually to provide clean and safe public drinking water.

Fact: The expanded Bottle Bill explicitly calls for a nickel deposit for bottled water containers. There is also a 1.5-cent increase to the handling fee bottler or distributors pays to retailers or redemption centers, bringing that fee total to 3.5 cents per each redeemed container. The 8.5-cent combined cost of the redeemable nickel and handling fee falls short of the 15-cent-per-container increase the beverage industry has warned would follow the enactment of an expanded Bottle Bill. Inclusion of bottled water into the Bottle Bill will result in changes to container labeling and inventorying plus the handling and distribution systems, but the Container Recycling Institute doubts the costs from those alterations will equal the 6.5-cent difference between the threatened 15-cent price hike and 8.5-cent law-imposed expenses.

RESALE VALUE

The beverage industry claimed local government would be hurt by the expanded Bottle Bill because it would steer valuable plastic materials away from municipal recycling centers.

Complaint: "[T]his proposal will, in fact, take valuable post-consumer materials out of municipal recycling programs and divert those materials to store-base recycling ... In short, this bill will reduce the average per-ton recovery value of the municipal recycling stream" (Marcus Ferguson, counsel for the Business Council of New York State)

Fact: Recycled cans and bottles are more of a financial burden than an asset for many municipalities, particularly those that participate with private material recycling facilities. It can cost municipalities anywhere from \$40 to \$75 per ton to get rid of bottles and cans, according to the New York State Association for Reduction, Reuse, Recycling, Inc.

Since the original Bottle Bill took effect in 1982, over 90 billion containers have been recycled in New York State. The law is responsible for reducing beverage container litter by 70 percent and creating about 5,000 jobs to support the recycling program. Under the expanded Bottle Bill, deposit initiators will transfer 80 percent of the unclaimed deposits to the New York State Environmental Protection Fund, which supports various open spaces, parks, farmland protection, recycling and other environmental programs. Since the law began in 1982, the beverage industry has kept those unclaimed nickels, accumulating over \$1.5 billion of them. Maine, Massachusetts, Michigan, California and Hawaii likewise collect unclaimed deposits. Assuming a 68 percent redemption rate, the Container Recycling Institute estimates 2.18 billion containers of bottled water could be recycled annually in New York.

The expanded Bottle Bill takes effect June 1.

Rockefeller Drug Law Reform

Passed in 1973, the Rockefeller Drug Laws are a one-size-fits-all punitive approach that has failed to allow for the rehabilitation of non-violent addicted offenders and wasted billions of dollars. As a result, the rate of recidivism is approximately 60 percent, unnecessarily costing taxpayers millions of dollars every year instead of ending the cycle of addiction and helping people return to society as functioning, contributing citizens.

The United States has only 5% of the world's population, but houses 25% of the world's prisoners—more than 2.4 million individuals are incarcerated across the US. The Rockefeller Drug Laws are just another example of a failed national pattern of under treating and over incarcerating. By expanding the ability of judges to sentence drug-addicted individuals convicted of non-violent drug crimes to treatment, New York State is sending a message that there is a better way.

Highlights of these reforms:

- Judges will have the power to order non-violent drug offenders into drug treatment as an alternative to prison, utilizing highly effective drug courts to monitor treatment progress.
- The creation of a new class B felony offense for the sale of drugs to a person under age 17, with a minimum two-year mandatory minimum State prison sentence.
- The creation of a new class A-I felony targeted at drug kingpins and drug gangs. This change will require mandatory sentence of up to 25 years to life.
- New investments in drug courts and expanded drug treatment.

These reforms will save New York hundreds of millions of dollars. Right now there are approximately 12,000 non-violent drug offenders in prison, costing at least \$45,000 a year to house each non-violent drug offender. In contrast, one year in a residential drug treatment facility costs approximately \$30,000, while outpatient treatment is just \$13,000, on average, annually.

The passage of Rockefeller Drug Law reform as part of this year's budget marks the beginning of a new era for New York's sentencing laws. Rockefeller Drug Law reform will reverse years of ineffective criminal laws, protect communities and save taxpayers millions of dollars that were wasted on the current policy. With more money going toward treatment instead of costly imprisonment, our state will finally have a smarter policy, giving families a fighting chance in the war on drugs.

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