



Bolton-St.Johns

Albany Update

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So, what is the State of the State in 2004?

On Wednesday, January 7th, Governor George Pataki gave his 10th State of the State address. Here are some of the highlights:

- **Economy:** create 1 million new private sector jobs in the next 6 years; see that big municipal construction projects are completed; form a High Tech Council.
- **Health:** improve health care for the elderly through proposed legislation that will reform Long Term Care in New York State; reduce state and local Medicaid expenses.
- **Security:** make modifications to pay for NY National Guard; pass legislation granting state and local officials increased investigatory powers in terrorism cases; create IMPACT in which 300 state troopers would be re-assigned to more needy communities upstate;
- **Education:** rework the education aid distribution formula and make more public money available for building projects and private colleges and university
- **Environment:** capitalize on the development of "clean energy" sources and continue to clean up the Hudson to commemorate the 400 year anniversary of Henry Hudson's voyage on the Half Moon.

The buzz around the Capitol and beyond....

The annual State of the State address given by the Governor is merely his ideal version of the what things look like in the State and how he envisions the upcoming session. There are no hard facts or hard numbers presented in this speech - with most of the speech focusing on past achievements. While this year's speech may have been 1 hour and 20 minutes long, it's level of detail and insight into what next week's budget submission will look like was the usual fare—minimal. Many Albany insiders (and outsiders) felt that the year's speech was especially lacking in substance and many were disappointed that the Governor failed to address in more detail two major issues facing the state -the revamping of the education aid formula and the potential \$6 billion budget deficit.

IMPORTANT REMINDER!

As the new year and the new legislative session begin, we want to remind you that there are obligations that follow expending funds in connection with entertaining public officials and their staffs, as well as restrictions on the amounts which can be expended. Many of you, over the course of the coming year will be entertaining legislators and legislative and executive branch staff at, for example—dinners, golf outings, theatrical or sports events etc. Whether or not you engage in "lobbying activities" at these events, the amounts that can be expended for these officials are limited (see the NYS Lobbying Act, available on the Lobby Commission website: www.nylobby.state.ny.us or Chapter 2 of the Laws of 1999 and most recently by Chapter 32 of the Laws of 2003). If you engage in "lobbying activities", it may trigger reporting requirements as well. If you have any questions about a contemplated expenditure or event, we strongly suggest that you resolve them in advance. You should consult with your Counsel or contact us as you plan any covered activity.