



# LINE ITEM VETO #39

“AN ACT making appropriations for the support of government; and to amend a chapter of the laws of 2006, enacting the public protection and general government budget TRANSPORTATION, ECONOMIC DEVELOPMENT AND ENVIRONMENTAL CONSERVATION BUDGET”

Bill Page 249, Line 36 through Bill Page 250 Line 5, inclusive

NOT APPROVED  
DIVISION OF HOUSING AND COMMUNITY RENEWAL

“For carrying out the provisions of article XVII of the private housing finance law’ .... 2,370,000”

The appropriation bills passed by the Legislature include numerous items that, in the aggregate, will adversely impact the State’s capacity to maintain a properly balanced budget, provide for adequate fiscal reserves and ensure manageable out-year budget gaps. Accordingly, this item is objected to and not approved.”

<http://www.budget.state.ny.us/pubs/enacted/fy0607vetoes/PPGVvetoes.pdf> - page 41)

In yet another slap in the face to New Yorkers who struggle to meet their growing housing needs and the committed and hard working not for profit housing organizations that endeavor to assist them, Governor Pataki has vetoed the restoration of funding to Rural and Neighborhood Preservation Companies. He did so while leaving the added funding for the State’s major capital programs in place.

The Governor’s veto will leave in place funding he proposed in his Executive Budget that will provide approximately \$32,500 for Rural Preservation Companies.

As recently as last fall, the same Governor told the Federal Department of Housing and Urban Development that “Not-for-profits in New York State housing are the primary providers under New York State housing programs. These organizations are responsible for both housing services and for the actual physical development of affordable housing in all parts of the State, urban, suburban, and rural. Not-for-profits not only are eligible applicants for New York State’s housing programs and most of its housing service programs, but also play a major role in leveraging funds. An extensive network of non-profit neighborhood- or community-based organizations exist that are (sic) involved directly in the production and/or management of housing.”

(Source: New York State Consolidated Plan, Federal Fiscal Years 2006-2009, published by the New York State Division of Housing and Community Renewal, George E. Pataki, Governor, page 118)

DHCR officials had no immediate comment on the budget vetoes.

State Senator John J. Bonacic (R/I/C - Mount Hope) in response to the Governor’s veto of the Rural Preservation and Neighborhood Preservation funding stated, “My colleagues and I in the Legislature must respond to the needs of the people we represent, and in a bipartisan manner, rejected the Governor’s proposed cuts to these crucial, community-based housing programs. The need for affordable housing is becoming greater each year in communities throughout New York State. Therefore, it is truly unfortunate that the Governor chose to eliminate this State funding for programs that help thousands of New Yorkers and their families find affordable quality housing.”

In a statement issued on April 13, Senate Majority Leader, Joseph Bruno said in part, “While we remain open to negotiations to address the Governor’s Concerns, we will take the appropriate action to restore tax cuts and

State investments that the people need and want when the Senate returns after the Easter and Passover observance.”

Assemblyman Vito Lopez, Chairman of the Assembly Housing committee said that he was “...shocked and dismayed that in a year with a budget surplus, the Executive chose to veto these restorations of the preservation programs.” Assemblyman Lopez went on to say, “the Assembly is prepared to vote to override these vetoes”

Charles T. Kalthoff, Executive Director of the ACCORD Corporation and President of NYS Rural Advocates said that “the rural housing community is extremely disappointed by these vetoes and by the Governor’s continued refusal to recognize the role played by community based not for profits in the revitalization of housing and community development in rural places.” Kalthoff went on to say, “be assured, Rural Advocates will be mounting a vigorous campaign to insure that the Legislature acts to over-ride these vetoes and to put in place full funding for Rural Preservation Companies.”

All tolled, the Governor’s vetoes cut \$4,209,466,061 from the Legislature’s appropriations. No serious action on the vetoes is expected until after the Legislature reconvenes on April 24.