

Another try on budget

The issue of borrowing looms large as leaders meet today in effort to reach budget accord

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ALBANY -- Legislative leaders will meet publicly today with Gov. David Paterson for the first time since early March, hoping to jump-start a budget process now seven weeks past its deadline.

Paterson and the leaders remain billions of dollars apart, with Assembly Speaker Sheldon Silver counting on up to \$2 billion in borrowing to bridge the state's \$9.2 billion deficit, and Paterson insisting he doesn't want to borrow "a dime."

The governor said as much -- as well as indicating he may be open to limited borrowing if he were given broader authority to impound payments to manage short-term cash crises -- after emerging from a meeting with Silver and the rest of the Assembly Democratic conference.

"We're moving toward another double-digit-billion-dollar budget deficit -- we don't need (borrowing)," Paterson said. "But this is what the Assembly and we are trying to work out, and I thought that there was some positive movement on both sides."

Members last week stormed into Paterson's office out of frustration over the stalled budget, and Monday expressed more concerns to the governor. Several legislators described the meeting as lively -- one called it "stuffy."

"Honestly, governor, I'm frustrated," said Assemblyman Matt Titone, D-Staten Island. "My polite is running out as quickly as this state is running out of money."

Paterson said the session was productive, even as several legislators expressed frustration that dozens of state parks -- including John Boyd Thacher State Park -- are being padlocked.

Monday morning, Paterson presided at a ribbon-cutting for a new park at Chelsea Piers in Manhattan, but downplayed any irony.

"It's ironic only in the sense that this (park) was already in the pipeline, and there are other projects ... that are delayed by the fact that we can't agree on what the deficit reduction is," he said. "This kills me -- to stand here in a park, knowing that I have probably closed down 41 parks and 14 other cultural sites and reduced funding for seven others. I don't want to do that; it pains me to do that. It's just that that's how dire our financial situation is."

The governor refused to confirm or deny a report that his administration is planning to lay off as many as 10,000 state workers. Paterson is seeking \$250 million in savings from the unionized state work force, but his earlier attempts to extract them -- through a delay of scheduled raises and a one-day-a-week forced furlough -- were blocked by a federal judge last week.

Speaking after the park opening, he said that "we are currently in court about the furloughs -- we're not going to debate against ourselves. If this issue of the furloughs is turned down, we have other plans. The reality is we have to get \$250 million in work force reductions, to be combined with other reductions to close \$9.2 billion worth of deficit."

Lawyers for Paterson and the public employee unions that sued to block the furloughs will meet in court on May 26.

Paterson did not meet with members of the Senate, where lawmakers approved along party lines a bill funding state government for a week -- and providing the 4 percent raises for workers represented by the Public Employees Federation and Civil Service Employees Association that Paterson had delayed. The Assembly also passed an extender.

Lawmakers are only scheduled to be in session today before breaking for the Jewish holiday. Next week, some absences are expected due to the Democratic Party's state convention, which begins Tuesday in Westchester County.

But Paterson said it was still possible to reach a budget deal before June. "I was here for 20 years when budgets were late," Paterson said. "When it comes together it can come together very quickly."