

How bad will it be after Assembly vote?

Speaker: "Nothing's final until it's final," budget helps schools; \$2B loan

By **JIMMY VIELKIND**, Capitol bureau

First published in print: Wednesday, March 24, 2010

ALBANY -- State Assembly Democrats have crafted their own version of a spending plan for the 2010-11 fiscal year that nearly halves proposed cuts to education, but includes \$2 billion in borrowing.

The chamber plans to vote on the resolution today. Members of the conference were briefed on the plan Monday and Tuesday evenings, and some details -- including the overall size of the spending plan -- were still fluid. On Monday, the Senate passed a resolution drafted by majority Democrats in a strict party-line vote.

"Nothing's final until it's final," said Assembly Speaker Sheldon Silver, D-Manhattan. "We make restorations in education, we make restorations across the board within reasonable limits reflecting the economic crisis that is upon us, so we make significant cuts overall."

Silver met Tuesday morning with Gov. David Paterson at the Executive Mansion to discuss the budget; the state's current spending plan expires April 1. The proposed budget Paterson released in January called for \$1.4 billion in cuts to education aid, a number that was accepted by the Senate.

The powerful teachers union NYSUT has lobbied hard against these cuts, saying they will hurt education and result in teacher layoffs. The Assembly's plan will no doubt be more palatable to the union.

"This budget will have major cuts, but we were somewhat puzzled by the Senate's willingness to accept all of the governor's education cuts," said Assemblyman Richard Brodsky, D-Westchester.

The Assembly will cut closer to \$800 million, restoring \$620 million through "some shifting of other items and new revenue items as well," said Assembly Majority Leader Ron Canestrari, D-Cohoes.

Several members said the plan would include borrowing -- allowed under a larger fiscal reform package unveiled earlier this month by Lt. Gov. Richard Ravitch -- in the range of \$2 billion.

Canestrari said the Assembly's resolution comports with the Senate in rejecting Paterson's call for a tax on sugary beverages, a proposal to allow the sale of wine in grocery stores, and the closure of 55 state parks or historical sites.

But the Assembly rejected a Senate plan to book \$700 million from the refinancing of tobacco bonds and \$250 million from aggressive tax collection efforts on cigarettes sold within Indian reservations.

Many of the details of the Assembly plan remain unclear, but Silver's decision to move ahead was facilitated by the Senate action Monday.

There are 32 Democrats in that chamber, a bare majority required to pass legislation like the budget. Although several Democrats had previously indicated an unwillingness to cut school aid, Monday's resolution demonstrated Senate Democratic Conference Leader John Sampson's ability to rally support for a complete gap-closing action -- a task that, in light of his conference's persistent fractiousness, had been questioned by some Assembly Democrats.

If the resolution passes the Assembly as expected, bipartisan committees of both houses will reconcile their positions and present the resulting alternative spending plan to Paterson.

Canestrari said a vote was planned for this afternoon, and that he hopes conference committees could begin as early as this week. "Time is a-wasting," he said.

Paterson did not comment in depth on the nascent Assembly plan in a Tuesday afternoon radio interview on Syracuse's WSYR, but he continued to maintain the need to make education cuts in order to rein in costs. He has also expressed concern about the borrowing proposed by Ravitch.

Paterson did, however, say that legislators should plan for "bare-bones appropriation" for any two-week extenders that may be required after the April 1 budget deadline passes.

"If they aren't going to come up with a budget that starts to make the reductions now, I'm going to have to make them myself in the appropriations I send up for the two weeks and the two weeks after that until the budget is passed," Paterson said.