Much ado, little done

By JIMMY VIELKIND And RICK KARLIN Capitol Bureau Published: 12:24 a.m., Tuesday, November 30, 2010

ALBANY -- Gov. David Paterson's swan song ended up sounding like a cacophony of lame ducks.

Legislators convened at the Capitol on Monday for a special session called by Paterson, but they declined to act on the legislation he said was most pressing: \$315 million in spending cuts to address a midyear budget gap.

Instead, taxpayers got Senate approval of judicial nominations and passage of a bill creating a panel to examine judicial pay raises. The Assembly failed to take action on anything until late Monday night, when it approved a ban on new natural gas drilling in the Marcellus Shale and other locations through May. That measure, passed last summer by the Senate, now heads to Paterson's desk.

So much business was left unfinished that lawmakers might have to return to the Capitol. Even before the Assembly adjourned late in the evening, there was tentative talk in the Senate of meeting in December -- perhaps even during the week before Christmas.

That will be cutting it close, at least from the governor's standpoint: Paterson leaves office Dec. 31. Talking to reporters before the Legislature convened, the governor said he called Monday's session "as much to clear my conscience as anything else."

"I just think that it is a sad commentary," he said of the lack of action on the midyear deficit. " ... How much more foresighted would it have been if legislators from both parties put aside the politics -- because once you get into recession or deep deficit, there is no politics. You have to cut it or your state becomes insolvent."

But legislative leaders said they preferred to cut the deficit closer to the crafting of the 2011-12 budget, which is due by April 1. Assembly Speaker Sheldon Silver said "whatever the numbers are, (the gap) is small and I think we can deal with it in that context if we can't deal with it today."

Paterson said this means the deficit will grow to \$10 billion next year. He included unfunded pension and health care obligations for New York City OTB workers whom the administration plans to lay off next month.

A planned OTB restructuring hit a roadblock in Senate Republican Leader Dean Skelos, who said Monday that rumors of OTB's imminent demise are greatly exaggerated. "How many times have we heard it, and it hasn't happened?" he said.

Democrats still control the Senate with a 32-vote majority, but were unable to bring Sen. Pedro Espada Jr. to Albany. That meant Republican votes were needed to pass anything Monday, and the Senate has struggled to vote in a bipartisan fashion on controversial legislation.

Senate Republicans re-elected Skelos as their leader and remained confident they would win at least two of three outstanding races to control that chamber in the New Year. John Sampson also was re-elected as Senate Democratic majority conference leader.

In the Assembly, Democrats re-elected Silver as their majority speaker.

But despite Paterson's pleas, work on the deficit remained elusive. The governor wanted legislators to authorize him to make across-the-board cuts according to a preset formula. They said they couldn't seriously negotiate or consider his request because he failed to submit formal legislation to them before 4 p.m. Monday.

"We got the bills at 4:04," said Sen. Daniel Squadron, a Democrat from New York City, noting Paterson called the session for 3 p.m. "It doesn't pass the red-face test to hang non-passage on the Legislature."

Paterson spokeswoman Jessica Bassett said the administration walked legislative leaders through the governor's bills Wednesday, gathered input from them and offered up updated versions on Monday as a result of those talks.

"It appears that, once again, the Legislature is making excuses to push this year's responsibility further into the future," Bassett said.

And Paterson said his call for budget cuts shouldn't be so hard to deal with.

"What's so difficult about understanding we would need an across-the-board 2 percent reduction, because we are now cutting from December until the end of the year?" Paterson said.

Each legislative house did act on some business on its own. The Senate approved eight judicial nominees and seven other appointments to various boards. The Assembly moved from extraordinary session into a regular session where it controls the agenda, and passed a moratorium on natural gas drilling for the first five months of 2011.

The mood among legislators was somewhat festive. Members not returning to office next year joked of enjoying complimentary cheese, and Lt. Gov. Richard Ravitch thanked senators for his 18 months as their nominal head.

"Despite the enormous frustration, I have found this experience to be fascinating, challenging," he said. "I've made friends that I hope I will keep. ... As you all look to the future I will only say I wish you the best of luck, godspeed, and thank you."

At a glance

Some items on Gov. Paterson's wish list for the special session, and why they failed to see action:

The bill: The Education Labor and Family Assistance Act, part of the 2010-11 budget the governor vetoed earlier this year because lawmakers added more education funding than Paterson believed was affordable.

The outcome: More than \$600 million in federal school aid still requires enabling legislation, although that can happen later. But a failure to impose a freeze on per-pupil charter school rates means school districts are still on the hook for millions in added costs.

The bill: A bill making a 6.7 percent cut to Medicaid providers, ranging from hospitals to nursing homes to home care, which would save \$70 million by the end of the fiscal year in March.

The outcome: Never addressed by either house. That's another \$70 million lawmakers will have to cut between January and March 31 in order to balance the budget.

The bill: An act renaming the Brooklyn Battery tunnel after former Gov. Hugh L. Carey.

The outcome: Never addressed by the Senate; the Assembly planned to take it up late Monday night.