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Lawmaker: No budget until June—at the earliest

The Business Review (Albany) - by [Adam Sichko](#)

The No. 2 legislator in the New York state Assembly predicted Monday that a state budget won't be finalized until at least June—if not later.

Legislators returned to the Capitol on Monday to vote on another temporary spending plan for the state, which will keep the lights on while staving off a government shutdown. It is the fifth emergency spending plan needed since April 1, when the state began its 2010-11 fiscal year without a budget in place. The latest one-week spending plan continues to withhold payments to construction contractors, leading some of them to halt work and lay off employees until a state budget is in place.

The state's deficit is at least \$9.2 billion.

Assembly Majority Leader Ron Canestrari (D-Cohoes) said budget talks remain at an impasse.

"Nothing. Nothing," Canestrari replied when asked what progress had been made. "We're looking at June, or beyond."

When told he was writing off any agreement happening this month, Canestrari said: "I know. There are major issues, but more importantly, just the dynamic isn't good between us, the Senate and the governor."

Legislators and Gov. David Paterson, who is not running for election this fall, have agreed on cuts and revenue boosts that cover two-thirds of the deficit.

Three main sticking points persist: The level of education aid, whether (or how much) to borrow to cover operating costs, and whether the state can reinstate property tax rebates for seniors, as Senate Democrats want to do.

Legislators also continue to debate a range of taxes on items such as cigarettes, soft drinks, income and year-end bonuses on Wall Street.

"Nothing has a wooden stake driven through its heart. Anything could reappear," said Assemblyman Jack McEneny (D-Albany).

Last week, Paterson said he would seek permission from legislators to furlough 100,000 state workers as another way to save the state money and keep it from sliding into insolvency.

The state would save \$30 million a week in payroll costs through the proposed furlough. Public safety and health care workers would be exempt.

As early as next week, Paterson could include the furlough provision into a new, one-week emergency spending plan. Case law has made the plans extremely difficult to amend, so they amount to all-or-nothing votes for legislators.

It means legislators would risk shutting down the entire government, if they reject the spending plan because it includes the furlough provision. Canestrari and McEneny both said they would, reluctantly, vote for the emergency spending plan in such a scenario.

“The alternative is to shut down government, and two wrongs don’t make a right,” McEneny said.

“We cannot shut down state government,” Canestrari said. “They did that in Washington once and that didn’t work.”