

State buys another week; shutdown averted!

With just hours to spare, Senate passes budget extender to keep state operating

By **RICK KARLIN**, Staff writer

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ALBANY -- Crisis averted.

With just four and a half hours and two votes to spare, the state Senate on Monday passed Gov. David Paterson's 11th temporary budget extender needed to keep the state operating.

In doing so, they also approved more than \$325 million in mental health and human services cuts set out by Paterson, who last week started inserting components of his full 2010-11 budget into the weekly extenders. While the Assembly easily passed the plan, the closely divided Senate, where Democrats have a slim 32-seat majority, struggled until the end.

Unlike past extenders, this time three Republicans Hugh Farley and Roy McDonald of the Capital Region and Charles Fuschillo of Long Island voted for the spending measure, saying that as much as they disagreed with the governor's proposals, they couldn't bring themselves to support a shutdown of state government, even for a day.

That pressure was especially intense for McDonald, of Wilton in Saratoga County, and Farley, from Niskayuna in Schenectady County. Both have substantial numbers of state employees in their districts and they were among the first to say, after being queried last week by the Times Union, that they couldn't go for a shutdown.

"To not pass this extender would drive New York state into a state of chaos," Farley said before casting his yes vote.

"Don't count on me to vote for any more extenders," he added, saying it's high time to finish the entire budget.

"Fear was used as a weapon today," said McDonald in his remarks before voting. What lawmakers passed, in addition to a bare-bones appropriation for another six days, was the year's spending plan for mental health services and human services such as welfare. That plan included a reduction of \$325 million.

Even though he voted no, Democrat Ruben Diaz Sr. may have won a victory through his outspokenness: Over the weekend, the measure was changed in a way that gives localities more flexibility to keep senior citizen centers open. New York City Mayor Michael Bloomberg has previously said he'd have to close some of those centers for budgetary reasons, and the last-minute adjustment could give the Bronx senator the

ability to claim that he helped save the facilities. Diaz is chairman of the Senate's Committee on Aging.

Not everything turned out for the best, though: The possibility of a shutdown caused a bit of confusion in the state's vast work force due to contingency plans Paterson ordered on Friday, when there was real fear that the budget extender might not pass.

The governor had ordered state agency heads to determine how their employees would be notified of a shutdown, which would prompt all but the most essential state workers to stay home. While a standardized note warning of the possible closures went out on Friday, by Monday afternoon some personnel managers apparently jumped the gun and sent out e-mails instructing people to stay home today.

Such notes went out in units of several agencies, including the Higher Education Services Corp. and the Department of Health. In some instances, such as at DOH, the e-mails were quickly caught and reversed but it remained unclear whether some state workers were going to stay home today.

Still unfinished is the full 2010-11 budget, with a \$9.2 billion deficit that must be closed and which, according to Paterson, could actually grow larger if a federal plan to bolster Medicaid funding falls through. Included in the rest of that budget is one of the biggest and most contentious portions of state funding: education aid. Assembly Democrats want to restore some \$600 million that Paterson took out of school funding, while Senate Democrats are holding out for property tax relief. (In most communities, some two-thirds of most property tax bills are for the schools.)

Paterson has previously suggested he might include his education program in next weeks extender, or perhaps in two weeks.

That wouldnt be necessary if lawmakers and the governor complete the final budget by the end of this week. While legislative leaders have said they are close, Paterson has expressed doubts that it can be done in the next few days.

Monday night's vote in the Senate was infused with the kind of partisan bickering that lawmakers have engaged in for much of the year.

Democrat Carl Kruger said his party could take credit for avoiding a government shutdown. "For the past 10 weeks, this Democratic majority has kept government open," he said.

Republican Stephen Saland echoed the GOPs belief that the Democratic majority will likely call for more debt or higher taxes to balance the budget. "We are standing on a precipice and are about to be pushed over the edge," said Saland. "That edge is once again the infamous resort of tax, spend and borrow."

"Were going down the path where the Big Ugly is coming right at us," added Republican Carl Marcellino, using Capitol argot for taxes and other revenue generators that are tucked into annual state budgets.