

# Cuomo offers way to recovery, calls for end to high taxes

Governor says the way forward includes less government, more private job growth and study of costly programs

By RICK KARLIN Capitol Bureau

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ALBANY -- Aided by giant video displays, a cheering audience and a dose of New York humor, Gov. [Andrew Cuomo](#) on Wednesday put some meat on the bones of his plan to reinvent and reinvigorate a state government groaning under external fiscal pressures and internal bloat.

As expected, the State of the State speech didn't offer dollars-and-cents specifics on budgetary matters, but instead outlined Cuomo's vision for taming the state's sprawling, cash-hungry government and making it more responsive to the needs of common New Yorkers.

"We're going to have to reinvent government. ... The old way wasn't working anyway, let's be honest," Cuomo told a crowd of around 2,200 in the convention center of the Empire State Plaza after running through a litany of New York's woes: the 2 million people who left the state in the last decade; tax rates 66 percent above the national average; and the 10,500 units of local government and districts that soak taxpayers but provide few tangible benefits.

To address the structural problems, Cuomo said he would appoint panels of experts and strategists to "right-size," rationalize and consolidate the state's various layers of government.

High on the priority list are plans to fix Medicaid, the schools, and economic development efforts -- all of which now exist in crazy-quilt patterns.

He vowed to make the state "business-friendly" by creating regional development "one-stop shops" to help new enterprises get started. As in several of Cuomo's proposals -- including those touching on education -- competitive grants would serve as the carrot for action. "Competition works," Cuomo said.

As for the state's legendary tax burden, Cuomo said simply that "it has to end. It has to end this year. ... New York has no future as the tax capital of the nation."

Cuomo's decision to move the speech from the [Assembly chamber](#) to the convention center was a departure from tradition that was perceived by many as a symbolic rebuke

to the power of Assembly Speaker [Sheldon Silver](#), who many see as a potential roadblock to some of Cuomo's agenda. The reaction to his speech, however, was similar to that received by previous executives.

Another change was much more visible: Cuomo made ample use of three large video screens to bolster his arguments -- and add some levity to what might have otherwise come off as a strident, dire speech. In the comic high point, he described the current budget-negotiation process as "ships passing in the night," and called up illustrations of battleships helmed by Senate Republican Leader [Dean Skelos](#), "Commander Silver," and himself.

Cuomo's ship -- which careful viewers noted was larger than the other two -- was then bombarded by missiles symbolizing the various special interests that will doubtlessly oppose his budget cuts. The audience ate it up.

Much of the roughly 55-minute address focused on the need to streamline government. Cuomo didn't have to work hard to identify public-sector sprawl: [The Health Department](#), Cuomo said by way of example, has 87 "councils, committees, boards and task forces under its roof."

To pare down this proliferation, the governor himself announced the creation of several panels tasked with working up reduction plans.

Reaction to the speech was generally positive.

"A lot of people walked in jaundiced and cynical, and walked out with hope," said Albany Democratic Assemblyman [Jack McEneny](#), who had earlier criticized Cuomo's decision to move the speech.

"It's a practical plan and it's rooted in economic reality," said [Ken Adams](#), president and CEO of the state [Business Council](#).

Overall, Cuomo offered something for everyone: streamlining government and tax cuts for middle-class, moderately conservative voters; and a list of progressive items encompassing ethics reform, same-sex marriage and consumer rights.

The speech also hinted at some of the twists and turns Cuomo is likely to encounter in dealing with lawmakers this year. And it served as a gauge for plans that already enjoy broad support.

Some of the loudest cheers came when Cuomo fiercely called for reform of the state's system of upstate juvenile justice centers and prisons. "Don't put other people in prison to give other people jobs," Cuomo said.

Substantial parts of the speech covered topics familiar from his campaign.

Cuomo repeated his call for a one-year pay freeze for state workers and creation of a [Spending and Government Efficiency Commission](#), which by May 1 will devise plans to consolidate of agencies, authorities and commissions by 20 percent.

Cuomo also envisions grants of up to \$100,000 for local governments to enact efficiency plans. Other competitive grants would encourage communities to establish sustainable growth programs and other environmentally friendly initiatives.

He's creating a Medicaid Redesign Team to find efficiencies and savings, based on a similar effort that re-tooled Medicaid in Wisconsin.

Cuomo's ethics plan would require lawmakers' disclosure of all outside clients and income, limit contribution levels, create an independent body to monitor and enforce ethics, and set up public financing of elections.

"Without public financing, there is no (real) change," said [Karen Scharff](#) of Citizen Action.

Cuomo wants to strip pensions from public officials convicted of a felony connected to a breach of public trust. And he wants to create a consumer-centered [Department of Financial Regulation](#) by merging of the Insurance and Banking departments and the [Consumer Protection Board](#).

Cuomo ended on a positive note, saying the state's recent woes don't reflect New York's illustrious history.

"This has been an aberration this recent past," said Cuomo, in a closing section that abandoned the video assist and conveyed an impassioned tone reminiscent of his father, former Gov. Mario Cuomo.

"The dysfunction of Albany, the gridlock of Albany, the corruption of Albany -- this is not the true story of the New York State Legislature. It's not who we are, it's not what we do, it's not why we're here. The New York State Legislature is the best legislature historically in the nation -- the most talented people, that's who we are."

"We're not just going to build back, we're going to build back bigger, stronger than ever before," the governor said, his voice building. "That's what we're going to do together."