

Week in Review

June 18, 2010

Agreement Reached on Transportation / Economic Development / Public Protection Budget – Final Budget Expected Soon

Thursday night, negotiators for Gov. David A. Paterson and the legislature's Democratic majorities were finalizing the measures, which among other things, would replace the 10-year-old Empire Zones business development program with the less-expensive Excelsior Jobs Program. Other measures include the authorization of \$18.5 billion in improvements to bridges and roads, consolidation of upstate prisons, and tax incentives to encourage hiring by companies. A requirement that motorists purchase new license plates is also eliminated. The Assembly passed the agreed upon deal on Friday and the Senate is expected to act on Monday.

Legislative leaders indicated that they expected final passage of state budget within days. Assembly Speaker Sheldon Silver said he thought completion of work on the spending plan could be done by Tuesday, June 22. They spoke after Gov. David Paterson announced at a public leaders meeting that they must pass a budget by Monday, June 28, or be presented with a final extender bill that would include all the administration's budget items that are still on the table.

Earlier, Paterson was able to force action on extender bills that included spending cuts. The Legislature was scheduled to hold its final session on June 21 before adjourning for the summer. They are eager to leave Albany and return to their districts, where they are all up for re-election this year.

While more than half of the state's spending plan has already been enacted through the emergency spending bills that have been in place since April 1, key decisions about borrowing, taxes and additional spending cuts to education and other areas have yet to be publicly announced.

Legislators appear to have rejected a new soda tax sought by Paterson, but they are still pushing for borrowing money to bridge the gap. Paterson has said he will not approve borrowing, but it remained unclear whether a stopgap plan could be crafted that would meet with his approval. Legislators are also eyeing a \$1 per pack increase in cigarette taxes, as well as making a new push to collect taxes on the sales of tobacco products by

Indian tribal businesses.

Another bill piece of unfinished business is deciding the level of state aid to schools this year. The Assembly and Paterson have tentatively agreed to restore about \$419 million in funding the governor wanted to cut.

Governor Forces Cuts in Mental Health / Human Services Budget

Gov. David Paterson forced the Senate to pass an extender with \$325 million in spending cuts, telling members the only other option was a temporary shutdown of all but essential government services.

His threat prompted Senate Republicans to break ranks, with Sen. Hugh Farley and Sen. Roy McDonald both voting with Democrats to pass the extender 34-27. Their districts around Albany include thousands of state workers who would have been affected by a temporary shutdown. Sen. Charles Fuschillo of Long Island also sided with Democrats, who voted as a bloc in favor of the extender with the sole exception of Sen. Ruben Diaz Sr. of the Bronx, who said he objected to budget cuts on principle.

The extender bill was the 11th week in row that state government continued to operate using emergency funding in the absence of a state budget plan. The \$14 billion emergency spending bill included cut to human services and mental hygiene programs. The cuts total about \$325 million this year. Another \$100 million in state costs were shifted to counties and local governments under the bill.

At this point an estimated 50 to 60 percent of the 2010-11 state budget has been passed into law by the succession of extender bills, The New York Times reported, citing a legislative official the paper did not identified.

Extender bills have been used routinely in the past given the state's record of chronically late budgets. Gov. George Pataki granted them without controversy, since in normal times using extenders would actually hold down spending growth as new revenues poured in but were inaccessible because of the extenders. This time, the state's revenue growth dried up, and Paterson warned that the extenders could not continue indefinitely because the state would soon run out of money to pay its bills.

Senate Passes No-Fault Divorce & Mixed Martial Arts Legislation

The state Senate passed two bills that have gotten much press but have yet to be passed by the Assembly. One would make New York the last state in the nation to have a no-fault easy divorce law. The other legalizes mixed martial arts "ultimate fighting" matches.

Microstamping Bill Fails

Mayor Michael Bloomberg's long standing relations with Senate Republicans showed signs of being broken this week after they refused to provide the votes to pass a gun "microstamping" bill he sought. The measure would require gun manufacturers to put an identification marking on each semi-automatic gun hammer so the weapon can be traced

by ejected shells found at crime scenes. The bill was pulled from the floor in mid-vote when it became apparent it would fail.

Upcoming Events

A LOOK AHEAD

CRIME VICTIMS BOARD: The Crime Victims Board meets Tuesday at 10 a.m. at 55 Hanson Place, Brooklyn; 1 Columbus Circle, Albany; and 65 Court St., Buffalo.

DORMITORY AUTHORITY MEETING: The Dormitory Authority meets Wednesday at 9:30 a.m. at 515 Broadway, Albany. The Corporate Governance Committee meets at 8:30 a.m. Wednesday. The Audit Committee meets at 4 p.m. on June 22.

MONDAY LCA LOB PRESS CONFERENCES:

- 9 a.m., "No fault divorce," National Organization for Women, Contact: Marcia 469-2661
- Noon, "Mixed martial arts," Ultimate Fighting Championship, Contact: Julie Wood 917-282-5840

TUESDAY LCA LOB PRESS CONFERENCES:

- None scheduled

WEDNESDAY LCA LOB PRESS CONFERENCES:

- None scheduled

THURSDAY LCA LOB PRESS CONFERENCES:

- None scheduled

REGENTS MEETING: The state Board of Regents meets on Monday and Tuesday in Albany.

INSURANCE HEARING: The New York State Insurance Department has scheduled a public hearing for Wednesday, June 23, to consider the application of the New York Compensation Insurance Rating Board (NYCIRB) for a workers' compensation loss cost increase of 7.7 percent. The approved loss cost is used by workers' compensation insurance companies in setting rates.

• *Advisory:* The hearing will begin at 11 a.m. in the Neil Levin Hearing Room (Room 510) at the Manhattan offices of the Insurance Department, 25 Beaver Street. The hearing will allow the Department to receive testimony from all interested stakeholders. The rate application was submitted by NYCIRB, a non-governmental entity that serves as the advisory rate service organization for workers' compensation in New York State. All workers' compensation insurers must send statistics to the NYCIRB, which compiles and evaluates data and proposes loss cost changes that are subject to the Insurance Department's prior approval. The Workers' Compensation Law requires the Superintendent of Insurance to "hold a public hearing if a rate service organization makes a loss cost filing for workers' compensation that is an increase of seven percent or more over the approved loss costs from the prior year."

NYC CHARTER REVIEW MEETING: The New York City Charter Revision Commission will hold a series of public issue forums across the five boroughs throughout May and June 2010. Topics for each forum, which were selected by the Commission at its May 10th public meeting, include: Term Limits, Voter Participation, Government Structure, Public Integrity, and Land Use. At each forum, the Commission will hear expert testimony and will invite public input. Each issue forum is open to the public and will be streamed live via webcast through the Commission's website at www.nyc.gov/charter.

Thursday, June 24 – LAND USE

· Place: Flushing Branch, Queens Borough Public Library
41-17 Main Street, Flushing

QUEENS

· Time: 6 p.m.

· Directions: By subway, take the 7 train to Main Street. By bus, take the Q12, Q13, Q17, Q19, Q20A, Q20B, Q25, Q26, Q27, Q34, Q44, Q58, Q65, Q66, or QBx1.

NYSTAR MEETING: The NYS Foundation for Science, Technology and Innovation

meets Wednesday at 9:15 a.m. at 30 South Pearl St., Albany; Cooper Union, 41 Cooper Square, Menschel Board Room, Manhattan; SUNY Buffalo Center for Bioinformatics and Life Sciences, 701 Ellicott St., Buffalo.

LEGISLATIVE PUBLIC HEARINGS:

- None scheduled.

HEALTH DEPARTMENT MEETINGS:

- Wednesday, June 23, 2010 – The New York State Board of Examiners of Nursing Home Administrators will meet in public session at 10:30 a.m. at the Department of Health offices, Main Conference Room, 161 Delaware Avenue, Delmar, NY. A webcast of the meeting may be viewed at <http://www.nyhealth.gov/events/webcasts/> Please contact 518-408-1297 for further details.

- Wednesday, June 23, 2010 & Thursday June 24, 2010 – The New York State HIV Prevention Planning Group (PPG) will meet on June 23, 2010 at 10:30 a.m. and on June 24, 2010 at 9:00 a.m. at the Holiday Inn Express Albany Downtown, 300 Broadway, Albany, New York. The PPG assists the New York State Department of Health AIDS Institute in identifying priority HIV/AIDS prevention needs and in planning culturally appropriate, scientifically sound HIV prevention services that address those needs at the community level. Planning Group members represent all geographical areas of the State, and all walks of life. They include HIV-infected individuals, others who have been or may be affected by the epidemic, as well as HIV/AIDS service providers, technical experts, and representatives of local government agencies. Anyone seeking further information or wishing to register to attend the meeting should contact the New York State Department of Health, AIDS Institute, Division of Prevention, Prevention Planning Unit at (518) 473-8484.