

More talk, more dealing at Capitol

Governor questions any hint of optimism as deficit reduction talks set to resume today

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ALBANY -- Gov. David Paterson and the Legislature's four leaders will be back at it today in efforts to cut the \$3.2 billion deficit, but from the postures on display following a closed-door leaders meeting Tuesday night the second of the day there is plenty of hard bargaining remaining.

"I don't know why it's so difficult to understand that we have a fiduciary responsibility to the people of New York ... and the only way to reduce this deficit is real and recurring cuts," a grim-faced governor said after the meeting.

Paterson added, "I don't understand why anyone is being optimistic," regarding the budget cutting exercise.

By contrast, Senate Republican Minority Leader Dean Skelos minutes earlier said they were "having positive discussions."

"This is first round of real serious talks I've seen in the last month," Assembly Republican Minority Leader Brian Kolb added.

All parties, including Democratic Senate Majority Leader John Sampson and Assembly Speaker Sheldon Silver agreed that lawmakers weren't proposing new taxes or "one-shot" revenue raisers to balance the budget.

"We're talking about real cuts," Sampson said.

While the Assembly convened its continuation of last week's extraordinary session, the Senate had to settle for an impromptu news conference to announce an agreement had been reached on Leandra's Law, a measure that toughens penalties for drunk drivers arrested while a child is in their vehicle. The measure had been delayed due to wrangling with the Assembly, which passed the bill following Tuesday evening's leaders meeting.

Many observers suggested a final vote on a deficit reduction plan would come no earlier than Thursday -- although one legislative source said it will happen by then or not at all. The main sticking point, said this individual, was between \$200 million and \$300 million of cuts, mostly to school aid.

"I don't want to threaten the Legislature," Paterson said earlier in the day, speaking to reporters in the corridor outside his office after an afternoon leaders meeting. "But I want them to know that I want this DRP done, and I want it done now, and I want it to be real, and I want 40 percent of (its savings) recurring, and I think that's the prescription the state needs."

During Monday's extraordinary session, Senate Republicans objected to the Democrats' decision to move ahead with the passage of non-budget-related bills, a call that was joined by Sen. Ruben Diaz Sr., D-Bronx. On Tuesday afternoon, Diaz left Albany and said he wouldn't return until a deficit deal was finalized.

"There's nothing happening. ... Give me something in front of me," Diaz said by phone from his car. The senator suggested that bringing legislators and staff back day after day was "a laugh in the face of the people of New York."

Without Diaz, Senate Democrats lack the 32 votes needed to pass any legislation on their own.

Even so, there were signs that some progress was being made.

Lawmakers were looking at school runs showing the effects of targeted education cuts on individual districts, a sign that midyear reductions might not be dead as many in both parties have suggested.

"Everything is on the table," Silver said.

Cuts to education (\$686 million) and health care (\$471 million) are the largest components of Paterson's plan to trim \$1.3 billion from local assistance programs this fiscal year.

Assembly Republicans held a morning news conference to present their ideas for trimming the budget, a list that included reductions in optional Medicaid services, the consolidation of a number of state agencies and a 20 percent tuition hike for out-of-state students in the SUNY and CUNY systems.