

Cuomo's budget ax to cut \$1B from city

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EXCLUSIVE

Look out, Mike! Here comes Gov. Cuomo -- and he's wielding a brutal bud get ax. Mayor Bloomberg, who last week warned of multibillion-dollar city deficits over the next several years, will get more bad news next week when Cuomo presents a cut-to-the-bone budget that "slashes" state aid to New York City by \$1 billion or more, sources said yesterday.

Cuomo, grappling with a projected \$10 billion deficit for the fiscal year beginning April 1, has "slashed aid to local governments and, more importantly, state school aid, which of course will have a major impact on the city," said a source close to the budget preparations.

While the exact amount of aid that will be lost by the city has yet to be calculated, legislative budget experts predict it could be around \$1 billion.

The city budget is now \$63 billion. Its school budget is \$23 billion.

While Cuomo and Bloomberg have enjoyed good relations for months, the size of the cuts will put those relations to their first major test, insiders agree.

Cuomo, meanwhile, is expected to cut the number of state prisons and prison guards, especially upstate, according to sources.

The governor signaled that intention in his State of the State Address earlier in the month when he declared, "An incarceration program is not a jobs program."

Ten years ago, 69 state prisons employed 20,311 guards and held just over 70,000 inmates.

Today, the number of inmates has dropped 19 percent to 56,600 in 66 prisons. Several small facilities close this month.

But the number of guards declined just 7 percent to 18,800.

Prisons are a major source of employment in many poor and blighted Republican-oriented upstate communities, and resistance to the cuts is expected to be strong in the GOP-controlled Senate.

Cuomo, who will present his first budget to the Legislature a week from tomorrow, has already signaled that huge cuts and enormous state worker layoffs are inevitable because of the huge \$10 billion deficit projected for the fiscal year beginning April 1.

As many as 15,000 workers, or just over 7 percent of the state's 200,000 employees, could be laid off as a result of Cuomo's budget, aides to the governor said last week.

Cuomo has already announced he'll seek a one-year freeze on all state worker contracts, most of which are up for renewal in April. He also plans to propose a new pension tier with reduced benefits for newly hired state workers.

Health-care advocates also warn that massive Medicaid cuts likely to be proposed by the governor may result in the closing of dozens of hospitals and other health-care facilities.

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Even as Assembly Speaker Sheldon Silver (D-Manhattan) resists efforts to require lawmakers to disclose the sources and amounts of their outside income, other Assembly Democrats are fighting efforts to name an independent commission to redraw legislative district lines.

"The suburban Assembly Democrats in particular are worried that they may lose their seats if there's some form of objective redistricting," said a prominent official in the Legislature.

Cuomo, former Mayor Ed Koch and a bevy of government-reform groups have been pushing to end the traditional gerrymandering of legislative and congressional districts that occurs each decade after the federal census.

Senate Republicans, who recaptured control of the Legislature's upper house in November, claim they support independent redistricting -- but gerrymandered district lines have kept them in the majority for 43 of the past 45 years.