

## News

### Legislators go back to work on NY budget

### Gov has separate bills for tuition, property taxes, spending freeze

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ALBANY — State lawmakers are scheduled to return to the capital Wednesday evening to resume talks over their unfinished budget and other legislation they set aside when they left town a few weeks ago.

Gov. David Paterson called the extraordinary session largely to compel legislators to enact the final piece of an overdue budget they have cobbled together for the fiscal year that began nearly four months ago: a revenue bill that would help cover the roughly \$136 billion in spending they approved.

The Assembly passed such a bill on July 1, but discussions in the Senate are complicated by negotiations over capping local property-tax increases and letting SUNY and CUNY campuses raise their own tuition rates — proposals that have nothing to do with raising revenue for the state.

For lawmakers' return on Wednesday, Paterson will present them with his own revenue bill, which includes the property-tax cap, the college tuition proposal and a contingency plan to freeze state spending if the federal government fails to deliver \$1 billion in anticipated Medicaid funding.

But he also put all three ideas in separate bills so that lawmakers can debate them without jeopardizing the revenue measure.

"These issues are too important to be ignored by the Legislature," Jessica Bassett, a spokeswoman for the state Division of the Budget, said Tuesday.

Paterson will also submit an amended version of an education budget bill he vetoed this month to kill \$600 million in added school aid that lawmakers approved.

His new bill would revive policy changes he supported, including one that would let students at Kiryas Joel's rabbinical college and 41 similar institutions claim annual tuition grants of up to \$5,000.

In addition, Paterson — who plans to offer 10 bills in all — wants the Legislature to reconsider taxing sugary soft drinks and allowing grocery stores to sell wine. His staff calculates those measures would generate \$330 million for the state this fiscal year.

Even if senators pass the Assembly's revenue bill, the nonpartisan Citizens Budget Commission calculated last month that the state would still face a deficit this year of at least \$465 million and as much as \$2.4 billion — if rosy predictions fall short and Congress denies the \$1 billion in Medicaid funding.

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