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## Paterson talks up fiscal austerity

*By Joseph Spector  
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ALBANY - In recent weeks, Gov. David Paterson proposed cutting mandates on local governments, capping state spending and overhauling the state's ethics panel.

He has sought a return to what made him popular among New Yorkers just a year ago: He's talking tough about the state being fiscally austere, even threatening to veto any new spending this year.

But for a Democratic governor whose popularity is at record lows, Paterson's stance has apparently garnered little traction with voters and legislative leaders as he tries to prove he is the party's best candidate for governor in next year's elections.

The governor's strategy, according to lawmakers and officials close to him, is to try to stake out positions - on property taxes, on cleaning up Albany - that will resonate with voters through the summer and boost his standing in the fall.

If it works, that could allow him to fend off calls that he not seek election in 2010 and stifle talk that the party should instead tap Attorney General Andrew Cuomo, who is riding high in statewide polls, as its gubernatorial candidate.

Paterson is expected to roll out some of his campaign themes Sunday when he speaks at the state Democratic spring meeting in Rye Brook, Westchester County.

"Get out on the road and tell people about what's not happening in Albany, that we're facing a fiscal crisis and we have to change the way we do business," advised former state Comptroller H. Carl McCall, who has known Paterson for decades and ran unsuccessfully for governor himself in 2002.

Many officials doubt Paterson can turn around voters' opinions; this week, several top staffers announced their resignations. A Siena College poll Tuesday found his job performance rating at 18 percent, the lowest of any New York governor in modern times.

The problem, some officials said, is Paterson will have trouble preaching fiscal discipline when he signed off on a state budget in April that increases spending by nine percent and raises \$8 billion in new taxes and fees.

"I think the biggest question is whether he will follow through on his promises to rein in state spending," said Assemblyman Joseph Morelle, D-Irondequoit, Monroe County, who heads the county Democratic committee.

Paterson and his aides argue that the budget, when federal stimulus money is excluded, increases spending by less than 1 percent. They said the governor made record budget cuts in his first year in office after succeeding disgraced Gov. Eliot Spitzer in March 2008.

Last fall, when he was warning of the state's fiscal crisis, Paterson's approval rating was in the mid-60s.

But the state's economy continued to worsen, producing a decline in revenues and heavy job losses in the private sector. Paterson's budget proposal last December, which included 137 new taxes and fees, and his poor handling of picking a U.S. Senate candidate in January, led his approval to plummet.

In recent weeks, Paterson has sought to get back to fiscal issues. He ordered agencies to evaluate state mandates pushed down to local governments that are often blamed for high property taxes. Then he proposed to cap state spending to the rate of inflation and vowed to reform the ethics panel, which has been criticized for not independently investigating public corruption.

Yet legislative leaders brushed off his calls for ethics reform, and the spending cap was panned because the governor already has the authority to veto new spending.

Some officials said it's too soon to write Paterson off, though.

"If he continues to try to create positive changes, then I don't think it's too late," said Sen. Bill Perkins, D-Harlem.

Critics claim Paterson hasn't been committed to his policy initiatives. Last year, for example, he backed a school property-tax cap, but the issue hasn't remained at the forefront of his agenda, some fiscal watchdogs contend.

In recent public meetings with legislative leaders, Paterson is "taking this tack of: he's not an executive, he's a mediator," said E.J. McMahon, director of the conservative Empire Center for New York State Policy.

This week Paterson knocked those who think he needs to "get tough" with the Legislature, saying it is best to try to work with them rather than battle them.

"What I am supposed to do, have them all arrested?" he said on a radio show.

Assemblyman Marcus Molinaro, R-Tivoli, Dutchess County, put out a statement the day Paterson proposed ethics reform, praising him for seeking measures that Molinaro believes are long overdue.

But Molinaro said he isn't convinced the governor will show resolve and push to get the reforms into law.

"You can't get it done without first getting the stakeholders at the table, second building consensus and third focusing on a strategy to get them adopted," Molinaro said.

"Simply throwing out an idea that will fail is probably worse than throwing out the idea to begin with -- because you look hapless."

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