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## Possible budget progress as layoff gauntlet is thrown down

Via **Katzblog**, early signs of a possible threeway deal to end the three-months-old state budget standoff:

Among the ideas floated during a meeting this afternoon at Gov. Paterson's New York City office was a "watered down" SUNY empowerment plan that would limit any tuition hikes to just a few campuses, including the University at Buffalo, one source said.

Those hikes would be tied to a corresponding increase in tuition assistance funding, and there would also be limits on SUNY bonding, the source said.

It was unclear if Assembly Speaker Sheldon Silver was on board with this version of the SUNY empowerment concept, which has become a make-or-break priority for some of Senate Democratic leader John Sampson's members.

The big three are also said to be near a deal on the contingency plan that Paterson has been demanding as a fallback if Washington fails to come through with \$1 billion in Medicaid money that Albany has been counting on to balance its budget.

Or perhaps not. State of Politics says no one



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sounded overly optimistic once the meeting ended, and notes that Paterson issued his proclamation for tomorrow's extraordinary session of the legislature after it was over - not exactly a sign of progress.

Earlier, Katzblog had this tough-talking bit from Gov. Paterson:

"I think the planning for layoffs is going to have to begin immediately," Paterson told reporters after throwing out the first pitch at an Albany t-ball game.

Paterson was uncertain how many layoffs would be needed or when they would start. But he was certain about who's to blame - union leaders for refusing to negotiate concessions such as lag pay or furloughs.

## (snip)

"Some unfortunate people who don't deserve it are going to get laid off," Paterson said. "And it burns me to have to say that because I don't think it's fair to them but it's the only way we're going to be able to balance our budget. We didn't get any cooperation from the union sin negotiations."

Paterson also expressed the belief that a nolayoff pledge he signed with unions a year ago is not binding because it was presumed that the state would receive more federal stimulus dollars for Medicaid than it has.

That last bit met with anger from one of the public worker unions, the CSEA, whose president, Danny Donohue, accused the governor of making "inflammatory statements" instead of actually trying to work with the legislature on a deal.

Posted by Maggie Haberman 07:36 PM

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