

NASW-NYS Political Post

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Paterson's week... While the legislature is off this week for President's Week break, there is no shortage of media noise over Governor Paterson. With his poll numbers declining, the governor's office is also facing increasing media scrutiny. This reached an interesting (actually, plain strange) point this week when the arch-conservative NY Post editorial page seemed to call for the return of the governor's former top advisor Charles O'Byrne. Mr. O'Byrne resigned last year over unpaid taxes of nearly \$300,000 (and to the apparent joy of NY Post headline writers). In spite of the tax scandal, O'Byrne is known as one of the most competent and knowledgeable people associated with the Paterson administration; he had full phone switchboard in the executive chamber dedicated entirely to him due to the volume of essential calls he received. While nothing is certain yet, Paterson has expressed support for the possibility of Mr. O'Byrne's return. Without a turnaround, Paterson may face a daunting challenge from AG Andrew Cuomo in 2010, whose poll numbers continue to rise in light of several high-profile lawsuits, including a settlement with now seven managed care and insurance entities over illegal practices in the low-balling of "usual and customary rates" for health insurance policyholders.

You thought New York was bad?... While sympathies should go out to any governor trying to balance a state budget during such an unprecedented fiscal crisis, Paterson can at least take comfort that he does not need to close a budget gap the size of California's: *\$42 billion!!!!???* The California state house just reached a compromise (after some very serious deadlock) on a budget to close their \$42 billion dollar budget gap—nearly three times the size of the one we face for the 2009-2010 fiscal year. While New York is uniquely suffering from losses of Wall Street bonus taxes (approximately 20% of our annual operating budget is funded by Wall Street bonuses!), California was a more-perfect storm: With a property tax cap voted in by referendum several years ago, California relies far more on the dynamics of income taxes, which fluctuate heavily (and downward) during times such as these. Add the mortgage crisis that is hitting California much harder than most other states...Stock market crash + enormous mortgage crisis + volatile tax code = scary situation.

Political musical chairs = another special election!... Governor Paterson finally announced the vacancy of the 20th Congressional District seat (left by now-Senator Kirsten Gillibrand), starting the clock for a mandatory special election to fill the seat. The Democratic and Republican parties have chosen their candidates and the election is set to take place on March 31, 2009. The Republican, Jim Tedisco (of the Schenectady area), is currently Assembly Minority Leader, and a familiar face in the news. The Democratic contender, Scott Murphy, is lesser-known: an out-of-stater who moved to New York with his Washington County native wife a few years ago. We are still waiting for the candidates to develop their platforms, and are hoping for some lively debates—Murphy and Tedisco are currently deadlocked over when, where, and for whom they will debate. There are at least three opportunities out there, but none for which both candidates have agreed to appear at the same time! We'll keep you posted.