

State budget crisis

'Hold the line, no growth'

By JOHN M. GREENE
OF OUR ALBANY BUREAU

ALBANY — Gov. Rockefeller today tossed before the State Legislature a \$7.9-billion "hold the line, no growth" budget for the fiscal year 1972-73.

It's a freezing document.

With few exceptions, spending will remain at the present level. While he proposes to spend a new increase of \$379 million, nearly half of this is due to the effects of state aid deferments.

Elementary and secondary schools will get \$117 million more next year because of the rise in school population. This will bring the total aid to the schools to \$2,374 million, the highest it has ever been.

The Department of Corrections comes in for \$101 million, a significant increase, to finance better security measures and the first phase of a reorganization of the administrative staff at all facilities. Money is also available for the extension of the state's work-release program to the

Africa and Green Haven Correctional facilities.

Increases are made to the Division of State Police. Other hikes of an unavoidable nature are included in the debt service and retirement, social security and insurance contributions.

Rockefeller is optimistic. He predicted a growth estimate of \$525 million in the coming fiscal year.

The budget set two precedents. It's the first Rockefeller spending proposal that has not exceeded that of the previous year

and, at his budget briefing with newsmen, he was "on the record" for the first time a governor has spoken at a budget briefing with attribution.

The governor expressed optimism over the prospects of getting at least \$400 million more from the federal government, based on a bill soon to go before Congress that would give the state 15 per cent of its total income tax collections. "New York State pays the highest tax in the country," he said. He added that the 2½ per cent surtax approved at the special session will add to the state's federal aid total.

But the governor cautioned that if the \$400 million is not forthcoming, more rollovers and tax anticipation notes will result.

Rockefeller warned the state's localities that they've got to tighten their belts, too. "They're all running out of money, he said. "They're not responsive to the realities of the situation." He acknowledged the communities are not happy because of the stoppage in capital construction.

The governor is appropriating \$92 million to support the senior colleges of the City University of New York next year. But he indicated displeasure with the university's open enrollment program. "Students who can afford to pay tuition are not doing it," he said. He revealed the university's programs are being scrutinized and that a report on their effectiveness will be forthcoming this month.

Those Republican who voted against his tax package at the special session of the Legislature are in the "doghouse," the governor intimated.

Rockefeller predicted a very difficult session of the Legislature. He said one of his major problems is to get it to do anything.

On parochial school aid, the governor said he has lawyers working on a method that can mean more money to the schools. He expressed hope that they would "come up with something" by March. The parochials are now getting \$28 million annually for "service rendered." An additional \$33 million "for secular teaching," ruled unconstitutional by the Federal Court, presumably will be carried to the U.S. Supreme Court.

DIDN'T WORK OUT

The governor belittled the five-year economic projection approved by the Legislature last month. "We've had such a projection in the executive department and it never did come out right," he said.

A new phase of state budgeting was revealed at the briefing — "artificial budgeting." Presumably this has replaced gimmickry.

Because of the shutdown of the Williams Press, which does about all the state printing, the governor's message didn't arrive at the mansion until after the briefing had started. The "big book," in which the budget is broken down, may be ready today.

In his message, Rockefeller stated that while the annual growth rate of the state averaged about 8.5 per cent from 1964-65 through 1969-70, it averaged only 2.4 per cent for 1970-71 and 1971-72.

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