

# CUNY facing \$\$ cuts

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venue sharing formula. New York City gets about 60 percent of the funds, but has already assumed in its financial plans that it will not get the increases called for under the formula.

¶ Only a small part of the \$300 million in business taxes proposed by Carey in his State of the State message last week would take effect in the next fiscal year, beginning April 1, and the \$500 million in individual tax cuts, also proposed in the message, would not take effect for several years.

¶ The takeover of local Medicaid costs proposed by Carey would be phased in during the next fiscal year with an assumption of local Medicaid costs for mental health and retardation programs. That would cost the state about \$80 million in the next fiscal year. Carey plans to complete the takeover of local Medicaid costs, which costs New York City about \$800 million a year, over the next five years.

Carey plans to unveil his school aid proposals on Sunday, but will not release his entire budget proposal until Monday in a session with lawmakers.

Lawmakers have already predicted a major battle over Carey's plan to limit education aid increases and revenue sharing assistance to localities.

# CUNY due to lose out in Carey's \$16B budget

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ALBANY — Gov. Carey plans to propose a \$16-billion plus budget for the 1981-82 fiscal year that will call for much smaller increases in state aid to education than awarded last year. It may result, aides say, in major cuts in both the Board of Education and City University of New York (CUNY) budgets.

Although the executive budget will not be released until Monday, details of the spending plan began to emerge yesterday from aides to the governor.

They said the budget will be the highest in state history, but show an increase in spending from last year that is lower than the rate of inflation. According to the aides, it should reflect the following recom-

mendations:

¶ CUNY may be the biggest loser in the entire budget. "Enrollment at the City University has been going down constantly since 1975, yet there has not been a corresponding reduction in faculty," one Carey aide said. The aide predicted that as a result of changes to be proposed by the governor, CUNY will probably have to make substantial cuts in its budget starting next September. He would not predict how the College of Staten Island might be affected by the cuts.

¶ Aid to public schools increased by \$300 million in last year's budget, but Carey will ask that this year's hike be limited to about \$50 million. The city's Board of Education has requested more than a \$100 million increase just for the city, money it

says it needs to maintain current education programs.

¶ About 1,000 employees would be cut under Carey's budget proposal from state agencies, almost all of them through attrition. He will suggest that some agencies be given the same allocation as last year and therefore be forced to "eat" increased labor and energy costs. Allocations to the state Office of Mental Health and the Office of Mental Retardation and Developmental Disabilities would be increased in the budget proposal.

¶ Revenue sharing aid to localities would be frozen at 1979 levels, which would leave localities with about \$200 million less than they would receive under the state's rev-

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