

Layoff list may have fewer names

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ALBANY — There's good news for South Beach Psychiatric Center — how good officials still weren't sure yesterday.

The center, along with other mental health and mental retardation centers, should be spared many of the layoffs planned under Gov. Mario Cuomo's budget proposal.

That was assured under an agreement by Cuomo and legislative leaders to restore more than \$300 million to the budget proposed by the governor.

Overall, officials say at least half of the 7,500 layoffs planned by the Cuomo administration should be averted.

"But we still don't know how much will be restored here," said Ira Kleiman, spokesman for South Beach. The Ocean Breeze psychiatric center was supposed to lose 71 of its 1,000 employees on April 7 — mostly in maintenance and outpatient programs.

It is possible, mental health officials said yesterday, that some of the 20 South Beach employees already given lay-off notices might get a reprieve.

It all depends on how legislative leaders and Cuomo translate their general budget agreement reached on Friday.

"We're doing things a little backwards this year," said an aide to Senate Finance Committee Chairman John J. Marchi, R-Ward Hill. "We've agreed to restore a whole host of items, but we really don't know how that translates to individual programs."

But officials said that Staten Island cultural and educational groups definitely will not be funded in the regular state budget. They said because of the tightness of the budget no legislative leader was able to add funds for programs in their home communities — even though most of the programs received no state funding during the 1982-83 fiscal year.

"Our hope is still that the economy will improve and that there will be money for a supplemental (budget) either this summer or later in the year," said a spokesman for Marchi. But right now, he conceded, there is no money set aside to fund the groups.

Among the Island groups seeking funding were Snug Harbor Cultural Center, Staten Island Cooperative Continuum of Education, Staten Island Children's Museum, High Rock Conservation Center, Richmondtown Restoration Center, Eden II Institute and the Learning Institute of the

Jewish Community Center.

Also waiting yesterday for details of the tentative budget agreement were a host of businesses that, under the Cuomo budget, were supposed to begin charging a sales tax for the first time later this spring. They included bowling alleys, dry cleaners, movie theaters and tennis clubs.

Under the agreement worked out by Cuomo and legislative leaders, the sales tax extenders were to be eliminated and substituted by a 10-percent capital gains tax on real estate transactions of \$1 million or more.

"There is an agreement to eliminate the sales tax extensions, but the question is whether the real estate tax can make up the difference," said Peter Lynch, a spokesman for Division of the Budget. "We think there's a real chance it can."

But that won't be determined, he said, until the Budget Division completes a detailed financial analysis. The sales tax extenders, he noted, were supposed to raise \$110 million.

Assembly Mental Health Chairwoman Elizabeth A. Connelly, D-West Brighton, said

she received several calls yesterday congratulating her for restoration of funding to two mental health research centers in Long Island and Rockland County.

"But the fact of the matter is," she said, "that we still don't know whether the money is restored. We think it is, but nobody knows for sure."

Also still up in the area was the school funding formula for the 1983-84 school year.

Legislative leaders have tentatively agreed to add \$40 million to the \$82-million increase in education aid proposed by Cuomo.

But at the same time, legislative leaders say they plan to change the so-called Robin Hood approach to school aid advocated by Cuomo — a plan that would trim aid to wealthy districts and use the funds to help needy districts like New York City.

The end result should be a \$70-million increase in school aid for New York City — about \$40 million less than proposed by Cuomo.

Marchi said despite the loss of education funding, the city should do all right.

He noted that under the tentative agreement, the city still will receive \$241 million from a partial state assumption of local Medicaid costs.

It was uncertain, meanwhile, whether the one layoff planned for the Staten Island Developmental Center, Willowbrook, on April 7 and the five slated for the New Springville Office of the Department of Motor Vehicles would be affected by budget restorations.

Dr. Rudy Magnone, the court-appointed master for the Willowbrook retardation center, said, however, that he is still concerned budget cuts might affect state plans to transfer residents into smaller community facilities. Magnone said deinstitutionalization is vital if residents are to reach their potential.

Magnone said he obtained an order from Brooklyn Federal Court Judge John Bartels requiring the state to spell out in details the effects of any budget cuts.

ing in a supplemental budget later in the year.

But as things currently stand, the compromise budget does not leave a sufficient reserve for funding the local groups, he said.

Last year, only one Island group won funding — the Staten Island Children's Museum. It is now possible the groups will go through a second straight year without state funding.

Among the groups that had been hoping for state funding were the Children's Museum, Snug Harbor Cultural Center, Staten Island Cooperative Continuum of Education, Richmondtown Restoration, High Rock Nature Conservation Center, the Learning Institute of the

Jewish Community Center, and the Eden II Institute.

Cuomo had called for adding about \$82 million in state aid to local school districts statewide, but the legislative leaders got him to agree to sweetening that pot by about \$40 million. Because the leaders rejected his plan to cut aid from wealthy districts to aid more needy districts like New York City, however, the city will actually get \$40 million less than proposed by Cuomo.

Senate Majority Leader Warren Anderson, R-Binghamton, said he wasn't willing to give up the "hold-harmless" provision of previous school aid formulas

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which guarantees districts at least as much money as they received the previous year.

Cuomo said the final budget would not include any tax and fee increases beyond the \$919 million he had already proposed.

However, Cuomo said he was giving up a proposal to apply the state's sales tax to such things as hair cuts and drycleaning.

The governor said that in place of that, the legislative leaders had agreed to impose a statewide 10 percent capital gains tax on real estate transactions worth more than \$1 million.

In his Democratic gubernatorial campaign against New York City Mayor Edward Koch last year, Cuomo had repeatedly accused the mayor of pressuring the state Legislature into removing just such a tax in New York City. Cuomo not only beat Koch, but he will soon have the tax back.

The governor estimated that, applied statewide, the new real

estate tax would raise "between \$85 million and \$120 million" annually.

And while Cuomo said some "nuisance" taxes he had proposed — possibly sales tax on movie tickets or the like — might remain in the new budget, he was considering a proposal to have them automatically disappear within two years.

The governor also said the legislative leaders had agreed with him on "the concept" of a bond issue to rebuild the state's public works. The \$1.25 billion Cuomo plan would be used to rebuild roads, ports, bridges, airports and rail lines.

Fink said he expected the Legislature would begin passing the budget bills late next week.

The final agreement on a new budget came after a 1½-hour meeting between Cuomo and the legislative leaders late yesterday afternoon — the latest in a series of similar sessions which had been going on all week at the state Capitol.

The push was on this week to reach agreement because Cuomo had insisted on getting a budget in place by the start of the state's new fiscal year on April 1. That date has routinely come and gone in recent years without a budget in place largely because of fights between former Gov. Hugh Carey, a Democrat, and Anderson, the Legislature's most powerful Republican.

Cuomo has said the need for state worker layoffs, reduced state spending in some areas and higher taxes and fees are necessary to close what he said could be a \$1.8 billion deficit in the new fiscal year.

The governor said that even though there would be many fewer layoffs than earlier planned, he still hoped to reduce the state's work force by about 14,000 jobs. However, he said the bulk of that reduction would now be accomplished through voluntary layoffs and early retirements rather than through firings.