

Editorial page

Our opinion/

State budget a good start

New York State's new budget is a rather remarkable document. While the revenue and expenditure figures contained in the budget finally adopted by the Legislature on Monday morning are quite similar to those originally proposed by Gov. Mario M. Cuomo in January, some sweeping changes were made in the way money is to be raised and spent.

Excised from the governor's proposal, for instance, was a plan to broaden the applicability of the sales tax. Eliminated too was Mr. Cuomo's call for a fundamental overhaul of the manner in which state funds are distributed to school districts. And the number of employee layoffs required to produce a balanced budget was reduced from the 9,400 proposed by the governor to 3,100 or less.

At the same time, the Legislature decided to reorder some of the governor's spending priorities. Additional funds were made available for mental health and mental retardation services. At the insistence of State Sen. John J. Marchi and other Staten Island legislators, lawmakers even found \$1 million to be distributed among various cultural and educational organizations in the borough.

Island residents certainly have to be pleased that those worthy groups have once again been spared the need to slash services thanks to the infusion of state cash.

All New Yorkers, meantime, can share a sense of satisfaction in the fact that the new budget will maintain vital state services and enhance some local aid programs while avoiding increases in those taxes which fall most heavily on lower-income residents. At the same time, adoption of a budget prior to the April 1 constitutional deadline and within the income and expenditure limits

established early on by Mr. Cuomo, legislative leaders and state Comptroller Edward Regan certainly was a welcome departure from the budget wrangling of recent years.

The new budget will, of course, entail some pain for just about everyone. Fees for driver's licenses and automobile registrations will be rising sharply, and state taxes on liquor and cigarettes will be increased. Motorists also will be paying more for gasoline now that oil companies doing business in the state have been given the right to pass the state tax on their gross receipts along to consumers. There also will be pain for those state workers who'll be laid off in the months ahead.

On balance, however, the budget produced by Mr. Cuomo and the Legislature seems both fair and prudent.

But the budget does fall short of fully addressing some important issues raised by the governor. One of those issues, of course, involved the method of school aid. Another was the belief of Mr. Cuomo and his advisers that the state government could be made to operate just as efficiently with up to 14,000 fewer employees; the Legislature opted for a plan calling for the elimination of a maximum of 11,000 positions, most through attrition.

Mr. Cuomo ought to pursue his school aid reform plan in the months ahead. He also should order a thorough analysis of the operation of all state agencies to identify areas in which the workforce might be trimmed without compromising essential services.

The governor and the Legislature deserve credit for producing a reasonable spending plan that will carry the state through the next year. We hope the sense of cooperation evident in production of the budget will carry through into far-reaching matters of policy as well.