

State to boost tuition, other fees

By DAN JANISON
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ALBANY — Rejecting Republican lawmakers' cries for tax cuts, Gov. Mario M. Cuomo today is proposing a \$35 billion state budget he calls "tightly balanced."

Cuomo seeks more than \$3 billion in new spending for a wide range of programs this election year, 10 percent greater than last year's.

Predicting "a relatively strong economy in the year ahead," Cuomo stressed yesterday, "There are those who would cut taxes, and those who would fund new programs or existing ones."

"And for each there is but one question: What person shall we

tax or what program shall we cut to finance your idea?" he declared.

As announced before, no major tax hikes to businesses or individuals are proposed, but Cuomo is asking for a series of fee hikes to raise an additional \$32 million, which would affect a range of New Yorkers from students to motor boat owners.

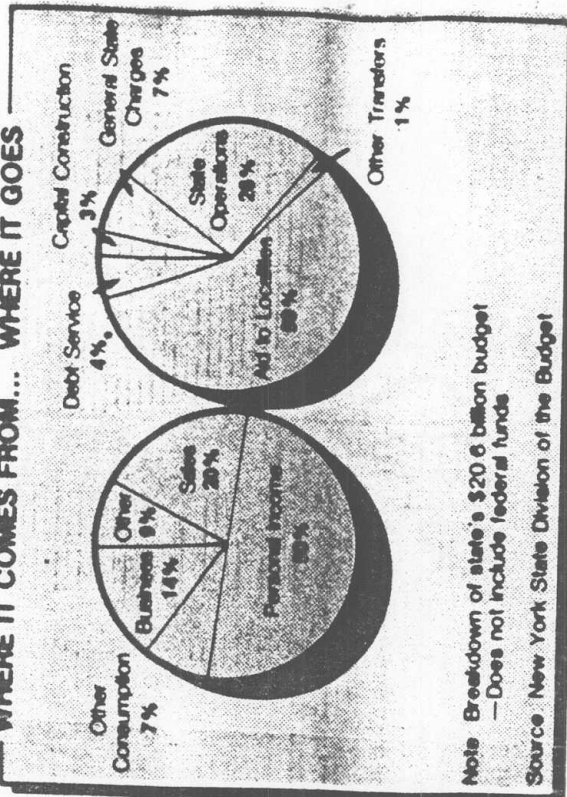
"There is no free lunch," the governor said.

Tuition is "assumed to increase by \$200 per full-time undergraduate student," for students in both state and city universities, plus \$150-per-year dormitory room cost hikes.

In a press briefing yesterday, Cuomo sought to soften the im-

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WHERE IT COMES FROM... WHERE IT GOES



Note: Breakdown of state's \$20.6 billion budget — Does not include federal funds

Source: New York State Division of the Budget

This is the breakdown of the New York State \$20.6 billion budget.

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pact by noting that poorer students "will be taken care of" and exempted from the hikes, and out-of-state residents will face higher tuition costs.

Also under the 676-page proposal revealed today, Cuomo seeks a tripling of motorboat registration fees to boost revenue by \$1.2 million; discharge permit fee hikes for companies that generate air pollution and

solid waste pollution; fees on regulatory functions for such things as nuclear reactors and amusement rides.

Pesticide regulatory fees would also be boosted to make up \$1.7 million "to help protect



Gov. Mario Cuomo reaches back and puts his hand on Director of Budget Michael Finnerty's shoulder as Finnerty starts to answer a reporter's question at the Capitol.

Associated Press Laserphoto

the public."

The budget proposal is the initial phase in a series of fights and compromises that is expected to follow between the governor and legislators. Unless extended, there is an April 1 deadline for the Legislature and Cuomo to agree to final budget terms. The Cuomo proposal also includes these expenditures:

- \$5.6 billion for New York City, a boost of \$513 million from last year, including \$117 million in increased educational aid, \$25 million in Medicaid assistance, and \$6 million to \$7 million for sheltering the homeless.
- School aid would be slanted from wealthier to poor districts, with New York City considered one district for budgeting purposes.
- The state would hire 6,600 more people, with most of the new jobs going to the state prison system. The state university would get an extra 519 jobs. Last year's austerity program cut about 10,000 positions of the state payroll.
- Higher levels of funding for housing agencies, partly to provide 8,000 first-time home buyers with low-cost mortgages.
- A Port Authority regional development bank, first proposed last year, calling for \$700 million for city projects.
- Another \$700 million for the addition of 8,600 new prison cells during a three-year period statewide.
- Various programs for youth services and teaching of basic skills, and for high-technology development.
- A water and sewer finance corporation to provide monies for better planning and development in that area.
- Transportation monies based on expenditures from the \$1.2 billion infrastructure bond issue passed last November and

the ongoing \$8.5 billion restoration program for the Metropolitan Transportation Authority.

Reaction from Island lawmakers was cautious, with most legislators saying they had not yet read the full proposal.

But in a day of caucusing during an otherwise uneventful session, Republican lawmakers, including Assemblyman Robert A. Straniere, of Dongan Hills, vowed to press for a tax cut.

Controversy over funding for mental health and mental retardation programs was reportedly a subject of lengthy discussion in the Democratic caucuses.

Cuomo's proposal calls for restoration of 350 jobs lost last year in the Office of Mental Retardation and Developmental Disabilities.

Assembly Ways and Means Committee staffers are seeking more than that level to make up for what were widely regarded as painful cutbacks. Assembly Mental Health Committee Chairwoman Elizabeth A. Connelly of West Brighton noted.

Democratic Assemblyman Eric N. Vitaliano of Dongan Hills said a "mood" of suspicion looms in that hall because of what lawmakers perceived as a broken commitment from budget officials to make fuller staff restorations in the current 1983-84 budget.

According to Cuomo, tax collections in such "solid" areas as estates and real property form the foundation of the projected revenue increases.

In the mental health budget, 1,400 new beds are slated for the retarded and developmentally disabled. Also, 300 new "acute care" beds would be added in the city to help deal with overcrowded psychiatric hospitals.

Overall, \$43 million more would be used to improve the institutions for the mentally ill

and the retarded, with a 30 percent funding increase to \$19.4 million for institutional care to the multi-disabled.

As expected, Cuomo has tied legalized sports betting under the state Lottery Division to \$100 million in education programs.

Cuomo, admitting that the program might not go through this year because it is bound to come under challenge in the courts, held out the possibility that programs such as computer availability would have to be made up elsewhere.

The \$100 million worth of programs would include those dealing with dropouts and disruptive students.

Despite projections of a major budget surplus by some legislative fiscal staffers and GOP state Comptroller Edward V. Regan, Cuomo aides insist on a relatively small \$51 million in black ink, barring the possibility of any substantial tax breaks.

One proposal that could provoke controversy is Cuomo's call for an immediate \$125 million in tax refunds to state residents when taxes are paid in 1985.

Previously, the payout of those refunds has been done in the following fiscal year, with taxpayers forced to wait for their checks until April or later.

Bond-rating agencies and citizens themselves have advised it be done in the same fiscal year, a Cuomo aide noted.

Generally, the breakdown of the proposed budget works this way: \$19.4 billion in aid to localities; \$7.8 billion to run state government; \$1.8 billion for capital construction and \$1.2 billion for interest payments on the state debt, all higher than similar figures for last year.

The state's general fund would increase 9.9 percent under the proposal.