

## —State/City news—

# Cuomo to state his case for tax cuts, environment

By DAN JANISON

Advance Albany Bureau

ALBANY — Gov. Mario M. Cuomo goes today before the Legislature for an address already known to include a bid for tax cuts and more money to protect the environment.

In his third annual State of the State message, Cuomo, who last year became a focus of national attention, is urging legislators to adopt a \$1.2 billion tax-cut program.

In the address, scheduled for 1 p.m. in the Assembly chamber, he is also prepared to call for a comprehensive, \$3.5 billion program to house 80,000 New York residents.

His economic forecast of a significant budget surplus for the fiscal year ending March 31 will mark a full turn from his 1982 speech that brought gloomier statements about a recession which he said showed no signs of abating.

Fiscal austerity was one theme that year, including layoffs of state workers and service reductions. Last year's legislative session brought no change in taxes or fees, though the Senate moved for a tax cut plan more massive than Cuomo's.

Gerald McLaughlin, spokesman for Senate Finance Committee Chairman John J. Marchi, R-Staten Island, yesterday called Cuomo's request on taxes "a step in the right direction" and the timing "even more

precipitous than last year."

Cuomo and aides rehearsed well into the night yesterday for the annual address, locking themselves into the Assembly chamber at the Capitol for several hours.

His housing proposal would give higher preference to those with lower incomes vying for cheap state home mortgages. Aides said his environmental proposal would increase from two to five the number of air pollution monitoring stations operated on Staten Island.

Both areas were the subject of calculated leaks by administration aides this week.

Senate Majority Leader Warren Anderson, R-Binghamton, last night blasted Cuomo's 1984 performance.

"The governor was preoccupied by national political affairs and he did not do all his homework" and failed to predict a strong economy, Anderson told guests at a dinner for Senate Republicans.

Anderson termed it "sad" that taxes were not cut already. "Now they (Democrats) want to join us. Good. They can read election returns as well as the rest of us."

Anderson was referring to word that Cuomo was proposing a \$1.2 billion tax cut program including some aspects the Senate moved for last year.

The city's lobbying team arrived yesterday to hear the ad-

dress and begin their annual effort for more funds.

Demands include more state aid for the homeless and for its own mandated Medicaid and welfare programs.

By the city's count, the city will account for \$8.5 billion, or 46.4 percent, of the state's tax collections in the current fiscal year.

"Of the \$2.2 billion increase in state tax collections over fiscal 1984, the city will have contributed \$1.1 billion, or 50 percent," the lobbyists said in a pamphlet being distributed here.

According to chief legislative representative Claudia Wagner, the Koch administration will also seek several measures that failed before.

One is a bid by the mayor to gain tighter control of the city Board of Education through a system involving a screening panel to pick board members, similar to the way judges are picked, she said.

Further, the city wants legislation that would limit how much citizens could win in lawsuits against municipal government. Lawsuits resulting in tort judgments against the city amount to \$120 million per year, Ms. Wagner said.

This year, the city will have another opportunity to make education funding formulas more favorable to urban school districts, which, lawmakers from the city note, did improve



Gov. Mario Cuomo left, and Henrik Dullea, director of State Operations and Policy Management, confer in the governor's office on the seventh draft of his State of the State address.

Associated Press Laserphoto

last year.

Another new proposal would assure continued collection by the city of a utility equipment tax. The tax has come under a legal threat linked to last year's corporate breakup of the phone company, Ms. Wagner said.

Also on the eve of the address, a group calling itself the Safe Energy Coalition of New York State issued Cuomo a generally unfavorable "midterm energy report card."

Cuomo got A's in only two of 21 assigned "subjects" — one for blocking the state Power Authority coal- and garbage-burning generation plant that had been proposed for Travis, and the other for pressing for a Citizens Utility Board.

He got an "incomplete" in resource recovery.

Cuomo aides on Monday leaked an outline of part of the annual address dealing with the environment, which one advocate in the field termed a possible turning point toward improving his record.

Cuomo is calling on lawmakers to increase the state's toxic cleanup Superfund to \$850 million and improve air monitoring statewide. Included in the proposal are plans for three new Staten Island monitoring facilities.

Cuomo also is tying himself to a \$3.5 billion, multi-year housing program he says would help generate 80,000 low- and moderate-income housing units statewide. Part of the program already is on the way through past actions.

Rules would also be changed for people seeking cheap state mortgages, to give low-income residents first preference. Currently, the low-interest mortgages are distributed on a first-come, first-served basis, which often leads to all-night lines outside issuing banks.

Last year's State of the State message was the longest in recent memory here, double the size of his first address, in 1982.

Cuomo called at that time for no tax hikes and changes in the state education formula. The address last year also included two major proposals that failed in 1984 — a 21-year-old purchasing age for alcohol, and passage of a state Equal Rights Amendment.

Cuomo also called for closing the Staten Island Developmental Center, Willowbrook, which he said became a symbol of national neglect of the mentally retarded.

That started a controversial chain of events over the future of the site that is still unresolved.