

GOVERNOR PATERSON ISSUES PROCLAMATION FOR EXTRAORDINARY SESSION OF LEGISLATURE FOR NOVEMBER 10

Proclamation Also Contains Legislative Agenda, Including State Spending Cap with Circuit-Breaker Property Tax Relief Program, Tier V Pension Reform, Public Authorities Reform and Marriage Equality

Governor David A. Paterson today signed a proclamation calling an extraordinary session of the Legislature to address the current-year deficit and additional legislation that was not finished at the end of session last June. In accordance with the proclamation, the Legislature will convene an extraordinary session on November 10 at noon.

In addition to Governor Paterson's Deficit Reduction Plan (DRP), the extraordinary session proclamation contains eight legislative items to be addresses by the Legislature; including the Governor's proposed cap on State spending which includes a circuit-breaker property tax relief program, structural reforms to the State pension system and public authorities reform.

"The time to act is now. The Deficit Reduction Plan, while painful, is necessary to keep our State afloat," Governor Paterson said. "New York can no longer afford delays, and New Yorkers will no longer stand for delays. I have met with my colleagues in government and I understand and agree with the need to lessen the impact that these reductions will have on all New Yorkers - but the surest way to mitigate the pain is to act now."

Governor Paterson's two-year, \$5.2 billion DRP would have a current-year impact of \$3.2 billion in 2009-10 and a recurring impact of \$2 billion in 2010-11. The components include across-the-board spending reductions and a tax penalty forgiveness program. The DRP also makes structural reforms to the pension system and proposes a cap on State spending, both of which would yield long-term taxpayers savings.

The full legislative menu submitted by Governor Paterson for Tuesday's session includes: Implementing a deficit reduction plan to address the current-year budget gap and improve New York's long-term fiscal stability;

Capping the growth of State government spending to help control State expenditures and improve New York's long-term fiscal integrity; and establishing a school tax circuit breaker tax credit and a Property Tax Circuit Breaker Reserve Fund to provide property tax relief to New Yorkers;

Providing property tax relief through efficiency in local government by making it easier for municipal governments to form cooperative health benefit plans for their employees; facilitating highway shared services agreements among municipalities, and between municipalities and State agencies; allowing multiple counties to employ a single public health director; increasing the local competitive bidding thresholds on public works contracts; equalizing the treatment of collateral sources in tort actions against public employers and protecting parties to the settlement of a tort claim from certain unwarranted lien, reimbursement and subrogation claims; and authorizing the municipal bond bank agency to issue bonds, notes or other obligations to

purchase bonds issued by municipalities to provide for public improvements afforded by the American Recovery and Reinvestment Act of 2009;

Eliminating a statutory inconsistency that allows certain serious felons to become eligible for parole and medical parole earlier than intended;

Providing same-sex couples the same opportunity to enter into civil marriages as opposite-sex couples;

Enhancing penalties for operating a motor vehicle while impaired by alcohol, drugs or a combination of both while a child is a passenger in the vehicle, and expanding court-ordered use of ignition interlock devices;

Reforming the pension system by creating a new tier of pension benefits (Tier 5) for certain newly hired State and local government employees;

Reforming public authorities in New York State by increasing the transparency and accountability of authorities and their transactions and improving oversight of such authorities through the creation of an independent authorities budget office; and

Establishing a municipal sustainable energy loan program to assist property owners in the installation of renewable energy and energy efficiency improvements.