

EDITORIAL: No raise in Albany without finance reform

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Nov. 21--No one should go 20 years without a pay raise, but Albany lawmakers should think twice about asking an overtaxed public to fund any increase without campaign-finance reform.

Gov. Andrew M. Cuomo's pay compensation panel appears to be on the brink of enacting a pay hike, the first for members of the Senate and Assembly since 1999.

Cuomo makes \$179,500 and is the third-highest paid governor in the United States, according to a study released by the New York Public Interest Research Group.

Members of the Senate and Assembly make a base pay of \$79,500, and receive stipends of between \$9,000 and \$41,500. The stipends, as explained in an article by Albany News bureau chief Tom Precious, are for positions with leadership titles or committee chairmanships. In the 63-member Senate, all senators get stipends, or "lulus." In the 150-member Assembly, all Republican members in their party's small conference get a stipend and two-thirds of the Democrats received a lulu.

Despite the lulus, costs of living are radically different around the state, reaching their heights in and around New York City. Paychecks don't go as far in those neighborhoods.

The deadline for a pay raise decision is Dec. 10. There is an off-chance lawmakers could return to Albany before Dec. 31 and, assuming the commission approves the pay raise, veto the four-member panels' work. Otherwise, lawmakers and state Comptroller Thomas DiNapoli, who is a member of the panel, will be set to get a pay raise in January. No one knows how much. But any "phase-in of a salary increase or cost of living adjustment," according to the compensation committee language, is supposed to be conditioned upon "performance of the executive and legislative branch," and "timely legislative passage of the budget for the preceding year."

What is timely? Moreover, what dictates "performance?" In this corrupt state, it should be defined by serious ethics reforms.

A couple of years ago the governor was amenable to a pay raise but also wanted lawmakers to agree to ethics reforms. Back then, the governor's appointees to the New York Commission on Legislative, Judicial & Executive Compensation blocked raises while suggesting they would be willing to reconsider if lawmakers agreed to ban all outside income, although defining "outside income" gets tricky. Is it employment, investment or pension?

Nothing in Albany has changed. In fact, the scandals that led to the insistence of tying campaign-finance reform to pay raises has only heightened. This time, the focus is on high-level members of Cuomo's administration and including a bid rigging deal over the Buffalo Billion solar plant at RiverBend.

Now more than ever is the time to link pay raises to strong ethics reforms. Moreover, the state needs to abolish the "LLC loophole" that allows wealthy donors to evade limits on political donations. The practice is egregious.

This goes back to the decision by the state Board of Elections, which ruled in 1996 that limited liability companies are not corporations, but "individuals." Donors can set up as many LLCs as they wish.

Elected officials, including the governor, have benefited greatly from this loophole. It would go a long way in the eyes of the taxpaying public if lawmakers were willing to end this practice. Supposedly legislators and the governor agree on closing the LLC loophole. How that happens is the question.

A pay raise after 20 years is not unreasonable. There needs to be more clarification on how much the increase will be, and how it will be tied to ethics reforms. If that doesn't happen, lawmakers who accept a raise anyway will telegraph their tolerance of corruption in their offices.

New Yorker taxpayers will be on the hook for any pay raise and should demand nothing less.