

GOVERNMENT LAW CENTER OF ALBANY LAW SCHOOL
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LOCAL GOVERNMENT FISCAL INTEGRITY
1996 Edwin L. Crawford Memorial Lecture on Municipal Law

MAY 14, 1996



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H. Carl McCall
New York State Comptroller

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Edwin L. Crawford

Edwin L. Crawford was an attorney, a public servant and an advocate for local government issues. A resident of Broome County, Ed served as town attorney for the Town of Vestal, and later as the Town's supervisor and Chairman of the Town Board for four years. During this time, he also served as a member and chairman of the Broome County Board of Supervisors and the Broome County Legislature. In 1969, he was elected Broome County Executive. From 1977 until his death, Ed served as Executive Director of the New York State Association of Counties. He volunteered his time for dozens of organizations, including service on the Board of Directors for the National Association of Counties.

About the Lecture Series

This Lecture Series was established in 1996 at Albany Law School to honor the memory of Ed Crawford. The program strives to educate and promote dialogue on important and timely issues affecting local governments.

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PATRICIA E. SALKIN, Esq.
Director, Government Law Center of Albany Law School

INTRODUCTORY REMARKS

Good afternoon. It's a pleasure to welcome you to the inaugural Edwin L. Crawford Memorial Lecture on Municipal Law.

The response and reaction to this lecture series in honor and in memory of Ed Crawford has been overwhelming. Some of you will recall that friends and colleagues of Ed announced our intention to establish this lecture program at his memorial service that was held in Albany.

It was our intention then, and I believe we have followed through, to develop a program which would educate and inform state and municipal policymakers and decisionmakers about key issues currently facing local government in New York. Initially, an advisory committee consisting of representatives from municipal associations as well as several county government officials gathered to discuss the most appropriate ways in which to proceed. What you see today is the fruit of that labor.

There are dozens of people to thank beyond those who generously lent their name to serve on the honorary committee. This program would not have been possible without that initial advisory committee, the Government Law Center staff, staff at all the municipal associations and other organizations who helped us with mailing lists and ideas and most of all, the people I relied on most to bring this program to fruition: William Redmond, chairman of the Government Law Center's Advisory Board and Ann Reed.

In addition to all those who volunteered time and energy, we owe deep gratitude to those who have stepped forward to help us in our effort to endow the lecture series at Albany Law School. The goal of endowment is one which was set for the simple fact that it will ensure the continuation of this project on an annual basis.

A couple of weeks ago, a reporter from a Binghamton newspaper called and asked, "Why are you doing this?" I thought about it and was really caught off-guard. I didn't really have an immediate comeback beyond the simple fact that as a student and a professional attending classes and working here in the Capital District, Ed Crawford, was to me, "the dean" of local government. In a town where we are all busy and focusing on accomplishing our own individual tasks at hand, I was always impressed that Ed Crawford made time to talk to everyone who wanted access to him. I always sent law students to talk to him and he always made the time to share his wisdom. And he also took the time to educate others, sometimes one by one on critical issues confronting local governments. If I had to sum it up, to quote Jean Monet, "The world is divided into those who want to become someone and those who want to accomplish something." I put Ed Crawford in the category of those who want to, and actually did, accomplish something. This tribute carries on the task of what Ed was all about - education in local government.

WILLIAM E. REDMOND, Esq.
Chairman, GLC Advisory Board

WELCOMING REMARKS

Good afternoon ladies and gentlemen. I must confess considerable pride and pleasure both personal and professional in being a part of this inaugural lecture on municipal law established in memory of my good friend and colleague, Ed Crawford. Our personal and professional paths crossed many times from his days as Vestal town attorney when I was a young attorney on the legal staff of the State Comptroller's Office, through receiving some considerable sage advice from him when I was Chairman of the Albany County Charter Revision Commission and he was the Executive Director of the New York State Association of Counties and maybe even more importantly, a nationally recognized expert on county government.

Have you ever pondered the question of whether the office makes the man or the man makes the office? My belief is that it is neither. It's probably a little bit of both. However, having had the privilege of working for a state Comptroller while he was in office, and also while working for a former state Comptroller, I have concluded that the Office of State Comptroller somehow attracts outstanding individuals. I worked for Arthur Levitt and Frank C. Moore and can attest to their quality as public officials.

I met our featured speaker in 1975 when we were both members of Governor Carey's Cabinet. Although I have not had the pleasure of working for him, I have kept an eye on his career and I must tell you that by all accounts, he is another man of outstanding quality, certainly in the tradition of men like Levitt and Moore.

I won't read you his full resume but suffice it to say that he has an outstanding career both in the public sector and the private sector. His public career has included rather prestigious positions like the presidency of the New York City Board of Education, State Senator and ambassador to the United Nations. He was elected twice to the position of Comptroller: Once by the legislature to fill an unexpired term, and once at a general election. As State Comptroller, his oversight and audit responsibilities for all local governments in New York State uniquely establish him as the appropriate inaugural lecturer in this series.

Ladies and gentlemen, New York State's Comptroller, H. Carl McCall.

THE HONORABLE H. CARL McCALL
New York State Comptroller

FEATURED SPEAKER

Thank you very much for that very gracious introduction. Mrs. Crawford, it's very good to be with you. It's interesting that when you talked about Arthur Levitt as a predecessor, and you talked about my career, my career and Arthur Levitt's intersected in a way. Arthur Levitt served before he was the Comptroller of the State of New York as the President of the Board of Education in New York City, and when I served as President of the Board of Education, which is clearly the most difficult job that I have ever had, I was able to endure because I knew there was a way out. There was life after the Board of Education, and I'm so pleased that I was able to follow in his path.

It is indeed an honor to address you today at this first annual lecture in honor of Ed Crawford. I first met Ed Crawford back in March or April of 1993.

Let me tell you the circumstances. As you know, my immediate predecessor, Ned Regan, resigned as the Comptroller. We don't know why. In fact every morning I go in and look in the desk to see if he left a note behind.

But, when that happened it was up to the legislature to select the next Comptroller. Therefore, I came to Albany and went around and met with every single legislator, and talked to him or her about the Comptroller's job and tried to give them my vision of what this office would be like under my leadership. When I finished those presentations, which I thought were really quite brilliant, each legislator turned to me and said, "Carl, if you are elected Comptroller, will my travel vouchers be processed more quickly?"

So given the fact that that's how the Legislature saw this job, I thought I needed a little advice about the Comptroller's Office, and what happens there, and how you manage it. It was at this point that I was introduced to Ed Crawford. Somebody said, "There's somebody you really need to talk to who is really an expert, understands local government, understands the relationship between this office and local governments and you ought to talk to him."

And, so I had several discussions with Ed Crawford, and they were very inspiring. They were insightful. They were terribly helpful in terms of preparing me for the job and, I will remain grateful to him forever for that assistance at that time. He made a great impression on me, particularly when he spoke to me about the importance of local government. Local government, he told me, is the government that people know best. Our

people's confidence in government rests in large part on their attitude toward their local government. Above all else, he said, we have to make sure that local governments work. And, of course, he said that means maintaining their fiscal integrity.

I want to thank you for thinking of this lecture as a way to honor Ed Crawford. I'm sure that he would have been very pleased, as I am, for being honored to give this first address. There could not be a better time to discuss the issue of local government fiscal integrity. In my memory and in all my years in public service, there has not been a more critical time for local governments, particularly here in New York State.

The last few years have been key to the success of the so-called devolution revolution which was inspired in large part by President Reagan and accelerated by Speaker Newt Gingrich. This devolution revolution is a symptom of this whole era of deep distrust of government at every level. We are living at a time where the notion of civil service itself is under siege.

The rhetoric is alarming, coming not only from the Freemen in Montana, but from our leaders in government as well. That rhetoric is very disturbing. George Pataki, our Governor, in his State of the State address said, "New Yorkers believe the State is in trouble," but and I quote "it isn't us, it's our government," he said. Bill Clinton in his State of the Union address declared that the era of big government is over, without telling us exactly what big government is. The way it was said, any government could be perceived as big government.

With both the public and the leaders of government taking their turns at bashing our public institutions, is it any wonder that the responsibility for public services is being treated like a hot potato, being passed from the federal government to the State government to the localities, and the localities have no one else to pass it on to? Supporters of this so-called revolution say that changes are giving localities more flexibility, but in reality the federal/state actions have put our localities into a fiscal straight jacket.

For example, since 1989 there have been \$3.3 billion in state revenue aid cuts to cities. This is just the period between 1992 and 1994, and it has in large part forced city property taxes to grow at 6-1/2 times the rate of local spending. And over a ten year period from 1984 to 1994 local property taxes and sales taxes have risen approximately 60%, while state and federal revenues have fallen by more than 10%.

A recent municipal credit report by Moody's Investor's Services highlights many of the problems facing New York cities. Moody's reviewed 25 cities and noted they are facing six fiscal challenges including declining tax bases, state aid cuts and continued mandates.

In fact, since 1990, Moody's has downgraded the debt rating of 12 of these cities.

School funding is another area where we see not just stress on the tax base but considerable inequities. Practically all localities are seeing the results of the devolution revolution. It is what I call trickle down agony, and we should not let it continue. For our cities, we need State aid to local communities, aid that would slow the growth of city property taxes and strengthen our cities' abilities to provide basic services. Specifically, we have to as soon as possible provide both a way to identify distressed cities and a way to aid them.

To this end, I have proposed to the Legislature a municipal fiscal stability program bill, a bill which would set up an early warning system for cities and other local governments. The system would monitor the pulse of our communities and in times of crisis request that help be provided, but that the help be provided early when it can in fact make a difference. The principle of this proposal is clear: state government has an obligation, indeed a duty, to assist local communities in need. The residents of our metropolitan areas, the residents of our local communities, the majority of New Yorkers must be assured that they will continue to receive expected and needed public services.

In the meantime, as a strategy for direct financial assistance is being developed, I've pledged my Office's resources to an ongoing effort at building partnerships with local communities. As we ask the Governor and the Legislature to support our cities and our localities and all local governments, I will pledge to work on improving the efficiency and effectiveness of government at all levels: cities, towns, villages, school districts.

Right now, we are working on all fronts. I have, for example, been traveling the State talking to people about the best ways to reform the way we finance public education. There seems to be general agreement that the present system of funding local education through local property taxes just isn't working. No one likes this system. They say it's not fair. It's not equitable. It does not provide enough assistance and property taxes are escalating. People want to fund education. They want good public schools but they're not sure how to pay for them and in this regard, we are trying to find a solution. There seems to be complete dissatisfaction with the present system but not yet have we discovered a consensus in terms of what would be an alternative way of funding public education.

We do know that some things have to happen. We have to improve the cost effectiveness of schools so that the public will feel that they are getting their money's worth for their tax dollars that go into education. We have to improve the accountability of schools. We have to make sure that the people who are in charge of our school systems are making the right management decisions and we do need to find some way to provide

property tax relief and reform the property tax system that is imposed on our schools and, finally, we must find some equity in the distribution of State aid because, as you know, at the present time, the top 10% of our school districts provide aid to students at the rate of more than \$11,000, whereas the bottom 10% of our school districts spend less than \$5,000 per pupil.

Overall though, we need a brand new look at what we do and how we do it. We need to look for areas of cooperation, intermunicipal agreements, mandate relief and even at local option consolidation of some of our governmental municipal units. My office is now looking at ways to enhance true local government flexibility and promote municipal cooperative agreements, among other possibilities.

One of our proposals on enhancing flexibility and mandate relief has passed the Assembly this year and three others on municipal cooperative services, modernizing cash management and easing debt sales are on the Local Government Committee's agenda. Finding ways to improve the way we do government business at all levels is a primary mission for my staff.

One of our initiatives is the Comptroller's SMART Program. That stands for State Comptroller's Municipal Advisory Review Team. This voluntary program provides assistance to local governments trying to improve their efficiency. Instead of sending in our auditors simply to find fault, we are sending in expert teams to find savings.

Results are coming in now from several SMART pilot projects. A SMART team came up, for instance, with suggestions that would save or increase revenues in the Village of Liberty by \$1.2 million over five years. But we must have the help of the municipalities. Leaders of local governments know better than anyone else how to accomplish our goals of working smarter, working better, and working faster and giving taxpayers more services for their tax dollars.

I am confident that those of us within government, including the State, can go far toward revitalizing our communities and renewing our faith in the future. We can, and I believe we must, regain the confidence of the voting public with the help of the Governor and the Legislature so all New Yorkers will join with us to redesign and rebuild our cities and our communities. This is a time of crisis in government.

It is a time of crisis in which the public has lost confidence in government. We must work hard, those of us who are in government, to regain that trust, to regain that confidence. We must work harder to keep alive the memory of Ed Crawford, remember the contribution he made to local government, remember his commitment to local government.

He saw government as a way of providing quality service to taxpayers. We must keep alive that particular commitment and now, more than ever, we must show the taxpayers of our cities, our towns, our communities that they are getting value for their tax dollars, that government is there to serve them. Government can serve them, and with your help we can show them that government will continue to provide quality public service. That we must do in Ed Crawford's memory. Again I am so grateful that I am able to deliver this first lecture as we remember Ed's contribution and commit ourselves to continue his contribution. Thank you very much.

SELECT QUESTIONS AND ANSWERS FOLLOWING REMARKS

Patricia Salkin:

Thank you Comptroller. Local governments in New York are fortunate that your Office has been committed to helping and finding innovative ways and creative ways to be proactive, instead of being reactive, and for that we are all grateful. The Comptroller has generously offered to take questions.

Comptroller McCall:

I hope this can be a dialogue about local government. There are a lot of experts here who probably have something to say.

Question:

I've been following with keen interest the business in the Hudson Valley and its controversy with Albany relative to job replacement at the IBM facility. I'm sympathetic with the people of Albany, but mostly, as a former county executive, it's been interesting for me to observe that the State government was trying to work a deal as originally put together that we as chief executives of the counties, could never do without consulting the county legislature, and I'm wondering if you would in this lecture either point out the differences or the similarities between counties going into a procedure like this, and the mish-mash that we've observed in the State clashes. You must know you're taking a real beating in the Hudson Valley, but I've think you've made an equal number of friends up here.

Comptroller McCall:

This has been a very difficult situation. I wish Ed had been around to provide some advice. It was a good idea, but very flawed in terms of the way it was executed.

The Governor, over a year before he actually sent a contract to us, made a commitment to purchase the IBM buildings that had been abandoned. There's no question about the fact that the Hudson Valley has suffered because of the IBM departure, and the Governor's original intention to purchase these buildings made a lot of sense. Let's use these buildings. They were first rate facilities. I visited them. They really could have spurred economic development.

The problem was in terms of what the Governor planned to do with the buildings, and that was basically to move jobs--public sector jobs--from Albany to the Hudson Valley. So from an economic point of view-- economic development point of view--that's not a plus if you simply move jobs from one place to another. It was really spurring economic development in one region at the expense of the other. Some of us were really being beaten in the Hudson Valley at the same time we're being cheered on here in Albany to protect and keep the jobs.

That was not a good thing to do. The way I put it was that the Governor did not

realize that there are partners in the governing process. There are people that needed to be consulted. People forget, for instance, that the first person to attack the plan and become partisan was not a Democrat, but Joe Bruno, who was the Governor's major ally in Albany government, and when Joe Bruno realized that 4,000 people were going to be moved out of the Capital District, he was against this.

So, if a lesson was to be learned here, it was the lack of an understanding that there are partners in government. That there is a legislature, and they need to be consulted. Their approval needs to be given. When the Governor was rebuffed with respect to moving the State workers, he then came up with the alternative plan to move the Fleet Bank operation. That eventually happened because that was a private agreement.

There was no way to stop it, but this is not over. There is still a plan to consolidate data processing operations and move them out of Albany. I have taken the position that you can't do this consolidation unless you have a plan first in place to show that it makes sense, that it's feasible. Once you have a plan, then you can determine whether it makes sense to consolidate and where the consolidation should take place, rather than to simply make the decision up front to buy these buildings and do the consolidation there.

So this is not over, but hopefully the Governor will learn. Obviously, the legislature will have to be heard from if there's any further movement. The Fleet arrangement was possible because it was a private deal, whereas any consolidation or movement of government services will need to involve the legislature, and in terms of your question, there's no difference. But it was interesting. A county could not do this. A county executive could not do this without the consent and approval of the legislature.

The Governor should not be able to do it without the consent of the legislature here. The county executive in Dutchess County, the county executive in Broome County, they were in favor of this, and they saw no problem with doing this without the legislature, but when I asked each of them, "Could you do this in your county without legislative approval?" "Oh, of course not." But it was okay for the Governor to do it at the state level.

Question:

In your experience as President of the Board of Education and now in your present position, I'm sure you struggled with the problem of the custodians and their control of the different school facilities. Is there any way, as Comptroller, you can help NYC with regards to that problem?

Comptroller McCall:

Probably not, except to give them some advice. The problem in this case is that there was a contract between the Board of Education and the operating engineers which gave the custodians incredible power. A principal had to go to a custodian and ask, "Can I open the school this evening?" That's the kind of control they have, and much of this is just built into their contract which is a long-standing contract. The Board of Education has

attempted to change it. The custodians have been to court and have been able to keep those conditions in the contract. So, from my standpoint, I must point out the fact that this is not a cost effective way to run our schools.

From a policy point of view, the custodians should not have this kind of power. Some of it has been taken away, but basically they still have a lock in terms of how schools are operated, and when school buildings are available.

Question:

Having watched the situation in Troy for the last several months, it looks like an abundance of financial ingenuity has led to a real dearth of financial integrity. You've described how the money is drying up. No one seems to be having the conversation about what services in fact, the public schools and the municipalities should be providing. Where is that conversation supposed to take place, because we can't just talk about the lack of revenue without the corresponding service decisions?

Comptroller McCall:

It takes place both within Troy and then here in the Legislature because ultimately, if there's going to be any solution for Troy, the Legislature is going to have to give them some aid. As you know, some aid was made available last week but it did not really represent new or additional aid.

The fiscal problems facing Troy are longstanding--many years of neglect, many years of mismanagement, perhaps even corruption--but the fact is that the taxpayers of Troy, the present taxpayers find themselves in a very difficult situation. They don't have the ability to pay for the twenty years of mismanagement. After everything is put on the table, they still end up with a deficit of about \$5 million on a \$31 million base budget. There's just no way they can make that up on their own. They can't borrow any additional money at the present time. Twenty-five percent of their operating budget goes to pay debt service so any of you who've been involved in local budget know that's impossible, an impossible burden. So, the State will have to find some way to help.

I talk about Troy often as one of the cities that's really experiencing the most serious distress. You all saw what happened last year when they had the sign in front of City Hall that said "City Hall for sale." It wasn't the usual thing where you could buy influence. You could buy the whole building. That's just how bad things were in Troy and the State has really not come forward to help, and the fact is that over time the State has continually decreased its commitment in terms of revenue sharing, in terms of aid.

Two things have to happen. The bill that I mentioned would be helpful to stop "Troys" from happening. In other words, a financial control board was set in place, and I chair that board, but by the time we got there it was too late. Even when we were put in place, we were really not given the authority in the first year to stop some of these practices and force them to come up with a balanced budget. After the experience with the first year,

the second year the Legislature changed the process and said, "Okay you can now, you now will have this ability." We have to have a uniform process in this State for dealing with distressed localities, so that we will be able to go into any locality with the same authority, with the same control and the same resources.

Every time we experience a distressed city, the Legislature acts like it never happened before, but there are now four financial control boards in the State, and each one is very different, but yet the situations are all the same. So there should be a uniform approach to the problem and the aid, the intervention, must come at an earlier point. That's what our legislation has proposed. Right now, the City of Troy has to address its problem of fiscal distress. The Mayor is proposing raising property taxes by another 21%. That is going to be destructive for the City of Troy, but the Mayor and the City Council may have no choice if they do not receive additional assistance from the State.

Question:

You mentioned, and I remember working with Ed Crawford on the issue of, unfunded mandates. The State of New York hasn't really dealt with that issue. Other states have. Some through citizen initiatives. Some through their own legislative initiatives. Do you have any recommendations about unfunded state mandates?

Comptroller McCall:

We certainly have to do that, but you know the other side of unfunded mandates is to fund them. The issue really is, is the State willing to provide the resources, and one of the biggest ones is the construction of court facilities.

For example, about a year ago I received a letter from the Office of Court Administration telling me that, under the law, I was to go to Erie County and immediately take \$10 million out of their budget or withhold \$10 million in state aid because Erie County had not fulfilled a legal mandate to build new court facilities. So I called up the county executive and said, "Dennis, I'm coming to get \$10 million." And, of course, that was a real problem. But, this is what happens. They put the mandates in place for court construction or something else and pass on that responsibility without the money. The legislature should say that if we're going to give you a responsibility then we're giving you the money to do it.

Now, given the state of fiscal condition at the State level and the problem we're having, it's unlikely that the State is going to do that, but they must stop the mandates. So, the only answer is that the money must follow the mandate, and we have not done that.

Question:

For years, local governments have been very resistant to the idea of consolidating government services. Given the present fiscal condition of municipal governments, I think they are really reconsidering that idea. For instance, in Onondaga County, a county of

400,000, there are 17 separate law enforcement agencies. One perspective might be that 16 police chiefs and a sheriff is a good way to approach policing, but it really is an issue today.

Comptroller McCall:

There are just too many levels of government. By consolidating we really do address the issue of the cost of local government, and it's interesting that you say they are reconsidering it, because that's part of the problem. They consider it. They reconsider it, and they reconsider it.

If you speak to any good government group of local officials, the conclusion is always - we must consolidate. We must share services. We must find ways to reduce the levels of government. But try to do it. Try to do it. It is very, very difficult. People simply do not want to give up their relationship with that small unit of government. They want their own fire district. They want their own police department. They want their own town, village or hamlet.

One of the best studies, and I commend it to you, that I have seen and that's really a blue print for consolidation and sharing of services was a project called Westchester 2000. A very good group of people in Westchester County got together and spent a lot of time looking at practical ways of reconfiguring government services in Westchester, and they did something else that was very helpful, they worked with the State Association of Accountants. They actually put a figure on it. They actually showed how certain activities, certain transactions would lead to actual savings, and they quantified those savings. They thought that would really make the difference if you said, "Look what you would save if you did this amount of consolidation." That plan--I still think it's good to see it--is still sitting there. What was it, three years ago that it was first presented--a big press conference when it was accepted, but it hasn't moved.

Something happened a few weeks ago in Buffalo. Joel Giambra, a very able City Comptroller for the City of Buffalo, had a press conference with charts and graphs and numbers. He suggested that Buffalo go out of business and the City of Buffalo be absorbed into Erie County. Well, you would have thought that Joel Giambra had two heads. It was attacked from everybody. Even the local newspaper, the *Buffalo News*, thought this was a terrible idea, but if you really looked at what he said, it made a lot of sense. They would have saved a lot of money, and I'm not going to stand here and say who needs Buffalo, but the fact is that that's what he was suggesting, but when he got down to that point, nobody wanted to support it.

It's very, very hard and I'd appreciate any suggestions from any of you who've had experience. We try to do this with our SMART program as we talk to localities. We try to talk about it. Our bill has some provisions that would even, we believe, facilitate certain cooperative arrangements, but it is very difficult to do.

There's been some significant improvement in the relationship between Troy and

Rensselaer County because of just how bad things are. Maybe that's what you need. Maybe you have to hit the wall before you really begin to make a commitment to make some of those changes.

Question:

I'm a resident of the City of Troy, which maybe isn't a good thing to admit. Watching this whole thing occur, it appears as though the elected officials haven't been empowered by the public to take the necessary action. In other words, no matter which way they turn, there is somebody screaming and yelling in their face. Can you comment on the role of the electorate and the citizens in this process of fiscal integrity.

Comptroller McCall:

Elected officials have been empowered by their constituents to make decisions. The problems happen when people are unwilling to make decisions. It is true that some decisions are unpopular. Sometimes members of the electorate will not support them, but it's part of our job, as elected officials, to explain what we're doing. You have to make decisions. You have to stand by the decisions, and you have a responsibility to explain those decisions as fully as possible to the electorate. Then you have to live with the consequences, and that's what has not happened in Troy.

That is not happening now in Albany. Why do we have another late budget? Because people are unwilling to step up and make tough decisions. The issues are very clear. The State has a \$3.9 billion gap in its financial plan. We are losing some \$3.3 billion in revenue because of a tax cut. We expected aid from Washington that has not materialized. So, there's a hole in the budget and the Governor has proposed some very serious cuts in important programs, such as Medicaid, higher education, and education. It is difficult to step-up and make those decisions that this is a budget that has to be passed. It will be painful, difficult, but we have no choice, and finally at some dark hour it will happen. But why put it off? That's the problem. We have empowered legislators, but legislators sometimes try to avoid exercising that power because they're concerned about the consequences.

Question:

Do you feel that if there were limits on being elected that this would help, so that if you're going to be criticized anyway, but you're not going to be there that long, you can make those difficult decisions and stick with them?

Comptroller McCall:

I'm against term limits for a lot of reasons. I call term limits the Norman McConny Empowerment Act. You have to really be an insider to understand that. Let me tell you why. The reason is this. Norman McConny is a very effective staff person, very effective

but, only a few people here know him, and there are a lot of people like him. When the legislators go home on Wednesday, he stays, and he wields incredible power in their absence because he's behind the scenes. He's a staff person.

With term limits, these are the people who really begin to run government because the legislators we elect will leave and the staff will continue. They will become the real power operatives, and we don't know them. We don't know their names. They're not accountable. So I think we're just transferring responsibility from legislators to another group of people who will be less accountable. That's my main reason for opposing term limits.

I think we need the continuity. If you don't like people, you have an opportunity every two years or every four years to limit their terms. Certainly, incumbents have a certain amount of clout, maybe that's unequal, but we can fix that. We must address campaign finance reform. That's where incumbents really get this extra power and that's why they stay there.

You know the Governor has been criticized for the way he raises money, and he should. On the other hand, he almost has no choice. You have to raise an inordinant amount of money to run for state-wide office, and you are almost forced to do it in ways that are questionable. That's what we really should address if we're talking about reform.

Ladies and gentlemen, thank you very much.