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Quid pro Cuo in pols' salary hike

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Gov. Cuomo may link pay hikes for state lawmakers to an end to the much-abused "per diem" reimbursement system and cuts in mandates on hard-pressed local governments, The Post has learned.

The controversial pay hikes — expected to be taken up by lawmakers after the November election in order to avoid a backlash at the polls — are likely to raise the current "base" pay for legislators from \$79,500 a year to just over \$100,000, sources said.

The raises, the first since 1999, would cost state taxpayers about \$4.25 million annually, but that cost could be cut by more than \$2 million if the "per diem" reimbursements are eliminated or significantly reduced.

The reimbursement system, which can pay legislators nearly \$175 a day for time supposedly spent at the Capitol, was adopted in the 1970s as a "reform" that replaced small annual-expense payments that couldn't be increased or reduced.

But the "reform" quickly became a method for lawmakers to hike their earnings by claiming \$20,000 or more in annual reimbursements, often with only scanty proof that they were actually at the Capitol.

The "per diem" system has also contributed to the lengthening of the annual legislative sessions — since the more time lawmakers spend "working," the more per diems they can claim.

Lawmakers have even bought homes or apartments in Albany, instead of staying in hotels, because the steady stream of per diems can easily cover mortgage payments, providing them with a state-financed investment.

"The governor is looking to have us give up the per diems in exchange for a pay hike," said a senior Democrat in the Assembly.

"I'm not sure it's worth it. It's a lot of money,"

However, lawmakers have been told that legitimate business expenses could be deducted from their state and federal taxes.

Cuomo, increasingly worried that many cities and counties face the threat of financial bankruptcy, is also considering tying pay hikes to "significant" mandate relief for local governments, including possible changes in "Triborough Law," which favors public-employee unions over local governments in contract talks, a source close to the Legislature said.

"The governor and legislators know there could be bankruptcies ahead for local governments, so why not give the locals the ability to make more spending cuts themselves, rather than having a situation where the state may have to pick up the tab?" the source said.

Cuomo has repeatedly called for raises for his top aides, who have also gone without raises for 13 years. Lawmakers plan to tie such pay hikes to raises for themselves.

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One of Long Island's best-known Republicans is putting aside his traditional partisanship and praising Democrat Cuomo in unusually flattering terms.

"In my view, Andrew Cuomo has proven to be the most savvy and powerful governor since Nelson A. Rockefeller, especially when it comes to dealing with the Legislature," former longtime Suffolk County GOP Chairman Howard DeMartini told The Post.

DeMartini's statement came just hours after Cuomo's second legislative session came to an end with the passage of the governor's bill that restricted to parents the public disclosure of the new teacher-evaluation ratings that will soon be required. The Senate GOP had come under intense pressure from Mayor Bloomberg, its largest contributor, to reject the Cuomo plan in favor of full public disclosure.

Strong praise of Cuomo similar to DeMartini's is often heard these days from Republicans, but, until now, only in private.

Pay What?

Gov. Cuomo's plan to OK legislators' pay raises includes cost-cutting measures:

Current "base" pay for legislators: **\$79,500**

Proposed salary: **\$100,000**

Annual cost to taxpayers: **\$4.25M**

Cost with proposed "per diem" cuts: **\$2.25M**

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