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Questions Linger About Cuomo Agenda

By JACOB GERSHMAN

Since being elected two weeks ago, Gov-elect Andrew Cuomo has shed little light on how he will deal with many key issues, including digging the state out of a rapidly growing deficit.

From pension reform to Medicaid to unemployment insurance, major questions still linger about Mr. Cuomo's agenda, policy experts say.

ISSUE	POSSIBLE SOLUTIONS
<p>Tough Decisions Gov.-Elect Andrew Cuomo says he's already completed most of his policy planning. But important questions remain about his agenda.</p> <p>Fate of Vacancy Decontrol The law, which permits landlords to charge market rates for vacant units when rent reaches \$2,000, expires in June.</p>	<ul style="list-style-type: none"> Extend current rent law and keep deregulation trigger at \$2,000 a month. Raise limit above \$2,000 threshold. Prohibit deregulation of empty apartments.
<p>MTA's Fiscal Jam The MTA faces a \$10 billion gap in its capital-spending plan.</p>	<ul style="list-style-type: none"> Find a way to generate new revenue through tolls or taxes. Scale back capital plan, potentially scuttling big projects. Borrow to fill gap, adding to debt burden.
<p>Pension Growth Pension costs for public employees are expected to triple in three years.</p>	<ul style="list-style-type: none"> Lower benefits and increase worker contributions. Move state toward a 401(k)-style retirement savings plan.

Mr. Cuomo, the Democratic attorney general, says he's already fleshed out a detailed road map for the state, and his advisers say there's a limit to what the governor-elect can discuss outside of legislative negotiations. When asked to elaborate on specific policies, he often directs attention to a series of briefing books handed out by his campaign.

"There are different types of transitions. My campaign did extensive policy work," said Mr. Cuomo in a radio interview two days after the election. "Mock me if you must; seven, eight books of policy. So I don't need to do a lot of policy work in this transition."

The point was reiterated on Tuesday in Manhattan during a meeting of a newly appointed transition committee on economic development.

One of the members, developer Howard Milstein, asked if the group would be offering any guidance on policy, according to people present. In response, a senior adviser to Mr. Cuomo said the committee's main purpose was to help recruit talent and referred Mr. Milstein to the campaign books, the individuals said.

While Mr. Cuomo, in some cases, has delved into specifics—he says he opposes broad-based tax hikes and wants to cap annual growth in local property taxes and close the Indian Point nuclear power plant in Westchester, for example—there are blank spaces.

Left unanswered is how he will restrain the cost of the nation's most expensive Medicaid program, which now enrolls a quarter of New Yorkers. Without the help of federal stimulus aid, the state is expected to spend \$6 billion more than it did last year, an increase of nearly 50%.



Associated Press

New York state Attorney General and Gov.-elect Andrew Cuomo, left, and his successor, New York state Sen. Eric Schneiderman.

Mr. Cuomo has said he wants to restructure the state's Medicaid system, shifting county costs to the state and increasing the governor's power over setting rates paid to hospitals, nursing homes, and other providers. But he hasn't said if he would adjust reimbursements, tighten eligibility rules or eliminate services, such as long-term care benefits, which are guaranteed by Albany but not required by the federal government.

"A big question is how to preserve the sustainability of the Medicaid program without hurting patients," said Elisabeth Benjamin, a researcher at the Community Service Society, an advocacy group for patients.

As a candidate, Mr. Cuomo said he was supportive of a stalled effort to expand the State University of New York at Buffalo. But he was vague on whether he favored a broader regulatory overhaul of public higher education backed by Gov. David Paterson that would have given

state colleges more authority to raise tuition and set budgets on their own.

His policy papers say Mr. Cuomo wants to return the state's unemployment insurance fund to solvency. But he's offered scant details about how he would fix the system, which has accumulated a deficit of \$3 billion since the downturn. State lawmakers and business groups are jousting over how to adjust the rates paid by employers.

"He hasn't come out with anything I would call concrete," said Margaret Moree of the New York State Business Council, a lobbying group based in Albany.

In the area of mass transit, Mr. Cuomo has criticized the Metropolitan Transportation Authority but hasn't signaled how his administration will close a \$10 billion gap in the agency's long-term plan for capital spending, whether by scaling back projects or by raising more revenue.

On housing issues, a test for Mr. Cuomo looms in June, when the laws on the city's rent regulations expire.

Mr. Cuomo, a former federal housing agency secretary, hasn't taken a position on a central issue in the impending fight: vacancy decontrol, the law that allows landlords to deregulate vacant rent stabilized-apartments when the rent hits \$2,000 a month.

Rent-regulation advocates, backed by Democratic lawmakers, have pushed for a repeal of vacancy decontrol. Landlords vehemently resist that, saying it could cost their industry billions in value.

Regarding pensions, Mr. Cuomo has stressed a need to rein in costs but hasn't said whether he would push to lower guaranteed payouts for future employees or force government workers to contribute more of their earnings to the retirement system. He's also declined to say whether he supports moving the state toward a potentially cheaper 401(k)-style retirement savings plan, which would shift more costs and risks to workers.

"You can't draft pension reform legislation based on what's in the policy book," said E.J. McMahon, of the Manhattan Institute, a think tank. "A lot of work needs to be done to flesh out that area and others."

—Andrew Grossman and Eliot Brown contributed to this article.

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