Ethics gridlock in Albany

With the former leaders of the state Senate and Assembly due to be sentenced for corruption convictions in coming weeks, their ex-colleagues in Albany have yet to enact legislation to address the one subject that seemed an obvious imperative for this year's session: ethics reform.

They dodged the issue in the budget they passed last week, omitting every proposal Gov. Andrew Cuomo had made - but then failed to push for - to curb corruption in Albany, including a proposed limit on legislators' outside income and the elimination of a notorious loophole in campaign contribution limits. The Democratic-controlled Assembly and Republican-controlled Senate both passed bills with reform elements since January, but each chamber has its own priorities and shows no immediate signs of agreeing.

Assembly members, Democrats and Republicans alike, overwhelmingly approved a set of measures in March that would have restricted lawmakers' outside income to about $77,000 a year - 40 percent of a state Supreme Court justice's salary - and closed the notorious "LLC loophole." That loophole lets businesses and wealthy donors bypass contribution limits by funneling money to politicians through limited-liability companies. One of its greatest practitioners played a role in the corruption cases last year of former Assembly Speaker Sheldon Silver and former Senate Majority Leader Dean Skelos.

"It's crazy that this is not getting addressed," Assemblyman James Skoufis, a Woodbury Democrat, said Wednesday.

Senate Republicans have taken no action on outside income or the "LLC loophole." Instead, they again proposed limiting legislative leaders' tenure to eight years and a constitutional amendment to prevent state employees from collecting pensions if they're convicted of official corruption. They passed the same pension-forfeiture bill last year, but Assembly Democrats approved a different proposal that limits the penalty to elected officials only. The two sides have yet to reconcile their bill differences.

"If the Assembly is serious about real ethics reform, they can start by passing these measures," Sen. William Larkin Jr., R-Cornwall-on-Hudson, said in a statement on Wednesday. His spokesman, Brian Maher, reaffirmed Larkin's support for limiting legislators' outside income, but declined to specify a limit and didn't respond to a question about Larkin's position on campaign contributions from LLCs.

Good-government groups are aghast at Albany's failure so far to seize its "Watergate moment" to enact reforms. They're pushing to ban or limit legislators' private-sector income, close the LLC loophole and require full disclosure of giant "lump sums" in the state budget - a practice they say invites corruption.

Blair Horner, legislative director of the New York Public Interest Research Group, argues those priorities are far more important than pension forfeiture, which he calls "low-hanging fruit" and doubts will deter corruption. "You would think that spending some time in the slammer would have more of an influence," he said. Horner contends the prospect of significant ethics reform in the next two months "entirely hinges on what the governor wants to do."

"He created the expectation of ethics in the budget, and then he dropped it," Horner said.

Gerald Benjamin, director of the Benjamin Center at SUNY New Paltz, noted another retreat: Lawmakers quietly cut from the budget $1 million that Cuomo had requested for a commission to study potential constitutional changes. The research by such a commission - which Benjamin said Cuomo could still choose to fund - would prepare New Yorkers for a referendum in November 2017 on whether to hold a constitutional convention, something lawmakers always have opposed as a threat to entrenched power.

"It's an outrage; it's a real outrage," Benjamin said of the funding cut.

Skelos is due to be sentenced in federal court on April 28. Silver's sentencing is set for May 12.