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NEW YORK POLITICS

Governor: Democratic Attorney General **Eliot Spitzer** continues to hold a huge 40-50 point lead over his GOP opponent, former Republican Assembly Minority Leader **John Faso** in the race for Governor. .

Spitzer hopes for a huge electoral victory, so he may claim a mandate from New York voters for “reforming Albany.” As Governor, Spitzer expects to set the agenda for the Legislature, with respect to tough political issues such as property-tax reduction, education spending, reshaping the health care system, transportation spending, workers’ comp reform, stimulating upstate economy, to name a few.

Spitzer’s campaign camp is so confident of victory, that they are already engaged in transition planning in Albany. Likely players in key roles include:

Secretary to the Governor, **Richard Baum**. Baum is currently Spitzer’s Chief of Staff and top campaign aide. Baum is former Minority Leader of the Orange County legislature.

Counsel to the Governor, **David Nocenti**. Nocenti is currently Counsel to the Attorney General, and served as an Assistant Counsel to then Governor Mario Cuomo.

Communications Director, **Darren Dopp**. Dopp is currently Press Secretary to the Attorney General, and served in a similar capacity for Assembly Speaker Sheldon Silver.

Press Secretary, **Christine Anderson**. Anderson is currently Spitzer’s campaign spokesperson.

Appointments Secretary, **Francine James**. James is currently Personnel Director in the AG's Office.

Health Policy Advisor, **James Tallon**. Tallon is currently President of the non-profit United Hospital Fund of New York, and is a former Assembly Majority Leader and Chair of the Assembly Health Committee.

Environmental Policy Advisor, **Judith Enck**. Enck currently holds a similar position in the AG's Office, and started her career with the Environmental Planning Lobby and NYPIRG.

Lt. Governor: Spitzer's running mate for Lt. Governor is Senate Minority Leader **David Paterson**.

Faso's running mate is Rockland County Executive **Scott Vanderhoef**.

Outgoing Lt. Governor **Mary Donohue's** nomination to the U.S. District Court for the Northern District of New York, would likely be rejected by the U.S. Senate, if the Democrats take back the majority in the midterm elections. This, according to comments made by U.S. Senator **Chuck Schumer (D-NY)**, who would then head the Senate Judiciary Subcommittee on the federal judiciary.

Attorney General: Former H.U.D. Secretary and Democrat **Andrew Cuomo** continues to enjoy a double-digit lead over former GOP Westchester County District Attorney **Jeanine Pirro** in the race for Attorney General.

Pirro's campaign has weathered news of a federal probe into her past discussions to bug and tape her wayward husband **Albert Pirro**, whom she suspected of having an affair. But Pirro can't seem to close the gap between herself and Cuomo.

State Comptroller: Embattled incumbent Democratic Comptroller **Alan Hevesi** appears to be on the brink of being removed from office even if he wins reelection. This is due to the continuing political and legal repercussions of "Chaffeurgate" wherein Hevesi has been using a state-paid bodyguard to chauffeur his ailing wife around town on personal business from 2003-2006. Hevesi has personally reimbursed the State of New York some \$83,000 in compensation for the bodyguard's services during this time and was ordered by the Attorney General's Office to place an additional \$90,000 in escrow pending resolution of its investigation.

Separately, a Special Investigator appointed by Governor **George Pataki**, former U.S. Attorney **David Kelley**, has issued a report stating that there is a "preponderance of evidence" that Hevesi knowingly violated the law. This investigation was in response to a State Ethics Commission report released last week, which determined that Hevesi had likely violated the law. However, Kelley stopped short of recommending that the Governor ask the state Senate to begin proceedings to remove Hevesi from office.

Hevesi is being separately investigated by Democratic Albany County District Attorney **David Soares** for possible criminal violations.

The potential beneficiary of Hevesi's political and legal woes is his GOP opponent, former Saratoga County Treasurer **Chris Callaghan**, who first revealed use of the state-paid bodyguard as a personal chauffeur for Hevesi's wife. A Siena College poll of likely voters now shows Hevesi with 39% support to 35% for Callaghan, a virtual statistical tie, since the poll has a 4% margin of error.

Both GOP Senate Majority Leader **Joseph Bruno** and GOP Assembly Minority Leader **James Tedisco** have called upon Hevesi to resign prior to the Election. Hevesi has defiantly refuses to resign, even after gubernatorial frontrunner **Eliot Spitzer** publicly rescinded his endorsement of the Comptroller. If Hevesi is removed from office by the Senate, upon recommendation of the Governor, or if Hevesi is impeached by the Assembly and Senate, then the Legislature sitting as a Committee of the Whole, would vote for his successor. This means that the Democrats, led by Assembly Speaker **Sheldon Silver** would choose Hevesi's replacement.

U.S. Senate: Incumbent U.S. Senator **Hillary Clinton** is on course to easily beat former GOP Mayor of Yonkers **John Spencer** to retain her Senate seat. Clinton enjoys huge leads over Spencer in every major political poll, and has over \$40 million in her political campaign war chest.

With her reelection apparently secure, Clinton can now focus her political sights on the White House in 2008. She has never pledged to serve out her full 6-year Senate term if reelected.

U.S. Congress: With the Democrats already holding 20 of New York's 29 Congressional seats, several GOP incumbents are on the defensive from tough Democratic challengers. National political money has been pouring into the state for last minute T.V. ads in several key races:

19th District – Hudson-Valley GOP incumbent **Sue Kelly** faces a spirited challenge from Democrat **John Hall** a musician formerly with the rock band Orleans.

20th District – Capital Region GOP incumbent **John Sweeney** is in a virtual statistical tie with Democrat **Kirsten Gillibrand**. The campaign has been especially nasty, with reports of alleged spousal abuse by Sweeney and alleged tax evasion by Gillibrand.

24th District – GOP State Senator **Raymond Meier** is opposing Democratic Herkimer County D.A. **Michael Arcuri** for the seat left open by the retirement of Republican Congressman **Sherwood Boehlert**. Ordinarily considered a safe Republican seat in the Mohawk Valley, anti-war sentiment and a poor local economy are pushing voters to the Dems.

25th District – Syracuse Republican incumbent **James Walsh** faces unexpectedly tough opposition from Democrat **Daniel Maffei**.

26th District – Incumbent Republican **Tom Reynolds** is in a dogfight of a rematch with Democratic millionaire **Jack Davis** in the Niagara Frontier. Reynolds is the head of the Republican Congressional Campaign Committee, and has been tarred with the Iraqi war brush and the Congressional page scandal brought on by former Florida Rep. Foley. Davis continues to hammer away at anti-NAFTA sentiment in a District that has lost good paying manufacturing jobs.

29th District – Incumbent GOP Rep. **John “Randy” Kuhl** is fighting hard against Democrat **Eric Massa** an anti-war, retired U.S. Navy Commander in his sprawling Finger Lakes District.

ELECTION PROGNOSTICATIONS

STATE SENATE: All signs seem to indicate that the Senate Republicans will hold onto their current majority. Even the Senate Democrats concede that they are looking to the 2008 to finally gain control of the State Senate.

Recent fundraising events in the past two weeks have seen the Senate GOP rake in over \$700,000 for its collective reelection efforts. This is over 10 times the amount raised by the Senate Democrats in the same span.

One of the hottest Senate contests is in Westchester between incumbent GOP Senator **Nick Spano** in a knockdown-dragout rematch with his Democratic challenger, Westchester County Legislator **Andrea Stewart-Cousins**. Spano beat Stewart-Cousins by a mere 18 votes in 2004.

The other Senate bid to watch is GOP Assemblymember **Jeff Brown’s** race against one-term incumbent Democratic Senator **David Valesky** in Syracuse. Valesky eked out a victory 2-years ago by a few hundred votes, in a 3-way race that saw the Conservative Party candidate siphon off votes from then GOP incumbent Senator **Nancy Lorraine-Hoffman**.

STATE ASSEMBLY: No surprises are expected in the Assembly. If anything, the Democrats may add to their already veto-proof majority, which currently stands at 105-45.

Since New York is a strong leadership state, majority party control is paramount in either House of the Legislature, to determine the flow of legislation in each Chamber, as well as negotiation of the state budget with the Governor.

BUDGET SURPLUS PROJECTED

The Director of the Division of the Budget **John Cape** has projected that New York will end the current 2006-2007 State Fiscal Year with a \$1.1 Billion surplus, due to stronger revenues from state economic growth and lower state spending.

However, DOB also predicts a \$2.7 Billion budget deficit for SFY 2007-2008.

PORK BARREL SPENDING

The Albany Times Union has won a lawsuit against the Legislature, following denial of its Freedom of Information Law (FOIL) Requests for so-called “member item” discretionary spending lists. Each House of the legislature dispenses about \$85 million annually in discretionary grants for community projects or organizations in their legislative districts.

The court has ordered the Senate and Assembly to divulge such information listed by legislative district. Both the Senate and Assembly have said that they would comply with the court’s order, but that the lists would probably not be ready for three weeks, well after Election Day.

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