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# THE CRAIN'S INSIDER

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A daily newsletter on government action of importance to business

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## TODAY'S NEWS

### HEVESI REPLACEMENTS

As state Comptroller Alan Hevesi reportedly negotiates a deal to resign, the same names keep surfacing to replace him. Investment banker Bill Mulrow, the front-runner, has been meeting with elected officials, seeking their support. Assemblyman Dick Brodsky, D-Westchester, and former U.S. Attorney Denise O'Donnell are also mentioned. The choice will be Assembly Speaker Shelly Silver and Governor-elect Eliot Spitzer's. Insiders say the two will have some pressure to choose a minority or woman.

### COMPTROLLER RACE

In an attempt to gain front-runner status, three Democrats are raising money for the 2009 city comptroller race. Councilman David Weprin of Queens says he'll have \$1 million by year-end, including \$470,000 from his council account. Queens Councilwoman Melinda Katz just held an event sponsored by the powerful Central Labor Council, the Building and Construction Trades Council and the RWDSU. Katz wouldn't give a total but won't use the \$350,000 from her council account because it would preclude donors from giving again. Brooklyn Assemblyman Jim Brennan will have raised \$220,000 by the January filing, roughly half of which will be matchable.

### SERF'S UP IN 2008

Had he not been ignored by the Queens Democratic organization, Herman Baldeo

## Workers' comp reform finally in the works

Reform of workers' compensation has a good chance of happening next year, Assembly Speaker Shelly Silver says, because all parties are negotiating for the first time. Proposals have been bandied about for years, says Silver, but "nobody had put everybody in the same room."

Eliot Spitzer has finally done so, organizing a series of meetings at which leaders from the Legislature, business community, organized labor and his transition team are all present. Silver had encour-

aged the governor-elect, assuring him that the Assembly would support reform.

The speaker says he is willing to change the controversial "permanent partial disability" entitlement, which has been blamed for distributing huge sums to a small fraction of claimants. That has driven up employers' premiums and left less money for the vast majority of injured workers. Silver wants to preserve these lengthy payouts for workers who sustain permanent, severe injuries.

might have gotten the 900 additional votes he needed to upset state Sen. Serf Maltese, R-Queens. Baldeo has since met with Rep. Joe Crowley, the county Democratic leader, about running in 2008. It may be too late: His near-miss has inspired Councilman Joe Addabbo to consider running. Addabbo, who has also met with Crowley, is more likely to get the county's endorsement.

### 421-A CONCESSION

The deal to reform 421-a approved yesterday by the City Council reverses the Bloomberg administration's position on a Brooklyn rezoning. In 2003, the city refused requests from Councilmen David Yassky and Bill de Blasio to require affordable housing in high-density buildings along Fourth Avenue in Park Slope. To seal the deal, the administration belatedly agreed to de Blasio's

request for "inclusionary" zoning. Details have yet to be worked out. Yassky calls the concession "better late than never" but says construction of large market-rate buildings has already begun. "It is closing the barn door after the horse is gone," he says.

## AT A GLANCE

**B'KLYN HIRES:** Jill Harris is Councilman Bill de Blasio's new chief of staff and could run his 2009 campaign for borough president, city comptroller or public advocate. Councilman David Yassky has named Cathy Mitchell Toren chief of staff. She was finance director for his 2006 congressional campaign.

**SCHEDULE:** This *Insider* is the last of the year. Publication will resume Jan. 2.

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