



NEW YORK STATE SENATOR

George M. Borrello

Statement from Senator George Borrello on the New York State Budget

GEORGE M. BORRELLO April 7, 2021

| ISSUE: **NYS BUDGET, TAXES, ECONOMIC GROWTH**



Albany, NY – Following the passage of the 2021-2022 New York State budget, Senator George Borrello released the following statement:

“As New Yorkers look forward with hope after a year dominated by the pandemic’s horrific toll on our people and our economy, our state needed a budget that would serve as the catalyst for a desperately needed recovery and economic resurgence. Unfortunately, that

isn't the budget we've gotten.

"Instead, the spending and revenue plan that was negotiated and passed by the Legislature's Democratic Majorities, with the support of a weakened and embattled Governor, is a \$212 billion dollar example of what happens when government spending and policy is dictated by progressive activists.

"With the \$12.5 billion federal bailout allocated to New York under the American Rescue Plan and higher-than-expected revenues, our budget gap disappeared, and along with it, any justification for raising taxes. Yet, this budget has a crushing \$4.3 billion in new taxes on high earners and businesses. Why? Because the radical left who lobbied long and hard for these tax increases -- and would have liked even more -- believe that successful individuals and businesses, our job creators, should be penalized for what they've earned.

"Much of this tax revenue will support the creation of a \$2.1 billion fund that will allow individuals who were ineligible for unemployment insurance during the pandemic to receive payouts of up to \$15,000 per person. This is a politically-driven item with an unacceptably high price tag, particularly with our state's unemployment insurance fund depleted by the unprecedented demand of the pandemic. Struggling small businesses are now being hit with insurance rate increases that threaten their survival.

"This reckless combination of tax and spending increases will have severe and long-term consequences on our state and its future, from lost jobs and shrinking opportunities, to the continuing exodus of residents to more affordable states. New York was already number one in outmigration and that trend is now poised to accelerate.

"There are many positive investments and restorations in this budget that my Republican colleagues and I fought for and New Yorkers deserve. The next phase of the promised middle

class tax cut has been restored, which will offer some much-needed relief to stretched family budgets. There are modest grants and tax credits for small businesses to help them recover from pandemic-driven losses. Our schools and students will benefit from increases in aid, including a \$1.4 billion increase in Foundation Aid. There are restorations of local transportation aid and AIM funding for local governments. An additional \$25 million was allocated for the Nourish NY program and funding for statewide agricultural programs was restored.

“These restorations and allocations are needed and deserved and could have been achieved without the painful tax hikes and irresponsible spending. While this is a budget for the next fiscal year, the cost to New York will go far beyond next 12 months. That is why I had to vote ‘no.’”

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