



NEW YORK STATE SENATOR

Thomas F. O'Mara

Senator O'Mara's weekly column 'From the Capitol' -- for the week of February 6, 2024 -- 'A budget disguised as fiscal discipline threatens local schools'

THOMAS F. O'MARA February 5, 2024

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Senator O'Mara offers his weekly perspective on many of the key challenges and issues facing the Legislature, as well as on legislative actions, local initiatives, state programs and

policies, and more. Stop back every Monday for Senator O'Mara's latest column...

This week, **"A budget disguised as fiscal discipline threatens local schools"**

One of the most controversial actions of Governor Kathy Hochul's proposed 2024-2025 state budget is her move to cut education aid to more than half of New York State's school districts outside of New York City.

If enacted, the governor's proposed education cuts would fall most heavily on certain regions, including many small, largely rural school districts across the Southern Tier and Finger Lakes. Here's a few of the most staggering cuts to schools in the 58th Senate District: Hammondsport would suffer a 30.7% or \$1.6M cut; Penn Yan, 18.5% or \$2.2M cut; Watkins Glen, 16.8% or \$1.9M cut; and South Seneca, 16% or \$1.5M cut.

The governor's education proposal can't stand. The property tax increases required to ameliorate these cuts would be prohibitive. That's the message my Senate Republican colleagues and I delivered at the Capitol last week.

As I've stressed time and again, New York State has been steadily moving closer to the edge of an economic and fiscal cliff -- due in large part to the spending appetites of former Governor Cuomo, Governor Hochul and, since 2018, the Democrat-controlled, biggest-spending Legislature in state history. The bottom line is that the state budget, between 2018 and 2023, has grown by upwards of \$60 billion!

This growth is in the first five years of one-party Democratic control of both houses of the state Legislature, and the offices of Governor, Comptroller, and Attorney General. Just that growth alone is larger than the budgets of more than 30 states. It is larger than the states of Florida and Texas combined, each of which has a larger population than New York. It spends 1 1/2 times more per capita than California, which has more than twice our population.

From the outset, many of us have warned about this out-of-control spending, that it would never be sustainable and puts a new generation of state and local taxpayers at risk of shouldering an even heavier burden far into the future (keeping in mind that New York is already recognized as one of the highest-taxed, least affordable to live, and most unfriendly to business states in America).

In fact, the bill's already coming due for Democrat overspending. We start the current year facing a state budget gap of \$4.3 billion, with ongoing deficits in the next three years projected to be \$5 billion, \$5.2 billion, and \$9.9 billion, respectively.

Consequently, Governor Hochul -- suddenly painting herself as a diligent fiscal disciplinarian and watchdog -- unveiled her 2024-2025 state budget proposal with the following statement: “We can't spend like there's no tomorrow, because tomorrow always comes.”

That's true. However, the governor needed to stand for it long before now. And it's equally important to understand the context of the governor's full game plan this year.

Her opening gambit offers a \$233 billion spending plan, an increase of \$4 billion over New York's current budget. It represents a significant increase and, if enacted without any changes at all (and I've yet to see the Legislature come back with a budget that spends less than the Executive's proposal) will be the largest-ever state budget.

There are proposed cuts and negligible belt-tightening, but not truly for the sake of any long-term fiscal discipline in this state. It's being done, instead, to accommodate higher (and long-term) spending elsewhere -- while, at the same time, knowing full well that the Legislature is left with no choice but to demand restorations in key areas.

As I noted at the start, education is the prime example of this gamesmanship. Governor Hochul's proposed budget calls for the elimination of what's known as the “save harmless” provision of the state education aid distribution formula. “Save harmless” is utilized to ensure fiscal stability for school districts, especially high-need districts, and has long been critically important to small and rural schools. According to our Senate Republican budget analysis, this move would cut nearly \$170 million from approximately half of the state's school districts and result in particularly hard hits in specific regions of the state, including, as I said, small and rural districts across the Southern Tier and Finger Lakes.

The Governor made much fanfare of “consumer protections” in both her State of the State and Executive Budget presentations. However, her education budget proposal is nothing short of “Bait and Switch” lacking “Truth in Advertising.”

While local school districts get cut in excess of \$400 million in this budget, she includes another \$2.4 billion (bringing the two-year total to \$4.3 billion) to provide taxpayer-funded assistance and services to the ever-growing surge of asylum-seeking migrants flowing into New York from the nation's southern border. In addition, to add insult to injury, the state will pay the federal government \$15 million to rent a former military base, Floyd Bennett Field in Brooklyn, for use as a migrant shelter to house migrants the federal government has allowed to flow illegally across the Rio Grande!

Her budget also spends \$150 million for floating pools in the rivers of New York City (I kid you not) and \$45 million for planting trees, to name just two. These may be nice things, but not in times of what should be fiscal austerity and in the midst of staggering cuts to rural, suburban, and small city school districts.

That's just one example of the shell game going on here.

In other words, Governor Hochul's proposed budget is not truly aiming for long-term fiscal discipline and responsibility. It's a budget that in the name of fiscal discipline attempts to take away from some to keep giving away far more to others.

That's a game we can never play, in my opinion, with the quality of education for our small, rural school districts across the Upstate region, or any school district at all, for that matter.

The Senate Republican budget analysis reaches this conclusion: "As proposed, the Executive budget includes few proposals to deal with the high cost of the everyday lives of New Yorkers. There is little in the category of affordability proposals advanced, that work towards mitigating the increased costs in food, home fuel or transportation that everyday New Yorker's face. There is little in the way of improving New York's business climate, which has been rated one of the worst in the nation. There is little in the way of addressing the State's outmigration problem which, according to a study in October of 2023 by the Economic Innovation Group, has caused New York to lose \$24.8 billion in net adjusted gross income (AGI) during the pandemic."

That's a significant loss of tax revenue.

We desperately need to get New York State's fiscal house in order. But it's outrageous for Governor Hochul to target small, rural school districts. That's not an answer to this state's deep-rooted fiscal irresponsibility. It's just redirecting misguided priorities that won't move us any closer to fiscal stability, taxpayer relief, or long-term affordability and sustainability for most New Yorkers.

I need you to join in the fight opposing Governor Hochul's budget cuts to our schools and handouts to illegal immigrants. Please contact the Governor directly by calling 518-474-8390 and by emailing at: governor.ny.gov/contact.

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