



NEW YORK STATE SENATOR

Malcolm Smith

Senate Democrats Propose “No Harm” Budget Fixes

MALCOLM A. SMITH November 19, 2007

The Senate Democrats initiative targets five specific budget saving measures:

- Delay in new, non-essential capital spending (\$120 million in savings),
- Drawing down from the State’s rainy day fund while retaining sufficient assets to meet future needs (\$375 million in added revenue), and
- increased Medicaid fraud collections and

Collectively these proposals, **totaling \$2 billion in additional revenues and/or savings**, must be part of the initial discussion when working with the Governor and all other legislators as they move towards meeting next year’s fiscal needs.

Senate Democrats also proposed the State should encourage early retirement programs with a buy-out plan in select jobs, seek a temporary increase in the State’s matching rate for the federal share of Medicaid spending (FMAP), implement meaningful public authority reform to institute control over spending, and enact additional debt and budget reforms.

Senator Ruth Hassell-Thompson (D – Mount Vernon) said: “Protecting healthcare, education and transportation are the best ways to ensure the long term future and stability of our state in the face of a looming multi-billion dollar budget deficit. As we sit down with our colleagues in government we must use our combined creative energy to foster ideas and solutions on how to close the budget gap.”