



NEW YORK STATE SENATOR

Frank Padavan

Statement From Senator Padavan on State Budget

FRANK PADAVAN March 29, 2009

After many rounds of secretive budget negotiations between Governor Paterson, Speaker Silver and Senate Majority Leader Smith their plan for a \$132 billion 2009-2010 State Budget has finally come to see the light of day and it packs a wallop amount of pain for New York's middle class families and small businesses. This budget is fiscally reckless, highly irresponsible and will only continue New York's fiscal woes.

The budget plan crafted by the three men in a room is a ticking fiscal time bomb that will detonate and burden New York this upcoming fiscal year and will leave lasting effects in the out-years. It spends an astounding ten percent more than what Governor Paterson proposed back in December despite the growing fiscal troubles for our state. Their budget increases taxes by at least \$8 billion when we are in the midst of the worst recession in decades.

Spending has grown by 7 times the rate of inflation, a staggering amount in any economic climate-good or bad. By setting forth this budget, Governor Paterson, Speaker Silver, Senate Majority Leader Smith have failed to listen millions of New Yorkers who are fed up with tax and spending practices and demand accountability from their elected officials. In New York City, a family is expected to pay anywhere from \$4,700 to \$5,000 more each year due to this state budget. The result will be the further exodus of all generations of New Yorkers and middle-class families for more affordable regions of our

country.

Small businesses already struggling to survive will feel added burdens with this budget that brings higher income taxes along with increased energy and health insurance costs. With small business negatively impacted by this budget, the goals of a strong economic recovery and job creation will be placed out of reach.

Additionally, the Democrats budget completely and utterly fails to live up to the reforms adopted in 2007. This budget will be acted upon without any conference committees that would have allowed for true openness, transparency and bipartisan cooperation. Governor Paterson, Speaker Silver and Senate Majority Leader Smith seem perfectly content to violate the Budget Reform Act of 2007 by not convening conference committees all for political expediency so they can attempt to claim a victory of an on-time budget.

The three men in a room had the opportunity to live up to the words they had spoke repeatedly for the past few months by working in bipartisan fashion to tackle New York challenges. At a time when clear and strong actions matter, when fiscal responsibility is needed, we have an out-of-control state budget crafted under a dark shroud of secrecy that will certainly have devastating consequences. Even in today's New York Times, Blair Horner from the New York Public Interest Research Group said the budget process "stunk to high heaven."

Based on the disastrous details surrounding the three men in a room budget and the clandestine manner in which it was crafted, I stand with middle-class families and small businesses by opposing this risky fiscal scheme that our state simply cannot afford.