



NEW YORK STATE SENATOR

Kenneth P. LaValle

Senator LaValle Opposes Democrats' Sweep of Dedicated Funds

KENNETH P. LAVALLE March 30, 2010

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Senator Kenneth P. LaValle expressed outrage at yet another shortsighted and fiscally irresponsible effort by the Democrats to fuel additional General Fund spending. While Senate Republicans unanimously opposed the sweep of hundreds of millions of dollars from dedicated state accounts, every Senate Democrat gave an emphatic thumbs-up to continuing a two-year, one-party budget approach that has routinely used higher taxes, raids, and other fiscal gimmicks to pay for their runaway spending.

According to Senator LaValle, the bill the Democrats approved would sweep up to \$44.4 million from the Workers' Compensation Special Fund for Disability Benefits. This could lead to rate hikes for businesses already reeling from \$3.6 billion in new taxes approved by the Democrats in the 2009-10 state budget. The enactment of this measure would also permit the maximum allowable sweep from the Mental Hygiene Program Fund to grow by more than \$250 million. In addition, the annual sweep from the Statewide Public Safety Communication Account, which is funded by telephone surcharges and intended for public safety efforts, would increase from \$20 million to \$70 million.

“The Senate Democrats’ actions demonstrate that they have not learned any lessons from last year’s disastrous state budget that raised taxes by \$8.5 billion and spending by \$12 billion. The bill they recently passed was not required to fund government operations in the absence of an on-time budget, however, it will allow them to continue to spend,” said Senator LaValle.

“The Senate Republicans drafted a budget that proposed many alternatives to reduce state spending, including agency consolidations, Medicaid reform and tougher measures to fight fraud, welfare reform and other ways to increase accountability to lessen state spending,” continued Senator LaValle.

“Difficult choices must be made. The longer the Democrats procrastinate, the worse it will be for the taxpayers and business communities of New York State,” concluded Senator LaValle.