



NEW YORK STATE SENATOR

John J. Bonacic

## Bonacic: Senate Passes Jobs Legislation

JOHN J. BONACIC January 19, 2011

| ISSUE: **ECONOMIC DEVELOPMENT**



State Senator John J. Bonacic, Chairman of the Senate Judiciary Committee, today announced the State Senate has passed two important Constitutional Amendments, as well as one other piece of legislation, designed to create jobs in New York and permanently stop out-of-control government spending. You can read news articles about this legislation at:

1. <http://www.bloomberg.com/news/2011-01-19/new-york-senate-republicans-push-business-tax-cuts-that-go-beyond-cuomo-s.html>
2. <http://www.timesunion.com/local/article/Tax-cut-bills-pass-in-Senate-966812.php>
3. <http://www.theithacajournal.com/article/20110119/NEWS01/101190353/1126/news/Senate+GOP+approves+creation+plans>

4. <http://www.buffalonews.com/city/capital-connection/albany/article317826.ece>

5. <http://www.troyrecord.com/articles/2011/01/20/news/doc4d36e8cb3d31b157558324.txt> The Senate passed:

\* A Constitutional Amendment to require a 2/3 Super-Majority of the Legislature to pass any tax increase. In the last two years, this Legislature -- under all-Democrat control -- raised taxes by \$14 billion. In the Senate, it would have taken only one vote to stop these tax hikes that devastated families and businesses. This constitutional amendment would require a two-thirds "super majority" vote in each house, rather than a simple majority, to make it much more difficult to raise state taxes. Sixteen states currently require more than a majority vote to increase taxes.

\* A Constitutional Amendment to impose a State spending cap. The cap, which would be set at 2 percent, or 120 percent of the Consumer Price Index (currently 1.9 percent), whichever is lower.

\* Legislation which would provide businesses with a three-year tax credit of up to \$5,000 for each new job created. In addition, the plan would eliminate taxes for small businesses and manufacturers that pay the state's corporate franchise tax and roll back the income tax surcharge placed on them by Senate and Assembly Democrats in 2009.

That credit could grow by as much as an additional \$3,000 per job if new hires are taken from the ranks of the unemployed who are collecting unemployment insurance from the State. Such an incentive would help reduce unemployment and the costs borne by taxpayers.

"What Republicans, and Governor Cuomo promised New Yorkers, was that making New York competitive again would be job number one. The best way we can create jobs is by stopping government growth, and reducing what government takes from New Yorkers. By passing these proposals, Republicans in the Senate are keeping our promise," Senator Bonacic said.

Last year, the *Poughkeepsie Journal*, in endorsing Senator Bonacic, noted he has advocated for a firm spending cap, and requiring a two-thirds supermajority before any tax increase could occur. "Keeping our promises to New Yorkers is important. We cannot say one thing when we run for office, and do something else when the elections are over. Republicans promised to enact these proposals and today we will do so," Senator Bonacic said.

Bonacic also laid down the gauntlet before Assembly Democrats. "These people just voted to make Sheldon Silver the Speaker of the Assembly. Will they now hold his feet to the fire, or just give us more of the same -- lip service about the need to hold the line on spending, but when the opportunity comes, they do nothing."

Ward Todd, President of the Ulster County Regional Chamber of Commerce said, "Nothing would help our small business community more in hiring people again than the type of tax credit being offered by Senator Bonacic and his colleagues in the Senate. Freezing regulations and fees, as the Senate will also authorize, is very helpful when it comes to creating jobs."

The Senator called on area Assembly Democrats to demand passage of this legislation. "A Constitutional Amendment ultimately requires a vote of the people in order to become effective. Trusting the public is never wrong and the Assembly should move on these proposals immediately -- creating jobs is issue number one, and the tax credit legislation, spending cap, and plan to stop the continuous raising of taxes is essential to creating jobs," Senator Bonacic concluded.

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