



NEW YORK STATE SENATOR

Stephen M. Saland

State Budget Agreement: Heading in the Right Direction

STEPHEN M. SALAND March 31, 2011

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Under one-party Democrat control the last two years, the State witnessed bloated spending, higher taxes and faced a \$10 billion deficit. I and my Senate Republican colleagues vowed that we would rein in state spending and address the deficit without raising taxes.

While the budget process was rife with challenges and difficult decisions, we remained steadfast in our commitment to deliver a budget that contained no new tax increases. The outcome is a budget that reduced spending by two percent and cut State operation expenditures by 10%.

As important, we were intent on charting a new course for New York by focusing on measures designed to encourage private sector job growth. Among the initiatives that will help create jobs in New York is a permanent energy program which will allow businesses to receive low cost power in exchange for a commitment to creating and retaining jobs. We also improved upon the shortcomings of the Excelsior Jobs Program which will lead to greater job growth in targeted industries. Further, the creation of Regional Economic Development Councils will accelerate job creation by removing barriers to growth.

Critically important is a budget that ensures equity throughout the State. Both the distribution of school aid and the prison closures will be achieved in a fair and regionally balanced approach. In addition, communities affected by prison closures will be eligible for economic development benefits to help offset losses and create new private sector jobs. While this budget agreement contains painful choices, it is a step in the right direction. However, our job is far from done. We still need a property tax cap and significant mandate relief and for those affected, the repeal of the MTA payroll tax. Without such reform, New York taxpayers will continue to suffer one of the highest real property tax burdens in the nation.

Working together in a bipartisan and open fashion, we achieved an on time budget. It is my hope that the spirit of bipartisanship continues and we will finally achieve tax relief.