



NEW YORK STATE SENATOR

Thomas F. O'Mara

O'Mara, colleagues call for using settlement funds to cut taxes, create jobs, help schools

THOMAS F. O'MARA July 7, 2014

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Elmira, N.Y., July 7—State Senator Tom O'Mara (R,C,I-Big Flats) today joined his Senate Republican colleagues to call for New York State to use its share of a recent settlement to accelerate state tax cuts, invest in Upstate job creation, and provide assistance to local schools and property taxpayers.

The U.S. Justice Department and state regulators recently announced a **settlement with BNP Paribas**, France's largest bank, resulting in a record fine of nearly \$9 billion for violations of U.S. sanctions and other misconduct.

New York's share of the settlement is expected to total more than \$3 billion.

"The wise use of the BNP settlement, which means returning it to the taxpayers, staying focused on the Upstate economy and investing in fundamental responsibilities like our failing infrastructure, promoting job growth and improving education, will help accelerate many of the efforts led by Senate Republicans since 2011 to roll back New York's highest-in-the-nation tax burden and worst-in-the-nation business climate," said O'Mara.

O'Mara and his colleagues stressed that the BNP windfall should especially be used to roll back tax and fee increases first imposed on New Yorkers in 2009-10, when both houses of the Legislature and the governor's office were under Democratic, largely New York City-based control. During their brief tenure in charge of the state Senate, for example, Senate Democrats raised taxes and fees by \$14 billion and, among other actions, eliminated a STAR rebate program for seniors and homeowners and put in place a new energy surcharge that has hit New York's consumers and businesses especially hard.

"We're still trying to climb out from under the wasteful state spending and devastating, \$14-billion increase in taxes and fees imposed on New York's citizens and businesses in 2009-2010, when all of New York was stifled under one party, New York City-centric control of both houses of the state Legislature and the executive branch. The Senate Democrats in control at that time even overspent their own office operations budget by millions of dollars in that short period," O'Mara said.

Senate Republicans have helped lead the way over the past several years, working on a bipartisan basis, to begin reversing that damage. O'Mara believes the investment of the BNP settlement in the way Senate Republicans are proposing could significantly accelerate the recovery.

Senate Republicans are calling for:

- 1.) accelerating tax relief for all New Yorkers, especially the immediate elimination of the higher 18-a energy surcharge enacted by Democrats in 2009, which has hit upstate manufacturers, farmers and senior citizens especially hard. The Republican plan would also provide additional property tax relief to replace the STAR rebate program eliminated by Senate Democrats in 2009;
- 2.) focusing on New York's infrastructure and creating new jobs by making major new investments including rebuilding local roads and bridges, as well as key environmental initiatives such as clean water projects and sewer upgrades in communities statewide; and
- 3.) helping local schools and property taxpayers, with a particular emphasis on erasing the damaging and highly controversial Gap Elimination Adjustment (GEA) enacted by Senate Democrats in 2010, which has severely impacted hundreds of school districts and millions of

property taxpayers across the region, and statewide.