



NEW YORK STATE SENATOR

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# **NYS Banking Settlement Windfall Belongs to Taxpayers**

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It's not a bad problem to have. What to do with more than \$3 billion? That's the question facing the State of New York after a settlement with BNP Paribas, a French bank charged with violating U.S. money laundering laws. Similar settlements with other banks could drive the total windfall to about \$4 billion. As you can imagine, there is no shortage of ideas for what to do with this money. I believe the answer is simple; return the money to the people of New York by relieving the tax burden on residents and lowering the cost of government.

In assessing the many needs of New York and its hardworking taxpayers, I believe the fiscally responsible plan should focus on three key areas. We must accelerate tax relief to homeowners and residents, provide much needed assistance to school districts throughout the state in order to control local property taxes, and save taxpayers money in the long run by investing in our crumbling infrastructure.

The settlement funds provide an opportunity to provide tax cuts to millions of overburdened New York residents and businesses. Over the past four years, steps have been taken to roll back dozens of onerous and burdensome taxes and fees, but clearly more needs to be done. Now is the time to provide meaningful tax relief so that families can keep more money in their own pocket.

Abolishing the so-called Gap Elimination Adjustment, or GEA, is also essential because of the devastating impact it has had on school districts, especially those in WNY. This multi-billion dollar cost cutting scheme was introduced in 2010 and has resulted in program cuts that hurt students and, in many cases, has forced local school taxes to rise. Since taking office, I have supported the Senate's efforts to ease the negative impact of the GEA, restoring more than \$1.8 billion in funding. But it's not enough. We must eliminate the GEA once and for all and restore critical funding to our schools, which will provide students with the highest quality education and provide much needed relief to local property owners.

Lastly, a portion of this one-time financial windfall must be invested in our infrastructure. We all know that local roads and bridges, along with municipal sewer and water systems, have been neglected for far too long and are badly in need of repair. The investment will benefit residents across the state and will save money in the long run. The projects will also create thousands of new construction jobs in Buffalo

and across the state.

This approach is exactly what New York needs to move forward, and it's what New York residents deserve. We have an obligation to provide families with immediate tax relief, to more quickly reverse the financial damage done to our schools by the GEA, and to properly maintain our roads and bridges in order to reduce the cost of repairs in the future. We must not squander this golden opportunity.

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