



NEW YORK STATE SENATOR

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A Budget Of Broken Promises

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Governor Spitzer has made a number of promises to New Yorkers during his first 13 months in office. Let's see how his proposed budget matches up.

The promise: "I will not raise taxes – you can take that to the bank." In his 2008 State of the State the governor said: "We need lower taxes, strong infrastructure, great places to live and above all great jobs." In his State of Upstate speech he promised his budget "will not raise taxes."

Reality: Billions in higher taxes. The proposed budget increases taxes and fees by more than \$1.7 billion when fully implemented, including an increase of \$193 million in your auto insurance fee; fuel tax increase; sales tax vendor fee (a \$37 million tax on small businesses); HMO tax which will increase health insurance costs by \$288 million and a taxes on Internet sales. Oh yeah, and don't forget that novel tax on illegal drugs. Now how are we going to collect a "crack tax?"

The promise: The governor campaigned on a three year property tax relief plan of \$1.5 billion in 2007, \$2 billion in 2008, and \$2.5 billion in 2009.

Reality: The governor has reduced his own rebate tax relief plan by \$554 million. In total, his 2008-09 budget proposal reduces property tax relief by \$354 million from promised levels.

The promise: The governor promised a \$1 billion upstate economic development plan last year. This year he said his budget "provides a targeted and strategic plan for growth" in upstate New York.

Reality:

The governor's 2008-09 gudget does not include a comprehensive upstate economic development proposal on the scope of the Senate's "Upstate Now" plan. Nor does it include any significant business tax cuts to create jobs. Instead, he wants billions of dollars in higher business

taxes and fees.

The promise: In his budget presentation, Governor Spitzer talked about the need to "limit state operating spending growth" and making "tough choices."

Reality:

Substantial spending growth. The governor's budget increases spending by 6.2 percent.

The promise:

The governor claimed during his campaign that he had a list of \$11 billion in cuts to spending to pay for his spending plans.

Reality:

The governor has not advanced any such plan in either of his two budgets.

The promise: The governor has repeatedly said that school aid should be fair and predictable and he said his 2008 budget includes "an unprecedented infusion of resources."

Reality:

The governor's 2008-09 Budget proposal cuts almost \$200 million in planned school aid increases. That includes \$65 million in cuts for BOCES aid which reimburses districts for costs they are incurring this year. The governor's budget also cuts \$5 million in library aid.

The promise: Governor Spitzer said in his State of the State speech that "We must invest in our community colleges."

Reality:

The governor's budget cuts aid to community colleges by \$50 per student, which is a \$6.2 million reduction from the current formula and would result in higher tuition costs. That will hurt students attending a community college.

The promise:

Governor Spitzer says we need property tax relief.

Reality:

The governor's budget shifts \$46 million in costs to operate the Pre-K handicapped program from the state to school district property taxpayers and \$86 million in human service costs to county real property taxpayers. In addition, the governor places the full cost of local detention facilities on the counties (currently that's split 50/50 with the state) for a cost shift of \$35 million.

Combined with the cuts in STAR and the STAR rebate program, the governor will have shifted

over \$685 million on to the backs of property taxpayers, pressuring local taxes.

It doesn't have to be. I stand ready to work with the governor and my legislature colleagues to produce a budget that reduces property taxes, helps our economy, and keeps our promises.