NEW YORK STATE SENATOR

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The Budget Battle Continues

JAMES L. SEWARD   March 19, 2009

 The legislative session in Albany continues to move at a snail's pace, thanks to what has become a major step backward in transparency and openness in the operation of state government. Budget negotiations have been bottled up in closed door sessions constituting three leaders, all of whom hail from New York City. All three are also Democrats, and the reason this point is important is because for years Democrats have been demanding more open door meetings, and calling for government reform. Interestingly enough, when given the opportunity, they are quick to retreat to a secretive location and work out the state's $122 billion dollar budget all on their own.

The top secret mentality being employed by the governor and his fellow leaders is unfair to the rest of the elected state lawmakers, particularly those from upstate who are denied a voice in these secret meetings. This tactic is also unfair to middle class families worried about paying their taxes, keeping their jobs and staying in their homes. Small businesses are also left out in the cold. Companies that mean so much to our local economy are struggling to make ends meet, provide health insurance for their employees and give back to the local community. How do we treat them? Albany politicians find new ways in secret to increase their costs, and add taxes that will only hurt their bottom line.

Here is a perfect example to illustrate my point. A pair of Republican sponsored amendments that would have reduced skyrocketing health care costs were rejected recently

by senate Democrats. That means affordable health coverage will continue to remain out of reach for many small businesses, New Yorkers and their families.

The first amendment would have rolled back the governor's ill-advised "health insurance tax," approved in February as part of the so-called deficit reduction package (DRP). The $240 million increased assessment on insurance companies will raise the cost of health insurance premiums for families, individuals and businesses by more than a third. It was passed as a result of unanimous Democrat support.

The Democrat-backed "health insurance tax" will impact New Yorkers from every corner of the state by raising the cost of both individual and family health insurance coverage, in some cases up to $200 more a year.

In addition to defeating the roll back of the health insurance tax, senate Democrats unanimously opposed a plan by senate Republicans that would expand access to affordable, quality health care by reducing the cost of health insurance policies for small businesses offered by the Healthy NY program. The senate Republican plan would expand eligibility for Healthy NY, making a family of four with annual net income of approximately $60,000 per year eligible for the program.

The senate Republican plan would also make Healthy NY available to all, but at an unsubsidized rate. Doing so would reduce health insurance costs for small businesses at no cost to the state because qualified businesses would be able to purchase streamlined health insurance policies, which could reduce premiums by up to 50 percent.

The high cost of providing health insurance is a primary concern of small businesses. Voting against these amendments means tax increases that will only make it more difficult for small businesses to offer health insurance for their employees. The result will be higher

premiums for those who can afford coverage, and many more uninsured New Yorkers.

My senate Republican colleagues and I will continue to push to reverse this disastrous course advanced by senate Democrats on health insurance, budget openness and the general operation of our state. At the start of the session I pledged to usher in a new era of bipartisanship and reform to make sure that we have an on time budget that all New Yorkers can live with and will help move our state forward. I hope the governor, assembly speaker, and senate leader emerge from their bunker and make the same pledge.