



NEW YORK STATE SENATOR

James L. Seward

Costly State Budget Fails

JAMES L. SEWARD April 2, 2009

A new budget is now in place for the state of New York, but I can't say I am pleased. The spending plan, which was approved shortly after the April 1 deadline, includes a great deal of bad news that will affect individuals, families and businesses across the state.

The plan was concocted in secret by the governor and leaders of the assembly and senate. All three are Democrats from New York City. That piece of information is important because for the first time in decades, upstate was left totally out of the negotiation process. The first and only chance for rank and file lawmakers to even see the plan was a mere three days before it was brought to the senate floor for a vote.

Over those three days my senate Republican colleagues and I prepared a number of amendments to the budget. Our amendments limited state spending, eliminated new taxes and fees, and banned unfunded mandates placed on our schools and local governments. Provisions for property tax relief were also central to our plan along with job creating incentives to boost our economy. The amendments were all voted down by senate Democrats.

I hate to be the bearer of bad news but since the architects of this dreadful budget failed to explain themselves I feel the need to inform you of what to expect.

First, the budget raises taxes and fees by nearly \$8 billion. A small sampling includes:

- * An increased utility tax of about \$3.65 per month on your gas and electric bill;
- * Driver's license fee rises from \$50 to \$62.50;
- * Car registration fee rises from \$44 to \$55;
- * A 10 percent New York State surcharge on all medical procedures;
- * Taxes on feed for farm animals doubles;
- * A nickel deposit on water bottles;
- * Higher beer and wine taxes;
- * Higher fishing and hunting license fees.

Along with these new fees and taxes which could cost a typical upstate family of four an estimated \$2,400 a year you will also be losing out on the STAR rebate. Senate Leader Malcolm Smith, in a television interview, said, "Most of the people didn't even realize they were getting the money it was such a small amount." I have a feeling most New Yorkers would disagree with that sentiment. The rebate checks, which arrive in the fall, help with the purchase of school clothes, books, and other necessities at a time when families could use a boost. Each year my office is flooded with phone calls from people asking about their rebate checks. I am certain they will realize it is missing.

The budget also closes three minimum security prisons in upstate New York, including Camp Pharsalia. These camps provide good paying jobs and important services to local municipalities and non-profit organizations. Their closure will be a blow to the economy at a time when we can ill afford it.

A plan to help New York families pay for SUNY tuition was also shot down along with an increase in the tuition tax credit. Meanwhile, a raid on the SUNY tuition increase was pushed through.

Local school districts also took a hit. While we were able to use federal stimulus money to keep aid flat, other items that would have helped schools keep costs in check were voted down by senate Democrats. A ban on unfunded mandates, a “paperwork reduction act” for local school districts, increase aid for the construction of “green” buildings, were all voted down by senate Democrats.

While no senate Democrats stood up against this spending plan several assemblymen did vote against parts, and in some cases, all of the budget. New York State Comptroller Thomas DiNapoli, also a Democrat, has severe misgivings and says the budget “does not adequately respond to today’s economic realities.”

The budget is done, but its harmful effects will resonate for sometime here in New York.