



NEW YORK STATE SENATOR

James L. Seward

CSI-Upstate

JAMES L. SEWARD January 7, 2010

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As we start 2010 it is time for New York to embark on a new direction. Our economic struggles have been well documented, particularly across the upstate region, and the time has come to change our thinking and generate a true rebirth. Last year we went to the edge of the cliff and if we are to avoid plunging into the financial abyss some tough decisions are required.

It does not take a forensic scientist to decipher that we are facing tough times. Higher taxes and out of control state spending have driven many families and businesses right out of New York. Those who remain are left holding the bag and contributing mightily; a family of four will fork over an extra \$2,400 in taxes and fees this year thanks to the current state budget, which I opposed. However, commonsense spending reductions, real property tax relief and targeted support for our small businesses can help put New York back on track and in fact, help our state play a lead role in emerging from the national recession.

I am calling for a detailed recovery plan that will provide a strong recovery foundation for all of New York and upstate in particular. The plan, CSI – Upstate, focuses on three main objectives:

- Cap state spending, forcing New York government to live within its means;
- Slice property taxes, helping families afford to stay in their homes;
- Invest in upstate business, assisting small businesses as they work to compete in the expanding marketplace.

Cap state spending. Along with a constitutional spending cap for state government, I am proposing a number of additional spending reductions to keep state finances in line, including:

- Consolidation of redundant or underutilized state agencies;
- Increased Medicaid fraud detection;
- Freeze state purchases of recreational lands;
- Enforce state law to collect \$500 million in cigarette taxes on Indian reservations.

Families and businesses across New York have been living with less for some time; state government needs to follow suit and do some belt tightening of its own. Maximizing resources at all levels of the state will make for a more cost-effective government, leading the

way toward a more fiscally sound New York.

Slice property taxes. We need to provide meaningful relief to struggling families and senior citizens. Families and businesses have been fleeing the state because of record tax hikes approved by the governor last year. We need to offer them a reason to stay. Continually raiding their bank accounts is not the answer.

Reinstating the STAR rebate check program is a top priority. I helped initiate the program in 2006 and fought its elimination last year. Many homeowners counted on the annual rebate check to help pay the heating bill, purchase clothes for their children or simply make ends meet.

Invest in upstate business. Finally, we need to provide targeted assistance for the business community that will jump start the upstate economy. My plan calls for tax cuts for small businesses and manufacturers that will help them compete in the regional, national and global marketplace. The plan would also cut burdensome government regulations that deter companies from opening or relocating in upstate New York. Low cost power, job training services and job creation credits are also needed.

Our upstate businesses are a vital component of New York's future. Helping them thrive must be part of our overall recovery strategy. We need a realistic economic development plan that creates new high tech jobs and provides incentives to keep our young people right here. Our family farms also need to be a recovery focal point. Agriculture is New York's number one industry and supporting this building block of our economy is essential.

Unlike a television drama, we cannot solve New York's problems in 60 minutes. However, by bringing state spending under control, easing fees and taxes forced on our property owners and working with our economic partners in the business community we can close the book on this challenging case.