



NEW YORK STATE SENATOR

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New York State Budget Fails Taxpayers, Job Seekers, Businesses and Families

FRED AKSHAR April 1, 2019

| ISSUE: **NYS BUDGET**



THE NEW STATE BUDGET:

(ALBANY, NY) – Crafted entirely by Democrats in total control of New York’s new one-party government, the 2019-20 state budget includes **billions of dollars in new taxes and spending** that will make it even more difficult for hardworking, middle-class taxpayers to provide for their families and make ends meet.

The budget includes a **multitude of unfunded mandates** that will drastically hamper the

viability of local governments, and will also enact catastrophic changes to New York's criminal justice system which will enhance the rights of dangerous criminals over law-abiding citizens.

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"It's a sad, sad day for taxpayers across our state and a lesson in the dangerous ramifications of one-party government. As the steady bleed of outmigration continues, we should be working on ways to make New York more affordable for the residents and businesses still gutting it out every day across New York State. Instead, New York's single-party leadership has added \$1.4 billion in new taxes this year and nearly \$5 billion in new taxes next year. Instead of making life easier for taxpayers, the Democrat leaders in the Senate, Assembly and the Governor's mansion have effectively turned their backs on them, stuffing billions of dollars in new taxes, billions of dollars in new spending and a path to taxpayer funded political campaigns into this year's budget, all while funneling the majority of school and transportation funding directly to New York City. Upstate roads and bridges matter, Upstate schools and local municipalities matter, Upstate businesses and taxpayers matter, just not to those in charge. They've shown that the policies and agendas of the far left fringe matter more than the needs of everyday, hardworking New Yorkers."

New taxes and fees to be enacted by Senate Democrats in the state budget include:

- **A new tax** on internet purchases, with an overwhelming majority of the revenue raised to be funneled to fund New York City priorities;
- **A new tax** on prescription drugs and medications, which would harm seniors and our most vulnerable populations;
- **A new commuter tax** that will hurt motorists in the Hudson Valley and on Long Island;
- **A new tax** on driving that will devastate Upstate New York's tourism industry;
- **A new tax** on real estate transactions;

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- **A new grocery bag tax**, which will require anyone who needs food or other basic necessities to dig a little deeper into their pockets; and
- **A planned taxpayer-funded political campaign system**, AKA “welfare for politicians,” through actions to be implemented by a commission which will ultimately require taxpayer dollars to fund negative campaign mailers and robocalls.

Senate Democrats once promised they wouldn’t raise taxes, but instead picked up right where they left off in 2009-10, when they **raised taxes and fees 124 times, totaling \$14 billion in just two years**. The fiscally irresponsible trend continues today with the imminent passage of the state budget, as **Senate Democrats are approving billions in new taxes** that are still being tabulated.

The budget includes **no increase in CHIPs funding** and **cuts to extreme winter recovery funds by \$65 million**, while **fronting the MTA \$100 million** to pave the way for implementation of the new commuter tax. For the first time ever, the budget awards Governor Cuomo with **\$5 million in bullet aid**.

Since the beginning of the 2019 session, Senate Republicans have offered various amendments and proposals to these job-killing tax-and-spend policies, including:

- **Balancing the budget without raising or creating new taxes and fees;**
- **Enshrining the state spending cap into law**, which would ensure that Democrats can never again blow past fiscally responsible levels concerning how they spend the taxpayer dollar;

- **Accelerating and protecting the historic Middle Class Income Tax Cut** previously enacted by Senate Republicans, which has already **saved New Yorkers \$770 million**, and is one of the largest and most important tax cuts in state history;
- **Implementing significant business and energy tax cuts and regulatory reforms**, so that there are fewer obstacles to creating new jobs in New York;
- **Reforming the voting procedure for the Public Authorities Control Board** to require a majority vote on economic development projects, so that any one Senator can never again single-handedly cost New York thousands of jobs and billions in new revenue due to political considerations;

Despite many assurances by the Governor and Democrats in the Legislature, the state budget **fails to reject various unfunded mandates**, and most notably **excludes adequate funding needed to implement the state's early voting mandate**. The New York State Board of Elections estimates that early voting will **cost \$175 million**, a number far greater than the **\$25 million** local governments will receive from the state. This reckless action will put additional pressure on towns, villages, and counties to raise taxes or cut essential services.

Passed annually, the New York State Budget is supposed to be as much a reflection of policy values as it is about being fiscally responsible with taxpayer money. Because of the new one-party government in New York, other Democrat-driven priorities that made it into the final budget include:

- **Fully funding an initiative to provide free college tuition for illegal immigrants**, while rejecting an increase in Tuition Assistance Program funding that would help middle-class families afford college;

- **Allowing cashless bail**, which will let violent, hardened criminals out onto the streets with no consequence or regard for public safety;
- **Disproportionately underfunding school aid**, with a far greater amount dedicated to New York City schools, effectively shorting aid for every other part of the state; and
- **Keeping the Hollywood Film Tax Credit**, despite Senate Democrats' previous opposition to corporate incentives, such as for Amazon HQ2.

After being negotiated with little to no transparency for months by leaders of the new one-party government without garnering input from members of the minorities in both houses, passage of the 2019-20 state budget will garner an overwhelming majority of its yes votes from Democrats and New York City-located officials. The budget will **create and raises taxes** and spending by billions despite previous claims from the Governor's Budget Director and Comptroller that the **state was facing a multi-billion dollar deficit**.