



NEW YORK STATE SENATOR

Patrick M. Gallivan

Senator Gallivan & Colleagues Unveil Economic Plan to Address Inflation and Population Loss

JIM RANNEY January 25, 2022

| ISSUE: **ECONOMIC DEVELOPMENT, CUTTING TAXES**

TAKE BACK NEW YORK

RESTORING COMMON SENSE TO OUR ECONOMY

SENATE REPUBLICANS ARE FIGHTING FOR A MORE AFFORDABLE NEW YORK:



Cutting New York's
Highest-In-The-Nation Taxes



Reducing the
Cost of Living



Improving the State
Business Climate

Senator Patrick M. Gallivan (R-C, Elma) and members of the New York State Senate Minority Conference unveiled a comprehensive economic plan as part of its 'Take Back NY' 2022 Agenda. As inflation spikes and thousands of families and businesses leave the state, the new initiatives would increase affordability and expand economic opportunity in New York.

"New York residents and businesses have long been burdened by high taxes and excessive regulations," Senator Gallivan said. "The devastating impact of the pandemic coupled with the highest inflation in 40 years has made the situation even worse. It is no wonder that more than 300,000 residents have left the state over the past year. We need to do more to make New York more affordable and to expand our economy."

New York faces extreme short- and long-term economic challenges, including:

- Inflation – a 7 percent spike in consumer prices over last year, or a 40-year high – including skyrocketing costs for transportation, food, and other essential goods and services;
- Pain at the Pumps – average gas prices in the state have gone up by more than a dollar-per-gallon, or an estimated 43 percent increase from a year ago;
- Rising Home Heating Costs – monthly average home heating oil prices have also risen by more than a dollar per gallon from a year ago, or an estimated 48 percent increase from a year ago;
- Declining Consumer Sentiment – since 2018, New Yorkers have become less optimistic about overall and future economic conditions, with recent concerns spiking over food and gas prices;
- Overall Tax Burden – New York has the highest tax burden in the nation at 12.79 percent – without factoring in a plethora of other burdensome fees; and
- Economic Freedom – New York has ranked last in the nation in terms of “economic and overall freedom” for years – according to one think tank.

The Senate Minority Conference’s plan to address the crisis includes:

- Cutting New York’s Highest-In-The-Nation Taxes:
 - Enact a permanent, constitutional cap on runaway state spending;
 - Repeal unfunded mandates that drive up local property taxes;
 - Accelerate and expand the Middle-Class Tax Cut;
 - Require a 2/3 vote of the state legislature for any tax increase; and
 - Reject plans to dramatically increase gas and home heating costs - and temporarily SUSPEND the state gas tax.
- Reducing the Cost of Living:
 - Allow localities the option to offer state sales tax holidays on essential goods and services;
 - Advocate for and protect the rights of property owners;

- Make childcare more affordable and available by examining costly regulations, expanding the Empire State Child Tax Credit and the dependent care credit, and increasing support for employer-provided early childhood education and care; and
- Mitigate the impact of the global energy crisis by providing nearly \$300 million in energy tax relief.

• Improving the State Business Climate:

- Cut red tape and burdensome regulations;
- Reduce taxes on small businesses;
- Reform the way economic development is done in New York;
- Reject plans to ban natural gas hookups in construction;
- Slash small businesses skyrocketing unemployment insurance tax rates by using federal pandemic relief funds to replenish the depleted unemployment insurance fund; and
- Cap unemployment taxes to protect businesses still struggling with pandemic recovery.

The plan builds upon the Senate Minority Conference's 'Take Back New York' 2022 Legislative Agenda unveiled at the start of the year, which includes a plan to restore public safety, as well as calls to end overreaching government mandates.

