



NEW YORK STATE SENATOR

Thomas F. O'Mara

Senator O'Mara's weekly column 'From the Capitol' -- for the week of May 8, 2023 -- 'Welcome to New York under one-party control'

THOMAS F. O'MARA May 8, 2023

| ISSUE: **2023-2024 STATE BUDGET; TRANSPARENCY AND ACCOUNTABILITY**



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This week, "Welcome to New York under one-party control"

Senate and Assembly Republicans have been warning against the direction of the new state budget for months on end. Now that Governor Kathy Hochul and the Legislature's Democrat majorities are taking their victory laps, don't just take my word for it when I say, "Hold on."

Here's what one prominent fiscal watchdog has to say about the Democrats' just-enacted, \$230 billion, 2023-2024 state fiscal plan: "... one thing is clear: this budget was not worth the wait ... Increasing the State's fiscal instability risks New York's attractiveness to residents and businesses and increases the chance of future massive program cuts or economically harmful tax increases. New York needs to be both affordable and stable; this budget does not take the steps needed to get there ... The budget adds billions of dollars to already accelerating spending growth, widening next year's budget gap substantially ... The lone significant State spending reduction is not a reduction at all; it just shifts hundreds of millions of dollars in State Medicaid costs onto counties ... This sets the stage for a potentially damaging fiscal reckoning."

That doesn't even begin to tell the story.

The budget will make New York the first state in America to ban natural gas stoves, furnaces and other appliances, and moves forward on a timeline for full electrification and other energy mandates on all New Yorkers that are not feasible, reliable, or affordable. The Albany Democrats' vision for New York's energy future will deliver astronomic costs and devastating consequences.

It imposes a higher and higher state minimum wage despite dire warnings from farmers, small business owners, manufacturers, and many others that this move will lead to ongoing job losses, stagnant local economies, and diminished economic opportunity and growth across this state.

It does not take meaningful action -- despite all the bravado we're hearing from Governor Hochul and Albany Democrats to the contrary -- to make New Yorkers safer in their homes and communities. Failed bail reform remains the law of this state's land.

It shamelessly authorizes a devastating, unexpected, and unwarranted Medicaid cost shift to localities, together with the imposition of other new and expensive unfunded state mandates, that the New York State Association of Counties believes will require counties to come up "with at least \$2.5 billion in increased local taxes, service cuts or some combination over the next four years and maintain these actions every year thereafter."

It simply ignores the crisis surrounding the state's depleted and deficit-ridden Unemployment Insurance Fund and will blatantly pass the buck for fixing it directly on to already struggling employers.

It raids state reserve funds -- at a time of troubling economic uncertainty in this state and nation -- to help pay for out-of-control overspending.

And on and on.

Let's be clear: There's something for everyone to like in a \$230 billion spending spree. There better be. Nevertheless, that doesn't mean it's smart or wise or in touch in any way whatsoever with common sense.

The bottom line? New York State taxpayers today and long into the future now face having to go on trying to afford, and trying to live and work under, one of the most bloated governmental budgets in the world. New York already ranks first among all states in population loss. Hundreds of thousands of New Yorkers have already waved the white flag and said, "We can't take it anymore." This budget makes it even harder to live, work, and raise a family here.

The bottom line? This budget will never be affordable. It sets up a future, steady string of unaffordable spending plans. To try to afford it, Governor Hochul and the Democrat majorities in the Legislature will keep on squeezing every penny they possibly can from state and local taxpayers through higher taxes, passing the buck to localities, more borrowing, raiding reserve funds, and increasing fees.

The bottom line? New York will remain the nation's leader in irresponsible, irrational, and unsustainable spending that will overburden and make this state even more unaffordable for taxpayers, families, workers, small businesses, manufacturers, farmers, and every segment of our local economies.

Welcome to New York under one-party control.

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