



NEW YORK STATE SENATOR

Daniel G. Stec

Statement from Senator Stec on Governor Hochul's 2024-25 Executive Budget Presentation

DANIEL G. STEC January 19, 2024

| ISSUE: **2024-2025 STATE BUDGET**

“In the days ahead, I look forward to reading the particulars of Governor Hochul’s budget proposal. But after watching her presentation and an initial reading of the plan, here’s what stands out.

“I was glad to hear the governor acknowledge that our state has a looming budget deficit and that New York has a robust reserve fund, but ultimately this budget plan does nothing to address that impending problem. Proposed spending is \$233 billion, a 4.5-percent increase over last year’s record-setting budget. Combined with an acknowledged \$6 billion in lost tax receipts due to our state’s ongoing outmigration woes and despite some fuzzy math that shows a budget surplus instead of an anticipated deficit, this is ultimately a costly proposal that does nothing to alleviate New York’s long-term financial difficulties and right the ship going forward.

“The most glaring item in this budget presentation is the \$2.4 billion in funding for the migrant crisis. This issue has been handled poorly by the governor, New York City Eric Adams and the current presidential administration and our taxpayers continue to bear the brunt of this. I’m particularly concerned by the fact that \$500 million of this is coming from the state’s reserve fund. This is aid that should be going to legal residents and taxpayers,

whether that means tax relief to combat rising costs, assist our struggling nursing homes or economic development initiatives.

“New York State needs to address Medicaid spending. During this presentation, the governor acknowledged that the state went more than \$1 billion over budget with Medicaid spending in the last fiscal year. While it was good to hear the governor acknowledge the enormous costs associated with our Medicaid system, I did not hear anything in her plan that would substantively address it and lower costs for both state and local governments.

“On a more positive side, I was pleased to see the governor allocate funding for ORDA in Lake Placid, ensuring the facilities there remain world-class. I am also encouraged by the proposal to use state-owned lands and facilities, such as closed correctional facilities, as part of an affordable housing strategy. That development, however, is offset by the fact that her proposal contains language authorizing further correctional facility closures. If this comes to fruition, it could potentially have a detrimental impact on our region.

“Obviously, this presentation is only the beginning of the budget process. In the weeks ahead, I plan on working with my legislative colleagues and the governor to ensure a final budget meets the needs of our taxpayers and charts a responsible fiscal future for New York.”