



NEW YORK STATE SENATOR

John A. DeFrancisco

Senator DeFrancisco Says \$2.1 Billion Budget Shortfall Should Be Remedied WITH Spending Cuts This Fall

JOHN A. DEFRANCISCO August 20, 2009

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SENATOR DEFRANCISCO SAYS \$2.1 BILLION BUDGET SHORTFALL SHOULD BE REMEDIED WITH SPENDING CUTS THIS FALL

State Needs to Charter a Responsible Economic Course

Senator John A. DeFrancisco (R-I-C, Syracuse) today announced that despite having enacted one of the biggest tax increases in New York State history, the State is facing a \$2.1 billion shortfall that needs to be corrected this fall with spending cuts.

“When the New York City-controlled Democrat Senate Majority passed its budget proposal, it included \$8 billion in new taxes to pay for a 10 percent spending increase. To fund this increase in spending, one-time federal stimulus money was used. It will be depleted after the 2010 fiscal year,” said Senator DeFrancisco.

“After the stimulus money is gone, a new revenue source will have to be found unless there are substantial reductions in state spending. We simply cannot tax our way out of the present economic crisis,” continued Senator DeFrancisco.

Comptroller Thomas DiNapoli, a Democrat, called the 2009-10 adopted State budget “a blueprint for fiscal failure.” Comptroller DiNapoli says we are now heading toward a crisis that could rival the economic crisis in California, which recently issued IOUs to their state vendors.

According to the Governor’s Budget Office, by this November, the State’s General Fund may not have enough money to pay its bills, if action is not taken.

Therefore, in the coming weeks and months, we must set clear priorities that allow us to create jobs, assist small businesses, provide property tax relief to struggling homeowners and seniors, and chart a more responsible economic course.

“My Republican colleagues and I are ready to work with Governor Paterson, Senate Democrats and others this fall to make the necessary spending cuts to maintain a balanced budget,” said Senator DeFrancisco.

“Now is the time for our state leaders, all of whom are New York City Democrats, to remedy the effects of their irresponsible budget passed earlier this year so that New York can begin to revive our economy,” concluded Senator DeFrancisco.

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