



NEW YORK STATE SENATOR

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Senate Gop Opposes Democrat Sweep of Hundreds of Millions of Dollars From Dedicated Accounts to Fuel More Spending

DEAN G. SKELOS March 29, 2010

Bill Not Required to Fund Government in Absence of On-Time Budget but Democrats Pass it Anyway to Continue Anti-Taxpayer Spending Binge

Senate Republicans today unanimously opposed yet another shortsighted and fiscally irresponsible effort by Democrats to sweep hundreds of millions of dollars from dedicated State accounts to fuel additional General Fund spending.

The effort succeeded only after every Senate Democrat gave an emphatic thumbs-up to continuing a two-year, one-party budget approach that has routinely used higher taxes, sweeps, raids and other fiscal gimmicks to pay for their runaway spending. The bill (S6612-A) was not required to fund government operations in the absence of an on-time budget, but was taken up by Democrats anyway so they could continue to spend.

“The Democrats have put off the difficult choices that are necessary to balance the State’s budget in favor of new and higher taxes, sweeps and other fiscal gimmicks that dig the State into an even bigger fiscal hole. Democrats got us into this mess by ramming through a budget last year that raised taxes by \$8.5 billion and spending by \$12 billion, and yet they still refuse to do anything that would put the State’s fiscal house in order in a responsible way. The new sweeps Democrats approved today show they haven’t learned any lessons from last year’s disastrous State budget,” Senate Republican Leader Dean G. Skelos said.

“Senate Republicans have shown Democrats how we can pass a budget that rejects tax increases, reduces spending and puts the State on sound fiscal footing for the future. However, Democrats continue unabated in their quest to find new ways to pay for their excessive and wasteful spending,” Senator John DeFrancisco, the ranking Republican on the Senate Finance Committee, said.

Under the bill acted upon today, Democrats approved sweeping up to \$44.4 million from the Workers’ Compensation Special Fund for Disability Benefits, leaving the fund with only \$12 million in its reserves to cover disbursements.

This raid of the Workers’ Compensation Fund could lead to rate hikes for businesses across the State who are already reeling from \$3.6 billion in new business taxes approved by Democrats in the 2009-10 State budget. Those tax increases included higher energy taxes, higher health insurance taxes and a \$1.5 billion payroll tax for every business within the 12-county MTA region.

The bill approved by Democrats today would also allow the maximum allowable sweep from the Mental Hygiene Program Fund Account to grow by more than \$250 million, while the Democrats also increased the annual sweep from the Statewide Public Safety Communication Account, funded from telephone surcharges and intended for public safety efforts, from \$20 million to \$70 million.