



NEW YORK STATE SENATOR

Kenneth P. LaValle

State Senate Passes Responsible Budget That Reduces Spending, Invests In New York's Priorities And Includes No New Taxes.

KENNETH P. LAVALLE March 15, 2011

| ISSUE: **BUDGET**

New York State Senator Kenneth P. LaValle today announced that the New York State Senate acted on its budget resolution - - a fiscally sound plan that reduces spending, rejects tax increases and makes responsible investments in New York's future.

The Senate budget largely mirrors the priorities outlined in Governor Cuomo's Executive Budget and will serve as a roadmap to the enactment of a responsible, on-time budget.

The Senate budget closes a \$10 billion budget deficit without raising taxes, and allows the personal income tax (PIT) surcharge to sunset as scheduled so small businesses and others can get back to creating jobs for workers.

Coming in at approximately \$132.5 billion, the Senate budget spends slightly less than the Executive Budget and stabilizes the State's finances this year and in future years. Senate Republicans accept the Governor's recommended caps on future Medicaid and education spending, which is in line with previous Senate Republican calls for passage of a State spending cap.

“We have reorganized and prioritized the Executive Budget to meet the needs of the First Senatorial District and all Long Islanders,” LaValle said, “and we are doing more with less.”

The Senate accepts 95 percent of the \$2.9 billion in reductions and reforms recommended by the Governor's Medicaid Redesign Team and authorizes counties to eliminate optional Medicaid services - - building on the Senate Republican's commitment to reducing the cost of the Medicaid program to ease the burden on state and local taxpayers.

The Senate budget includes the Governor's proposed Power for Jobs program bill to address the pressing need to help businesses create jobs. The Senate passed the Governor's program bill earlier this year.

The Senate budget eliminates \$296 million in cost shifts to local governments that could have led to property tax increases at the local level.

While Senate Republicans are committed to delivering mandate relief to local governments and school districts who are dealing with soaring costs, the State must also mitigate cost shifts that impact their budgets and local taxes.

Senate Republicans also advance various budget reforms, including GAAP accounting, performance budgeting and creation of an independent budget office, and remain committed to open, public conference committees to finalize an enacted budget before the April 1 deadline.