



NEW YORK STATE SENATOR

Thomas F. O'Mara

O'Mara on state budget: fiscal discipline, attention to the economy

THOMAS F. O'MARA March 31, 2011

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Albany, N.Y.—State Senator Tom O'Mara (R-C, Big Flats) said today that the 2011-2012 state budget enacted by the Legislature and signed into law by Governor Andrew Cuomo before the April 1 start of New York's new fiscal year "represents a good beginning to fiscal discipline, long-term economic strength, and a better business climate."

The Senate put the finishing touches on this year's final budget just before midnight on Wednesday, and the Assembly concluded its work early Thursday morning. This year's budget is one of only several state budgets that have been adopted on time since 1975.

"The late budget has long stood as the symbol of dysfunctional state government. That changes this year, and let's hope this on-time budget signals a new way of Albany budget-making," said O'Mara, who's in his first term representing New York's 53rd Senate District.

Under the state's new fiscal plan, state spending, including federal funds, is estimated to total \$132.5 billion, a 2-percent decrease from last year and the first year-to-year state spending decrease in 15 years. The plan also reduces New York's projected budget deficit next year from \$15 billion to approximately \$2 billion.

In addition to significant spending control and deficit reduction, O'Mara stressed that this year's budget contains no new state borrowing and no new or higher broad-based taxes or fees. Noting the huge increases in state spending and new taxes and fees included in the past two state budgets, he said that this year's emphasis on fiscal discipline and economic responsibility deserves to stand as the hallmark of the new plan.

"It's a tough budget that implements difficult fiscal choices. But it puts the brakes on runaway state taxing and spending. It refocuses Albany's commitment to the upstate economy in important ways. It's a good beginning to fiscal discipline, long-term economic strength, and a better business climate. There's a long way to go, but this budget starts to get New York State back on the right track," O'Mara said. "I think it's especially important after the past two years of irresponsible increases in state taxes and state spending. This new budget points New York in a different direction."

O'Mara said that he's encouraged by the budget's emphasis on the upstate economy, pointing to several economic development initiatives that target private-sector job growth including:

- strengthening the business tax incentives and other economic development benefits offered through the state's Excelsior Jobs Program;
- the creation of a series of Regional Economic Development Councils to fashion specific job creation strategies around the state; and
- the creation of the Recharge NY Power Program to provide a permanent economic development power program vital to existing local manufacturers like Anchor Glass and that will make New York more attractive prospective employers.

"This budget signals the start of a stronger commitment to upstate, private-sector economic growth. There's nothing more important," said O'Mara.

While the adoption of a state budget that cuts spending and doesn't increase broad-based taxes or fees is a major achievement, O'Mara stressed that the Legislature and Cuomo still face a challenging workload for the remainder of the 2011 session. He said that property tax relief, mandate relief for local governments, and the continued downsizing of the state bureaucracy are some of the key outstanding items on the agenda.

He also said that strictly monitoring the implementation of the state's new budget will be critical to its short- and long-term success.

"New York is going to have to face these economic and fiscal battlegrounds for the foreseeable future. We just have to keep working through them and trying to do the best we can, as deliberately as we can. The Governor and Legislature are going to have keep watch over this one like no other budget before it. Our responsibility now will be to ensure that this budget does what it's intended to do and that we're on top of every adjustment that's going to be needed. We're not going to get it all right, all at once, and we have to stand ready to find better ways," O'Mara said. "But right now, I think it's important to recognize that this new state budget stops runaway taxing and spending and pushes the turn signal toward spending control and tax restraint. That's a good start."

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