



NEW YORK STATE SENATOR

John J. Flanagan

Senator Flanagan Announces Early Completion Of State Budget

JOHN J. FLANAGAN April 6, 2011

| ISSUE: **PROPERTY TAX**

Senator John Flanagan (2nd Senate District) announced that the New York State Legislature has finalized the state budget prior to the April 1st deadline. The budget, which was crafted by working with Governor Andrew Cuomo, achieves the Senate Republicans' goals of reducing state spending, not raising taxes and creating new private sector jobs.

"This budget provides taxpayers with a sound fiscal plan that creates a new way of looking at how their state government operates. Our residents deserve a government that acts like the families it serves – spending on essential programs, creating jobs, and being responsible in its approach," stated Senator Flanagan. "The problem in this state is not that we tax too little, it is clear that we spend entirely too much and that has to change."

The \$132 billion spending plan reduces year-to-year spending by two percent, trims state operations expenditures by 10 percent, and forces nearly every area of State government to increase efficiency, maximize performance and do more with less. Most importantly, it eliminates the state's \$10 billion budget gap without relying on any new taxes or incurring any new debt. It also begins the process of ridding the state's businesses and residents of the massive tax increases that were thrust upon them over the last two years.

Next year's projected budget deficit has already been reduced from \$15 billion to a more manageable \$2 billion - - less than one percent of the overall budget. The budget was praised by business groups across the state, including the Business Council which said it provided "hope for growth."

While the budget was similar in part to the budget that Governor Andrew Cuomo proposed in January, the Senate did enhance it with modifications to protect the state's school children, seniors and individuals with special needs.

As the Senate Education Committee Chairman, Senator Flanagan fought to provide over \$270 million in direct additional school funding and prevent \$190 million in education costs being shifted to local property taxpayers. This included the restoration of \$98 million for the funding to maintain Schools for the Blind and Deaf and \$57 million for summer school special education.

Senator Flanagan also worked to restore \$3 million in funding for public libraries throughout the state.

While all this funding was sorely needed and critical to our state's children, it is important to note that this restoration for these vital programs was achieved without adding any additional spending to the proposed spending plan presented by Governor Cuomo.

"Governor Cuomo's original plan aimed its cuts directly at our region and that was unacceptable. The reality is that we have taken a bad situation and made it better without adding any additional spending. The simple truth is that tax money comes directly from the pockets of real Long Island families and it is essential that we all start delivering more for less because our residents need relief now," added Senator Flanagan.

The enacted budget also provides for a two-year appropriation for school aid that will enable aid to grow next year by about four percent, or \$800 million.

Additionally, it restores vital funding for Stony Brook University Medical Center, the Long Island State Veterans Home and protects \$22 million for the EPIC program to help ensure prescription drug coverage for seniors.

“This budget accomplishes a great deal of what the taxpayers of this state need but it is simply the first step in a long process that I am committed to. Now is the time to continue working with Governor Cuomo to build on this budget to provide the relief and changes that our residents need and deserve,” added Senator Flanagan. “Our state needs to enact the reforms that will restore economic sanity to the budget process and protect our taxpayers and the businesses that bring jobs to our state.”

According to Senator Flanagan, number one on that agenda is providing real tax relief through a school and local government property tax cap. Legislation that would cap the growth of school and local taxes at two percent or the Consumer Price Index (CPI), whichever is less, has already passed the Senate. This legislation, which Senator Flanagan sponsored and voted for in January, is currently awaiting action by the Assembly.

“A local property tax cap will provide taxpayers with some clarity on what they can expect and that is how it should be. Our residents need relief now and that is why the Senate passed the tax cap and why we are pushing for the Assembly to join us,” concluded Senator Flanagan.