



NEW YORK STATE SENATOR

Jack M. Martins

## From the Desk of Senator Jack M. Martins

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### **Playing it Again**

New Yorkers said, “Play it Again, Sam,” and we did. For the second consecutive year, your state government produced an on-time budget that puts the breaks on state spending and does not increase taxes or fees. You heard that correctly: holds spending in check with no new taxes or fees.

We had been working very hard, noses to the grindstone, but frankly, I thought there’d surely be some last-minute hitch that would send us back to the drawing board. It’s always difficult reaching consensus in a state as large and diverse as ours. Thankfully, nothing so difficult materialized and we moved forward with not only an on-time budget, but a responsible one as well. However, before I highlight it, I’d like to share why this is so significant.

You may recall that just a few years ago, Albany was the poster child for government dysfunction. Not only was spending out of control with \$14 billion in new taxes and fees in 2010 alone, but the state was mired in scandals. The worst part of that bleak picture was that we couldn’t even make ends meet in the flush years, when there was no recession to speak

of. The tax and spend culture had taken hold long ago and unfortunately, we New Yorkers had come to expect it.

I think we've turned a corner now. After last year's budget, the naysayers told us it was just a fluke. Who could blame them? So many years of budget failure had taken its toll. That's why it was especially important that we deliver another successful budget this year. We had to show New Yorkers that 2011 was not a one-shot deal. With persistence and cooperation, progress was possible – even in New York. That's not to say we've softened jaded New Yorkers just yet. We haven't. But beyond legislating, we realize we also have the weighty task of somehow restoring faith in our state government.

This year's budget comes in at \$132.6 billion and limits spending growth to 1.9 percent. For the second year in a row, we remained under the two percent spending cap that was passed for local government and school budgets. It also eliminates a \$3 billion deficit by making state government smaller. We consolidated agencies, eliminated various boards, commissions and committees and also provided for other efficiencies that will reduce costs.

With those cuts in place, here are some of its more notable aspects:

- A state takeover of growth in Medicaid spending, resulting in \$1.7 billion in savings over five years for counties and local property taxpayers. The state Department of Health will also take over Medicaid administration from counties, resulting in additional savings.
- \$3.4 million to pay for local costs associated with expanding the DNA databank to include people convicted of all crimes
- \$30.6 million to restore the EPIC program for seniors
- \$20.4 billion in education aid, with a school aid increase of \$805 million

- \$27.8 million for three SUNY teaching hospitals.
- An additional \$9.1 million for CUNY community colleges and \$22.1 million for SUNY community colleges.
- \$7 million to fund mandates at nonpublic schools
- A \$2.61 million increase in library aid, with an additional \$1.3 million to offset the MTA Payroll Tax.
- The MTA's five-year capital plan fully funded at \$22.2 billion to continue large-scale projects such as Eastside Access for the Long Island Railroad
- Environmental Protection Fund is maintained at \$134 million
- \$89 million for rehabilitation projects at 48 state parks
- \$102 million for repairs to dams and flood control infrastructure

I hope you'll agree that we're finally setting things right. We know there's more to do. Next year's deficit is already projected at \$950 million but that doesn't deter us. We know we can diligently work on it and come away with another positive budget. It just has to be taken one year at a time, and before you know it good budgets can just as easily become the norm as bad ones had for decades.