



NEW YORK STATE SENATOR

John A. DeFrancisco

## State Senate to Act on Bipartisan Budget Resolution That Cuts Taxes and Helps Create Jobs

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**New York State Senate Co-Leader Dean G. Skelos today announced (3/13/14) the Senate will act on a bipartisan budget resolution that balances the budget without raising taxes or fees, increases school aid funding and provides significant business and property tax relief that will create new jobs, grow the economy and help middle-class families stay and thrive in New York.**

“The Senate’s budget resolution is a responsible action plan that will create bright new opportunities for all New Yorkers and put hard-working taxpayers and their families back in control of their futures. This document should serve as a blueprint for a fourth consecutive on-time budget and help build a stronger, more prosperous future for those who call New York home. I thank my governing partner, Senator Klein, as well as Senate Finance Chairman John DeFrancisco for their input, their ideas and their energy throughout this entire process,” said Senator Skelos.

“This bipartisan budget resolution will help to strengthen the State of New York, by controlling state spending, permanently enacting a property tax cap, and by providing much-needed tax relief to hardworking families, and manufacturers and businesses statewide. It also will invest in our children by increasing state school aid and phasing out the controversial Gap Elimination Adjustment. I am confident

that we can continue to work together to pass a final state budget that benefits all New Yorkers by the April 1st deadline," said Senate Finance Chairman John A. DeFrancisco.

The Senate's one-house budget controls spending and builds on the progress we've made over the last three years in stabilizing the state's finances. It expands tax relief statewide for manufacturers and eliminates the job-killing 18-a energy tax surcharge on businesses so they can use the resulting savings to hire new workers and grow.

As part of the resolution, the Senate advances the "Freeze Plus NY," program, which will provide \$1.4 billion in additional property tax relief over the next two years. This program makes the existing property tax cap permanent, strengthens STAR and provides the benefits of a simplified freeze while helping local governments, school districts and taxpayers alike. It also requires local governments to submit efficiency plans that show current and out-year savings, and financial plans that include consolidation and shared service actions, as well as other budget actions which keep them within the property tax cap.

The Senate's resolution increases over two years the charter school basic tuition amount to charter schools in the City of New York and requires school districts to permit any charter school using a school district building to use the building without cost. It also requires the City of New York to provide facilities aid to those charter schools that are adding grades, opening new charters or who lose use of public school district space.

The budget resolution creates a reserve fund and provides a reimbursement formula to fully fund Universal Pre-Kindergarten statewide, extending unprecedented early childhood education opportunities to four- and five- year-olds. Instead of costly new mandates, it offers school districts maximum flexibility with the use of state resources.

This budget boosts state school aid by \$811.9 million over last year - - an increase over what the Assembly has proposed - - and distributes the aid in a fair and equitable manner to every region of the state. It restores \$541 million of the Gap Elimination Adjustment (GEA), a controversial budget maneuver approved under the previous all-Democrat Senate leadership, which has resulted in billions of dollars less for school districts and placed an even greater strain on cash-strapped property taxpayers. Under this plan, the GEA will be completely eliminated.

The Senate budget helps middle-class families afford higher education, pay off their student loan debt and encourages graduates to start a career in New York State. Specifically, it increases tuition assistance for low- and- middle-income taxpayers, makes more students eligible for TAP, creates a low-interest revolving loan fund, and establishes a new tax credit for graduates who stay and work here.

The Senate's budget resolution strengthens agricultural programs in New York by restoring cuts proposed in the Executive Budget, and reforming the state's unfair estate tax to preserve family farms for future generations.

Under the Budget Reform Act of 2007, both houses of the State Legislature will now convene in open conference committees to resolve differences in their one-house budget resolutions. The state's new fiscal year begins April 1.

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