



NEW YORK STATE SENATOR

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Senator Tom Croci Touts “Brighter Future” Budget Plan as the Perfect Remedy to Get New York Back on Track

THOMAS D. CROCI March 12, 2015

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Senate Plan Creates New Property Tax Rebate for Middle-Class Homeowners, Extends Historic Opportunities to Students, Invests in NY’s Infrastructure to Create Good-Paying Jobs

Senator Tom Croci is pleased to report that the State Senate is moving the State Budget process forward with a soundly balanced, fiscally responsible plan that will cut taxes, control spending, and build a brighter future for 3RD Senate District residents and all New Yorkers.

The New York State Senate one-house budget resolution calls for significant property tax relief to help hardworking New Yorkers, regionally balanced funding to help create good jobs, and important infrastructure investments to help rebuild the State’s economy. Furthermore, it invests in the future of our students by increasing education aid and completely eliminating the GEA.

“Long Islanders have earned the right to be prosperous and successful, and the Senate budget plan provides my constituents the tax relief, job opportunities, and critical investments they need to build a brighter future for themselves and their families,” said Senator Croci. “It invests in the future of our students by increasing education aid and completely eliminating the GEA, which was a promise I made to my constituents when I was elected. The more aid we can send from Albany back to our schools, the less our school

districts need to raise in property taxes. This fiscally responsible spending plan should serve as a blueprint for enacting another on-time State budget for the fifth year in a row.”

Specifically, the Senate budget resolution:

*** Provides Property Tax Rebate Checks for All STAR-Eligible Homeowners;**

The Senate expands upon the Executive’s tax relief proposal by creating a new property tax rebate program. The rebate, when combined with the existing property tax freeze credit, will provide the average New York homeowner with a rebate check totaling \$458. Along with the STAR exemption, homeowners would receive the most property tax relief in state history this year.

Under the Governor’s original plan tax plan, a majority of New York homeowners (nearly 2 million) wouldn’t receive a dollar in additional relief. In contrast, the Senate’s broader tax cut proposal would apply to all STAR eligible homeowners, or approximately 3.3 million people.

*** Increases School Aid, Eliminates the GEA and makes college more affordable;**

The Senate budget completely eliminates the \$1 billion that remains of the Gap Elimination Adjustment (GEA) scheme imposed by Democrats in 2010, and increases state school aid over what the Governor proposed in his Executive Budget. The additional \$1.9 billion school aid increase advanced by Senate Republicans is also distributed fairly and equitably to every region of the state. This will allow districts to restore programs and bring back good teachers laid off in recent years due to fiscal pressures..

The budget also makes college more affordable for New York families by increasing community college base aid by \$100 and raises the Tuition Assistance Program (TAP) ceiling to include families making up to \$100,000 a year, rather than the current \$80,000 income limit, benefitting an additional 15,800 students.

In addition, Senate Republicans propose doubling the tuition tax credit (from \$400 to \$800) which has not been increased in 15 years while college costs have steadily increased and doubling the allowable deduction (from \$10,000 to \$20,000). It also permits recent graduates to deduct 100 percent of the interest on their student loans for residents maintaining full compliance with the terms of their loan repayment plan.

*** Assists Job Creators and Job Seekers by Supporting Critical Infrastructure And Technology Programs and Provides Major New Tax Breaks for Small Businesses;**

To help create jobs and grow our economy, the Senate will advance a \$200 million small business package. Among other things, the Senate's plan would increase the business income tax exemption from 5 percent to 10 percent for all businesses and farms that file under the personal income tax, have no more than \$500,000 in business income, and at least one employee. This proposal would save small businesses and farms more than \$125 million annually and positively impact more than 500,000 New York businesses.

The budget includes funding for critical New York State infrastructure and revitalization needs, including \$1.5 billion for upstate revitalization projects, and a 1-to-1 water quality infrastructure matching program for communities to leverage \$1 billion from the state's Clean and Drinking Water Revolving Loan funds. In addition, the Senate provides funding for rural broadband.

The Senate proposes \$1.5 billion for highway and bridge capital projects as part of a new five-year road and bridge capital program – doubling the Executive's proposal.

In addition, the Senate budget calls for \$700 million for regionally significant economic development projects statewide to help create jobs, and \$50 million for the Main Street Revitalization program to assist local governments in cleaning up blighted areas.

As a result of this year's historically severe winter, the Senate budget also adds \$50 million for the Consolidated Local Streets and Highway Program (CHIPS).

*** Helps New York Farmers;**

The Senate budget puts in place a multi-part "Grown in New York" agriculture plan to help meet consumers' demands for locally-grown food, and support local farmers in their efforts to provide quality, fresh food and strengthen rural communities.

In addition, the plan would continue to fund vital agriculture research, marketing and education programs, expand the young and new farmer initiatives, create a "Grown in New York" brand and provide financial incentives to encourage schools to utilize locally produced, healthy food choices.

*** Provides a Major Increase in Support for the Environmental Protection Fund.**

The Senate's budget plan makes major new investments in New York's environment, including a substantial increase in funding for the Environmental Protection Fund (EPF). Under the Senate's plan, the EPF will be funded with \$200 million to support critical environmental initiatives, clean air and water projects and open space preservation, and a new energy efficiency category will be created. This reflects a \$38 million increase over last year.

The Senate's "Bright Future" plan also supports enhanced disclosure to ensure transparency and accountability in government, and will modify the Governor's ethics proposals, as well as the education reform initiatives advanced as part of the Executive budget.

Passage of the Senate's one-house budget resolution this week will ensure that the state continues to make progress toward its fifth consecutive on-time budget, further restoring the public's faith in government.

For more information on the Senate's budget resolution please go the NYS Senate website at www.nysenate.gov.