



NEW YORK STATE SENATOR

Frank Padavan

State Budget Reckless and Fiscally Irresponsible

FRANK PADAVAN April 4, 2009

Following days of secretive budget negotiations between Governor Paterson, Speaker Silver and Senate Majority Leader Smith a stack of budget bills over a foot high were revealed to the State Legislature and the public that pack an enormous wallop to New York's middle-class families and small businesses. Simply put the budget embraced by the three-men-in-a-room is highly reckless, fiscally irresponsible and will only continue New York's fiscal woes.

Totaling over \$132 billion the 2009-2010 State Budget spends an estimated \$13 billion more from last year and increases spending nine times the rate of inflation, a staggering amount in any economic climate-good or bad. Their budget increases taxes by at least \$8 billion all while New York is in the worst recession in decades. In New York City, a family is expected to pay anywhere from \$4,700 to \$5,000 more each year because of this budget laden with tax and fee hikes.

Small businesses, the economic engine of our economy will feel added burdens with this budget that brings higher income taxes along with increased energy and health insurance costs. With small businesses adversely impacted with this budget, the goals of a robust economic recovery and job creation will be placed further out of reach.

Democratic State Comptroller DiNapoli, New York's fiscal watchdog, realizing the bad nature of this budget deemed it a "buy-time budget, based on the hope that the economy recovers

quickly.” DiNapoli further commented that, “It’s a very fragile basket to place all the taxpayers’ eggs in. That’s a powerful critique from the official in charge of the state fiscal health.

To make matters worse, the Democrats budget completely and utterly fails to live up to the reforms adopted in 2007. This budget was acted upon without any conference committees that would have allowed for true openness, transparency and bipartisan cooperation. Governor Paterson, Speaker Silver and Senate Majority Leader Smith seem perfectly content to have violated the Budget Reform Act of 2007 by not convening conference committees all for political expediency so they could have attempted to claim a victory of an on-time budget. Even Blair Horner from the New York Public Interest Research Group said the budget process “stunk to high heaven.”

The three-men-in-a-room had the opportunity to live up to the words they had spoke repeatedly for the past few months by working in bipartisan fashion to tackle New York challenges. At a time when clear and strong actions matter, when fiscal responsibility is needed, we have an out-of-control state budget crafted under a dark shroud of secrecy that will certainly have devastating results.

Based on the disastrous consequences surrounding the three-men-in-a-room budget and the highly secretive, extremely dysfunctional and appallingly arrogant nature in which it was enacted, I stand side-by-side with middle-class families, small businesses and countless New Yorkers who are outright opposed and outraged with this risky fiscal scheme that our state cannot afford and therefore I voted against the 2009-2010 State Budget.