



NEW YORK STATE SENATOR

John J. Flanagan

Senate Acts On Key Priorities To Make New York More Affordable

JOHN J. FLANAGAN January 9, 2018

| ISSUE: **PROPERTY TAX CAP, STATE SPENDING CAP, SENATE AFFORDABILITY AGENDA**

MAKING NEW YORK MORE AFFORDABLE



Blueprint
for a Stronger New York

The New York State Senate today acted on its first two session priorities to ensure taxpayers continue to save billions of dollars through restrained government spending and reduced property taxes. The Senate passed bills that would make permanent the self-imposed two-percent cap on state spending and the two-percent property tax cap so that billions of dollars in taxpayer savings being created by those initiatives can be cemented for the long term.

Senate Majority Leader John J. Flanagan said, “In these first weeks of session, it is important to set the tone and establish the priorities that are key to reducing the costs facing current and future generations of hardworking New Yorkers. The property tax cap and the self-imposed spending cap have already saved taxpayers tens of billions of dollars since they were enacted, and this is the year we need to ensure these fiscally responsible measures are made permanent in state law.”

Spending Cap Has Saved \$41 Billion Since Implemented

Since Republicans regained the majority in the Senate in 2011, seven timely, responsible budgets have held state spending at or below two percent. That self-imposed cap ensured the state was spending only what taxpayers could afford, while investing in education, road and bridge repairs, and other initiatives that create new jobs. Ultimately, capping state spending has saved taxpayers nearly \$41 billion on a cumulative basis since the 2010-2011 budget - including the elimination of a \$10 billion deficit inherited from the previous all-Democrat, all-New York City-led government.

The bill passed today, S365 and sponsored by Senator Joseph Robach (R-C-I, Rochester), would continue this limit on state spending by making the cap permanent in state law. It would put an end to the historic pattern of “boom and bust” cycle budgeting and ensure a balanced, fiscally responsible budget this year, and every year.

Property Tax Cap Has Saved \$23 Billion Since Implemented

The property tax cap was first enacted in 2011 due to Senate Majority efforts to reduce New Yorkers’ tax burden. Growth in property taxes skyrocketed by over 73 percent for New York

school districts between 2001 and 2011 and 53 percent in counties. The cap was created to limit the annual growth of property taxes levied by local governments and school districts to two percent or the rate of inflation, whichever is less.

By keeping within the cap, taxpayers statewide – except in New York City – have saved \$23 billion, and are projected to save \$67 billion cumulatively over the first 10 years of its implementation. Legislation passed today, S1207 sponsored by Senator Flanagan, makes the property tax cap permanent to protect the continuation of this significant savings for current and future taxpayers.

Lowering Taxes to Make New York More Affordable

The two bills acted upon today are components of the Affordability Agenda released today as part of the Senate Majority's "Blueprint for a Stronger New York". This three-pronged plan focuses on making the state less costly and more attractive for hardworking New Yorkers. When combined together, the Senate's Affordability, Opportunity, and Security agendas comprise a powerful and comprehensive plan to give all New Yorkers the opportunity to succeed. The Affordability blueprint includes:

- Lower Income Taxes
- Lower Property Taxes
- Lower Energy Taxes
- Lower Taxes on Retirement
- Reforms to Control Spending and Prevent Tax Increases

More details about the Senate's Affordability Agenda can be found on the Senate website by [clicking here](#).

The bills making the spending cap and property tax cap permanent have been sent to the Assembly.

RELATED LEGISLATION

2017-S365

- Introduced
- - In Committee Assembly
 - In Committee Senate
- - On Floor Calendar Assembly
 - On Floor Calendar Senate
- - Passed Assembly
 - Passed Senate
- Delivered to Governor
- Signed By Governor
-

Establishes an annual spending growth cap and increases the maximum capacity of the rainy day fund

January 03, 2017

In Assembly Committee

Sponsored by **Joseph E. Robach**

Do you support this bill?

2017-S1207

- Introduced
- - In Committee Assembly
 - In Committee Senate
- - On Floor Calendar Assembly
 - On Floor Calendar Senate
- - Passed Assembly
 - Passed Senate
- Delivered to Governor
- Signed By Governor
-

Eliminates the expiration of and makes permanent provisions of law establishing the property tax cap

January 06, 2017

In Assembly Committee

Sponsored by **John J. Flanagan**

Do you support this bill?