



NEW YORK STATE SENATOR

John J. Flanagan

Senate Republicans Advance “Real Solutions” Budget Plan

JOHN J. FLANAGAN January 15, 2019

| ISSUE: **SMALL BUSINESS, MIDDLE CLASS FAMILIES, EDUCATION, TAX RELIEF**



The Senate Republican Conference today advanced its “Real Solutions” budget, a fiscally responsible spending plan that will reduce taxes, rebuild the sagging Cuomo economy, and create new and unprecedented opportunities for small businesses, workers, students and middle-class families.

Long-known for protecting taxpayers and taking meaningful action to promote affordability for middle-class residents who choose to live and work in New York, Senate Republicans unveiled their budget plan hours before Governor Andrew Cuomo was scheduled to deliver his Executive Budget proposal in Albany.

The two approaches are starkly different, with Cuomo and Senate Democrats catering to far-left radicals and Senate Republicans offering real solutions to the real problems facing hardworking New Yorkers.

“Governor Cuomo will brag about putting forward the most progressive budget in the nation but it’s not the kind of spending plan most New Yorkers want or need. You won’t hear about cutting taxes or reversing the economic decline that has caused more than one million New Yorkers to leave the state since 2010. And, you won’t hear about an affordability crisis that threatens many more. By contrast, our budget will be the most taxpayer-friendly, the most affordable, and the most likely to revitalize the economy and new create opportunities so that people can stay and raise their families here. If the Legislature and Governor simply approved our ‘Real Solutions’ budget plan, New York would be a far different and far more welcoming place,” said Deputy Republican Leader Joe Griffo.

“Too many people are leaving New York State and it’s not because of the weather or a lack of progressive policies. We need to focus on the bottom line – ensuring businesses can afford to grow, and that families and individuals have real opportunities to succeed. The Senate Republican ‘Real Solutions’ budget plan tackles true needs that we all share. Cutting taxes, helping people afford a home, and encouraging economic growth will set us on the proper course. This is the budget plan we need to reroute the moving vans and rebuild the Empire State,” said Senate Finance Committee Ranking Republican Senator James L. Seward.

The Senate Republican budget plan focuses on three basic principles:

*Balancing the budget without any new taxes or fees AND providing real and significant relief to hardworking taxpayers.

*Fixing the state’s affordability crisis to give middle-class taxpayers a fighting chance to succeed and get ahead.

*Revitalizing New York's economy so residents can find a good-paying job, take advantage of new and better opportunities and raise their families here.

- Specific elements include:

- o Forcefully rejecting any new taxes or fees.

- o Fighting to impose a state spending cap. This is more critical than ever if we are to prevent the Senate Democrats from going on another reckless spending binge.

- o Fighting to make the property tax cap permanent, once and for all. This has been a core position of our conference for years now, and we applaud the fact that more and more Democrats are now following our lead on this important issue. In addition, we would extend the property tax to New York City.

- o Fighting to CUT property taxes, not simply control them. We can do that through a phased-in, fiscally responsible Medicaid takeover and provide dollar-for-dollar savings in the form of property tax relief.

- o Delivering this year's property tax relief checks, and preventing the Senate Democrats from allowing the program to expire next year.

- o Delivering a \$770 million middle class income tax cut this year. We would achieve this goal by accelerating the phase-in of our historic Middle Class Income Tax Cut. (This would include the planned \$400 million in increased income tax savings that are already scheduled to take effect this year, combined with roughly \$370 million in new savings by accelerating next year's scheduled cut.) Rather than letting politicians in Albany spend this money, we want to return it to taxpayers as quickly as possible.

- o We will continue leading the fight to protect New Yorkers against misguided federal tax policies that hurt our taxpayers. Instead of more partisan rhetoric, let's get the job done.
- o If New York State legalizes marijuana, we will propose that all tax revenues from marijuana sales go to tax relief – not to fuel more spending.
- o In addition to our Medicaid takeover / mandate relief plan, we will impose an immediate moratorium on any new mandates and institute a mandate review council, made up of representatives of NYSAC and others. Because these mandates are simply hidden taxes that hurt school districts, local governments and property taxpayers, we will also push for the adoption of a Constitutional Amendment to ban unfunded mandates entirely.
- o We will push for a 2/3 supermajority vote requirement to help prevent any future tax increases.

CREATING JOBS:

- We will fight to enact a comprehensive economic development strategy to stop the exodus of jobs and people from New York State. In his budget proposal, the Governor should be advancing the equivalent of the historic “Marshall Plan” to address what is clearly an economic emergency in certain areas of the state.
- We must deliver broadband to every region of the state once and for all.
- We call upon the Governor to include comprehensive tax cuts for small businesses in his budget proposal, including a major \$495 million income tax exemption for Small Businesses & Farmers, as well as a STAR program for Small Businesses, achieving another \$275 million in savings;

- We will fight to cut energy taxes, including eliminating the 18-A Regulatory Assessment (This \$90 million tax cut builds upon our successful elimination of the Senate Democrats' 18-A surcharge.);
- We will fight to reject tipped wage proposals that would hurt thousands of hardworking New Yorkers and small business owners, and will work to minimize the potentially negative impact of minimum wage increases on certain employers.
- We will call upon the Governor to address the need for comprehensive regulatory relief for small businesses across the state.

FAIR, REGIONALLY BALANCED SCHOOL AID:

- We will revisit the school aid formula to ensure predictable and equitable funding for every region of the state and every school district. This is critical for our local schools, our children, and our overburdened property taxpayers, and it has long been ignored by the Governor.
- We will also continue fighting to protect and enhance local control and parental involvement, and against the over-testing of our children.

REAL ETHICS REFORM:

- We will continue fighting for increased transparency for economic development projects, including a "Database of Deals." This will combat corruption and better ensure that billions in tax dollars aren't being wasted.
- We will push to ban the Governor's Office from taking campaign contributions from those seeking state contracts.

REVITALIZING OUR INFRASTRUCTURE:

- We will demand a fair share of funding for Upstate and Long Island roads and bridges. At a time when the Governor's sole focus appears to be on the MTA and headline-grabbing mega-projects, we need a comprehensive plan to address our crumbling infrastructure needs in Upstate New York and on Long Island.
- We will reject congestion pricing schemes that will hurt millions of everyday commuters, families and small businesses.

MAKING COLLEGE MORE AFFORDABLE:

- Rather than giving illegal immigrants free college tuition with the so-called “Dream act,” we will fight to target more tuition assistance to hardworking, middle class families.
- We will consider expanding the Excelsior program to offer loan forgiveness to recent SUNY graduates who agree to stay and work in New York following graduation.

SAFEGUARDING OUR HEALTHCARE:

- We reject the costly “single-payer” proposal, as studies have shown that hundreds of millions in new taxes would be necessary.
- We will propose a comprehensive package to recruit healthcare professionals to underserved areas of our state.

ENSURING SAFETY & SECURITY:

- We will continue leading the fight to combat sexual offenses against women, children and vulnerable New Yorkers;
- We will build upon the work of our highly effective and productive Senate Task Force on Heroin& Opioid Addiction;

- We will lead the fight against any proposals that will make New York State more vulnerable to terrorism; and
- We will continue our fight to enhance school safety in every community across our state, and boost funding for mental health services, which is at the heart of the problem.

“By offering better alternatives, and by maintaining a laser-focus on the real, everyday problems affecting millions of hardworking New Yorkers, the Senate Republican Conference will lead the fight for real solutions that chart a better, safer and more prosperous path for our state,” Griffo concluded.