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Legislature Must Reject Budget Agreement

Spending increase, new taxes will further harm taxpayers and state's economic future

(BUFFALO, NY) -- The Buffalo Niagara Partnership joined with its Unshackle Upstate partners statewide today to call for the state legislature to reject the proposed state budget, saying its outrageous spending increase and new taxes will seriously damage the already suffering state economy.

“We are in the midst of an economic crisis of major proportions,” said Andrew J. Rudnick, president and CEO of the Partnership. “Rather than take progressive steps toward making New York more business-friendly to spur private sector investment and job creation, this budget does precisely the opposite.”

“In a time when everyone else is tightening their belts, it raises spending a ridiculous and unsustainable \$10.5 billion,” Rudnick added. “And it imposes \$7 billion in new or increased taxes and fees on already overburdened New York taxpayers. We need our legislators to stand up and say this is a bad budget for Upstate. In Albany parlance, that means we need a heroic action -- standing up to the ‘three men in a room’ who crafted this devastating budget.”

The proposed budget makes New York – especially Upstate – more uncompetitive than it already is with:

- A three-year income tax surcharge on small businesses;
- Additional \$230MM in new taxes on health insurance on top of more than \$500MM added in February’s deficit-reduction package;
- Surcharges on gas and electric utility companies that will end up costing consumers at least \$500 million.

The proposed budget also fails to advance meaningful, and much needed reforms through its:

- Inclusion of \$170 million in member items, the same amount as last year, showing little sincerity to do what the employer community and households do everyday: spend strategically, prioritize projects and do more with less;
- Omission of a proposed Tier V pension for public employees, which would have shown some will to reform how the state does business;
- No real reform of a broken Empire Zone program – a wasted opportunity to spur economic development at a time we most need it;
- Not making an attempt to begin program and personnel reforms to structurally balance the state budget in ways already implemented in a host of other states, and in the private sector.

“This budget wastes a golden opportunity for serious reform, a chance to institute the programs, policies and spending plans that will put Upstate and all of New York State back on solid footing and moving toward a more prosperous future,” said Rudnick.

The Partnership and its Unshackle Upstate partners are calling upon members of the Senate’s Upstate Democrat Caucus to stand up for their constituents and vote against this budget proposal. In a Senate with only a small margin for the majority, the votes of these five Democratic senators - Aubertine, Breslin, Stachowski, Thompson and Valesky - can make all the difference.

Unshackle Upstate coalition members in Rochester, Syracuse, Binghamton and Albany held similar press events to the one held in Buffalo today.

“Members of the Upstate Senate Democrat Caucus have the power to make a difference,” said Rudnick. “We are urging them – and all members of our delegation -- to reject the state budget developed by ‘three men in a room.’”

The Unshackle Upstate coalition represents more than 45,000 employers and more than 1.5 million workers in every region of Upstate. The coalition’s website www.unshackleupstate.com provides a direct way for citizens to send a message to elected officials in Albany.

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