

ASSEMBLY 2011-12 BUDGET RESOLUTION: BALANCING ECONOMIC REALITIES WITH THE PRESSING NEEDS OF NEW YORKERS

Bipartisan Conference Committees Set to Convene to Resolve Legislative Differences

Assembly Speaker Sheldon Silver, Ways and Means Committee Chair Herman D. Farrell, Jr., and the Assembly Majority today provided highlights of the Assembly's one-house budget resolution.

The \$133 billion budget proposal recognizes New York's economic realities by cutting \$3.1 billion in year to year spending and closing the state's \$10 billion budget deficit. "Similar to the plight of families throughout New York, we are forced to make some very real, very painful sacrifices in order to bring our economy back to prosperity.

The Assembly's budget proposal seeks to protect seniors, children, students and the most vulnerable New Yorkers through human service, school aid and community college restorations. This budget also puts more people back to work by strengthening economic development initiatives and maintaining vital funding for economic development projects," said Silver. The lawmakers said the house's 2011-12 budget resolution also maintains the Assembly's longstanding commitment to children, seniors and working families by restoring vital investments in education, health and economic development. The Assembly rejects the millionaires tax cut that would put them in the same tax bracket as an individual making \$20,000, or a family of four making \$40,000.

"When he presented the Executive budget proposal last month, Governor Andrew Cuomo gave the Legislature a strong foundation from which to begin our deliberations. Since then we have conducted open, public hearings on various aspects of his proposal and our house has had the opportunity to discuss the implications on our communities," said Silver. "Today the Assembly is moving forward by advancing our one-house proposal which outlines our priorities. The next step is to move to bipartisan conference committees to resolve legislative differences." "In response to the state's fiscal challenges, our budget proposal reduces All Funds spending by \$3.1 billion over last year," said Farrell. "In addition, our plan supports the Governor's efforts to reform and to streamline government, and to encourage job creation - while making the difficult decisions that ensure all New Yorkers share in the sacrifice."

The \$133 billion Assembly budget proposal:

- rejects a tax cut for millionaires at a time when vital programs are being cut and dedicates 30 percent of the millionaires tax to education this year and next year. Maintaining the surcharge provides \$706M million in 2011-12 and \$2.6B in 2012-13.
- accepts most of the Executive Medicaid Redesign Team recommendations for Hospitals, Nursing Home, Home Care and Pharmacy.

- restores \$467 million in education aid for the 2011-12 school year, \$364 million in this fiscal year over the current fiscal year. Restorations include \$200 million for general support to public schools, bringing the total to \$19.5 billion in the 2011-12 school year.

- rejects the executive budget proposal to reclassify state-supported schools for the blind and deaf as approved private schools for students with disabilities, which would include changing their funding structure, appointment process and student evaluation procedures, as well as representing a cost shift to school districts and property taxpayers – a \$90.8 restoration.

- restores \$15.5 million for the Summer Youth Employment Program which helps young people in urban and rural communities find entry-level employment.

- recognizes the job training value of SUNY and CUNY Community Colleges by restoring \$31 million of the proposed executive cut.

- strengthens the Excelsior Jobs Program by enhancing tax credits, improves the program’s responsiveness and extends the program’s tax benefit period from five to 10years and bases the job tax credit on the projected income tax revenue for each new job.

- restores \$3 million in for Safe Harbor program aimed at providing critical services for child victims of prostitution and human trafficking.

- restore \$34 million for the EPIC program which serves 300,000 seniors.

- restores Early Intervention (EI) reimbursement rates through Medicaid at their current level, rejecting the executive proposal to reduce rates by 10 percent. The restoration totals \$11.6 million for 2011-12 fiscal year.

- restores \$2.7 million – over 50 percent – of executive budget cuts to funding for employment and training programs, including the Displaced Homemaker Program and the Jobs for Youth Program.

- restores \$36 million and rejects the executive budget proposal to redirect Title XX discretionary funds typically allotted to these senior centers to local child welfare services.

- protects several senior programs slated for elimination in the executive budget by restoring 75 percent for programs.

- restores \$8.4 million to the Neighborhood Preservation Program and \$3.5 million to the Rural Preservation Program and brings both programs to their 2010-11 funding levels – thereby preserving the vital work that they do in the areas of affordable housing, economic development and community renewal.

- provides \$27.8 million and modifies the executive proposal that would delay the third and final phase of the public assistance grant increase from July 1, 2011, for one year.

“The Assembly continues to work with Governor Cuomo and with our colleagues in the Senate to enact a timely state budget that meets the needs of working families while at the same time taking into account the economic challenges we face,” said Silver. “We believe that, working together, we can achieve the goal of an on-time budget.”