

Focus on Jobs

From the NYS Assembly • Sheldon Silver, Speaker • Herman D. Farrell, Jr., Chair, Ways and Means Committee

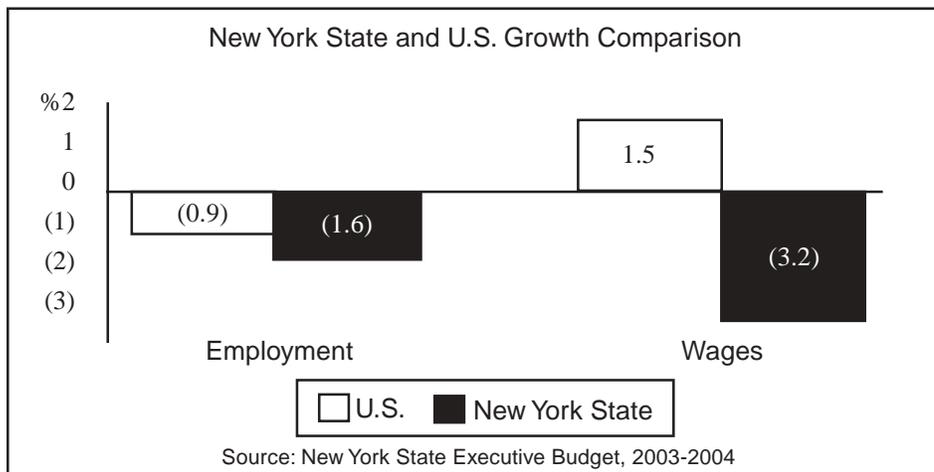
The governor's budget will have grave consequences for New York's working families by putting up to 105,000 jobs in jeopardy.

If the governor's recently-unveiled budget proposal is passed as is, it could eliminate 105,000 jobs in New York State, eviscerate the state's most successful job-creation program, and severely impact small retailers.

The governor's proposed cuts to health care and education would not only limit health care services and lower academic standards, but could increase unemployment. The governor's \$2 billion cut to Medicaid and health care services could eliminate 48,000 jobs, and cuts to elementary and secondary schools, as well as colleges and universities, could cost New York 57,000 jobs.

There is no doubt that we have tough decisions to make this year. But taking jobs away from working families is the wrong decision.

During the years of the Pataki administration between 1995 and 2001, the nation's employment grew by 12.6 percent, while New York State employment grew by only 8.8 percent. If New York State employment had grown at the same rate as the nation over that period, *289,000 additional jobs would have been created*. Now the governor has put forward a proposed state budget that will put New York even further behind the rest of the country in job growth.



People Affected by the Governor's Budget Speak Out

"[W]e should not lose sight of the fact that 'job killing' taxes and 'job killing' budget cuts both potentially bring about the same result: job loss and a diminished future for working families."

– Denis Hughes, President of AFL-CIO

"It's a bad idea [to make localities pay half the cost of the Empire Zones program]. The impact on communities which now are overburdened is going to be incredible. It might be so significant that empire-zone boards might decide not to give incentives because they can't afford them."

– Brian McMahon, Executive Director of the New York State Economic Development Council

"These cuts will bankrupt hospitals across the state and diminish hospital care for all patients, whether they are insured by Medicaid or not. Doctors and nurses will be laid off and hospitals will close, to the great detriment of the communities they serve."

– Kenneth E. Raske, President of the Greater New York Hospital Association

Focus on **Jobs**

The governor's administration once hailed Empire Zones as the single most effective economic development program in the country — but now he wants to kill it.

The governor has also proposed forcing local governments to pay 50 percent of the cost of Empire Zones, as well as eliminating over \$3.5 million in funding to local zone administrators, effectively killing the program. This Assembly-initiated program is designed to cut costs for businesses in economically struggling areas of the state and help companies create more jobs. Eliminating the program is not only a bad decision — it's a slap in the face to every community in our state working to improve its struggling economy.

After promising not to raise taxes, the governor has proposed \$5 billion in hidden taxes, fees, and surcharges.

The governor's rhetoric does not match reality. To make matters worse for local economies, the governor wants to eliminate the sales tax exemption on clothing articles under \$110, which would amount to over \$13 billion in exempt retail purchases being subjected to state and local sales taxes. This job-killing tax hike would force consumers out of state to purchase clothing and could run many small retailers out of business.

And by slashing school aid \$1.24 billion, increasing class sizes, and shutting down pre-K programs, the governor's proposal not only jeopardizes our children's education, his cuts could also cause schools to lay off teachers, while forcing double digit tax hikes on property taxpayers.

The governor's cuts are the wrong choice.

The Assembly is committed to making the right choices for all New Yorkers and will fight for a budget that isn't balanced on the backs of working families.

The governor's budget proposal also eliminates:

- \$2 million for the Downtown Development Initiative Grant Program – which helps revitalize downtown and commercial areas
- \$1.3 million for the Entrepreneurial Assistance Program (EAP) – which provides valuable technical assistance to small business.

The governor's budget cuts funds to promote tourism:

The I ♥ New York Program and the Local Tourism Matching Grant Program would be combined and cut by \$2.3 million, making it harder to market local products and attractions.

Under this proposal, allocation of funding is at the discretion of the governor, and it's conceivable that local Tourism Promotion Agencies may receive no funding at all.

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