



STATE OF NEW YORK

ELIOT SPITZER  
GOVERNOR

January 22, 2008

To My Fellow New Yorkers:

I'm pleased to submit to you my second Executive Budget. This is an important document that helps to mark the progress State government made over the past year and charts a course for the year ahead.

The 2007-08 Enacted Budget produced many significant changes that are important to all of us. Together, we made an historic investment in education tied to the most meaningful reforms in a generation. The Budget targeted substantial funding to the neediest schools and held them accountable for results through Contracts for Excellence. We began to restructure the health care system, and in the process increased quality and access while controlling Medicaid costs. Indeed, for the first time in a decade, spending on Medicaid will actually be lower than the year before. We also substantially increased property tax relief, while directing most of the additional aid to middle class taxpayers who need the help the most.

This past year, we took important steps to reinvigorate the state's economic development efforts and set an agenda to capitalize on the unique strengths of each region. We also invested significantly in higher education and the transportation and other infrastructure that, quite literally, supports our daily economy.

Collectively, these investments were designed to target State spending where it would have the greatest impact on our State's economy. We did all this and more by keeping our sights on the priorities we all share – a desire to make New York the best place to live, work, raise a family and run a business.

The Executive Budget for 2008-09 builds on the foundation laid last year and continues to advance our long-term goals in education, health care reform and economic development. This year's Executive Budget makes the hard choices necessary to advance these goals while maintaining the discipline of staying within our long-term objectives for spending growth.

The Executive Budget proposals we are putting forth are designed to spur economic growth by investing in our children from pre-kindergarten through higher education; advancing a bold plan for economic development in Upstate New York; continuing our efforts to provide property tax relief; and focusing on expanded access to health care—especially for children—while continuing to control costs. This Budget also takes important steps to make neighborhoods stronger through measures ranging from a new Housing Opportunity Fund to efforts to make our streets safer.

Like every other state in the nation, New York is feeling the effects of a serious economic downturn requiring us to make tough decisions necessary to continue moving our State in the right direction. Throughout our history, New Yorkers have risen to challenges and continued to seek progress and innovation even during difficult times. We can and must do so today. We must continue to make strategic, smart, and targeted investments, while making government leaner and more efficient if we are to guarantee a strong future for our children.

Sincerely,

A handwritten signature in black ink, appearing to read 'Eliot Spitzer', with a long horizontal line extending to the right.

ELIOT SPITZER