

Director's Message

True to Governor Cuomo's promise to the people of New York, this budget erases a \$10 billion deficit without raising taxes or incurring new debt. The gap is eliminated by bringing spending down to realistic levels supportable by underlying economic growth. The initiatives in this budget significantly reduce the rate of growth in State spending and reduce out-year deficits by 86 percent over the next three years, virtually eliminating the State's structural deficit.

With the 2011-12 Executive Budget, Governor Cuomo has set forth a blueprint for fundamental changes in how New York State budgets, advancing innovative approaches to managing State government. Across all areas of service delivery, the budget offers new ways to address chronic imbalances, unsustainable spending growth and unjustifiable tax burdens.

This budget imposes discipline on State agencies through a 10 percent reduction in General Fund operational costs, a critical step towards keeping spending in line with revenues and avoiding the need to raise taxes. Consistent with the Governor's belief that crisis presents opportunity, the Executive Budget redirects selected local aid to competitive programs that reward efficiency, innovation and results.

The Executive Budget redirects resources to encourage school district efficiency and student performance, reflecting the Governor's belief that New Yorkers deserve better results for their substantial investment in education. The budget recalibrates spending on school aid, recognizing the need for fiscal discipline at both the State and school district level.

The Executive Budget also focuses on spending control in the programs driving the largest cost increases through approaches that will bring greater inclusiveness to, and thereby improve the quality of, decision-making while ensuring the solutions reflect the needs and desires of the impacted communities.

Throughout the budget, aid is tied to spending based on results and competition, including funding in mental hygiene, human services and juvenile justice programs, as well as aid to our cities, towns and villages. Redesigning the mechanisms for awarding scarce State resources will foster innovation while improving the quality of services.

Governor Cuomo recognizes the constraints the State has placed on local governments as they try to contain their own spending and relieve the immense property tax burden on homeowners and businesses. That is why he has issued an Executive Order to create a

Director's Message

Mandate Relief Redesign Team that will explore ways to lift the burden of expensive State requirements on localities. In the spirit of seeking the best solutions from those closest to the problem, the budget encourages school districts to seek waivers from onerous mandates as the first step toward potential statewide repeal of specific requirements that no longer make sense.

In sum, the Executive Budget implements the kind of forward-looking solutions Governor Cuomo knows we need to redesign government, recalibrate spending and thereby free our innovative private sector to rebuild New York.

These changes are necessary to meet our fiscal challenges. The Governor is determined to restore fiscal discipline and reality-based budgeting, and this budget articulates that vision.