

Governor Cuomo is delivering his ninth consecutive balanced New York State Budget two weeks before the constitutional deadline. There was no time to wait in delivering the Budget to the legislature.

A budget is a statement of priorities. The FY 2020 Executive Budget includes record funding for education, but more importantly, for the first time closes the funding disparities at the school district level. It protects New Yorkers from the dismantling of the Affordable Care Act by enacting critical protections in State law. It invests in infrastructure in every region of the State. The Budget achieves all of this while supporting the most vulnerable New Yorkers, implementing the middle class tax cuts, and defending against the Federal assault on New York, delivering on the Governor's Justice Agenda.

New York is the number one donor state in the nation. We send Washington \$35.6 billion more than we get in return. Because of the Federal assault on New York taxpayers, the already heavy financial burden New Yorkers carry for the rest of the nation is worsening. With the negative consequences of the Federal tax changes made in 2017 just now being fully realized, the gap is only expected to widen. The Presidential administration's oscillating positions on trade and the global economy have increased volatility in the markets, and their attacks on the State tax system have impacted receipts, widening out-year deficits.

Through his Executive Budget, Governor Cuomo is responding to these assaults by building on the foundation of fiscal discipline that he set when he took office in 2011. The FY 2020 Budget starts by closing the \$3.1 billion deficit, and for the ninth consecutive time, limiting State spending growth to two percent – a restraint unparalleled in State history.

Efficiencies have been implemented across State government, improving workforce productivity with spending on government operations flat despite wage increases. State reserve levels are more than doubling, with \$1.7 billion have been deposited or are planned to be added by the end of FY 2020.

New York's infrastructure requires growing investment for our economy to stay competitive in the 21<sup>st</sup> century. As Washington fails to deliver on promises to invest in infrastructure, the Governor has made it a priority, adding another \$150 billion to the State's \$100 billion program, which is already rebuilding New York State's roads, bridges, airports, and other infrastructure. The new \$150 billion infrastructure plan supported in the Budget implements congestion pricing in New York City to help fund the MTA, and makes critical investments in our educational, health care, environmental, and community facilities to improve New York's competitiveness in the 21<sup>st</sup> century global economy while enhancing transparency.

The Budget tackles property taxes, making permanent the two percent Property Tax Cap, first enacted by the Governor in 2011, and continues the State takeover of Medicaid costs from counties. The Property Tax Cap has saved the typical taxpayer \$3,200 and Medicaid takeover is saving counties \$3.7 billion in FY 2020 alone.

Those actions build on the more than \$80 billion in savings for State and local governments from pension reform, and the \$260.6 million in recurring local property tax savings identified by 53 counties through the Governor's shared services initiative.

The self-imposed discipline of the 2 percent spending growth cap has made it possible for the Governor to lead the way in cutting taxes for every New Yorker, advance the most ambitious infrastructure programs in State history, and ultimately deliver a Justice Agenda that fights back against the attacks emanating from Washington on our values.

The Budget continues the implementation of the Governor's tax cuts for the middle class as their rates drop to the lowest level since 1947. The lowest corporate tax rates since 1968 and the lowest manufacturers' tax rate since 1917 remain. These tax cuts, combined with a bottom-up economic development program, have helped revive New York's economy, with businesses creating more than 1.1 million new private sector jobs and growth reflected in every region.

The Bond market has taken notice of the Governor's fiscal discipline, with all three major rating agencies designating New York State with the second-highest investment-grade credit rating possible, the highest rating for the State in almost half a century. Importantly, under Governor Cuomo, debt declined five straight years through FY 2017, helping to make the State's investments in infrastructure possible.

Yet the Budget is more than tax receipts and spending numbers. It delivers the Justice Agenda, thwarting the Presidential administration's attacks on New York impacting everything from health care to immigration, including by:

- Enshrining in State law the Affordable Care Act's mandate for each individual to have health insurance, which has been pivotal in driving down health care costs, and its bans on limitations for preexisting conditions.
- Doubling to \$5 billion the State's investment in clean water.
- Restoring faith in our democratic government by allowing voting by mail, enacting early voting, instituting same day and automatic voter registration, synchronizing federal and state elections, and providing time off to vote. The Budget also includes provisions to close the LLC loophole, and ban corporate contributions, helping guarantee that our government represents the people.
- Ensuring fairness in the criminal justice system by ending cash bail, reforming the discovery process, and removing barriers to re-entry.
- Helping all New Yorkers access our higher education system with the Dream Act.
- Delivering a Green New Deal that moves us toward a carbon neutral economy, combatting climate change.

- Establishing a comprehensive cannabis regulatory framework without falling in the trap of overestimating revenue from the adult-use of marijuana.

These measures are fundamental to who we are as New Yorkers as we light the path forward for the nation in the fight against regressive Federal policies. By working together, we are leading the coalition that will ensure our national identity as welcoming, loving Americans will endure. The FY 2020 Budget states the Governor's priorities, combining fiscal discipline with protecting hard working taxpayers and a progressive Justice Agenda.