

## Director's Message

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Over the last nine years, Governor Cuomo's fiscal reforms have demonstrated that you can limit spending growth to affordable and realistic levels, while making nation-leading investments in our infrastructure, healthcare and education.

Governor Cuomo's FY 2021 Executive Budget builds on those achievements while adapting to circumstances that threaten our progress and providing the foundation for growing our economy to new heights. The clearest measure of whether the FY 2021 Executive budget improves the State's fiscal condition is the gap estimate for the following year, it is the lowest in eight years and a 75 percent reduction from the previous forecast.

Governor Cuomo continues to lead the nation by renewing and reimagining the State's infrastructure. The Executive Budget expands the Governor's infrastructure program by \$25 billion, raising it to \$275 billion and includes a \$3 billion commitment to the MTA's historic \$52 billion capital plan and an \$11.9 billion two-year DOT capital plan. To address and combat the threat of climate change, the Budget advances a \$33 billion, five-year investment to restore the environment and reduce our carbon output – including the \$3 billion Restore Mother Nature Bond Act.

By continuing his record of fiscal discipline this Budget allocates resources to continue tax cuts for the middle class, small corporate businesses and farmers, and expands child tax credits to nearly 400,000 families with children under four years old. It also provides record funding to education and creates greater equity for school aid by dedicating more to high-need schools than ever before.

In 2011, the Governor faced a \$10 billion deficit. The State's share of Medicaid spending was set to grow by an unsustainable rate of 13 percent. He convened the Medicaid Redesign Team to develop reforms to provide stability to the program. The centerpiece to these reforms was the ability to manage Medicaid spending growth first to no more than 4% and now to no more than 3% annually.

Implementing these reforms was essential to the Governor's ability to expand the Medicaid program and provide healthcare coverage to 95 percent of New Yorkers, a record high. The plan worked and for six years New York's spending on Medicaid increased at half the national average, saving taxpayers billions of dollars.

This year, he is once again convening the Medicaid Redesign Team to identify \$2.5 billion in savings to usher in a new term of stability that will keep the Medicaid program structurally secure for years to come. The Budget also renews our partnership with local governments to identify savings in the Medicaid program.

Fiscal discipline is central to the economic growth we have witnessed across the State by providing the foundation for the lowest middle class tax rates since 1947, the lowest corporate tax rates since 1968, and lowest manufacturing tax rate since 1917. This combined with permanent property tax cap has made New York more affordable, and New York State now boasts a record high 8.3 million private sector jobs.

The State's debt burden continues to be at the lowest levels since the 1960s. It has infused confidence in the bond market, with the State receiving its highest bond ratings since the 1970s. The challenges we face are real and surmounting them is complex. We have met challenges before. We will do it again.

Governor Cuomo speaks often of how New York's unique qualities provide our citizens with unparalleled opportunities and possibilities for progress. This Budget recognizes that our fiscal

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policies are working, our future is bright and that, working together, we can make progress happen and continue to build an even better New York for all of our citizens.