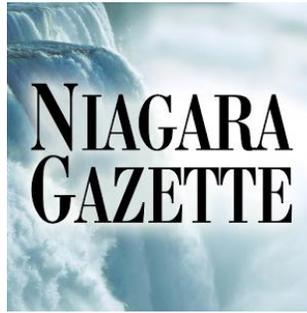




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## NY Jobs Programs Deserve Scrutiny

Niagara Gazette Editorial Board

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The scandals that have rocked Albany during the past month — the most serious involving nine persons connected to the state’s economic development programs — have raised new questions about how business is conducted at the state Capitol. And the questions extend beyond the usual channels all the way to the Executive Office.

In fact, the watchdog groups are calling for closer scrutiny of the state’s fiscal policy, how financial arrangements are determined, and what’s the process for monitoring the programs. David Freidfel of the Citizens Budget Commission, which keeps tabs on state and city budgets, notes that his group’s recent report, “Increasing Without Evidence,” found scant data to support “the exponential growth of the programs under Gov. Cuomo.”

Freidfel’s salient point: The major concern should be whether it’s necessary to spend on these program to begin with.

From an objective view, are any of these investments the best use of state resources?

For the record, the Citizens Budget Commission studied two factories and how the hefty investments from the state would impact each project. The Muller Quaker plan in Batavia was an eye-opener. Initially, it was required to come up with \$200 million of its own money in addition to the nearly \$500,000 it received through the Excelsior program. Muller lasted just about a year. By the time the doors closed, the public was stuck with a tab of \$2,000 for every one of the 143 temporary jobs created. Not a great deal for the taxpayers.

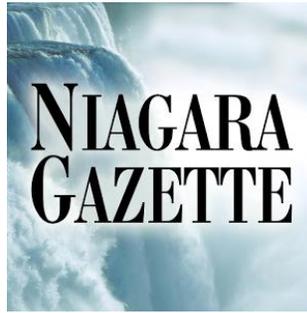
Another state-generated effort, the SolarCity project in Buffalo was given nearly \$750 million in public funds. What irks some opponents, the company owned and controlled by Elon Musk was not committed to any investment. According to the Budget Commission, it has calculated that the estimated 5,000 jobs by the end of 10 years will saddle the taxpayers with more than \$20,000 per job.

Perhaps E.J. McMahon, who heads the watchdog group the Empire Center for Public Policy, best describes the current situation as SolarCity, the leading solar panel seller in the U.S., prepares to merge with Tesla, the electric car-maker. He has called it “egregious corporate welfare.”

“Whether the merger goes bust or fails, we’ll own the world’s largest empty solar panel factory.” McMahon adds: “It’s not even good as a warehouse.”



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The question looms. Is there a better way to market and promote economic development?

A better educated work force would help.

Maybe lower taxes would change the public perception of the Empire State as one of the highest taxed states in the country.