CITIZENS BUDGET COMMISSION

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CBC CALLS ON STATE LEGISLATORS NOT TO RAISE THEIR OWN PAY WITHOUT ADDRESSING THE STATE'S RUNAWAY DEBT PROBLEM, WHEN THEY RETURN IN SPECIAL SESSION ON DECEMBER 13

New York State's Debt Will Soon Hit An Historic High Of $50 Billion

New York, NY – December 8, 2006 – The Citizens Budget Commission (CBC) today called on Members of the New York State Legislature not to raise their own pay, when they return next week for a special session, without addressing the State's runaway debt problem. New York State's debt is expected to hit an historic high of $50 billion in the next year and had already reached a "danger zone" more than a year ago, according to the Commission's analysis.

The State is accumulating debt at such a rapid pace that State debt has doubled just since 1993. In the past year alone, State leaders have added about $4 billion in debt, and they did that in a year in which there was no need to cover deficits and the State ended with a $2.2 billion cash surplus.

The Legislature is scheduled to meet on December 13th to consider sex-offender legislation, but rumors are ripe that they will take the opportunity to raise their own pay. The rumors exist in part because the Legislature can only raise the pay of a future Legislature. As a result, unless a pay raise is voted this month, it could not take effect until 2009.

"New York State's debt is spiraling out of control," said CBC President Diana Fortuna. "Legislators should address this problem before they increase their own pay."

The Commission has developed a series of recommendations for State fiscal reform, including debt reform, collectively known as the "Armonk Agenda." The recommendations emerged from a two-day conference last spring of 120 civic, business, labor, and government leaders from across the state, organized by CBC and held in Armonk, NY. The "Armonk Agenda" is available online at www.cbcny.org.

Founded in 1932, the Citizens Budget Commission is a nonpartisan, nonprofit civic organization devoted to influencing constructive change in the finances and services of New York State and New York City governments.