



## Statement on State Budget Extender

For more information,  
contact:

Michael Vaughn  
303-921-9350

New York, NY – April 11, 2024 - Citizens Budget Commission (CBC) President Andrew S. Rein released this [statement](#) on behalf of the CBC:

“Late budgets should still be good budgets. This final stretch should be short and produce a budget that is good for New Yorkers now and in the long run.

### Late Budget

It is not good that the budget is this late, again. It is lawmakers’ job to deliver the budget on time. New York risks slipping back to the bad old days where late budgets became the accepted norm. That should not happen.

The Governor and legislative leaders should publicly commit to this being the last extender.

### Good Budget

It is critically important for the State to adopt a budget that is good—one that addresses New Yorkers’ needs now and strengthens future fiscal stability to ensure the State continues to have the capacity to improve New Yorkers’ lives.

It is disappointing that there is little discussion of the *budget* when talking about the budget. There is little public discussion about the fiscal guts of the budget—spending and receipts amounts, growth, and future budget gaps—with important policy hotly debated and the fiscal focus seemingly limited to rejecting much of the Governor’s proposed savings.

### A Good Budget would:

Shrink the structural gap and strengthen long-term stability. Restrain spending growth to reduce the structural budget gap that [already is \\$16+ billion](#). There will be significant additional revenue available from both fiscal years 2024 and 2025, which could be used wisely to reduce instability and future gaps. It should not be used to balloon unsustainable recurring spending. Not spending money we don’t have is not only the key goal for this year, but also for the future.

- The Executive Budget already proposed to increase adjusted State Operating Funds spending this year by 3.5 percent.
- From FY 2020-FY2025, even with the Governor's proposed savings, adjusted State Operating Funds will have grown 32 percent or \$33.8 billion. After adjusting for inflation, the increase is still \$6.4 billion.

Include basic [financial-plan tables](#) to give New Yorkers a clear-eyed view of how their money is being spent next year and the truth about the future fiscal implications of this year's budget decisions.

Not include speculative, short-term federal money derived from a Medicaid/MCO tax to pay for ongoing costs. [Uncertain money should not be budgeted.](#) Short-sighted fiscal strategies to bridge to the potential funds would only weaken the State's finances. Even if the federal money comes, it will be for a few years and should only be used to support a one-time program that improves services and efficiency. Uncertain money should not be budgeted. Short-sighted fiscal strategies to bridge to the potential funds would only weaken the State's finances. Even if the federal money comes, it will be for a few years and should only be used to support a one-time program that improves services and efficiency.

Reject proposed Tier 6 retirement-plan enhancements. [These sweeteners are expensive and unnecessary.](#) Tier 6 is already more generous than most private-sector plans.

Reject tax increases. New York and its localities already [collect more taxes per person](#) than any other state. Adding to that hurts the state's competitiveness.

Boost housing production. The housing-supply and affordability crisis continues to hurt New York's value proposition as a great place to live, start a family, and run a business. Proposals that do not incentivize new housing production of varied types in many areas should be rejected.

Defer decisions on the Heat Act until there is a full analysis and proposal about the consumer and economic impact of capping household utility bills, as well as other components."

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#### **About Citizens Budget Commission**

The Citizens Budget Commission (CBC) is a nonpartisan, nonprofit think tank and watchdog whose mission is to achieve constructive change in the finances, services, and policies of New York City and New York State government. CBC's mission is rooted in serving New Yorkers at large, rather than narrow special interests; preserving public resources, whether financial or human; and focusing on the well-being of future New Yorkers, the most underrepresented group in city and state government.