



Statement on New York State's Executive Budget for Fiscal Year 2025

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New York, NY – January 16, 2024 - Citizens Budget Commission (CBC) President Andrew S. Rein released this [statement](#) on behalf of the CBC:

“Governor Hochul balanced the Executive Budget with additional receipts from the strengthening economy and lower spending. While the budget takes some important initial steps to reduce spending growth, significant additional restraint will still be needed to close the State’s structural budget imbalance.

The additional receipts and spending actions reduce out-year budget gaps but will not stabilize the State’s structural budget house of cards. The fiscal year 2028 gap widens to \$9.9 billion, called “sizable” by the Governor. Yet, the State’s spending base is supported in part by at least \$5.5 billion in temporary tax increases and pre-payments from prior year surpluses. Together, these reveal that the State’s structural gap is approximately \$15 billion.

The Governor today said it well: “We can’t spend like there’s no tomorrow, because tomorrow always comes.” Unless the State does more to get on a path to align future spending with its ongoing receipts base, it will not be following the Governor’s wise words.

The proposal maintains record State reserves at more than \$19 billion. The budget also proposes to limit school aid spending growth to districts without new or high needs and make adjustments based on enrollment; these are commonsense, reasonable, and overdue actions to better target school aid.

Wisely, the Governor did not include a broad tax increase and said that personal income taxes would not be raised. Holding to this, and ensuring that temporary increases sunset on time, is critically important to New York’s competitiveness.

In addition to reigning in spending growth, State lawmakers should make basic improvements to the budget process to increase transparency and accountability. This includes publishing basic financial plan tables with one-house and enacted budgets, avoiding use of lump sum appropriations, avoiding use of messages of necessity, and omitting fiscal maneuvers that undercut accountability.

CBC will continue to analyze the budget’s details as they are released, including the proposed savings in Medicaid and school aid.”

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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 and services 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.