

SCAA Scores Gov's Budget Proposal: Good Plan, Could be Better

The Schuyler Center for Analysis and Advocacy (SCAA) praised Governor David Paterson for making serious efforts to close the enormous state budget deficit with a strategic and balanced approach. At the same time, SCAA urged Governor Paterson to go further by adopting several budget cuts and revenue-raisers that would reduce the need to slash spending on vital priority areas in health care, education, higher education and human services. For example, the Executive Budget proposes dramatically cutting home visiting programs, which have been shown in rigorous studies to prevent child abuse and reduce child welfare costs to the state.

SCAA recently released a report proposing three key budget priorities that the leaders of New York State should observe ([see report](#)):

- 1) Protect programs that serve vulnerable New Yorkers.
- 2) Protect “seed corn” investments essential to the state’s future prosperity.
- 3) Give special consideration to programs that can show evidence of successful outcomes.

SCAA then proposed a set of budget cuts and revenue raisers that would reduce the state budget deficit by \$9.1 billion. Governor Paterson adopted or partially adopted ten of SCAA’s proposals in his Executive Budget proposal.

“Everyone will criticize Governor Paterson for budget cuts or new taxes they don’t like,” said SCAA President and CEO Karen Schimke. “And we will too. But let’s acknowledge that the governor was dealt a lousy hand of budget cards and he’s playing it pretty well.”

“We applaud Governor Paterson for making the hard decision to eliminate the Middle-Class Star Rebate, cut back the Empire Zone Program, reduce GME spending, enact the Bigger Better Bottle Bill and another bill to close the Indian cigarette tax loophole, and shut down unneeded prisons and juvenile detention centers,” said Schimke. But other proposals would hurt low-income communities and damage the state’s long-term prosperity, and they are simply unnecessary to close the budget deficit.

The Executive Budget excluded five SCAA proposals that would contribute almost \$6 billion to reducing the budget deficit.

SCAA Proposals Not Adopted by Governor	New Savings & Revenue
Restructure STAR into an income-based "circuit-breaker" program and cut by 10%	\$347
Establish temporary progressive income tax surcharge	\$4,300
Eliminate state high-tax aid to prosperous school districts	\$202
Suspend Bundy Aid program	\$44
Tap Economic Stabilization Fund	\$1,000
Total State Savings and Revenues	\$5,893

If Governor Paterson or the Legislature were to add these proposals to the final budget, the state could eliminate other proposals that would cause great harm. For example, the state proposes to reduce school aid by \$1.7 billion, restore the sales tax on clothing, cut the home visiting program by 25%, eliminate funding for home visiting through child welfare preventive spending, and cut base aid to community colleges by 10%.

"Harsh budget cuts to education, health care and social services may seem inevitable, but the state's leaders can direct those cuts to less essential areas if they choose to," said Schimke. "And they should make that choice."