

New York Workers' Compensation Alliance, Among Others, Comments on Governor's Budget Proposal

Responses on Gov. Andrew Cuomo's 2013-14 fiscal year budget proposal are rolling in.

From the NY Workers Compensation Alliance:

The New York Workers' Compensation Alliance, a coalition of injured workers and those committed to protecting the rights of injured workers, today praised actions outlined in Governor Cuomo's proposed budget that would streamline the state's Workers' Compensation system.

NYWCA hailed the Governor's proposal to increase the minimum compensation rate for injured workers from \$100 to \$150. "Raising the minimum compensation rate is an extremely positive step as low-income workers are by far the most likely to be injured in the workplace," said Robert Grey, Chairman of NYWCA.

NYWCA also supported Governor Cuomo's proposal to close the 25-a Fund, or Reopened Case Fund, which has been an agenda item for NYWCA for several years. Eliminating this fund will reduce assessments on employers by 25 percent.

"The 25 percent reduction achieved by closing the Reopened Case Fund comes on top of the more than 50 percent reduction that will ultimately be achieved through the previous closure of the Second Injury Fund," Grey said. "This proposal will save money for responsible employers while continuing to deliver appropriate benefits to injured workers."

Finally, NYWCA praised the Governor's proposal to simplify workers' compensation assessments while keeping intact the important state agencies and programs that are funded through this equitable mechanism.

NYWCA is studying other budget proposals involving workers' compensation. Grey noted that a prior NYWCA report shows workers' compensation costs in New York State have declined dramatically in the past two decades and that workers' compensation is also a declining portion of overall employer costs. The report shows that costs have actually declined by a full 30 percent during the past 18 years. The report is available at <http://www.nyworkerscompensationalliance.org/>

From Senate IDC Conference Leader Jeff Klein:

“As Governor Cuomo recognizes, our number one goal must be to pass a balanced budget that meets the evolving needs of New York families and businesses, without raising taxes or fees. In doing so, the IDC will be advocating for several critical priorities during the budget process.

“To start, our state’s lowest wage workers deserve a raise. Doing so will put more money in the pockets of working class families, while stimulating spending and creating thousands of local jobs. When it comes to filling these new jobs, we want to make sure that New York’s 10,000 unemployed veterans from the Iraq and Afghanistan wars are at the front of the employment line. That’s why, as part of the budget, we will push for a tax credit that rewards business owners who hire one of our country’s bravest men and women. The unemployment rate for veterans in New York State is twice that of the general population. That’s an inequity that we simply cannot tolerate any longer.

“In order to build a better workforce, we also need to ensure that every bright young New Yorker can afford a college degree. That’s why we are committed to enacting a fully funded DREAM Act that will provide all of New York’s smartest and most ambitious students with access to the tuition assistance that they need. Our bill ensures that neither state budget constraints, nor a student’s immigration status, will ever stand in the way of a young student’s college dream.” “Mandate relief remains a priority concern for members of the IDC. Throughout the budget process, we will

continue to identify ways that help push the weight of undue mandates off of New York's counties, cities, and towns, so that local governments can lower property taxes while still funding all of their essential local needs. "We can and will accomplish these goals for New Yorkers. The IDC is committed to working on a bipartisan basis to get these things done and to do so with another on-time budget."

From Senate Republican Leader Dean Skelos:

While the Senate's Finance Committee will review the entire Executive Budget over the next few weeks, I am encouraged by the plan Governor Cuomo has submitted today. It restrains spending, eliminates a manageable deficit without new taxes or fees, and invests in job-creation initiatives. This budget is a blueprint for building on the progress we've made over the last two years in getting New York back on track.

We should take this opportunity to look at reducing taxes to put more money back into the pockets of hardworking families, allowing the 18-a energy assessment to expire as scheduled, and renewing our commitment to businessmen and women looking to start or grow a business in New York.

Our Workers' Compensation rates are among the highest in the country. We will review the Governor's proposal, but we must reduce the cost of Workers' Compensation to address one part of the high cost of doing business in New York.

We can deliver mandate relief to local governments and school districts so they can better control their own costs and protect taxpayers. And, we can eliminate wasteful or unnecessary spending so we can continue to invest in education, health care services and other shared priorities.

Over the last two years, we've stopped the bleeding when it comes to New York's budget situation. But that's not enough. It's time to take the necessary steps to improve the state's fiscal health for the future, so generations of New Yorkers can settle, live and raise their families here.

From CSEA:

“There are several troubling areas in Gov. Andrew Cuomo’s proposed 2013-14 state budget:

The Governor is too quick to gloss over the negative impact of a flat budget on state operations, especially considering the cuts, closures, downsizing and upheaval in that area over the past several years. Without meaningful detail it is nearly impossible to adequately evaluate the effect on specific agencies, programs and the people who deliver them. Dedicated CSEA members deliver those services every day but they have been reduced to political bargaining chips in the Governor’s budget.

While stressing economic development priorities, the Governor also seems to forget that the erosion of public sector jobs also hurts people and communities and takes money out of the economy.

Even more outrageous, the Governor is proposing a bait and switch scheme on his own misguided Tier 6 that will allow public employers to underfund their pension obligations – basically, raiding the system to pay for savings that Tier 6 didn’t actually provide and calling it mandate relief. This approach would put political expedience ahead of fiscal responsibility.

It is also hard to understand why the Governor continues to throw good money after bad on local government consolidation given its track record of repeated rejection by the voters.”

From the State Association of Counties:

There are helpful actions in the 2013-14 Executive State Budget proposal released today and we look forward to working with the State Legislature during the budget negotiation process. County leaders are pleased that the Governor continues to recognize the impact unfunded mandates are having in our communities. Fully implementing the 2012 County Medicaid Relief Act, along with other initiatives announced by the Governor today, will have positive long term fiscal benefits at the local level.

We applaud Governor Cuomo for bringing greater fiscal stability to the State Budget over the past two years. County leaders recognize that the State cannot reverse decades of passing costs on to local property taxpayers in one budget, but the concepts advanced by the Governor and

additional opportunities to be advanced by the legislature can save taxpayer dollars at the State and local levels and improve government programs for the New Yorkers who need those programs most.

From SUNY Chancellor Nancy Zimpher:

“Today’s Executive Budget address puts forth a clear plan of action for Governor Cuomo’s ambitious agenda to revitalize New York’s economy, and SUNY is honored to play an intricate role in the Governor’s plan to improve the quality of life for all New Yorkers.

“We thank the Governor for honoring the maintenance of effort agreement that goes hand-in-glove with our rational tuition plan. This stability allows our students and their families, as well as our campuses, to plan ahead.

“We also thank the Governor for yet again expanding the NYSUNY 2020 Challenge Grant program, which will allow our campuses to boost academic quality and collaborate with the state’s Regional Economic Development Councils to create jobs and innovation throughout the communities we serve.

“The \$3 million in performance based funding provided for community colleges will also benefit our efforts across the system to enhance workforce development. By both adding new funds and tying dollars to our community colleges’ ability to train citizens for the jobs our state needs, Governor Cuomo has further incentivized at a local level a philosophy for meeting high-need workforce demands that SUNY is looking to implement across all of its campuses.

“We are also pleased with the inclusion of full re-appropriation of existing SUNY capital funds to allow continuation of existing projects, a residence hall proposal that provides access to funding to build new residence hall facilities and rehabilitate existing facilities, and new support for transformational projects and programs through REDC process. Given the age, size, and number of building assets SUNY is responsible for, we look

forward to working with the Governor and Legislature to address ongoing critical maintenance needs.”

From Comptroller Tom DiNapoli:

These are challenging economic times that necessitate caution. The Governor’s budget is a starting point to address how the state manages and prioritizes its resources. New York needs a responsible, balanced budget that is based on realistic assumptions and long-term planning.

Three quarters of the way into the current fiscal year, our budget has only stayed in balance because the state limited spending and used one-time windfalls. We face stubbornly slow growth in our economy, significant out-year budget gaps and a debt burden that is among the highest in the nation. Adopting a budget in the face of these challenges will not be easy, but we cannot afford to take shortcuts.

My office just learned of the Governor’s financing proposal for the state pension fund, and we are examining it from the perspective of our fiduciary responsibility. New York has one of the strongest pension funds in the country because it has been managed with fiscal discipline over the years. Too many other states have failed to adequately fund their pensions and taxpayers ended up paying the price.

I commend the Governor for making the rebuilding of our communities that have been affected by the storms of Sandy, Irene and Lee a budget priority.

My office will thoroughly review the Executive Budget and provide a detailed analysis in the coming weeks.

From Mike Durant, State Director of National Federation of Independent Business/New York:

“For the third year in a row, Governor Cuomo’s proposed fiscal plan maintains the theme of fiscal responsibility continues to right-size state government and closes the current budget gap while rejecting any new tax increases. Financially, this budget proposal is a continuation of existing

efforts to rebuild New York's fiscal health and encourage sustained economic growth.

We are pleased that the Governor has included sensible reforms in workers compensation and unemployment insurance. These provisions will fix structural financial problems, return the unemployment insurance fund to solvency and create long term cost savings that will help New York's small businesses. Also encouraging is the smoothing option for public pensions and fiscal ability to pay as mechanisms for necessary mandate relief for our schools and local governments.

We are deeply disappointed that the Governor has included a minimum wage proposal within this fiscal plan. As proposed, this minimum wage hike has the potential to offset the projected immediate savings incorporated within his regulatory reform proposals. We strongly urge the Governor and legislative leaders to focus on additional areas of regulatory reform and cost reduction for small business."

We will analyze the Governor's budget plan in greater depth over the next few days and continue our efforts to advocate and work with the Governor and lawmakers on behalf of taxpayers and small business owners."

From Brian D. Backstrom, president of the Foundation for Education Reform & Accountability:

"The governor's executive budget unveiled today does not provide a plan – or even a reason for families and students to hope – for the top-to-bottom restructuring needed of the state's failed public education system."

Mr. Backstrom said of some of the specific education policies proposed in the Governor's executive budget today:

Expanding Learning Time and Early Childhood Education

"Extending the school day and expanding pre-k programs will most benefit students already in quality schools. Students trapped in failing schools, however, won't benefit from more of the same low-quality instruction for just a longer period of time. The Governor's budget should have offered

publicly-funded scholarships allowing students to escape bad schools and transfer to better-performing public or private schools of choice.”

Teacher Evaluations

“The New York City teacher-evaluation debacle showed that the threat of withholding state funds when districts fail to timely implement an approved plan isn’t enough. The state should develop a high-quality ‘default’ teacher-evaluation plan that would be implemented by the state whenever a district fails to act.”

From Jeff Saunders, founder of the Last Store on Main Street Coalition, which opposes wine sales in grocery stores:

“With his Executive Budget today, Governor Cuomo has demonstrated once again that he recognizes the best way to lift the New York wine industry and create jobs is to invest in a consumer-based marketing program, which is exactly what he does with his \$2 million Taste NY program. The more New Yorkers understand the high quality wine made right here at home, the more they drink it and the more they buy it. That growing demand will generate jobs and investments as wineries expand and new ones spring up across the state. Wine retailers across the State stand ready to help play our part in that growth.

“In a budget that has a strong focus on creating jobs upstate, it’s especially fitting that the Governor has rejected the job-killing Wine in Grocery stores gimmick for the third straight year. He knows this bad idea would generate little in way of revenue and put mom-and-pop wine stores out of business across the State, especially upstate. We know the Big Box stores care little about putting more than 4,000 people out of work just to increase their profits, but we are fortunate we have a Governor who understands and stands with small businesses in this State.”

From AG Eric Schneiderman:

“Our state is facing significant fiscal challenges that require tough choices. To help close the budget deficit, our office will leave no stone unturned in

rooting out fraud, corruption, and waste in government, so that we can recover more money stolen from the taxpayers and hold accountable individuals who betray the public trust. I would like to thank Governor Cuomo for supporting the Attorney General's Office in our efforts to meet these goals. And I look forward to working with the Governor and the Legislature to restore the public's faith in government and our economic institutions, so that all New Yorkers can be confident they will get a fair shake in these tough times."

From Ron Deutsch, Executive Director, New Yorkers for Fiscal Fairness

"I applaud the Governor for supporting two very critical progressive policy issues; minimum wage and campaign finance reform. The time to pass these critical policy issues is long overdue and we are pleased to work with the Governor to pass both of these issues."

"I understand that the Governor wants to hold the line on taxes and create jobs in our struggling economy. However, the Governor can raise revenues without raising taxes by simply closing numerous corporate tax loopholes that allow very profitable multi-state/national companies to avoid paying taxes in New York State. In fact, the Governor's executive budget proposal begins the process but ignores many loopholes that still need to be closed. These loopholes needlessly drain our revenues and create an uneven playing field for small businesses throughout the state. Is this our new "tax reality?"

"We need to stop providing tax breaks to companies that are outsourcing our jobs overseas and only creating low-wage jobs. The Governor's Budget rehashes many of the failed "tax free business zone" programs that have been tried under different names in the past. We hope that this time there will be strong safeguards in place to make sure we are not squandering the public's money in the name of job creation."

From Albert E. Caccese, executive director of Audubon New York:

"During these continued trying economic times, Audubon New York applauds Governor Andrew Cuomo for once again recognizing the

important role environmental investments play in the state's economic recovery. In particular, we thank him for his budget proposal which increases funding for the Environmental Protection Fund (EPF) to \$153 million, ensuring that investments in open space protection, water restoration, and nature centers are enhanced. This renewed attention to the EPF will have wide ranging impacts across New York, and result in significant returns on the states investment."

"We also commend the Governor for his continued attention to the critical infrastructure needs facing our State Parks, and for dedicating another infusion of NY Works capital funding to put people to work upgrading these aging facilities. Our parks provide important destinations for New York's tourist economy, supporting a \$4.2 billion wildlife watching industry. Last year, we launched our 'Audubon in the Parks' initiative, a model public-private partnership to enhance habitat and restore natural resources found at our state parks. This new NY Works funding will greatly augment these efforts, making these jewels more attractive to people and birds alike, and ensuring these jewels can be safely enjoyed by the 43.7 million visitors that frequent them each year. This initiative, combined with the continued investments in the Department of Environmental Conservation and Office of Parks, Recreation and Historic Preservation, show the Governor's commitment to our environmental Agencies and programs."

"In addition, the Governor's focus on spurring the transition to a clean energy economy, though investments in the 'New York Sun Solar Program' and Cleaner Greener Communities program is an essential step to combating climate change head on by helping consumers and municipalities bring new renewable energy onto the grid and curb our reliance on fossil fuels. The Governor's additional emphasis on prioritizing a balanced approach to storm risk reduction and climate change adaptation efforts that rely on a mix of structural and natural solutions will certainly help to comprehensively protect coastal communities from future storm events and sea level rise, and create long-term resilience for the region.

"We look forward to working with the Governor and the Legislature in the coming months to continue to put people to work protecting and restoring our natural resources, and enhancing eco-tourism initiatives across the state."