

Testimony by New York City Council Speaker Gifford Miller On Governor George Pataki's Proposed Budget

by Gifford Miller

Monday, January 24, 2005 12:00 AM -

Â Testimony by New York City Council Speaker Gifford Miller New York State Senate Finance and Assembly Ways and Means Committees Joint Hearing on the 2005-2006 State Executive Budget

Good morning, Chairman Johnson, Chairman Farrell, and members of the Senate Finance and Assembly Ways and Means Committee.

I want to thank you for giving me this opportunity to testify today. Most of all, I want to thank you and your fellow members of the State Senate and Assembly for being such loyal friends to New York City and the eight million men, women and children who live there.

When we faced a serious fiscal crisis after the attacks of September 11th and when Governor Pataki could spare us nothing more than a few kind words, it was the membership of both houses of the State Legislature, Republican and Democrat alike, who came together and rescued our schools, our hospitals, our neighborhoods, and our quality of life.

I will never forget what you did for our city and I want you to know that I will do whatever I can to help you restore this Legislature's legitimate budgetary powers. Last month's ruling by the State Court of Appeals is more than just wrong on the merits. It is potentially a disaster for the people of this state. If so-called budget reform means making an irresponsible governor a more powerful governor, then maybe we need to think twice about the true meaning of budget reform.

If the power to delay is the only power that this Legislature can exercise in negotiating this year's budget, then I urge you to use that power with maximum vigor, because I would rather you pass a late budget than a budget that looks like the one proposed by the Governor.

This is the fourth time I've appeared before you to talk about the Governor's budget. And, frankly, I'm tired of appearing before this committee every year and asking you to do the job that New York City's mayor ought to be doing.

I'm tired of hearing the Mayor talk about the Governor's good intentions and how the

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Governor is trying to do the right thing when it's obvious that the Governor isn't trying to do the right thing for New York City.

A week ago we celebrated Dr. Martin Luther King Jr., who said: "Our lives begin to end the day we become silent about the things that matter."

Well, nothing matters more than the future we give our children – and the Governor's budget is a threat to our children's futures. If the Mayor won't stand up to this threat, then I must ask you to do it for him.

I also ask you to do it for each of the 1.1 million children who attend public schools in our city and whom the Governor has shamelessly and repeatedly cheated out of their fair share of State education aid. After arguing for years in a court of law that those children were entitled to nothing more than an 8th grade education, the Governor is continuing to stand against the Campaign for Fiscal Equity by funding only a fraction of the amount needed to fix our schools and give our children the excellent education they need and deserve.

As we sit here today, there are hundreds of thousands of children attending school in buildings that are falling apart and bursting at the seams with overcrowding. Increased capital support is essential for helping us address the overcrowding crisis, yet the Governor's budget includes no capital funding and the Mayor has yet to say how we are going to finance the capital improvements our schools so desperately need.

The Governor's shortchanging of our schools is irresponsible, immoral, and unacceptable. I ask you to fight to restore the funding in state aid to public education to an adequate level that will allow us to meet the challenges facing our schools. I also ask you to stand up against the Governor's proposal to finance education on the backs of the working poor by establishing video casinos in the five boroughs.

It is simply wrong to heap further hardship on working and middle class New Yorkers and that is why I am also asking you to oppose the Governor's plan to extend the sales tax on clothing purchases under \$110. This represents a new tax that will hurt every part of New York City, but especially in Staten Island where businesses must compete with lower sales taxes in nearby New Jersey.

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The Governor's budget proposal would squeeze working New Yorkers at the cash register but it also hurts them when they ride the subway or bus to work in the morning. The Governor and his MTA appointees have subjected these New Yorkers to the highest bus and subway fare hikes in history, with even more in store for the near future. I ask that you consider a new proposal to help them, because the burden of ensuring solvency for the MTA should not fall exclusively on the backs of those least equipped to carry it. A mass transit problem deserves a regional solution, and the institution of a regional revenue sharing program does just that. New York City's transit riders already pay more than their fair share and, with ridership at its highest levels in half a century, we should do everything possible to discourage further fare hikes.

Finally, I want to turn to the topic of Medicaid reform. While I support the idea of cost caps so that localities won't be burdened with the rising costs of Medicaid, I do not believe that we should enact these changes on the backs of our most vulnerable citizens. The Governor's billion dollars in cuts could also do serious damage to our health care industry, which provides more jobs than any other industry in New York City.

The Governor's claim that his Medicaid plan will offer the City \$400 million in savings is simply false, since the burden of new costs on the Health and Hospitals Corporation would eat away half of that amount. Both private and public hospitals would suffer under this plan, with \$86 million in new costs coming from the elimination of 2% annual increases paid to hospitals. Seniors would also suffer from \$19 million in cuts to nursing homes.

All of the issues that I have discussed can be traced to two drawbacks in our relationship with Albany which are really two sides of the same coin: First, as many of you have heard me say, the City does not receive its fair share from the State, sending \$7 billion more each year to Albany than it gets back in return; and second, the City is given insufficient latitude in determining its own fiscal and revenue policies.

As you have helped us so many times in the past, I hope that you will help us now in trying to claim more of our fair share and a greater measure of autonomy that will allow us to meet long-term challenges without having to rely too much on the State.

In closing, let me thank you again for the outstanding service you have rendered to New York City. In our moment of crisis, you were there for the City and I want you to know my colleagues

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and I in the City Council will continue to be there for you.