

# NEWS FROM ASSEMBLYMAN MARC MOLINARO

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## **JOBS ON THE MIND OF AMERICANS, NEW YORKERS** *Legislative column from Assemblyman Marcus J. Molinaro (R,I,C-Red Hook)*

As other states in the nation refocus their resources on economic growth and efforts to get their citizens working again, Governor Paterson's executive budget proposal diminishes our capacity to support existing businesses and attract new sustainable businesses. New York must have a concentrated focus on jobs.

In New York, that means we must not only provide for an economic "emergency response" to stop the hemorrhaging, we must also develop a sustainable and comprehensive plan for the long term in partnership with county and local governments. Our current tools are insufficient because they attempt to compensate for the high cost of living and doing business. While short-term benefits are needed to protect existing business and entice new ones to New York, we must confront what makes our state significantly less competitive: high energy, insurance, workers' compensation and healthcare costs, duplicative regulations, and skyrocketing fines, fees and taxes.

The governor's legislative and budget priorities overlook this desperate need. His plan to shift New York's economic development from the \$550 million Empire Zone Program to a \$250 million Excelsior Jobs Program will eliminate local involvement in economic development, offer benefits only to large businesses, and substantially disable comprehensive economic efforts to assist current employers and attract new business.

His 2010-2011 budget includes a \$1 billion increase in job-killing taxes, fees, and surcharges. These come on top of the \$8 billion in new taxes and \$11 billion in new spending included in the 2009-2010 adopted budget; and the implementation of the unfair MTA payroll tax.

These measures further exacerbate economic stagnation. The middle class is fleeing, businesses are contracting, and deficits growing. State leaders have created a government too big to succeed and it is crushing the engine of our economic growth – small businesses – too many of which are already pushed to the brink.

To counter the damage done to New York's private sector and small businesses (which Excelsior ignores), we should immediately offer three-year tax credits for each new job created and eliminate the recently-enacted taxes for small businesses and manufacturers that pay the state's corporate franchise tax. New York would also benefit from Health Savings Accounts, which

would bring needed efficiency and cost savings to our state's health care system. In addition, the state's "Power for Jobs" program, which provides energy cost relief for job-creating businesses and non-profits, should be overhauled. New York should also make better use of our strong state university system so that our local two-year, four-year, and graduate schools are at the forefront of job-training and tomorrow's economic needs. Additionally, New York's burdensome and often redundant regulations, and a workers' compensation system in need of reform, hurt businesses and provide little to workers.

With a \$134 billion proposed budget, we can certainly cut enough spending to ward off tax increases. With unemployment at a 26-year high, we must devote more resources to putting New York's 868,000 unemployed back to work. State and national leaders must face the reality that jobs are the primary concern among residents. With each piece of proposed legislation, they should ask themselves: how will this measure encourage or hinder job growth? That's the question residents from my district have been asking and it will remain my prime focus throughout the budget season and beyond.

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