



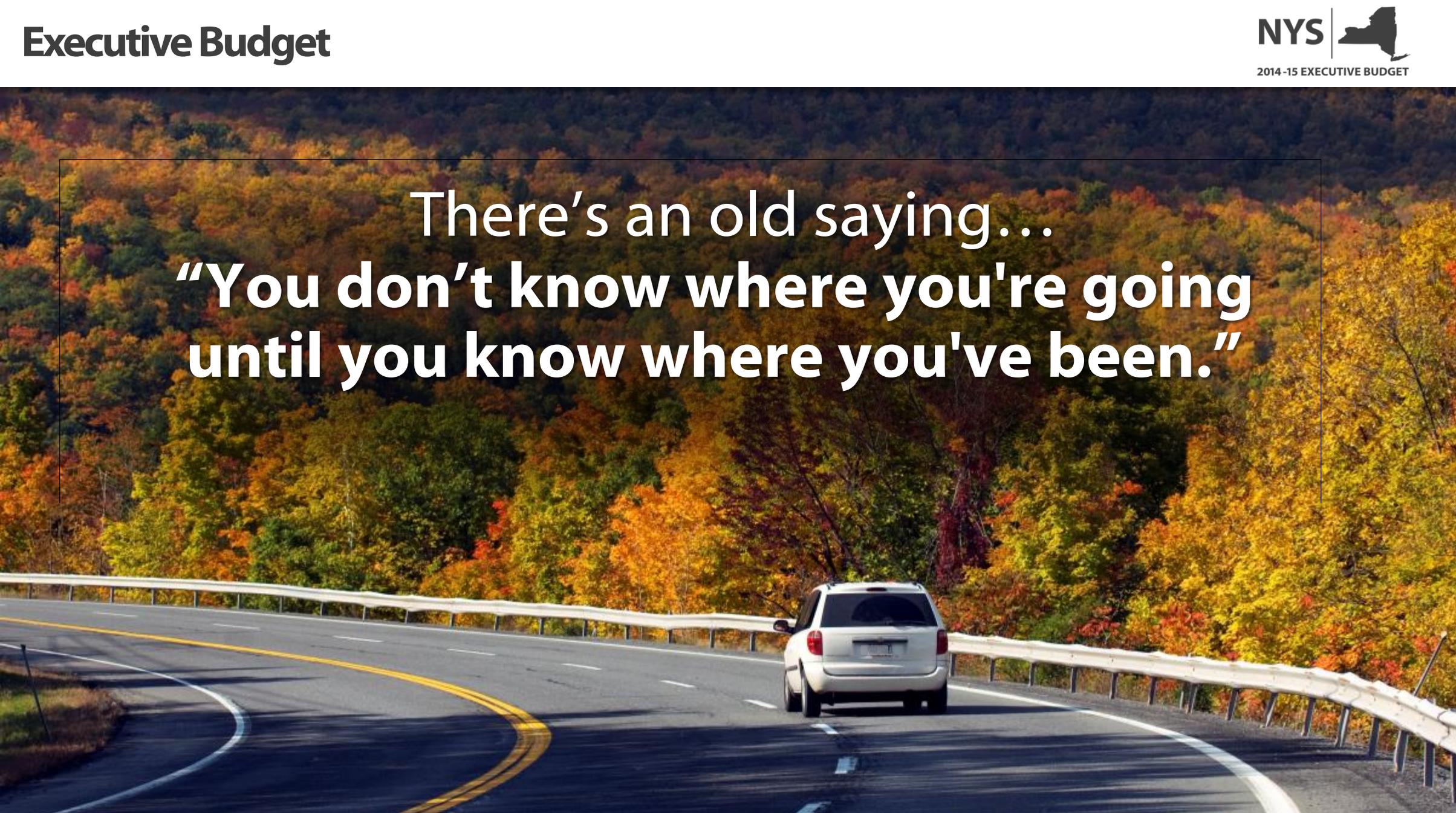
abny



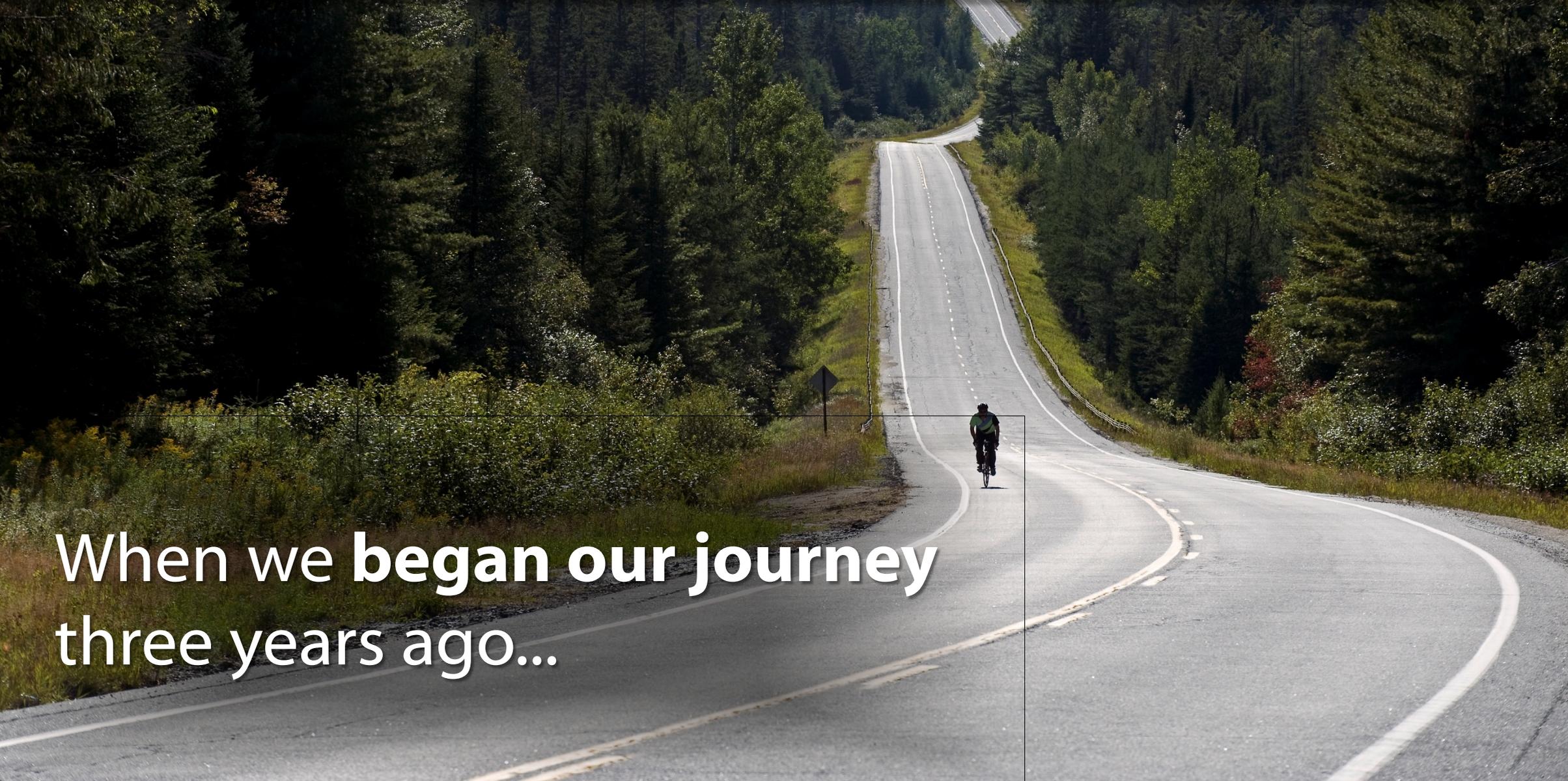
2014-15 Executive Budget



Building on Success



There's an old saying...
**“You don't know where you're going
until you know where you've been.”**



When we **began our journey**
three years ago...

The New York Times

Espada Charged With Stealing
From Nonprofit

By WILLIAM K. RASHBAUM
December 14, 2010

Los Angeles Times

New York Takes Legislative Gridlock
To Next Level

By Mark Z. Barabak and Richard Simon
July 6, 2009

AP Associated Press

Published October 07, 2010

**Ex-NY comptroller pleads guilty in
pay-to-play**

Scandals. Indictments. Dysfunction.



Even worse, this was not just a momentary lapse.
Fundamental structural problems had been growing for decades.

The New York Times

125 Days Late, a State Budget With New Taxes

By DANNY HAKIM August 2, 2010

DAILY NEWS
NEW YORK'S HOMETOWN NEWSPAPER www.nydailynews.com

State Budget Watch 76 Days Late

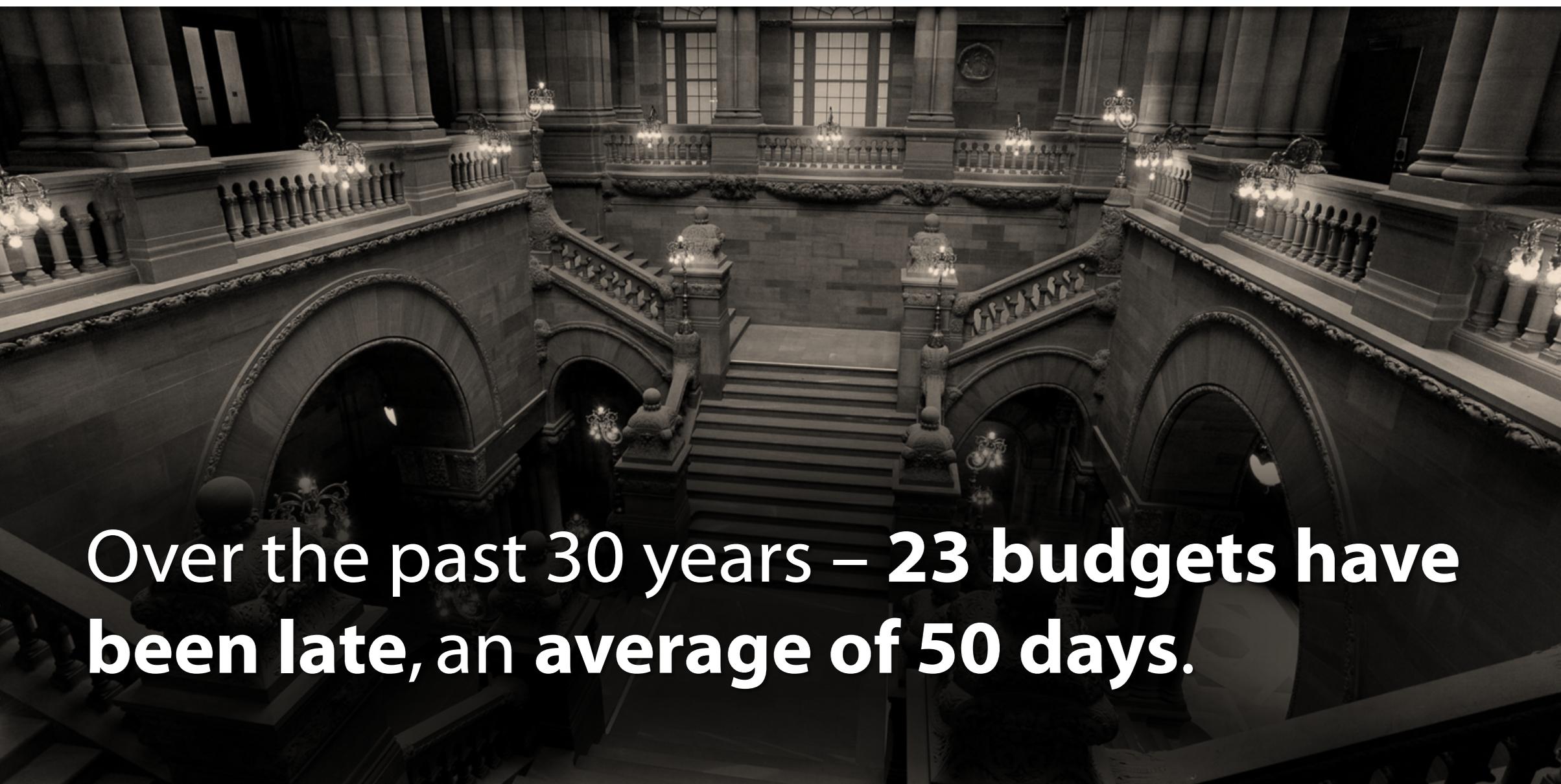
Saturday, June 15, 1996

The New York Times

Door Is Locked, and Senate Is in Gridlock

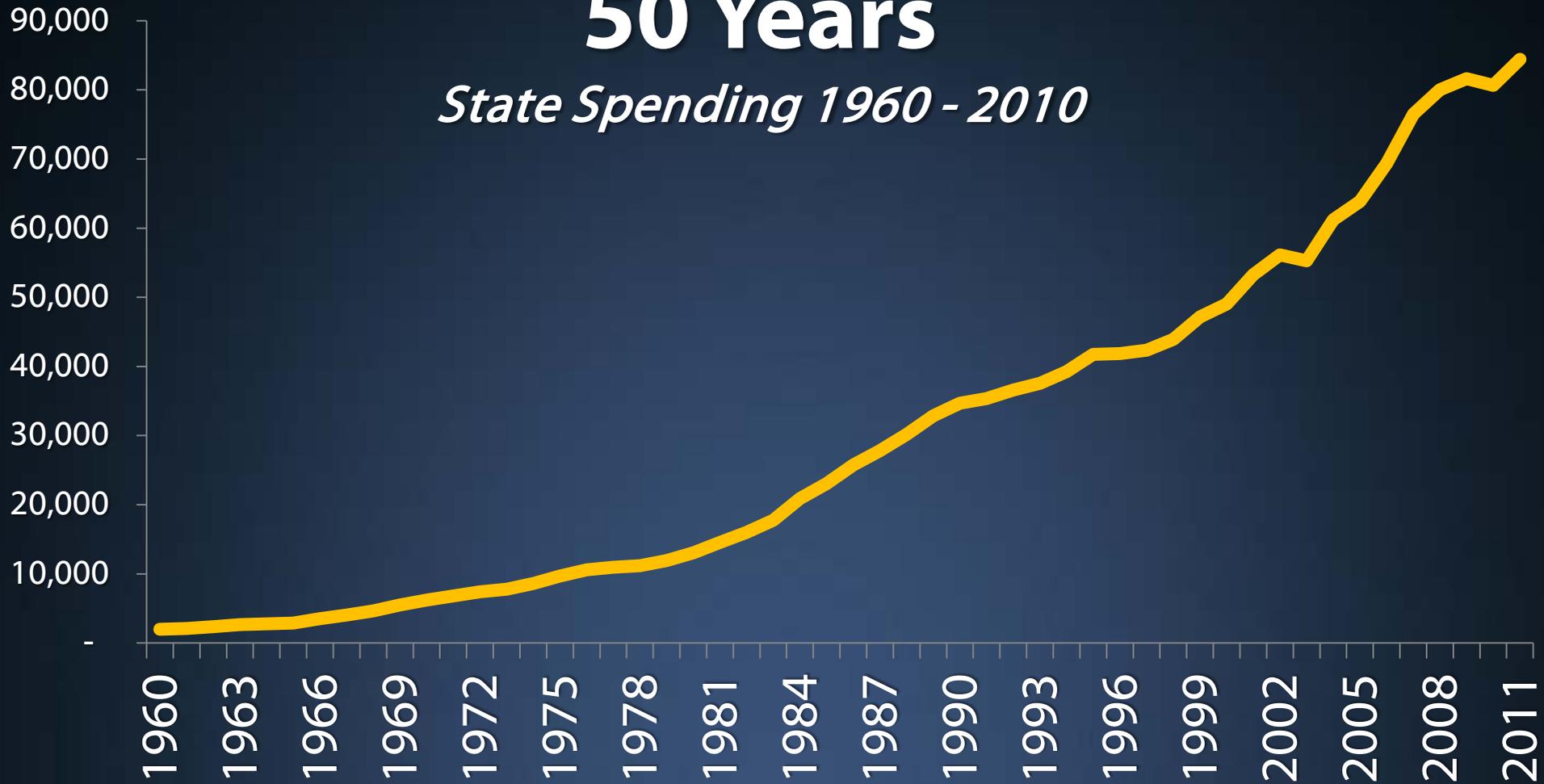
By DANNY HAKIM and
JEREMY W. PETERS
June 10, 2009

New York State government was **gridlock**
on steroids.



Over the past 30 years – 23 budgets have been late, an average of 50 days.

50 Years *State Spending 1960 - 2010*



**State Operating Funds*

Executive Budget



If you spend a lot,
then you have to tax a lot.



And we did.

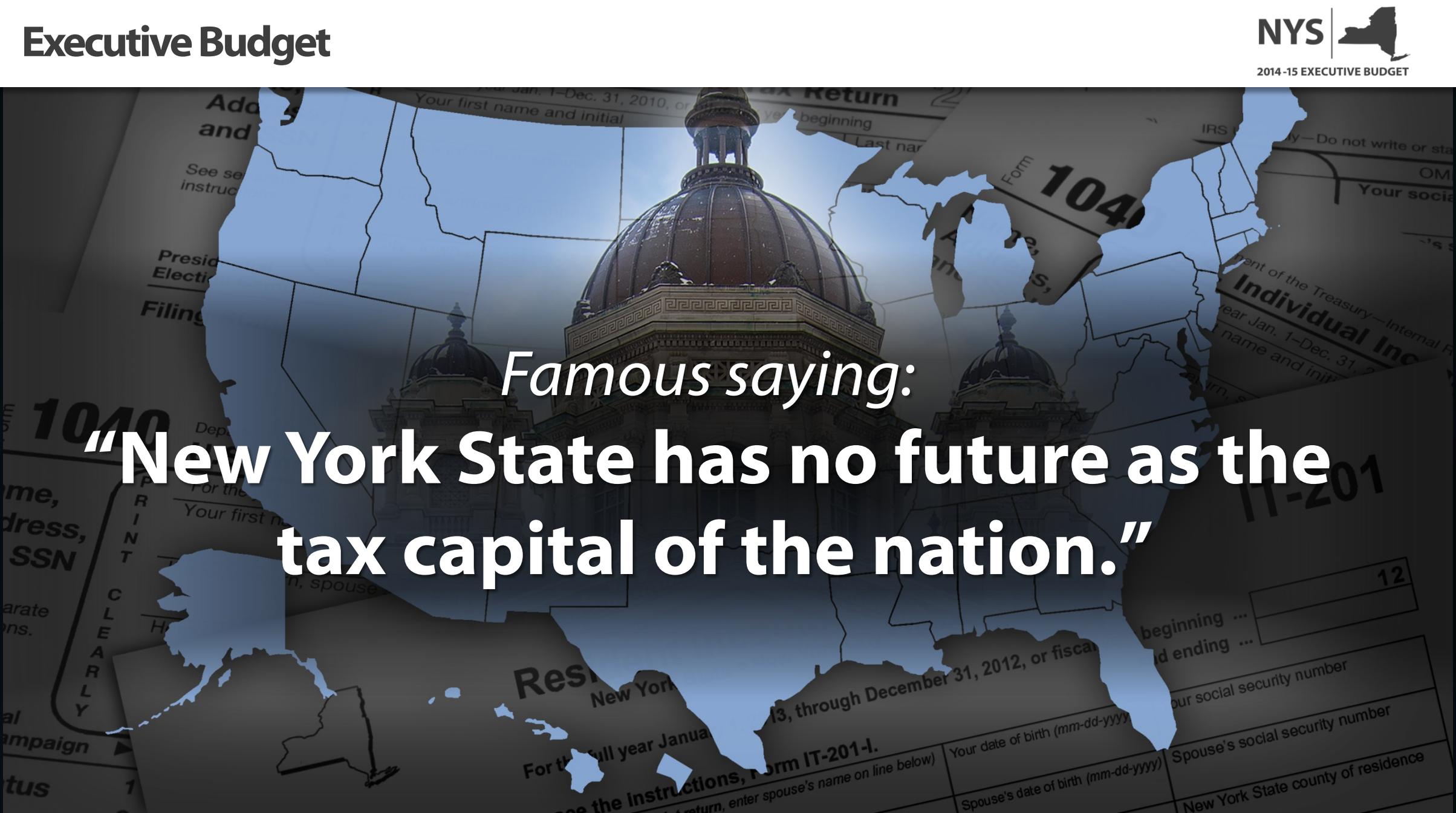




As a result, our taxes had become the highest in the nation.



And we were paying the price:
People and businesses were leaving the State.
“Tipping Point.”



Famous saying:
**“New York State has no future as the
tax capital of the nation.”**



That was **yesterday**.

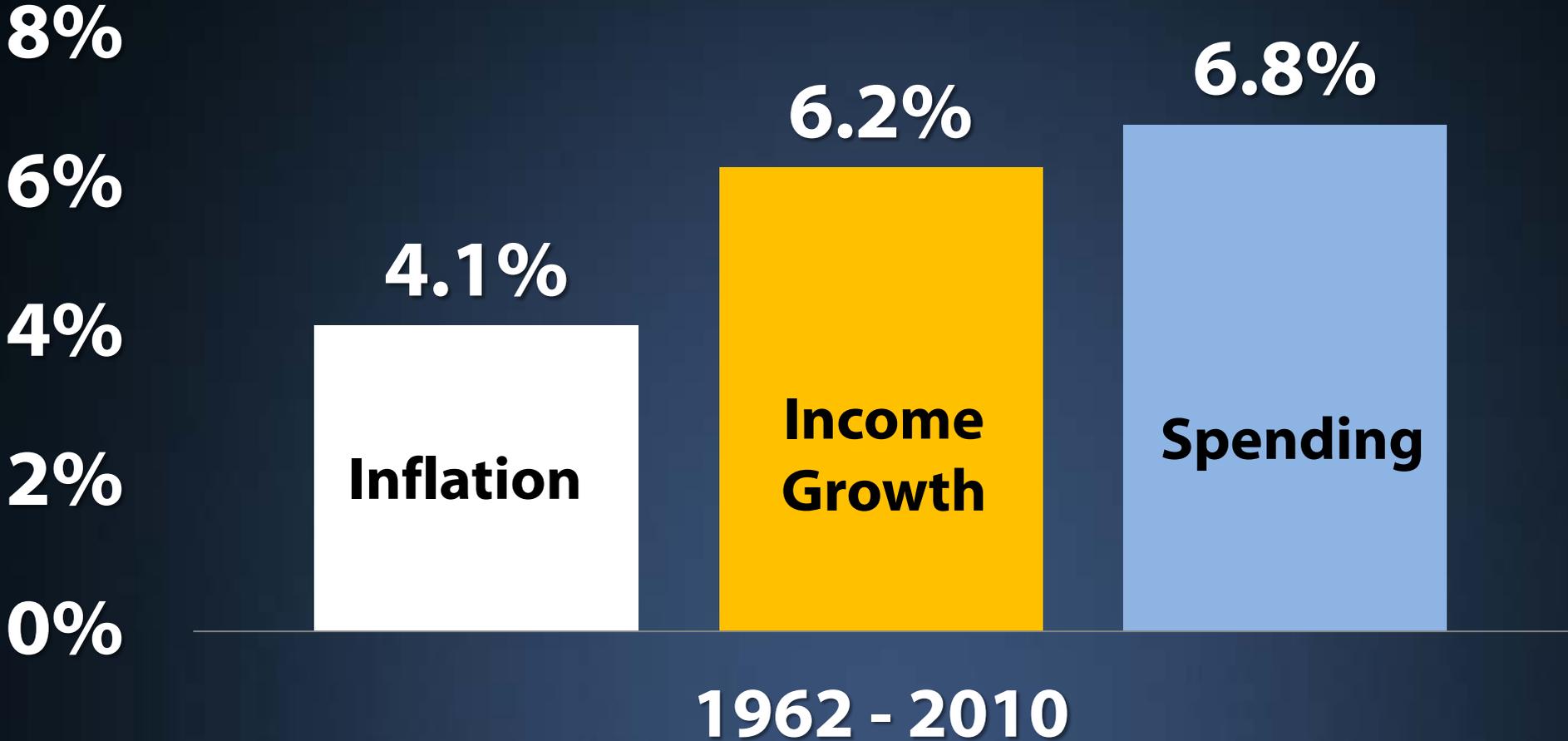


This is today.

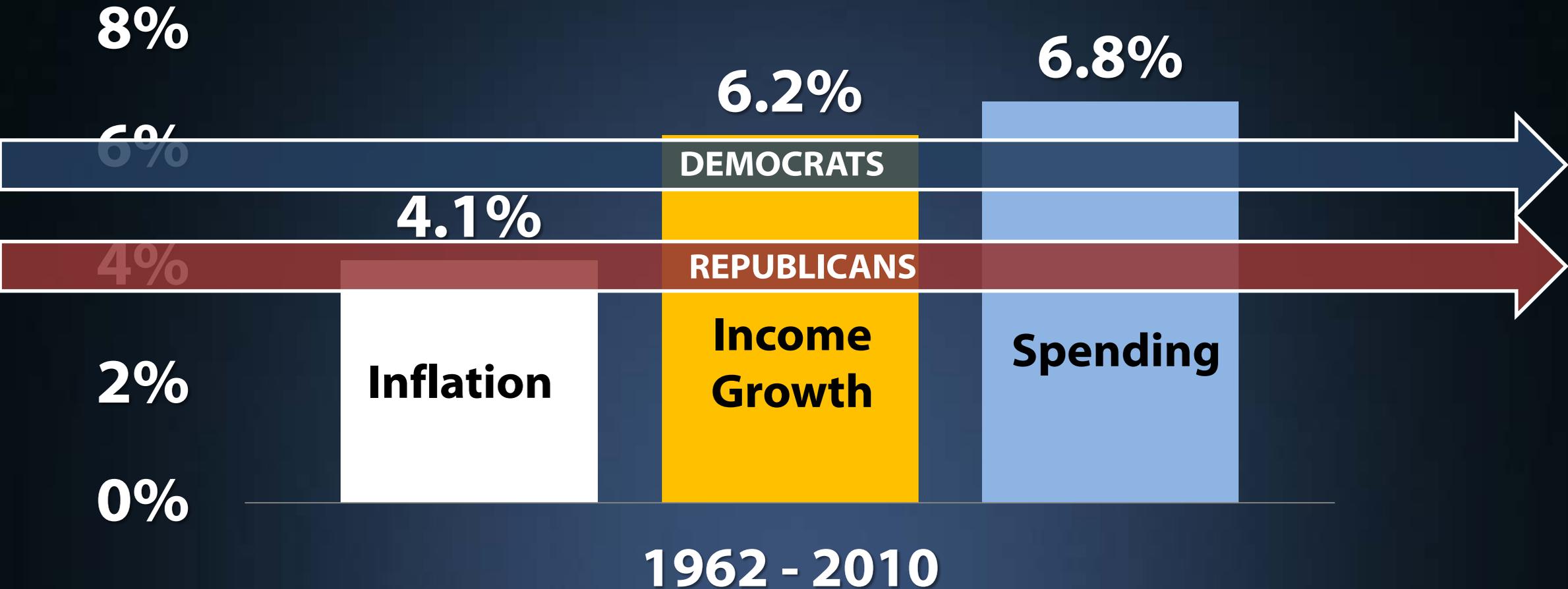
Job 1:

Control Spending

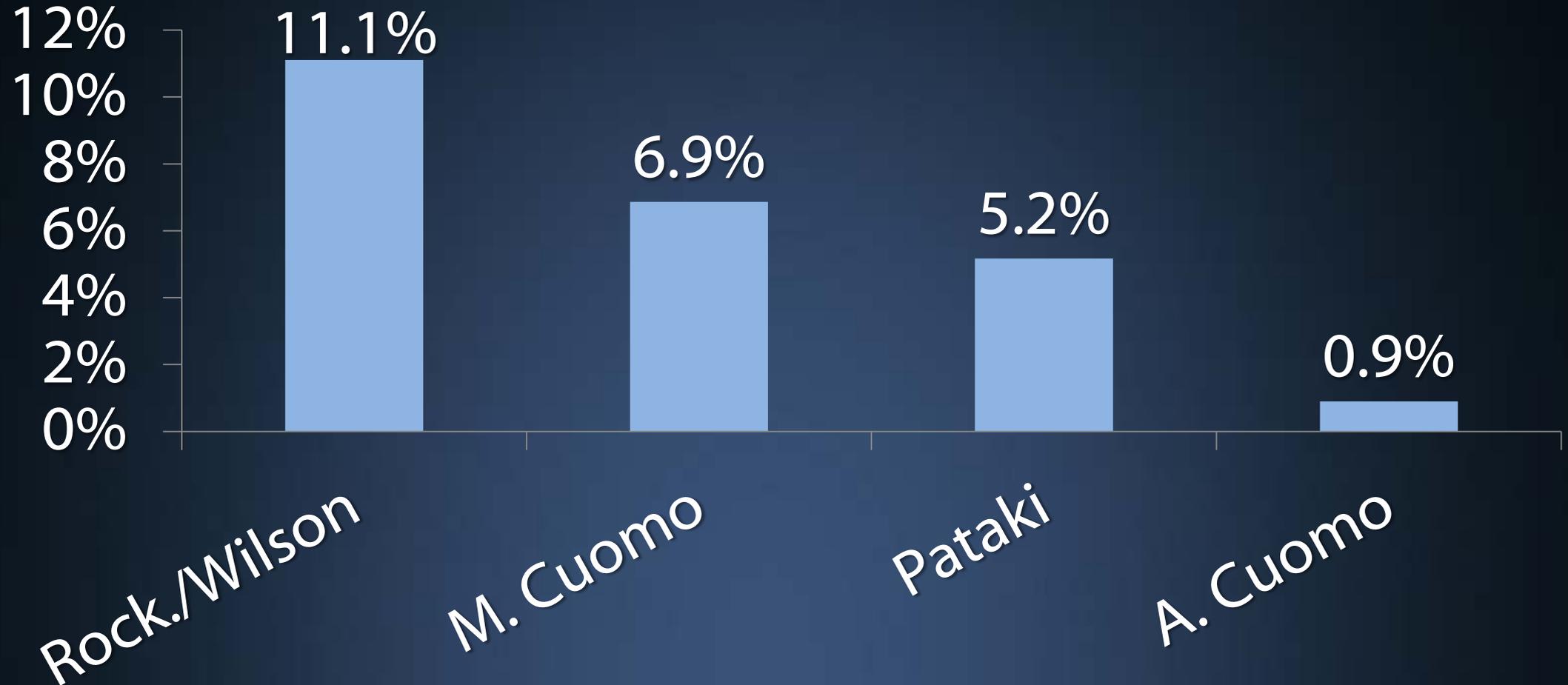
Spending outpaced income for 50 years.



Overspending transcended politics.



Spending Growth Now vs. Past Administrations



State Workforce Now vs. Past Administrations:

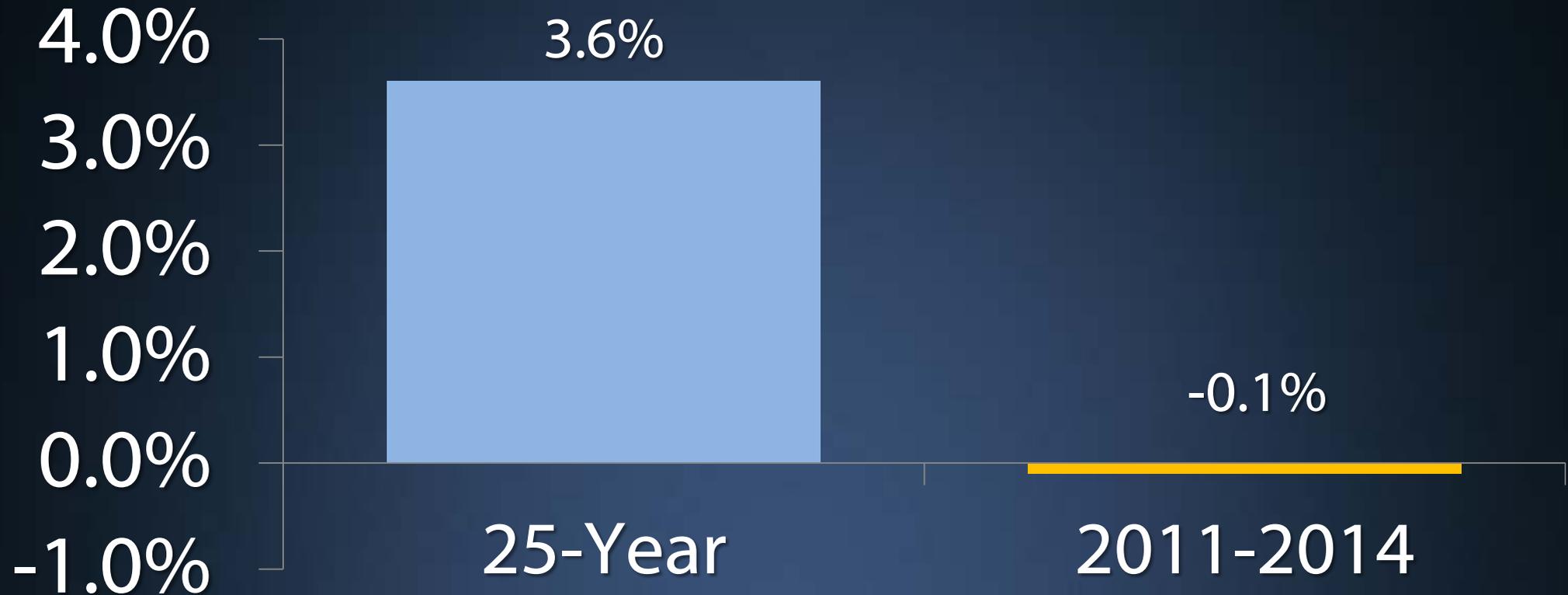


We reached new labor agreements with nearly all of the State workforce: 0,0,0 and 20% increase in employee health contributions - saving more than \$1 billion.

We passed Pension Reform - 30 Year Savings for State and Local Governments:

Employer	Savings
State	\$13.2B
New York City	\$21.0B
Counties	\$7.8B
Schools	\$25.9B
Cities, Towns, Villages	\$6.5B
Misc. (Public Authorities & Other)	\$7.7B
TOTAL:	\$82.1B

We have brought down the level of **State debt**:



If you spend less...

You can tax less, and we did.

Every New Yorker pays less income taxes today than they did three years ago.

Income Level	Before 2011 Tax Reform	After 2011 Tax Reform
\$40,000 to \$150,000	6.85%	6.45%
\$150,000 to \$300,000	6.85%	6.65%
\$300,000 to \$2 million	7.85% - 8.97%	6.85%
Over \$2 million	8.97%	8.82%

It's working.

We have reversed the arrows:



SPENDING



TAXES



UNEMPLOYMENT

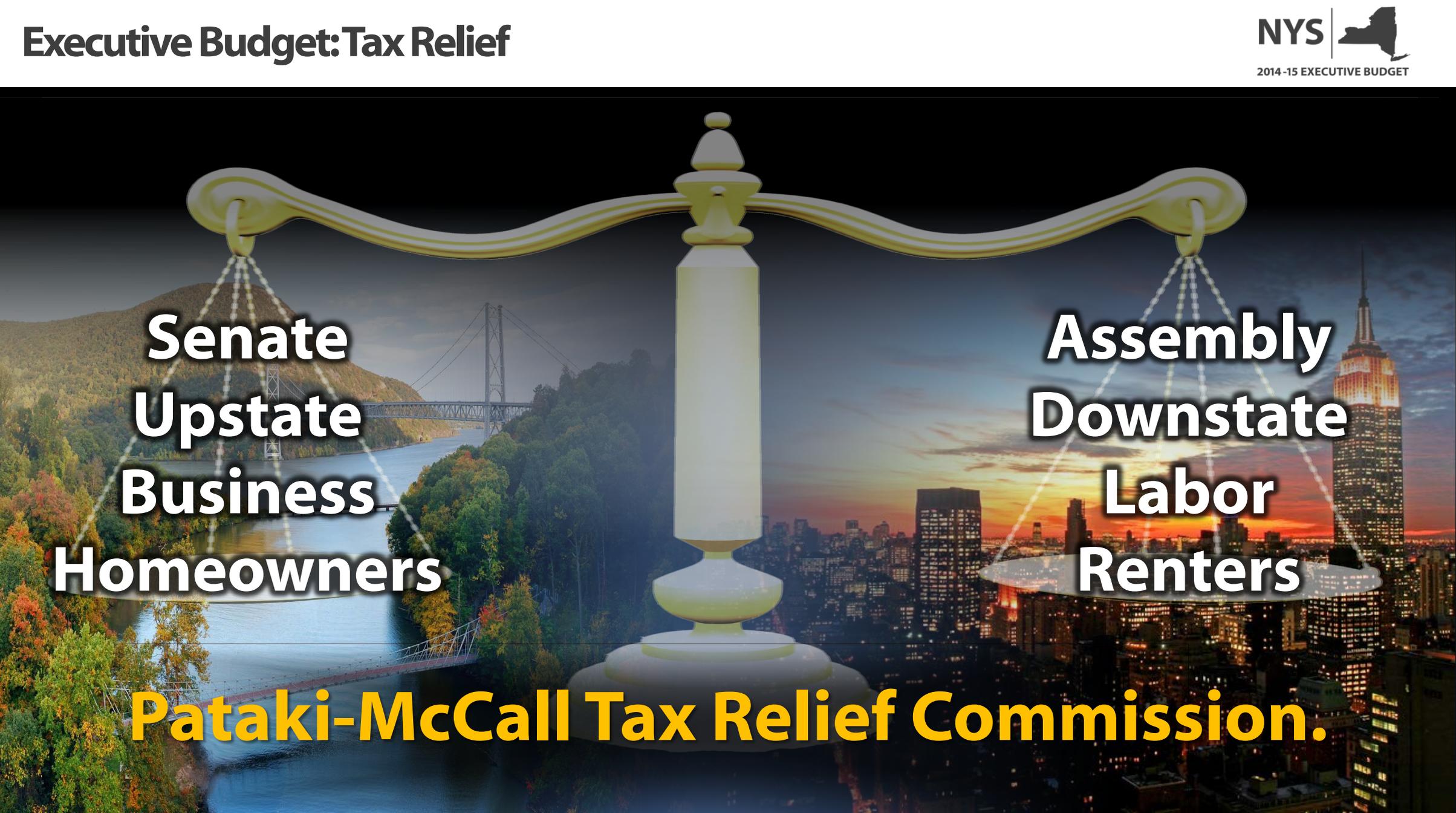


JOBS

We have gone from a **\$10 billion deficit** to a **\$2 billion surplus**:



This year –
Keep it going.



**Senate
Upstate
Business
Homeowners**

**Assembly
Downstate
Labor
Renters**

Pataki-McCall Tax Relief Commission.

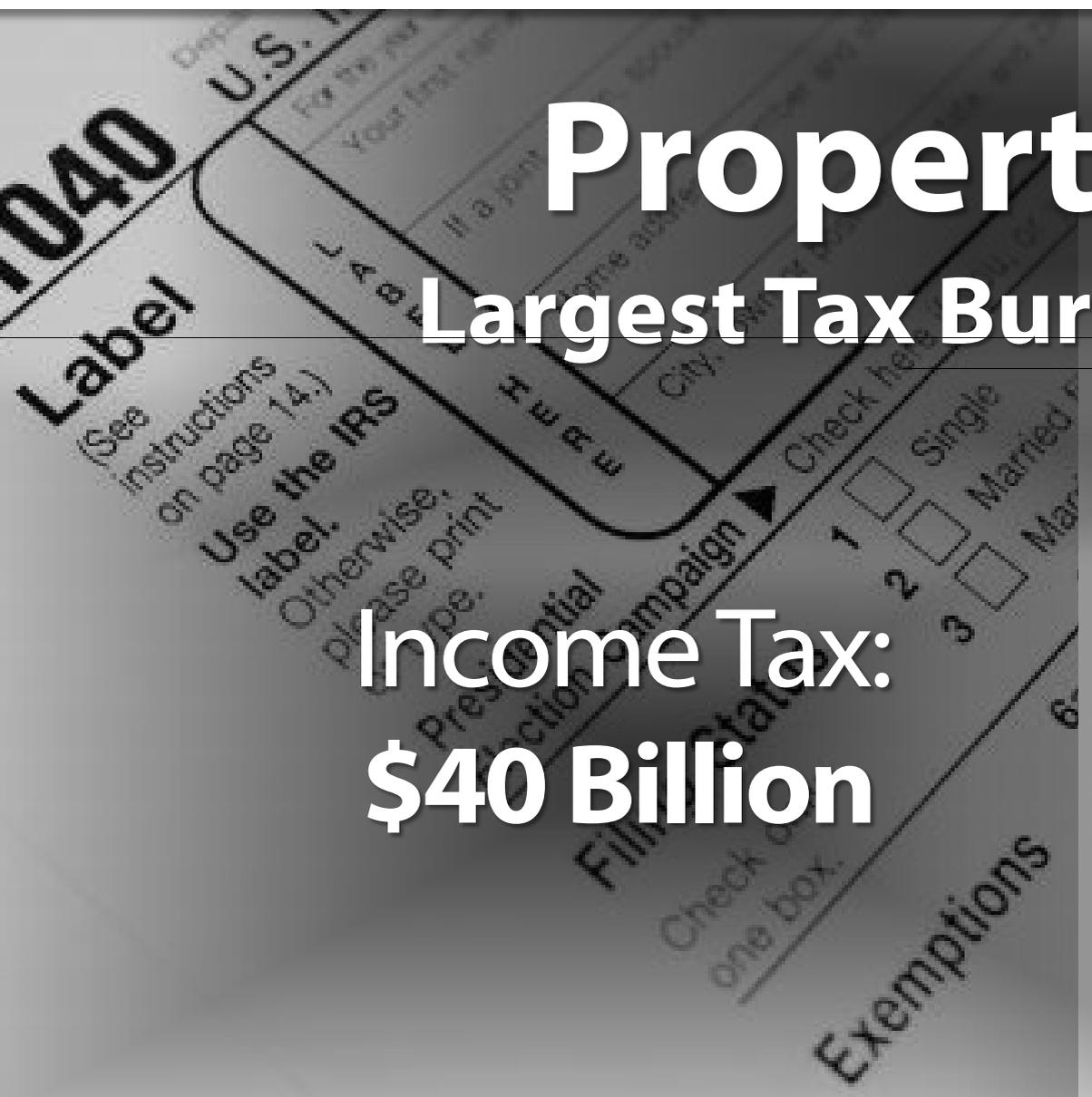
This Budget recognizes that tax relief is an economic growth strategy that has been working for our State:

- Reduces **Corporate Income Taxes: 7.1% to 6.5%**.
- Reduces corporate income tax rate for **upstate manufacturers to 0%**.
- Reduces **Estate Tax** from **16% to 10%** and raises threshold in line with federal exemption.
- Provides a **Circuit Breaker** - property tax relief for low and middle income homeowners.
- Provides a **20% Manufacturers' Property Tax Credit**
- **Freezes Property Taxes** for homeowners – with an important condition that localities reduce costs.

Property Taxes: Largest Tax Burden in the State.

Income Tax:
\$40 Billion

Property Tax:
\$51 Billion



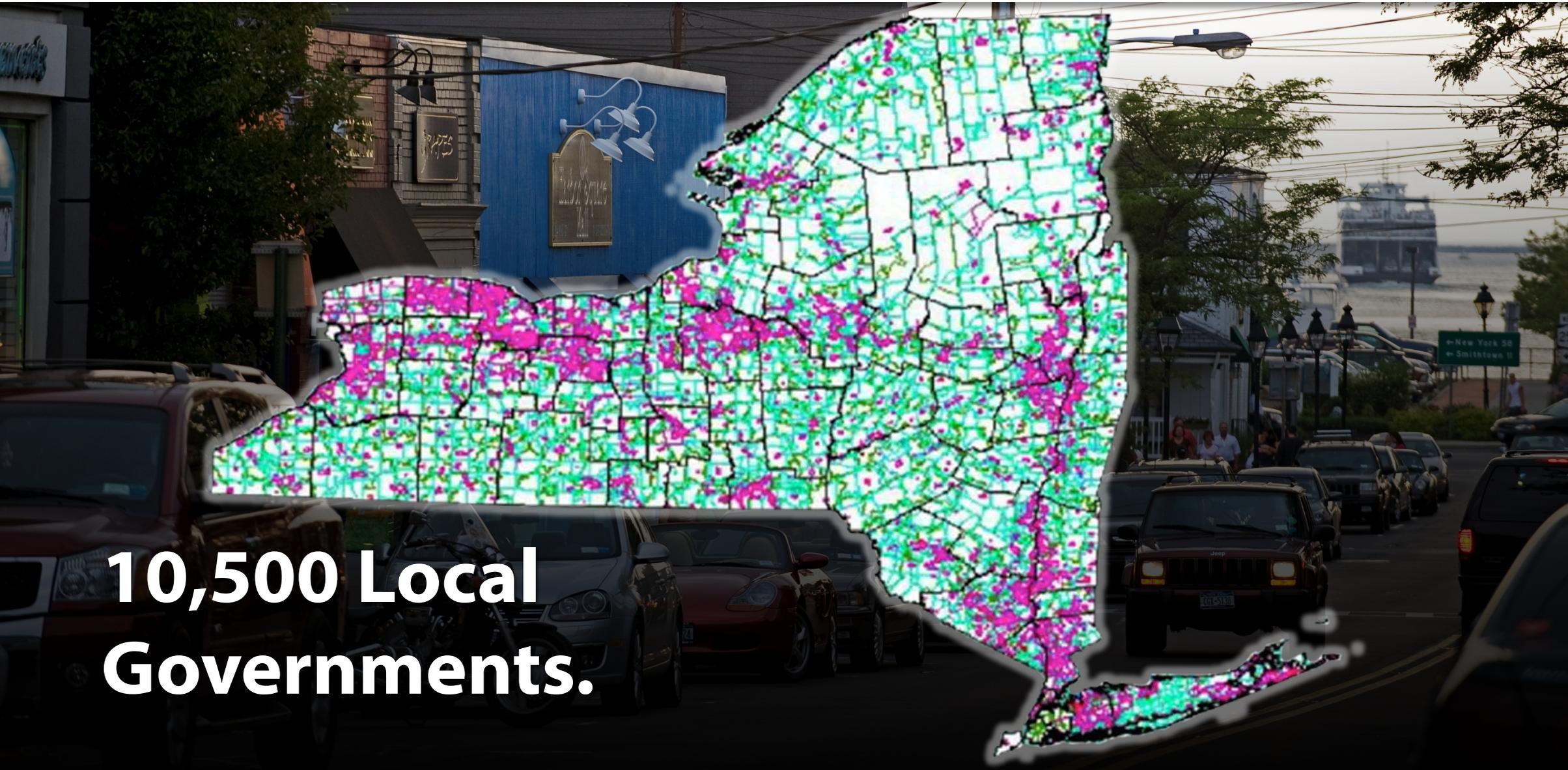
No matter how you look at it...
**New Yorkers pay the highest property
taxes in the nation.**

New Yorkers pay the highest property taxes in the nation by dollars paid...



...and by home value.





10,500 Local Governments.

The State will freeze property taxes if the local government implements approved plan to save at least 1% a year for three years – **a total of 3% reduction in costs:**

YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Freeze if 2% Tax Cap Compliant	Freeze if Cap & Approve Plan to save 1,2,3%	Save 1%	Save 2%	Save 3%

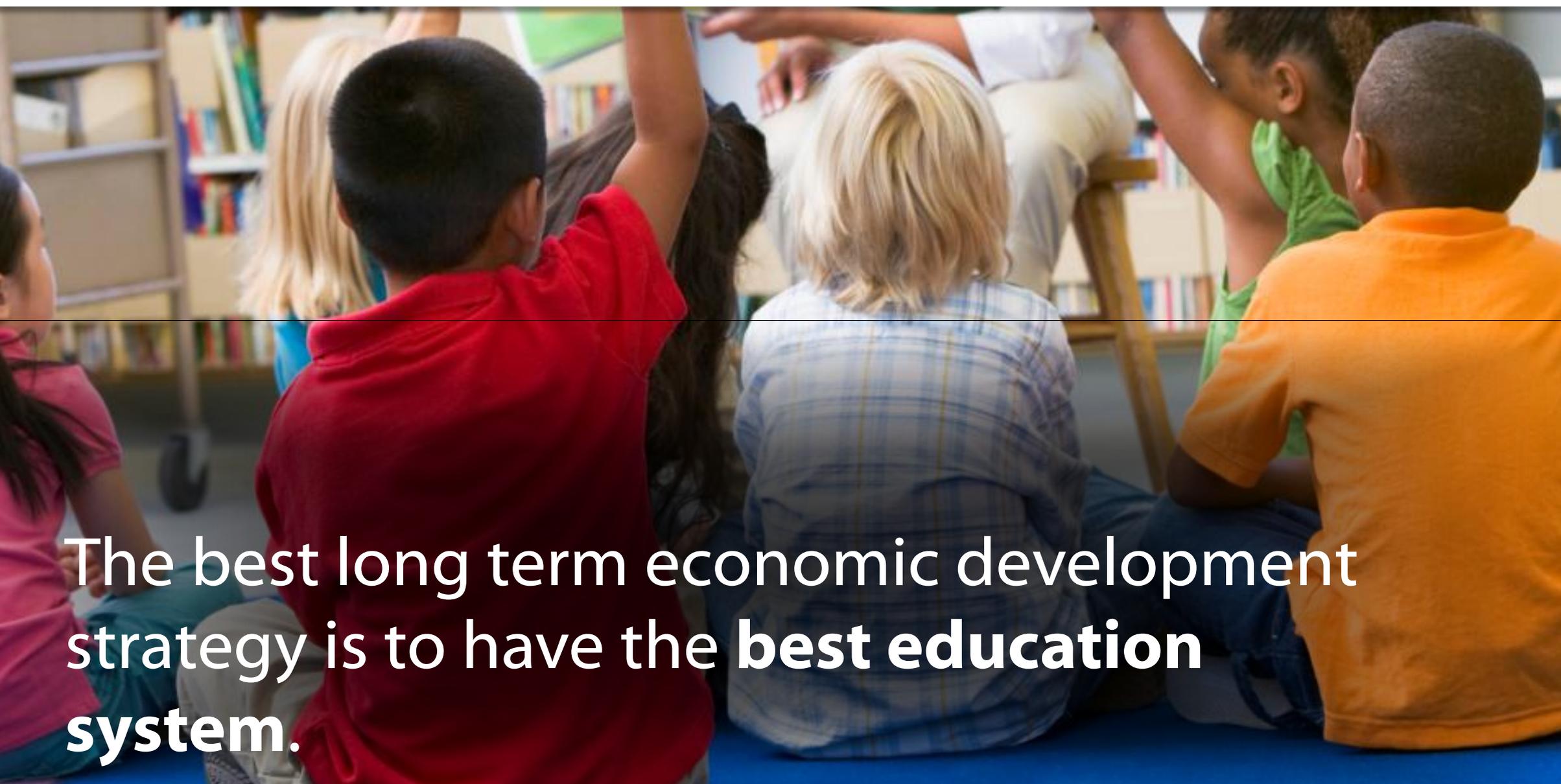


STARTUP  **NY**

No taxes for ten years.

STARTUP NY





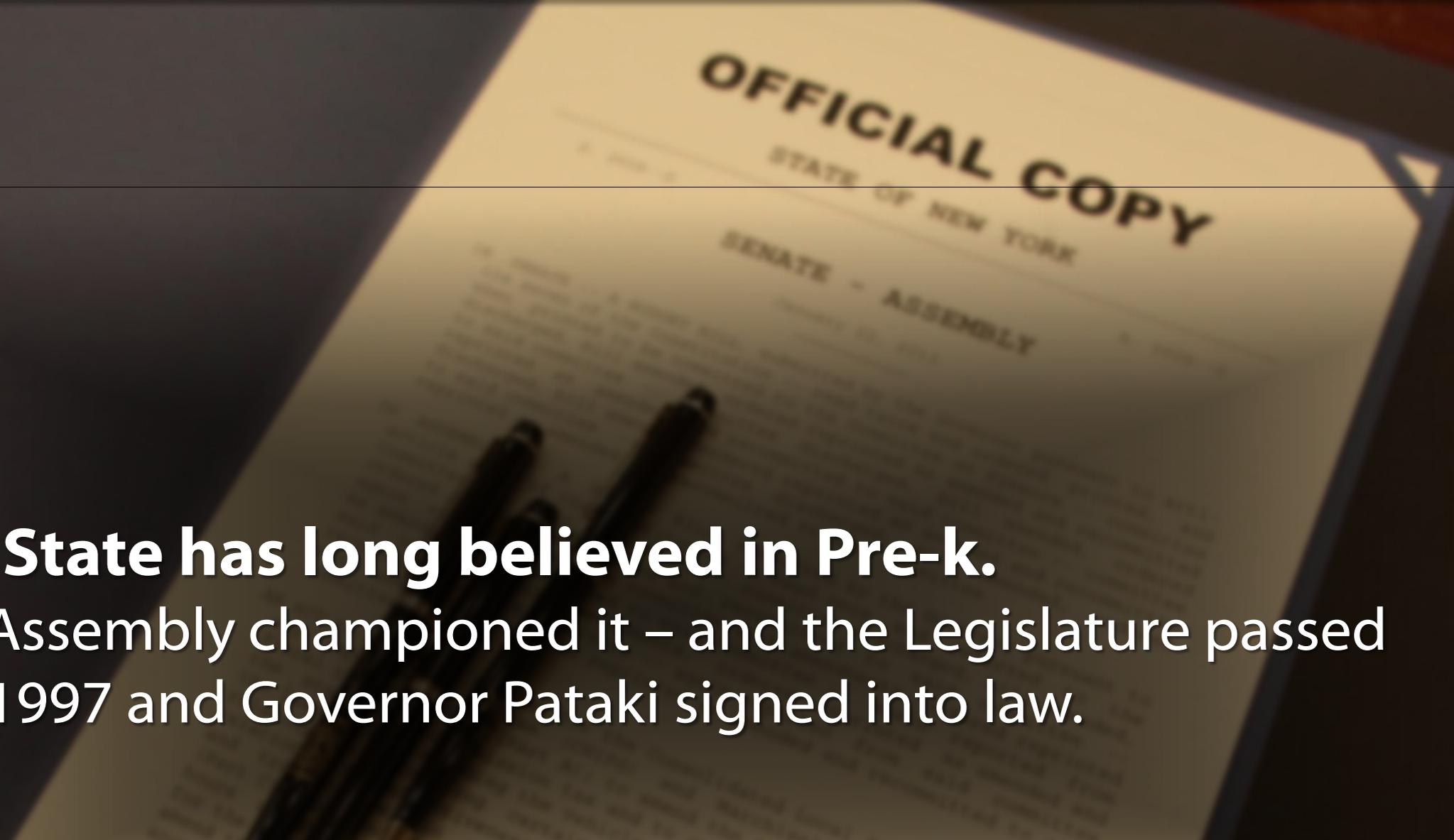
The best long term economic development strategy is to have the **best education system.**

Common Core:

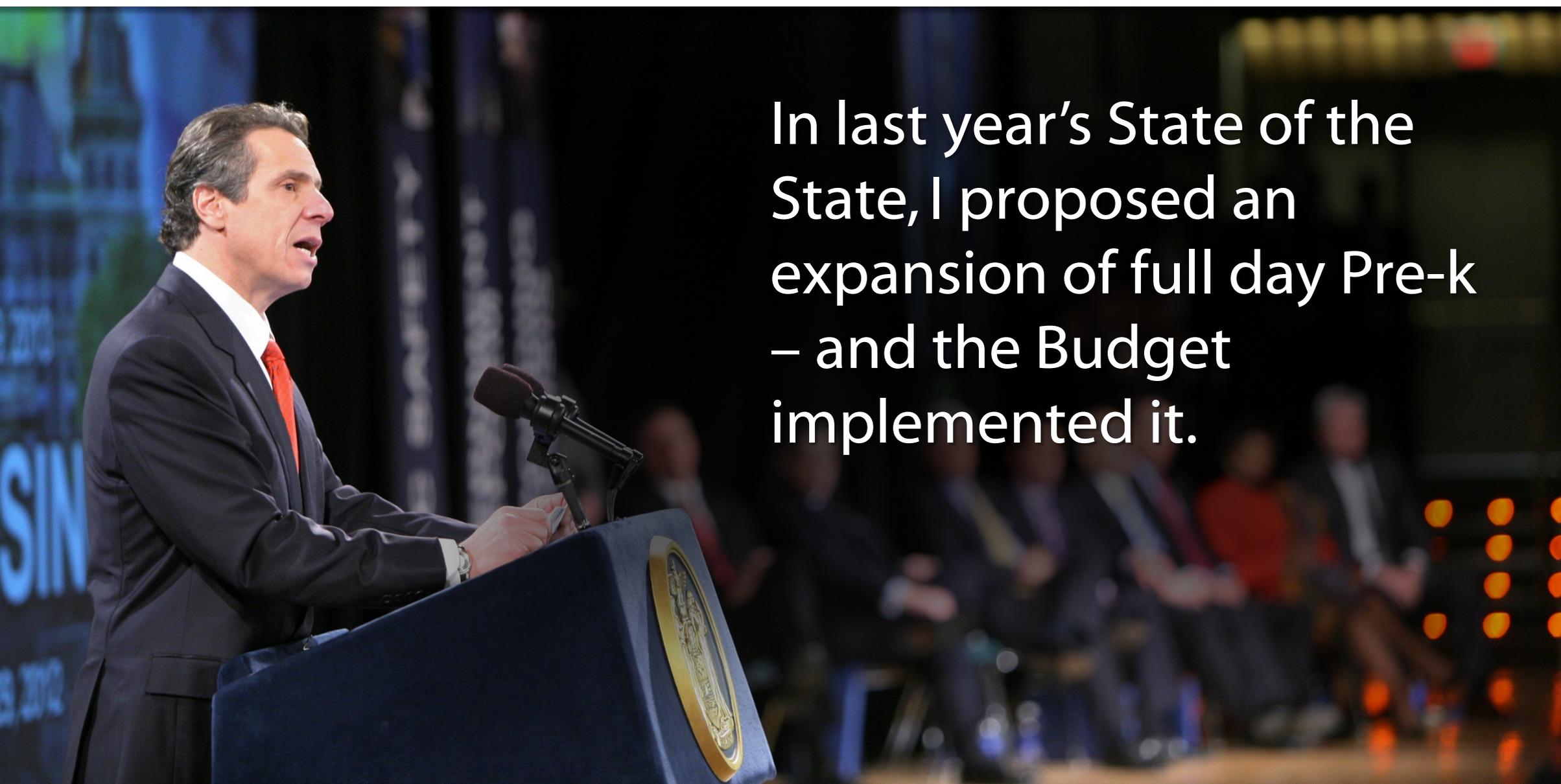
We need real standards for our students, a meaningful teacher evaluation system and I support the national common core agenda. New York was one of 45 states to adopt Common Core.

Common Core:

We assembled a panel that has issued a series of recommendations for corrective action on how Common Core should be implemented.



The State has long believed in Pre-k.
The Assembly championed it – and the Legislature passed it in 1997 and Governor Pataki signed into law.

A photograph of Governor Andrew Cuomo speaking at a podium. He is wearing a dark suit, a white shirt, and a red tie. The podium is blue with a gold seal. The background is dark with some blurred lights and text.

In last year's State of the State, I proposed an expansion of full day Pre-k – and the Budget implemented it.



This year, we propose:

Universal full day Pre-k, statewide.



This Budget includes a fully funded, five-year plan to cover the additional costs of full day Pre-k across the state.

\$1.5 billion over five years.



We will work with school districts to develop an implementation schedule. The State will move as fast as the district will move.



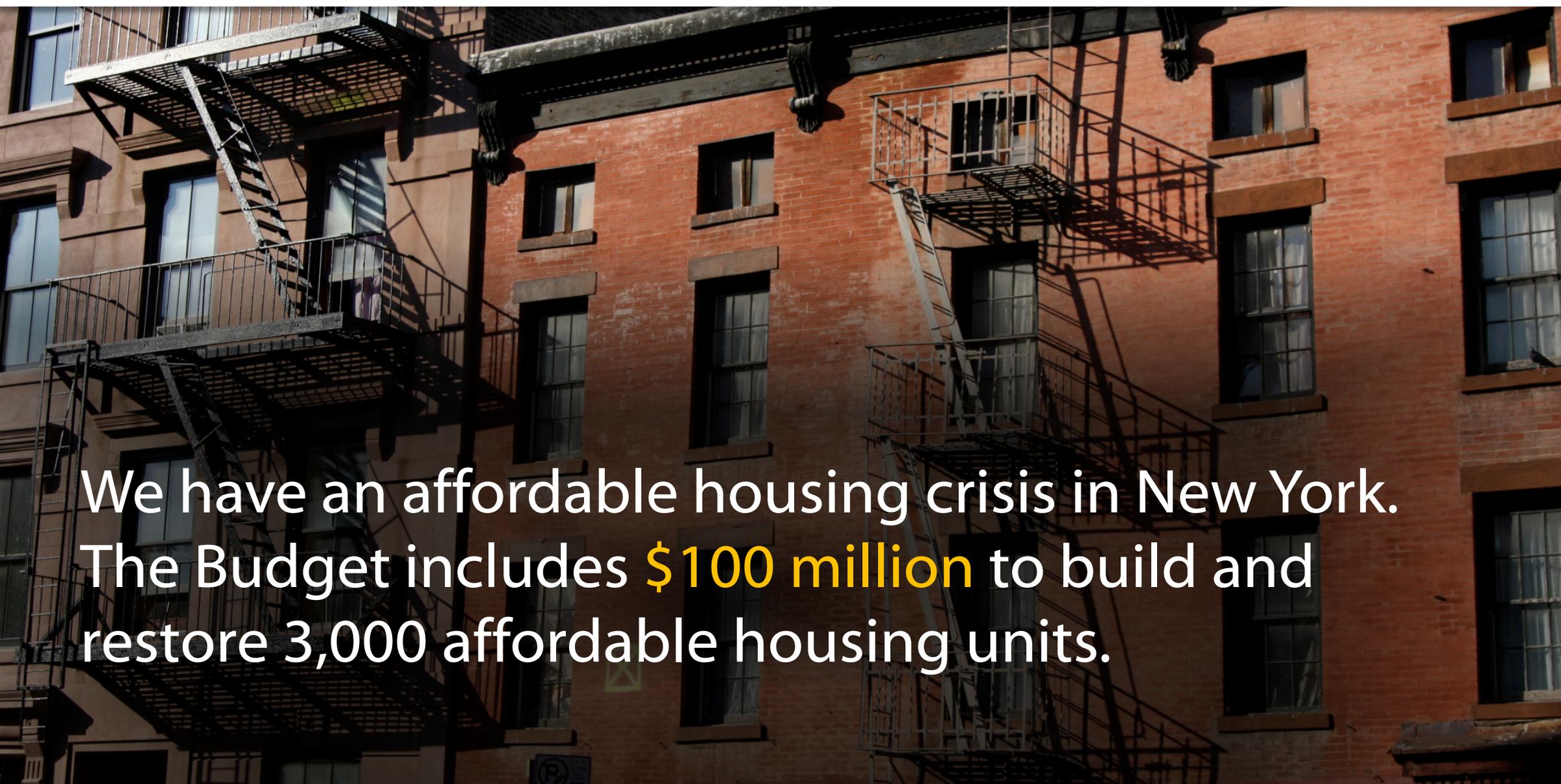
Statewide we will increase education funding by approximately 5% and have a \$2 billion bond initiative for technology.

Charter Schools:

- Provide innovation and creativity
- Must be protected and allowed to continue and grow.

Teacher Evaluations are Essential:

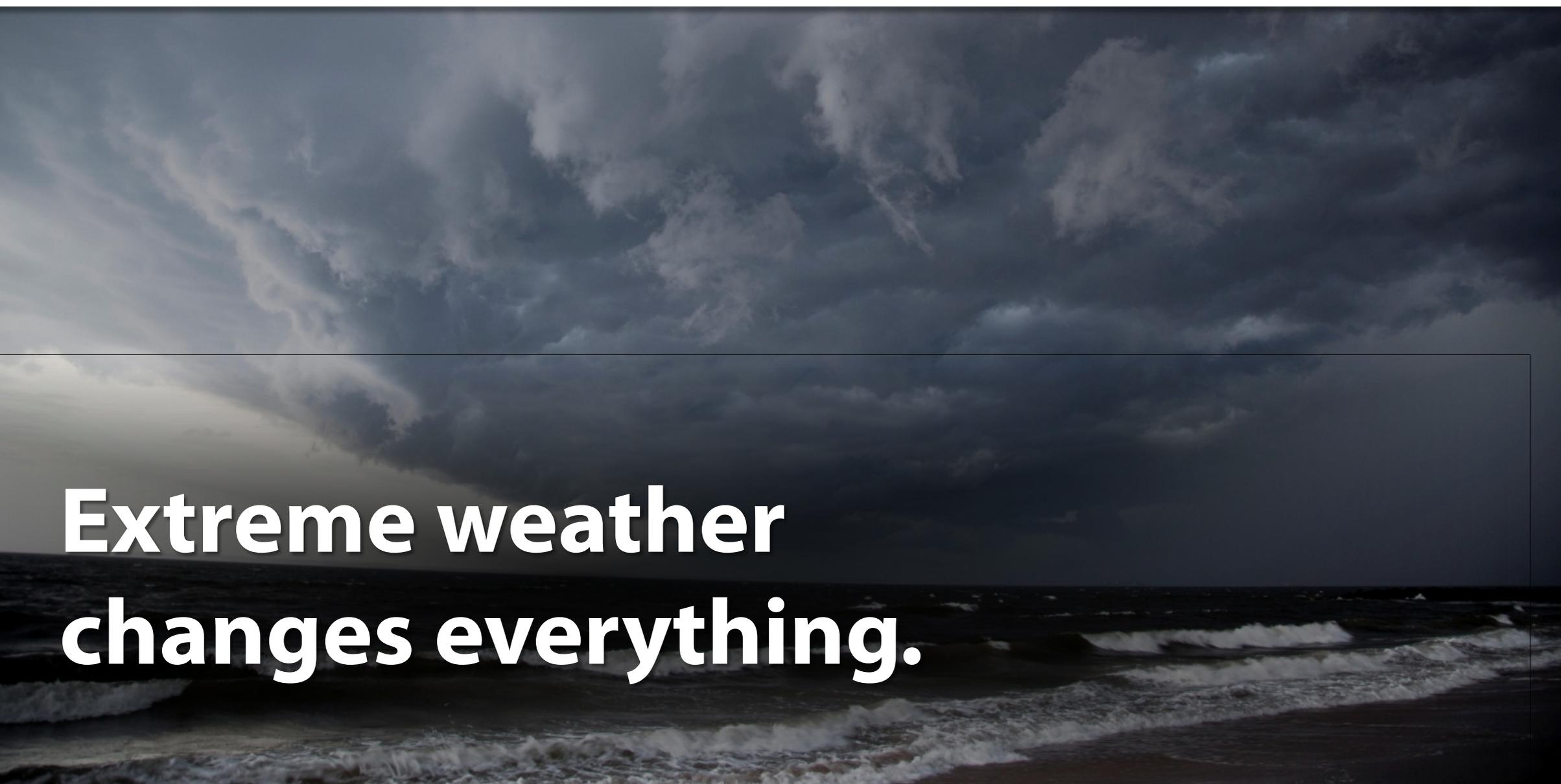
- Help for low performance teachers.
- \$20 million bonus fund for high performance.



We have an affordable housing crisis in New York. The Budget includes **\$100 million** to build and restore 3,000 affordable housing units.



New Challenge... Next Generation



**Extreme weather
changes everything.**



- New York City is extraordinarily vulnerable.
- Approximately 90% of New Yorkers live within 5 miles of coastlines and waterways.

A construction worker wearing a safety vest and a headlamp stands in a tunnel. To his right is a large, circular, woven tunnel plug. In the background, a sign reads "RESILIENT TUNNEL PLUG".

We will harden our Transit System:

- Spend \$5B for most massive reconstruction of the subway system since it was built 110 years ago.
- Rebuild 6 under river tubes used by 1 million a day.
- Protect and strengthen our train yards.

Executive Budget: Resilient NY

MTA New York City Transit
MTA Bus Company

Flooded tunnels/tubes

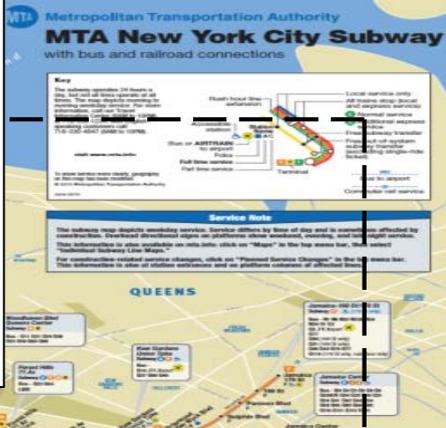
- 9 subway tubes
- Queens-Midtown and Hugh L Carey vehicular tunnels
- 2 of Amtrak's east river tunnels used by LIRR flooded

8 subway stations with major flood damage – South Ferry, Whitehall, 148th St, 207th St, Dyckman, Beach 116th Station, 86th St Sea Beach, Stillwell

Staten Island Railway maintenance shop major flood damage

Train yards and bus depots with significant flood damage

Rockaways track washout



MTA Long Island Rail Road

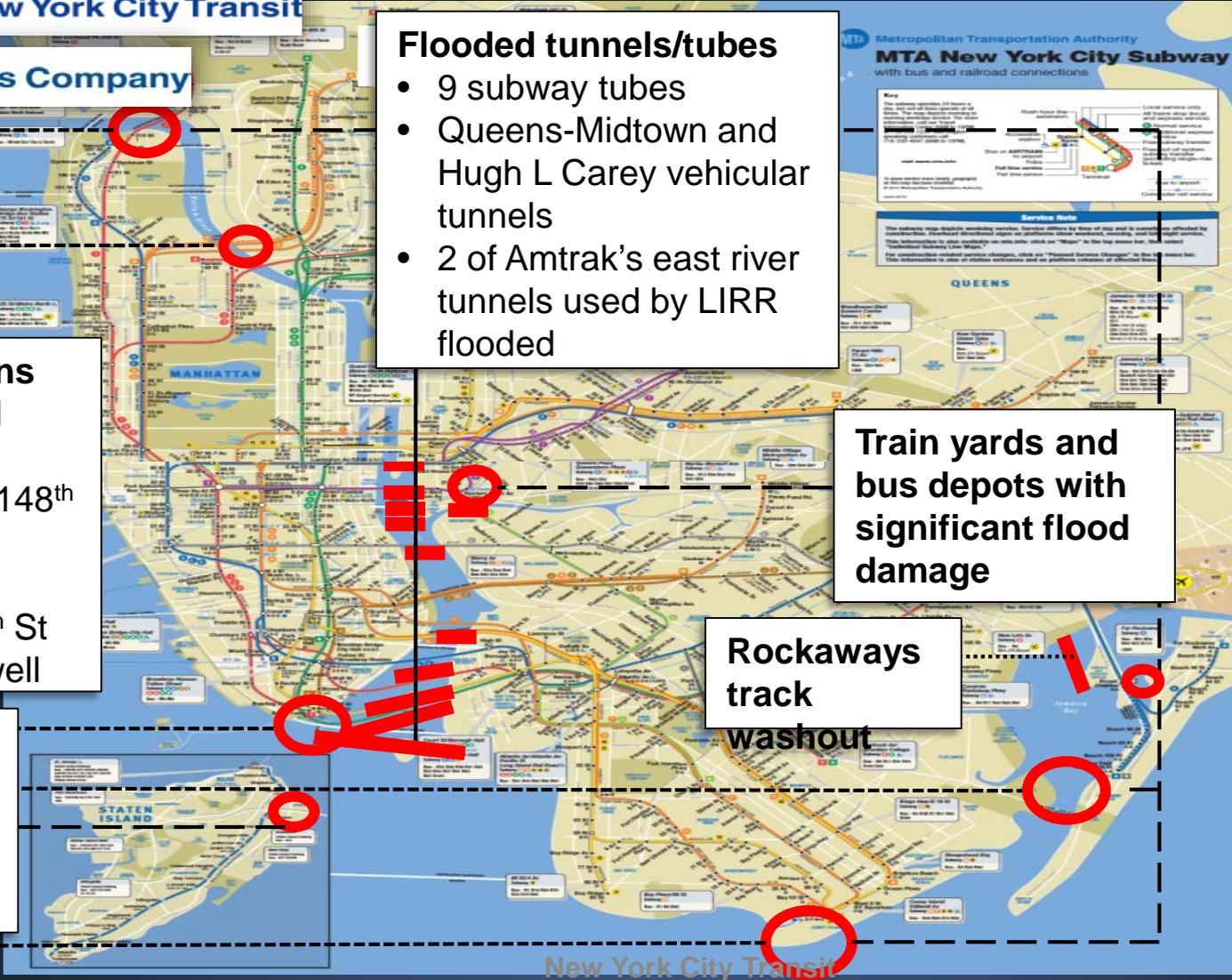
- Flooded East river tunnels
- Flooded West Side yard
- Extensive power/comm/signal damage

MTA Metro-North Railroad

- 50% of Hudson line submerged
- Harmon yard flooded
- Extensive power/comm/signal damage

MTA Bridges and Tunnels

- Flooding of Hugh L. Carey Tunnel
- Flooding of Queens Mid-town tunnel
- Destruction of Marine Parkway and Cross Bay Bridge seawalls



We will open a new spur for Metro North Railroad for more resiliency and to provide direct access to Penn Station:

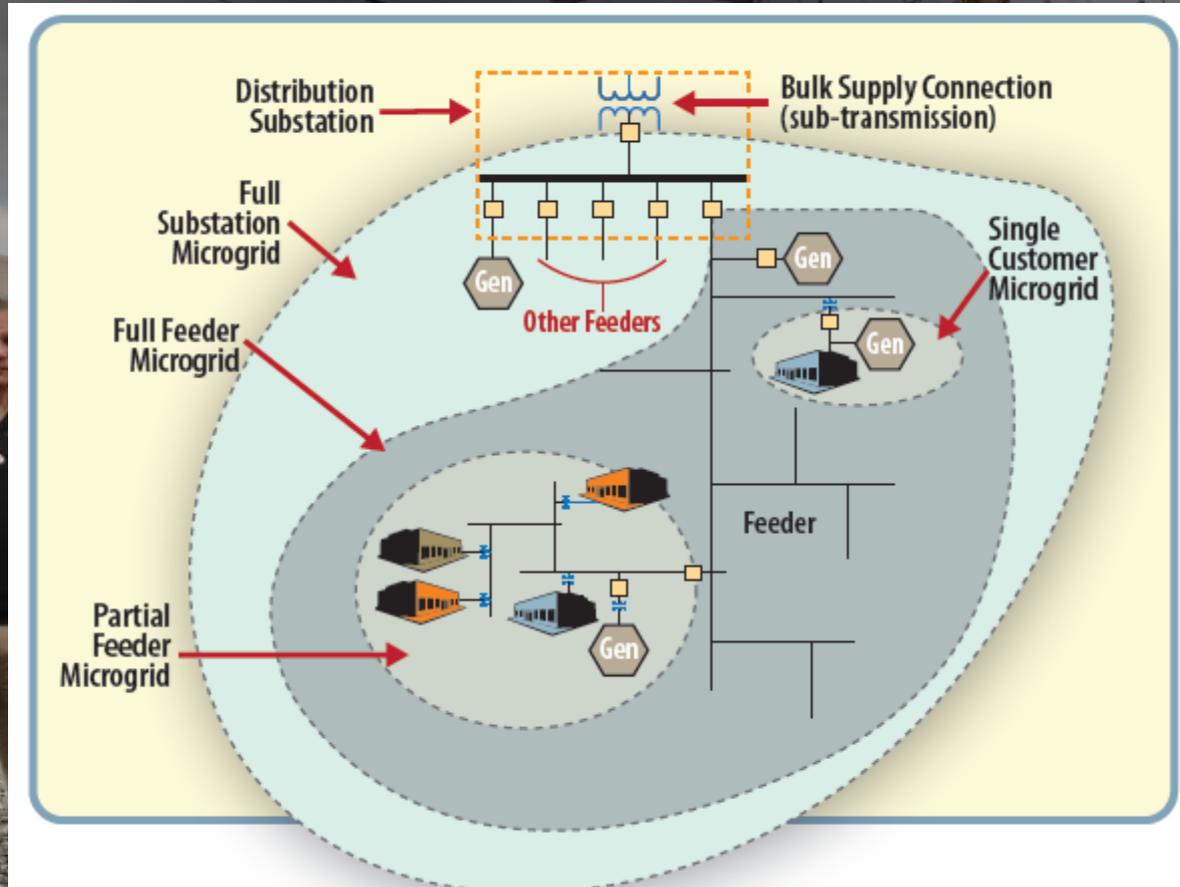
GCT
Penn Station

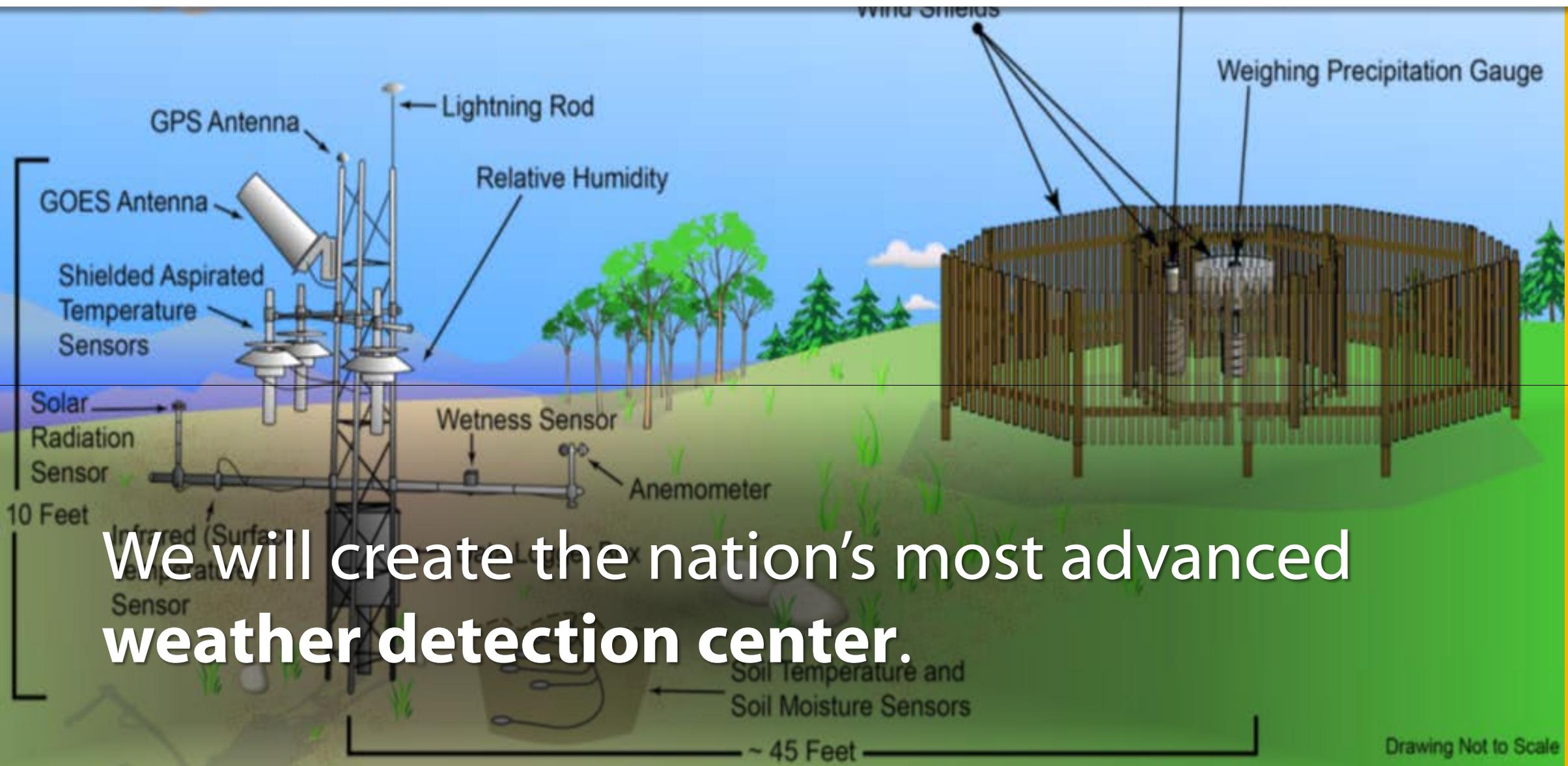
And build 4 new stations to bring new transit options to the Bronx.

Co-op City
Morris Park
Parkchester
Hunts Point



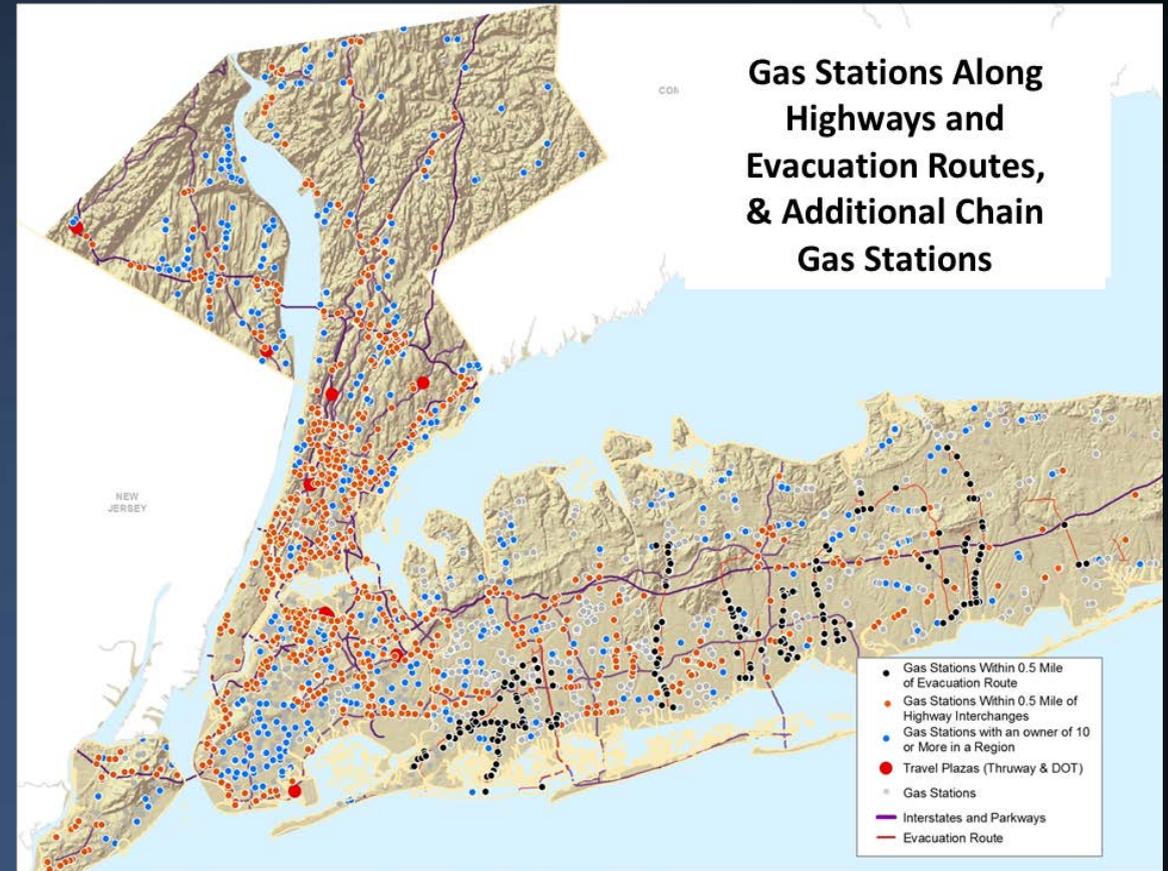
Developing Smart Grid and Micro Grid Systems





Energy Repair and Resilience – Back-up Power:

- Over \$25 million available to requires every downstate gas station within a half-mile of a highway exit or a hurricane evacuation route to have a generator in place within 24 hours of losing power
- 245 stations already awarded
- Nation's first state-based Strategic Gasoline Reserve to prevent future supply gaps – holding 3.5 million gallons at Northville Industries on LI



Coastal Protection: \$1 Billion



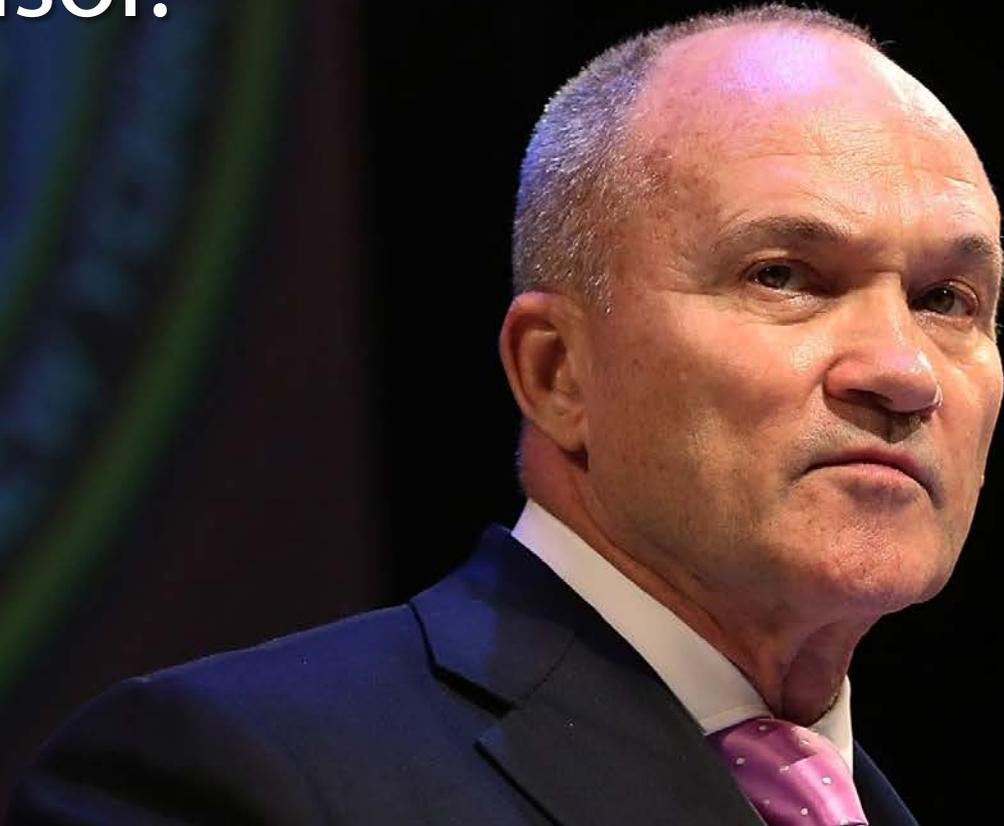


NYS has received approval to use the federal Wireless Emergency Alert system to provide location-specific NY Alert messages before, during and after emergencies.



We will establish the nation's first **College of Emergency Preparedness, Homeland Security and Cybersecurity at SUNY.**

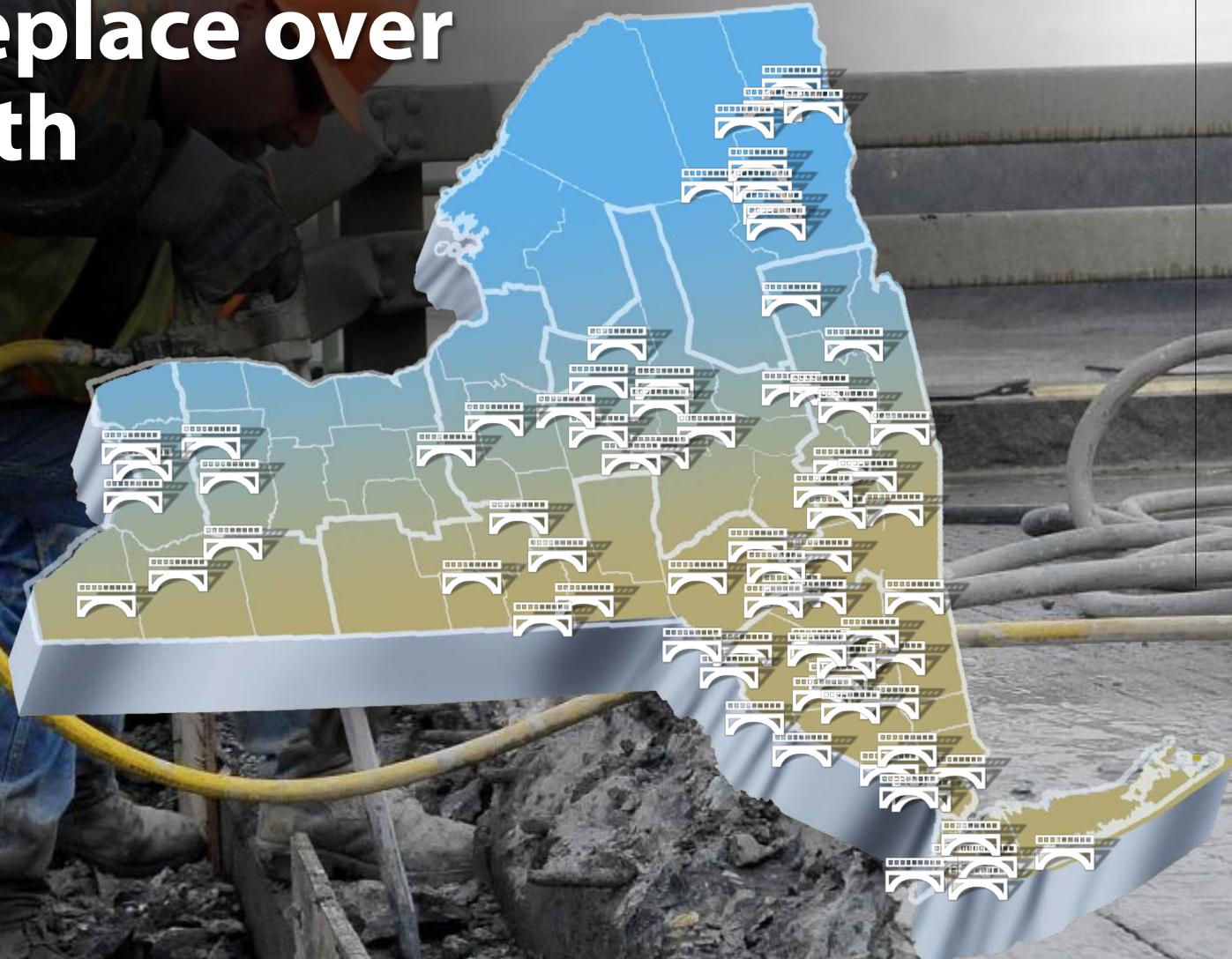
And we've recruited former NYPD
Commissioner Ray Kelly to be a
Special Advisor.



A woman wearing a dark green jacket, a red safety vest, and a grey baseball cap is working at a table. She is looking down at a stack of papers or manuals. The table in front of her has several bags of snacks, including Doritos, and some water bottles. In the background, other people are seated at tables, and the setting appears to be a community center or a training facility.

We will create a Citizen Responder Corp. to give New York State the most trained and prepared citizens in the US.

We will repair/replace over 100 Bridges - with state-of-the-art flood-resistant construction.





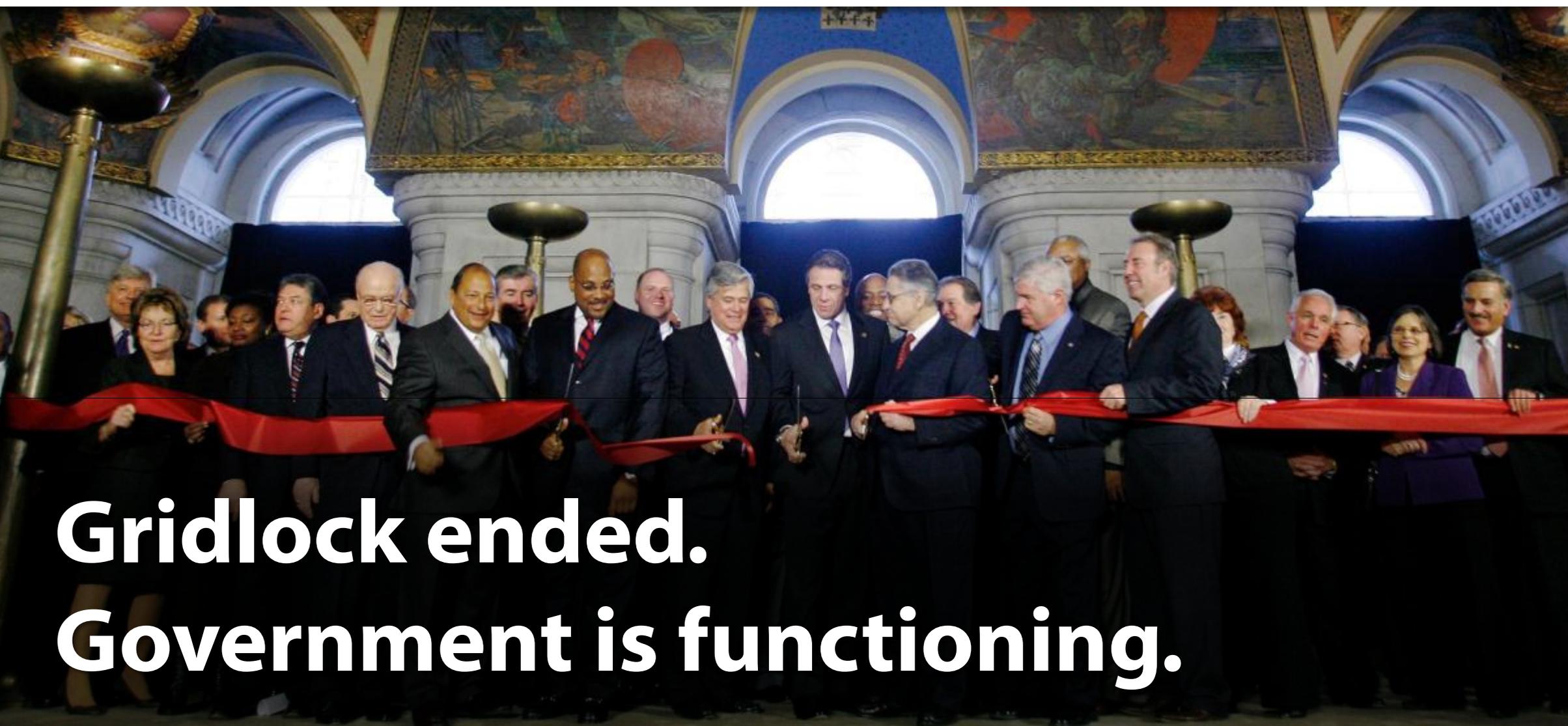
**Over one thousand projects at
\$16B.**



The most massive rebuilding program state has ever undertaken.



In short, government is working.



**Gridlock ended.
Government is functioning.**

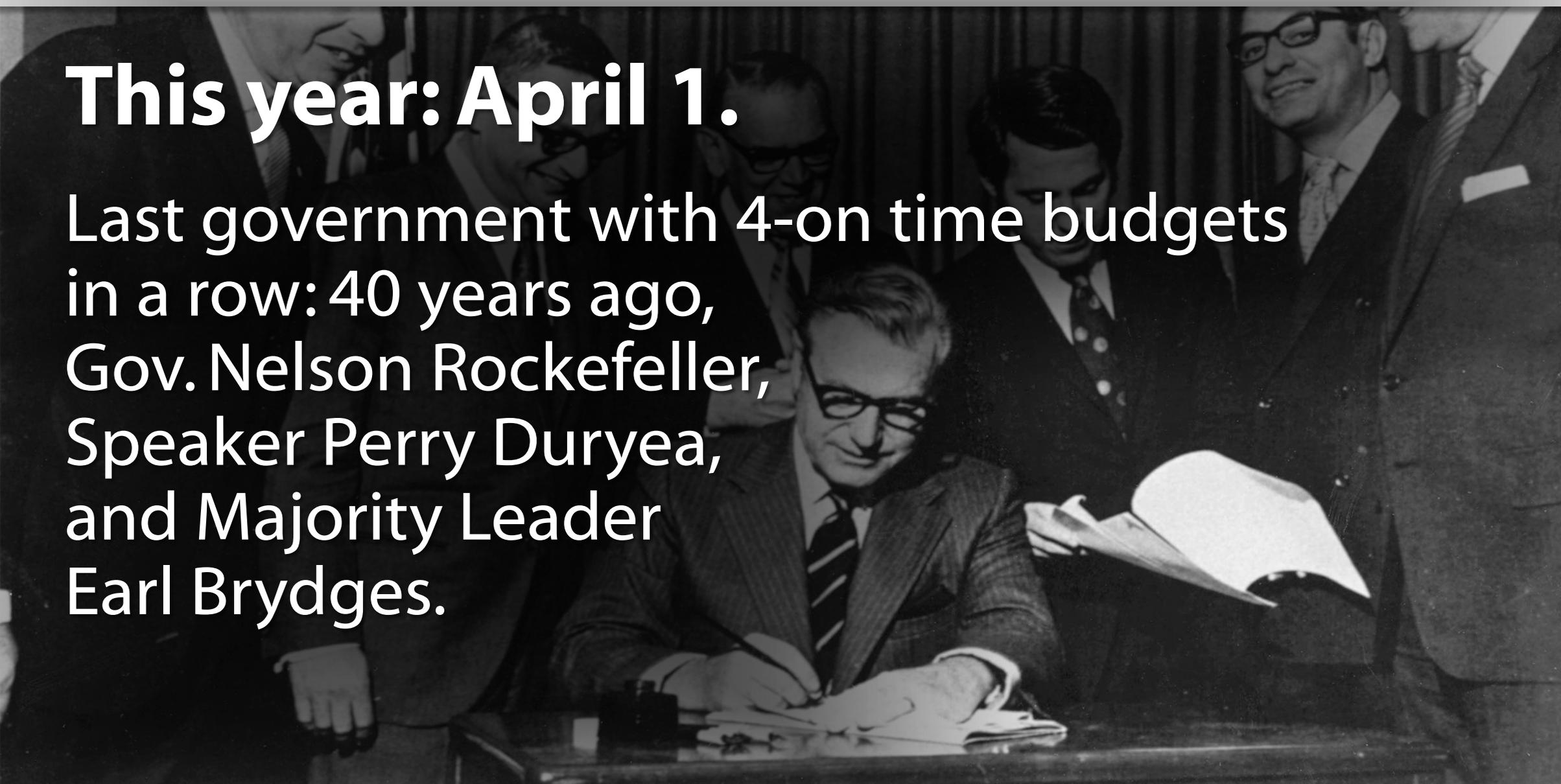
NEW YORK STATE BUDGET 2013 - 2014

**Over the past 3 years we have had
3 on-time, balanced budgets.**

 **Creating Jobs and Cutting Taxes**

This year: April 1.

Last government with 4-on time budgets in a row: 40 years ago, Gov. Nelson Rockefeller, Speaker Perry Duryea, and Majority Leader Earl Brydges.

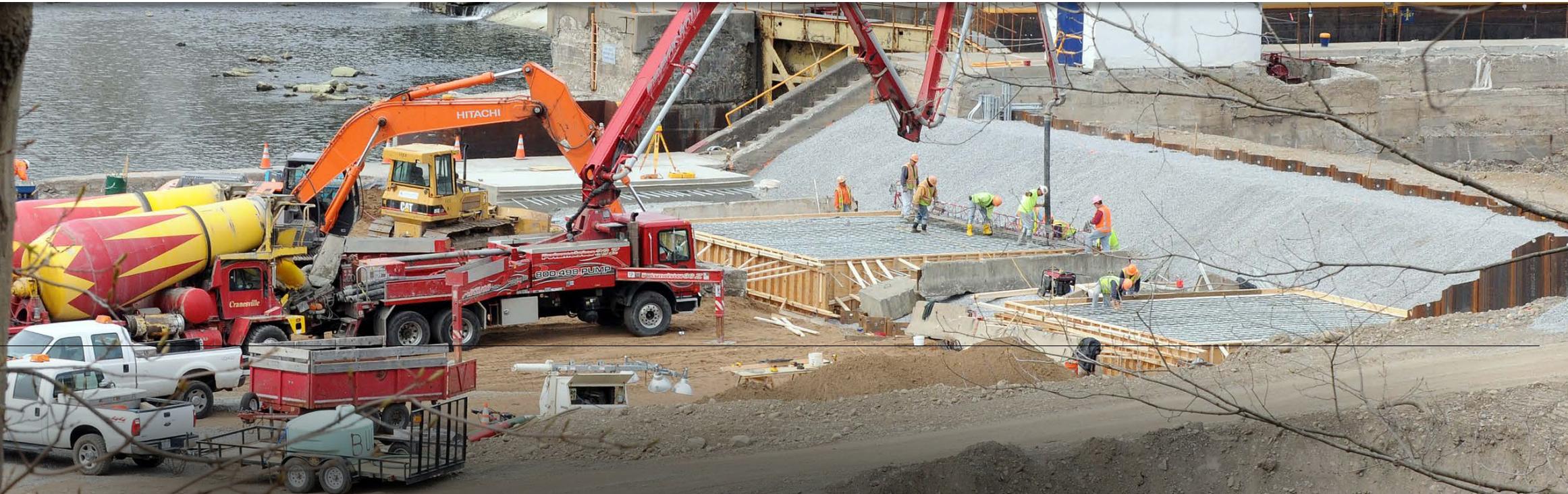




**When government works
smarter, the State works better.**



**The *New New* New York creates jobs: 426,600
new private sector jobs past three years.**



#2 in the nation in job creation since the recession.



New York City
Unemployment rate:
Dec. 2010: 8.8%
Dec. 2013: 7.5%



Unemployment is down in every region of the state:

	DEC. 2010	DEC. 2013
CAPITAL REGION	7.4	5.6
CENTRAL NY	8.6	6.5
FINGER LAKES	8.0	6.1
HUDSON VALLEY	7.3	5.5
LONG ISLAND	7.0	5.1
MOHAWK VALLEY	8.7	7.0
NEW YORK CITY	8.8	7.5
NORTH COUNTRY	10.1	8.3
SOUTHERN TIER	8.2	6.4
WESTERN NY	8.4	6.6



The Upstate unemployment rate dropped from 8.4% last year to 6.4% - the single biggest one-year drop in recorded history.



Exports are up 15%.

Bloomberg Businessweek

Fitch Revises Outlook on New York State GO
and Related Debt to Positive from Stable

May 31, 2011

THE WALL STREET JOURNAL

S&P Raises Outlook on New York State to
Positive

August 27, 2012
By Tess Stynes

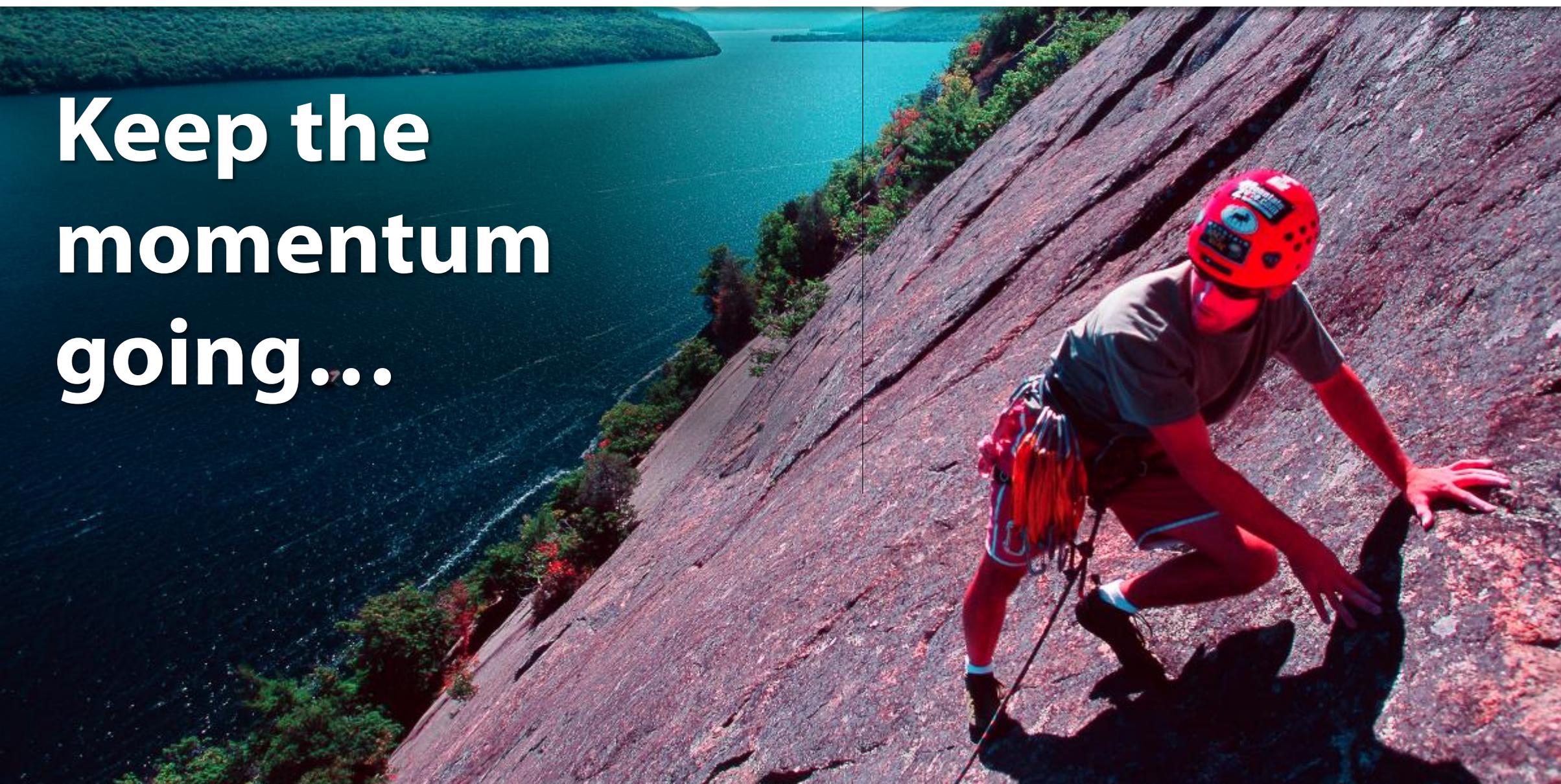
Bloomberg Businessweek

Cuomo's N.Y. Budget Performance Draws
Moody's Affirmation

By Freeman Klopott and Michelle Kaske
Aug 23, 2013

**Ratings are
up from all
3 agencies.**

**Keep the
momentum
going...**



**BUILDING
BACK
BETTER**



**NY RISING COMMUNITIES
FALL CONFERENCE**



Association for a **Better** New York



Lew Rudin



Bill Rudin





abny



