

By Chris McKenna
Times Herald-Record

January 13, 2016 1:52PM

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State of the State: Cuomo unveils \$145.3 billion budget plan, initiatives

Gov. Andrew Cuomo laid out a 2016 agenda on Wednesday that includes raising New York's minimum wage to \$15, cutting taxes for small businesses, offering workers paid family leave and passing a series of reforms to curb corruption and restore trust in Albany.

In a speech to state lawmakers and others that combined his annual budget presentation and State of the State address, the second-term Democrat renewed his push to hike the state's \$9 minimum wage, responding tartly to critics who he said had accused him of meddling in the private sector. Noting that low-paid fast-food workers qualify for public assistance, Cuomo argued that taxpayers who fund those benefits are effectively subsidizing chains such as McDonald's and Burger King.

"It subsidizes their payrolls by 40 percent," Cuomo said. "It's corporate welfare at its worst."

He declared it was "time to get out of the hamburger business."

Cuomo included the wage hike in his \$145 billion budget proposal for the state fiscal year that begins April 1. It would be phased in at different rates, reaching \$15 in New York City by 2019 and the rest of the state by the middle of 2021, according to a budget summary state officials released Wednesday.

The governor had previewed many of his proposals in advance, but he hadn't revealed what reforms he would suggest in the wake of two high-profile corruption cases that resulted in the removal and conviction last year of the leaders of both of New York's legislative chambers. The ideas he delivered on Wednesday were not new or surprising. They included limiting the outside income that some lawmakers earn and closing a notorious loophole that lets companies make almost unlimited campaign donations - including to him.

State lawmakers from the mid-Hudson region offered mixed reactions.

Sen. John Bonacic, R-Mount Hope, applauded Cuomo for proposing to undo a previous cut in aid to school districts over the next two years, a priority for Senate Republicans. He also voiced support for expanding broadband access and for ethics reforms, touting his own bill that would lengthen legislative terms and ban outside income through a constitutional amendment. He was noncommittal on raising the minimum wage, noting past increases in the amount.

"The small business owners that I speak with are reluctant to see an increase of this magnitude because they know they will have to lay off workers, and some may go out of business," he said in a statement.

Listing his own priorities for the coming legislative session, Assemblyman James Skoufis, D-Woodbury, touched on several of the initiatives Cuomo had just presented, including the reduction in the tax rate for small businesses.

"Small businesses are the lifeblood of New York," he said in a statement. "They employ our friends, neighbors and relatives. As such, it is imperative that we give all small businesses the oxygen they need to succeed."

Gerald Benjamin, a SUNY New Paltz political science professor and director of The Benjamin Center at the college, said he was encouraged by Cuomo's support for holding a constitutional convention and by his proposals for ethics reform, particularly the closure of the loophole for campaign donations by limited-liability companies. But he noted that much of what the governor had proposed in his speech required further scrutiny.

"The devil's in the details," he said.

Staff writer James Nani contributed to this report.

cmckenna@th-record.com



PHOTO/ AP

Gov. Andrew Cuomo gives his State of the State Address on Wednesday afternoon.

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