

Tough fiscal times mean tough budget choices... at least in New Jersey, Florida and California.

Deficit: \$3 billion

Budget response:
A half-billion dollar
reduction in spending
compared to last year.

New Jersey

Deficit: \$2 billion

Budget response:
\$2 billion in
proposed spending
cuts

Florida

Deficit: \$16 billion

Budget response:
10% across-the-board
state spending cuts

California

New York is one of at least 25 states projecting a serious budget deficit for the coming fiscal year. But while other states are taking prudent and politically difficult steps to keep government spending in line with falling revenues, New York seems to believe it can tax and spend its way out of a \$4.6 billion deficit. **It can't.**

For New York State to regain its competitive edge, we must hold state spending growth to the rate of inflation. Governor Paterson has already indicated a willingness to change course and has proposed \$800 million in cuts to the Executive Budget. It's a good start, but still results in a budget that is 4.4% higher than last year.



The
Business
Council

Competing states are already making the tough choices needed to keep their local economies strong. **It's time for New York to do the same.**

Raising taxes is NOT the answer!

Deficit: \$4.6 billion

**Budget response:
5% increase in
spending; \$1.3 billion
in new taxes and fees**

New York