

## Press Releases

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### 01-06-11 County Executive Comments on New York's State of the State

#### *Applauds job creation policies, promised property tax cap*

Orange County Executive Edward A. Diana made the following statement regarding New York State Governor Andrew Cuomo's first State of the State address, which was delivered yesterday afternoon in Albany, New York:

Cleaning up Albany government was a fundamental feature in Governor Cuomo's address yesterday. This will be a requirement if the Governor wants to deliver a more efficient and more accountable system of government to better serve the people of New York. I wish him success in this important endeavor.

I was encouraged to hear the Governor speak about the need to create jobs. Keeping, and finding, meaningful work, and the dignity that comes with it, is a fundamental value of American life. Many of us here in Orange County have family or friends who have lost jobs, and the State's 8.2 % (November 2010) unemployment rate is simply unacceptable.

New York State's dismal business attraction record is a glaring blemish on our economic potential. Here in Orange County, our business development program is spearheaded by the County's Office of Business Assistance, directed by Deputy County Executive James D. O'Donnell. Together with the Industrial Development Association (IDA), the Orange County Business Accelerator, the Orange County Chamber of Commerce, and the Orange County Partnership, this office works to attract and retain businesses in the county.

Good government policy should encourage economic growth, while aiding the private sector's ability to create new jobs. I applaud Governor Cuomo's decision to establish economic regional councils; by choosing his Lieutenant Governor Bob Duffy to spearhead this effort the Governor signals this initiative's importance to a policy that we all hope will promote innovation and entrepreneurialship, making New York competitive once again in the area of job creation.

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The Governor and I are in agreement that the Medicaid program "needs a desperate overhaul." Orange County spent more than \$70.5 million in 2010 for its share in the Medicaid program. This is an astounding figure that only rises each year, and continues to place additional burden on our already overtaxed county residents. This system is unsustainable, and it must change.

Governor Cuomo was correct in saying that taxes are killing New Yorkers. Those living in our county are all too familiar with the never ending duties placed on everything they do and touch in this state. Orange County residents can't afford it any longer. As the Governor admitted, "the State of New York spends too much money," and so, I hope that he not only "holds the line on taxes for now," but goes a step farther and seeks to cut them. And, as he stated in his action plan, I look forward to the Governor's promise to cap property taxes.

Mandate relief was another component of the Governor's speech yesterday. Unfunded mandates from Albany have a very negative effect on Orange County's finances. As I mentioned in my recent budget address, Orange County's overall spending in 2010 - the amount that the county has control over - would have actually decreased \$7.3 million absent cost shifts, and rising mandates.

As every government today is painfully aware, public pension benefits promised during prosperous economic times are now difficult to support due to declines in revenue intake. In Orange County, we budgeted \$22 million for New York State pension costs in 2011. This is an increase of \$5.2 million, or 32% from 2010. And, although Governor Cuomo acknowledged that "costs of pensions were exploding," his action plan did not hint of a remedy to fix this problem.

Lastly, as a former educator and coach, as well as one who believes in the free market system, I was pleased to hear the Governor recognize that "competition works," and that he will promote policies that will allocate state funds based on an open competitive process. After all, competition breeds an entrepreneurial spirit resulting in innovation, the cornerstone of American ingenuity, and pride.