

# NEW YORK POST

## Cuomo's doing nothing about the burdens that drive people to flee New York

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Making a case for a third term, Gov. Cuomo argued Wednesday that New York “has always been the progressive capital” of the nation and the alternative to President Trump’s conservative policies. Indeed, Cuomo himself has worked from the progressive rulebook, as when he pushed for a \$15 minimum wage, paid family leave or more restrictions on gun rights.

And he has been largely successful in making New York more progressive. Unfortunately, that may be precisely why so many New Yorkers are leaving. From January 2000 to July 2016, the latest available data, New York lost a net 14.1 percent of its population to other states — the biggest loss in the country.

To hear Cuomo tell it, the biggest problem with New York is wasteful local government, and his solution is centralizing power in Albany and dishing out more corporate welfare. There may be a kernel of truth in that, but it misses the bigger picture.

New York has the highest local-tax burden in the country, an incredible 8.5 percent of income on average. If you live in Erie County, you can easily pay 4 percent of your home value in annual property taxes, plus an 8.75 percent sales tax, plus New York’s progressive income tax (over 6 percent for most families), plus high gas taxes and tolls on I-90 and an assortment of minor taxes and fees.

No wonder so many New Yorkers have fled. One of us moved to New Hampshire after living in Buffalo for eight years. In New Hampshire, you might pay a similar property-tax rate in some areas, but you have no broad-based income tax or general sales tax.

There, counties subsist on a sliver of property-tax revenue, while state government gets the bulk of its revenue from business taxes and rooms and meals taxes. Meanwhile, schools and roads seem every bit as good in New Hampshire as New York, and the poverty rate is lower.

Why are local governments so expensive to run in New York? It’s actually not their fault, for the most part.

State government hobbles localities with costly, pro-union policies like the prevailing-wage law, which requires governments to pay a significantly above-market wage for construction projects,

and the Taylor Law, which sharply restricts municipalities' ability to limit collectively bargained benefits for their workers.

Municipalities also can't control pension liabilities by requiring defined-contribution rather than defined-benefit plans.

The solution to the astronomical local-tax burden is to give municipalities more control over their own spending, liberating them from state mandates.

New York also tries to solve its problems using corporate welfare, but that's not the answer. Recently, the governor argued that "businesses do not come to New York state without government incentives . . . Businesses literally shop states."

According to Good Jobs First, the Empire State has offered \$34 billion in subsidies via 127,154 programs since 1980 (most over the past decade). That's far more than any other state.

But incentives just shift the tax burden, benefiting new businesses at the expense of old ones. Of course, politicians love to offer companies "incentives" because it gives them the chance to take credit for business decisions and cut ribbons at ceremonies filmed for the local news. New Yorkers shouldn't fall for it any more.

Another set of problems is the heavily union-biased and bureaucratic regulations, such as a high minimum wage that discourages hiring upstate, mandatory short-term disability insurance, paid family leave and electricity costs.

New York also limits freedoms like the freedom to buy wine in a grocery store, carry a concealed firearm or choose how to educate your child. Our latest study, "Freedom in the 50 States," ranked New York last in the country for overall freedom and 40th on personal freedom.

One of the motivating factors for one of us to leave was the home-schooling regulations, the most burdensome in the country.

To make New York a great place to live, not leave, Cuomo ought to focus on cutting tax rates, easing regulations and allowing more freedom. Adhering to the progressive rulebook just doesn't cut it.

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