



CBC Statement on the Passage of the American Rescue Plan

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New York, NY – March 10, 2021 - Citizens Budget Commission (CBC) President Andrew S. Rein released this statement on behalf of the CBC:

" The American Rescue Plan can be a game-changer for New York. It will provide much needed support for New Yorkers and our economy, including aid for those who are jobless, for many individuals and families, especially with children, for nonprofits and small businesses including restaurants and the arts, and more.

Importantly, it will provide significant direct and indirect aid to New York State, New York City and the MTA. Not only will this help fund pandemic-related cost increases and stave off harmful cuts, but the Plan will provide the incredible and much needed opportunity to stabilize New York City's and State's short- and long-term finances. Success in this, however, is far from guaranteed.

The key is to use the federal money wisely—to support covid-related needs and spread aid over time while taking clear action to increase government efficiency. Done right, the State and City can take care of New Yorkers' vital needs and stabilize government finances, and critically, do this without raising taxes. Absent improvements in government efficiency, effectiveness and quality over the long run, the State and City will just be kicking their fiscal reckoning down the road. Wisely used, federal aid can be just the bridge both New Yorks need. But that bridge must land on a stable shore—where recurring revenues are sufficient to support the critical services New Yorkers want and need, but not so high they risk driving away residents and business."