



Statement on Governor Hochul's 2023 State of the State Address

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New York, NY – January 10, 2023 - Citizens Budget Commission (CBC) President Andrew S. Rein released [this statement](#) on behalf of the CBC:

“Governor Kathy Hochul delivered her State of the State as the threats to New York’s competitiveness may be greater than any time in the last 20, or even 50, years. With a rocky economic forecast ahead and the pandemic providing evidence that some can enjoy life, successfully work, or run a business outside of New York, the State’s decisions should have a keen eye to ensuring New York continues to be attractive for individuals and firms.

Governor Hochul outlined some key initiatives that would bolster the State’s future. Her housing proposals rightly include transit-oriented development, the need for a 421-a replacement, regulatory relief and targeted incentives for office-to-residential conversions, streamlined environmental reviews, regional targets, and lifting NYC’s floor to area ratio cap, among others. These approaches will boost needed production and affordability.

Employing an economy-wide strategy like cap-and-invest is smart to include as part of the State’s greenhouse gas reduction efforts. The multi-pronged proposal will need further examination to ensure all of its components support a cost-effective energy transition.

Fortunately, Governor Hochul highlighted the need to stem outmigration. She wisely committed to not raising the personal income tax this year. New York’s competitiveness will be well served by restraining spending to ensure that the 2021 personal income tax increase sunsets on schedule.

Still, most details are forthcoming, and the State’s leaders will have to make hard choices. The Fiscal Year 2024 Executive Budget will provide the details needed to scrutinize these initiatives, determine their price tag and affordability, and analyze their impacts on New Yorkers’ lives and New York’s fiscal future.

The State of the State presented an expansive menu. We now await the Executive Budget to see the bill.”