



Reinvent Albany Statement
Senate Press Conference on Report on
[Economic Impact of Tax Incentive Programs](#)

February 12, 2024



Good morning. I am Elizabeth Marcello, PhD, and I am a Policy Fellow at Reinvent Albany. I teach at Hunter College at the City University of New York. I have written extensively on New York State public authorities and corporate subsidies with a focus on the Empire State Development Authority. Reinvent Albany is a watchdog group that advocates for open and accountable New York government and fact-based decision making.

On behalf of Reinvent Albany, thank you to Senators James Skoufis, Liz Krueger, and Sean Ryan for your ongoing work to draw attention to the irrational and wasteful nature of much of the \$11 billion in taxpayer funds that New York State and local governments are spending every year on corporate subsidies.

Reinvent Albany strongly supported Senator Skoufis’ determined efforts to get [this independent study done](#). Reinvent Albany believes the Empire State Development Authority is far too politicized and captive to its own mythology to produce objective, credible assessments of the billions in corporate subsidies it is a cheerleader for.

One year ago, Reinvent Albany published a report called, “[Debunked: 25 Major Studies Showing Corporate Handouts Do Not Work](#).” We noted then that there is overwhelming evidence that government handouts to corporations and industries are a waste of taxpayer funds. New Yorkers might be surprised that independent researchers and budget experts from coast to coast, and the left, right, and center of the political spectrum resoundingly agree that corporate handouts do not work. But that’s not what the public hears! The corporations and industries getting massive taxpayer subsidies spend enormous amounts on pseudoscience and lobbying, and giving big campaign contributions to New York’s top elected officials.

Listed first in our *Debunked* report is [New York State Business Tax Credits: Analysis and Evaluation](#), a massive 2013 study done for the Governor’s commission on tax fairness written by Ruben and Boyd in collaboration with the Department of Tax and Finance. Ten years ago, that authoritative analysis declared:

There is no conclusive evidence from research studies conducted since the mid-1950s to show that business subsidies have an impact on net economic gains.

I am here in 2024 to tell you that not only is that still true, but there is a growing mountain of evidence showing business subsidies are a waste of taxpayer funds.

The bottom line is that New York State is wasting roughly \$4.5 billion a year and local governments another \$6.5 billion a year on unjustified, unfair, and corruption-prone business subsidies that could be spent on schools, clean water, roads, bridges, public transit, drug treatment, parks, and a myriad other basic services that benefit the broader public or reduce the overall tax burden.

New York taxpayers are spending far too much on dubious business subsidies to wait another 10 years. Reinvent Albany hopes the report being highlighted today is the first among many new, independent analyses that help New York taxpayers better understand how huge amounts of their money is being squandered. We especially hope the elected leaders here today push for an independent assessment of New York business subsidies that directly answers the basic question – exactly how many of these jobs would have been created *without* the taxpayer paying for them.

New York is better and smarter than being part of a national race to the bottom in which we, the public, the voter, the taxpayer, all lose.

Let's go, New York! Upward.