



**Testimony of Reinvent Albany for the Assembly hearing
on impact and effectiveness of economic development programs
funded in the enacted 2024-25 State Budget**

October 8, 2024

Thank you for the opportunity to submit written testimony. Reinvent Albany works for a transparent and accountable New York government.

New York's subsidy spending is at absurdly high levels. Despite widespread evidence that the state's economic development programs are ineffective – a conclusion reached by [the state's own commissioned review](#) – the number of subsidies continues to rise, and the Legislature continues to rubber-stamp many of them. The Citizens Budget Commission found that the number of state subsidies rose to [\\$11 billion](#) in 2023, with these numbers expected to go up further, to \$13 billion, in 2025.

We believe that the Legislature, instead of asking why Empire State Development has been slow to fund their pork projects, should instead ask itself the following:

- Why give \$7.7 billion in film/TV subsidies despite these only providing a return, at best, of [31 cents on the dollar](#) to the state? (In other words, NYS taxpayers lose 69 cents on every dollar they put into film and TV production subsidies!)
- Why does the state continue to give \$6 million annually to the Buffalo Bills stadium despite widespread evidence that stadium subsidies are a huge waste of money?
- Why does New York continue to participate in Trump's Opportunity Zone tax break, which will begin costing the state and city up to [\\$424 million a year](#) from 2029?
- Why do New York taxpayers continue to provide [tax breaks for luxury yachts and private jets](#)?

We appreciate the Legislature's efforts to bring more transparency to subsidy spending, such as through the [Database of Deals](#) in 2022 and funding a database for IDAs in this year's budget. But all this transparency is pointless if you do not use the data to make meaningful reforms to the subsidies. We urge you to spend less time on hearings like

this and more time passing legislation that would end NY's dependence on tax breaks, such as:

- [S89 \(Ryan\) / A351 \(Bronson\)](#) – Prevents IDAs from abating school district taxes
- [S543-A \(Gianaris\)/A2170-A \(Dinowitz\)](#) – Fully ends NY's Opportunity Zone tax break.
- [S3389 \(Krueger\) / A7949-A \(Simon\)](#) – Stop Climate Polluter Handouts Act
- [S127 \(Ryan\) / A1048 \(Solages\)](#) – Prohibits subsidies for e-commerce warehouse facilities.
- [S2557 \(Hoylman-Sigal\) / A1464 \(Carroll\)](#) – Ends luxury yacht tax break.
- [S2556 \(Hoylman-Sigal\) / A1523 \(Carroll\)](#) – Ends private jet tax break.
- [S1632 \(Kavanagh\) / A846 \(Weprin\)](#) – Repeals Madison Square Garden property tax exemption
- [S481 \(Salazar\) / A1438 \(Rosenthal L\)](#) – Repeals certain use tax exemptions for racehorses.

Thank you for your consideration. If you have any questions, please contact Tom Speaker at info@reinventalbany.org.