

## Coalition of Business, Hospital and Government Leaders Oppose MTA Payroll Tax

**A broad coalition of business, government, hospital and healthcare leaders joined today to announce their strong opposition to the inclusion of a 34 cent tax on every \$100 of payroll as part of the State Senate's MTA financial bailout package.**

*FOR IMMEDIATE RELEASE*

*PRLog (Press Release) – May 07, 2009 –* Saying that it will irreparably damage an already fragile state economy and business base, a broad coalition of business, government, hospital and healthcare leaders joined today to announce their strong opposition to the inclusion of a 34 cent tax on every \$100 of payroll as part of the State Senate's MTA financial bailout package.

The group that includes the Westchester County Association, the Hudson Valley region's leading business membership advocacy organization, Westchester County Executive Andy Spano, NORMET, the organization representing 37 hospitals across the lower and mid-Hudson Valley and a range of businesses and health service providers.

At a press conference held this morning in White Plains, the coalition members called on the three State Senators representing areas of the MTA service territory in the suburbs north of New York City – Jeff Klein, Suzi Oppenheimer and Andrea Stewart-Cousins – to break rank with the State Democratic Party leadership and take action to stop future punitive measures against the suburban business community. If two Democratic state senators would have voted against the payroll tax, it would have been sufficient to defeat the proposal because all of the state's Republican senators are voting as a bloc against it.

"The payroll tax proposal is the latest, and in many ways the most offensive, in what has become a very long line of anti-business actions taken by the State Legislature," said William Mooney Jr., President of the Westchester County Association. "The bottom line is that the businesses, hospitals and numerous other employers in the five counties along the Hudson that form the MTA's northern territory are being used as a cash cow by Governor Paterson and the State Legislature. The payroll tax is literally going to drive businesses out of and away from New York and it is further damaging our already financially strained hospital and healthcare infrastructure. Enough is enough."

Mooney led the call for the three Democratic state senators representing portions of the MTA region to "re-think" their positions. "This is a time for them to show political courage. We are asking each of these senators to put their constituents first, not their political party. We know that the budget will have to be re-visited come June and we do not want the legislators coming back to us with their hands out. "

Mooney noted that the senators backing the payroll tax have been careful to exclude school districts. "This is a demonstration of the power of the teachers union, which is one of the major forces controlling the actions being taken in Albany. The combined employment of all of our school districts makes them one of the largest employment sectors in the five-county MTA region. Why should they be exempt? Why should other employers be expected to pay the payroll tax, but not them?"

Westchester County Executive Spano said the proposed bailout allows the MTA to avoid making

the structural changes needed to retool and reform its own operations. "When you bail out an inefficient agency, you get more inefficiencies." He strongly opposes the payroll tax saying that it damages the all employers including local government, not-for-profits and hospitals."

Rockland County Executive Scott Vanderhoef, who was unable to attend the press conference, said he was firmly opposed to the payroll tax and was fully supportive of the efforts of the coalition. "The businesses, hospitals and others in every one of our counties are struggling with the effects of the national recession. Adding a payroll tax just makes the business climate less attractive."

Neil Abitabilo, President of NORMET (the Northern Metropolitan Hospital Association,) said hospitals across the five counties – Westchester, Putnam, Dutchess, Rockland and Orange – have been repeatedly targeted as a source for increased state revenues this year. "We've been hit four different times including three cuts to our Medicaid reimbursements, an onerous gross receipts tax and now a payroll tax. These moves by the state are taking a heavy toll on all of our hospitals. To now hit our hospitals with a costly payroll tax takes makes a poor financial situation for the hospitals even worse. The governor and the legislature are literally financially strangling the state's hospital system. It's got to stop and any two of our senators hold the power to make that happen."

Mooney said the solution to the MTA's financial problems largely lay within its own operations. "There is virtually no effort being made to make the kind of internal reforms that must happen. Our businesses, our hospitals, our non-profits all face economic realities each and every day. We take the steps necessary to survive. Our employees take the steps with us. It's time for the MTA, the State Legislature and the powerful public employee unions to get out of their economic cocoon and share in the sacrifices that all of the rest of us are being asked to make each and every day."

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#### About the Westchester County Association

The Westchester County Association ([www.westchester.org](http://www.westchester.org)) is the preeminent business membership organization in Westchester County. The Association is committed to business advocacy, economic vitality and to providing a strong and clear voice for the interests of businesses on the regional, national and international levels. Its key objectives are: promoting positive economic development in the region; fostering business development; and providing its members with access and interaction with key public and private sector individuals, agencies and organizations