



MEMORANDUM IN OPPOSITION

S.5474 (Rivera) / A.6058 (Gottfried)

AN ACT to amend the public health law and the state finance law, in relation to enacting the "New York health act" and to establishing New York Health

The Capital Region Chamber, representing over 2,900 businesses and organizations from throughout the Capital Region that employ more than 160,000 area residents, strongly opposes S.5474/A.6058 which would create a government run, single payer health plan, New York Health, to provide comprehensive health coverage for all New Yorkers.

The sponsors claim that under their proposed single payer healthcare system all individuals would be covered, all health care needs would be covered, and all this coverage would be publicly funded. However, the realities of implementing such a single payer health plan do not match the sponsors' claims. Under the proposal, New York Health would be paid for through new taxes. These new taxes would be levied on payroll, interest income, capital gains and investment income. Yet, the sponsors fail to provide an estimate on how much revenue would be raised from these new taxes. Notably, they also fail to provide an estimate of the cost of the New York Health program.

The New York Health Act would result in the largest state tax increase in the history of the U.S. An independent study conducted by the RAND Corporation found that the legislation will require at least \$210 Billion in new taxes when fully implemented. RAND did not include the cost of long-term care benefits, which will require an additional \$42.7 billion in taxes. This is three times more than what New York State currently collects (\$76 Billion) to pay for everything from schools to roads and bridges. Even after taking the sponsor's unsupported supposition that the federal government will allow New York to utilize federal healthcare funding to support their new single payer healthcare system into consideration, implementing this system will require an estimated \$250 billion in new taxes. This is on top the \$76 billion in total taxes New York State currently collects. Our taxpayers and our economy cannot sustain such a massive tax increase.

The sponsors have seemingly ignored the fact that New York's current health plans have expanded access to coverage and have improved the quality of care for New Yorkers. New York's uninsured rate is now at 5% a historic low. The state should focus on covering this 5%. The Capital Region Chamber has long supported affordable and comprehensive access to health insurance and a robust healthcare system without imposing new mandates and taxes. A government run, single payer healthcare system will not accomplish these goals.

For the above stated reasons, the Capital Region Chamber strongly opposes this legislation.

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