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May 27, 2021

## 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 establishing New York Health**

The Northeastern Subcontractors Association, Inc. (NESCA), representing over 500 subcontractors, specialty contractors and material supply firms engaged in construction projects throughout Northeastern New York, opposes this legislation, which would create a government run, "single payer" health care system that would replace New York's current system of health coverage. The single payer system would be financed by a mandatory new payroll tax on both employers and employees, as well as new taxes on other income such as interest and capital gains.

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 requires an additional \$42.7 billion in taxes. This is three times more than what New York currently collects to pay for everything from schools to roads and bridges.

Although proponents of single payer health care systems like the New York Health Act like to say it would be "Medicare for All", Medicare allows people to choose a health plan and purchase additional coverage if desired. Under this legislation, New Yorkers would not have any choice in their health care coverage; the only option available would be the government-run single payer system.

Today, more than 95% of New Yorkers have health care coverage through a combination of private, employer-sponsored and government supported plans. This legislation destroys the current system of health care coverage by banning the sale of private health insurance in New York State, while doing nothing to address the increasing costs of health care.

The single payer health care system this legislation creates is not only impractical but would be a financial disaster for New York. For this reasons, the Northeastern Subcontractors Association opposes this legislation.

**NORTHEASTERN SUBCONTRACTORS ASSOCIATION, INC.**

Michael Misenhimer  
Executive Director