



**Testimony of New York City Council Progressive Caucus Chairs:**

Council Members Tiffany Cabán, Sandy Nurse, Alexa Avilés, Kayla Santosuosso

**Submitted to NYS Senate Finance & Assembly Ways & Means Committee Chairs**

**For Feb. 11, 2026 Joint Legislative Hearing on Local Government**

Dear Senate Finance Chair Krueger, Assembly Ways & Means Chair Pretlow, and members of the New York State Legislature:

We are the Chairs of the Council Progressive Caucus, a bloc that recently grew to represent 24 New York City Council Members. The Caucus collectively represents millions of New Yorkers across Brooklyn, The Bronx, Queens, and Manhattan.

While municipal budget negotiations are soon to begin, we are deeply concerned about making sure the people of our city have the resources they need to lead dignified lives. We know legislators in Albany share in our commitment to enacting meaningful policies that help everyday people, particularly on universal childcare, public safety, and housing justice, but these investments must be made and paid for fairly.

We, as four elected leaders, write to urge the state legislature to adopt the Invest in Our New York package and Fair Share Act, a slate of five common-sense bills to transform New York into a more equitable state. This year's state budget is a critical opportunity to address our state and city's affordability crisis, and enact widely popular social programs.

**New York remains a deeply unaffordable state, and brutal federal funding cuts are exacerbating the crisis.**

- New York is one of the most expensive states in the country and has the highest levels of income inequality of any state. [Studies show](#) that while the state has gained millionaires and billionaires in recent years, working-class people are leaving the state because they can no longer afford to call New York home.
  - A key driver of this exodus out of state is the lack of universal childcare. Families with young children are [40% more likely](#) than those without young children to move out of New York state, underscoring the urgent need for affordable childcare. In New York City, they're twice as likely to leave.
- Compounding the affordability crisis, federal cuts due to the OBBBA have devastated the state, while New York's millionaires are set to benefit from a [\\$12 billion federal tax cut annually](#). According to [estimates](#) by the New York State Division of the Budget, the OBBBA will create an \$8 billion decrease in federal funding in FY 2027 and a \$12 billion

decrease in future years — cuts that will be most acutely felt by the state's Medicaid and Essential Plan programs.

- About 1 million New Yorkers could lose their healthcare coverage over the next two years, according to the Fiscal Policy Institute.
- The above estimates do not account for SNAP cuts resulting from the federal funding attacks. Roughly 350,000 New Yorkers could lose their SNAP benefits and face even more severe food insecurity.
- At the local level, we are already seeing the dangerous effects of these federal cuts in public health, housing, and an array of social services hamstrung at a time of unparalleled wealth inequality.

**Gov. Hochul and lawmakers in Albany must take immediate action to protect New Yorkers from federal attacks and fund the future we deserve.**

- Despite this dire state of affairs, Gov. Hochul did not include any progressive revenue in her executive budget proposal. Without these measures, no budget can fully take into consideration the true scale of federal cuts, especially to our healthcare system, which require state revenue to address.
- **But we can work together to solve this crisis. We support the [Invest in Our New York package](#) and Fair Share Act, which, if passed, would raise tens of billions of dollars** through a combination of personal income tax increases on our state and city's top income earners, corporate tax reforms targeting the most profitable corporations (fewer than the top 1%), and closure of loopholes that allow millionaires and billionaires to shield their wealth from their tax liability.
- These common-sense proposals would ensure that lawmakers can budget long-term and make deep, sustainable investments in our state's essential programs and services. We write in support of:
  - The "Fair Share Act" ([S.8577-Liu/A.8953-Souffrant Forrest](#)), which would add a 2% surcharge to those with incomes over \$1 million per year. New York City charges essentially a flat income tax on its residents. If you earn \$50,000 or \$5 million, you pay practically the same tax rate of roughly 3.9%. This bill would finally ensure that wealthy New Yorkers pay their fair share. This could raise \$4 billion.
  - The Progressive Income Tax Bill ([S.1622-Jackson/A.1281-Meeks](#)), which would raise more than \$21 billion annually by making personal income taxes more progressive and ensuring that millionaires and billionaires pay their fair share. Right now someone making \$215,000 pays the same rate as someone making \$1 million, and New Yorkers making \$5 million and \$25 million pay the same tax rate; there is no higher tax for billionaires. This bill would add 10 new tax brackets

to New York's personal income tax structure so that the top 5% of earners pay what they owe.

- The Corporate Tax Bill ([A.1971-Kelles, Shrestha](#)), which would raise \$5 billion annually by raising corporate taxes on the most profitable corporations doing business in the state, ensuring that those with over \$5 million in profits pay what they owe in taxes while keeping New York competitive with neighboring states in the Northeast. (Currently, corporations pay less in taxes than they did in the 1990s.)
- The Capital Gains Tax ([S.1439-Rivera/A.676-Kim](#)), which would raise \$12 billion annually by implementing a capital-gains tax. Currently, the federal government taxes investment income at a lower rate than working people's hard-earned hourly wages and salaries. This proposal would close that tax gap by adding a state-level surcharge on capital-gains income over \$500,000 a year.
- The Heirs Tax ([S.914-Brisport/A.2049-Solages](#)), which would raise \$4 billion annually by overhauling the current inheritance tax system to make it more equitable, allowing the state to tax inheritances exceeding \$250,000. (Currently, a New Yorker can inherit \$5 million and pay no taxes.)

**Making ultra-wealthy New Yorkers and highly profitable corporations pay their fair share in taxes to fund public programs and services is common sense — and popular policy.**

According to an [October 2025 Siena Research Institute poll](#) of registered voters across the state:

- 78% of New Yorkers, including 88% of Democrats, 66% of Republicans and 68% of independents, believe that the wealthiest New Yorkers should pay their fair share in taxes to address funding cuts resulting from OBBBA.
- 71% of New Yorkers, including 86% of Democrats, 63% of independents and 53% of Republicans, favor funding universal childcare, affordable housing, and public transportation by raising taxes on large profitable corporations and the top 5% of earners.
- 61% of New Yorkers would rather vote for a candidate who supports raising taxes on the highest income earners to fund government services, rather than cutting government services to control spending.
- Support extends across all regions of the state, including 80% in New York City, 74% on Long Island and 65% upstate.

This legislative session, leaders in Albany have a historic chance to protect working-class communities across the state and make lasting investments in their futures. The Senate and Assembly must deliver one-house budgets that include proposals to raise the billions of dollars

in revenue necessary to replace lost federal funding and fund what our communities need to thrive.

Thank you for this important opportunity to discuss issues affecting the people of New York City.

Sincerely,



Tiffany Cabán  
Council Member  
Progressive Caucus Co-Chair



Sandy Nurse  
Council Member  
Progressive Caucus Co-Chair



Alexa Avilés  
Council Member  
Progressive Caucus Vice Co-Chair



Kayla Santosuosso  
Council Member  
Progressive Caucus Vice Co-Chair