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Regarding Proposed Tax Breaks for NBC Universal, Inc.

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My name is Dan Steinberg, Research Analyst for Good Jobs New York, a joint project of the Fiscal Policy Institute and Good Jobs First. Good Jobs New York promotes accountability to taxpayers in the use of economic development subsidies.

To be sure, NBC Universal's decision to increase its New York City workforce and relocate MSNBC headquarters to Rockefeller Plaza is welcome news. But it is extremely difficult to believe that a company that recorded $16 billion in revenues last year would make a critical location and investment decision based on a $1.5 million tax break, or any tax break for that matter.

NBC announced that it was breaking its subsidy agreement with New Jersey and closing its MSNBC Secaucus studio in October, 2006. Its move to the historic media location of Rockefeller Plaza clearly isn't based on tax breaks but a strategic business plan.

This subsidy proposal needlessly escalates the wasteful competition in which states and cities are currently engaged, and forfeits much needed tax revenue that could be invested in the things large corporations actually care about—such as the quality of the workforce, transportation infrastructure, and the overall quality of life.

Instead of playing this destructive and costly bidding game, New York City and State should be a leader in advocating for a national solution to this problem and, in the short term, working toward broader cooperation with New Jersey to make a region that is more attractive.

Thank you for the opportunity to testify today.