



ASSOCIATION OF TOWNS OF THE STATE OF NEW YORK

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Statement on the 2017-18 NYS Budget and the Countywide Shared Services Property Tax Savings Plan

Governor Andrew Cuomo and the Legislature again missed an opportunity in the state budget to help local governments reduce real property taxes. State aid to towns via AIM and CHIPS combined constitutes 0.1 percent of the entire 2017-18 state budget. An increase to these two funding programs would directly lower property taxes; yet, despite the authority for 2 percent annual spending increases and a stated desire to lower property taxes, the governor opted instead to pass another local government reform initiative.

Including the Countywide Shared Services Property Tax Savings Plan in the final budget means that local governments will have to reallocate their limited local resources away from local services. The average length of a shared service agreement in New York State is 18 years. Local governments simply do not need to be mandated to share services - in fact, it's quite natural to them. The highest cost savings and service delivery improvements happen when shared services are driven by local governments recognizing and responding to the needs of their communities. Instead, what we have is a redundant and confusing tax savings plan, which takes a top-down approach that places too much authority with the county executive and ignores the proven ability of New York local governments to collaborate and share services for the benefit of New York taxpayers and municipalities. Instead of incentivizing localities to work together to address additional remedies for property tax relief, the governor opted for a convoluted construct that, in essence, doubles down on a solution we've already tried.

Legislation effectuating policy, such as local government reform, should not be included in the budget but should be adopted through a democratic process with full public participation and input. "The Countywide Shared Services Property Tax Savings Plan represents a significant policy change that does not belong in the budget and should not be passed on a message of necessity," Association of Towns Executive Director Gerry Geist said.

Though the budget has been adopted, this legislative session is far from over. The Association of Towns will continue to advocate for real, meaningful relief in Albany.