



NYSAC
NEW YORK STATE
ASSOCIATION OF COUNTIES

2017

Budget Priority

PRESERVING LOCAL DMVS

PROBLEM

The current Department of Motor Vehicles (DMV) revenue-sharing arrangement between the state and counties is inequitable. Without adjustment to this sharing rate counties will be forced to increase property taxes to maintain needed local DMV services.

Under New York Vehicle and Traffic Law § 205 county clerks in 51 counties are required to serve as agents of the State DMV Commissioner. Their functions include services that collect fees for the state such as the registration of motor vehicles, motorcycles, snowmobiles, vessels and all-terrain vehicles, the issuance of license plates, and the issuance of drivers' licenses.

The current fee sharing arrangement remits only 12.7% to counties for fees collected by county DMV's while 87.3% goes to the New York State general fund. County overhead to perform this state function continually increases, yet the sharing rate has not been adjusted since 1999. With the state keeping almost all Internet-created DMV revenue this disparity in revenue-sharing has grown to the point where, in 2014-15, the state made a surplus of \$942 million and remitted back only \$39.7 million to counties performing the service.

2017 EXECUTIVE BUDGET PROPOSAL

The Governor's Budget does not address this issue.

COUNTY SOLUTION

New York counties support current State legislation S1908 (Ritchie) /A3397 (Brindisi). This solution fixes the current broken system by increasing the county share of DMV created revenue from 12.7% to 25%. It is important to note, this bill does not increase the fees or costs to residents. Instead this bill ensures more of the resident's money remains local and will only help, not hurt, local residents as this increased funding will enable counties to continue providing quality local services as well as alleviate some of the property tax burdens.

For more information on the county position regarding this issue, visit www.nysac.org/intergovernment or call 518-465-1473 to speak to Patrick Cummings, NYSAC Counsel.