



NYSAC
— NEW YORK STATE —
ASSOCIATION OF COUNTIES

New York State Association of Counties
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Memorandum in Support

S.5418-C (Cooney)/A.6601-A (Rivera)

AN ACT in relation to establishing the New York state aid and incentives for municipalities redesign taskforce; and providing for the repeal of such provisions upon expiration thereof

The New York State Association of Counties (NYSAC) has reviewed the above referenced legislation and strongly supports the enactment of this bill into law.

This legislation establishes an aid and incentives to municipalities (AIM) redesign task force. The task force will be charged with developing a report to the Governor and Legislature. The report will include:

- A review and analysis of the current AIM formula and allocations;
- An analysis of available alternatives to the current AIM formula and allocations, including models from other states; and
- Recommendations concerning such alternatives to the formula used to determine future AIM funding allocations.

The SFY 2019-20 Enacted Budget eliminated AIM funding for most towns and villages in New York State. This funding cut represented a \$60 million revenue loss for roughly 1,300 communities. The Enacted 2019-20 Budget required counties to fund this state cost shift through a diversion of county sales tax to the state.

Requiring counties to make up for the state's cut in AIM funding to villages and towns set a bad precedent and unnecessarily shifts the state's burden to local taxpayers who already pay some of the highest property taxes in the nation. Currently, nine state-mandated programs equal more than 90 percent of the typical county property tax levy, and these mandated costs continue to grow. Cutting state AIM funding shifts the burden for funding this program from income taxpayers to property taxpayers and will result in even higher property taxes.

NYSAC supports the enactment of this legislation to ensure that the state begins to take steps to restore the AIM program back to the responsibility of the state. We further recognize that this is a first step in restoring AIM to a more equitable system and eliminating the county responsibility for funding this program.

It is for the abovementioned reasons that NYSAC supports the enactment of this legislation.

The New York State Association of Counties is a bipartisan municipal association serving all the counties of New York. Organized in 1925, NYSAC's mission is to represent, educate, advocate for and serve our member counties and the elected and appointed county officials who serve the public. For more information, visit www.nysac.org.

TO: Senator Sponsor; Assembly Sponsor; All Senators; All Assemblymembers

RMG 5.3.21