

1 **2021 NYSAC Legislative Conference**  
2 **Standing Committee on Taxation and Finance**  
3 **Resolution #1**

4 **Resolution Calling on the Governor and State Legislature to Substantially**  
5 **Reduce Across-the-Board State Funding Cuts to Localities for SFY 2021**  
6 **and Find Alternatives, Rather than State Aid Cuts to Counties, to Close Out-**  
7 **Year State Budget Gaps**

8 **WHEREAS**, the state's finances were severely damaged by the pandemic, and the  
9 adopted 2021 state budget allowed the Executive to cut Aid to Localities spending as  
10 necessary to achieve balance, which was originally estimated as an \$8  
11 billion (20 percent) cut to localities by the Governor, with \$640 million targeted  
12 to counties outside of New York City in state fiscal year 2021 based on NYSAC estimates;  
13 and

14 **WHEREAS**, these cuts appear to be significantly mitigated as part of the Governor's  
15 SFY 2022 budget recommendation which calls on cuts of about five percent in state  
16 reimbursement for SFY 2021, rather than 20 percent; and

17 **WHEREAS**, counties applaud the Governor's efforts to reduce current year cuts to  
18 localities as he indicated was possible if federal assistance or state revenues came in  
19 higher than expected; and

20 **WHEREAS**, the Governor's SFY 2022 budget includes an across-the-board cut of five  
21 percent of state aid to all localities, a vast improvement from the possible 20 percent  
22 permanent reduction that could have occurred; and

23 **WHEREAS**, county revenues have been devastated by the pandemic as well, with  
24 local non-property tax revenue losses for the counties outside of New York City  
25 estimated at \$400 million in 2020 (equal to 7 percent of the statewide county property  
26 tax levy); and

27 **WHEREAS**, while the state has not received the unrestricted federal aid they had  
28 hoped for, it has been awarded a significant amount of federal funding that is flexible  
29 enough to effectively provide over \$9 billion in state spending relief by NYSAC  
30 estimates, including \$2.2 billion in enhanced Medicaid matching funds (eFMAP) not yet  
31 included in the state financial plan, \$5.8 billion in federal education aid, and at least \$1  
32 billion in additional federal FEMA matching fund relief; and

33 **WHEREAS**, the State also received \$5.2 billion in Federal CARES Act funding that can  
34 be used to pay for direct COVID expenses not covered by FEMA reimbursement which  
35 can include current year salaries of state workers and other operating expenses, in  
36 addition to \$800 million in federal revenue for vaccine distribution and contact  
37 tracing efforts in SFY 2021 and beyond; and

38 **WHEREAS**, the most recent cash report from the State Comptroller indicates that,  
39 while state revenues are behind what they were in the prior year, they are several billion

1 higher than originally projected by the Governor, which was confirmed in the  
2 Governor’s proposed SFY 2022 budget.

3 **NOW, THEREFORE, BE IT RESOLVED** that, in light of the federal assistance  
4 provided so far and improved revenue outlook, the New York State Association of  
5 Counties supports efforts by the Governor and State Legislature to prioritize  
6 the elimination of the proposed state aid cut to localities in SFY 2021 and 2022 as  
7 conditions allow; and

8 **BE IT FURTHER RESOLVED**, that state elected leaders implement other options to  
9 close the fiscal gap in SFY 2022 and beyond to ensure highly desired local services are  
10 maintained and pressure on local property tax increases is minimized; and

11 **BE IT FURTHER RESOLVED**, these additional measures by the state  
12 should include utilizing temporary state revenue and borrowing options over the short  
13 term, as well as implementing programmatic reforms to state programs to lower their  
14 cost and make them fiscally sustainable over the long term even in an economic  
15 downturn, rather than shifting more costs to local taxpayers to pay for state programs;  
16 and

17 **BE IT FURTHER RESOLVED**, that copies of this resolution be sent to the counties  
18 of New York State encouraging member counties to enact similar resolutions; and

19 **BE IT FURTHER RESOLVED**, the New York State Association of Counties shall  
20 forward copies of this resolution to Governor Andrew M. Cuomo, the New York State  
21 Legislature and all others deemed necessary and proper.