

Warren County Board of Supervisors

RESOLUTION NO. 456 OF 2019

RESOLUTION INTRODUCED BY SUPERVISORS THOMAS, MERLINO, STROUGH, WILD, SOKOL, BEATY, DICKINSON, GERAGHTY, FRASIER, DIAMOND AND McDEVITT

OPPOSING THE WITHHOLDING OF LOCAL SALES TAX REVENUES FOR THE PURPOSE OF SHIFTING THE COST OF STATE PROGRAMS ON TO LOCAL GOVERNMENTS

WHEREAS, the 2019-20 Enacted State Budget eliminated Aid and Incentives for Municipalities (AIM) program funding for 1,326 towns and villages in New York State, and

WHEREAS, the 2019-20 Enacted State Budget Office included unprecedented statutory changes that require the State Comptroller to withhold certain county sales tax revenues and make payments to the impacted towns and villages in the amounts that they had previously received through AIM in State Fiscal Year 2018-2019, and

WHEREAS, pursuant to the 2019-20 Enacted Budget, the State Comptroller will withhold \$224,293 in sales tax revenues otherwise due to Warren County and its municipalities in two withholdings, the first occurring on December 6, 2019, and the second in May 2020, and

WHEREAS, pursuant to Local Laws that authorize the collection of this \$224,293 in sales tax revenue, said revenue would have otherwise been shared locally in the amounts of \$112,147 to the Towns and the Village of Lake George, \$2,243 to the City of Glens Falls, and \$109,904 to the County of Warren, and

WHEREAS, the \$114,389 in sales tax revenue that would have otherwise been distributed to the City, Towns and Village but will instead be withheld by the State Comptroller represents a direct reduction of revenue to each of these localities, and

WHEREAS, the \$109,904 in sales tax revenue that would have otherwise been retained by the County of Warren must be offset by county property tax collections, and therefore represents an additional negative fiscal impact to taxpayers in each of these localities, and

WHEREAS, the impacts above equate to a new financial burden being placed upon taxpayers of each municipality as follows:

Town of Bolton:	\$ 35,926
Town of Chester:	\$ 15,435
City of Glens Falls:	\$ 12,142
Town of Hague:	\$ 12,380
Town of Horicon:	\$ 13,417
Town of Johnsburg:	\$ 9,287
Village of Lake George:	\$ 5,245
Town of Lake George:	\$ 20,124
Town of Lake Luzerne:	\$ 8,663

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Town of Queensbury:	\$ 78,351
Town of Stony Creek:	\$ 2,778
Town of Thurman:	\$ 3,535
Town of Warrensburg:	\$ 7,010
TOTAL:	\$224,293, and

WHEREAS, the \$224,293 financial impact of the AIM program in Warren County has, since the program's inception, been supported by the state in order to relieve financial pressure on localities but will now be financed by the very localities within Warren County that the program is intended to assist, thereby contradicting the program's very purpose, and

WHEREAS, transferring costs for the AIM program from the state to local taxpayers represents a tax shift from broad-based state income taxes to regressive local property taxes, and

WHEREAS, the statutory changes authorizing the state to capture local sales tax revenue, which exists by virtue of local laws authorizing the collection of such revenue, are unprecedented, likely illegal, and set a dangerous precedent of the state balancing its own budget by forcibly seizing and spending local tax revenue, now, therefore, be it

RESOLVED, that the Warren County Board of Supervisors urges the Governor and State Legislature to repeal all state laws authorizing the financing of AIM payments through local sales tax revenue and fully restore the AIM program as a state aid program financed by state appropriations, and be it further

RESOLVED, that the Warren County Board of Supervisors hereby directs the County Administrator, County Attorney and County Treasurer to work with their counterparts in neighboring counties as well as the New York State Association of Counties in researching legal remedies that counties can use to challenge the dangerous precedent set by the statutory changes described herein, and be it further

RESOLVED, that the Clerk of the Board of Supervisors is hereby directed to forward copies of this resolution to the New York State Association of Counties, Governor Andrew M. Cuomo, Senator Elizabeth O'C. Little, Assemblyman Daniel G. Stec, the Intercounty Legislative Committee of the Adirondacks and all others deemed necessary and proper.