

Testimony from Westchester County Executive George Latimer to the New York State Legislature Joint Hearing of the Senate Finance Committee and Assembly Ways & Means Committee

Good morning. I am Westchester County Executive George Latimer. Thank you to the two committee chairs, Assembly Member Weinstein and Senator Young and Committee members for allowing me to come before you today to testify on behalf of the people of Westchester County.

We recognize that these are difficult financial times for both the State of New York and Westchester County. Working together is the best way we can find solutions in a cost effective way that will help our taxpayers.

My testimony today focuses on the needs of the people of Westchester County, but those needs are similarly reflected in area across the state, outside of New York City. Westchester is facing a significant budget hole from 2017 and a greater deficit for 2018 – potentially as high, in the aggregate, as \$100 million. In quest of avoiding increases in tax levy for 7 straight years, the County has allowed nearly 75% of our workforce to work without a contract since 2011. The accumulated obligation - our 2018 budget has no revenues set aside to negotiate these – is staggering. There are other issues as well, which do not fall within the scope of

direct State policy, but it creates the climate in which I must govern our county of nearly 1 million people.

As new County Executive, I've requested that the State Comptroller undertake a full review of Westchester's fiscal practices over the past decade. We hope to get guidance on ways to improve our dire situation. We are expecting these results in late March or early April.

However, as we work on our budget for the upcoming year, given this gap, we are especially hurt by the recently adopted Federal tax law. Westchester residents will be hit very hard by the loss of deducting their state and local property taxes. And we share the frustration that County property taxes makes up approximately only 20% of the local property tax bill, leaving the bulk of the impact beyond our direct control. Capping SALT at \$10,000 will result in a direct tax increase for many of Westchester families. Together we must creatively find alternative ways to provide financial relief for people on the state and local levels. I commend Governor Cuomo on providing leadership on this issue, and I expect to support

any creative strategy deemed most effective by the Legislature along with the Governor.

We have a number of issues we would like you to consider as you enter your deliberations on the Governor's proposed 2018 - 2019 Fiscal Year budget. Firstly, Westchester County has the largest bus system in New York State outside of the MTA New York City Transit, servicing almost 30 million riders each year or 100,000 people every weekday. With 325 vehicles and 59 bus routes, we cater to a wide market of users. We provide an important service to help many New Yorkers commute to work by providing feeders to train stations and corporate parks. This is an amenity for New York City residents whose subway lines terminate in the Bronx and are met by our Bee Line buses, and for NYC residents who take Metro North to work at our Westchester businesses such as Master Card, PepsiCo, IBM, Regeneron and numerous smaller, but sizeable businesses. Westchester buses also serve Putnam County.

While Nassau County has a lower ridership than Westchester County, they receive a much greater amount of STOA aid. In the 2018 State budget, Nassau received

\$67.9 million, compared to the significantly lower amount for Westchester, of only \$56.2 million. We are requesting that you provide us with financial parity with our suburban Long Island neighbor. It is fair to ask that the same percentage of local funding our county transit needs falls on our taxpayers in the same proportion as it does on Nassau residents. I am asking to increase Westchester's STOA appropriation over the course of two fiscal years. \$5 million this year would be the first step towards making us equal to Nassau counties aid.

We are already working with the state and our judiciary for implementation of Raise the Age. The proposed Aid to Localities bill will be significantly helpful. However as currently planned these funds will be available on a reimbursement basis. I ask that DASNY provide the financing for all capital improvements without the county fronting the money. Cash flow is an issue for us. Westchester doesn't begin its tax collection until May. We sold a Tax Anticipation Note for borrowing to help with the cash flow for the first five months of the year. Giving DASNY the ability to bond money available up front will be helpful.

The County under an agreement with New York State patrols State Parkways in Westchester. We provide this service to New York State at approximately a \$4 million dollar deficit. In 2017 \$1,984,000 in Aid to Localities was appropriated for a one year period from October 2017 to September 2018. This funding has not been increased for many years and currently there is no money in the Governor's budget for this grant. Additionally, we receive no revenue from fines for the tickets that we issue. We request \$4 million to fully pay for the cost of Westchester County to patrol state parkways.

Along with the New York State Association of Counties (NYSAC) we ask that the State fund and make County-wide Shared Services Panels permanent. This is a helpful tool for localities to collaborate and save money. Westchester received no money through this initiative last year but we are working cooperatively with officials to get assistance which will provide relief to county taxpayers. My County Administration is committed to a robust effort to identify and implement shared services to the greatest extent possible.

Veterans throughout America and New York deserve our support for their admirable service to our country. The Joseph P. Dwyer Peer to Peer mentoring program has helped save the lives of our former service men and woman who suffer from Post-Traumatic Stress Disorder (PTSD) and Traumatic Brain Injury (TBI). It has helped returning members of our military adjust to civilian life, pursue outreach and education, encourage a connection among family, friends and community and to provide access to suicide prevention initiatives. Although this has been one of the most successful treatments for them, the 2019 proposed budget does not include funding for this critical initiative. I ask that you restore the 2018 funding level for this program.

Providing a free, fair accessible and secure voting system is the life blood of our democracy. If we fail our constituents in safeguarding our election process then we are not fulfilling a primary function as a public servant. The lives of New Yorkers are hectic. Westchester itself is a busy metropolitan suburb with people working long hours and commuting to New York City for long work days.

Government can no longer restrict people to elect its representatives within a 12 hour window. Early voting is a critical way to allow citizens to participate in the

electoral process in a modern society. There are enough states who have early voting to show it is a safe, successful and necessary option to improve voter participation. A study by the Brennan Center For Justice stated, early voting "...adds important flexibility and convenience, reduces the administrative burdens on the Election Day rush, keep elections safe and secure and helps bring our antiquated system into the 21<sup>st</sup> century." We applaud and strongly endorse Governor Cuomo's proposal to institute early voting across the state. However counties cannot afford to pay for it alone; we need State resources to get early voting done in New York. Let's work cooperatively on finding a way to fund this important proposal.

Similarly, we need to find creative ways to provide revenues for municipalities. We support closing the internet sales tax loophole. People are changing their patterns, with less shopping at stores in our shopping center malls and more purchasing everyday items online. From clothing to shaving cream to household goods, the internet and apps are providing busy New Yorkers with easier and faster means of getting what they need. Expanding the sales tax collection to all internet based vendors is estimated to generate \$80 million during Fiscal Year 18-

19 and \$159 million annually thereafter and creates a level playing field for the bricks-and-mortar stores that are the backbone of our downtowns everywhere.

Thank you again for taking the time to listen to my testimony today. I greatly valued my 13 year as your colleague in both the Assembly and the Senate, and, alongside my team in Westchester County Government, we are anxious to work with all of you on finding positive solutions to the fiscal challenges that we all face.