



NEW YORK STATE SENATOR

Malcolm Smith

## Senate Passes Landmark Government Reform Bill

MALCOLM A. SMITH June 3, 2009

### *Legislation Empowers Communities to Reduce Tax Burden*

(Albany, NY) – Today, the New York State Senate passed landmark government reform and consolidation legislation (S5661) that empowers local communities across the state to reduce the tax burden facing New Yorkers by establishing a process to eliminate unneeded and costly “special districts.”

The New York Government Reorganization and Citizen Empowerment Act passed with broad bi-partisan support, led by lead sponsor, Senator Andrea Stewart-Cousins (D-Yonkers). The Senate’s bill gives communities the opportunity to consolidate local municipalities and services if the majority of voters feel that doing so is in their best interests. The legislation also protects any municipality from having to take actions they feel would be detrimental to their community.

Despite studies being done for years regarding New York State’s increasing special districts and tax burden, the state has become home to a massive bureaucracy of 10,521 local governments, further burdening New Yorkers with unnecessary layers of bureaucracy. More than 8,000 new special districts have been enacted since 1940. As a result, many New Yorkers are forced to pay for overlapping services, such as water, sewer and lighting.

“Cutting wasteful government spending through government consolidation and eliminating unnecessary and costly layers of bureaucracy will reduce the crushing tax burden on millions of middle-income New Yorkers,” said Senate Majority Leader Malcolm A. Smith.

“During times of financial distress, we must find a way to do more with less, and that includes government. This bill empowers individual communities to determine the size of their government through a lasting process of reform that could potentially save millions in local property taxes. I applaud the Attorney General, as well as Senators Andrea Stewart-Cousins and Betty Little for their work on this legislation and their innovative approach to reducing the tax burden on New York families.”

“I commend the state Senate for taking action on such a critical issue and giving local communities the ability to reduce government overhead and cut property taxes,” said Attorney General Cuomo. “New York is now at an historic crossroads decades in the making. Taxpayers may soon be truly empowered to create long overdue efficiencies in local governments and special districts across our state. I thank the Governor for his support throughout the process and I look forward to this bill finally giving New York’s overburdened taxpayers the ability, where appropriate, to streamline their local governments and cut their property taxes.”

“After 75 years of discussion about making government more effective and making spending more efficient, the Senate has passed legislation that truly empowers our communities and will help address the burden of property taxes on families across the State of New York,” said Senator Stewart-Cousins, Chairwoman of the Senate Committee on Local Governments.

“The outstanding component of this bill, in my opinion, is that it is the taxpayers who will decide how to best enhance the delivery of services and achieve savings locally. Attorney General Cuomo is to be commended for his diligence in advancing this measure, and for partnering with me and my colleagues in the Senate to address the bi-partisan issues of

government reorganization and citizen empowerment that are important to all of us. This is the first step, but it is a very big first step, towards meaningful government reform and consolidation.”

By giving voters the ability to consider changes to local, municipalities, hundreds of millions of dollars could potentially be saved by streamlining services. According to the State Department of Transportation, \$245 million could be saved by merging highway and other transportation services.

Indicative of how the tax burden has risen, statewide nearly two-thirds of all revenue for special districts comes directly from property taxes and assessments on real property. Furthermore, special districts in Niagara County (77 %), Nassau County (65%) and Warren County (52%) are responsible for a majority of all real property taxes and assessment revenues collected by towns.

*-- Additional Quotes --*

Senator David J. Valesky (D-Syracuse), Vice President Pro Tempore of the Senate said, “Consolidation of outdated and inefficient layers of government has strong potential to reduce the stifling property tax burden New Yorkers face. I am pleased to co-sponsor this legislation, which puts control of this decision making process where it belongs, in the hands of community residents.”

Senator John Sampson (D-Brooklyn) said, "As public officials it is our duty to represent the best interests of all residents of the State of New York. The ‘New N.Y. Government Reorganization & Citizen Empowerment Act’ will ensure that more taxpayer dollars stay in taxpayers’ pockets by cutting unnecessary costs and bureaucratic layers that we can work

more efficiently without. I am proud to say that we have been able to achieve this critical objective while at the same time allowing for the improvement of our communities."

Senator Liz Krueger (D-Manhattan) said, "Allowing localities the autonomy to consolidate their own government will eliminate bureaucracy and lead to more efficient government. I applaud my colleagues for making good government a top priority and passing this bill."

The New York Government Reorganization and Citizen Empowerment Act passed by a vote of 46 to 16.