



NEW YORK STATE SENATOR

John J. Flanagan

Statement From Senator John Flanagan Regarding Governor Cuomo's Veto

JOHN J. FLANAGAN September 27, 2011

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Governor Cuomo was wrong to veto my legislation restoring \$3.5 million in building aid to Smithtown School District. The veto would have been expected and understood if the aid had been based upon some act of fraud, abuse or malicious intent. But, nothing could be further from the truth in this case.

Smithtown School District has had an honorable reputation for filing its building aid cost reports in a timely manner. Of the \$150 million in capital construction projects entered into by the District since 2000, Smithtown has received more than \$44 million in state aid reimbursement for 77 cost reports filed properly and on time. In addition, the District has repeatedly demonstrated responsible budgeting practices that are sensitive to the needs of their resident taxpayers. In short, the District has a solid track record that deserves better consideration and treatment by the State.

By denying aid to Smithtown for failing to file four cost reports on time, the Governor has shown he is misguided on this issue.

Education law has long provided a mechanism to correct inadvertent filing errors by school districts and allow them repayment of aid for eligible projects. In the past, the State

Legislature routinely passed these corrective measures and Governors approved them. While the schedule for repayment is not immediate, the approved legislation guarantees that a district will eventually be made whole by the State – even if that takes several years. For administrators and school board members, that guarantee of future revenue is critical to the budgeting process and to maintaining a strong bond rating.

Governor Cuomo's veto unfairly penalizes the residents of Smithtown and creates a needless \$3.5 million hole in the District's budget. This is on top of the impact of his proposed budget cuts, which were ultimately mitigated by Senate Republicans through their significant restorations to education funding. Without further action by the Governor, Smithtown School District could be forced to close an unexpected \$3.5 million shortfall through cuts in programs and services or tax increases – or both.

While I am disappointed with the Governor's recent veto, I am also heartened by his veto message which demonstrates his support for addressing this matter in the context of the state budget. After all, these construction projects were undertaken by Smithtown to provide a safe and protective learning environment for our children. And, despite the administrative error in filing the four cost reports late, all the claims referenced in my bill were legitimate and deserve to be paid. Furthermore, we should be commending the District for acknowledging its mistake and taking internal corrective actions to prevent these types of errors from occurring in the future.

Therefore, it is my hope that Governor Cuomo will honor his own veto message by including language in his 2012-13 Recommended Budget to grant the full restoration of building aid sought by my legislation on behalf of the Smithtown School District. He still has time to make this right.

Sincerely,

