



NEW YORK STATE SENATOR

Chris Jacobs

Jacobs, Elected Officials Urge Cuomo to Restore Cuts in AIM Funding

SENATOR JACOBS January 25, 2019

| ISSUE: **AID AND INCENTIVES TO MUNICIPALITIES**



(Buffalo, NY) – New York State Senator Chris Jacobs made public today a letter he sent to Governor Andrew Cuomo formally requesting that the Governor make full restoration of Aid and Incentives to Municipalities Funding as part of the Executive’s 30-day budget amendments. The Senator was joined by local elected officials from across the 60th Senate District who supported his call for the restoration.

“Over 90 percent of the towns and village across the state, including 11 out of the 12 in my Senate District, will suffer severe budget consequences if this funding is not restored,” said Senator Jacobs. “These cuts will prevent these municipalities from being able to deliver the most basic quality of life services from improving public safety to repairing decaying infrastructure. We simply cannot allow this to happen.”

What makes the reduction in funding especially troubling is the fact that it comes after the local municipalities have already approved their budgets for the current fiscal year, making it extremely difficult to adjust and leaving them little time to examine options.

Compounding the damage the cuts will have is the fact that the Governor’s budget proposal does not provide any mandate relief for overburdened local governments.

“I want to thank Senator Jacobs for his leadership on this issue of critical importance to virtually every municipality in Western New York,” said Orchard Park Town Supervisor and president of the Association of Erie County Governments Patrick J. Keem. “We have absorbed everything that Albany has forced on us and prepared our budgets in good faith with no request for any increases in AIM. I would hope that the Governor would now respond with the same good faith shown by Supervisors and Village Mayors across the state.”

“Like most other Supervisors and Mayors in the 60 Senate District and across the State, I was stunned when the news came out about the loss of this important funding source,” said Town of Tonawanda Supervisor Joseph H. Emminger. “All of us are united in our fight to restore the funding and are very grateful for Senator Jacobs speaking up on behalf of, not only our community, but residents and businesses across his district on this crucial issue. Our 2019 budget, already approved, stands to lose almost \$400,000 in 2019 that we cannot make up for at this late date.”

“For smaller communities like the Town of Evans that do not have the same size industrial and residential tax base, but still have the same service challenges and obligations as larger municipalities, AIM funding is an incredibly important revenue source,” said Supervisor Mary Hosler. “To pull this money out from under us in the middle of our fiscal year and not provide any additional cost savings or reforms will put a huge strain on our ability to provide the services our residents need.”

Opponents of the Governor’s action also cite the extremely arbitrary nature of the proposed cuts. AIM funding for cities across the state has remained untouched leading some to criticize the Governor for playing favorites. If a town or village relies on AIM funding for more than 2 percent of their budgets, their funding has not been cut, a move critics say unduly punishes local governments that are well managed and exercise fiscal restraint.

“Under the Governor's proposed budget, the Village of Hamburg will lose \$102,635 in AIM funding,” said Mayor Thomas Moses. “While this may not seem like a lot of money to the State of New York, for the small, full service Village of Hamburg that amount represents 1.0% of the village budget. The loss of funding will negatively impact our property tax rate by 1.5%, making it that much more difficult to comply with the 2.0% property tax cap.”

“As president of the Erie County Village Officials Association, we hope that AIM funding, a revenue source for New York State municipalities for the last fifteen years, will be restored,” said Kenmore Mayor Patrick Mang. “It is unfair to eliminate AIM funding at the same time the state is forcing us to keep our budgets within the property tax cap. Without AIM funding it will be extremely difficult for local governments to meet the needs of their communities.”

Senator Jacobs noted that AIM funding, which has been in existence for 15 years, has not seen an increase in the last 7 years despite the state placing more and more demands on local

governments. Even more reason according to Jacobs why the funding should be fully restored. If the Governor is intending to use the cuts as leverage in budget negotiations, the Senator maintains that is bad public policy and another example of how broken New York State's budget process is.

"These local government have worked hard and in good faith to balance their budgets while provide the critical services their taxpayers rely on," said Jacobs. "They are not asking for more, they are simply requesting to be held harmless and receive the levels they budgeted for. They deserve certainty and full funding, and should not be used as pawns for negotiating a final budget," Jacobs concluded.