



NEWS RELEASE

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NYCOM's Mayoral Task Force on Mandate and Property Tax Relief Releases Recommendations

A delegation of mayors from across the state today released a report containing recommendations of the New York State Conference of Mayors' Task Force on Mandate and Property Tax Relief. The report, entitled ***"You Can't Cap What You Can't Control,"*** contains a significant set of mandate relief proposals, primarily in the workforce arena, that must be adopted by the State Legislature prior to considering any form of a property tax cap. It also identifies those rapidly rising costs – the growth of which is beyond local control – that must be excluded from a property tax cap.

"For decades, state mandates have been tying the hands of local officials, particularly with respect to public sector salaries and benefits," said Sam Teresi, Mayor of the City of Jamestown and NYCOM President. "While these costs are the largest single component of city and villages budgets, they are also the most difficult to control because they are collectively bargained and, in the case of public safety, subject to binding arbitration. This report highlights the necessary steps that must be taken to finally give us the ability to better manage our finances without having to resort to drastic cuts in services and jobs."

In addition to first calling on the state to impose a temporary freeze on public sector wages, the recommendations focus on ways to provide property tax relief by reducing local government expenses associated with employee pensions, health insurance, and police and firefighter disability benefits. The report also identifies necessary reforms to the prevailing wage and civil service laws that would help lower municipal infrastructure costs and provide public employers greater ability to manage their workforce so they can provide services more cost-effectively.

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"A property tax cap without mandate relief and necessary exclusions is doomed to fail," said Peter A. Baynes, NYCOM Executive Director. "Projected growth in pension and health insurance costs alone will exceed the 2% tax cap fivefold in its first two years. The untenable reality is that employee benefits would, in a few short years, consume every single dollar of capped property taxes."

The Task Force, NYCOM's Executive Committee and full membership look forward to working with the new Administration and the State Legislature to implement these recommendations in the hope of achieving a better and more affordable New York.

A variety of other statewide organizations have expressed support for the Task Force recommendations:

G. Jeffrey Haber, Executive Director, Association of Towns of the State of New York: "Everyone agrees that property taxes are too high in New York. There is no way to responsibly address that without substantial and meaningful mandate relief. Whatever increases in town property taxes over the past few years that might have occurred is more the result of passed down mandates and reductions in revenue sharing than increases in local spending. Just a tax cap limit without mandate relief can only result in a reduction in services and the quality of life for New York residents."

Elizabeth Lynam, Vice President and Director of State Studies, Citizens Budget Commission: "Mandate relief should be paired with any effort to cap local taxes. State leaders need to begin taking responsibility for their part in driving the local tax burden."

Stephen J. Acquario, Executive Director, New York State Association of Counties: "Through its state mandates and cost shifts, the state is responsible for much of New York's high property tax burden. For counties, 9 state mandates consume 90 percent of the county property tax levy statewide. If state leaders are serious about property tax relief they must first reform and reduce the mandates they impose on each of our local governments."

David Little, Director of Government Relations, New York State School Boards Association: "There can no longer be doubt that we are in decidedly bleak fiscal circumstances. Only decisive action will allow a return to prosperity. Locally elected school officials embrace the need for greater efficiency, while striving for greater effectiveness and so NYSSBA joins with NYCOM to advance dramatic, but long overdue reforms."

Duncan MacKenzie, Chief Executive Officer, New York State Association of Realtors: "A property tax cap, mandate relief and consolidation of services are three powerful bullets in the chamber, but state lawmakers must pull the trigger on all three simultaneously in order to truly achieve property tax relief. This is a watershed moment for New York State's economic future that we must not let pass without comprehensive and meaningful reform."