

Democrat and Chronicle, May 6, 2008

Trim layers of local governments

William A. Johnson Jr.

Guest essayist

The Commission of Local Government Efficiency and Competitiveness has submitted recommendations to Gov. David Paterson that will lead to sweeping changes in the way counties, cities, towns and villages function.

Since our creation 12 months ago, the commission has heard inspiring ideas and heartfelt concerns statewide. Local officials were urged to identify innovative governance approaches, which has led to the consideration of more than 200 new reform initiatives.

Fifteen commissioners and a lean six-person staff have worked arduously to produce a document that is reasonable and achievable. Time will tell how successful we are. Governors as far back as Theodore Roosevelt and Al Smith, and as recently as Mario Cuomo and George Pataki, named reform panels with meager results. Far too much is at stake for this latest effort to fail. The governor and Legislature must begin to enact provisions this session, to set the stage for local governments to embrace voluntary actions that produce significant cost savings and efficiencies.

Our fiscal situation is bleak. *USA Today* recently reported that 63,000 new state and local government jobs were filled nationwide during the first three months of 2008, while 286,000 private-sector jobs were lost. Stateline.org reported that 23 states faced budget deficits totaling \$26 billion. Paterson predicts a three-year, \$20 billion deficit for our state alone, with few revenue sources to cover it. The debt level is \$53 billion, and projected to rise by billions.

Clearly, some things must change! In New York, 3,159 general and special-purpose governments (counties, cities, towns, villages, school districts and fire districts) spent more than \$131.5 billion in 2005 (the last year reports were available), and that number easily exceeds \$150 billion today. Another 1,900 special districts eat away at our economic competitiveness.

This is clearly too much government, too much spending, too much debt. We long ago ceased to live within our means. We can't afford to maintain an antiquated, bloated system with an insatiable appetite. Indiana, Maine and New Jersey are taking steps to reduce support for small, inefficient governments and encourage consolidation of local services. They understand the nexus between high taxes and large numbers of governmental units. Our state must follow the same course.

The commission charted a pragmatic course, which relies on state and local cooperation, not forced state mandates. In areas where laws, regulations and constitutional restrictions make such cooperation difficult or impossible, we recommend changes. Where localities are willing to consolidate or share services, we recommend financial and technical incentives. The 200 ideas emanating from the Local Initiatives process need to be strongly supported to fruition. Properly nurtured, they will spark real reform in this state, which reluctant municipalities will be encouraged to replicate.

Only in one case have we recommended extraordinary power for any official: empowering the education commissioner to order the consolidation of school districts, based on objective standards of review, public hearings and Board of Regents approval. We have made significant progress in reducing the number of districts by 92.5 percent since 1930 (from 9,118 to 685). Yet in 2005, 107 districts had fewer than 500 pupils each, and another 110 had 500 to 1,000 students. This presents a real opportunity to achieve greater efficiency.

None of these changes will be possible without citizens' support. For too long they have been persuaded that any reduction in government structures is antithetical to their best interests. Yet these same citizens

demand lower taxes. We must prove the nexus between higher taxes and large numbers of governments. We must demonstrate that efficient government can improve their lives.

We must mount a public education campaign that generates a groundswell of support for reform. That will not come easily, because the protectors of the status quo have already served notice that they intend to defeat these proposals. Hopefully they can be persuaded to place the well-being of the community ahead of their own pecuniary interests. They must understand that the instability of their employers affects their own economic security.

Our real work has just begun. We must fan out across our local communities to mobilize citizens, business and religious leaders, civic and fraternal organizations to rally behind a movement that will not only modernize our structures, but will establish a framework for economic renewal.

Johnson is distinguished professor of public policy, Rochester Institute of Technology; and former Rochester mayor.