



NEW YORK STATE COMMISSION ON  
**LOCAL GOVERNMENT  
EFFICIENCY &  
COMPETITIVENESS**

**Commission on Local Government Efficiency & Competitiveness  
January Update**

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**State of Upstate Address**

In his [State of Upstate](#) address this month, Governor Spitzer reiterated his continuing commitment to make local government more efficient and cost-effective. In addition to announcing a new property tax commission, he highlighted the continuing work of this Commission. He said:

“We will also continue working with local governments to streamline the 4,200 taxing jurisdictions across the state. My Commission on Local Government Efficiency and Competitiveness—led by our former Lieutenant Governor and Mayor of Jamestown, Stan Lundine—has already advanced 150 locally-generated proposals. For the first time, these proposals were advanced from the ground level up, instead of imposed down from Albany—giving us real hope that consolidation and shared services will become a reality. And in April, this Commission will release their final report. . . .”

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**Executive Budget Recommendations**

Shortly after the Governor gave his State of the State and State of the Upstate addresses, he released his [Executive Budget](#), which includes both funding and statutory changes. A number of early recommendations from the Commission have been included in the Governor’s Budget proposal, which now goes to the Legislature for action.

The Commission is due to report in April 2008 with comprehensive recommendations, but chose to start the process with early consensus resolutions, provided in time for the Governor’s Executive Budget. While some of these recommendations are simply good government measures, like support for Wicks Reform and improved financial data that will allow benchmarking and cost comparisons, many of the proposals respond to initiatives sent in by local leaders to the Commission. Many remove impediments or increase the ability of local governments to act cooperatively.

Commission recommendations in the Budget include:

**Health Insurance** –Statutory changes to facilitate inter-municipal employee health insurance approaches are recommended. These would ease provisions for municipal cooperatives, require insurers to provide claims experience to facilitate studies of such cooperatives, and re-evaluate requirements for local governments with fewer than 50

employees. Countywide health insurance plans are being looked at in nine counties already, and these changes could be very important to such efforts.

**Highway Services** – In Chemung and 12 other counties highway service consolidation or coordination is being considered. Actions in this area include:

- A highway services functional consolidation incentive (first available in 2009-10) would provide a 30% aid bonus. This would be transitional support (it phases down over five years) to local governments that functionally consolidate highway operations countywide, including either 90% of non-state maintained roads or all of the towns within a county.
- Villages could turn over road maintenance to towns without an aid reduction (as can currently occur inadvertently). A hold-harmless provision is provided for CHIPS highway aid on lane mile transfers.
- Greater cooperation between the state and localities is enabled, particularly under emergency conditions.
- The State Department of Transportation will undertake a study of state and federal aid evaluating the best ways to meet local needs, reflect local conditions, maintain existing infrastructure, and promote shared maintenance and smart growth principles.

**Procurement Reform** – Increased thresholds are provided for competitive bid requirements, and the State's Office of General Services will expand services to offer local governments a broad selection of equipment and services that they can purchase off state contract (suggested by an initiative from Albany, Rockland and Orange Counties).

**Citizen Petition Improvements** – In several notable recent cases, citizen petitions for dissolution of villages and fire districts have been rejected based on technicalities. The budget legislation provides a clarified and simpler petition process for citizens wishing to dissolve villages and fire districts is to ensure that citizen initiatives that can reduce local taxes are not stymied by unclear and complex requirements. Village dissolution petitions were initially rejected in Johnson City (Broome County) and Speculator (Franklin County). Citizen petitions in the Gordon Heights Fire District were also rejected by the Town of Brookhaven in Suffolk County.

**Multi-County Positions** – The law often contains residency requirements for certain public officers, which may be particularly difficult to meet in rural areas. The budget contains proposals to allow counties to share the positions of Director of Weights and Measures, as well as Public Health Director, and board of health.

**Assessing** – In at least sixteen counties across the state consolidated or coordinated assessing is being explored. Increased aid to will be available for areas that assess uniformly countywide using modern professional standards. To help consolidate and professionalize the assessing function, elective assessors would be converted to appointive positions (as has already occurred in most communities). Also, 145 duplicative village assessing units will be phased out.

**Tax Collection** – Consolidated and modernized local property tax collection operations will be encouraged through funding of studies and making other changes including the elimination of elective positions for "Receiver of Taxes." In Onondaga County and eight other counties consolidated operations are being considered. This can help cut

expenditures and also provide taxpayers with modern conveniences such as online billing and payments.

**Ending Pay and Perks for Special District Commissioners** – Like school board members and fire commissioners, special district commissioners should not receive compensation or other benefits. There is great concern about these payments on Long Island, where virtually all of these commissioner-run special districts are located, and the budget addresses this. In addition, independent sanitation districts would be subject to town management, which will increase accountability and transparency and can help reduce costs.

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### **Enhanced Shared Services & Consolidation Grants**

The Executive Budget includes enhancements for grants focused on consolidation and major service sharing arrangements that save taxpayer dollars. These **Local Government Efficiency Grants** would be a redesign of the existing shared services incentive program that includes new consolidation incentives, technical assistance, and state agency services.

**21st Century Demonstration Grants** are an exciting new component of the program. These grants would provide support for local leaders willing to implement transformative changes in areas like schools consolidation or countywide or regional service models in areas like highway maintenance, policing, and smart growth planning.

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