



STATE OF NEW YORK
EXECUTIVE CHAMBER
ALBANY 12224

TO THE SENATE:

I am returning herewith, without my approval, the following bill:

Senate Bill Number 2006, entitled:

“AN ACT authorizing the towns of Richfield, Otsego and Exeter in the county of Otsego to establish a lake improvement district”

NOT APPROVED

This bill would authorize three towns within Otsego County – the Towns of Exeter, Otsego and Richfield – to create a lake improvement district to prevent flooding of the properties surrounding Canadarago Lake, including necessary dredging and improvements to the Panther Creek Mountain Dam.

On April 23, 2007, I issued an Executive Order creating the New York State Commission on Local Government Efficiency and Competitiveness (“Commission”). That Commission was created, in part, because of my concern about the proliferation of separate taxing jurisdictions throughout the State – now totaling more than 4,200 – and the impact that these often overlapping jurisdictions have on homeowners, businesses, and the State’s economy. Among other things, the Commission will be studying whether many of these jurisdictions are necessary, the extent to which some can be merged or abolished, and how our laws can be changed to facilitate local government consolidations and sharing of services among municipalities. The Commission will issue a final report in April 2008.

I cannot sign legislation creating this type of special assessment jurisdiction at this time, because I firmly believe that we need to decrease, not increase, the number of such jurisdictions. I agree that Canadarago Lake and the Panther Creek Mountain Dam need improvements to address repeated flooding that has caused extensive property damage in recent years, but there are several ways this can be accomplished without the creation of a special district.

First, Canadarago Lake Improvement Association asserts that it owns the dam, and the owners of the over 600 parcels of land surrounding the lake – who will be the primary beneficiaries of the improvements – can contribute funds to the association to undertake this work. Second, if Otsego County or the three affected towns determine that the improvements would provide a general “public benefit,” then any of those local governments (either alone or in combination) could undertake this work using general tax revenues and any available grants. If for some reason none of those options is pursued, then I could support legislation authorizing Otsego County and/or the three towns to undertake the necessary improvements, and to directly assess any additional costs not covered by grant funding as charges against the lakefront properties.

Creating a new special assessment district is far less desirable than any of the above three options. Once the district is created, it will need employees and office space, and will have to incur other overhead costs. In addition, those new employees will need to have the expertise to hire contractors and oversee the work on an ongoing basis. Moreover, even after all the improvements are made, the special district will continue to exist, and will continue to collect assessments from the homeowners, simply to keep itself in operation. In effect, we will be creating another layer of government, even though Otsego County already has the employees and infrastructure to do this task, with input from the towns and the affected homeowners.

In sum, this bill is unnecessary. To the extent that Otsego County or the affected towns need assistance in identifying the public benefits that will result from the anticipated improvements, or need assistance in deciding how best to arrange for the improvements to be made, both my office and the Commission on Local Government Efficiency and Competitiveness are available to assist them.

The bill is disapproved.

