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Countywide Shared Services Property Tax Savings Plan Proposal
Revenue Bill Part BBB

While the State Legislature has unquestionably improved proposed legislation on countywide shared services plans, in particular by eliminating the mandatory countywide referendums and keeping Aid and Incentives for Municipalities (AIM) as an unconditional source of state assistance to local governments, there remain several issues in the current proposal that we would like to bring to your attention

Panel Participants should be selected by Municipal Governing Bodies (section 1.2[b])
As the legislation stands, the town supervisor would serve on the plan panel. To ensure participation, it is essential that this should be changed so that the town board designates a panel participant, with the supervisor serving if the board fails to act within a prescribed period of time. Towns should not be foreclosed from participating if, for instance, the office of town supervisor is vacant or because a supervisor who has a full-time job is unable to participate. Providing towns with the option to select the panel participant is an easy way to ameliorate these issues.

Panel Participation Opt-out should include Plan Opt-out (section 1.2 [a])
Under the current proposal, municipalities that opt out of panel participation are still bound by the finalized plan. The legislation should clarify that municipalities that opt out of the panel are also excluded from finalizied plans.

Plan should include Existing Shared Services Agreements and Efficiencies (section 1.4 [a])
The proposed legislation excludes efficiencies that can result in savings and shared services, purchases and consolidations that have been in place and will continue to reduce property taxes from being included in the plan. These savings should be recognized and eligible for matching funds.

Proposed Deadlines Need to be more Flexible (section 1.4 [b])
The legislation sets unrealistic deadlines that should be adjusted. As proposed, the county executive must convene a shared services panel involving multiple stakeholders, hold at least three public hearings, develop a tax savings plan, and submit a plan all before August 1, 2017. Plans then have to be finalized in September and presented to the public in October. Given that grant applications for matching funds will not be entertained until 2018, the deadlines should be adjusted to allow local governments until December 31, 2017 to finish the plan.

Finalized Plan must be consistent with the Panel-Approved Plan (section 1.5 [a])
The county executive has significant authority under the proposed legislation that allows him or her to unilaterally draft the initial plan and then finalize the plan once approved by the panel. The legislation should clarify that the finalized plan must be consistent with the panel-approved plan and does not give the county executive the authority to make substantive modifications.

Panel Vote should be Unanimous (section 1.4[d])
To encourage more collaboration and participation, the plan should be approved by unanimous vote of the panel instead of by simple majority as currently proposed.

Matching Funds (section 1.8)
Under the current proposal a shared service plan may be eligible, subject to appropriation, application and certain requirements, all of which are yet to be determined and with no deadline set forth for such determinations, for a one-time matching grant. While this is a step in the right direction, such a qualified incentive program, practically speaking, does not function as a strong incentive to local governments. Instead, the legislation should contain an appropriation for the incentive program, include all approved countywide shared service plans, and set forth the terms and conditions under which incentive grants will be awarded.