



OPPOSE

MEMORANDUM IN

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TO

Parts KK and LL of S.2505 / A.3005 Cuts to Local Government Aid

The CSEA strongly opposes proposals to reduce State aid to local governments by eliminating and/or cutting Aid and Incentives for Municipalities (AIM) funding and Video Lottery Terminal (VLT) aid.

The Executive Budget proposes to eliminate AIM payments to the towns and villages still receiving AIM, while cutting AIM payments by between 2.5% and 20%, depending on the city's dependence on AIM. These cuts are supposed to be filled by the state intercepting county shares of sales tax, however these payments are also cut by 20%. This proposal would result in the loss of \$13.5 million to towns and villages and \$34.6 million to cities.

In addition, the Budget proposes to eliminate VLT aid to the fifteen municipalities outside of the City of Yonkers that receive such aid. Yonkers would see its aid cut by 5%. This proposal would cut another \$10.3 million in aid to local governments.

While the dollar figures of these proposals may seem small in the context of a \$190 billion budget, every dollar matters to these municipalities. Whether taking care of our roads, collecting garbage, or providing social services, local governments are often the frontline service providers in a community. Every level of government has seen increased costs from COVID, and every level of government is trying to cope with those costs.

If local governments aren't kept whole, services and jobs will be eliminated. Public employees are also taxpayers, consumers, and supporters of local businesses. Forcing local governments into a position where they have to lay off employees will only further delay our state's recovery.

On behalf of 300,000 active and retired, public and private sector employees, CSEA urges the rejection of these proposals.

Respectfully submitted,

Fran Turner
Director