

The New York State County-Wide Shared Services Property Tax Savings Plan Initiative for 2017-2018



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Prepared by Kevin M. Bronner, Ph.D.

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www.albanyrpa.com

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Prepared By:

Albany Research in Public Administration (ARPA)
4 Georgian Terrace
Albany, New York 12211
(518) 489-5252
www.albanyrpa.com

ARPA New York State Local Government Improvement Program Series

This study adds to a four part series about the efforts of the State of New York to improve local government efficiency. The series includes reports on:

1. The New York State Fiscal Stress Monitoring System for Local Governments.
2. The Financial Restructuring Board for Local Governments *A New York State Entity*.
3. The New York State Local Government Real Property Tax Freeze.
4. The New York State Department of State Local Government Efficiency Program.

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Abstract

The New York State Legislature passed the 2017-2018 budget for the state during April 2017. The budget includes a new program for the 57 county governments that exist outside of the City of New York. The plan is called the *County-Wide Shared Services Property Tax Savings Plan Initiative*. It was enacted using Part BBB of Chapter 59 of the Laws of 2017 for the State of New York. The new initiative requires that the head of all 57 county governments organize a shared services program for the governmental units within its jurisdiction. The plans are to be completed in 2017 or in 2018. There is an incentive for the governments to cooperate with the effort since state funds may be provided for those governments that properly implement the program.

The Shared Services Program

The State of New York New York Executive Budget for 2017-2018 established a County –Wide Shared Services Property Tax Savings Initiative for the 57 county governments in the State of New York outside of the City of New York. (New York Government Finance Officers Association 2017). Part BBB of Chapter 59 of the Laws of 2017 contains the legislation to develop the program. (New York State of Opportunity County-wide Shared Services Initiative 2017). The program requires that the chief executive officer of each government organize an effort to develop a shared services program for the county government and other governmental units within its jurisdiction. A Shared Services Panel will be developed for each county and will consist of officials from the county and other local governments in the county. The Shared Service Panel is to be composed of local officials from the county government and cities, villages and town governments. The panel may also be composed of school district officials and Board of Cooperative Educational Services (BOCES) officials.

The system is designed so that the shared services plan will be finalized this summer and approved by the county legislative body by August 1, 2017. Once the plan is approved it is to be transmitted to the New

York State Division of the Budget no later than September 15, 2017. If a plan can't be approved this summer it can be submitted no later than August 1, 2018. There is an incentive for the local governments to approve the plan since one-time grants may be awarded to local governments who successfully implement the program.

The New York State Department of State is one of the key state agencies involved with the shared services program. (New York State Department of State 2017A). The agency has already conducted a series of information sessions for local government officials across the state. (New York State Department of State 2017B). They produced a *County-wide Shared Services Initiative Guidance Document* outlining the specifics as to how the program works. (New York State Department of State 2017C). This manual outlines the local governments that can participate in the program and contains a timeline showing the implementation schedule. The program must quantify the property tax savings that are expected to develop from the shared services initiatives. The manual also shows that those governments that comply with the program may be eligible for a one-time state grant for the net savings developed from the plan. The manual also contains the forms to be used to submit the shared services programs to the State of New York.

The program appears to have a tight schedule since the initial shared services plans can be completed as early as September 17, 2017. State agencies such as the New York Department of State and the New York State Division of the Budget and other entities have been working on local government improvement programs for many years. (Albany Research in Public Administration 2016 and 2017). Also some governments, such as Albany County have produced shared services studies previously (Albany County 2014).

Summary

The 2017-2018 New York State budget contains a program where 57 county governments are required to organize a shared services program for the local governments in their jurisdiction. The program has ambitious goals in that the shared services programs are to be submitted to the New York State Division of the Budget by September 17, 2017. Those counties not in compliance can file programs no later than August 1,

2018. Grants may be paid to those local governments that successfully implement the required shared services programs with illustrated savings.

While the schedule may seem ambitious there have been entities such as the New York State Division of the Budget and the New York State Department of State which have been promoting shared services programs for local governments during the past several years. It is expected, therefore, that some local governments may have the ability to comply with the schedule. An example is Albany County which produced an elaborate program for shared services related to highway services in 2014.

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