

*Chair Martha Robertson's
Address to the Tompkins County Legislature
January 4, 2011*

First, to my fellow legislators, thank you very much for your confidence and support. I look forward to working with each of you again this year.

To our department heads and staff, and Joe, it's a privilege to work with all of you. Thanks to your skill and dedication, I have great confidence that we'll be able to tackle the challenges ahead of us.

Instead of a typical "Chair's report" tonight, I'd like to take a few moments to reflect briefly on 2010 and, especially, look ahead to 2011. At our next legislature meeting I will announce the 2011 committees and tasks for each group.

It may seem like all we did in 2010 was the budget, but that's not at all true. At our next meeting Joe will present a summary of the county's accomplishments during last year; it's an impressive list.

In 2010 our budget deliberations were more intense and difficult than ever before, but we found bipartisan compromise with a budget that, frankly, requires more of municipalities and offers less to our constituents. In 2010 we made do with 2% fewer employees than in 2009. This year we're shrinking our roster by another 3%, or 26 positions, through retirements and layoffs.

In short, we have been responsible, deliberative, and responsive to our public. But that will probably not get us through the next year, or two or three. We collectively shudder to contemplate what is next, specifically, to contemplate the impact of new cuts and new restrictions from Albany.

Counties are an Arm of State Government

More than any other level of local government, counties are an extension of state government. In fact, we are captive to decisions made in Albany. Our co-dependent relationship permeates every program we operate and touches every worker we employ. If it's possible that that relationship could become even more intertwined, it will this year. The elephant in the room is the property tax cap, so we can't talk about our internal, local goals for 2011 without talking about this issue.

Governor Andrew Cuomo has made some important moves in his first days in office to open up state government and increase transparency. He says he will listen to the people. So as part of this legislature that represents 100,000 New Yorkers, I'd like to offer a few thoughts to our new governor tonight.

First, yes, rebuild the people's trust in government. This was a cornerstone of your inaugural speech, as it needed to be. Without the people's trust, government just doesn't work.

As you set out to make change, move boldly but not impetuously. There are *good* reasons for many state policies and programs, even mandates, and an over-broad sweep may have unintended – and unwanted – consequences.

Your signature idea, consolidation of local governments, is being tried around the state but it's meeting with very mixed results. Don't get hung up on eliminating layers of government; there are other ways to save money and even improve services, without the political friction of dissolving local governments.

Some suggestions:

- **Tompkins County's new Health Insurance Consortium** is a joint venture of all our county's municipalities that will save a great deal of money. Encourage every county to establish a consortium. Allow small businesses and nonprofits to join as well.
- **Our system of county-wide assessment** provides much greater accuracy and consistency, compared to the inefficient and balkanized system in most other counties. It also removes politics from this essential governmental function. It's time to change the antiquated assessment system throughout the state.
- **“Green” loans:** We'd like to get started making loans to property owners to invest in conservation and renewable energy improvements, but state and federal barriers are in the way. Help us overcome these barriers so we can start greening our buildings, saving money for businesses and homeowners, and creating new jobs.

Respect and work with New York's counties. Enable counties to make our own local taxing decisions. Allow us the home rule authority to set local sales and other local taxes, up to established limits, without requiring Albany's approval every year or two. And please: don't balance the state budget simply by shifting costs to us.

Now, about that property tax cap. Make no mistake, we agree that property taxes are too high.

But a simple property tax cap will leave in place the inequities of our system, which relies on that regressive tax to pay for public schools and health care for the poor. There is a fundamental difference between the state paying for a service and local governments paying for it. In New York the state is the only entity that collects income tax, so a person pays *state* taxes according to their ability to pay. This is not true for property tax, and is at the core of why people believe it is so unjust. And why it *is* so unjust. In its December 21 editorial the *New York Times* said “The Legislature enjoys passing laws without giving locals the money to pay for them.” Only when New York State takes full financial responsibility for its own decisions – for its own mandates – will the injustice of property taxes be relieved.

In that editorial, the *Times* urged you, Governor Cuomo, to focus on the *underlying reasons* property taxes keep rising, rather than push a feel-good cap that will devastate our counties and schools. I couldn't agree more.

During the campaign you talked constantly about a tax cap but rarely about mandate relief. In your first days in office, you have been quoted as favoring a cap *with* mandate relief. That is certainly good news to counties, but please define “mandate relief”! Rather, please invite counties to work with you on this absolutely critical question. As NYSAC's Commission on Medicaid documented, these problems cannot be solved without counties at the table.

Because of these mandates – created, designed, and regulated in Albany – counties cannot control the majority of their budgets. NYSAC has documented that nine major mandates account for 90% of county property tax levies around the state. A tax cap without mandate relief ignores the causes of high property taxes and is irresponsible and hurtful to the people of New York.

Without mandate relief, a tax cap would force us to pay for the spiraling costs of state-mandated programs and pensions by cutting locally important services that aren't mandated.

Who would care? Wouldn't our citizens be delighted that their property taxes would be controlled?

Well, let's see what such a cap would really mean. Because of growing mandate costs, we had to cut about \$2 million from our 2011 budget just to keep our levy under 6%. If we'd had a 2% cap, we would have had to cut *another* \$1.5 million from our local spending.

Some examples of how we could have met the cap: in addition to the cuts we did make, eliminate all funding for public transportation, the Human Rights Commission, the Human Services Coalition, and the programs that serve at-risk kids in rural parts of the county. Or, we could have cut our Highway budget by another 37%, or our Sheriff's Patrol by 40%, or the public library by 65%.

Would our residents cheer at those choices? Is that what they want? I don't think so.

About the mother of all mandates, Medicaid, we have to talk. About half the states require their counties to contribute something to Medicaid, but all far less than New York. There is wide variability across counties, but if you calculate the per capita cost on average, the counties' share in Florida works out to a penny per person. In California that figure is \$27/person. In New York, each person pays \$368 for Medicaid through county property taxes on average. There is something seriously, structurally wrong with this picture.

We know that private and public health insurance costs are linked. Medicaid is expensive because the costs of all health insurance and health care itself are high. How should we address this *underlying reason* our biggest mandate is so expensive?

As our intermunicipal Health Insurance Consortium has shown, the bigger the group, the broader the base on which to spread the costs, and the lower the cost for each individual. Let's take that simple idea to its logical conclusion: single payer for New York. At Governor Spitzer's request, the Urban Institute studied four models of insurance, and Governor Paterson released their report in July of 2009. The headline was buried but we need to resurrect it: A single payer system for New York State would save the state \$20 billion a year by 2019. We cannot afford to ignore any possible solution to our problems, including this one.

However, this gets us back to the beginning of my message to you, Mr. Governor. New Yorkers have to be able to trust that their government is competent and honest, and has their collective best interests at heart. While I personally believe that single payer could transform New York, and that this could be the right moment to embark on that transformation, the work to rebuild trust must happen first.

In "honor" of our relationship, and in the hope of influencing decisions made 160 miles from here, I humbly offer these thoughts as you begin your tenure leading our state.

P.S. Governor Cuomo, the topic of gas drilling will need a whole letter of its own.

To my fellow legislators: Thank you again for your support; I pledge to do all I can to lead with renewed focus and energy. We have a lot on our plates this year, but there is plenty of talent, compassion, and smarts among us to address the challenges we face. Let us forge ahead together. Thank you.