EXECUTIVE ORDER

ESTABLISHING MEASURES TO EVALUATE COSTS OF MANDATES ON LOCAL GOVERNMENT TO ADVANCE PROPERTY TAX RELIEF

WHEREAS, the State of New York must be vigilant in its efforts to contain government spending and to stabilize property taxes; and

WHEREAS, the citizens of New York bear an inordinately high property tax burden to fund counties, cities, towns, villages, school districts and special districts; and

WHEREAS, such tax burdens are due in part to legislative and regulatory mandates that have been imposed on local governments by the State; and

WHEREAS, it is critical that governments work together to craft solutions to the high cost of government and cooperate in evaluating options to restrain unnecessary spending at all levels of government in order to provide property tax relief to New York residents and businesses; and

WHEREAS, the fiscal impact of any legislative or regulatory proposal that imposes a mandate should be evaluated to the fullest extent possible to consider the cost to local governments, in recognition of the goal of providing property tax relief; and

WHEREAS, in order to limit property taxes, it is equally important periodically to examine existing agency regulations to ensure that they do not impose unjustified costs and requirements on local governments;

NOW, THEREFORE, I, DAVID A. PATERSON, Governor of the State of New York, by virtue of the authority vested in me by the Constitution and laws of the State of New York, do hereby order as follows:

1. Definitions. For purposes of this order:

   a. "Mandate" shall mean: (i) any legal requirement that a local government provide or undertake any program, project or activity, or increase spending for an existing program, project or activity; or (ii) any legal requirement that a local government grant any new property tax exemption, or broaden the eligibility or increase the value of any existing property tax exemption; or (ii) any legal requirement that otherwise would likely have the effect of raising property taxes.

   b. "Local government" shall mean a county, city, town, village, school district or special district.
c. "State agency" shall mean: (i) any state agency, department, office, board, commission or other instrumentality of the state, including the Executive Chamber; and (ii) any public authority or public benefit corporation created by or existing under any State law, at least one of whose members is appointed by the Governor (including any subsidiaries of such public authority or public benefit corporation), other than an interstate or international authority or public benefit corporation.

d. "Cost-benefit analysis" shall mean a specific delineation of the costs and benefits to local governments including a quantification of the impact on local government revenue and expenditures, where such impact is quantifiable based on available information.

2. No state agency shall recommend, propose, publish or submit any legislation or regulation containing a mandate without an accounting of the impact of such mandate on local governments, which shall include the fiscal impacts of such mandate, a cost-benefit analysis, documentation of input sought and received from affected local governments, and proposed sources of revenue to fund such mandate. Prior to the formalization of any such proposal, such accounting shall be provided in writing to the Secretary to the Governor, the Counsel to the Governor, the Director of State Operations and the Director of the Division of Budget; provided, however, that if such proposal is necessary to protect against an urgent threat to public health or safety, such proposal may be formalized and advanced without such accounting only upon the approval of the Director of State Operations and the Counsel to the Governor, provided that such accounting shall be completed promptly thereafter.

3. Any proposed bill containing a mandate which is offered by a state agency to the Legislature shall be accompanied by a local fiscal impact statement which states, so far as possible, such mandate’s estimated cost to local governments. Such statement shall include but need not be limited to:

a. an estimate of the present and future cost of compliance with such mandate from the Division of the Budget or from the state agency having responsibility to administer the mandate proposed in such bill;

b. a description of the methodology used to estimate such present and future cost impacts;

c. a summary of the input sought and obtained from the affected local governments or, where a mandate would be applicable statewide, from organizations representative of local governments, including but not limited to the New York State Association of Counties, the New York State Conference of Mayors and Municipal Officials, the Association of Towns of the State of New York and the New York State School Boards Association;

d. proposed revenue sources to fund such mandate; and

e. a cost-benefit analysis of such mandate.

4. On or before December 1, 2009, each state agency shall review its regulations and report to the Secretary to the Governor, the Counsel to the Governor, the Director of State Operations and the Director of the Division of the Budget on any proposed changes to such regulations which could reduce the impact of existing mandates on local governments and generate property tax relief for New York State property taxpayers.