



# COUNTY OF ERIE

**CHRISTOPHER L. JACOBS**

COUNTY CLERK

January 6, 2015

The Honorable Andrew M. Cuomo  
Governor of New York State  
NYS Capitol Building  
Albany, New York 12224

Dear Governor Cuomo:

As you are aware, more than 50 counties in New York operate Auto Bureaus in their respective counties on behalf of the State of New York. I write you today to ask your consideration in re-evaluating the existing revenue-sharing formula that has been in place since 1999.

Currently, when a county auto bureau completes a transaction, that county retains 12.7% of that fee revenue and the state retains 87.3%. Out of that 12.7%, the counties have to pay for their employees that work at the auto bureaus along with other expenses. In 2013, for Erie County alone, we remitted over \$32 million to Albany while retaining only \$4 million to help support local operations. In fact, the majority of counties now lose money on their auto bureau operations, which was not the intention when this state/county partnership was established.

Enclosed is a resolution passed by the County Clerks' in the Western New York Region urging that provisions of the Vehicle and Traffic Safety Law be amended to increase the amount retained by the counties. We believe that when a local auto bureau does a transaction, they do far more than 12.7% of the work and should be compensated accordingly.

I look forward to hearing from you and working with you to pass appropriate legislation to achieve equitable revenue sharing while continuing to provide efficient and cost effective DMV services to all New Yorkers.

Sincerely,

A handwritten signature in blue ink, appearing to read "C. Jacobs", is written over the printed name.

CHRISTOPHER L. JACOBS  
Erie County Clerk

Enclosure

CC: Hon. Kathy Hochul, NYS Lieutenant Governor  
NYS Senate and Assembly/WNY Delegation  
President, NYSACC  
Western Region County Clerks  
Commissioner, NYS Department of Motor Vehicles

**RESOLUTION APPROVED BY THE WESTERN REGION COUNTY CLERKS seeking  
Reconsideration and Renegotiation of the 12.7% Retention Percentage and  
Increase in the “Enhanced Internet and Electronic Partner Revenue”**

WHEREAS, County Clerks act as agents on behalf of the Commissioner of Motor Vehicles (“Commissioner”) in the majority of Counties throughout the State of New York; and

WHEREAS, this long tradition of partnership between the State and County Clerk’s was, at its inception, structured to be mutually beneficial to the State and local Counties, with a fair revenue sharing arrangement, to support the costs to operate local auto bureaus while generating revenue for New York State; and

WHEREAS, over the last several years this partnership relationship has transformed into a competitive arrangement which is becoming increasingly harmful to local counties and the residents they serve; and

WHEREAS, this competitive situation has made the operation of auto bureaus another “unfunded mandate” on many local counties in New York State; and

WHEREAS, since 1999 under Vehicle and Traffic Safety Law §205.3, the 51 counties operating auto bureaus have retained 12.7% of each transaction processed in their office, while returning 87.3% to the DMV; and

WHEREAS, the Commissioner has authorized the conducting of business by the DMV over the internet and prohibited the County Clerks from employing similar technology, thereby deliberately placing the County Clerks at a competitive disadvantage; and

WHEREAS, the Vehicle and Traffic Safety Law §205 was amended effective April 1, 2012 to add a new subdivision 3-a providing for calculation of lost revenue as a result of the restrictions placed upon the local Auto Bureaus; and

WHEREAS, the increased marketing advantages by the Commissioner through use of the internet, as well as diminished direct access to State Motor Vehicle personnel, have resulted in the local Auto Bureaus handling a greater number of complicated issues of the DMV, consuming substantially more resources of the County Clerk, including employee time and energies, without corresponding revenue; and

WHEREAS, the amendments to Vehicle and Traffic Safety Law §205 purporting to compensate the County Clerks for lost revenue, in actuality, has reduced the expected revenue for the calendar years of 2012 and 2013; and, in effect, constitutes an unfunded mandate that substantially burdens the County and local taxpayers; and

WHEREAS, the NYSACC Western Region County Clerks representing Allegany, Chautauqua, Cattaraugus, Erie, Genesee, Niagara Orleans and Wyoming Counties will suffer the onus of the increased demand on the County’s resources unless the 12.7% retention percentage is increased

or the Enhanced Internet and Electronic Partner Revenue is adjusted to compensate the County Clerk.

NOW, THEREFORE, BE IT

RESOLVED, that the NYSACC Western Region County Clerks jointly request that provisions of Vehicle and Traffic Safety Law §205.3 be reviewed, renegotiated and amended to increase the retention percentage from fees collected for any motor vehicle transaction performed as agents for the DMV; and be it further

RESOLVED, that provisions of the “Enhanced Internet and Electronic Partner Revenue Agreement” as codified in Vehicle and Traffic Safety Law §205.3-a be reviewed, renegotiated, and amended to increase the amount of fees to be retained by the County Clerks; and be it further

RESOLVED, that copies of this resolution will be forwarded to the New York State Association of County Clerks Legislative Committee and a copy kept in the office of each of the County Clerks representing the Western Region of New York.

DATED: November 13, 2014

**NYSACC WESTERN REGION COUNTY CLERKS**

By



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**Christopher L. Jacobs**  
Erie County Clerk  
Chair of the Western Region Clerks