



ERIE COUNTY COMPTROLLER
HON. STEFAN I. MYCHAJLIW

June 22, 2017

Hon. Joseph C. Lorigo
Erie County Legislator & Majority Leader
Chairman of the Finance & Management Committee
92 Franklin Street – 4th Floor
Buffalo, New York 14202

RE: American Healthcare Act's Fiscal Impact on Erie County of Erie

Dear Majority Leader Lorigo,

This past March the United States House of Representatives proposed and passed the American Healthcare Act, which was their repeal of the Affordable Care Act. Approved in that bill was an amendment sponsored by Congressman Chris Collins that shifted the cost for Medicaid away from New York Counties and back to the State government where it belongs. At that time, I was quick to calculate the fiscal impact of that decision on Erie County taxpayers. Erie County's total Medicaid bill is over \$204 million. This astoundingly high number represents most of our property tax collection, but less than .05% of the state's budget.

In March, I called for a taxpayer protection plan that would ensure those savings weren't squandered by politicians. That plan included returning 75% of the Medicaid savings to taxpayers in the form of a property tax cut, and reserving the other 25% as an ongoing annual investment to repair our crumbling infrastructure. I wanted to make sure I was out early raising my voice in support of protecting taxpayers. Before any politician had even a second to think about how they could spend that money, I wanted to come forward with a plan to make sure most of it went back in the pockets of the taxpayers we collectively swore an oath to serve.

This morning, Chairman John Mills and I spoke to Congressman Collins on the phone about the Senate's version of the American Healthcare Act. He called to confirm to us that the Senate version does include the New York Medicaid Amendment. It is the only state specific bill in the legislation and we were told it has the support of the President. Therefore, if the Affordable Care Act is repealed and replaced, the benefits of this amendment for Erie County taxpayers will become a reality.

The days of Albany politicians shoving expensive, unfunded mandates down the throats of Erie County families are close to being over. Under my proposal, most relief will go right back to people that paid the bill in the first place: Erie County taxpayers.

I am writing to request that as Majority Leader and Chairman of the Finance and Management Committee you immediately take action to start the process for drafting legislation to ensure Erie County is prepared to responsibly manage those savings. You and I both know that this is a once and a lifetime opportunity for Erie County government to reshape the size and scope of government in a way that protects and, more importantly, serves taxpayers.

With that said, I want to work collaboratively with you and your committee to pass a bill that appropriates the savings responsibly. Your honorable body has already passed a resolution in support of the New York Medicaid Amendment, and now that it may soon be reality we have to act on its impact. I firmly believe we need to use this windfall to solve our most pressing problem, which I believe is an out of control high tax climate. One of our next largest challenges is an aging and failing infrastructure. Thanks to this amendment sponsored by Congressman Chris Collins we have an opportunity to fix both. Let's start now, working together to reduce property taxes by more than \$150 million and increase our annual infrastructure investment by more than \$50 million.

Delivering tax relief that helps working families should be our highest priority. Let's not let this opportunity to pass us by. Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stefan I. Mychajliw', with a long horizontal flourish extending to the right.

STEFAN I. MYCHAJLIW
Erie County Comptroller