

INTRO 3-14

EOLEG FEB14'12 4:10:00

**A RESOLUTION TO BE SUBMITTED
BY LEGISLATORS GRANT, MAZUR, HOGUES, LOUGHRAN & McCracken**

RE: Conveying Support for Mandate Relief through the Timely and Effective Imposition of a Phased-In Hard Cap in Medicaid Local Share

WHEREAS, for an entire generation, county governments across the state have sought state mandate relief from the full local cost of the Medicaid program; and

WHEREAS, this perennial action has been less than successful, but did achieve modest limitations (3%) in growth several years ago; and

WHEREAS, Governor Cuomo has indicated an interest in more robust mandate relief for counties through a phased elimination of the three percent annual increase in the local share of Medicaid; and

WHEREAS, five-year savings to counties across New York State is estimated to be \$1.2 billion; and

WHEREAS, the New York State Association of Counties continues to seek mandate relief in its 2012 Key Priorities titled, "Mandate Relief and Improving Government Accountability;" and

WHEREAS, ending the Medicaid mandate has been the number one priority for counties in New York State for more than two decades, yet this Executive Budget appears to offer the greatest promise of moving toward that long-term goal by first securing a phased-in hard cap in local share of Medicaid; and

WHEREAS, in Erie County, the cost of paying for the local share of the State's Medicaid program consumes more than 90 percent of the property tax levy; and

WHEREAS, entirely removing this local share burden on Erie County and every other county in New York State cannot be effectuated while the State continues to face its own deficits in the coming years; and

WHEREAS, the Governor's Executive Budget has received positive comments from the Senate Majority, which appears to accept the thoughtful fiscal direction in which the Governor is seeking to take New York State that, while not perfect, is still preferable to the status quo; and

WHEREAS, the support from the State Senate is evidenced by the statement of Senate Majority Leader Dean Skelos, to wit, "I am very encouraged that the Governor has again proposed a budget that closes the deficit by reducing spending and without increasing taxes or fees, and includes plans for job creation, property tax relief and other reforms to make sure tax dollars are spent wisely;" and

WHEREAS, the State Senate Majority Leader further stated, "The Governor has advanced a number of innovative reforms and made it clear that we need to reform Medicaid and the pension system to ease these costly burdens on local governments and property taxpayers;" and

WHEREAS, the bipartisan support apparent from these statements suggests that the Governor's proposal has a reasonable chance of passage this year, and it behooves counties across the state to concentrate their advocacy efforts in support of this Medicaid reform proposal; and

WHEREAS, entirely eliminating the growth in Medicaid local share will enable counties to effectively implement the property tax cap enacted by New York State last year; and

WHEREAS, counties across the state should rally around this tangible proposal that enjoys bipartisan support in Albany to achieve mandate relief for county government while the state continues to address its own financial challenges.

NOW, THEREFORE, BE IT

RESOLVED, that the Erie County Legislature convey its support for the elimination of the current three percent annual increases in the local share of Medicaid; and be it further

RESOLVED, that certified copies of this resolution be sent to the Governor, the Majority Leader of the State Senate, the Speaker of the State Assembly and County Executive Poloncarz.

FISCAL IMPACT: Positive for Erie County Property Taxpayers