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Albany handcuffs New York's cities

By CAROL KELLERMANN

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Local governments in New York are under serious and growing fiscal pressure, and the Legislature isn't doing enough to ease the burden. The Great Recession, which caused a dramatic drop in state revenues, also shrunk local tax collections and expectations for state aid. And the property-tax cap now limits local tax increases.

Some localities that are in very poor fiscal condition — Long Beach, for one — have asked the Legislature to approve ill-advised borrowing schemes to try to close their deficits. But what local governments need from state leaders isn't an OK to go deeper in debt; they need relief from state-imposed mandates that burden them with unnecessary expenses.

Unfortunately, the Legislature seems oblivious. There was no progress on important bills introduced earlier in the spring session, and in the final days of June a few bills passed that could even make things worse.

Neither house passed a bill to repeal unnecessary mandates on school districts (A10290/S6688), supported by the Board of Regents and the State Education Department. The bill would curb the extremely high and growing cost of special education and enact reforms in contracting to help seriously strapped school-district budgets.

Instructional spending for special ed in New York has grown over the past decade at an average rate of 7.5 percent a year — 20 percent faster than for general education. This growth is in part driven by the more than 200 state-imposed special-ed mandates that exceed those required by federal law.

Instead of lightening this burden, state legislators just approved a bill that would put school districts on the hook for even more costs, by requiring them to pay for private-school tuition when a parent contends that differences between the "home environment and family background" and a public-school placement make schooling at a private (i.e., religious) school more appropriate. If Gov. Cuomo signs the bill, it will open the door for all manner of private-school placements by parents at public expense.

And, while the Legislature enacted pension reform just a few months ago, it also passed several pension sweeteners that may drive up costs to local governments. One creates a

presumption that a type of staph infection (prevalent in hospitals and increasingly present in food) is job-related, entitling eligible police and firefighters to a 75 percent disability benefit.

The number and cost of these sweeteners is far less than in prior years, but they are reminders that the dire situation of localities has not fully registered with state representatives.

Local governments need serious help to keep their budgets within their means. One measure advocated by local officials that would make a significant difference is the repeal of the state law, known as the Triborough Amendment, which discourages collective bargaining by awarding public employees automatic “step increases” for more years on the job even after contracts expire.

Unfortunately, New York legislators have balked at even less-challenging reforms — and, worse, seem unable to resist imposing more mandates. This dynamic must change if local governments are to manage their way to fiscal health.

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