

Local Government Assistance

Mission

Local Government Assistance programs provide general purpose aid to municipalities, as well as targeted grant programs and incentives for local government efficiency and consolidation actions. State General Fund-supported programs include the Aid and Incentives for Municipalities Program, Citizen Empowerment Tax Credits, the Citizens Re-Organization Empowerment Grant Program, the Local Government Efficiency Grant Program, the Local Government Performance and Efficiency Program, Video Lottery Terminal (VLT) Aid, and the County-Wide Shared Services Initiative.

Budget Highlights

The Executive Budget recommends \$832 million in All Funds appropriations to fund miscellaneous State aid and assistance programs, including \$802 million in General Fund support to local governments under several aid programs. Included with the All Funds appropriations, the Budget recommends \$2.5 million in General Fund state operating support for the Financial Restructuring Board for Local Governments and \$30 million in Fiduciary Funds to cover contingency appropriation requirements. Overall, this represents an increase of \$62 million from FY2022 All Funds appropriation levels, due to the restoration of AIM payments to 1,325 towns and villages, one-time Miscellaneous Financial Assistance aid to the City of Albany.

In FY2022 obligations against the appropriations for Citizen Empowerment Tax Credits, Citizens Reorganization Empowerment Grants, Local Government Efficiency Grants, Local Government Performance Efficiency Program, and the County-Wide Shared Services Initiative were subject to a five percent reduction. Full funding for these programs is restored in the FY2023 Executive Budget.

Program Highlights

County-Wide Shared Services Initiative

Funding for the State's match of the first year of savings from shared services actions included in a finalized county-wide shared services plan submitted to the Director of the Budget.

Aid and Incentives for Municipalities

Unrestricted State aid to cities.

Citizens Reorganization Empowerment Grants

Funding for local governments to cover costs associated with planning and implementing local government reorganization activities, such as consolidations and dissolutions.

Citizen Empowerment Tax Credits

Annual tax credits for cities, towns, or villages that consolidate or dissolve are equal to 15 percent of the newly combined local government's tax levy. At least 70 percent of such amount must be used for direct relief to property taxpayers.

Local Government Efficiency Grants

Competitive funding to help cover costs associated with local government efficiency projects, such as planning for and/or implementing a functional consolidation, shared or cooperative services, and regionalized delivery of services.

Local Government Performance and Efficiency Program

Grants and/or loans awarded by the Financial Restructuring Board for Local Governments to assist with implementing Board recommendations.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

Category	Available FY 2022	Appropriations Recommended FY 2023	Change From FY 2022	Reappropriations Recommended FY 2023
State Operations	2,500,000	2,500,000	0	0
Aid To Localities	770,129,826	832,024,826	61,895,000	321,887,000
Total	772,629,826	834,524,826	61,895,000	321,887,000

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available FY 2022	Recommended FY 2023	Change
General Fund	2,500,000	2,500,000	0
Total	2,500,000	2,500,000	0

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available FY 2022	Recommended FY 2023	Change
Financial Restructuring Board			
General Fund	2,500,000	2,500,000	0
Total	2,500,000	2,500,000	0

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
FY 2023 RECOMMENDED
(dollars)**

Program	Amount	Total	Change
Financial Restructuring Board	2,500,000		0
Total	2,500,000		0

Program	Amount	Contractual Services	Change
Financial Restructuring Board	2,500,000		0
Total	2,500,000		0

NYS DOB | FY 2023 Executive Budget | Agency Appropriations
AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)

Fund Type	Available FY 2022	Recommended FY 2023	Change
Fiduciary	30,000,000	30,000,000	0
General Fund	740,129,826	802,024,826	61,895,000
Total	770,129,826	832,024,826	61,895,000

AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Program	Available FY 2022	Recommended FY 2023	Change
Aid and Incentives for Municipalities			
General Fund	693,122,213	754,172,213	61,050,000
Aid to Municipalities with VLT Facilities			
General Fund	28,885,313	28,885,313	0
Miscellaneous Financial Assistance			
General Fund	17,905,000	18,750,000	845,000
Municipal Assistance State Aid Fund			
Fiduciary	15,000,000	15,000,000	0
Municipal Assistance Tax Fund			
Fiduciary	15,000,000	15,000,000	0
Small Government Assistance			
General Fund	217,300	217,300	0
Total	770,129,826	832,024,826	61,895,000

Note: Most recent estimates as of 05/11/2020