

LEGISLATIVE & RESEARCH COMMITTEE MEETING

September 10, 2008 – 3:00 p.m.

PRESENT: Chairman Sausville; Supervisors Grattidge, M. Johnson, Richardson, Rowland, Yepsen; Southworth; Daly; Spencer Hellwig, Mgmt. Analyst; Ken Crannell, Legislative Director and Peter Savage, Legislative Coordinator of NYSAC; Barbara Thomas, LWV; Press

Chairman Sausville called the meeting to order.

Ms. Yepsen moved to approve the minutes of the March 4th meeting. Mr. Richardson seconded. Unanimous.

Chairman Sausville introduced Mr. Crannell and said he will give a State legislative update. Mr. Crannell said he is a resident of Clifton Park, and he introduced Peter Savage, a resident of Wilton. He said as they travel the State, they praise upon Saratoga County. He said he spends a lot of time at the State Capitol, and every time he is there, he is reminded that the Board of Supervisors is getting the message out to the Senate and Assembly regarding your concerns. He stated the Board and the County Administrator do a great job. He distributed copies of their Preliminary 2008 Legislative Summary.

Mr. Crannell said more often than not, the State reimbursement gets cut. In this recent session of the State Legislature, we made the point if it is a mandated program, they should not shift costs, and we were successful with that, he said. Counties across the State are struggling to support the mission of county nursing home facilities. Over the past year, we have been working with the State to make the case there was additional Medicaid reimbursement available to county nursing facilities. The federal government has approved additional Medicaid payments, he said. This money is a one time retroactive payment. The State has obtained approval to make a \$450 million payment collectively to all county nursing homes in the State. This represents 2006, 2007 and 2008 at \$150,000 per year, he stated. He said it is based on Medicaid patient days. Maplewood Manor would receive a gross payment of \$11 million from this transaction. The County must contribute ½ of that payment. The net benefit to the County is roughly \$5 ½ million, he said. He said it is a lot of money for most counties to come up with. NYS Dept. of Health will allow counties to draw these funds over four calendar years beginning November of this year, and then every March for 2009, 2010 and 2011, he said. Mr. Hellwig stated Law & Finance and the Board will have to make decisions on how to spread those payments out. He said his office became aware of this about a week ago. Mr. Crannell said they intended to have a meeting next week on this. We think this is a great opportunity. We were able to negotiate a lot of flexibility for the County, he said.

Mr. Richardson asked if this money has to be earmarked for anything specific at Maplewood Manor. Mr. Crannell said no. Ms. Yepsen said this should be discussed at a Public Health Committee meeting. Mr. Crannell said there are very specific do's and

don'ts with the federal rules. It is important these funds remain in the nursing home, he said. Mr. Crannell said as payments go up, it will reduce available IGT. He stated you can draw most of the money in November. Payments are based on a State fiscal year April to March. He said this is not reoccurring revenue. It is a one shot. This is not a cure all, he added. He stated with the NYS DOH and people from the Budget Division, we will lay out the technicalities of these payments and options for the counties.

Chairman Sausville asked if there is a way we can be effective in lobbying the Governor with State budget impacts. Mr. Crannell stated some Board members and department heads are active with our standing committee structure. He said he has brought some forms, and you would need to apply. If you are interested in a topical area, I would encourage you to apply, he stated. We rely on ideas that come from the bottom up, he added. We incorporate your objectives in our day-to-day activities. Your County does a good job, he said. He stated we are coming into a very tight budget picture, and we have to be a little more proactive. County governments are not stakeholders in the process. We are not advocacy groups. By State law, you are the administrative arm of State government. We will identify ways for the State to reduce their costs and to help counties to protect State and local taxpayers, he said. Any ideas will be greatly appreciated, and we need your ideas and participation on the committees, he stated. He mentioned the Co. Administrator's office is very active and helpful to them.

Ms. Yepsen asked if NYSAC was preparing a statement about a property tax cap. Mr. Crannell said they do not have a position as yet. The cap is great, but it has to come with relief on the expense side.

Mr. Crannell thanked the Committee for what they do and for inviting him here today.

Ms. Daly stated she received an inquiry by the people in Clifton Park inquiring about exemption from sales tax for purchases that cover any type of solar energy purchases. In doing research in regard to what the State does, we discovered there is a sales tax exemption for receipts from retail sale of residential solar energy system equipment and of the service of installing such systems. She said the Town is considering asking the County to partner with the State on this and exempt the County's portion of the sales tax on these items. She said this will probably have to be referred to the Treasurer's office. For our County's residents who want to make changes, it would be a small incentive to undertake this project. Any encouragement we can financially provide would be in the best interest for us now and in the future, she stated. She said there is a bill that is part of the Governor's Program Bill "Establishes the Green Residential Building Grant Program." Perhaps this request may partner with that program, she added. Mr. Hellwig said without talking to the County Treasurer, it is hard to say. A lot of sales tax is based on categories, and he can determine whether this can be isolated. The State legislation is for 4%, and the remaining 3% would be ours, he said. Mr. Grattidge said we should know how many dollars we are talking about in gross sales. Chairman Sausville said it would impact the towns as well because of that 3%. Mr. Hellwig said we can bring this back next month and have Mr. Pitcheralle here.

Chairman Sausville said there is an alert in everyone's handout that states under a new law passed this year, the State will impose a one-half percent surcharge tax for any purchases off State contract. The problem with this is it is tacked on to the end, so the vendors don't compete, and it is a tax on the counties and towns that have to pay that one-half percent. Mr. Hellwig said it would cost us an additional \$130,000 based on the 2007 purchases, and that is just the County. Chairman Sausville recommended taking a position that this be repealed and structured in a different way that would internalize this in the vendors' competing process. Mrs. Johnson stated some items under State contract have risen considerably, so that tax will be more. Mr. Rowland said this is ridiculous and is a way of paying for OGS. State contract purchases now are cumbersome enough, and it will price out items that normally were a savings, he stated. Chairman Sausville said it requires State agencies to also pay that tax which is kind of dumb. **Mr. Rowland moved to recommend a repeal or modification of this law. Mrs. Johnson seconded. Unanimous. (Committee resolution only).** Mr. Hellwig said the Committee could write a position statement and get this to the State, and I do not think the Board would be opposed to this.

Chairman Sausville stated he has been a proponent of an emergency volunteer incentive program. He said he had the occasion to talk with a representative of the NYS Association of Fire Officials. I would like to have him come here and talk to us so we can understand their proposals and if we can help support them. It was the consensus of the Committee to have this representative come to a Committee meeting.

Chairman Sausville mentioned in everyone's handout is information on Freight Rail Support and Mass Transit Expansion to look over.

On a motion by Mr. Richardson, seconded by Ms. Yepsen, the meeting was adjourned.

Respectfully submitted,

Elaine M. Sodemann