

LEGISLATIVE & RESEARCH COMMITTEE MEETING

October 15, 2008 – 3:00 p.m.

PRESENT: Chairman Sausville; Supervisors Grattidge, M. Johnson, Richardson, Rowland, Wormuth, Yepsen; Spencer Hellwig, Mgmt. Analyst; Sam Pitcherale, Treasurer; Mark Rider, Co. Attorney; Pamela Mann, Go21; LWV Rep.; Press

Chairman Sausville called the meeting to order.

Mr. Rowland moved to approve the minutes of the September 10th meeting. Mr. Richardson seconded. Unanimous.

Chairman Sausville said at the last meeting, we passed a resolution regarding our concern about a one-half percent surcharge tax for any purchases off State contract. He said new legislation was imposed this year requiring anybody purchasing off State contract to be subject to one-half percent. He stated he received a letter from Senator Farley regarding this matter, and he said they are recommending rejection of this fee. He said he also received notification from State OGS that they are reinterpreting the bill so that the fee is internalized in the bidding process. He stated it was a result of our efforts and others who were concerned that brought about that policy change.

Chairman Sausville said Supervisor Daly came before the Committee last month and asked us to consider establishing a sales tax exemption for purchases that cover any type of solar energy purchases. Mr. Pitcherale distributed copies of a handout showing the number of completed solar energy projects for the County with the total cost and incentive amounts for these residential purchases. He said in discussing this with the people from NYS Tax & Finance, they have no hard numbers. They did not make a recommendation for or against the process, he said. He said this handout came from NYSEDA. He said according to information he received, when the State exempted sales tax on this, there was a loss of \$500,000 statewide. Of the 62 counties, he asked how big was Saratoga County's piece, but no one kept track of that, he stated. We will not be able to get the number of the other projects until they are completed, he said. He said he estimates over five years is about a \$20,000 loss of revenue. It will not impact sales tax collection significantly, he said. He stated we do not know how many people will be interested in doing this. He mentioned if Saratoga Springs wanted to participate, they would have to pass their own legislation as well.

Mr. Pitcheralle said if the Committee chooses to go forward with this, we can ask Tax & Finance for a waiver of the 90-day notification, and it would become effective December 1st. We can apply for a waiver, but that does not mean we will get it, he added. Mr. Richardson asked if this tax exemption would be for residential only, and Mr. Pitcheralle said yes. Mr. Grattidge said there are already programs out there from NYSERDA and the State encouraging this. I do not know why we are mucking around in this ourselves, he said. If people want to put in a solar energy system, they should, he said. Chairman Sausville asked the Committee if there was any enthusiasm for this County tax exemption. Since there is none, we will not beat a dead horse, he said.

Chairman Sausville introduced Pamela Mann. He said she has been around to visit most of the Supervisors. When the intermodal was proposed for Halfmoon/Mechanicville/Stillwater, everyone was excited about the prospects of this, he said. He said Pam has asked to spend some time today to discuss Go21.

Ms. Mann said Go21 (Growth Options for the 21st Century) is a national not for profit. We work with members of Congress for the expansion of freight rail. She said they are in 35 states, and she covers Upstate New York. Go21's mission is based principally on recommendations from the American Association of State Highway and Transportation Officials (AASHTO) which is an umbrella organization over all DOT's in all 50 states. We are looking at a 67% increase in tonnage of freight that will have to be moved in our country in the next 20 years, and our roads cannot handle that, she stated. Both AASHTO and DOT are thinking intermodal to moving trucks by train. She said the public benefits of rail would be to lessen highway congestion, greater fuel efficiency, cleaner air, responsible public policy, good for the economy, and efficient use of tax dollars. She said for the first time in 22 years, DOT issued a rail plan, and it has received very good public support. She said she was asked to testify in Utica, and 70% of the presenters were in favor of flat rail in Upstate New York. She mentioned Congresswoman Gillibrand is a very strong supporter of flat rail and is a co-sponsor of the tax credit investment act.

Ms. Mann said some of the County's Supervisors and Mayors are very much in support. She stated there was an article in the "Times Union" that stated the Mechanicville/Halfmoon/Stillwater intermodal facility has been delayed because they received feedback that some people are concerned and are requiring an additional environmental analysis. What you have is a bunch of folks who do not want this to happen, she said. The bottom line is if the Board of Supervisors is interested in seeing this project going forward, it would be wise to get your point of view. She stated New York State, along

with the entire Regional Council of State Governments, have issued a resolution against economic re-regulation of the railroads. She said included in her handout today are the template resolution and template letter. Ms. Wormuth said she is not sure all comments received were because people were opposed. It was just to ask communities for input of the companies coming into the area, she said. They want to make sure any impact on our communities are mitigated and not lost to federal oversight, she said. We want to make sure our local zoning and planning laws are included, she added. Chairman Sausville said he believes the Board is on record in support of this intermodal depot in the three towns. He said Ms. Mann is asking us to support their **Resolution in Support of Increased Freight Rail Hauling Capacity**. He then read this resolution, that was included in today's handouts, in its entirety. **Mr. Richardson moved to support this resolution. Ms. Wormuth seconded.** Mrs. Johnson asked what would be involved in re-regulating? Ms. Mann said their position paper is in everyone's handout which explains this. Prices would be fixed by the federal government, and industry would report not to one regulatory body, but three additional bodies would be added, she said.

Mr. Hellwig said ideally, we should hold off adopting this until next month, because it is hard to get this on the Agenda to make everybody aware. It appears to be straight forward, but without having an opportunity to go through it, we are not in a position to make comments to the full Board, he said. Ms. Wormuth said we have seen these position papers, so some of us are at an advantage. Mrs. Johnson said this is new to her today, so she sees no harm in putting this off for one month. Chairman Sausville said Law & Finance could take input from Mr. Hellwig and others. Adopting this today would prevent Ms. Mann from having to come back, he said. Mr. Grattidge asked if Go21 was a lobby group of the railroads. Ms. Mann stated they are a non profit allowed to interact with railroads. Most of our funding comes from the National Association of Railroads, she said. To the extent that we "lobby", we advocate on behalf of increased freight rail, she added. Mr. Richardson said Ms. Mann brought this to Mechanicville's attention about 5 to 6 weeks ago, but they didn't not take action on it as yet.

The resolution was adopted by the following vote: AYES – Sausville, Grattidge, Richardson, Rowland, Wormuth. ABSTAIN – M. Johnson. ABSENT – Yepsen.

Chairman Sausville said he received a memo from Steve Acquario, Executive Director of NYSAC stating NYSAC has joined with Governor Paterson to urge Congress to authorize a temporary increase in the Federal Medical Assistance Percentage before the close of the Congressional session in a few weeks. New York is among a handful of states that receive the lowest FMAP,

at 50 percent. As a result, New York State and its counties fund the remaining 50% of Medicaid payments. NYSAC requested that we send a letter to ask the entire New York State Congressional Delegation to support a property tax relief measure and ensure that an increase in the FMAP is enacted before Congress adjourns. Mr. Hellwig stated the request is to increase the federal share to reduce the State and County shares. He stated we sent a letter down to the State to honor the request from NYSAC to do so. We have not received any feedback as yet, he stated.

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

Respectfully submitted,

Elaine M. Sodemann