

SPECIAL BOARD MEETING
WEDNESDAY, MAY 11, 2022
AT 4:30 p.m., E.S.T.

Board called to order by Chairman Kusnierz.

Roll call was taken. PRESENT – Eric Connolly, Joseph Grasso, Philip C. Barrett, Jonathon Schopf, Eric Butler, Diana Edwards, Jean Raymond, Michael Smith, Kevin Veitch, Arthur M. Wright, Kevin Tollisen, Mark Hammond, Scott Ostrander, Thomas Richardson, Theodore Kusnierz, Willard H. Peck, Sandra Winney, Thomas N. Wood, III, Tara Gaston, Matthew E. Veitch, Edward D. Kinowski, John Lant - 22. ABSENT – John Lawler - 1.

On a motion by Mr. Schopf, seconded by Mr. Tollisen, the special meeting was ratified by unanimous vote.

Mr. Kusnierz said that the purpose of this meeting is to take up for consideration, discussion and potential adoption of a cap on the gas tax. New York State has recently vested New York counties with the authority to cap their sales tax that is paid on fuel at the pump. Mr. Kusnierz said that he believes the time to act is now to assist the residents in Saratoga County to help relieve some of the burden that they are currently being subjected to with the increase in petroleum costs. A special meeting was needed in order to have this in effect by June 1. Mr. Hartnett said that the resolution is in the form promulgated by the New York State Department of Taxation and Finance. The Governor recently signed legislation on Monday extending the window of time for Counties to opt in by June 1. If action is not taken within the next week, the next effective date would be September 1. Mr. Kusnierz said that the combined rate between the State reduction at 16 cents per gallon effective June 1 and the actions taken this afternoon would add up to 22 cents or more per gallon. It is anticipated that savings may be as high at \$4M during this period. Mrs. Raymond expressed concern as to the effectiveness as there is no way to monitor it, however, agrees that it is important to help people therefore will reluctantly support it. Mrs. Raymond also said that \$4M in savings would mean \$2M less in revenue to towns, cities and villages in the County, and suggested possibly using ARPA funding to help compensate for the loss of sales tax revenue. Ms. Gaston questioned what was budgeted in 2022 for motor fuel sales tax revenue. Mr. Bulger said that \$141M is budgeted in sales tax revenue, which is down \$12M from what was taken in last year. The total is not broken down by specific revenue streams, however the State did provide some numbers. According to 2021 numbers, fuel sales represented approximately 6.4% of total sales tax. For the first quarter of 2022 sales tax is up by 13% over 2021. There has been increased sales tax revenue because of the higher gas prices in the first 5 months of this year. Mr. Bulger said that they anticipate that even with the reduction, the total amount of sales tax revenue collected will be a wash. Ms. Gaston said that one of her concerns is that this year and last year are slightly different, and believes there will be more driving this year. Ms. Gaston questioned if the Board has had the ability to take this action or if it's being done now because the Governor is allowing it to be done by resolution as a result of legislation. Ms. Gaston said that it was done by resolution in 2006. Mr. Barrett said that he does not recall if there was any permission needed from the State at that time. Ms. Gaston said that her biggest concern is that it is a change to our taxes, and it should be done by Local Law providing additional notice. Mr. Grasso said that he is supportive of the resolution and appreciates helping to buffer the drastic increase in fuel prices on residents. Mr. Grasso said that the negative side to this is the reduction in sales tax to the County, and towns. Some towns are more reliant on sales tax revenue than others. Charlton relies heavily on sales tax and additionally a large portion of the Town of Charlton's budget is highway operations, so this is a double negative. Having taken this into consideration, he still remains supportive of the resolution.

On a motion by Mr. Schopf,, seconded by Mr. Lant, Resolution #168 was adopted by the following vote.

AYES (213055.5): Eric Connolly (11831), Joseph Grasso (4328), Philip C. Barrett (19014.5), Jonathon Schopf (19014.5), Eric Butler (6500), Diana Edwards (819), Jean Raymond (1333), Michael Smith (3525), Kevin Veitch (8004), Arthur M. Wright (1976), Kevin Tollisen (25662), Mark Hammond (17130), Thomas Richardson (5163), Scott Ostrander (18800), Theodore Kusnierz (16202), Willard H. Peck (5242), Sandra Winney (2075), Thomas N. Wood, III (5808), Matthew E. Veitch (14245.5), Edward D. Kinowski (9022), John Lant (17361).

NOES (14245.5): Tara N. Gaston (14245.5)

ABSENT (8208): John Lawler (8208)

RESOLUTION 168 - 2022

Introduced by Supervisors Schopf and Lant.

ELECTING A CENTS PER GALLON RATE OF SALES TAX AND COMPENSATING USE TAXES ON MOTOR FUEL AND DIESEL MOTOR FUEL, IN LIEU OF THE PERCENTAGE RATE OF SUCH TAXES, PURSUANT TO THE AUTHORITY OF ARTICLE 29 OF THE TAX LAW OF THE STATE OF NEW YORK

Be it enacted by the Board of Supervisors of the County of Saratoga as follows:

SECTION 1. Resolution 145-1982, is amended by adding a new section 4-B to read as follows:

Section 4-B. Cents per gallon of sales and compensating use taxes on motor fuel and diesel motor fuel.

Notwithstanding any provision of this enactment to the contrary, in lieu of the percentage rate of sales and compensating use taxes imposed on receipts from the retail sale and consideration given or contracted to be given for, or for the use of, motor fuel and diesel motor fuel, such taxes shall be imposed at a rate of cents per gallon of such motor fuel or diesel motor fuel, in the manner prescribed by subdivision (m) of section 1111 of the New York Tax Law, provided that, for purposes of calculating the cents per gallon rate of tax, such receipts or consideration shall be limited to two (2) dollars per gallon of either such fuel. Provided that, if the average price of fuels changes as described in such subdivision (m) of section 1111 of the Tax Law, the Commissioner of Taxation and Finance shall adjust the cents per gallon tax rate on such fuels in the manner prescribed in such subdivision (m) of section 1111 of the Tax Law.

SECTION 2. This Resolution shall take effect on June 1, 2022 and shall expire or be deemed repealed as of January 1, 2023.

BUDGET IMPACT STATEMENT: No Budget Impact.

On a motion by Mrs. Raymond, seconded by Mr. Smith, the meeting was adjourned by a unanimous vote.

Respectfully submitted,

Therese Connolly
Clerk of the Board