



THE ASSEMBLY
STATE OF NEW YORK
ALBANY

February 11, 2011

Assemblyman Marcus Molinaro
7578 North Broadway Suite 4
Red Hook, NY 12571

Dear Assemblyman Molinaro,

As you know, this past month I sent a letter to the leaders of the municipalities within my district asking for suggestions in regards to unfunded mandates. The unfortunate reality, as you well know during these tough economic times, is the need to reevaluate the mandates which the state has continued to pass onto our schools, county, and local governments resulting in unbearable tax burdens.

The 99th Assembly District is unique within itself as it spans over three county borders: Westchester, Putnam, and Dutchess. However, despite their perceived differences, the fiscal strain exerted by the state is having the same negative impact on all corners. Unless drastic measures are taken by reevaluating these mandates, our taxpayers will ultimately suffer and eventually be forced to flee our state.

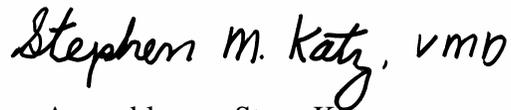
Having had many discussions with leaders on the county and local levels of government, as well as leaders from the business community and school districts, the need to address the following mandates are clear:

1. MS4 – While this is a federal mandate, New York's Department of Environmental Conservation (DEC) enforces its parameters. Estimated to cost this region \$500 million it could very well bankrupt the local towns and counties. The reality is our nation, state, and local municipalities do not have the money to fund this. A hard look needs to be given to ensure the mandate's stipulations are indeed beneficial and attainable for all parties involved.
2. MTA Payroll Tax – This job-killing tax needs to be repealed. According to the governor's proposed budget, this will generate an additional \$45 million from job creation. However, if new jobs are not created, where will the state find this revenue? From our school districts to local governments to small business and not-for-profits this tax is a burden we can no longer shoulder, especially during a time when our region is trying to attract new jobs.

3. Early Intervention (EI) – Governor Cuomo’s budget calls for a cut of 10 percent of funding for this service while mandating counties maintain its current level of service. This is simply unrealistic. Either the program’s services need to be reduced or the taxpayers will ultimately be forced to pay the difference. If we are serious about getting our fiscal house in order, our actions need to match our rhetoric.

On behalf of the residents of the 99th Assembly District I would like to thank you for putting our concerns in front of Governor Cuomo. Clearly, these are trying times which require cohesion and cooperation from both sides of the aisle. I look forward to working with you and the other leaders of the state legislature as we continue to find solutions to these difficult questions. If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Stephen M. Katz, vmb". The signature is written in a cursive style with a large, stylized 'S' and 'K'.

Assemblyman Steve Katz
99th Assembly District