

**Testimony of Center for Economic Growth President and CEO Andrew Kennedy
For the Joint Legislative Public Hearing on 2017-2018 Executive Budget Proposal:
Topic Local Government Officials/ General Government
January 30, 2017**

I am the president and CEO of the Center for Economic Growth (CEG), a nonprofit business and economic development organization based in Albany. For 30 years, CEG has been working with local economic development officials and regional business leaders to help businesses navigate the governmental, financial and logistical terrains of any of the eight counties in the Capital Region. CEG's work and vision is supported by more than 250 investors in business, government, education, and the not-for-profit sectors. Additionally, CEG serves as a regional technology center under the New York Manufacturing Extension Partnership program, which is facilitated by the National Institute of Standards and Technology and New York Empire State Development Division of Science, Technology.

CEG is encouraged to see Governor Cuomo's inclusion of the County-wide Shared Services Property Tax Savings Plan in his FY2018 Executive Budget. This initiative's voter-approved, county-wide shared services plan promises to deliver real and recurring savings for taxpayers. One of the service sharing strategies that the Executive Budget's Briefing Book identifies is the reduction of back office administration. In this vein I'd like to bring to your attention the sharing of information technology (IT) services as a possibility under this proposal.

In 2013, CEG's Local Government Council (LGC) partnered with the Center for Technology in Government at the University at Albany (CTG) to identify key topics, issues and areas of interest that would be the focus of future projects. CTG conducted an online survey that garnered responses from elected officials in seven counties, seven cities, 21 towns and 8 villages. Among its findings was that, on average, counties employed 11 IT employees, cities outsourced up to six IT staff, towns has one to three IT employees, and villages had zero to one.

Officials from county and local governments were united in expressing interest in sharing the following:

- Use of GIS mapping and information;
- Online services (e.g. online payments);
- Social media use and policies;
- Citizen engagement and marketing through social media;
- Use of technology to streamline processes for greater efficiency;
- Web interface design for ease of use; and
- Information access.

With these survey results, CTG, with CEG and LGC set out to further explore these topics with elected officials and planned to hold workshops on systems interoperability, deconstruction of department silos, and cross-department information sharing. At around the same time, CTG separately issued a planning toolkit on government information sharing, which identifies steps for and barriers to local governments IT service sharing (see:

https://www.ctg.albany.edu/publications/guides/infosharing_toolkit/infosharing_toolkit.pdf).

This shared approach to IT services is already a reality in several counties in New York. Westchester County's Department of Information Technology, for example, shares services with government agencies, municipalities and school districts. In Schoharie County, towns and villages receive municipal software from the Information Technology Department.

However, I also want to bring to your attention several of the barriers to the greater use of IT services that the 2013 CTG survey identified. They are listed in the below table:

Gov. Level	County	City	Town	Village
Barrier(s) to greater use of IT	Lack of financial resources, lack of technical resources. Lack of IT staff.	Lack of financial resources. Lack of technical resources. Lack of IT staff.	Lack of technical resources. Lack of IT staff. Lack of IT training. Lack of data policies and procedures.	Lack of technical resources. Lack of IT staff. Lack of data policies and procedures.
Barrier(s) to acquiring information	Individual departments using different systems. Information not stored in an easily accessible format.	Information not stored in an easily accessible format. Individual departments using different systems.	Information not stored in an easily accessible format. Individual departments using different systems. Information being managed by a different department.	Acquiring information include information not stored in an easily accessible format. Individual departments using different systems.

These barriers, such as inadequate staffing, the absence of data policies and procedures and uniform systems within municipalities, also represent arguments for and challenges to inter-governmental IT sharing. To help maximize counties' potential tax savings, we ask the Legislature to consider these barriers and the need to remove them as it evaluates the Executive Budget's County-wide Shared Services Property Tax Savings Plan.

New Yorkers expect their governments to operate efficiently and adopt best practices. The countywide sharing of IT services does just that. When it comes to shared services, this is low-hanging fruit, and the Executive Budget's provision for a referendum on each county's County-wide Shared Services Property Tax Savings Plan will reveal this is positive policy for New Yorkers.

Thank you for your time and consideration.