

Local Government Assistance

Mission

Local Government Assistance programs provide general purpose aid to municipalities, as well as targeted grant programs and incentives for local government efficiency and consolidation actions. State General Fund-supported programs include the Aid and Incentives for Municipalities Program, Citizen Empowerment Tax Credits, the Citizens Re-Organization Empowerment Grant Program, the Local Government Efficiency Grant Program, the Local Government Performance and Efficiency Program, Video Lottery Terminal (VLT) Aid, and the County-Wide Shared Services Initiative.

Budget Highlights

The Executive Budget recommends \$809.8 million in All Funds appropriations to fund miscellaneous State aid and assistance programs. Included in the All Funds appropriation, the Budget recommends \$2.5 million in General Fund state operating support for the Financial Restructuring Board for Local Governments. Overall, this represents an All Funds decrease of \$29.9 million from FY 2024, reflecting the dissolution of the Troy Municipal Assistance Corporation (MAC) by approval of the State Legislature and Board vote, for which \$30 million annually was appropriated. Additionally, changes to the Local Government Efficiency Grant Program (LGEG) and Video Lottery Terminal (VLT) Aid program represent increases of \$8 million and \$1.23 million, respectively.

Program Highlights

County-Wide Shared Services Initiative

Funding for the State's match of the first year of savings from shared services actions that were included in a finalized county-wide shared services plan submitted to the Secretary of State on or before January 31, 2023.

Aid and Incentives for Municipalities

Unrestricted State aid to cities, towns, and villages.

Citizens Reorganization Empowerment Grants

Funding for local governments to cover costs associated with planning and implementing local government reorganization activities, such as consolidations and dissolutions.

Citizen Empowerment Tax Credits

Annual tax credits for cities, towns, or villages that consolidate or dissolve are equal to 15 percent of the newly combined local government's tax levy. At least 70 percent of such amount must be used for direct relief to property taxpayers.

Local Government Efficiency Grants

Competitive funding to help cover costs associated with local government efficiency projects, such as planning for and/or implementing a functional consolidation, shared or cooperative services, and regionalized delivery of services.

Local Government Performance and Efficiency Program

Grants and/or loans awarded by the Financial Restructuring Board for Local Governments to assist with implementing Board recommendations.

Video Lottery Terminal Aid

Funding for local governments to cover costs associated with hosting a video lottery terminal facility.

**ALL FUNDS
APPROPRIATIONS
(dollars)**

<u>Category</u>	Available FY 2024	Appropriations Recommended FY 2025	Change From FY 2024	Reappropriations Recommended FY 2025
State Operations	2,500,000	2,500,000	0	0
Aid To Localities	837,189,826	807,259,107	(29,930,719)	301,984,000
Total	839,689,826	809,759,107	(29,930,719)	301,984,000

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)**

Fund Type	Available FY 2024	Recommended FY 2025	Change
General Fund	2,500,000	2,500,000	0
Total	2,500,000	2,500,000	0

**STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)**

Program	Available FY 2024	Recommended FY 2025	Change
Financial Restructuring Board			
General Fund	2,500,000	2,500,000	0
Total	2,500,000	2,500,000	0

**STATE OPERATIONS - GENERAL FUND
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
FY 2025 RECOMMENDED
(dollars)**

Program	Amount	Total	Change
Financial Restructuring Board	2,500,000		0
Total	2,500,000		0

Program	Amount	Contractual Services	Change
Financial Restructuring Board	2,500,000		0
Total	2,500,000		0

NYS DOB | FY 2025 Executive Budget | Agency Appropriations
AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE
APPROPRIATIONS
(dollars)

Fund Type	Available FY 2024	Recommended FY 2025	Change
Fiduciary	30,000,000	0	(30,000,000)
General Fund	807,189,826	807,259,107	69,281
Total	837,189,826	807,259,107	(29,930,719)

AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Program	Available FY 2024	Recommended FY 2025	Change
Aid and Incentives for Municipalities			
General Fund	754,172,213	758,172,213	4,000,000
Aid to Municipalities with VLT Facilities			
General Fund	28,885,313	30,119,594	1,234,281
Miscellaneous Financial Assistance			
General Fund	23,915,000	18,750,000	(5,165,000)
Municipal Assistance State Aid Fund			
Fiduciary	15,000,000	0	(15,000,000)
Municipal Assistance Tax Fund			
Fiduciary	15,000,000	0	(15,000,000)
Small Government Assistance			
General Fund	217,300	217,300	0
Total	837,189,826	807,259,107	(29,930,719)

Note: Most recent estimates as of 01/16/2024