

2009 Proposed Changes to the Environmental Protection Fund **ACTION ALERT**

We Need to Take Our Case to the State Legislature

Governor David Paterson's 2009-10 Executive Budget includes disproportionate cuts in funding for environmental programs, and cuts are only part of the problem. The governor's \$121 billion budget tinkers with the funding stream for the Environmental Protection Fund (EPF) which threatens the existence of this vital program. (See EPF Cuts, below, for details.)

The governor has also proposed a cap on property taxes the state pays on Forest Preserve lands in the Adirondacks and Catskills, which would undo a 123-year-old, good-faith compact between New York state and Forest Preserve communities. (See **Property Tax Cap, below, for details.**)

We urge Catskill 3500 Club members to e-mail or write to their representatives in the Senate and Assembly about these crucial issues. Search for your legislators by zip code, name, map, district number at <http://www.senate.state.ny.us/senatehomepage.nsf/senators?OpenForm> and <http://www.assembly.state.ny.us/mem/>

Legislators do take note of letters from their constituents, so we urge you to write to your State Senator and Assembly member. (Letters to the editor of your local paper are helpful as well.)

EPF Cuts

The EPF has been the state's main funding mechanism for land acquisition, recycling programs, waterfront redevelopment and other important programs. The Fund was created in 1993 to ensure that the state could pay for environmental projects *in good economic times and bad*, because the EPF is paid for primarily from revenue from the Real Estate Transfer Tax (RETT).

The governor's plan is to make a fundamental change in the way the State finances the EPF. The governor wants to expand the Bottle Bill to include a nickel deposit on water and noncarbonated beverage bottles, which the administration estimates would generate \$118 million that would go to the EPF to replace funding from the RETT.

The EPF would still get \$80 million from the RETT (plus \$7 million from miscellaneous sources), but it would be dependent on passage of an expanded Bottle Bill for more than half of its cash. If the Legislature doesn't pass the Bottle Bill, there is no provision in the governor's budget to make up for the lost revenue source for EPF, resulting in an \$87 million fund instead of the \$300 million proposed for the next fiscal year.

Please oppose this shift of EPF's funding. If the Legislature **does** alter EPF's funding stream, it should not do so until the Bigger Better Bottle Bill is approved, and any change

to the funding stream should be temporary and include a sunset date. Even if the Bottle Bill is approved, there is no guarantee that it will meet the administration's revenue projections.

Property Tax Cap

The Adirondack and Catskill Parks are preserves of both public and private lands, where public lands are protected by the NYS Constitution, which bans their lease, logging or development. The state pays full local property taxes on about 3 million acres of Adirondack and Catskill Forest Preserve spread across more than 100 towns and 16 counties, based on a 123-year-old law that recognized the burden that state land ownership would place on small rural communities. State tax payments are compensation for the prohibition against commercial use of the Forest Preserve, and in recognition of the services provided by local taxpayers—police, fire, courts, road maintenance, school operation and other essential services. Under a decision upheld by state's highest court, in *Town of Shandaken vs. State Board of Equalization and Assessment*, the State could not arbitrarily limit the amount of taxes it pays.

The State owns a combined total of nearly 300,000 acres in Ulster County, Greene County, Delaware County, and Sullivan County. New York State pays approximately \$30 million annually to local Catskill municipalities. If the Governor's proposal is approved by the NYS legislature, any increase in Catskill property taxes not paid by the State will fall on the shoulders of Catskill residents and businesses. Governor Paterson's plan would shift the burden of maintaining these crucial resources to residents of these sparsely populated areas, which would undermine local support for open space protection in these regions.

How You Can Help:

1) Contact your town and county elected officials and urge them to send a strong message to Albany that New York State must pay its fair share of property taxes in the Catskill Mountain Region; 2) Contact your State Assembly member and Senator and urge them to stop Governor Paterson's proposal to cap state property taxes in the Catskill Mountain Region; 3) Write a letter to the editor of your local newspaper.