



NEW YORK STATE SENATOR

James L. Seward

## Seward & Lopez Fight DMV Fee Hikes

JAMES L. SEWARD September 18, 2009

| ISSUE: **FINANCE, TAXES, DMV (DEPARTMENT OF MOTOR VEHICLES)**



SCHOHARIE, 09/18/09 -- State Senator James L. Seward (R/C/I - Oneonta) and Assemblyman Pete Lopez (R/C/I - Schoharie) were joined by Schoharie County Clerk M. Indica Jaycox, Greene County Clerk Mike Flynn, Columbia County Clerk Holly C. Tanner and Rensselaer County Clerk Frank Merola, along with elected officials, including eight area town supervisors, at a press conference held this morning outside of the Schoharie County Department of Motor Vehicles (DMV) office.

The group united to express their opposition to the recent increase in DMV license and registration fees. The state legislators also presented a series of proposed budget cuts to offset the anticipated \$82.4 million in tax and fee revenue from the new DMV hikes.

**“We need cars to get to work, school, the doctor, and our kids’ athletic events,”** said Senator Seward. **“The Democrats who approved these tax increases either don’t understand that or just don’t care. I do, which is why I voted against every one of these tax and fee increases that are kicking upstate motorists right in the rear bumper.”**

“The bottom line is that upstate and rural communities are being hit again. Utility taxes are up, DMV registration and license fees are up and, what’s worse, the mandatory replacement of car plates and driver’s licenses of this provision. The three men need to know that they can no longer irresponsibly spend on the backs of upstate,” said Assemblyman Lopez.

While both legislators and the county clerks previously announced their opposition to the DMV hikes, when the first round of hikes went into effect on September 1 at a rally in Kingston, both Assemblyman Lopez and Senator Seward have been working to find ways to alleviate the budget burden from upstate. In fact, at the press conference, they announced a series of specific proposed cost-saving measures, which they hope the State Legislature and Governor will address when session is reconvened to address budget cuts. Their plan includes:

Consolidating redundant or underutilized agencies, such as merging the Thruway Authority into the Department of Transportation. Their plan would protect rank-and-file employees, but tackle high cost administrative appointment positions, many of which are patronage “no show” jobs. This would save between \$266 million and \$1 billion;

All state agencies should immediately enact a 5 percent reduction in non-personnel spending, such as travel, postage and transportation. This would save taxpayers an estimated \$138 million. A 10 percent reduction would save \$212 million. Additionally, if

agencies made a one percent cut in outside contracts, taxpayers would save another \$519 million;

Suspending any new leases or purchases of vehicles, except for safety purposes, would save taxpayers \$10 million;

While both legislators strongly support land preservation, they recognize that given the fiscal plight of the state now is not the time to make recreational purchases. By temporarily freezing the purchase of recreational lands, taxpayers would save at least \$78 million;

Thinking outside of the box and making use of existing resources: for example, Assemblyman Lopez recently helped deliver nearly \$100,000 worth of unused farm equipment to SUNY Cobleskill. The equipment had been previously used in area prison programs, but due to prison closures, the equipment was simply sitting in storage in a state warehouse;

Enforcing a state law to collect cigarette taxes on Native American reservations would bring in a new revenue source worth \$500 million;

Tackling Medicaid fraud, waste and abuse, estimated to be 10 percent of total Medicaid spending, could save taxpayers hundreds of millions within the next few years;

To safeguard taxpayers in the future, the state should adopt a spending cap to avoid “record-breaking” and irresponsible budgets;

M. Indica Jaycox, Schoharie County Clerk, stated, “I stand in agreement with my local legislators, and many other New York State County Clerks, who are opposed to the State DMV’s plan to begin reissuing a new style of license plate in 2010. I do not feel the timing is right, given that all licensing and registration fees were already increased on September 1, 2009. Our motorists are facing hard economic times on many fronts right now, including the fee increases I just mentioned. To also require them, by law, to pay a new plate fee on top of their registration renewals is just unfair and a bad idea. As always, the folks who least can afford an extra fee will be hardest hit, and I simply cannot support this new plate plan and

accompanying fee at this time.”

Mike Flynn, Greene County Clerk, stated, “As the official on the front line interacting with the citizens of Greene County, I have seen first-hand how the economic downturn of a lifetime affects my constituents in Greene County. I must report that the license plate reissuance slated for 2010 will create a severely negative impact on the vast majority of the people in Greene County. My constituents in many cases cannot afford the 25 percent increase in all DMV fees instituted on September 1, 2009; to unnecessarily issue new plates in this economic environment should not take place. This is not a fee that is avoidable in an area that has virtually no public transportation. I would ask the Governor and Legislature to reconsider this effort.”

Holly C. Tanner, Columbia County Clerk and County DMV Commissioner, said, “People all over this great state are hurting; their wallets are feeling the pinch for many reasons and the simple ‘raising fees’ avenue of mending the state budget just isn’t working. Residents do not need a new fee. A wolf in sheep’s clothing if you will, a fee disguised in the ‘you are getting a new plate’ scenario. We don’t need new plates, we don’t want new plates. What we need is a real plan for reform in New York and for getting spending under control.”

Frank Merola, Rensselaer County Clerk, said, “This is out of control. New York State residents can no longer afford to live here. In 2001 we needed new plates and that plan cost \$5.50 per plate. This new plan, which we do not need, will cost motorists at least \$25 just to keep the same plates they already have. This cost doesn’t include all the other things that car license plates are associated with, such as E-ZPasses and insurance. This is just another example of how the Governor does not have a pulse on the people of our state.”

Earl VanWormer, III, Town Supervisor of Esperance and Chairman of the Schoharie Board of Supervisors, stated, “Government needs to first take a look at its own redundancy, such as

the Thruway Authority and Department of Transportation: these agencies administrative costs along could offset these DMV fee hikes. It's not just DMV fee hikes either: from sportsmen fees to business taxes, every fee seems to be doubling. Rather than nickel and dime people, the state should take a look at themselves first."

**"When the legislature returns to Albany we need to take a hard look at these measures to save money and avoid additional tax increases. In fact, by instituting these measures we can roll back some of the worst fee hikes approved in the bad state budget, including the DMV increases. New Yorkers clearly have had enough, and the increases should be repealed,"** stated Senator Seward.

"As we look at the budget, we need to strengthen the economy and make smart investments in job growth. Only through a combination of reining in spending and encouragement of economic development, do we set up a long-term strategy for preventing disastrous budgets in the future. These issues go hand in hand," concluded Assemblyman Lopez.