



NYS Comptroller
THOMAS P. DiNAPOLI

Office of the NEW YORK
STATE COMPTROLLER

Division of Local Government and School Accountability
Elliott Auerbach, Deputy Comptroller

Dear Chief Financial Officer:

In conjunction with the 2019-20 Enacted State Budget, certain statutory changes eliminated Aid and Incentives for Municipalities (AIM) program funding for 1,326 towns and villages in New York State, where AIM funding represents less than 2 percent of total expenditures. This is a \$59.2 million reduction in funding for this program.

The Office of the State Comptroller (OSC) is now required by Chapter 59 of the Laws of 2019 to withhold county revenues and make payments to the impacted 1,326 towns and villages in the amounts that they had previously received through AIM in State Fiscal Year 2018-19. The State Division of the Budget now refers to these as “AIM-related” payments. **If you are a town or village official receiving this letter, your municipality will now receive AIM-related payments. OSC (not counties) is responsible for administering these payments to towns and villages.**

However, all cities (other than New York City) and the 137 towns and villages which meet or exceed the 2 percent AIM-reliance standard will receive the same level of AIM funding as they received in 2018-19 and will remain on that same payment schedule.

While OSC is authorized to begin withholding sales tax revenues from counties as early as June 1, 2019 to accommodate the “AIM-related” payments, please be aware that **this action has not yet commenced and is not expected to begin until later in 2019.**

We are currently finalizing the withholding and distribution process and will email you the specific details including the timing and amounts of each county’s withholding and each municipality’s payment. We will also include a registration link for an informational webinar. **You will receive this notification well in advance of the withholding and payment dates.**

Thank you for your patience as we work to implement this new legislation. Please direct any questions to lgsamonitoring@osc.ny.gov or contact the help desk line at 866-321-8503.

Sincerely,

Elliott Auerbach

Deputy Comptroller
Office of the State Comptroller

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