



SUPPORT Memorandum

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SUPPORT LABOR REPRESENTATION ON IDAs

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The New York State AFL-CIO, representing 2.5 million union members, retirees, and their families support the above-referenced legislation.

This bill amends the general municipal law to require the legislature of every local government that has an Industrial Development Agency (IDA) to appoint a labor union representative and school district representative on the board of each IDA. This will help ensure that appropriate public input is included when IDAs make offers of tax breaks or other local assistance for economic development.

Year after year IDAs' give away billions in county, municipal, and school tax revenue to businesses and for projects that oftentimes yield questionable results in terms of job creation and replenishing the tax base. This lost revenue must be made up by increases for other local property taxpayers through additional state assistance.

Report after report indicates that IDA giveaways often create no new jobs at all and many times the jobs created are low-wage jobs that contribute little to the local economy and tax base.

In addition, IDAs are notorious for making decisions behind closed doors, and historically, transparency has been lacking. This bill will help rectify that by requiring more public input on IDAs. Further, having labor expertise will help ensure IDAs make decisions aimed at creating good, family-sustaining jobs with labor standards that will help expand the local tax base and get a better return on taxpayer investment in economic development.

Therefore, this Federation urges this bill be passed.

For further information contact the Legislative Department at 518-436-8516.