

Up to \$1.4 Million in Federal Payments in Peril for Brookhaven, Local Schools, Libraries & Fire Districts

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Supervisor Romaine Thanks Federal Representatives for Working with Town to Prevent Devastating Cuts, Layoffs that Would Result From Non-Payment



Pictured left to right are Councilman Dan Panico, Supervisor Ed Romaine, Longwood School Board President Daniel Tomaszewski, Longwood Schools Superintendent Dr. Michael Lonergan, Longwood School Board member Michael Loguercio, Manorville Fire District Commissioner Rich Schmidt, Ridge Fire District Commissioner James Scuttina and Longwood School Assistant Superintendent Janet Bryan.

Farmingville, NY - Brookhaven Supervisor Ed Romaine was joined by school, library, fire district and other officials today in calling upon federal representatives to prevent the shortfall of up to \$1.4 million in Payments in Lieu of Taxes (PILOTs) for the current tax year from Brookhaven National Laboratory.

Failing to make these payments, which have been included in the budgets of a host of local governments based upon a 1999 agreement, would cause a \$1.4 million deficit for the Town, school districts, libraries and fire districts. The result would be immediate cuts to services, and possible layoffs of employees. As this revenue is a PILOT, the Town is not "made whole" under the Suffolk County Tax Act.

"To be confronted with a loss of revenue of this size so late in the fiscal year would be devastating for our taxpayers. It would leave the Town no choice but to make cuts to services, impose layoffs, or both to balance our budget and protect our taxpayers," said Supervisor Romaine. "As soon as we learned about this, I contacted Senator Chuck Schumer and Congressman Tim Bishop. I want to thank them for their efforts to prevent this from happening."

"On behalf of the Eastport South Manor School District taxpayers, and every other local taxing jurisdiction affected by these potential cuts, I would expect that our federal government would live up to the agreed upon payment in lieu of taxes," commented Brookhaven Town Councilman Dan Panico. "The taxpayers should not be expected to shoulder an additional unanticipated burden. I am confident that our federal representatives can get this done for our mutual constituency."

Brookhaven Town was informed by correspondence from BNL's Laboratory Counsel on July 16, 2013 that "... it does not look like there is enough money to give Brookhaven the full \$1.4 million in PILOT" payments for the 2012-2013 tax year. Brookhaven National Laboratory has yet to sign the Memo of Understanding with the Town for this payment. As part of this agreement, Brookhaven National Laboratory was to make \$1,480,099 in PILOT payments for the 2012-2013 tax years, as stated in the Town Board Resolution 2013-598.

According to federal officials contacted by the Town, the Department of Energy should have budgeted a \$1.7 million appropriation for PILOTs to Brookhaven (\$1.4 million) and Chicago (\$300,000). It is unclear as to what amount, if any, was actually appropriated.

For the 2011-2012 tax year, BNL made \$1.263 million in PILOT payments, with \$660,422 going to the South Manor School District; \$243,608 to Longwood Schools; \$12,033 to the Longwood Public Library; \$28,823 to the Ridge Fire District; \$28,979 to the Manorville Fire District, and \$23,545 to the Manorville Ambulance. Suffolk County received \$172,695 and Brookhaven Town received \$93,768.

Under Section 168 of the Atomic Energy Act of 1954, the U.S. Department of Energy is authorized to make payments in lieu of taxes on their property, in order to render financial assistance to the local governments and school districts.

In August of 1999, the Town and BNL entered into an agreement for PILOT payments on land acquired and owned by the federal government for use in its energy programs in the Town that had previously been subject to ad valorem property taxes. Since that agreement, Brookhaven National Lab has made over \$13.8 million in PILOT payments for local school districts, libraries, fire districts, ambulance districts, Suffolk County and the Town of Brookhaven.

Division of Public Information * Office of the Supervisor

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