

**Why Federal Investments Matter: Stability from Congress to State Capitals  
Testimony to the House Budget Committee on January 15, 2020  
Hon. Mark C. Poloncarz, Erie County (New York) Executive**

Good morning Chairman Yarmuth, Ranking Member Womack, and to all the members of the committee. My name is Mark Poloncarz, the current Erie County (New York) Executive and formerly its elected chief financial officer.

I am glad to be here this morning to share my unique perspective on the vital role Federal investments play in stabilizing America's local communities, especially during difficult economic times.

First, I would like to share a little background on the community I represent.

Erie County is a microcosm of our country with an urban core in Buffalo, many suburbs, and hundreds of square miles of family farms in our rural communities. 920,000 people live in the county, making it larger than five states, and it is approximately the same geographic size as Rhode Island.

Like other Great Lakes areas, Erie County struggled at the end of the 20th Century with a loss of population and jobs.

However, in recent years we've seen our population increase and an economic resurgence as we have transitioned from a blue collar economy to one based on financial services, health sciences, education, and advanced manufacturing.

As Executive I manage an annual budget of 1.8 billion dollars, dozens of departments, and a workforce of 5,000 employees.

Despite having such a large budget, only 125 million dollars is truly discretionary in nature. The vast majority of county spending is for programs mandated by federal and state government, but administered at the county level.

For example, Erie County is the primary provider of health and human services for the region. Programs like Medicaid, TANF, SNAP, WIC, Meals on Wheels, and so many others are delivered by the county.

As part of the delivery of those services the county often has a substantial local share. Erie County's share of Medicaid in 2020 alone is more than 200 million dollars.

Our Departments of Health and Mental Health have led the effort in combatting the opioid epidemic, with substantial grant assistance provided by various federal agencies. I am proud to say the Justice Department's Bureau of Justice Assistance considers Erie County to be the model county on how to respond to the opioid crisis. However, we would not be in that position, meaning more people would have died, without the significant financial assistance received from the Federal government.

Any reductions in Federal funding to the above discussed programs would have an immediate and significantly negative impact on our ability to deliver services promoting our residents' health and wellness.

We have closely reviewed and monitored every budget proposed by the Trump administration, determining that many of the President's proposals would have a disastrous impact locally.

For instance, New York, already facing a multi-billion dollar Medicaid shortfall, would be severely punished under the block grant system previously proposed by the president. If implemented we would be forced to significantly raise taxes to make up for the lost assistance, or cut other popular programs, like libraries and parks.

Furthermore, the county administers the Department of Housing and Urban Development's Community Development Block Grants for 34 municipalities, including our entire rural area. These grants, which require a local match, support everything from main street improvements to clean water projects.

The grants are a vital lifeline to help our smaller communities address specific needs; just as they help the City of Buffalo build affordable, safe housing.

Should the CDBG program be eliminated as the Trump administration has repeatedly proposed, all areas of our county – urban, suburban and rural – would be negatively impacted.

Another key area that has been impacted from a lack of federal assistance is our infrastructure. Erie County owns and maintains more than 2,400 lane miles of road. That is more lane miles than the states of Delaware, Hawaii and Rhode Island each have.

Federal dollars used to play an important role in completing many projects a year.

Unfortunately, with no major federal infrastructure bill in recent years, we have only been able to complete a few large projects with the limited federal assistance we received.

That is why I strongly support legislation introduced by Congressman Brian Higgins. It would provide a major investment in our roads, bridges, and other infrastructure, support good-paying union jobs, and will be desperately needed during any future recessions.

Finally, let me give you an example of how the failure to pass the Federal budget on time can have a significant impact on our local economy.

Our Buffalo and Erie County Workforce Investment Board (the "Board") is a local organization supported by Federal aid appropriated under the Workforce Innovation and Opportunity Act ("WIOA"). The employees of our Board work with local employers and job-seekers to sustain and grow our economy.

However, when the Federal government shuts down, those employees are furloughed as well because their salaries are paid for by federal WIOA dollars. The last thing any region could afford in a recession is furloughing the people whose job it is to help other people find jobs, and employers fill jobs.

This is just one small, but important example of how targeted Federal assistance helps grow local economies, and how reducing aid or the shutdown of the Federal government during an economic downturn would negatively impact a region.

Erie County's economy is growing but I cannot imagine what our fiscal picture would be if some of President Trump's prior budget proposals had been enacted, nevertheless how we would then fair in a recession.

I thank Congress for rejecting the proposed cuts in the past, and if they are included in the 2021 budget I would urge you to reject them again.

Thank you for your time and I look forward to your questions.