City Hall needs to explain why it perpetuates the REGRESSIVE taxation of New Yorkers by using the regressive water tax to subsidize services, programs and projects that New Yorkers rightfully expect to get funded by the tax levy. See the QCC testimony.

http://www.nydailynews.com/ny\_local/2008/05/06/2008-05-06\_mayor\_bloomberg\_not\_flowin\_with\_plan\_to\_.html

## Mayor Bloomberg not flowin' with plan to cut hike water bills

BY ADAM LISBERG and FRANK LOMBARDI DAILY NEWS STAFF WRITERS

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No -that's the icy answer <u>Mayor Bloomberg</u> gave City Council critics who want him to eliminate a unique rental arrangement that could lower the proposed 14.5% water rate hike by nearly 5 percentage points.

Such a move would save 825,000 water customers as much as \$122 million in fiscal 2009, which starts July 1, when the new rates would kick in.

"They spend the money on real projects which we need," Bloomberg said of the city's water system Monday. "From what I can tell, they do it reasonably efficiently, and this [rental relief] seems to me to be a brouhaha about nothing from a couple of people who want to run for higher office."

The water system is operated by the city's Department of Environmental Protection, but two Bloomberg-controlled boards determine the finances.

The Water Board is required to raise enough revenues each year to pay its operational and bonding costs and give the city a lease payment worth 15% of the system's debt service.

<u>Councilman James Gennaro (D-Queens)</u> has called the lease structure an "unconscionable, backdoor tax" the mayor can change administratively.

"The Bloomberg administration apparently doesn't give a crap and is going to leave this to the next administration to deal with," fumed Gennaro, who is running for a state Senate seat in Queens.

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