



# THE CITY OF NEW YORK INDEPENDENT BUDGET OFFICE

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FOR IMMEDIATE RELEASE  
May 2, 2024

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## IBO Reviews Potential Impacts of Staten Island Seceding from New York City

**May 2, 2024**, – Per the request of Council Member Brannan, the New York City Independent Budget Office (IBO) reviewed potential fiscal and operational considerations of a potential Staten Island secession from the City of New York. IBO reviewed past studies that examined the fiscal impacts during the secession efforts in the 1990s, estimated Staten Island’s major revenue sources, and provided discussion on the considerations for separating current operations and capital investments made by the City of New York that serve Staten Island. IBO does not take a position on secession but intends for this work to illuminate the fiscal uncertainties such an undertaking would present and the considerations for how municipal infrastructure and services would continue to serve residents of a hypothetically independent Staten Island.

IBO’s memorandum on Staten Island secession can be found [here](#).

- Based on findings from two studies estimating the 1991 revenues and cost of services generated by Staten Island, the borough would run a deficit of \$171 million to \$199 million if it seceded. Both studies, however, cite major methodological challenges for their estimates, and do not include any costs associated with the purchase of capital assets or debt service.
- In 2022, IBO estimated that Staten Island generated \$1.9 billion in revenue from the three largest tax revenues: property tax (\$1.1 billion), personal income tax (\$509 million), and sales tax (\$301 million). For these three revenues, Citywide totals for fiscal year 2022 are \$56.4 billion. IBO estimates revenue from water and sewer payments in Staten Island to be \$169 million in 2022; the Citywide total is \$3.8 billion in 2022.
- An independent Staten Island would need to provide, arrange, or negotiate for many key aspects of municipal services. It is unclear in secession whether the level of services currently provided would be maintained. Services include providing police, fire, and correctional services, waste removal and snowplowing, schools, libraries, public hospitals, and human services for its residents.
- An independent Staten Island would lose many of the economies of scale in administration, training facilities, and service delivery that presently benefit all the boroughs. Furthermore, apportioning centrally managed costs to Staten Island would be complicated and could involve lengthy litigation to resolve, such as for pension and fringe benefits, and decoupling outstanding bond issuances for capital projects in Staten Island.



**New York City Independent Budget Office**

IBO's mission is to enhance understanding of New York City's budget, public policy, and economy through independent analysis.