

1961

2013-2014 Regular Sessions

I N S E N A T E

(PREFILED)

January 9, 2013

Introduced by Sen. GRIFFO -- read twice and ordered printed, and when printed to be committed to the Committee on Education

AN ACT to establish an energy system tax stabilization reserve fund in the Lowville Central School District to lessen or prevent increases in the school district's real property tax levy

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 Section 1. Legislative findings. The legislature hereby finds that the
2 private development and ownership of wind energy systems located within
3 the Lowville Central School District may result in instability in the
4 real property tax base and the budgets of the district due to the uncer-
5 tainty with the assessments of such wind energy systems at the time the
6 payments in lieu of taxes terminate.
7 S 2. Definitions. As used in this act:
8 (a) "Board of education" or "board" means the board of education of
9 the Lowville Central School District.
10 (b) "Energy system tax stabilization reserve fund" or "fund" means the
11 energy system tax stabilization reserve fund established pursuant to
12 this act.
13 (c) "Payments in lieu of taxes" or "payments" means payments in lieu
14 of taxes receivable by the school district pursuant to contracts entered
15 into in accordance with section 487 of the real property tax law or
16 subdivision 15 of section 858 of the general municipal law on any wind
17 energy system located wholly or partially within the Lowville Central
18 School District.
19 (d) "School district" or "district" means the Lowville Central School
20 District.
21 (e) "Wind energy systems" shall be defined as in section 487 of the
22 real property tax law and shall include the land upon which the system

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

LBD01518-01-3

1 is located, any equipment used in such generation, and equipment leading
2 from the system to the interconnection with the transmission system.

3 S 3. The board of education, without voter approval, is hereby author-
4 ized to establish an energy system tax stabilization reserve fund to
5 lessen or prevent increases in the school district's real property tax
6 levy resulting from decreases in revenue due to changes in the amount of
7 or termination of payments in lieu of taxes receivable by the school
8 district. Moneys shall be paid into and withdrawn from the fund, and the
9 fund shall be administered, as follows:

10 (a) For any school district fiscal year commencing after the effective
11 date of this act and after the establishment of the energy system tax
12 stabilization reserve fund, the board of education, without voter
13 approval, may determine that there shall be paid into the fund all or
14 any portion of the amount by which the payments in lieu of taxes receiv-
15 able by the school district for such fiscal year is not required to
16 prevent an increase in the school tax levy from the immediately preced-
17 ing fiscal year, provided that no payment into the reserve fund shall
18 cause the balance of the fund to exceed 100 percent of the budget for
19 such immediately preceding fiscal year. Such determination may be
20 amended to reduce the amount paid into the fund in the event that the
21 district's original proposed budget is not approved by the voters.

22 (b) The board of education, without voter approval, is hereby author-
23 ized to make a one-time deposit into the energy system tax stabilization
24 reserve fund in an amount not to exceed the balance over any maximum
25 allowable balance as required by any other law that accrued prior to the
26 establishment of the energy system tax stabilization reserve fund as a
27 result of the receipt of any payment in lieu of taxes.

28 (c) Moneys may be withdrawn from the energy system tax stabilization
29 reserve fund subject to the following limitations:

30 (1) For any fiscal year for which payments in lieu of taxes receivable
31 by the school district equal or exceed the amount of such payments
32 received for the immediately preceding fiscal year, no amount shall be
33 withdrawn from the fund.

34 (2) For any fiscal year for which payments in lieu of taxes receivable
35 by the school district are less than the amount of such payments
36 received for the immediately preceding fiscal year, the board of educa-
37 tion, without voter approval, may authorize a withdrawal from the fund
38 in an amount not to exceed the amount of the payments received for the
39 immediately preceding year less the amount of the payments receivable
40 for the fiscal year for which the budget and tax levy is being deter-
41 mined.

42 (3) For any fiscal year for which the school district does not antic-
43 ipate receiving any payments in lieu of taxes, the board of education,
44 without voter approval, may authorize a withdrawal from the fund in an
45 amount not to exceed the amount of such payments received for the last
46 preceding fiscal year for which such payments were received plus the
47 amount, if any, which the board of education authorized to be withdrawn
48 from the fund for such last preceding fiscal year.

49 (4) Notwithstanding paragraph 1 of this subdivision, and in addition
50 to any withdrawal from the fund authorized pursuant to paragraph 2 or 3
51 of this subdivision, moneys may be withdrawn from the fund for any
52 fiscal year in such amount and for such purposes as may be set forth in
53 a separate proposition submitted by the board of education and approved
54 by the qualified voters of the school district.

55 (c) Determinations by the board of education to pay money into the
56 energy system tax stabilization reserve fund, authorizations by the

board to withdraw money from the fund, and decisions by the board to submit a proposition to the voters authorizing a withdrawal from the fund shall be made on or before the last date provided by law for the submission to the state education department of the school district's property tax report card pursuant to subdivision 7 of section 1716 of the education law.

(d) The moneys in the energy system tax stabilization reserve fund shall be deposited, invested and accounted for in the manner provided for in subdivisions 2 and 6 of section 3651 and section 3652 of the education law.

S 4. The property tax report card prepared by the school district pursuant to subdivision 7 of section 1716 of the education law shall contain the following information relating to the energy system tax stabilization reserve fund: (a) the balance of the fund as of the start of the current fiscal year, (b) all deposits or withdrawals from the fund for the current fiscal year, (c) an analysis of the impact of such withdrawals on the school district's tax levy for the current fiscal year, (d) proposed deposits and withdrawals for the ensuing fiscal year, and (e) an analysis of the impact of such proposed deposits and withdrawals on the projected tax levy for the ensuing fiscal year if the proposed budget is adopted.

S 5. When computing the school district's tax levy limit for a school year pursuant to subdivision 3 of section 2023-a of the education law:

(a) The payments in lieu of taxes receivable for the prior school year shall be decreased by any amount paid into the energy system tax stabilization reserve fund for such prior school year and increased by any amount withdrawn from the fund for such prior school year.

(b) The payments in lieu of taxes receivable in the coming fiscal year shall be decreased by the amount to be paid into the energy system tax stabilization reserve fund for such coming fiscal year and increased by any amount to be withdrawn from the energy system tax stabilization reserve fund for such coming fiscal year.

S 6. Notwithstanding the provisions of subdivision (c) of section three of this act and section four of this act, if this act shall take effect later than fourteen days prior to the last date provided by law for the submission to the state education department of the school district's property tax report card for the school district's ensuing fiscal year, then a determination by the board of education to pay money into the fund for the ensuing fiscal year may be made on or before the last date provided by law for the levy of taxes for such ensuing fiscal year. Upon making such determination to pay money into the fund, the board shall cause to be posted on the school district's website a statement containing the amount of the payment into the fund and the effect of the payment on the projected tax levy for the ensuing fiscal year.

S 7. This act shall take effect immediately.