

STATE OF NEW YORK

4804

2017-2018 Regular Sessions

IN ASSEMBLY

February 3, 2017

Introduced by M. of A. DINOWITZ -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to sewer and water rates for those granted senior citizen real property tax exemptions in the city of New York

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 1 of section 1045-j of the public authorities
2 law, as added by chapter 513 of the laws of 1984, is amended to read as
3 follows:

4 1. The water board shall establish, fix and revise, from time to time,
5 fees, rates, rents or other charges for the use of, or services
6 furnished, rendered or made available by, the sewerage system or water
7 system, or both, as the case may be, owned by the water board pursuant
8 to this title in such amount at least sufficient at all times so as to
9 provide funds in an amount sufficient together with other revenues
10 available to the board, if any, (i) to pay to the authority, in accord-
11 ance with any agreement with the authority, an amount sufficient for the
12 purpose of paying the principal of and the interest on the outstanding
13 notes or bonds of the authority as the same shall become due and payable
14 and maintaining or funding a capital or debt service reserve fund there-
15 for and, to the extent requested by the city in, or annually pursuant
16 to, the agreement to pay to the city, in accordance with the agreement,
17 an amount sufficient for the purpose of paying the principal of and
18 interest on general obligation bonds thereof issued for or allocable to
19 the water system or sewerage system or both, as the case may be, as the
20 same shall become due and payable, and to maintain or fund reserves
21 therefor, (ii) to pay to the city, in accordance with the agreement, an
22 amount sufficient for the purpose of paying the costs of administering,
23 maintaining, repairing and operating and the cost of constructing capi-
24 tal improvements to the water system or sewerage system or both, as the

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

LBD07589-01-7

1 case may be, (iii) to pay to the city in accordance with the agreement
2 entered into pursuant to section one thousand forty-five-i of this title
3 an amount sufficient for the purpose of paying liabilities issued for or
4 allocable to the water system or sewerage system or both, as the case
5 may be, as the same shall become due and payable, (iv) to meet any
6 requirements of any agreement including requirements relating to the
7 establishment of reserves for renewal and replacement and for uncol-
8 lected charges and covenants respecting rates, (v) to pay all other
9 reasonable and necessary expenses of the authority and the water board
10 in relation thereto, and (vi) to the extent requested by the city in or
11 pursuant to the agreement, to pay or provide for such other purposes or
12 projects as such city considers appropriate and in the public interest.

13 When setting such rates within any city or county that shall have
14 adopted a local law pursuant to section four hundred sixty-seven and/or
15 section four hundred fifty-nine-c of the real property tax law, those
16 real property owners whose applications for a partial exemption from
17 taxation as set forth in section four hundred sixty-seven and/or section
18 four hundred fifty-nine-c of the real property tax law have been granted
19 shall have their rates for water and sewer charges frozen at the rate in
20 effect on July first, two thousand seventeen or the date on which the
21 exemption aforesaid is granted, whichever is later, until such rate
22 equals that produced by multiplying the current full rate times a factor
23 representing one minus the percentage of assessed valuation exempt from
24 taxation pursuant to such section four hundred sixty-seven or section
25 four hundred fifty-nine-c. Thereafter, the rates of such partially
26 exempted real property owners shall increase in such a manner as to
27 maintain such percentage differential. Any revenue foregone as a result
28 of this reallocation shall be spread among all classes of customer. Any
29 surplus of funds remaining in the water board after such payments have
30 been made shall be returned to the city for deposit in the general fund.

31 § 2. This act shall take effect on the thirtieth day after it shall
32 have become a law.