

STATE OF NEW YORK

9681

IN ASSEMBLY

January 31, 2018

Introduced by M. of A. PAULIN, GALEF, BUCHWALD, ZEBROWSKI, THIELE, SCHIMMINGER, ENGLEBRIGHT, DINOWITZ, GOTTFRIED, OTIS, JAFFEE, COLTON, ORTIZ, DICKENS, SEAWRIGHT, RAIA -- Multi-Sponsored by -- M. of A. LAWRENCE, PRETLOW -- read once and referred to the Committee on Ways and Means

AN ACT to amend the general municipal law, in relation to special funds for counties, cities, villages, and towns; to amend the education law, in relation to the creation of special funds; and to amend the real property tax law, in relation to tax credits for contributions to special funds

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

1 Section 1. The general municipal law is amended by adding a new
2 section 6-t to read as follows:

3 § 6-t. Special funds for counties, cities, villages, and towns. 1. As
4 used in this section the term "governing board", insofar as it is used
5 in reference to a village, shall mean the board of trustees thereof;
6 insofar as it is used in reference to a town, shall mean the town board
7 thereof; insofar as it is used in reference to a county, shall mean the
8 legislative body thereof; insofar as it is used in reference to a city,
9 shall mean the "local legislative body" thereof, as that term is defined
10 in subdivision seven of section two of the municipal home rule law, as
11 amended from time to time.

12 2. The governing board of any county, city, village, or town may
13 establish a special fund to accept monetary contributions for exclusive-
14 ly public purposes. The governing board shall specify the specific
15 purposes for which the fund is established.

16 3. The moneys in each such fund shall be deposited and secured in the
17 manner provided by section ten of this article. The governing board or
18 the chief fiscal officer of such municipality, if the governing board
19 shall delegate such duty to him, may invest the moneys in each such fund
20 in the manner provided in section eleven of this article. Any interest
21 earned or capital gains realized on the moneys so deposited or invested
22 shall accrue to and become part of each such fund. The separate identity

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

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1 of each such fund shall be maintained, whether its assets consist of
2 cash or investments or both.

3 4. The governing board may authorize the transfer of all or any part
4 of any special fund to any other special fund established pursuant to
5 this section.

6 5. (a) The chief fiscal officer shall keep a separate account for each
7 fund established. Such account shall show:

8 (i) The date and amount of each sum paid into the fund.

9 (ii) The interest earned by such fund.

10 (iii) The capital gains or losses resulting from the sale of invest-
11 ments of the fund.

12 (iv) The amount and date of each withdrawal from the fund.

13 (v) The assets of the fund, indicating the cash balance therein and a
14 schedule of the amounts invested in federal or state obligations.

15 (b) The chief fiscal officer, at the termination of each fiscal year,
16 shall render a detailed report of the operation and condition of each of
17 such funds to the governing board.

18 6. Notwithstanding the foregoing provisions of this section, in any
19 town which is located wholly or partly within the Adirondack park and
20 has within its boundaries state lands subject to taxation assessed at
21 more than thirty per centum of the total taxable assessed valuation of
22 the town as determined from the assessment rolls of the town, as
23 completed from time to time, a special fund shall not be established
24 unless the state comptroller, on behalf of the state, shall consent
25 thereto.

26 7. The governing board shall establish a procedure for the public to
27 make a monetary contribution to a special fund created under this
28 section and for any contributor to the fund to obtain from the county,
29 city, village, or town a written acknowledgement of the contribution.

30 § 2. The education law is amended by adding a new article 78 to read
31 as follows:

32 ARTICLE 78
33 SPECIAL FUNDS

34 Section 3901. Special fund.

35 3902. Procedures.

36 § 3901. Special fund. 1. a. A special fund may be established by the
37 school authorities of any school district to accept monetary contrib-
38 utions for the purpose of promoting and enhancing high-quality public
39 education.

40 b. The school authorities shall specify the purpose for which the fund
41 is established, provided that such purpose must promote or enhance high-
42 quality public education.

43 2. The moneys in each such fund shall be deposited in one or more of
44 the banks or trust companies designated as depositories of the funds of
45 such school district and shall be known as the "special fund" of
46 such district. The school authorities may direct the treasurer of such
47 school district to invest the moneys in each such fund in the manner
48 provided in section eleven of the general municipal law. Any interest
49 earned or capital gains realized on the money so deposited or so
50 invested shall accrue to and become a part of each such fund. The sepa-
51 rate identity of each such fund shall be maintained whether its assets
52 consist of cash or investments or both.

53 3. An expenditure shall be made from a special fund only for the
54 specific purpose specified by the school authorities.

1 4. The voters may authorize the transfer of all or any part of any
2 special fund to any other special fund established pursuant to this
3 section.

4 5. The school authorities shall cause a separate account to be kept of
5 each fund established. Such account shall show:

6 a. The date and amount of each sum paid into the fund.

7 b. The interest earned by such fund.

8 c. The capital gains or losses resulting from the sale of investments
9 of the fund.

10 d. The amount and date of each withdrawal from the fund.

11 e. The assets of the fund indicating the cash balance therein and a
12 schedule of the amounts invested in federal or state obligations.

13 6. The school authorities shall render annually a detailed report of
14 the operation and conditions of each of such funds. A copy of such
15 report shall be filed with the commissioner.

16 7. a. Notwithstanding the foregoing provisions of this section, if in
17 any city any taxes raised on real estate for the purposes of the school
18 district must be included in computing the amount which the city may
19 raise by tax on real estate for city purposes pursuant to the provisions
20 of section ten of article eight of the constitution, the establishment
21 of a special fund by the school authorities of the school district shall
22 be subject to the consent of the legislative body of the city.

23 b. Notwithstanding the foregoing provisions of this section, in any
24 school district which is wholly or partly in the Adirondack park and has
25 within its boundaries state lands subject to taxation assessed at more
26 than thirty per centum of the aggregate taxable assessed valuation of
27 the real property within the bounds of such school district, the school
28 district shall not establish a special fund unless, on the recommenda-
29 tion of the commissioner, the state comptroller on behalf of the state,
30 shall consent thereto. Upon the expiration of fifteen days from the date
31 of the filing in his or her office of the application for such consent,
32 together with the recommendation of the commissioner, and upon reaching
33 a determination, the state comptroller shall make an order, in tripli-
34 cate, granting or denying such consent. One copy of such order shall be
35 filed in the office of the state department of audit and control at
36 Albany, New York, another in the state department of education at Alba-
37 ny, New York, and the third in the office of the clerk of such school
38 district.

39 § 3902. Procedures. School authorities shall establish a procedure for
40 the public to make a monetary contribution to a special fund created
41 under this article and for any contributor to the fund to obtain from
42 the school district a written acknowledgement of the contribution.

43 § 3. The real property tax law is amended by adding a new section
44 488-b to read as follows:

45 § 488-b. Tax credit for contributions to special funds. 1. (a) For
46 taxable years beginning January first, two thousand eighteen, there
47 shall be allowed as a credit against taxes imposed by a county, city,
48 village, or town, an amount equal to ninety percent of the amount
49 contributed by a taxpayer for the taxable year to a special fund created
50 by such county, city, village or town pursuant to section six-t of the
51 general municipal law.

52 (b) For taxable years beginning January first, two thousand eighteen,
53 there shall be allowed as a credit against taxes imposed by a school
54 district, an amount equal to ninety percent of the amount contributed by
55 a taxpayer for the taxable year to a special fund created by such school

1 district pursuant to section three thousand nine hundred one of the
2 education law.

3 2. If the allowable tax credit exceeds the taxes otherwise owed by the
4 taxpayer, the taxpayer may claim the excess credit in the following
5 year, and succeeding year.

6 § 4. This act shall take effect on the ninetieth day after it shall
7 have become a law.