

STATE OF NEW YORK

6885

2025-2026 Regular Sessions

IN SENATE

March 26, 2025

Introduced by Sens. HARCKHAM, CANZONERI-FITZPATRICK, PALUMBO, RHOADS --
read twice and ordered printed, and when printed to be committed to
the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, the public health law, the
New York State water infrastructure improvement act of 2017, and the
real property tax law, in relation to providing access to water qual-
ity infrastructure improvement funding to water utilities

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

1 Section 1. Subdivision 34 of section 1281 of the public authorities
2 law, as added by chapter 413 of the laws of 1996, is amended to read as
3 follows:

4 34. "Recipient" shall mean any municipality, public utility, or
5 person, including any individual, firm, partnership, association, not-
6 for-profit corporation or other corporation organized and existing under
7 the laws of the state or any other state which is empowered to construct
8 and operate an eligible project, or any two or more of the foregoing
9 which are acting jointly in connection with an eligible project;
10 provided any project by a water utility shall have a clear and definite
11 public purpose and shall benefit the customers of the water system.

12 § 2. Subdivision 10 of section 1160 of the public health law, as
13 added by chapter 413 of the laws of 1996, is amended to read as
14 follows:

15 10. "Recipient" means any municipality, public utility, or person,
16 including any individual, firm, partnership, association, not-for-profit
17 corporation or other corporation organized and existing under the laws
18 of the state or any other state which is empowered to construct and
19 operate an eligible project, or any two or more of the foregoing which
20 are acting jointly in connection with an eligible project; provided any
21 project by a water utility shall have a clear and definite public
22 purpose and shall benefit the customers of the water system.

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

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1 § 3. Paragraph a of subdivision 3 of section 6 of part T of chapter 57
2 of the laws of 2017, constituting the New York State water infrastruc-
3 ture improvement act of 2017, is amended to read as follows:

4 a. The environmental facilities corporation shall undertake and
5 provide state financial assistance payments, from funds appropriated for
6 such purpose, to municipalities and water utilities regulated by the
7 public service commission in support of water quality infrastructure
8 projects provided, however, in any such year that funds are appropriated
9 for such purpose, no municipality or water utility shall receive more
10 than five million dollars of appropriated funds, and any project by a
11 water utility shall have a clear and definite public purpose and shall
12 benefit the customers of the water system. Such state financial assist-
13 ance payments shall be awarded only to water quality infrastructure
14 projects for:

15 (i) replacement or repair of infrastructure; or
16 (ii) compliance with environmental and public health laws and regu-
17 lations related to water quality.

18 § 4. Subdivision 17 of section 102 of the real property tax law, as
19 amended by chapter 569 of the laws of 1996, is amended to read as
20 follows:

21 17. "Special franchise" means the franchise, right, authority or
22 permission to construct, maintain or operate in, under, above, upon or
23 through any public street, highway, water or other public place mains,
24 pipes, tanks, conduits, wires or transformers, with their appurtenances,
25 for conducting water, steam, light, power, electricity, gas or other
26 substance. For purposes of assessment and taxation a special franchise
27 shall include the value of the tangible property situated in, under,
28 above, upon or through any public street, highway, water or other public
29 place in connection therewith. The term special franchise shall not
30 include central office equipment or station equipment (except public
31 telephone terminal equipment) which first appears on assessment rolls
32 prepared on the basis of taxable status dates occurring on or after
33 October first, nineteen hundred ninety-five and which is owned by a
34 telephone company as defined in paragraph (d) of subdivision twelve of
35 this section, or owned by a telephone corporation as defined in subdivi-
36 sion seventeen of section two of the public service law and certified by
37 the public service commission under section ninety-nine of such law, nor
38 shall it include property of a municipal corporation, public benefit
39 corporation or special district, nor shall it include a crossing less
40 than two hundred fifty feet in length of a public street, highway, water
41 or other public place outside a city or village, unless such crossing be
42 the continuation of an occupancy of another public street, highway,
43 water or other public place. For a water utility, the term special fran-
44 chise shall not include the value of water infrastructure improvements
45 funded or financed through the New York State water infrastructure
46 improvement act of 2017, or the drinking water revolving fund pursuant
47 to section 1285-m of the public authorities law, provided that any tax
48 relief realized through such exemption shall be used to reduce current
49 water rates and offset future water rate increases.

50 § 5. This act shall take effect immediately.