

STATE OF NEW YORK

7845

2025-2026 Regular Sessions

IN SENATE

May 9, 2025

Introduced by Sen. FAHY -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the real property tax law and the urban development corporation act, in relation to establishing broadband opportunity areas

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

1 Section 1. Section 16-gg of section 1 of chapter 174 of the laws of
2 1968, constituting the New York state urban development corporation act,
3 as added by section 2 of part MMM of chapter 58 of the laws of 2022, is
4 amended by adding a new subdivision 14 to read as follows:

5 14. Broadband opportunity areas. (a) The division shall have the
6 power to determine and establish broadband opportunity areas. To qualify
7 as a broadband opportunity area, a location must be a population census
8 tract that contains an underserved or unserved broadband serviceable
9 location as defined by the federal communications commission.

10 (b) To qualify for the exemptions set forth in section 485-z of the
11 real property tax law, providers of telecommunication services must
12 provide reliable internet service with consistent speeds of at least 100
13 megabits per second for download and at least 20 megabits per second for
14 upload, unless this requirement is waived for a specific project or
15 location and a different speed level is approved by the division, but
16 under no circumstances less than 25 megabits per second download and 3
17 megabits per second upload, to residences within a broadband opportunity
18 area.

19 (c) The division may terminate a broadband opportunity area design-
20 ation upon finding that (i) the applicant has failed substantially to
21 implement the required broadband plan within the time stated therein;
22 (ii) there has been inadequate management and evaluation of the broad-
23 band opportunity area at the local level; or (iii) the applicant has
24 repeatedly failed to comply with program reporting requirements.

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

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1 provided, however, that no termination shall occur unless and until
2 written notice has been given to the applicant and a public hearing has
3 been held thirty days prior to the effective date of such termination.

4 (d) For the purposes of this section, "provider of telecommunication
5 services" means any person who furnishes or sells telecommunications
6 services regardless of whether such activities are the main business of
7 such person or are only incidental thereto.

8 § 2. The real property tax law is amended by adding a new section
9 485-z to read as follows:

10 § 485-z. Broadband opportunity area. 1. (a) Last mile broadband
11 infrastructure constructed, altered, installed or improved in an area
12 designated a broadband opportunity area as established in subdivision
13 fourteen of section sixteen-gg of section one of chapter one hundred
14 seventy-four of the laws of nineteen hundred sixty-eight, constituting
15 the New York state urban development corporation act, shall be exempt
16 from taxation and special ad valorem levies by any municipal corporation
17 in which located, for the period and to the extent herein provided,
18 provided that the governing board of such municipal corporation, after
19 public hearing, adopts a local law, ordinance or resolution providing
20 therefor. For purposes of this section, "last mile" shall mean broadband
21 infrastructure that is designed, built, and operated with the ability to
22 serve every business or residential location at which mass-market fixed
23 broadband internet service is, or can be, installed within three hundred
24 feet of the path of construction, at speeds identified in section
25 sixteen-gg of section one of chapter one hundred seventy-four of the
26 laws of nineteen hundred sixty-eight, constituting the New York state
27 urban development corporation act, regarding broadband opportunity
28 areas.

29 (b) A municipal corporation may provide in such local law, ordinance
30 or resolution, or in a separate local law, ordinance or resolution
31 adopted after public hearing, that the exemption so authorized shall be
32 for a term of ten years, notwithstanding that the designation of the
33 area may expire prior to the end of such ten-year term. Any such local
34 law, ordinance or resolution shall be applicable only to exemptions
35 commencing on assessment rolls with taxable status dates on or after the
36 effective date of such local law, ordinance or resolution.

37 2. (a) No such exemption shall be granted unless:

38 (i) notice of the designation of the broadband opportunity area has
39 been filed with the clerk of the assessing unit by the commissioner on
40 or before the applicable taxable status date;

41 (ii) the construction, alteration, installation or improvement
42 commenced on or after the date the broadband opportunity area desig-
43 nated; and

44 (iii) the designation of the broadband opportunity area has not ended
45 and has not been terminated on or before the applicable taxable status
46 date.

47 (b) For purposes of this section the terms construction, alteration,
48 installation and improvement shall not include ordinary maintenance and
49 repairs.

50 (c) No such exemption shall be granted concurrent with or subsequent
51 to any other real property tax exemption granted to the same improve-
52 ments to real property, except, where during the period of such previous
53 exemption, payments in lieu of taxes or other payments were made to the
54 local government in an amount that would have been equal to or greater
55 than the amount of real property taxes that would have been paid on such
56 improvements had such property been granted an exemption pursuant to

1 this section. In such case, an exemption shall be granted for a number
2 of years equal to the ten-year exemption granted pursuant to this
3 section less the number of years the property would have been previously
4 exempt from real property taxes.

5 3. Such exemption shall be granted only upon application by the owner
6 of such real property on a form prescribed by the commissioner. The
7 original of such application shall be filed with the assessor of the
8 assessing unit. Such original application shall be filed on or before
9 the appropriate taxable status date of such assessing unit and no later
10 than one year from the date of completion of such construction, alter-
11 ation, installation or improvement.

12 4. If the assessor receives the notice described in paragraph (a) of
13 subdivision two of this section and an application by the owner of the
14 real property, the assessor shall approve the application and such real
15 property shall thereafter be exempt from taxation as herein provided
16 commencing with the assessment roll prepared after the taxable status
17 date referred to in subdivision three of this section. The assessed
18 value of any exemption granted pursuant to this section shall be entered
19 by the assessor on the assessment roll with the taxable property, with
20 the amount of the exemption entered in a separate column.

21 5. Exemptions existing prior in time to the termination of the desig-
22 nation of broadband opportunity area pursuant to subdivision fourteen of
23 section sixteen-gg of section one of chapter one hundred seventy-four of
24 the laws of nineteen hundred sixty-eight, constituting the New York
25 state urban development corporation act, or, in the case of a municipal
26 corporation which has adopted a local law, ordinance or resolution
27 pursuant to subdivision one of this section, prior in time to the expi-
28 ration of such designation, shall continue as if the designation of the
29 broadband opportunity area had not been terminated, or, if applicable,
30 had not expired; provided, however, that any further increase in the
31 value attributable to construction, alteration, installation or improve-
32 ment commenced subsequent to the date of termination, or, if applicable,
33 the date of expiration, shall not be eligible for exemption pursuant to
34 this section.

35 § 3. This act shall take effect on the ninetieth day after it shall
36 have become a law. Effective immediately, the addition, amendment and/or
37 repeal of any rule or regulation necessary for the implementation of
38 this act on its effective date are authorized to be made and completed
39 on or before such effective date.