

10264

I N A S S E M B L Y

March 16, 2010

Introduced by M. of A. GALEF -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the real property tax law, in relation to the establishment of assessment ceilings for local public utility mass real property

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

1 Section 1. Article 4 of the real property tax law is amended by adding
2 a new title 5 to read as follows:

3 TITLE 5

4 ASSESSMENT CEILINGS FOR LOCAL PUBLIC
5 UTILITY MASS REAL PROPERTY

6 SECTION 499-HHHH. DEFINITIONS.

7 499-IIII. ANNUAL FEE.

8 499-JJJJ. ASSESSMENT OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY.

9 499-KKKK. ASSESSMENT CEILING.

10 499-LLLL. LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE.

11 499-MMMM. EQUITABLE RATIO OF ASSESSMENT.

12 499-NNNN. EQUALIZATION RATE.

13 499-OOOO. TENTATIVE DETERMINATION OF ASSESSMENT CEILING; NOTICE,
14 COMPLAINTS AND HEARING.

15 499-PPPP. FINAL DETERMINATION OF ASSESSMENT CEILING; CERTIF-
16 ICATE.

17 499-QQQQ. APPLICATION OF ASSESSMENT CEILING; COMPUTATION OF
18 EXEMPTION.

19 499-RRRR. REPORTS TO STATE BOARD.

20 499-SSSS. INSPECTION OF ACCOUNTS AND PROPERTY OF PUBLIC UTILI-
21 TIES.

22 S 499-HHHH. DEFINITIONS. WHEN USED IN THIS TITLE:

23 1. "LOCAL PUBLIC UTILITY MASS REAL PROPERTY" MEANS PUBLIC UTILITY MASS
24 REAL PROPERTY THAT IS LOCATED IN A PARTICULAR TOWN, VILLAGE, CITY OR
25 COUNTY ASSESSING UNIT AND UNDER THE SAME OWNERSHIP.

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

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1 2. "LOCAL ASSESSING JURISDICTION" MEANS THE TOWN, CITY, VILLAGE OR
2 COUNTY ASSESSING UNIT THAT ESTABLISHES THE ASSESSMENT ROLLS FOR SUCH
3 TOWN, CITY, VILLAGE OR COUNTY.

4 3. "PUBLIC UTILITY MASS REAL PROPERTY" MEANS REAL PROPERTY, INCLUDING
5 MAINS, PIPES, CONDUITS, CABLES, LINES, WIRES, POLES, SUPPORTS AND ENCLO-
6 SURES FOR ELECTRICAL CONDUCTORS LOCATED ON, ABOVE AND BELOW REAL PROPER-
7 TY, WHICH IS USED IN THE TRANSMISSION AND DISTRIBUTION OF GAS, ELECTRIC-
8 ITY, STEAM, WATER, PETROLEUM AND ANY OTHER SUBSTANCE AS WELL AS
9 REFRIGERATION, HEAT, TELEPHONE OR TELEGRAPH SERVICE, AND ELECTROMAGNETIC
10 VOICE, VIDEO AND DATA SIGNALS. SUCH TERM SHALL INCLUDE ALL PROPERTY
11 DESCRIBED IN PARAGRAPHS (D), (E) AND (I) OF SUBDIVISION TWELVE OF
12 SECTION ONE HUNDRED TWO OF THIS CHAPTER. SPECIAL FRANCHISE PROPERTY AS
13 DESCRIBED IN SUBDIVISION SEVENTEEN OF SECTION ONE HUNDRED TWO OF THIS
14 CHAPTER AND ALL PROPERTY DESCRIBED IN SUBPARAGRAPHS (A), (B), (C) AND
15 (D) OF PARAGRAPH (I) OF SUBDIVISION TWELVE OF SECTION ONE HUNDRED TWO OF
16 THIS CHAPTER SHALL NOT BE CONSIDERED PUBLIC UTILITY MASS REAL PROPERTY
17 FOR PURPOSES OF THIS TITLE.

18 4. "STATE BOARD" MEANS THE NEW YORK STATE BOARD OF REAL PROPERTY
19 SERVICES.

20 5. "TAXATION" MEANS AN AD VALOREM OR SPECIAL AD VALOREM LEVY OR
21 SPECIAL ASSESSMENT FOR WHICH PUBLIC UTILITY MASS REAL PROPERTY IS OTHER-
22 WISE LIABLE PURSUANT TO THIS CHAPTER.

23 S 499-III. ANNUAL FEE. EACH OWNER OF LOCAL PUBLIC UTILITY MASS REAL
24 PROPERTY SHALL PAY AN ANNUAL CHARGE TO THE OFFICE OF REAL PROPERTY
25 SERVICES NOT TO EXCEED THE FEE CHARGED FOR THE SPECIAL FRANCHISE ASSESS-
26 MENTS PURSUANT TO ARTICLE SIX OF THIS CHAPTER. ANY COSTS AND EXPENSES OF
27 THE STATE BOARD, DIRECT AND INDIRECT, INCURRED IN THE ESTABLISHMENT OF
28 ASSESSMENT CEILINGS FOR LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE
29 PAID FROM THE COLLECTION OF AN ANNUAL CHARGE UPON THE OWNERS OF LOCAL
30 PUBLIC UTILITY MASS REAL PROPERTY. THE STATE BOARD SHALL PROVIDE BY RULE
31 FOR COMPUTATION OF SUCH CHARGE THROUGH THE APPORTIONMENT OF THESE COSTS
32 AND EXPENSES TO OWNERS OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY IN
33 RELATION TO THE TOTAL FULL VALUE OF THE LOCAL PUBLIC UTILITY MASS REAL
34 PROPERTY ELIGIBLE FOR AN ASSESSMENT CEILING PURSUANT TO THIS TITLE.
35 PRIOR TO COLLECTING PAYMENT OF SUCH CHARGES, THE STATE BOARD SHALL ANNU-
36 ALLY PROVIDE A DETAILED REPORT TO EACH OWNER OF LOCAL PUBLIC UTILITY
37 MASS REAL PROPERTY IDENTIFYING COSTS RELATED TO ESTABLISHMENT OF ASSESS-
38 MENT CEILINGS, INCLUDING, BUT NOT LIMITED TO, EXPENDITURES, REVENUE
39 SOURCES AND ANY ALLOCATIONS. THE CHARGES ESTABLISHED PURSUANT TO THIS
40 SECTION SHALL BE SUBJECT TO THE APPROVAL OF THE DIRECTOR OF THE BUDGET.
41 EACH OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE AUTHOR-
42 IZED TO CHALLENGE ANY SUCH CHARGES PURSUANT TO ARTICLE SEVENTY-EIGHT OF
43 THE CIVIL PRACTICE LAW AND RULES.

44 S 499-JJJ. ASSESSMENT OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY.
45 SUBJECT TO THE PROVISIONS OF SECTION FOUR HUNDRED NINETY-NINE-QQQ OF
46 THIS TITLE, THE ASSESSOR IN EACH CITY, TOWN AND VILLAGE, AND IN EACH
47 COUNTY HAVING A COUNTY DEPARTMENT OF ASSESSMENT, SHALL ANNUALLY ASSESS
48 ALL LOCAL PUBLIC UTILITY MASS REAL PROPERTY SITUATED IN SUCH CITY, TOWN,
49 VILLAGE OR COUNTY, AS THE CASE MAY BE. WHERE A VILLAGE HAS ENACTED A
50 LOCAL LAW AS PROVIDED IN SUBDIVISION THREE OF SECTION FOURTEEN HUNDRED
51 TWO OF THIS CHAPTER, THE TOWN OR COUNTY ASSESSOR SHALL APPORTION THAT
52 PART OF THE ASSESSMENT OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY IN THE
53 TOWN OR COUNTY TO THE VILLAGE FOR VILLAGE TAX PURPOSES.

54 S 499-KKK. ASSESSMENT CEILING. 1. TO DETERMINE THE EXTENT TO WHICH
55 LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE EXEMPT UNDER THIS

1 TITLE, AN ASSESSMENT CEILING FOR THE LOCAL PUBLIC UTILITY MASS REAL
2 PROPERTY SHALL BE ESTABLISHED ANNUALLY BY THE STATE BOARD AS FOLLOWS:

3 (A) DETERMINE: (I) THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE
4 IN ACCORDANCE WITH THE PROVISIONS OF SECTION FOUR HUNDRED
5 NINETY-NINE-MMMM OF THIS TITLE; AND (II) THE EQUALIZATION RATE FACTOR
6 FOR THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY IN ACCORDANCE WITH THE
7 PROVISIONS OF SECTION FOUR HUNDRED NINETY-NINE-NNNN OF THIS TITLE.

8 (B) MULTIPLY THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE BY THE
9 EQUALIZATION RATE FACTOR.

10 THE RESULT SHALL BE THE ASSESSMENT CEILING.

11 2. THE VALUATION DATE FOR ALL LOCAL PUBLIC UTILITY MASS REAL PROPERTY
12 SHALL BE JANUARY FIRST OF THE YEAR PRECEDING THE YEAR IN WHICH THE
13 ASSESSMENT ROLL ON WHICH SUCH PROPERTY IS TO BE ASSESSED, COMPLETED AND
14 FILED IN THE OFFICE OF THE CITY OR TOWN CLERK. THE TAXABLE STATUS FOR
15 ALL LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE BASED UPON ITS
16 CONDITION AND OWNERSHIP AS OF THE TAXABLE STATUS DATE APPLICABLE TO THE
17 ASSESSMENT ROLL ON WHICH IT IS TO APPEAR.

18 3. FOR ASSESSMENT ROLLS WITH TAXABLE STATUS DATES IN EACH OF THE THREE
19 CALENDAR YEARS INCLUDING AND FOLLOWING THE YEAR IN WHICH THIS SECTION
20 SHALL TAKE EFFECT, THE STATE BOARD SHALL ESTABLISH NO ASSESSMENT CEILING
21 THAT IS LESS THAN NINETY PERCENT OR MORE THAN ONE HUNDRED TEN PERCENT OF
22 THE ASSESSMENT OF SUCH LOCAL PUBLIC UTILITY MASS REAL PROPERTY APPEARING
23 ON THE MUNICIPAL ASSESSMENT ROLL WITH A TAXABLE STATUS DATE OCCURRING IN
24 THE SECOND PRECEDING CALENDAR YEAR FROM WHEN THIS SECTION SHALL TAKE
25 EFFECT, EXCEPT THAT THE STATE BOARD MAY ESTABLISH ASSESSMENT CEILINGS
26 BELOW THE NINETY PERCENT LEVEL OR ABOVE THE ONE HUNDRED TEN PERCENT
27 LEVEL TO TAKE INTO ACCOUNT ANY CHANGE IN LEVEL OF ASSESSMENT AND/OR TO
28 TAKE INTO ACCOUNT ANY ADDITIONS OR RETIREMENTS TO PUBLIC UTILITY MASS
29 REAL PROPERTY OR LITIGATION AFFECTING THE VALUE OR TAXABLE STATUS OF THE
30 LOCAL PUBLIC UTILITY MASS REAL PROPERTY INITIATED PRIOR TO THE EFFECTIVE
31 DATE OF THIS SECTION.

32 S 499-LLLL. LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE. THE STATE
33 BOARD SHALL COMPUTE THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY VALUE AS
34 FOLLOWS:

35 1. APPLY A COMMONLY ACCEPTED AND RECOGNIZED APPRAISAL METHODOLOGY TO
36 COMPUTE THE REPRODUCTION COST; AND

37 2. GIVE CONSIDERATION TO PHYSICAL DEPRECIATION AND FUNCTIONAL AND
38 ECONOMIC OBSOLESCENCE, IN ACCORDANCE WITH PARAGRAPHS (A) AND (B) OF THIS
39 PARAGRAPH.

40 (A) IN COMPUTING PHYSICAL DEPRECIATION, THE STATE BOARD SHALL GIVE
41 CONSIDERATION TO THE AGE, PHYSICAL CONDITION, AVERAGE SERVICE LIVES OF
42 ASSETS AND OTHER RELEVANT FACTORS. AVERAGE SERVICE LIVES SHALL BE DETER-
43 MINED BY TAKING INTO CONSIDERATION ALL NATIONAL, REGIONAL AND NEW YORK
44 STATE REPORTED AVERAGE SERVICE LIVES AND NET SALVAGE FACTORS, AND ANY
45 OTHER RELEVANT CONSIDERATIONS OF A PARTICULAR INDUSTRY. IN DETERMINING
46 NET SALVAGE FACTORS, THE STATE BOARD SHALL CONSIDER ALL NATIONAL,
47 REGIONAL AND NEW YORK STATE REPORTED NET SALVAGE FACTORS AND ANY OTHER
48 RELEVANT CONSIDERATIONS OF A PARTICULAR INDUSTRY. IN COMPUTING PHYSICAL
49 DEPRECIATION, THE STATE BOARD SHALL APPLY STRAIGHT-LINE DEPRECIATION.

50 (B) IN DETERMINING ECONOMIC OR FUNCTIONAL OBSOLESCENCE FOR LOCAL
51 PUBLIC UTILITY MASS REAL PROPERTY, THE STATE BOARD SHALL CONSIDER INDI-
52 VIDUAL APPLICATIONS FOR ADJUSTMENTS PARTICULAR TO SPECIFIC PUBLIC UTILI-
53 TY MASS REAL PROPERTY FOR CLAIMED ECONOMIC OR FUNCTIONAL OBSOLESCENCE BY
54 A PUBLIC UTILITY MASS REAL PROPERTY OWNER. SUCH APPLICATION SHALL BE
55 SUBMITTED WITH THE ANNUAL REPORT REQUIRED BY SECTION FOUR HUNDRED NINE-
56 TY-NINE-RRRR OF THIS TITLE. THE STATE BOARD SHALL MAKE A DETERMINATION

1 ON INDIVIDUAL APPLICATIONS AND INCORPORATE ANY ADJUSTMENTS INTO THE
2 CERTIFICATE OF VALUE FOR THE YEAR IN WHICH THE APPLICATION IS FILED.

3 S 499-MMMM. EQUITABLE RATIO OF ASSESSMENT. THE STATE BOARD AND ANY
4 ASSESSING AUTHORITY SHALL BE PROHIBITED FROM:

5 1. ASSESSING LOCAL PUBLIC UTILITY MASS REAL PROPERTY AT A VALUE THAT
6 HAS A HIGHER RATIO TO THE FULL VALUE OF THE LOCAL PUBLIC UTILITY MASS
7 REAL PROPERTY THAN THE RATIO OF ASSESSED VALUE OF OTHER REAL PROPERTY IN
8 THE SAME ASSESSMENT JURISDICTION TO ITS FULL VALUE, AS PROVIDED IN
9 SECTION THREE HUNDRED FIVE OF THIS CHAPTER.

10 2. LEVYING OR COLLECTING A TAX ON AN ASSESSMENT THAT MAY NOT BE MADE
11 UNDER PARAGRAPH ONE OF THIS SECTION.

12 3. LEVYING OR COLLECTING AN AD VALOREM PROPERTY TAX ON LOCAL PUBLIC
13 UTILITY MASS REAL PROPERTY AT A TAX RATE THAT EXCEEDS THE TAX RATE
14 APPLICABLE TO OTHER REAL PROPERTY IN THE SAME ASSESSMENT JURISDICTION.

15 S 499-NNNN. EQUALIZATION RATE. IN DETERMINING ASSESSMENT CEILINGS,
16 THE STATE BOARD SHALL APPLY THE FINAL STATE EQUALIZATION RATE FOR THE
17 ASSESSMENT ROLL OF THE LOCAL ASSESSING JURISDICTION FOR WHICH THE CEIL-
18 ING IS ESTABLISHED. IF THAT FINAL RATE IS NOT AVAILABLE, THE STATE BOARD
19 SHALL APPLY THE MOST RECENT FINAL STATE EQUALIZATION RATE FOR THE LOCAL
20 ASSESSING JURISDICTION, EXCEPT THAT IF A SPECIAL EQUALIZATION RATE HAS
21 BEEN ESTABLISHED AS PROVIDED IN TITLE TWO OF ARTICLE TWELVE OF THIS
22 CHAPTER, SUCH RATE SHALL BE APPLIED. IN THE CASE OF A SPECIAL ASSESSING
23 UNIT AS DEFINED IN SECTION EIGHTEEN HUNDRED ONE OF THIS CHAPTER, THE
24 EQUALIZATION RATE TO BE APPLIED SHALL BE THE APPLICABLE CLASS EQUALIZA-
25 TION RATE.

26 S 499-0000. TENTATIVE DETERMINATION OF ASSESSMENT CEILING; NOTICE,
27 COMPLAINTS AND HEARING. 1. EACH YEAR THE STATE BOARD SHALL MAKE A
28 TENTATIVE DETERMINATION OF AN ASSESSMENT CEILING FOR ALL LOCAL PUBLIC
29 UTILITY MASS REAL PROPERTY. THEREAFTER, THE STATE BOARD SHALL GIVE
30 NOTICE, IN WRITING OR ELECTRONICALLY, TO EACH ASSESSING UNIT AND EACH
31 OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY FOR WHICH SUCH TENTA-
32 TIVE DETERMINATION OF AN ASSESSMENT CEILING SHALL HAVE BEEN MADE, SPECI-
33 FYING THE AMOUNT OF SUCH CEILING, AND MAKING AVAILABLE FOR INSPECTION
34 AND COPYING THE COMPUTATIONS USED TO ESTABLISH THE TENTATIVE ASSESSMENT
35 CEILING AMOUNT PURSUANT TO THE PUBLIC OFFICERS LAW, AND SETTING FORTH
36 THE TIME AND PLACE WHERE THE STATE BOARD OR ITS DESIGNEE WILL MEET TO
37 HEAR ANY COMPLAINT CONCERNING SUCH TENTATIVE DETERMINATION. SUCH NOTICE
38 SHALL BE SENT ELECTRONICALLY AND SERVED IN WRITING AT LEAST FORTY-FIVE
39 DAYS PRIOR TO THE DATE SPECIFIED FOR SUCH HEARING.

40 2. A TENTATIVE ASSESSMENT CEILING MAY BE CHALLENGED BEFORE THE STATE
41 BOARD AS FOLLOWS:

42 (A) AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY OR THE LOCAL
43 ASSESSING JURISDICTION OBJECTING TO A TENTATIVE CEILING MUST SERVE A
44 COMPLAINT UPON THE STATE BOARD, IN WRITING, AND A COPY THEREOF UPON THE
45 ASSESSING UNIT OR OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY, AS
46 THE CASE MAY BE, AT LEAST TEN DAYS BEFORE THE DATE SPECIFIED FOR THE
47 HEARING. THE COMPLAINT SHALL SPECIFY THE OBJECTIONS TO SUCH TENTATIVE
48 DETERMINATION. SERVICE MAY BE MADE EITHER IN PERSON OR BY MAIL.

49 (B) ON OR BEFORE THE DATE SPECIFIED FOR THE HEARING, AN AFFIDAVIT OF
50 SERVICE SHALL BE FILED WITH THE STATE BOARD STATING THAT SERVICE HAS
51 BEEN MADE IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION.

52 3. THE STATE BOARD OR ITS DESIGNEE SHALL MEET AT THE TIME AND PLACE
53 SPECIFIED IN SUCH NOTICE SET FORTH IN SUBDIVISION ONE OF THIS SECTION TO
54 HEAR COMPLAINTS IN RELATION TO THE TENTATIVE DETERMINATION OF THE
55 ASSESSMENT CEILING. THE PROVISIONS OF SECTION FIVE HUNDRED TWELVE OF

1 THIS CHAPTER SHALL APPLY SO FAR AS MAY BE PRACTICABLE TO A HEARING UNDER
2 THIS SECTION.

3 S 499-PPPP. FINAL DETERMINATION OF ASSESSMENT CEILING; CERTIFICATE.
4 1. AFTER THE HEARING PROVIDED IN SECTION FOUR HUNDRED NINETY-NINE-0000
5 OF THIS TITLE, THE STATE BOARD SHALL FINALLY DETERMINE THE ASSESSMENT
6 CEILING FOR THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY OF EACH LOCAL
7 PUBLIC UTILITY MASS REAL PROPERTY OWNER SITUATED IN EACH ASSESSING UNIT.
8 WHENEVER, UPON COMPLAINT, THE STATE BOARD SHALL REVISE THE LOCAL PUBLIC
9 UTILITY MASS REAL PROPERTY VALUATION IN AN ASSESSING UNIT, IT SHALL
10 REVISE THE ASSESSMENT CEILING THEREFOR TO REFLECT SUCH REVISION, AND ON
11 ACCOUNT OF SUCH REVISION, IT SHALL, TO THE EXTENT APPLICABLE, MODIFY ANY
12 OTHER DETERMINATION WITH RESPECT TO THE ASSESSMENT CEILINGS FOR OTHER
13 LOCAL PUBLIC UTILITY MASS REAL PROPERTY OWNED BY SUCH OWNER FOR SUCH
14 YEAR EVEN IF NO COMPLAINT WAS FILED.

15 2. NOTWITHSTANDING THAT A COMPLAINT MAY NOT HAVE BEEN FILED WITH
16 RESPECT TO A TENTATIVE DETERMINATION OF AN ASSESSMENT CEILING, THE STATE
17 BOARD SHALL GIVE EFFECT TO ANY SPECIAL EQUALIZATION RATE ESTABLISHED
18 PURSUANT TO SECTION TWELVE HUNDRED TWENTY-FOUR OF THIS CHAPTER OR THE
19 FINAL STATE EQUALIZATION RATE FOR THE ASSESSMENT ROLL FOR WHICH THE
20 CEILING IS ESTABLISHED AS PROVIDED IN SECTION FOUR HUNDRED NINETY-NINE-
21 NNNN PRIOR TO THE DATE FOR THE FINAL DETERMINATION OF THE ASSESSMENT
22 CEILING.

23 3. NO LATER THAN TEN DAYS BEFORE THE LAST DATE PRESCRIBED BY LAW FOR
24 THE LEVY OF TAXES, THE STATE BOARD SHALL FILE A CERTIFICATE SETTING
25 FORTH EACH ASSESSMENT CEILING AS FINALLY DETERMINED WITH THE ASSESSOR OF
26 THE APPROPRIATE ASSESSING UNIT OR THE TOWN OR COUNTY ASSESSOR WHO
27 PREPARES A COPY OF THE APPLICABLE PART OF THE TOWN OR COUNTY ASSESSMENT
28 ROLL FOR VILLAGE TAX PURPOSES AS PROVIDED IN SUBDIVISION THREE OF
29 SECTION FOURTEEN HUNDRED TWO OF THIS CHAPTER. THE STATE BOARD SHALL, AT
30 THE SAME TIME, TRANSMIT TO EACH OWNER OF LOCAL PUBLIC UTILITY MASS REAL
31 PROPERTY FOR WHICH SUCH CEILING HAS BEEN DETERMINED A DUPLICATE COPY OF
32 SUCH CERTIFICATE.

33 4. ANY FINAL DETERMINATION OF AN ASSESSMENT CEILING BY THE STATE BOARD
34 PURSUANT TO SUBDIVISION ONE OF THIS SECTION SHALL BE SUBJECT TO JUDICIAL
35 CHALLENGE BY AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY OR A
36 LOCAL ASSESSING JURISDICTION IN A PROCEEDING UNDER ARTICLE SEVEN OF THIS
37 CHAPTER; PROVIDED HOWEVER, THE TIME TO COMMENCE SUCH PROCEEDING SHALL BE
38 WITHIN SIXTY DAYS OF THE ISSUANCE OF THE FINAL ASSESSMENT CEILING
39 CERTIFICATE AND ALL QUESTIONS OF FACT AND LAW SHALL BE DETERMINED DE
40 NOVO. ANY JUDICIAL PROCEEDING SHALL BE COMMENCED IN THE SUPREME COURT IN
41 THE COUNTY IN WHICH THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY HAS ITS
42 PRINCIPAL OFFICE OR THE COUNTY IN WHICH THE LOCAL PUBLIC UTILITY MASS
43 REAL PROPERTY IS LOCATED. NOTHING IN THIS SECTION SHALL PRECLUDE A CHAL-
44 LENGE OF THE ASSESSED VALUE ESTABLISHED BY A LOCAL ASSESSING JURISDIC-
45 TION WITH RESPECT TO LOCAL PUBLIC UTILITY MASS REAL PROPERTY AS OTHER-
46 WISE PROVIDED IN ARTICLE SEVEN OF THIS CHAPTER. IN ANY PROCEEDING
47 CHALLENGING AN ASSESSED VALUE ESTABLISHED BY A LOCAL ASSESSING JURISDIC-
48 TION FOR LOCAL PUBLIC UTILITY MASS REAL PROPERTY, THE FINAL CERTIFIED
49 ASSESSMENT CEILING ESTABLISHED PURSUANT TO SUBDIVISION ONE OF THIS
50 SECTION SHALL NOT BE CONSIDERED BY THE COURT.

51 S 499-QQQQ. APPLICATION OF ASSESSMENT CEILING; COMPUTATION OF
52 EXEMPTION. 1. UPON RECEIPT OF A CERTIFICATE SETTING FORTH THE FINAL
53 CERTIFIED ASSESSMENT CEILING FOR LOCAL PUBLIC UTILITY MASS REAL PROPER-
54 TY, THE ASSESSOR SHALL COMPARE THE ASSESSED VALUATIONS BY PARCEL ATTRIB-
55 UTABLE TO THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY FOR EACH OWNER OF
56 LOCAL PUBLIC UTILITY MASS REAL PROPERTY INCLUDED IN THE ASSESSMENT CEIL-

1 ING. WHERE THE OWNER OF THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY
2 REPORTS INFORMATION BY SPECIFIC PROPERTY IDENTIFICATION TO THE STATE
3 BOARD OR THE LOCAL ASSESSING JURISDICTION HAS IMPLEMENTED A SYSTEM BY
4 THE STATE BOARD STANDARDIZING THE IDENTITY OF PUBLIC UTILITY MASS REAL
5 PROPERTY ON ASSESSMENT ROLLS, SUCH CERTIFIED ASSESSMENT CEILINGS SHALL
6 BE PROVIDED BY THE STATE BOARD BY PARCEL, AS SET FORTH ON THE LOCAL
7 ASSESSING JURISDICTION'S ASSESSMENT ROLLS. WHERE THE ASSESSED VALUATION
8 DOES NOT EXCEED THE FINAL CERTIFIED ASSESSMENT CEILING, AS SET FORTH IN
9 THE CERTIFICATE FOR THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY, THE
10 ASSESSOR NEED NOT MAKE ANY ADJUSTMENT IN SUCH ASSESSED VALUATION.
11 PROVIDED, HOWEVER, THE ASSESSED VALUATION EXCEEDS THE FINAL CERTIFIED
12 ASSESSMENT CEILING, AS SET FORTH IN THE CERTIFICATE, SUCH LOCAL PUBLIC
13 UTILITY MASS REAL PROPERTY SHALL BE EXEMPT FROM TAXATION TO THE EXTENT
14 OF SUCH EXCESS AND THE ASSESSOR SHALL FORTHWITH REDUCE THE ASSESSMENTS
15 OF SUCH LOCAL PUBLIC UTILITY MASS REAL PROPERTY, SO THAT THE TAXABLE
16 ASSESSED VALUATION OF SUCH PROPERTY SHALL NOT EXCEED THE CERTIFIED
17 ASSESSMENT CEILING. ALL CERTIFICATES OF ASSESSMENT CEILINGS SHALL BE
18 ATTACHED TO THE ASSESSMENT ROLL OR FILED THEREWITH AS PROVIDED IN ARTI-
19 CLE FIFTEEN-C OF THIS CHAPTER.

20 2. THE ASSESSOR IS HEREBY AUTHORIZED AND DIRECTED TO MAKE THE
21 REDUCTIONS, IF ANY, PROVIDED FOR IN THIS SECTION ON THE ASSESSMENT ROLL
22 OF THE LOCAL ASSESSING JURISDICTION IN WHICH THE LOCAL PUBLIC UTILITY
23 MASS REAL PROPERTY IS LOCATED, NOTWITHSTANDING THE FACT THAT HE OR SHE
24 MAY RECEIVE THE CERTIFICATE OF THE ASSESSMENT CEILING AFTER THE FINAL
25 COMPLETION, VERIFICATION AND FILING OF SUCH ASSESSMENT ROLL. OTHER LOCAL
26 OFFICERS, INCLUDING SCHOOL AUTHORITIES, APPLYING SUCH FINAL ASSESSMENT
27 ROLL, ARE HEREBY AUTHORIZED AND DIRECTED, ON THE BASIS OF INFORMATION
28 WHICH SHALL BE PROVIDED BY THE ASSESSOR, TO MAKE THE REDUCTIONS PROVIDED
29 FOR IN THIS SECTION ON THEIR RESPECTIVE TAX ROLLS PRIOR TO LEVY OF TAX
30 OR, IF RECEIVED AFTER THE TAX ROLLS HAVE BEEN ESTABLISHED, TO CORRECT
31 ANY TAX LEVY OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY TO REFLECT SUCH
32 REDUCTION. IF THE REDUCTION IS MADE AFTER THE TAX LEVY AND PAYMENT OF
33 SAME BY THE OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY, THEN SUCH
34 OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY SHALL BE ENTITLED TO A
35 REFUND IN ACCORDANCE WITH SECTION SEVEN HUNDRED TWENTY-SIX OF THIS CHAP-
36 TER.

37 3. IN ASSESSING UNITS FOR WHICH HE OR SHE IS REQUIRED BY LAW TO
38 PREPARE AN ASSESSMENT ROLL, THE ASSESSOR OF A COUNTY HAVING A COUNTY
39 DEPARTMENT OF ASSESSMENT SHALL PERFORM ALL THE ACTS PRESCRIBED FOR AN
40 ASSESSOR BY THIS TITLE. WHERE A VILLAGE HAS ENACTED A LOCAL LAW AS
41 PROVIDED IN SUBDIVISION THREE OF SECTION FOURTEEN HUNDRED TWO OF THIS
42 CHAPTER, THE ASSESSOR OF THE TOWN OR COUNTY WHO PREPARES A COPY OF THIS
43 APPLICABLE PART OF THE TOWN OR COUNTY ASSESSMENT ROLL FOR VILLAGE TAX
44 PURPOSES SHALL ALSO PERFORM THE ACTS PRESCRIBED FOR ASSESSORS BY THIS
45 TITLE ON BEHALF OF THE VILLAGE.

46 S 499-RRRR. REPORTS TO STATE BOARD. 1. THE STATE BOARD MAY REQUIRE
47 FROM AN OWNER OF A LOCAL PUBLIC UTILITY MASS REAL PROPERTY AN ANNUAL
48 REPORT THAT SHALL INCLUDE SUCH INFORMATION AND DATA THAT IS PRESCRIBED
49 IN REGULATION BY THE STATE BOARD AND IS REASONABLE AND NECESSARILY
50 RELATED TO THE ESTABLISHMENT OF A CEILING ASSESSMENT BY THE STATE BOARD
51 FOR THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY, AND WHICH SHALL BE IN
52 THE SAME FORMAT AND SUBSTANCE AS REQUIRED FOR SPECIAL FRANCHISE PROPERTY
53 PURSUANT TO ARTICLE SIX OF THIS CHAPTER. SUCH REPORTS SHALL BE THE SAME
54 FOR SIMILARLY SITUATED LOCAL PUBLIC UTILITY MASS REAL PROPERTY OWNERS.

55 2. EVERY REPORT REQUIRED BY OR PURSUANT TO THIS SECTION SHALL BE MADE
56 BY A PERSON AUTHORIZED TO PREPARE SUCH REPORTS AND HAVING KNOWLEDGE OF

1 THE CONTENTS THEREOF, OR WHO IS AUTHORIZED TO OBTAIN SUCH INFORMATION.
2 THE STATE BOARD MAY PREPARE AND REQUIRE THE USE OF FORMS FOR MAKING SUCH
3 REPORTS.

4 3. AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY FAILING TO FILE
5 THE ANNUAL REPORT PURSUANT TO THIS SECTION WITHIN THE TIME SPECIFIED BY
6 THE STATE BOARD SHALL BE SUBJECT TO A FINE OF ONE HUNDRED DOLLARS FOR
7 EACH DAY UNTIL SUCH REPORT IS FILED IN ACCORDANCE WITH THIS SECTION;
8 PROVIDED, HOWEVER, SUCH FINE SHALL NOT BE APPLIED AS A TAX LIEN; AND
9 PROVIDED, FURTHER, SUCH OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY
10 SHALL NOT BE SUBJECT TO ANY OTHER FINE OR PENALTY FOR A VIOLATION OF
11 THIS SECTION.

12 4. IN ADDITION TO THE PROVISIONS OF SUBDIVISION THREE OF THIS SECTION,
13 IF AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY FAILS TO FURNISH
14 A REPORT REQUIRED BY THIS SECTION WITHIN THE REQUIRED TIME FRAME, THE
15 STATE BOARD MAY COMMENCE A SPECIAL PROCEEDING IN THE SUPREME COURT TO
16 COMPEL SUCH OWNER TO FURNISH THE REPORT.

17 5. IF AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY FAILS TO
18 SUBMIT AN ANNUAL REPORT AS REQUIRED BY THIS SECTION, THE ASSESSMENT
19 CEILING ON THE NEXT ANNUAL ASSESSMENT ROLL SHALL BE CALCULATED USING THE
20 BEST INFORMATION AVAILABLE TO THE STATE BOARD.

21 6. IF AN OWNER OF LOCAL PUBLIC UTILITY MASS REAL PROPERTY MAKES
22 REASONABLE EFFORTS TO FILE AN ANNUAL REPORT, SUCH OWNER SHALL NOT BE
23 SUBJECT TO ANY CHARGE OR FINE PURSUANT TO THIS SECTION.

24 S 499-SSSS. INSPECTION OF ACCOUNTS AND PROPERTY OF PUBLIC UTILITIES.
25 1. THE STATE BOARD OR ITS AUTHORIZED REPRESENTATIVE SHALL, UPON REASON-
26 ABLE PRIOR NOTICE, HAVE ACCESS AT REASONABLE TIMES TO REASONABLE DISCLO-
27 SURE OF ACCOUNTS AND RECORDS ESTABLISHED AND MAINTAINED BY A LOCAL
28 PUBLIC UTILITY MASS REAL PROPERTY OWNER RELATING TO ITS LOCAL PUBLIC
29 UTILITY MASS REAL PROPERTY.

30 2. THE STATE BOARD OR ITS AUTHORIZED REPRESENTATIVE AT REASONABLE
31 TIMES IN THE NORMAL BUSINESS OPERATIONS OF THE LOCAL PUBLIC UTILITY MASS
32 REAL PROPERTY OWNER, AND WITH PRIOR NOTICE AND APPOINTMENT, AND NOT
33 OTHERWISE LIMITED BY FEDERAL LAW OR REGULATIONS, SHALL HAVE ACCESS TO
34 INSPECT LOCATIONS WHERE THE LOCAL PUBLIC UTILITY MASS REAL PROPERTY IS
35 SITUATED.

36 S 2. (a) Within two years of the effective date of this act and bien-
37 nially thereafter, the state board of real property services, in consul-
38 tation with owners of public utility mass real property, shall examine
39 and evaluate whether public utility mass real property continues to
40 constitute a "specialty" and, if not, the state board shall examine and
41 evaluate alternative valuation methodologies to the reproduction cost
42 less depreciation methodology to compute the value of local public util-
43 ity mass real property, including, but not limited to, the three valu-
44 ation methodologies (income, sales comparison and cost approaches), with
45 reconciliation in accordance with nationally recognized professional
46 appraisal practice standards;

47 (b) The state board shall report to the governor, the temporary presi-
48 dent of the senate and the speaker of the assembly its findings and
49 recommendations, including any amendment of statute or regulation,
50 related to the examination and evaluation pursuant to subdivision (a) of
51 this section, no later than December thirty-first of the second year of
52 such biennial period.

53 S 3. This act shall take effect on the first of January of the second
54 calendar year commencing after this act shall have become a law and
55 shall apply to assessment rolls with taxable status dates on or after
56 such date; provided however, that no assessment of local public utility

1 mass real property appearing on the municipal assessment roll with a
2 taxable status date occurring in the first calendar year after this act
3 shall have become a law shall be less than ninety percent or more than
4 one hundred ten percent of the assessment of the same property on the
5 date this act shall have become a law.