

5501--A

Cal. No. 1470

2015-2016 Regular Sessions

I N S E N A T E

May 14, 2015

Introduced by Sen. FARLEY -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- committee discharged and said bill committed to the Committee on Rules -- ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to establish a semiconductor manufacturing tax stabilization reserve fund in the Ballston Spa Central School District to lessen or prevent increases in the school district's real property tax levy

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

1 Section 1. Legislative findings. The legislature hereby finds that the  
2 private development and ownership of a semiconductor manufacturing  
3 project or projects located within the Ballston Spa Central School  
4 District may result in instability in the real property tax base and the  
5 budgets of the district due to the uncertainty with the assessments of  
6 such semiconductor manufacturing project or projects and the variability  
7 of the payments in lieu of taxes prior to and at termination of such  
8 payments.

9 S 2. Definitions. As used in this act:

10 (a) "Board of education" or "board" means the board of education of  
11 the Ballston Spa Central School District.

12 (b) "Semiconductor manufacturing tax stabilization reserve fund" or  
13 "fund" means the semiconductor manufacturing tax stabilization reserve  
14 fund established pursuant to this act.

15 (c) "Payments in lieu of taxes" or "payments" means payments in lieu  
16 of taxes receivable by the school district pursuant to contracts entered  
17 into in accordance with section 412-a of the real property tax law or  
18 section 858 of the general municipal law on any semiconductor manufac-  
19 turing project or projects located wholly or partially within the Ball-  
20 ston Spa Central School District.

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

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1 (d) "School district" or "district" means the Ballston Spa Central  
2 School District.

3 (e) "Semiconductor manufacturing project or projects" shall be defined  
4 as in section 412-a of the real property tax law and shall include the  
5 land upon which the project is located, buildings for use in the manu-  
6 facturing of semiconductors, associated buildings, and the acquisition  
7 and installation therein of certain machinery and equipment.

8 S 3. Semiconductor manufacturing tax stabilization reserve fund. The  
9 board of education is hereby authorized to establish a semiconductor  
10 manufacturing tax stabilization reserve fund to lessen or prevent  
11 increases in the school district's real property tax levy resulting from  
12 decreases in revenue due to changes in the amount of or termination of  
13 payments in lieu of taxes receivable by the school district provided,  
14 however, that no such fund shall be established unless approved by a  
15 majority vote of the qualified voters of the district present and voting  
16 on a separate ballot proposition therefor at either a special district  
17 meeting which the board of education may call for such purposes, or at  
18 the annual district meeting and election, to be noticed and conducted in  
19 either case in accordance with the provisions of article 41 of the  
20 education law. Moneys shall be paid into and withdrawn from the fund,  
21 and the fund shall be administered, as follows:

22 (a) For any school district fiscal year commencing after the effective  
23 date of this section and after the establishment of the semiconductor  
24 manufacturing tax stabilization reserve fund, the board of education may  
25 determine that there shall be paid into the fund all or any portion of  
26 the amount by which the payments in lieu of taxes receivable by the  
27 school district for such fiscal year is greater than the amount of such  
28 payments received by the school district for the preceding fiscal year,  
29 provided that no payment into the reserve fund shall cause the balance  
30 of the fund to exceed the amount approved in a ballot proposition  
31 described above.

32 (b) Moneys may be withdrawn from the semiconductor manufacturing tax  
33 stabilization reserve fund for any fiscal year to be expended for any  
34 lawful purpose. Withdrawals from the fund shall be disclosed in a  
35 manner consistent with the required disclosures of similar reserve funds  
36 held by the district, including disclosures required by the property tax  
37 report card prepared by the district pursuant to the provisions of  
38 subdivision 7 of section 1716 of the education law; and deposits and  
39 withdrawals made in each fiscal year shall be subject to the district's  
40 annual budget approval process.

41 (c) The moneys in the semiconductor manufacturing tax stabilization  
42 reserve fund shall be deposited, invested and accounted for in the  
43 manner provided for in subdivisions 2 and 6 of section 3651 and section  
44 3652 of the education law.

45 S 4. This act shall take effect immediately, and shall be deemed to  
46 have been in full force and effect on and after May 19, 2015.