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I N S E N A T E

April 15, 2016

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

AN ACT to establish an energy system tax stabilization reserve fund in the Lowville 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 wind energy systems located within
3 the Lowville Central School District may result in instability in the
4 real property tax base and the budgets of the district due to the uncer-
5 tainty with the assessments of such wind energy systems and the vari-
6 ability of payments in lieu of taxes prior to and after the payments in
7 lieu of taxes terminate.
- 8 S 2. Definitions. As used in this act:
- 9 (a) "Board of education" or "board" means the board of education of
10 the Lowville Central School District.
- 11 (b) "Energy system tax stabilization reserve fund" or "fund" means the
12 energy system tax stabilization fund established pursuant to this act.
- 13 (c) "Payments in lieu of taxes" or "payments" means payments in lieu
14 of taxes receivable by the school district pursuant to contracts entered
15 into in accordance with section 487 of the real property tax law or
16 subdivision 15 of section 858 of the general municipal law on any wind
17 farm energy system located wholly or partially within the Lowville
18 Central School District.
- 19 (d) "School district" or "district" means the Lowville Central School
20 District.
- 21 (e) "Wind energy systems" shall be defined as in section 487 of the
22 real property tax law and shall include the land upon which the system
23 is located, any equipment used in such generation, and equipment leading
24 from the system to the interconnection with the transmission system.
- 25 S 3. The board of education is hereby authorized to establish an ener-
26 gy system tax stabilization reserve fund to lessen or prevent increases
27 in the school district's real property tax levy resulting from decreases

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

LBD14731-01-6

1 in revenue due to changes in or termination of the payments in lieu of
2 taxes receivable by the school district provided, however, that no such
3 fund shall be established unless approved by a majority vote of the
4 voters present and voting on a separate ballot proposition therefor at
5 either a special district meeting which the board of education may call
6 for such purpose or at the annual district meeting and election, to be
7 noticed and conducted in either case in accordance with article 41 of
8 the education law. Such separate proposition shall set forth the maxi-
9 mum allowable balance to be deposited and held in the energy system
10 stabilization reserve fund. Moneys shall be paid into and withdrawn from
11 the fund and the fund shall be administered as follows:

12 (a) The board of education is hereby authorized to make payments into
13 the energy system tax stabilization reserve fund with funds from any
14 unassigned fund balance which accrued prior to the establishment of the
15 energy system tax stabilization reserve fund in an amount not to exceed
16 the balance over any maximum allowable balance in such unassigned fund
17 balance and to make payments from any reserve funds authorized or
18 required by law in amounts which the board of education shall determine
19 are not reasonably necessary for the purpose of such fund or funds and
20 which accrued prior to the establishment of the energy system tax
21 stabilization reserve fund provided that no such payment from any unas-
22 signed fund balance or any reserve fund shall cause the balance of the
23 fund to exceed the amount approved in the ballot proposal described
24 above.

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

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

43 (d) The moneys in the energy system stabilization reserve fund shall
44 be deposited, invested and accounted for in the manner provided for in
45 subdivisions 2 and 6 of section 3651 and section 3652 of the education
46 law.

47 S 4. This act shall take effect immediately.