

# STATE OF NEW YORK

3131--A

Cal. No. 1542

2017-2018 Regular Sessions

## IN SENATE

January 19, 2017

Introduced by Sens. DeFRANCISCO, VALESKY -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- recommitted to the Committee on Local Government in accordance with Senate Rule 6, sec. 8 -- committee discharged and said bill committed to the Committee on Rules -- reported favorably from said committee, ordered to a third reading, passed by Senate and delivered to the Assembly, recalled, vote reconsidered, restored to third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the real property tax law, in relation to authorizing the city of Syracuse to add unpaid housing code violation penalties, costs and fines to such city's annual tax levy in accordance with applicable law

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

1 Section 1. The real property tax law is amended by adding a new  
2 section 901 to read as follows:

3 § 901. Collection of unpaid housing code violation penalties in the  
4 city of Syracuse; levy. 1. Authorization. In addition to and not in  
5 limitation of any power otherwise granted by law, the city of Syracuse  
6 is hereby authorized to collect any unpaid housing, building and fire  
7 code violation penalties, costs and fines through placement by the  
8 city's commissioner of finance on the city's annual tax levy in accord-  
9 ance with the provisions of this section.

10 2. Eligibility. In order to be eligible for placement on the city of  
11 Syracuse's annual tax levy such unpaid code violation penalties, costs  
12 and fines shall have been adjudicated and imposed through a judgment in  
13 a court of competent jurisdiction or the city of Syracuse's codes  
14 violation bureau established pursuant to section three hundred eighty of  
15 the general municipal law, on an owner of real property within the city  
16 and recorded by the county clerk, as certified by the city's corporation

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

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1 counsel to the commissioner of finance and have remained unpaid for one  
2 year after the final adjudication and exhaustion of all appeals relating  
3 to the imposition of the fines for a code violation preceding the place-  
4 ment on the city's tax levy.

5 3. Minimum amount owed. To qualify for placement on the tax levy the  
6 amount owed for unpaid code violations must be at least five percent of  
7 the amount of the tax assessed value of the property.

8 4. Levy. Such code violation penalty, cost or fine as set forth in a  
9 copy of the judgment certified by the corporation counsel to the commis-  
10 sioner of finance shall be set down in the annual tax levy under the  
11 heading uncollected fines and penalties and in according with this  
12 section shall be levied, enforced and collected in the same manner, by  
13 the same proceedings, at the same time, under the same penalties and  
14 having the same lien upon the property assessed as the general city tax  
15 and as a part thereof.

16 5. Notice. The city of Syracuse shall notify all owners or known  
17 interested parties of record of the placement of the code violations on  
18 the municipal tax levy as uncollected fines and penalties within thirty  
19 days of placement, pursuant to section three hundred eight of the civil  
20 practice law and rules. The notice shall include the date or dates of  
21 such violations, the description of the violations, the amount owed, a  
22 statement detailing the foreclosure process that will occur if the  
23 violations remain unpaid, the process to claim any surplus funds and the  
24 contact information for the city's office in charge of receiving  
25 payments.

26 6. Tax year. Any unpaid code violations shall be placed on the tax  
27 roll the city of Syracuse is currently in and shall not be placed on a  
28 list, roll or levy of delinquent taxes.

29 7. Owner occupied. Notwithstanding any other applicable provisions of  
30 law, nothing in this section shall be applied to a residential dwelling  
31 that is owner-occupied or is the primary residence of a homeowner.

32 8. Tenants. Prior to the placement of any property with unpaid code  
33 violations on the tax levy, the city of Syracuse shall develop a program  
34 to assist tenants residing in a dwelling at risk for tax foreclosure due  
35 to unpaid code violations. Such program shall include housing counseling  
36 assistance or other support in relocating the tenants to suitable hous-  
37 ing prior to the tax foreclosure.

38 9. Payment plan. Nothing in this section shall preclude an owner or  
39 landlord from entering into a payment plan with the city of Syracuse for  
40 past amounts due for code violations.

41 10. Curing code violations. (a) If all of the violations for which the  
42 penalties, fees and costs have been assessed are cured, removed or  
43 corrected prior to the expiration of the period for redemption set forth  
44 by the city of Syracuse for the city's annual tax levy, the property  
45 shall be removed from the levy and auction and the balance of the amount  
46 owed shall be placed as a lien on the property pursuant to applicable  
47 laws for debt collection and an action for foreclosure of the property  
48 shall not be maintained for the amount owed.

49 (b) The determination of whether or not the code violations have been  
50 cured shall be made by the city of Syracuse's enforcing officer in  
51 charge of ensuring compliance with applicable housing, building, and  
52 fire codes such as a code enforcement officer. An appeal of this deter-  
53 mination may be made to the city's zoning board of appeals or other  
54 local administrative body as provided for in local law. The final deter-  
55 mination made by the administrative body shall be reviewable pursuant to  
56 article seventy-eight of the civil practice law and rules.

1 (c) This section shall not be applicable to any cause of action  
2 brought for money due based on the curing of code violations under any  
3 form for receivership or a mechanics lien.

4 11. Payment prior to auction. (a) If the balance owed for code  
5 violations placed on the tax levy is paid prior to the expiration of the  
6 period for redemption set forth by the city of Syracuse for the city's  
7 annual tax levy and there is no balance due for unpaid real property  
8 taxes, the property may not be auctioned, and the property shall be  
9 removed from the tax levy.

10 (b) The owner shall have the right to pay the full balance prior to  
11 the expiration of the period for redemption set forth by the city of  
12 Syracuse for the city's annual tax levy in order to redeem the property.

13 12. Surplus. Any surplus funds remaining after the sale of a property  
14 at a tax foreclosure for unpaid code violations shall be returned to the  
15 former owner of the property in a manner provided under local law. This  
16 provision shall not apply to a sale of a property at a tax foreclosure  
17 due to unpaid taxes. If a property has both unpaid taxes and unpaid code  
18 violations on the same tax levy and is auctioned at a tax foreclosure  
19 the amount of the surplus funds returned to the former owner shall be  
20 proportionate to the amount of unpaid code violations owed in the total  
21 amount of debt owed to the city of Syracuse. For the purpose of this  
22 section, "surplus funds" shall mean the balance of money received after  
23 auction of a property at a tax foreclosure sale minus the amount owed  
24 for code violations and the costs and attorneys' fees incurred in the  
25 collection of the fees by the city.

26 13. Balance due. If after an auction a balance is due for code  
27 violations, the city of Syracuse may proceed with any action against the  
28 former owner pursuant to applicable laws.

29 14. Exclusions. The provisions of this section shall not apply if the  
30 city of Syracuse sells their tax liens in a tax lien sale.

31 § 2. This act shall take effect immediately.