

STATE OF NEW YORK

S. 8254

A. 10445

SENATE - ASSEMBLY

April 23, 2018

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

IN ASSEMBLY -- Introduced by M. of A. THIELE -- read once and referred to the Committee on Local Governments

AN ACT to amend the town law, in relation to authorizing towns in the Peconic Bay region to establish septic system replacement loan programs

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

1 Section 1. The town law is amended by adding a new section 64-ee to
2 read as follows:

3 § 64-ee. Peconic Bay region septic system replacement loan program. 1.
4 As used in this section, the following words and terms shall have the
5 following meanings:

6 (a) "Peconic Bay region" means the towns of East Hampton, Riverhead,
7 Shelter Island, Southampton and Southold.

8 (b) "Cesspool" means a drywell that receives untreated sanitary waste
9 containing human excreta, which sometimes has an open bottom and/or
10 perforated sides.

11 (c) "Septic system" means a system that provides for the treatment
12 and/or disposition of the combination of human and sanitary waste with
13 water not exceeding one thousand gallons per day, serving a single
14 parcel of land.

15 (d) "Septic system project" means the replacement of a cesspool with a
16 septic system, the installation, replacement or upgrade of a septic
17 system or septic system components, or installation of enhanced treat-
18 ment technologies, including an advanced nitrogen removal system, to
19 significantly and quantifiably reduce environmental and/or public health
20 impacts associated with effluent from a cesspool or septic system to
21 groundwater used as drinking water, or a threatened or an impaired
22 waterbody.

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

LBD15334-01-8

1 (e) "Fund" means the community preservation fund created pursuant to
2 subdivision two of section sixty-four-e of this article.

3 2. The legislative body of any town in the Peconic Bay region may, by
4 local law, establish a septic system replacement loan program using
5 water quality improvement monies from the fund, pursuant to paragraph
6 (e) of subdivision three of section sixty-four-e of this article.

7 3. Such program may make loans to the owners of real property located
8 within the town to finance the installation of septic system projects.
9 The town may establish priority areas within the town for such loans in
10 order to maximize environmental and public health benefits.

11 4. To be eligible for a loan pursuant to this section, the septic
12 system project shall be listed as an approved water quality improvement
13 project in the town's community preservation project plan pursuant to
14 subdivision six of section sixty-four-e of this article. Funds from the
15 community preservation fund may only be loaned for projects which have
16 been included in such plan.

17 5. A local law establishing the septic system replacement loan program
18 shall provide for the criteria for making such loans and the terms and
19 conditions for repayment of such loans.

20 6. Every loan made under the septic system replacement loan program
21 shall be repaid over a term not to exceed ten years. The town shall set
22 a fixed rate of interest for the repayment of the principal amount of
23 each loan at the time the loan is made.

24 7. The principal amount of each such loan, excluding interest, shall
25 not exceed the actual cost of installing the septic system project,
26 including the costs of necessary equipment, materials, and labor.

27 8. No such loan shall be made for a septic system replacement project
28 unless such system is approved by the Suffolk County Department of
29 Health Services.

30 9. The loan made under the septic system replacement loan program
31 shall constitute a lien upon the real property benefitted by such loan.

32 10. The town may require the loan made under the septic system loan
33 program to be repaid by the property owner through a charge on the real
34 property benefitted by such loan. Such charge shall be on the real prop-
35 erty and shall be levied and collected at the same time and in the same
36 manner as town taxes, provided that such charge shall be separately
37 listed on the tax bill, and provided further that in the event such
38 charge should not be paid in a timely manner, no other municipal corpo-
39 ration shall be required to credit or otherwise guarantee the amount of
40 such unpaid charge to the municipal corporation which authorized the
41 loan, notwithstanding any provision of law to the contrary.

42 11. All revenues received by the town from the repayment of loans
43 shall be deposited in the Peconic Bay region community preservation
44 fund.

45 § 2. Severability. The provisions of this act shall be severable and
46 if any portion thereof or the applicability thereof to any person or
47 circumstances shall be held invalid, the remainder of this act and the
48 application thereof shall not be affected thereby.

49 § 3. This act shall take effect immediately.