STATE OF NEW YORK

4776--A

2019-2020 Regular Sessions

IN ASSEMBLY

February 5, 2019

Introduced by M. of A. SCHMITT, MANKTELOW, GOODELL -- read once and referred to the Committee on Governmental Operations -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the legislative law and the executive law, in relation to establishing a temporary moratorium on unfunded mandates; and to amend chapter 97 of the laws of 2011, amending the general municipal law and the education law relating to establishing limits upon school district and local government tax levies, in relation to making permanent the tax cap and making permanent certain provisions thereof

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

Section 1. This act shall be known and may be cited as the "Mandate Relief and Permanent Real Property Tax Cap Act."

§ 2. The legislative law is amended by adding a new section 51-a to read as follows:

§ 51-a. Temporary moratorium on unfunded mandates. 1. Definitions. As used in this section, the following terms shall have the following meanings:

(a) "Local government" means a county, city, town, village, school district, or special district.

(b) "Net additional cost" means the cost or costs incurred or anticipated to be incurred within a one year period by a local government in performing or administering any program, project, or activity after subtracting therefrom any revenues received or receivable by such local government in relation to such program, project, or activity, including but not limited to:

(i) fees charged to the recipients of such program, project, or activity;

(ii) state or federal funds received for such program, project, or activity; and

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

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(iii) an offsetting savings resulting from the diminution or elimination of any other program, project, or activity that state law requires such local government to provide or undertake.

(c) "Unfunded mandate" means:

(i) any state law that requires a local government to provide or undertake any new program, project or activity that results in an annual net additional cost to any local government in excess of ten thousand dollars or an aggregate annual net additional cost to all local governments within the state in excess of one million dollars; or

(ii) any state law that requires a local government to provide a higher level of service or funding for an existing program, project or activity that results in an annual net additional cost to any local government in excess of ten thousand dollars or an aggregate annual net additional cost to all local governments within the state in excess of one million dollars; or

(iii) any state law that requires a local government to grant any new property tax exemption or that broadens the eligibility or increases the dollar amount of any existing property tax exemption, on property that otherwise would have generated revenue under the current property tax rate of such local government in excess of ten thousand dollars in any local government or in excess of one million dollars statewide; or

(iv) any state law with a legal requirement that would otherwise likely have the effect of raising property taxes in excess of ten thousand dollars in any local government or in excess of one million dollars statewide.

2. Moratorium on unfunded mandates. For a three year period beginning the January next succeeding the effective date of this section into law, and notwithstanding any other provision of law, unfunded mandates shall not be enacted.

3. Exemptions. A state law shall not be considered an unfunded mandate where such law:

(a) is required by a court order or judgment;

(b) is provided at the option of the local government under a law that is permissive rather than mandatory;

(c) results from the passage of a home rule message whereby a local government requests authority to implement the program or service specified in the statute, and the statute imposes costs only upon that local government which requests the authority to impose the program or service;

(d) is required by statute or executive order that implements a federal law or regulation and results from costs mandated by the federal government to be borne at the local level, unless the statute or executive order results in costs which exceed the costs mandated by the federal government;

(e) is imposed on both government and non-government entities in the same or substantially similar circumstances;

(f) repeals or revises a state law to ease an existing requirement that a local government provide or undertake a program, project, or activity, or reapportions the costs of activities between local governments; or

(g) is necessary to protect against an immediate threat to public health or safety.

§ 3. The executive law is amended by adding a new section 50-a to read as follows:

§ 50-a. Report on unfunded mandates. (1) The comptroller, in consultation with the commissioner of taxation and finance, shall issue a report

on the annual fiscal impact enacted state legislation has on the revenues and expenses of local municipal corporations in the state.

(2) The report issued by the comptroller shall include, at minimum:

(i) annual expenses of each municipal corporation in the state attributable to statewide legislation enacted by the state legislature;

(ii) an analysis of the effect the temporary unfunded mandate moratorium, established pursuant to section fifty-one-a of the legislative law, had on local municipal corporation revenues and expenditures; and

(iii) recommendations as to whether the temporary unfunded mandate moratorium enacted pursuant to section fifty-one-a of the legislative law shall be extended, made permanent, or allowed to expire.

(3) The comptroller shall provide a final copy of the report required by this section to the legislature no later than January first, two thousand twenty-three, and shall publish a full copy of the report for the public to view on the comptroller's official website.

§ 4. Section 13 of part A of chapter 97 of the laws of 2011, amending the general municipal law and the education law relating to establishing limits upon school district and local government tax levies, as amended by section 18 of part A of chapter 20 of the laws of 2015, is amended to read as follows:

§ 13. This act shall take effect immediately; provided, however, that sections two through eleven of this act shall take effect July 1, 2011 and shall first apply to school district budgets and the budget adoption process for the 2012-13 school year; and shall continue to apply to school district budgets and the budget adoption process for any school year beginning in any calendar year during which this act is in effect; provided further, that if section 26 of part A of chapter 58 of the laws of 2011 shall not have taken effect on or before such date then section ten of this act shall take effect on the same date and in the same manner as such chapter of the laws of 2011, takes effect[~~; provided further, that section one of this act shall first apply to the levy of taxes by local governments for the fiscal year that begins in 2012 and shall continue to apply to the levy of taxes by local governments for any fiscal year beginning in any calendar year during which this act is in effect; provided, further, that this act shall remain in full force and effect at a minimum until and including June 15, 2020 and shall remain in effect thereafter only so long as the public emergency requiring the regulation and control of residential rents and evictions and all such laws providing for such regulation and control continue as provided in subdivision 3 of section 1 of the local emergency rent control act, sections 26-501, 26-502 and 26-520 of the administrative code of the city of New York, section 17 of chapter 576 of the laws of 1974 and subdivision 2 of section 1 of chapter 274 of the laws of 1946 constituting the emergency housing rent control law, and section 10 of chapter 555 of the laws of 1982, amending the general business law and the administrative code of the city of New York relating to conversions of residential property to cooperative or condominium ownership in the city of New York as such laws are continued by chapter 93 of the laws of 2011 and as such sections are amended from time to time~~].

§ 5. This act shall take effect immediately.