STATE OF NEW YORK

2668

2021-2022 Regular Sessions

IN SENATE

January 22, 2021

Introduced by Sens. RITCHIE, O'MARA, TEDISCO -- read twice and ordered printed, and when printed to be committed to the Committee on Social Services

AN ACT to amend chapter 58 of the laws of 2005, relating to authorizing reimbursements for expenditures made by or on behalf of social services districts for medical assistance for needy persons and the administration thereof, in relation to a five year elimination of the local share for medicaid

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

Section 1. Paragraph (iv) of subdivision (c) of section 1 of part C of chapter 58 of the laws of 2005, relating to authorizing reimbursements for expenditures made by or on behalf of social services districts for medical assistance for needy persons, is amended and seven new subdivisions (c-2), (c-3), (c-4), (c-5), (c-6), (c-7) and (c-8) are added to read as follows:

(iv) 2009 (January 1, 2009 through December 31, 2009), and each succeeding calendar year **through 2024**: prior year's trend factor percentage plus 3%.

(c-2) Notwithstanding the provisions of section 368-a of the social services law, or any other provision of law, commencing with the period January 1, 2025 through December 31, 2025, calendar year social services district medical assistance expenditure amounts for each social services district shall be reduced by 20% from the 2024 expenditures. No less than 75% of the savings from this medical assistance expenditure reduction shall be used for property tax levy reductions, or property tax rebates, effective in the local government's 2026 fiscal year.

(c-3) Notwithstanding the provisions of section 368-a of the social services law, or any other provision of law, commencing with the period January 1, 2026 through December 31, 2026, calendar year social services district medical assistance expenditure amounts for each social services

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

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district shall be reduced by 40% from the 2024 expenditures. No less than 75% of the annual savings from this medical assistance expenditure reduction, compared to the prior year medical assistance expenditure, shall be used for property tax levy reductions, or property tax rebates, effective in the local government's 2027 fiscal year.

(c-4) Notwithstanding the provisions of section 368-a of the social services law, or any other provision of law, commencing with the period January 1, 2027 through December 31, 2027, calendar year social services district medical assistance expenditure amounts for each social services district shall be reduced by 60% from the 2024 expenditures. No less than 75% of the annual savings from this medical assistance expenditure reduction, compared to the prior year medical assistance expenditure, shall be used for property tax levy reductions, or property tax rebates, effective in the local government's 2028 fiscal year.

(c-5) Notwithstanding the provisions of section 368-a of the social services law, or any other provision of law, commencing with the period January 1, 2028 through December 31, 2028, calendar year social services district medical assistance expenditure amounts for each social services district shall be reduced by 80% from the 2024 expenditures. No less than 75% of the annual savings from this medical assistance expenditure reduction, compared to the prior year medical assistance expenditure, shall be used for property tax levy reductions, or property tax rebates, effective in the local government's 2029 fiscal year.

(c-6) Notwithstanding the provisions of section 368-a of the social services law, or any other provision of law, commencing with the period January 1, 2029 through December 31, 2029, calendar year social services district medical assistance expenditure amounts for each social services district shall be reduced by 100% from the 2024 expenditures; and shall remain eliminated each year thereafter. No less than 75% of the annual savings from this medical assistance expenditure reduction, compared to the prior year medical assistance expenditure, shall be used for property tax levy reductions, or property tax rebates, effective in the local government's 2030 fiscal year.

(c-7) Notwithstanding the provisions of subdivisions (f) and (g) of section twelve hundred sixty-one of the tax law, any county that opted into the local sales tax intercept methodology shall receive a proportionate reduction in the sales tax intercept as described in subdivisions (c-2), (c-3), (c-4), (c-5) and (c-6) of this section and use these recaptured funds for property tax reductions in the same manner as other local jurisdictions as described.

(c-8) The minimum amount of annual property tax levy reductions resulting from savings achieved as defined in subdivisions (c-2), (c-3), (c-4), (c-5) and (c-6) of this section, shall be determined by the state comptroller and transmitted to each local government one hundred eighty days in advance of the start of the fiscal year for which the property tax reduction is to be effective.

§ 2. This act shall take effect immediately.