STATE OF NEW YORK

6758

2021-2022 Regular Sessions

IN SENATE

May 14, 2021

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 Copenhagen 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:

Section 1. Legislative findings. The legislature hereby finds that the private development and ownership of wind energy systems located within the Copenhagen Central School District may result in instability in the real property tax base and the budgets of the district due to the uncertainty with the assessments of such wind energy systems and the variability of payments in lieu of taxes prior to and after the payments in lieu of taxes terminate.

§ 2. Definitions. As used in this act:

(a) "Board of education" or "board" means the board of education of the Copenhagen Central School District.

(b) "Energy system tax stabilization reserve fund" or "fund" means the energy system tax stabilization fund established pursuant to this act.

(c) "Payments in lieu of taxes" or "payments" means payments in lieu of taxes receivable by the school district pursuant to contracts entered into in accordance with section 487 of the real property tax law or subdivision 15 of section 858 of the general municipal law on any wind farm energy system located wholly or partially within the Copenhagen Central School District.

(d) "School district" or "district" means the Copenhagen Central School District.

(e) "Wind energy systems" shall be defined as in section 487 of the real property tax law and shall include the land upon which the system is located, any equipment used in such generation, and equipment leading from the system to the interconnection with the transmission system.

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

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§ 3. The board of education is hereby authorized to establish an energy system tax stabilization reserve fund to lessen or prevent increases in the school district's real property tax levy resulting from decreases in revenue due to changes in or termination of the payments in lieu of taxes receivable by the school district; provided, however, that no such fund shall be established unless approved by a majority vote of the voters present and voting on a separate ballot proposition therefor at either a special district meeting which the board of education may call for such purpose or at the annual district meeting and election, to be noticed and conducted in either case in accordance with article 41 of the education law. Such separate proposition shall set forth the maximum allowable balance to be deposited and held in the energy system stabilization reserve fund. Moneys shall be paid into and withdrawn from the fund and the fund shall be administered as follows:

(a) The board of education is hereby authorized to make payments into the energy system tax stabilization reserve fund with funds from payments in lieu of taxes, as defined in subdivision (c) of section two of this act which accrued prior to the establishment of the energy system tax stabilization reserve fund in an amount not to exceed the balance over any maximum allowable balance in such unassigned fund balance and from any reserve funds authorized or required by law in amounts which the board of education shall determine are not reasonably necessary for the purpose of such fund or funds and which accrued prior to the establishment of the energy system tax stabilization reserve fund provided that no such payment from any unassigned fund balance or any reserve fund shall cause the balance of the fund to exceed the amount approved in the ballot proposal described above.

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

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

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

§ 4. This act shall take effect immediately.