

# STATE OF NEW YORK

1004

2025-2026 Regular Sessions

## IN ASSEMBLY

(Prefiled)

January 8, 2025

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

AN ACT to amend the county law, in relation to providing for the conveyance or lease of sewer system properties and responsibilities by cities, towns and villages in the county of Westchester when determined to be in the public interest

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

1 Section 1. The county law is amended by adding a new section 277-a to  
2 read as follows:

3 § 277-a. Conveyance or lease to the county of Westchester by cities,  
4 towns and villages of sewer system property and the establishment of  
5 certain county sewer districts, extensions or special transitional zones  
6 of assessment in the county of Westchester. 1. As used in this section,  
7 the following terms shall have the following meanings:

8 a. "Charter" shall mean the charter and administrative code of the  
9 county of Westchester.

10 b. "City, town and village" shall mean a city, town or village in the  
11 county of Westchester, including towns or villages acting on behalf of  
12 town or village sewer districts.

13 c. "Commissioner of finance" shall mean the commissioner of finance of  
14 the county of Westchester.

15 d. "Commissioner of environmental facilities" shall mean the commis-  
16 sioner of environmental facilities of the county of Westchester.

17 e. "County" shall mean the county of Westchester, including when  
18 acting on behalf of a county sewer district.

19 f. "County legislature" shall mean the county legislature of the coun-  
20 ty of Westchester.

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

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1 g. "Governing board of a city, town or village in the county of West-  
2 chester" shall mean the finance board as such term is defined in section  
3 2.00 of the local finance law.

4 h. "Sewer system" shall include sewage collection or conveyance facil-  
5 ities, treatment or disposal plants, buildings, land and rights in land,  
6 furnishings, equipment, machinery and apparatus, appurtenant facilities,  
7 all moneys on hand collected or received for the purposes of such sewer  
8 system, and all other items of property, either real or personal or  
9 mixed, acquired for or incidental to such sewer system.

10 i. "Sewer system consolidation agreement" shall mean an agreement  
11 between the county and a city, town or village in the county whereby the  
12 city, town or village shall convey or lease sewer system property to the  
13 county for operation, maintenance or improvement by the county described  
14 in subdivision two of this section.

15 j. "Special transitional zone of assessment" shall mean a zone of  
16 assessment within a county sewer district established to allocate all or  
17 a portion of the costs of facilitating a conveyance or lease of sewer  
18 system property by a city, town or village to the county and a transfer  
19 of responsibilities for the operation, maintenance and improvement ther-  
20 eof to the county sewer district. A special transitional zone of assess-  
21 ment may overlap all or portions of any zone of assessment established  
22 in a county sewer district to allocate the costs of the operation, main-  
23 tenance and improvement of the county's trunk sewers and wastewater  
24 treatment plants and related facilities.

25 k. "Town sewer district" shall mean a sewer district governed by the  
26 provisions of articles twelve or twelve-A of the town law or a benefited  
27 area established to provide a sewer improvement pursuant to articles  
28 three-A or twelve-C of such law.

29 l. "Village sewer district" shall mean a sewer district governed by  
30 the provisions of article fourteen and section 17-1718 of the village  
31 law.

32 2. Notwithstanding the provisions of any general, special or local  
33 law, the county and any city, town or village in the county may enter  
34 into, and take the actions necessary to implement, sewer system consol-  
35 idation agreements under this section to facilitate the conveyance or  
36 lease to the county of sewer system property and the transfer to the  
37 county of the responsibilities of operation, maintenance and improvement  
38 of sewer system property. Sewer system consolidation agreements shall  
39 include the following provisions:

40 a. an identification of the sewer system property of the city, town or  
41 village to be conveyed or leased to the county, the consideration, if  
42 any, for such conveyance or lease and the conditions, if any, under  
43 which the conveyance or lease could be reversed or canceled;

44 b. a description of any improvements of such property to be made by  
45 the county, the estimated cost thereof and the plan for financing such  
46 improvements;

47 c. determinations of whether the county shall undertake to establish  
48 special transitional zones of assessment under terms and conditions as  
49 may be agreed upon, and shall include a description and estimate of the  
50 costs to be allocated to the special transitional zone of assessment and  
51 a description of whether the costs allocated thereto shall be levied in  
52 the same manner as other county charges or in the manner described in  
53 section two hundred seventy or section two hundred seventy-one of this  
54 article, and if pursuant to section two hundred seventy-one, whether and  
55 under what circumstances such manner of levy is expected to be changed;

1 d. determinations of whether the county shall make a payment or  
2 payments to the city, town or village in respect of city, town or  
3 village debt service on indebtedness issued to finance sewer facilities  
4 or whether the county may finance the cost of acquisition of sewer  
5 facilities from cities, towns or villages through the issuance of bonds  
6 or notes in accordance with the local finance law, and in either case  
7 whether the city, town or village shall establish funds to receive all  
8 or a portion of the proceeds thereof, as may be necessary or convenient  
9 to facilitate such payments or as may be required by section six-1 of  
10 the general municipal law, and whether the city, town or village shall  
11 call outstanding bonds for redemption at such times and under such  
12 conditions as may be agreed to;

13 e. determinations of whether and to what extent the county and the  
14 city, town or village shall indemnify each other for liabilities for  
15 work performed or existing conditions;

16 f. determinations of whether employees of the city, town or village  
17 shall be transferred to the county and become county employees under  
18 such terms and conditions as such employees and the parties may agree,  
19 subject to the rights and privileges of such employees under labor  
20 agreements and applicable law, and whether employees of cities, towns  
21 and villages not so transferred to the county may continue to be  
22 employed by such cities, towns and villages to provide services to the  
23 county sewer district under such terms as may be agreed upon;

24 g. estimates of capital cost of the sewer system property conveyed or  
25 leased, which may include planning, design, acquisition and construction  
26 costs of such property and improvements thereto, the costs of prepara-  
27 tion of reports described in subdivision three of this section and the  
28 sewer system consolidation agreement, and any other expenses incurred in  
29 furtherance of the making of the sewer system consolidation agreement,  
30 and the amounts of the capital cost to be charged against properties in  
31 a special transitional zone of assessment, to be paid by the county  
32 through a county sewer district or to be paid by the city, town or  
33 village;

34 h. estimates of the operating expenses of the property conveyed or  
35 leased under the sewer system consolidation agreement, and a statement  
36 of the portions of the operating expenses to be annually charged against  
37 properties in a special transitional zone of assessment, to be paid by  
38 the county through a county sewer district or to be paid by the city,  
39 town or village;

40 i. terms describing the actions necessary to amend the sewer system  
41 consolidation agreement; and

42 j. terms describing the conditions under which the sewer system  
43 consolidation agreement may be extended.

44 3. Any city, town or village may prepare and furnish to the county a  
45 report containing a map and a general description of the sewer system  
46 property which is proposed to be leased or conveyed and a description of  
47 its current condition. The report shall include the terms of any  
48 outstanding indebtedness issued to finance acquisition or improvement of  
49 such sewer system property and such additional information relevant to  
50 the assessment of the costs of operation, maintenance and improvement of  
51 such sewer system property as the county may request. Upon presentation  
52 of such report the county legislature may refer the same to the commis-  
53 sioner of environmental facilities for a plan and report with respect  
54 thereto. If the county legislature refers the report to the commissioner  
55 of environmental facilities, said commissioner shall thereupon prepare  
56 and furnish to the county legislature a plan and report describing capi-

1 tal improvements, if any, to such sewer system property which the  
2 commissioner of environmental facilities recommends be undertaken  
3 following its conveyance or lease to the county. This plan and report  
4 shall include the estimated costs thereof, together with an estimate of  
5 the operating and maintenance costs of such property. The plan and  
6 report shall also contain such other data and information as shall have  
7 been requested by the county legislature or as may be determined by the  
8 commissioner of environmental facilities to be appropriate under the  
9 circumstances. Upon review of the plan and report, the county legisla-  
10 ture may, if a majority of the county legislature approves the plan and  
11 report, authorize the preparation of a draft sewer system consolidation  
12 agreement and direct that such plan and report be furnished to the city,  
13 town or village. The county and the city, town or village may then  
14 prepare a draft sewer system consolidation agreement. The draft sewer  
15 system consolidation agreement shall be presented to and approved as to  
16 form by the county legislature and the governing body of the city, town  
17 or village prior to the calling of a hearing under subdivisions seven  
18 and five of this section, respectively. Such draft sewer system consol-  
19 idation agreement shall not be binding nor shall it be executed until  
20 after a public hearing and authorization by the county legislature and  
21 the governing body of the city, town or village, as provided for in  
22 subdivisions six and eight of this section.

23 4. In addition to existing authority to establish county sewer  
24 districts or extensions, the county legislature, in furtherance of a  
25 sewer system consolidation agreement, may establish a special transi-  
26 tional zone of assessment in any county sewer district, and to the  
27 extent such special transitional zone of assessment would fall in whole  
28 or in part outside any county sewer district, may coincidentally estab-  
29 lish a county sewer district encompassing such area or extend an exist-  
30 ing county sewer district to encompass such area, in the manner herein-  
31 after provided. Each special transitional zone of assessment shall have  
32 boundaries coterminous with the area provided with a sewer system by any  
33 city, town or village, for the purpose of facilitating the conveyance or  
34 lease to the county all or a portion of the property of cities, towns or  
35 villages relating to the collection and conveyance of sewage to county  
36 trunk sewers and the transfer of all or a portion of the responsibil-  
37 ities for the operation, maintenance and improvement thereof.

38 5. Following the approval of a draft sewer system consolidation agree-  
39 ment, the governing body of the city, town or village shall hold a  
40 public hearing on the draft sewer system consolidation agreement. Such  
41 public hearing shall be called by such governing body, which shall  
42 direct that notice thereof be published and posted not less than four-  
43 teen days prior to the date set for such hearing. Such notice shall be  
44 given, in the case of towns, in the manner prescribed in section one  
45 hundred ninety-three of the town law, and in the case of cities and  
46 villages, in the manner prescribed for general elections. Such notice  
47 shall state in general terms that it is proposed to petition the county  
48 legislature to enter into a sewer system consolidation agreement and, if  
49 contemplated by the sewer system consolidation agreement, to establish  
50 or extend a county sewer district or establish a special transitional  
51 zone of assessment for the purpose of facilitating the conveyance or  
52 lease of property to the county and its operation, maintenance and  
53 improvement of such property, as set forth in the draft sewer system  
54 consolidation agreement. Such notice shall generally identify the  
55 particular sewer system proposed to be conveyed or leased, the proposed  
56 improvements thereto, if any, and the estimated maximum cost thereof,

1 and shall describe the boundaries of the proposed, district, extension  
2 or special transitional zone of assessment in a manner sufficient to  
3 permit definite and conclusive identification of all parcels of property  
4 included therein. Such notice shall also state where the draft sewer  
5 system consolidation agreement is available for public inspection, and  
6 shall set forth the time when and place where such hearing shall be  
7 held.

8 6. If the governing board shall decide, after such public hearing and  
9 upon the evidence given thereat, that it is in the public interest to  
10 petition the county legislature to enter into the sewer system consol-  
11 idation agreement pursuant to this section, it shall authorize the  
12 supervisor of the town or mayor of the village or chief executive offi-  
13 cer of a city as that term is defined in the local finance law, as the  
14 case may be, to:

15 a. execute such petition and file the same with the clerk of the coun-  
16 ty legislature; and

17 b. execute the sewer system consolidation agreement, if the county  
18 elects to enter into the sewer system consolidation agreement.

19 Such petition shall generally identify the particular sewer system  
20 proposed to be conveyed or leased and shall describe the boundaries of  
21 the area served thereby in a manner sufficient to permit definite and  
22 conclusive identification of all parcels of property included therein.

23 7. Upon receipt of such petition and after the approval of the form of  
24 the draft sewer system consolidation agreement, the county legislature  
25 may call a public hearing to enter into the sewer system consolidation  
26 agreement and, if contemplated thereby, to establish a special transi-  
27 tional zone of assessment or establish or extend a county sewer  
28 district. Notice of such public hearing shall be given not less than  
29 fourteen days prior to the date of the hearing in the manner prescribed  
30 in section two hundred fifty-four of this article. In addition, a copy  
31 of such notice shall be served upon or mailed to the city, town or  
32 village which presented such petition not less than fourteen days prior  
33 to the day set therein for such hearing. Such notice shall contain:

34 a. a general description of the sewer system property proposed to be  
35 conveyed or leased;

36 b. a description of the boundaries of any proposed district, extension  
37 or special transitional zone of assessment in a manner sufficient to  
38 permit definite and conclusive identification of all parcels of property  
39 included therein;

40 c. the estimated maximum amount to be expended for proposed improve-  
41 ments;

42 d. a statement of the proposed manner of assessing costs allocable to  
43 the special transitional zone of assessment, indicating whether it is  
44 proposed to levy assessments pursuant to the charter in the same manner  
45 as county charges or as described in section two hundred seventy or  
46 section two hundred seventy-one of this article;

47 e. a statement of whether and to what extent the county sewer district  
48 will assume the payment of outstanding obligations, contracts and other  
49 indebtedness of the city, town or village for the purposes of or in  
50 relation to the sewer system proposed to be conveyed or leased;

51 f. shall state where the draft sewer system consolidation agreement is  
52 available for public inspection; and

53 g. shall specify the time when and place where the county legislature  
54 will meet to consider the matter and to hear all parties interested  
55 therein concerning the same.

1 8. If, based upon the evidence presented at such public hearing and  
2 after due consideration of the petition, the plan and report of the  
3 commissioner of environmental facilities and other data provided to it,  
4 the county legislature shall determine that it is in the public interest  
5 to enter into the sewer system consolidation agreement, it shall by  
6 majority vote adopt an act authorizing the execution of the sewer system  
7 consolidation agreement. If the county legislature shall determine that  
8 it is not in the public interest to enter into the sewer system consol-  
9 idation agreement, it shall adopt an act so stating and terminating the  
10 proceedings with respect thereto. The parties to a sewer system consol-  
11 idation agreement may from time to time amend the sewer system consol-  
12 idation agreement, provided that, if an amendment would a. increase the  
13 estimated capital cost to be assessed against properties in a special  
14 transitional zone of assessment for the improvements proposed in the  
15 sewer system consolidation agreement; b. increase the share of operation  
16 and maintenance costs to be annually assessed against a special transi-  
17 tional zone of assessment; or c. eliminate from or add parcels to a  
18 special transitional zone of assessment, the amendment may be authorized  
19 only after public hearings held by each party in the same manner as the  
20 original sewer system consolidation agreement following determinations  
21 by the parties that such amendment is in the public interest after hear-  
22 ings held as required for the original sewer system consolidation agree-  
23 ment. Notwithstanding the provisions of sections two hundred fifty-six,  
24 two hundred fifty-eight and two hundred sixty-eight of this article, or  
25 any other law, no act adopted pursuant to this section shall be subject  
26 to permissive referendum, nor shall the permission of the state comp-  
27 troller be required to establish or extend a district pursuant hereto or  
28 to create a special transitional zone of assessment in any county sewer  
29 district, or, from time to time, to increase and improve the facilities  
30 of any county sewer district in the county of Westchester. Nothing in  
31 this section shall modify the special acts of the legislature and local  
32 laws of the county of Westchester governing county sewer districts and  
33 the assessments made and taxes levied in connection therewith, and the  
34 county of Westchester may continue to operate county sewer districts in  
35 conformity therewith, irrespective of whether the county sewer district  
36 has undertaken to own, operate, maintain or improve sewers which are not  
37 trunk sewers pursuant to this section or otherwise undertakes to provide  
38 sewage collection and conveyance facilities in addition to trunk sewers.

39 9. As part of the implementation of the sewer system consolidation  
40 agreement, the county may adopt an act to establish a special transi-  
41 tional zone of assessment or establish or extend a county sewer  
42 district, which act shall include the following:

43 a. an accurate description of the boundaries of any such district,  
44 extension, or special transitional zone of assessment in a manner suffi-  
45 cient to permit definite and conclusive identification of all parcels of  
46 property included therein, provided, however, if such district, exten-  
47 sion or special transitional zone of assessment is coterminous with a  
48 city, town or village it shall be a sufficient compliance with this  
49 paragraph to so state without describing the boundaries of such city,  
50 town or village;

51 b. a general description of the sewer system property to be conveyed  
52 or leased to the county in accordance with the sewer system consol-  
53 idation agreement;

54 c. a determination as to whether assessments for district purposes  
55 will be levied pursuant to the charter in the same manner as county  
56 charges or as described in section two hundred seventy or section two

1 hundred seventy-one of this article in accordance with the notice of the  
2 public hearing held pursuant to subdivision seven of this section;

3 d. a determination as to the effective date or dates for the convey-  
4 ance or lease of the property described in accordance with paragraph b  
5 of this subdivision, having due regard to the fiscal year of the county  
6 and the city, town or village concerned and the availability of funds  
7 for the operation, maintenance and improvement of the sewer system by  
8 the county;

9 e. a determination assuming responsibility for the payment of all or  
10 the agreed portion of all obligations, contracts and other indebtedness  
11 of the city, town or village, as the case may be, incurred for the  
12 purposes of or in relation to the sewer system property to be conveyed  
13 or leased which shall be outstanding as of the effective date of such  
14 conveyance or lease, the exact amount and details thereof to be subject  
15 to future determination by agreement in such manner as may be provided  
16 therein; and

17 f. such other terms, conditions and provisions with respect to the  
18 establishment of such district and such conveyance or lease, not incon-  
19 sistent with the provisions of this section, as the county legislature  
20 may determine to be necessary or desirable under the circumstances.

21 10. The clerk of the county legislature, within ten days after the  
22 adoption thereof, shall file a certified copy of such act with the clerk  
23 of the city, town or village concerned, who shall present the same to  
24 the governing board at the next meeting thereof. Such governing board  
25 shall thereupon proceed to adopt such resolutions or ordinances and take  
26 such other action as shall be necessary or convenient to effectuate a  
27 conveyance or lease of sewer system property to the county in accordance  
28 with the provisions of this section and such act. In addition, in the  
29 case of a town or a village sewer district, and if so provided in an  
30 agreement with the county, the governing board may adopt an order  
31 dissolving such district effective as of the date of such conveyance or  
32 lease, a certified copy of which shall be recorded in the office of the  
33 county clerk, or, if such district is not to be dissolved, the governing  
34 board may adopt an order describing the remaining functions and respon-  
35 sibilities of the district.

36 11. All or an agreed upon portion of assessments levied by, or fees,  
37 rates, rents or other charges due or moneys owing to any city, town or  
38 village with respect to any sewer system and remaining unpaid as of the  
39 effective date of the conveyance or lease thereof to a county district  
40 pursuant to this section shall be collected by the city, town or village  
41 concerned in the same manner as if such conveyance or lease had not been  
42 made, and upon receipt shall be paid over to the county commissioner of  
43 finance to be applied for the purposes of such county sewer district.

44 12. a. The principal of and interest on all outstanding bonds and  
45 notes of a city, town or village issued to pay all or part of the cost  
46 of any sewer system conveyed or leased to a county district pursuant to  
47 this section shall continue to be paid when due by such city, town or  
48 village, and, if a sewer system consolidation agreement with the county  
49 so provides, from moneys provided for such purpose by the county from  
50 county district funds raised or appropriated therefor. If the county has  
51 agreed to make such payments, the county commissioner of finance shall  
52 from time to time pay such moneys to the fiscal officer of such city,  
53 town or village sufficiently in advance to permit the payment of all or  
54 the agreed upon portion of such principal and interest when due. All  
55 other obligations and contract liabilities of a city, town or village  
56 assumed by the county in a sewer system consolidation agreement shall be

1 paid directly from funds of the county in the same manner as other coun-  
2 ty sewer district claims.

3 b. If bonds have been authorized by a city, town or village pursuant  
4 to the local finance law to pay all or a part of the cost of the acqui-  
5 sition, construction or reconstruction of or addition to a sewer system  
6 or the replacement of equipment, machinery, apparatus or furnishings  
7 therefor, and in anticipation of the issuance of such bonds such city,  
8 town or village has issued a bond anticipation note or notes or has  
9 otherwise contracted indebtedness to be paid from the proceeds of such  
10 bonds, and prior to the issuance of such bonds and the payment of such  
11 note or notes or other indebtedness, such sewer system has been conveyed  
12 or leased to the county pursuant to this section, the county may issue  
13 its bonds for the object or purpose of paying such note or notes or  
14 other indebtedness. The period of probable usefulness of the object or  
15 purpose for which such bonds may be issued by the county pursuant to  
16 this subdivision shall be the same as the period of probable usefulness  
17 specified in paragraph a of section 11.00 of the local finance law for  
18 the object or purpose for which the bonds were authorized by such city,  
19 town or village prior to such transfer. Such period shall be that which  
20 was in effect at the time of such transfer unless such period has been  
21 subsequently shortened, in which event the shorter period in effect at  
22 the time of the issuance of the bonds by the county shall apply. For the  
23 purposes of paragraphs b, b-1 and c of section 21.00 of the local  
24 finance law, the date of the earliest bond anticipation note issued by  
25 such city, town or village shall be considered as the date of the earli-  
26 est bond anticipation note issued in anticipation of the bonds issued by  
27 the county for the object or purpose. Except as herein provided, such  
28 bonds shall be authorized and issued by the county in accordance with  
29 the provisions of the local finance law.

30 c. If, at the time of such transfer, the city, town or village has  
31 outstanding bonds issued to finance the conveyed or leased sewer facili-  
32 ties, the county may issue refunding bonds under and subject to the  
33 provisions of section 90.10 of the local finance law or section 90.00 of  
34 the local finance law, except, if the bonds to be refunded are refunding  
35 bonds, for paragraph I thereof, to pay the principal, interest and  
36 redemption premium of the bonds of the city, town or village of the  
37 bonds to be refunded, with savings to the county calculated as if the  
38 principal, interest and redemption premium on the bonds to be refunded  
39 were to be considered bonds of the county.

40 13. The county legislature, and each city, town and village, are here-  
41 by authorized to adopt all such further acts and to take or direct all  
42 such additional proceedings as may be necessary or desirable to effectuate  
43 the purposes and intent of this section.

44 14. The county, cities, towns and villages may expend capital funds to  
45 conduct evaluations, surveys and analysis of county sewer facilities and  
46 the sewer facilities of cities, towns and villages in the county which  
47 may be useful in identifying whether or not the conveyance or lease of  
48 particular city, town or village sewer facilities to the county would be  
49 in the public interest and in planning, structuring and negotiating a  
50 conveyance or lease of city, town or village facilities to the county,  
51 and the county may elect to reimburse such costs incurred by cities,  
52 towns or villages and to allocate the costs thereof. All of such costs  
53 not paid from current funds may be financed by the county as part of the  
54 cost of the acquisition of sewer facilities by the county, irrespective  
55 of whether any such acquisition is subsequently completed.

1 15. The provisions of section one hundred nineteen-o of the general  
2 municipal law shall apply to sewer system consolidation agreements made  
3 under this section, except that, irrespective of the term limits set  
4 forth in section one hundred nineteen-o of the general municipal law,  
5 such agreements may have terms which extend for up to fifty years and  
6 which may be renewed periodically as provided therein for a term not  
7 exceeding fifty years. The expiration of any such agreements shall not  
8 affect actions completed under such agreements, including the conveyance  
9 or lease of property or any change in the status of employees trans-  
10 ferred to the county pursuant thereto. This section does not replace or  
11 diminish the authority of the county and cities, towns and villages in  
12 the county to make agreements under section one hundred nineteen-o of  
13 the general municipal law in addition to the sewer system consolidation  
14 agreements authorized by this section.

15 § 2. This act shall take effect immediately.