STATE OF NEW YORK

9628

IN SENATE

March 30, 2026

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

AN ACT to amend the town law, in relation to the use of funds from Peconic Bay region community preservation funds for the acquisition of waterfront conservation easements for maritime industries and heritage

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

Section 1. Subdivision 1 of section 64-e of the town law is amended by adding a new paragraph (g) to read as follows:

(g) "Waterfront conservation easement" shall mean projects pursuant to Suffolk county law No 32-2025.

§ 2. Subdivision 3 of section 64-e of the town law, as amended by chapter 666 of the laws of 2024, is amended to read as follows:

3. The purposes of the fund shall be exclusively, (a) to implement a plan for the preservation of community character as required by this section, (b) to acquire interests or rights in real property for the preservation of community character within the town including villages therein in accordance with such plan and in cooperation with willing sellers, (c) to establish a bank pursuant to a transfer of development rights program consistent with section two hundred sixty-one-a of this chapter, (d) to provide a management and stewardship program for such interests and rights consistent with subdivisions nine and nine-a of this section and in accordance with such plan designed to preserve community character; provided that not more than ten **(10)** percent of the fund shall be utilized for the management and stewardship program, [~~and~~] (e) to implement water quality improvement projects in accordance with a plan to preserve community character**, and (f) to acquire waterfront conservation easements to maintain and enhance maritime industries and heritage which shall include but not be limited to working waterfront projects, aquaculture businesses, commercial fisheries, recreational fishing, boating businesses, processing facilities, packout facilities, icehouses, storage and all other activities appurtenant to commercial fishing, commercial aquaculture and maritime industries**. A maximum of twenty (20) percent of the fund may be utilized for the implementation

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

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of water quality improvement projects; provided that where such water quality improvement funds are utilized for the operation of the Peconic Bay National Estuary Program, the use of such funds shall only be utilized to match federal, state, county, or other public or private funds on a dollar for dollar basis, not to exceed ten (10) percent of the annual amount appropriated for water quality improvement projects. Unused funds allocated for water quality improvement projects pursuant to this subdivision may be carried forward from year to year for utilization in future budgets. In towns with one or more disadvantaged communities, not less than ten (10) percent of the annual proceeds of the fund shall be utilized to benefit such disadvantaged communities. **A maximum of ten (10) percent of the funds may be utilized to purchase waterfront conservation easements.** If the implementation of the community preservation project plan, adopted by a town board, as provided in subdivision six of this section, has been completed, and funds are no longer needed for the purposes outlined in this subdivision, then any remaining monies in the fund shall be applied to reduce any bonded indebtedness or obligations incurred to effectuate the purposes of this section.

§ 3. Subdivision 4 of section 64-e of the town law, as amended by chapter 666 of the laws of 2024, is amended to read as follows:

4. Preservation of community character shall involve one or more of the following: (a) establishment of parks, nature preserves, or recreation areas; (b) preservation of open space, including agricultural lands provided, however, that farm buildings and structures used for the marketing of farm products produced on such agricultural lands shall be permitted; (c) preservation of lands of exceptional scenic value; (d) preservation of fresh and saltwater marshes or other wetlands; (e) preservation of aquifer recharge areas; (f) preservation of undeveloped beachlands or shoreline including those at significant risk of coastal flooding due to projected sea level rise and future storms; (g) establishment of wildlife refuges for the purpose of maintaining native animal species diversity, including the protection of habitat essential to the recovery of rare, threatened or endangered species; (h) preservation of pine barrens consisting of such biota as pitch pine, and scrub oak; (i) preservation of unique or threatened ecological areas; (j) preservation of rivers and river areas in a natural, free-flowing condition; (k) preservation of forested land; (l) preservation of public access to lands for public use including stream rights and waterways; (m) preservation of historic places and properties listed on the New York state register of historic places and/or protected under a municipal historic preservation ordinance or law; (n) preservation of lands necessary to protect fisheries and water dependent uses essential to maintain and enhance maritime heritage; (o) preservation of lands that contain significant cultural resources including the aboriginal lands of indigenous peoples, including but not limited to, burial sites, settlements, and lands utilized for ceremonial purposes; [~~and~~] (p) **preservation of waterfront access for commercial fishing, aquaculture (including but not limited to, oyster and kelp farming), recreational fishing and boating businesses; and (q)** undertaking any of the aforementioned in furtherance of the establishment of a greenbelt. Preservation of community character shall also include the protection and improvement of the quality of all water resources.

§ 4. Subdivision 9-a of section 64-e of the town law is amended by adding a new paragraph (b-1) to read as follows:

(b-1) In the case of interests or rights in real property acquired for waterfront conservation easement purposes and preserving lands necessary to protect fisheries and water dependent uses essential to maintain and enhance maritime industries and heritage; management and stewardship funds may only be expended for:

(1) Projects which promote the protection or enhancement of the waterfront access for commercial fishing, aquaculture, maritime industries and maritime heritage for which the interests or easements were acquired;

(2) Minimal improvements as permitted by subdivision nine of this section; or

(3) Restoration of acquired waterfront conservation property to its natural state, including demolition of existing buildings.

§ 5. This act shall take effect immediately.