



2022 NYS EXECUTIVE BUDGET

At a Glance

The Executive Budget and accompanying legislation was released January 19, 2020. This is a quick look at some of the issues in the budget that are important to towns. AOT staff is in the process of further reviewing the budget and budget legislation, and this document will be updated periodically.

- Although not part of the Executive Budget, Robert Mujica announced on January 19, 2020 that of the 20 percent of state funding withheld during FY 2020-2021, 15 percent of that would be returned, and the remaining 5 percent would be withheld moving forward.

Funding-Related Proposals

- All towns would shift from AIM to the AIM-related payment program. AIM-related payments would be reduced by 20 percent (PPGG Part LL).
- CHIPS and the Marchiselli Program is maintained at last year's level of \$477.8 million. The budget also continues \$100 million in highway aid through the PAVE-NY program, and \$100 million to fund local bridge projects from the BridgeNY program. Funding for Extreme Winter Recovery is not included.
- Legalizes adult use recreational cannabis in NYS. There is no direct revenue available for towns or a local opt-in or opt-out (Revenue Part H). Eliminate VLT aid to all local governments that currently receive it except the City of Yonkers. The state provides VLT aid to municipalities that host VLT facilities (PPGG Part KK).

Tax Issues

- Extends the real property tax exemption for renewable energy projects and equipment through 2030. Towns that provide tax exemptions must use the standardized exemption value set forth in the law, and assessors in towns that opt out of the exemption must assess property in accordance with valuation methods set forth in the law. Towns that provide the tax exemption still retain the authority to enter into a PILOT agreement with the property owner. Imposes certain notification requirements for towns that require PILOTS (Revenue Part X).
- New enhanced STAR applicants have to shift to enhanced STAR credit or retain Basic STAR exemption. Subpart B – taxpayers have to apply to shift from exemption to credit by May 1 of each year. Subpart C – the state will provide decedent reports directly to assessors. Subpart E – mobile home residents' STAR benefit will convert to STAR credit (Revenue Part V).

- Vacation rental marketplace providers (such as Airbnb and VRBO) must collect sales tax on the vacation rentals they facilitate. Vacation rental marketplace providers are defined as a person who collects rent and provides the forum (physical or virtual) where the transaction occurs (Revenue Part I).
- Gives counties the authority to impose a base sales tax rate of 4 percent (as opposed to 3 percent) or their currently authorized rate – whichever is higher – without seeking state authorization (Revenue Part L).

Police and Criminal Justice Reform

- Proposes various reforms to strengthen the police profession including new eligibility requirements and background investigations for police officers. The proposal also directs the Division of Criminal Justice Services to collect demographic data on people appointed as a police officer, including but not limited to, racial and gender characteristics (PPGG Part K).
- Relates to Executive Order 203 issued in 2020 directing municipalities with police departments to review their policies, convene community panels to discuss policing and to create a community policing plan by April 1, 2021. To ensure compliance, if a municipality does not complete the required police reform plan by the deadline, the state will appoint a monitor to oversee the compliance with EO 203. The monitor will be a local expense (PPGG Part L).
- Would allow virtual arraignments statewide by amending Criminal Procedure Law 182.20. Currently, virtual arraignments are allowed statewide through various executive orders (PPGG Part J).

General Election Reform

- Would provide voters in elections run by the county boards of elections the opportunity to request an absentee ballot 45 days before the election rather than 30 days prior (PPGG Part Q).
- Would require absentee ballots processed by county boards of elections to be provided within four business days of receiving the application. Where the application is received between the 7-10 days before the election, the ballot must be provided within 24 hours (PPGG Part R).
- Would require early voting polling sites to be open at least 8 hours between 7 a.m. and 9 p.m. and at least three days a week on weekdays. On weekends and holidays, early voting sites must be open at least 10 hours between 9 a.m. – 9 p.m. (PPGG Part S).

Other Issues

- Makes permanent the Countywide Shared Services Initiative (the program is set to expire December 31, 2021). Also allows projects included in previous plans that have not yet been implemented to be eligible for state-matching funds. Proposes \$200 million in funding to support the matching state grant program available to municipalities that implement shared service proposals (PPGG Part NN).
- Extends local governments' authority to "piggyback" on competitively bid contracts from the federal government and/or any state or local government for apparatus, materials, equipment, or supplies, and any services related to their installation, maintenance, and repair for an additional two years, to July 31, 2023 (PPGG Part OO).
- Shifts from a fixed interest rate of 9 percent to a variable market-based interest rate on court judgments and accrued claims paid by public and private entities (PPGG Part AA). Extends the moratorium on terminating a residential customer's service for failure to pay their municipal water and other utility bills to future state-declared disasters that generate economic hardships. Expands moratorium to include qualifying small businesses. The original legislation adopted in 2020 extended the moratorium to 180 days after the end of the COVID-19 pandemic, this proposal eliminates that timeline. It also clarifies that a municipality may not charge late fees during the state of emergency and that the same rules apply to public water authorities (TED Part OO).
- Allows a notary to remotely notarize documents using audio-video communication, which requires the notary to be able to see and hear the person whose signature is being notarized. There are additional safeguards and requirements included (TED Part P).
- Amends various statutes to protect municipal highway workers. Makes it a Class E felony to intentionally place or attempt to place a highway worker in reasonable fear of death, imminent serious physical injury, or physical injury. Also proposes a new Class B misdemeanor for drivers who enter or intrude into an active work zone except upon direction from a traffic control person or device (TED Part B).

Last updated on 2/03/21