

IN SESSION

Association Of Towns' Legislative Newsletter



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A QUICK HELLO

With the Legislature in session, the state budget being released, and the Annual Meeting quickly approaching, it's the busiest time of year for us over here at the Association of Towns. One thing that keeps us motivated is you, our remarkable membership. We know being a local elected official can mean being on call 24/7 and frequently handling complaints instead of accepting compliments. We are proud of the work you do, and let us be one voice that says THANK YOU TO ALL TOWN OFFICIALS for your tireless work. Now, down to business!

2021 ANNUAL CONFERENCE

For many of us, AOT's 2020 Annual Meeting was the last time we travelled before the world seemed to shut down. While the bright lights of Time Square won't be the backdrop, you can still participate in the Annual Meeting virtually by the soft glow of your computer or other device. In addition to there being a great variety of classes, including those eligible for CLE, CPE and CTO credits, Senate Majority Leader Charles Schumer will be addressing attendees on Tuesday morning, and on Monday morning, we will hear from State Comptroller Tom DiNapoli, Attorney General Tish James, and NYS Senate Finance Committee Chair Sen. Liz Krueger. You can register here: https://www.nytowns.org/Towns/AOTEvent_Display.aspx?EventKey=2021ANNMG&WebsiteKey=04e83c96-c455-49b2-9c20-d10c9d201e7c.



Executive Budget

On January 19, 2020, Governor Cuomo released the 2021-2022 Executive Budget. The Executive Budget is predicated on the state receiving federal aid in the amount of \$6 billion over two years and may change significantly depending on federal action. A guide to the New York State Budget process is included in this newsletter, and we encourage you to check out our website nytowns.org and follow us on Facebook and Twitter at @nytowns for the most up-to-date information. Below is a quick look at some of the proposals impacting towns in the Executive Budget.

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

Join us for a webinar on Police Reform

On February 4, 2021 at 10 a.m., AOT is hosting a webinar presented by Chatodd Floyd, Director of Legislative Affairs and Policy Office of Governor Andrew Cuomo, and Jeremy Shockett, Deputy Secretary for Public Safety, to explain and answer questions on the *Reform and Reinvention Collaborative on Policing* released in June and related proposals included in the Executive Budget.

We strongly encourage any town with a police department to participate. This webinar is free for members, and you can register [here](#).

MUNICIPAL GUIDE TO THE NYS BUDGET PROCESS

TIMELINE AND PROCESS TO ADOPTING A STATE BUDGET



STATE OF THE STATE & BUDGET PROPOSAL

Early to mid-January, the governor delivers his State of the State address and unveils his major funding and policy priorities with his Executive Budget proposal.

BUDGET HEARINGS HELD

Throughout the month of February, the New York State Legislature holds hearings regarding the governor’s proposed budget, predominantly via testimony to individual conference committees.



30-DAY AMENDMENTS



The governor is entitled to make changes to his proposed budget within 30 days of its release. In recent years, some of these amendments addressed SALT deductions and AIM.

ONE-HOUSE BUDGET BILLS RELEASED

The one-house budget bills, released in March, signify how close or far apart the Senate and Assembly are on the certain items in the governor’s proposed budget. These bills kick off another round of negotiations.



STATE FISCAL YEAR BEGINS APRIL 1



After even more negotiating, agreements on funding and spending come into focus, and the budget is usually passed on or near April 1.

(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 "piggy-back" 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).

Return of Withheld Funds

The state announced that it will be releasing all but 5 percent of the 20 percent in local aid that has been withheld between June and December 2020. These amounts will be reconciled and should be repaid by March 31, 2021. AOT believes that this includes AIM, CHIPS and any other local aid that was withheld. More information on this should be forthcoming.

Federal Issues

At the federal level, we continue to work with our national association, the National Association of Towns and Townships (NATAT). We have renewed the call to our New York representatives stressing the importance of direct funding for local governments regardless of population size in the next federal stimulus bill. Additionally, we are encouraging Congress to restore the federal SALT deduction, which allows residents to deduct local property tax from their federal taxes. AOT has sample letters and resolutions to send to your representatives available on our website nytowns.org.