

IN SESSION

Association Of Towns' Legislative Newsletter



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Overview

It's March Madness over here at the Association of Towns and there is a lot going on. On Saturday evening, March 13, 2021 the Assembly and Senate introduced their one-house budget bills outlining their budget priorities and proposals in response to the Executive Budget. A summary of items in those bills that are of interest to towns is included below, along with how the one-house bills compare to the Executive Budget, released earlier this year. As always, we strongly encourage our members to contact their local representatives to let them know where your town stands on certain issues.

American Rescue Plan

AOT was very excited to have Senator Chuck Schumer to provide an update to our members on the American Rescue Plan the very day it was signed. Once the Department of Treasury issues its guidance, AOT will host a webinar outlining more of the details on the funding available to local governments. A quick summary of the legislation as it pertains to local governments can be found [here](#).

Budget Issues

Funding-Related Proposals

- Executive Budget: **All towns** would shift from AIM to the AIM-related payment program. AIM-related payments would be reduced by 20 percent (PPGG Part LL).
 - Assembly: Restore AIM for all towns and eliminate AIM-re-



lated payments. Increase AIM funding by \$125 million

- Senate: Omits proposal. Includes new proposal PPGG Part YY, which restores all towns and villages to the state-funded AIM program, thereby eliminating the county sales tax-funded AIM-related program. AIM would be funded at pre-2019 levels.
- Executive Budget: CHIPS and the Marchiselli Program maintained at last year's level of \$477.8 million; plus \$100 million to PAVE-NY, and \$100 million to BridgeNY program. Funding for Extreme Winter Recovery is not included
 - Assembly: Maintains CHIPS funding level, adds an additional \$100 million to PAVE-NY and \$100 to BridgeNY, restores EWR at \$65 million
 - Senate: Adds \$150 million to CHIPS and fully restores all CHIPS withholdings from 2020. Adds an additional \$100 million to PAVE-NY and \$100 to BridgeNY, restores EWR at \$100 million
- Executive Budget: 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).
 - Omitted from both the Senate and Assembly bills. Please note: standalone legislation on cannabis is currently being negotiated outside of the budget process.
- Executive Budget: 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)
 - Assembly: Omits proposal
 - Senate: restores VLT aid to facilities in Orange, Ontario, Oneida and Erie counties and to the City of Yonkers. Adds \$1.29 million for a facility in Suffolk County

Tax Issues

- Executive Budget: Extends exemption for renewable energy projects and equipment through 2030. Towns providing exemption must use the standardized exemption value set forth in the law, and assessors in towns that opt out of exemption must assess property using a discounted cash flow methodology. Imposes certain notification requirements for towns that require PILOTS. (Revenue Part X).
 - Assembly: Omits proposal
 - Senate: Includes Executive Budget proposal
- Executive Budget: 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).
 - Assembly: Modifies proposal so enhanced exemptions are not phased out
 - Senate: Omits proposal
- Executive Budget: 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

Checklist

FOR EFFECTIVE LOBBYING

- Follow Association of Towns on social media for breaking news updates about the budget process and more.
 - Check your email for our In Session newsletter and other updates to have a working knowledge of the issues. X
 - Attend our new budget-focused, quick-hitting FREE webinar series, Legislation at Lunch for current budget updates. X
 - [Find out who your state assembly rep is here](#) X
 - [Find out who your state senate rep is here](#) X
 - To submit a resolution as a town board, feel free to reach out to AOT for sample resolutions, or check our website for samples on bigger issues. X
 - You can also request a phone/zoom/in-person (someday again) meeting. Plan ahead! X
 - Follow up your meeting with a thank you letter, summarizing your discussion and goals. Check our website, www.nytowns.org for sample letters as well! X
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provides the forum (physical or virtual) where the transaction occurs (Revenue Part I)

- Omitted from both Assembly and Senate bills
- Executive Budget: 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).
 - Assembly: Omits proposal
 - Senate: Includes Executive Budget proposal

Police and Criminal Justice Reform

- Executive Budget: Proposes various reforms to strengthen the police profession including new eligibility requirements and background investigations for police officers (PPGG Part K).
 - Omitted from both Assembly and Senate bills
- Executive Budget: Relates to Executive Order 203 on police reform plans due by April 1, 2021. If a local government misses the deadline, the state will appoint a monitor to oversee the compliance at local expense, and state and federal funding will be withheld (PPGG Part L).
 - Assembly: Omits Executive Budget proposal but adds new PPGG Part XX, which expressly provides that filing a certification with the Division of Budget as required by EO 203 is not necessary to receive state and federal funds.
 - Senate: Omits Executive Budget proposal but adds new PPGG Part BBB to allow the Division of Budget to withhold all or some amounts appropriated in the adopted 2021-2022 state budget until a municipality with a police agency completes and certifies a police reinvention plan as provided for in EO 203.
- Executive Budget: Allows virtual arraignments statewide by amending Criminal Procedure Law 182.20. Currently, virtual arraignments are allowed statewide through various executive orders (PPGG Part J)
 - Omitted from both Assembly and Senate bills

General Election Reform

- Executive Budget: 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).
 - Omitted in both Assembly and Senate

bills

- Executive Budget: Would require absentee ballots processed by county boards of elections to be provided within four business days of receiving the application (PPGG Part R).
 - Omitted in both Assembly and Senate bills.
- 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 (PPGG Part S).
 - Assembly: Modifies proposal by requiring early hours of voting to be consecutive. Directs counties to ensure that early voting sites have sufficient indoor space, equipment, broadband access to make early voting safe, convenient and comfortable
 - Senate: Omits Executive Budget proposal

Other Issues

- Executive Budget: Makes permanent the Countywide Shared Services Initiative and expands projects eligible for matching grants (PPGG Part NN).
 - Assembly: Omits Executive Budget proposal
 - Senate: Modifies Executive Budget proposal by making school district participation mandatory.
- Executive Budget: Extends local governments' authority to "piggyback" on competitively bid contracts (PPGG Part OO).
 - Omitted from both Assembly and Senate bills. Please note there is standalone legislation to extend piggybacking.
- Executive Budget: 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).
 - Omitted from both Assembly and Senate bills
- 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 (TED Part OO).
 - Omitted from both Assembly and Senate bills
- Executive Budget: allows a notary to remotely

notarize documents using audio-video communication that requires the notary to be able to see and hear the person whose signature is being notarized (TED Part P)

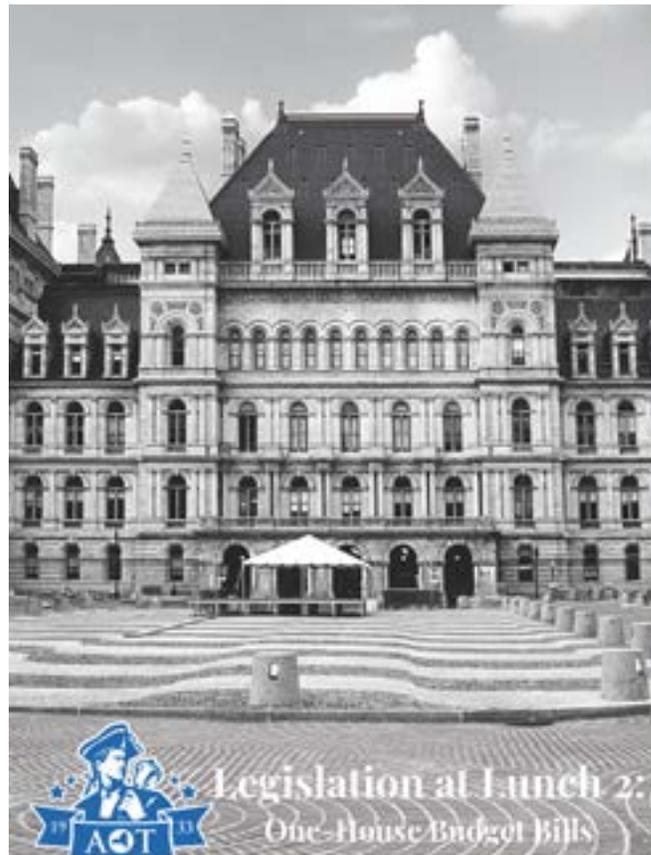
- Assembly: Omits Executive Budget proposal
- Senate: Replaces Executive Budget proposal with a new proposal that authorizes electronic notarization and authorizes the use of video and audio conference technology in identifying individuals for electronic notarization
- Executive Budget: Amends various 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).
 - Assembly: Omits Executive Budget proposal
 - Senate: Modifies to create a new work zone safety fund from fines imposed pursuant to Vehicle and Traffic Law §1221-a. Subject to legislative appropriation, this fund will be used for work zone safety enforcement, radar signs, markings, police monitoring. Authorizes a work zone camera enforcement program.
- Executive Budget: Creates the COVID-19 Extraordinary Relief Fund with funding coming from new taxes. Funds may be provided to local governments pursuant to a plan approved by the state

budget director to “support the necessary and urgent expenses related to resolving extraordinary hardships of the COVID-19 public health emergency.” HOWEVER, these funds may be transferred to the state general fund in the event of an economic downturn (PPGG Part UU).

- Omitted from both Assembly and Senate bills
- Executive Budget: Creates an emergency rental assistance fund under state control, which will be funded by money that is supposed to go to local governments under the federal Emergency Rental Assistance Program. Please note that not all towns received federal money under this program; it is limited to those with population of 200,000 or more (ELFA Part BB).
 - Assembly: Modifies the Executive Budget proposal to make participating in the fund optional.
 - Senate: Omits proposal

New Proposals Introduced in One-House Bills

- Senate PPGG Part ZZ: Amends RPTL 924-a to cap penalties on delinquent property taxes on owner-occupied residential real property containing three or less dwelling units at 7.5 percent. Currently, taxing jurisdictions can impose a 12 percent penalty per year (or higher, depend-



One-House Budget Bills Webinar

Join Legislative Director and Counsel Sarah Brancatella on Friday, March 19th at 12 p.m. for a quick run down of what's in the Assembly and Senate one-house budget bills, how it compares to the Executive Budget, and what issues towns may want to raise with their local representatives.

Legislation at Lunch is FREE to attend, and members can register [here](#).

ing upon the rate of interest set by the commissioner).

- Senate TED Part AAA: Authorizes \$3 billion bond issuance, subject to voter approval in 2021. Municipalities and non-profits could apply for funds to be used for flood projects, open space and recreation, climate change mitigation, and water quality improvements and resilient infrastructure.
- Senate TED Part CCC: Creates a new recycling program requiring producers and manufacturers to address the recycling of certain types of packaging. Producers and manufacturers would have to develop an end-of-use plan for their products and packaging, either individually or through a nonprofit. Plans would have to be approved the state. Municipalities may voluntarily participate in these plans. This language is similar to pending legislation S1185A/A.5801.
- Assembly TED Part BBB/ Senate TED Part QQ: Comprehensive Broadband Connectivity Act would require a statewide broadband study and require the PSC to study broadband mapping, internet connectivity, availability and affordability.
- Assembly PPGG Part Y/Senate PPGG Part CCC: Creates an early retirement incentive for employees in the state and local government system

Legislation at Lunch Webinars

AOT's new webinar series "Legislation at Lunch" will have its next installment on Friday, March 19th at 12 p.m. to dissect the one-house budget bills. We know our members are busy, so the "Legislation at Lunch" series is meant to be a fast and informative way to update our members on what's happening in Albany and Washington D.C. The first 15-30 minutes is spent with Legislative Director and Counsel Sarah Brancatella providing a legislative update followed by an open Q&A – this way members can easily tune in for the overview if that's all time permits. This webinar is free to members and you can register [here](#).

