

9

## PART FF

10 Section 1. Subsections (yy) and (zz) of section 606 of the tax law, as  
11 relettered by section 5 of part H of chapter 1 of the laws of 2003, are  
12 relettered (yyy) and (zzz) and a new subsection (bbb) is added to read  
13 as follows:

14 (bbb) Real property tax freeze credit. (1) As used in this subsection:

15 (A) The term "freeze-compliant budget" means a budget of a taxing  
16 jurisdiction that has met the requirements of section two thousand twen-  
17 ty-three-b of the education law or section three-d of the general munic-  
18 ipal law, whichever is applicable.

19 (B) The terms "independent special district" and "dependent school  
20 district" have the same meaning as set forth in section three-d of the  
21 general municipal law.

22 (C) The term "STAR exemption" means the school tax relief exemption  
23 authorized by section four hundred twenty-five of the real property tax  
24 law.

25 (D) The term "taxing jurisdiction" means a county, city, town,  
26 village, school district or an independent special district, except that  
27 such term shall not include a city with a population of one million or  
28 more, nor shall it include a county wholly located within such a city.

29 (E) The term "levy credit factor" means the allowable levy growth  
30 factor for a taxing jurisdiction, as determined pursuant to section  
31 three-c of the general municipal law or section two thousand twenty-  
32 three-a of the education law, minus one.

33 (2) An individual taxpayer who meets the eligibility standards set  
34 forth in paragraph three of this subsection and whose primary residence  
35 is located in a taxing jurisdiction that has a freeze-compliant budget  
36 for the fiscal year starting in two thousand fourteen, two thousand  
37 fifteen or two thousand sixteen, whichever is applicable, shall be  
38 allowed a credit against the taxes imposed by this article. Subject to  
39 the provisions of paragraph six of this subsection, such credit shall be  
40 determined as follows:

41 (A) If a school district other than a dependent school district has a  
42 freeze-compliant budget for its fiscal year starting in two thousand  
43 fourteen, a credit shall be allowed for the eligible taxpayer's two  
44 thousand fourteen taxable year in the amount that is the greater of (i)  
45 the amount by which the real property taxes imposed upon such residence  
46 by or on behalf of that school district for the fiscal year starting in  
47 two thousand fourteen exceeds the real property taxes so imposed for the  
48 fiscal year starting in two thousand thirteen, or (ii) the product of  
49 the real property taxes imposed upon such residence by or on behalf of  
50 that school district for the fiscal year starting in two thousand thir-

51 teen multiplied by the levy credit factor for that school district for  
 52 the fiscal year starting in two thousand fourteen.

53 (B) If a taxing jurisdiction, other than a school district or a city  
 54 with a dependent school district, has a freeze-compliant budget for its

S. 6359--D

295

A. 8559--D

1 fiscal year starting in two thousand fifteen, a credit shall be allowed  
 2 for the eligible taxpayer's two thousand fifteen taxable year in the  
 3 amount that is the greater of (i) the amount by which the real property  
 4 taxes imposed upon such residence by or on behalf of that taxing juris-  
 5 isdiction for the fiscal year starting in two thousand fifteen exceeds the  
 6 real property taxes so imposed for the fiscal year starting in two thou-  
 7 sand fourteen, or (ii) the product of the real property taxes imposed  
 8 upon such residence by or on behalf of that taxing jurisdiction for the  
 9 fiscal year starting in two thousand fourteen multiplied by the levy  
 10 credit factor for that taxing jurisdiction for the fiscal year starting  
 11 in two thousand fifteen.

12 (C) If a school district other than a dependent school district has a  
 13 freeze-compliant budget for its fiscal year starting in two thousand  
 14 fifteen, a credit shall be allowed for the eligible taxpayer's two thou-  
 15 sand fifteen taxable year in the amount by which the real property taxes  
 16 imposed upon such residence by or on behalf of such school district for  
 17 the fiscal year starting in two thousand fifteen exceeds the real prop-  
 18 erty taxes so imposed for the fiscal year identified as follows:

19 (i) if the school district's budget for the fiscal year starting in  
 20 two thousand fourteen was a freeze-compliant budget, a credit shall be  
 21 allowed for the eligible taxpayer's two thousand fifteen taxable year in  
 22 the amount of the credit for school district taxes allowed for the  
 23 eligible taxpayer's two thousand fourteen taxable year; together with  
 24 the amount that is the greater of (I) the amount by which the real prop-  
 25 erty taxes imposed upon such residence by or on behalf of that school  
 26 district for the fiscal year starting in two thousand fifteen exceeds  
 27 the real property taxes so imposed for the fiscal year starting in two  
 28 thousand fourteen, or (II) the product of the real property taxes  
 29 imposed upon such residence by or on behalf of such school district for  
 30 the fiscal year starting in two thousand fourteen multiplied by the levy  
 31 credit factor for that school district for the fiscal year starting in  
 32 two thousand fifteen.

33 (ii) if the school district's budget for the fiscal year starting in  
 34 two thousand fourteen was not a freeze-compliant budget, a credit shall  
 35 be allowed for the eligible taxpayer's two thousand fifteen taxable year  
 36 in the amount that is the greater of (I) the amount by which the real  
 37 property taxes imposed upon such residence by on or behalf of that  
 38 school district for the fiscal year starting in two thousand fifteen

39 exceeds the real property taxes so imposed for the fiscal year starting  
 40 in two thousand fourteen, or (II) the product of the real property taxes  
 41 imposed upon such residence by or on behalf of such school district for  
 42 the fiscal year starting in two thousand fourteen multiplied by the levy  
 43 credit factor for such school district for the fiscal year starting in  
 44 two thousand fifteen.

45 (D) If a taxing jurisdiction, other than a school district or a city  
 46 with a dependent school district, has a freeze-compliant budget for its  
 47 fiscal year starting in two thousand sixteen:

48 (i) if the taxing jurisdiction's budget for the fiscal year starting  
 49 in two thousand fifteen was a freeze-compliant budget, a credit shall be  
 50 allowed for the eligible taxpayer's two thousand sixteen taxable year in  
 51 the amount of the credit for the taxes imposed by or on behalf of such  
 52 taxing jurisdiction allowed for the eligible taxpayer's two thousand  
 53 fifteen taxable year; together with the amount that is the greater of  
 54 (I) the amount by which the real property taxes imposed upon such resi-  
 55 dence by or on behalf of such taxing jurisdiction for the fiscal year  
 56 starting in two thousand sixteen exceeds the real property taxes imposed

S. 6359--D

296

A. 8559--D

1 upon such residence by or on behalf of that taxing jurisdiction for the  
 2 fiscal year starting in two thousand fifteen, or (II) the product of the  
 3 real property taxes imposed upon such residence by or on behalf of such  
 4 taxing jurisdiction for the fiscal year starting in two thousand fifteen  
 5 multiplied by the levy credit factor for such taxing jurisdiction for  
 6 the fiscal year starting in two thousand sixteen.

7 (ii) if the taxing jurisdiction's budget for the fiscal year starting  
 8 in two thousand fifteen was not a freeze-compliant budget, a credit  
 9 shall be allowed for the eligible taxpayer's two thousand sixteen taxa-  
 10 ble year in the amount that is the greater of (I) the amount by which  
 11 the real property taxes imposed upon such residence by or on behalf of  
 12 such taxing jurisdiction for the fiscal year starting in two thousand  
 13 sixteen exceeds the real property taxes so imposed for the fiscal year  
 14 starting in two thousand fifteen, or (II) the product of the real prop-  
 15 erty taxes imposed upon such residence by or on behalf of such taxing  
 16 jurisdiction for the fiscal year starting in two thousand fifteen multi-  
 17 plied by the levy credit factor for such taxing jurisdiction for the  
 18 fiscal year starting in two thousand sixteen.

19 (E) If a city with a dependent school district has a freeze-compliant  
 20 budget for its fiscal year starting in two thousand fourteen, a tax  
 21 credit shall be allowed for the eligible taxpayer's two thousand four-  
 22 teen taxable year in the amount equivalent to sixty-seven percent of the  
 23 amount that is the greater of (i) the amount by which the real property  
 24 taxes imposed upon such residence by or on behalf of that city for the

25 fiscal year starting in two thousand fourteen exceeds the real property  
26 taxes so imposed for the fiscal year starting in two thousand thirteen,  
27 or (ii) the product of the real property taxes imposed upon such resi-  
28 dence by or on behalf of such city for the fiscal year starting in two  
29 thousand thirteen multiplied by the levy credit factor for such city for  
30 the fiscal year starting in two thousand fourteen.

31 (F) If a city with a dependent school district has a freeze-compliant  
32 budget for its fiscal year starting in two thousand fifteen:

33 (i) if the city's budget for the fiscal year starting in two thousand  
34 fourteen was a freeze-compliant budget, a credit shall be allowed for  
35 the eligible taxpayer's two thousand fifteen taxable year in an amount  
36 equivalent to thirty-three percent of the amount that is the greater of  
37 (I) the amount by which the real property taxes imposed upon such resi-  
38 dence by that city for the fiscal year starting in two thousand fourteen  
39 exceeds the real property taxes so imposed for the fiscal year starting  
40 in two thousand thirteen, or (II) the product of the real property taxes  
41 imposed upon such residence by or on behalf of such city for the fiscal  
42 year starting in two thousand thirteen multiplied by the levy credit  
43 factor for such city for the fiscal year starting in two thousand four-  
44 teen; together with the amount of the credit for the taxes imposed by or  
45 on behalf of such city allowed for the eligible taxpayer's two thousand  
46 fourteen taxable year; and together with an amount equivalent to sixty-  
47 seven percent of the amount that is the greater of (I) the amount by  
48 which the real property taxes imposed upon such residence by that city  
49 for the fiscal year starting in two thousand fifteen exceeds the real  
50 property taxes so imposed for the fiscal year starting in two thousand  
51 fourteen; or (II) the product of the real property taxes imposed upon  
52 such residence by or on behalf of such city for the fiscal year starting  
53 in two thousand fourteen multiplied by the levy credit factor for such  
54 city for the fiscal year starting in two thousand fifteen; and a credit  
55 shall be allowed for the eligible taxpayer's two thousand sixteen tax-  
56 able year in an amount equivalent to thirty-three percent of the amount

S. 6359--D

297

A. 8559--D

1 that is the greater of (I) the amount by which the real property taxes  
2 imposed upon such residence by that city for the fiscal year starting in  
3 two thousand fifteen exceeds the real property taxes so imposed for the  
4 fiscal year starting in two thousand fourteen, or (II) the product of  
5 the real property taxes imposed upon such residence by or on behalf of  
6 such city for the fiscal year starting in two thousand fourteen multi-  
7 plied by the levy credit factor for such city for the fiscal year start-  
8 ing in two thousand fifteen; together with an amount equivalent to 49.25  
9 percent of the amount of the credit for the taxes imposed by or on  
10 behalf of such city allowed for the eligible taxpayer's two thousand

11 fourteen taxable year.

12 (ii) if the city's budget for the fiscal year starting in two thousand  
13 fourteen was not a freeze-compliant budget, a credit shall be allowed  
14 for the eligible taxpayer's two thousand fifteen taxable year in an  
15 amount equivalent to sixty-seven percent of the amount that is the  
16 greater of (I) the amount by which the real property taxes imposed upon  
17 such residence by that city for the fiscal year starting in two thousand  
18 fifteen exceeds the real property taxes so imposed for the fiscal year  
19 starting in two thousand fourteen or (II) the product of the real prop-  
20 erty taxes imposed upon such residence by or on behalf of such city for  
21 the fiscal year starting in two thousand fourteen multiplied by the levy  
22 credit factor for such city for the fiscal year starting in two thousand  
23 fifteen; and a credit shall be allowed for the eligible taxpayer's two  
24 thousand sixteen taxable year in an amount equivalent to thirty-three  
25 percent of the amount that is the greater of (I) the amount by which the  
26 real property taxes imposed upon such residence by that city for the  
27 fiscal year starting in two thousand fifteen exceeds the real property  
28 taxes so imposed for the fiscal year starting in two thousand fourteen  
29 or (II) the product of the real property taxes imposed upon such resi-  
30 dence by or on behalf of such city for the fiscal year starting in two  
31 thousand fourteen multiplied by the levy credit factor for such city for  
32 the fiscal year starting in two thousand fifteen.

33 (G) If a city with a dependent school district has a freeze-compliant  
34 budget for its fiscal year starting in two thousand fourteen but does  
35 not have a freeze-compliant budget for its fiscal year starting in two  
36 thousand fifteen, a tax credit shall be allowed for the eligible taxpay-  
37 er's two thousand fifteen taxable year an amount representing thirty-  
38 three percent of the amount that is the greater of (I) the amount by  
39 which the real property taxes imposed upon such residence by that city  
40 for the fiscal year starting in two thousand fourteen exceeds the real  
41 property taxes so imposed for the fiscal year starting in two thousand  
42 thirteen or (II) the product of the real property taxes imposed upon  
43 such residence by or on behalf of such city for the fiscal year starting  
44 in two thousand thirteen multiplied by the levy credit factor for such  
45 city for the fiscal year starting in two thousand fourteen.

46 (3) To be eligible for such credit, the taxpayer (or taxpayers filing  
47 joint returns) must meet the following criteria:

48 (A) For the two thousand fourteen taxable year, the taxpayer's primary  
49 residence must have qualified for the STAR exemption for the two thou-  
50 sand fourteen--two thousand fifteen school year, or would have so quali-  
51 fied if an application for such exemption had been submitted in a timely  
52 manner.

53 (B) For the two thousand fifteen taxable year, the taxpayer's primary  
54 residence must have qualified for the STAR exemption for the two thou-  
55 sand fifteen--two thousand sixteen school year, or would have so quali-

1 fied if an application for such exemption had been submitted in a timely  
2 manner.

3 (C) For the two thousand sixteen taxable year, the taxpayer's primary  
4 residence must have qualified for the STAR exemption for the two thou-  
5 sand sixteen--two thousand seventeen school year, or would have so qual-  
6 ified if an application for such exemption had been submitted in a time-  
7 ly manner.

8 (4) For each year this credit is allowed, the commissioner shall  
9 determine the taxpayer's eligibility for this credit utilizing the  
10 information available to the commissioner. When the commissioner has  
11 determined a taxpayer to be eligible for this credit, the commissioner  
12 shall advance a payment of the amount determined in accordance with this  
13 subsection. The taxpayer shall not apply for such credit in conjunction  
14 with the filing of his or her return. A taxpayer who has failed to  
15 receive an advance payment that he or she believes was due to him or  
16 her, or who has received an advance payment that he or she believes is  
17 less than the amount that was due to him or her, may request payment of  
18 the claimed deficiency in a manner prescribed by the commissioner.

19 (5) If the amount of the credit allowed under this subsection, if any,  
20 shall exceed the taxpayer's tax for the taxable year, the excess shall  
21 be treated as an overpayment of tax to be credited or refunded in  
22 accordance with the provisions of section six hundred eighty-six of this  
23 article, provided, however, that no interest shall be paid thereon.

24 (6) The following provisions shall apply to the calculation of the  
25 credit pursuant to paragraph two of this subsection:

26 (A) If the tax bill pertaining to the eligible taxpayer's primary  
27 residence includes taxes levied by or on behalf of multiple taxing  
28 jurisdictions, the credit shall be based upon the change in the aggre-  
29 gate tax liability of such residence, provided that any tax appearing on  
30 the tax bill that is not attributable to a freeze-compliant budget shall  
31 be disregarded when determining the aggregate tax liability of such  
32 residence.

33 (B) If the tax bill pertaining to the eligible taxpayer's primary  
34 residence includes releived taxes or other taxes that were previously  
35 billed but not paid, those taxes shall be disregarded when determining  
36 the aggregate tax liability of such residence.

37 (C) If the tax bill pertaining to the eligible taxpayer's primary  
38 residence includes usage charges, unit charges or other charges that are  
39 based upon the consumption of a service, those charges shall be disre-  
40 garded when determining the aggregate tax liability of such residence.

41 (D) Notwithstanding the foregoing provisions of this subsection, no  
42 credit shall be allowed to the extent that the tax liability of the  
43 eligible taxpayer's primary residence increased due to one or more of

44 the following events:

45 (i) A physical improvement to the eligible taxpayer's primary resi-  
46 dence.

47 (ii) A removal or reduction of an exemption on the eligible taxpayer's  
48 primary residence, including a reduction of the STAR exempt amount  
49 calculated pursuant to subdivision two of section four hundred twenty-  
50 five of the real property tax law.

51 (iii) A revaluation that caused the assessment of the eligible taxpay-  
52 er's primary residence to increase by a percentage that is greater than  
53 the applicable change in level of assessment. As used herein, the terms  
54 "revaluation" and "change in level of assessment" shall have the same  
55 meanings as set forth in sections one hundred two and twelve hundred  
56 twenty of the real property tax law, respectively.

S. 6359--D

299

A. 8559--D

1 (E) In the case of property consisting of a cooperative apartment  
2 corporation that is described by paragraph (k) of subdivision two of  
3 section four hundred twenty-five of the real property tax law, an eligi-  
4 ble owner shall be allowed a credit in the amount equal to sixty percent  
5 of the average tax credit in that taxing jurisdiction for that fiscal  
6 year, as determined by the commissioner, or in the case of a cooperative  
7 apartment corporation that is described by subparagraph (iv) of para-  
8 graph (k) of subdivision two of section four hundred twenty-five of the  
9 real property tax law, a credit of twenty percent of such average tax  
10 credit.

11 (F) In the case of property consisting of a mobile home that is  
12 described by paragraph (l) of subdivision two of section four hundred  
13 twenty-five of the real property tax law, an eligible owner shall be  
14 allowed a credit in the amount equal to twenty-five percent of the aver-  
15 age tax credit in that taxing jurisdiction for that fiscal year, as  
16 determined by the commissioner.

17 (G) In the case of a city with a dependent school district, it shall  
18 be presumed that sixty-seven percent of the city tax bill is for school  
19 district purposes and that thirty-three percent is for general city  
20 purposes.

21 (H) The amount of the credit shall be rounded to the nearest dollar,  
22 except where such amount is greater than zero and less than one dollar  
23 and fifty cents, in which case the amount of the credit shall be rounded  
24 up to two dollars.

25 (7) No credit shall be allowed under this subsection in relation to  
26 property located within a city with a population of one million or more.

27 § 2. The education law is amended by adding a new section 2023-b to  
28 read as follows:

29 § 2023-b. Certification of compliance with property tax freeze



30 requirements. A school district that is subject to the provisions of  
 31 section two thousand twenty-three-a of this part must comply with the  
 32 requirements of subdivision two of this section in order to render its  
 33 taxpayers eligible for the real property tax freeze credit authorized by  
 34 subsection (bbb) of section six hundred six of the tax law for a fiscal  
 35 year starting in two thousand fourteen. The property tax cuts will be  
 36 extended for a second year in jurisdictions which comply with the tax  
 37 cap and have a state approved government efficiency plan which demon-  
 38 strate three year savings and efficiencies of at least one percent per  
 39 year from shared services, cooperation agreements and/or mergers or  
 40 efficiencies. The director of the budget shall consider past efficien-  
 41 cies, shared services and reforms in their approval process. While  
 42 localities may offer a variety of approaches it is anticipated that the  
 43 county government or board of cooperative educational services will  
 44 convene and facilitate a process and submit a county wide or board of  
 45 cooperative educational services region wide plan for approval. A  
 46 school district that is subject to the provisions of section two thou-  
 47 sand twenty-three-a of this part must comply with the requirements of  
 48 subdivision two and either subdivision three or subdivision four of this  
 49 section in order to render its taxpayers eligible for the real property  
 50 tax freeze credit authorized by subsection (bbb) of section six hundred  
 51 six of the tax law for a fiscal year starting in two thousand fifteen.

52 1. Definitions. As used in this section:

53 a. "Mergers" means: reorganizations of eligible school districts  
 54 pursuant to sections fifteen hundred five, fifteen hundred eleven  
 55 through fifteen hundred thirteen, fifteen hundred twenty-four, fifteen  
 56 hundred twenty-six, seventeen hundred five, eighteen hundred one through

S. 6359--D

300

A. 8559--D

1 eighteen hundred three, or twenty-two hundred eighteen of the education  
 2 law; or reorganizations, consolidations, or dissolutions of eligible  
 3 school districts in which one or more eligible school districts are  
 4 terminated and another eligible school district assumes jurisdiction  
 5 over the terminated school district or districts pursuant to any other  
 6 provision of law.

7 b. "Cooperation agreements" means agreements entered into between  
 8 eligible school districts to implement the sharing or consolidation of  
 9 functions or services, including but not limited to: procurement, real  
 10 estate and facility management, fleet management, business and financial  
 11 services, administrative services, payroll administration, time and  
 12 attendance, benefits administration and other transactional human  
 13 resources functions, contract management, grants management, transporta-  
 14 tion services, facilities and function, human services facilities and  
 15 functions, customer service facilities and functions and information



16 technology infrastructure, process, services and functions.

17 c. "Eligible school district" means a school district that is subject  
 18 to section two thousand twenty-three-a of this part, but shall not mean  
 19 a school district that is subject to article fifty-two of this chapter.

20 d. "Government efficiency plan" means a plan that identifies cooper-  
 21 ation agreements, shared services and/or mergers or efficiencies to be  
 22 fully implemented by one or more eligible school districts that are  
 23 signatories to the plan.

24 e. "Lead district" means the eligible school district that is partic-  
 25 ipating in a government efficiency plan with more than one signatory  
 26 that has elected to submit the government efficiency plan to the direc-  
 27 tor of the budget on behalf of all signatories to the plan.

28 f. "Shared services" means functional consolidations by which one  
 29 eligible school district completely provides a service or function for  
 30 another eligible school district, which no longer engages in that func-  
 31 tion or service; shared or cooperative services between and among eligi-  
 32 ble school districts; and regionalized delivery of services between and  
 33 among eligible school districts. These shared services may be for  
 34 services or functions including but not limited to: procurement, real  
 35 estate and facility management, fleet management, business and financial  
 36 services, administrative services, payroll administration, time and  
 37 attendance, benefits administration and other transactional human  
 38 resources functions, contract management, grants management, transporta-  
 39 tion services, facilities and functions, human services facilities and  
 40 functions, customer service facilities and functions and information  
 41 technology infrastructure, processes, services and functions.

42 2. Certification of compliance with tax levy limit. a. Upon the  
 43 adoption of the budget of an eligible school district, the chief execu-  
 44 tive officer of such school district shall certify to the state comp-  
 45 troller, the commissioner of taxation and finance and the commissioner  
 46 that the budget so adopted does not exceed the tax levy limit prescribed  
 47 by section two thousand twenty-three-a of this part. Such certification  
 48 shall be made in a form and manner prescribed by the state comptroller  
 49 in consultation with the commissioner of taxation and finance and the  
 50 commissioner.

51 b. In order for such certification to give rise to a real property tax  
 52 freeze credit under subsection (bbb) of section six hundred six of the  
 53 tax law, such certification shall be made no later than the twenty-first  
 54 day of the fiscal year to which it applies.

55 c. If such a certification has been made and the actual tax levy of  
 56 the school district exceeds the applicable tax levy limit, the excess

1 amount shall be placed in reserve and used in the manner prescribed by

2 subdivision five of section two thousand twenty-three-a of this part,  
3 even if a tax levy in excess of the tax levy limit had been duly author-  
4 ized for the applicable fiscal year by the school district voters.

5 d. Notwithstanding any provision of law to the contrary, every school  
6 district that is subject to the provisions of section two thousand twen-  
7 ty-three-a of this part shall report both its proposed budget and its  
8 adopted budget to the office of the state comptroller and the commis-  
9 sioner at the time and in the manner as they may prescribe, whether or  
10 not such budget has been or will be certified as provided by this subdivi-  
11 vision.

12 3. School district government efficiency plans submitted by lead  
13 district. a. The superintendent of each lead district shall submit to  
14 the director of the budget by June first, two thousand fifteen, a  
15 government efficiency plan that demonstrates three year savings and  
16 efficiencies of at least one percent per year from shared services,  
17 cooperation agreements and/or mergers or efficiencies over the aggregate  
18 two thousand fourteen--two thousand fifteen school year tax levies for  
19 all eligible school districts that are signatories to such plan.

20 (i) The superintendent of each eligible school district that is a  
21 signatory to a government efficiency plan shall submit to the super-  
22 intendent of the lead district by May fifteenth, two thousand fifteen, a  
23 written certification that the eligible school district agrees to under-  
24 take its best efforts to fully implement by the end of the two thousand  
25 sixteen--two thousand seventeen school year the cooperation agreements,  
26 mergers, efficiencies and/or shared services specified for the eligible  
27 school district in such plan.

28 (ii) The chief financial officer of a school district that is a signa-  
29 tory to a government efficiency plan shall submit to the superintendent  
30 of the lead district by May fifteenth, two thousand fifteen, a written  
31 certification that in his or her professional opinion, full implementa-  
32 tion by the end of the two thousand sixteen--two thousand seventeen  
33 school year of the cooperation agreements, mergers, efficiencies and/or  
34 shared services that are to be taken by such school district itself as  
35 specified in such plan will result in the savings set forth in such plan  
36 attributable to such school district.

37 (iii) The chief financial officer of each eligible school district  
38 that is a signatory to a government efficiency plan shall submit to the  
39 lead district by May fifteenth, two thousand fifteen, a written certifi-  
40 cation that in his or her professional opinion, full implementation of  
41 the cooperation agreements, mergers, efficiencies and/or shared services  
42 as specified for all of the eligible school districts that are signato-  
43 ries to such plan will result in savings over the aggregate two thousand  
44 fourteen--two thousand fifteen school year tax levies for all eligible  
45 school districts that are signatories to such plan of at least one  
46 percent in each of the two thousand sixteen--two thousand seventeen, the  
47 two thousand seventeen--two thousand eighteen and the two thousand eigh-

48 teen--two thousand nineteen school years.

49 b. The chief financial officer of each lead district shall submit the  
 50 following documents to the director of the budget on or before June  
 51 first, two thousand fifteen: (i) the government efficiency plan; (ii) a  
 52 list of all eligible school districts that are signatories to such plan;  
 53 (iii) all of the certifications required by paragraph a of this subdivi-  
 54 sion; and (iv) an analysis of the aggregate amount of savings set forth  
 55 in such plan attributable to all eligible school districts that are  
 56 signatories to such plan that will be achieved if the cooperation agree-

S. 6359--D

302

A. 8559--D

1 ments, mergers, efficiencies and/or shared services identified in such  
 2 plan are fully implemented by the end of the two thousand sixteen--two  
 3 thousand seventeen school year. The director of the budget shall review  
 4 such documents and shall consider past efficiencies, shared services and  
 5 reforms in their approval process to determine whether the requirements  
 6 of this subdivision have been met with respect to each eligible school  
 7 district that is a signatory to the government efficiency plan and shall  
 8 notify the commissioner of taxation and finance of such determinations  
 9 no later than July thirty-first, two thousand fifteen.

10 4. School district government efficiency plans submitted by a single  
 11 eligible school district. a. While localities may offer a variety of  
 12 approaches it is anticipated that the county government or board of  
 13 cooperative educational services will convene and facilitate a process  
 14 and submit a county wide or board of cooperative educational services  
 15 region wide plan for approval. As such, eligible school districts are  
 16 strongly encouraged to develop a single government efficiency plan for  
 17 all of the eligible school districts in their board of cooperation  
 18 educational services district. However, the superintendent of each  
 19 eligible school district that is not participating in a government effi-  
 20 ciency plan with more than one signatory may submit to the director of  
 21 the budget by June first, two thousand fifteen, a government efficiency  
 22 plan that demonstrates three year savings and efficiencies of at least  
 23 one percent per year from shared services, cooperation agreements and/or  
 24 mergers or efficiencies over such eligible school district's two thou-  
 25 sand fourteen--two thousand fifteen school year tax levy.

26 (i) In the event an eligible school district chooses to submit such a  
 27 government efficiency plan, the superintendent of such eligible school  
 28 district shall submit to the director of the budget by June first, two  
 29 thousand fifteen, a written certification that such eligible school  
 30 district agrees to undertake its best efforts to fully implement by the  
 31 end of the two thousand sixteen--two thousand seventeen school year the  
 32 cooperation agreements, mergers, efficiencies and/or shared services  
 33 specified in such plan.

34 (ii) In the event a school district chooses to submit such a govern-  
 35 ment efficiency plan, the chief financial officer of such eligible  
 36 school district shall submit to the director of the budget by June  
 37 first, two thousand fifteen, an analysis of the savings set forth in  
 38 such plan that will be achieved if the cooperation agreements, shared  
 39 services and/or mergers or efficiencies identified in such plan are  
 40 fully implemented by the end of the two thousand sixteen--two thousand  
 41 seventeen school year, as well as a written certification that in his or  
 42 her professional opinion, full implementation of the cooperation agree-  
 43 ments, mergers, efficiencies and/or shared services as specified in such  
 44 plan will result in savings over its two thousand fourteen--two thousand  
 45 fifteen school year tax levy of at least one percent in each of the two  
 46 thousand sixteen--two thousand seventeen, the two thousand seventeen--  
 47 two thousand eighteen and the two thousand eighteen--two thousand nine-  
 48 teen school years.

49 b. The director of the budget shall review the documents referred to  
 50 in paragraph a of this subdivision and shall consider past efficiencies,  
 51 shared services and reforms in their approval process to determine  
 52 whether the requirements of this subdivision have been met with respect  
 53 to an eligible school district that has submitted a government efficien-  
 54 cy plan and shall notify the commissioner of taxation and finance of  
 55 such determination no later than July thirty-first, two thousand  
 56 fifteen.

S. 6359--D

303

A. 8559--D

1 § 3. The general municipal law is amended by adding a new section 3-d  
 2 to read as follows:

3 § 3-d. Certification of compliance with property tax freeze require-  
 4 ments. A municipal corporation or an independent special district that  
 5 is subject to the provisions of section three-c of this article must  
 6 comply with the requirements of subdivision two of this section in order  
 7 to render its taxpayers eligible for the real property tax freeze credit  
 8 authorized by subsection (bbb) of section six hundred six of the tax law  
 9 for a fiscal year starting in two thousand fifteen. The property tax  
 10 cuts will be extended for a second year in jurisdictions which comply  
 11 with the tax cap and have a state approved government efficiency plan  
 12 which demonstrate three year savings and efficiencies of at least one  
 13 percent per year from shared services, cooperation agreements and/or  
 14 mergers or efficiencies. The director of the budget shall consider past  
 15 efficiencies, shared services and reforms in their approval process.  
 16 While localities may offer a variety of approaches it is anticipated  
 17 that the county government or board of cooperative educational services  
 18 will convene and facilitate a process and submit a county wide or board  
 19 of cooperative educational services region wide plan for approval. A

20 municipal corporation or an independent special district that is subject  
 21 to the provisions of section three-c of this article must comply with  
 22 the requirements of subdivision two and either subdivision three or  
 23 subdivision four of this section in order to render its taxpayers eligi-  
 24 ble for the real property tax freeze credit authorized by subsection  
 25 (bbb) of section six hundred six of the tax law for a fiscal year start-  
 26 ing in two thousand sixteen. Provided however, that a city with a  
 27 dependent school district must comply with the requirements of subdivi-  
 28 sion two of this section in order to render its taxpayers eligible for  
 29 the real property tax freeze credit authorized by subsection (bbb) of  
 30 section six hundred six of the tax law for a fiscal year starting in two  
 31 thousand fourteen and comply with the requirements of subdivision two of  
 32 this section, and both the city and its dependent school district must  
 33 jointly comply with the requirements of subdivision three or subdivision  
 34 four of this section, in order to render its taxpayers eligible for the  
 35 real property tax freeze credit authorized by subsection (bbb) of  
 36 section six hundred six of the tax law for a fiscal year starting in two  
 37 thousand fifteen or two thousand sixteen.

38 1. Definitions. As used in this section:

39 (a) "Mergers" means: consolidations or dissolutions of local govern-  
 40 ment units in accordance with article seventeen-A of this chapter or  
 41 reorganizations, consolidations, or dissolutions of local government  
 42 units in which one or more local government units are terminated and  
 43 another local government unit assumes jurisdiction over the terminated  
 44 local government unit or units pursuant to any other provision of law.

45 (b) "Cooperation agreements" means agreements entered into between  
 46 local government units to implement the sharing or consolidation of  
 47 functions or services, including but not limited to: procurement, real  
 48 estate and facility management, fleet management, business and financial  
 49 services, administrative services, payroll administration, time and  
 50 attendance, benefits administration and other transactional human  
 51 resources functions, contract management, grants management, transporta-  
 52 tion services, facilities and function, human services facilities and  
 53 functions, customer service facilities and functions and information  
 54 technology infrastructure, process, services and functions.

S. 6359--D

304

A. 8559--D

1 (c) "Dependent school district" means a school district that is  
 2 subject to article fifty-two of the education law and that has a popu-  
 3 lation of less than one million.

4 (d) "Government efficiency plan" means a plan that identifies cooper-  
 5 ation agreements, shared services and/or mergers or efficiencies to be  
 6 fully implemented by one or more local government units that are signa-  
 7 tories to the plan.

8 (e) "Independent special district" means a special district as defined  
9 by section one hundred two of the real property tax law that either (i)  
10 has a separate independent elected board, and either has the authority  
11 to levy a tax, or can require a municipal corporation to levy a tax on  
12 its behalf, or (ii) has a separate independent board appointed by the  
13 governing body of another municipal corporation and either has the  
14 authority to levy a tax or can require a municipal corporation to levy a  
15 tax on its behalf.

16 (f) "Lead local government unit" means the local government unit that  
17 is participating in a government efficiency plan with more than one  
18 signatory that has elected to submit the government efficiency plan to  
19 the director of the budget on behalf of all signatories to the plan.

20 (g) "Local government unit" means a municipal corporation or an inde-  
21 pendent special district that is subject to the provisions of section  
22 three-c of this article.

23 (h) "Shared services" means functional consolidations by which one  
24 local government unit completely provides a service or function for  
25 another local government unit, which no longer engages in that function  
26 or service; shared or cooperative services between and among local  
27 government units; and regionalized delivery of services between and  
28 among local government units. These shared services may be for services  
29 or functions including but not limited to: procurement, real estate and  
30 facility management, fleet management, business and financial services,  
31 administrative services, payroll administration, time and attendance,  
32 benefits administration and other transactional human resources func-  
33 tions, contract management, grants management, transportation services,  
34 facilities and functions, human services facilities and functions,  
35 customer service facilities and functions and information technology  
36 infrastructure, processes, services and functions.

37 2. Certification of compliance with tax levy limit. (a) Upon the  
38 adoption of the budget of a local government unit, the chief executive  
39 officer or budget officer of such local government unit shall certify to  
40 the state comptroller and the commissioner of taxation and finance that  
41 the budget so adopted does not exceed the tax levy limit prescribed in  
42 section three-c of this article and, if the governing body of the local  
43 government unit did enact a local law or approve a resolution to over-  
44 ride the tax levy limit, that such local law or resolution was subse-  
45 quently repealed. Such certification shall be made in a form and manner  
46 prescribed by the state comptroller in consultation with the commis-  
47 ioner of taxation and finance.

48 (b) In order for such certification to give rise to a real property  
49 tax freeze credit under subsection (bbb) of section six hundred six of  
50 the tax law, such certification shall be made no later than the twenty-  
51 first day of the fiscal year to which it applies.

52 (c) Notwithstanding any other law to the contrary, if such a certifi-  
53 ication has been made and the actual tax levy of the local government

54 unit exceeds the applicable tax levy limit, the excess amount shall be  
55 placed in reserve and used in the manner prescribed by subdivision six  
56 of section three-c of this article, even if a tax levy in excess of the

S. 6359--D

305

A. 8559--D

1 tax levy limit had been authorized for the applicable fiscal year by a  
2 duly adopted local law or resolution.

3 (d) Notwithstanding any provision of law to the contrary, every local  
4 government unit shall report both its proposed budget and its adopted  
5 budget to the office of the state comptroller at the time and in the  
6 manner as he or she may prescribe, whether or not such budget has been  
7 or will be certified as provided by this subdivision.

8 3. Local government government efficiency plans submitted by lead  
9 local government unit. (a) The chief executive officer or budget officer  
10 of each lead local government unit shall submit to the director of the  
11 budget by June first, two thousand fifteen, a government efficiency plan  
12 that demonstrates three year savings and efficiencies of at least one  
13 percent per year from shared services, cooperation agreements and/or  
14 mergers or efficiencies over the aggregate tax levies for fiscal years  
15 beginning in two thousand fourteen for all local government units and  
16 dependent school districts that are signatories to such plan.

17 (i) The chief executive officer or budget officer of each local  
18 government unit and dependent school district that is a signatory to a  
19 government efficiency plan shall submit to the chief executive officer  
20 or budget officer of the lead local government unit by May fifteenth,  
21 two thousand fifteen, a written certification that the local government  
22 unit or dependent school district agrees to undertake its best efforts  
23 to fully implement by the end of the local fiscal year beginning in two  
24 thousand seventeen the cooperation agreements, mergers, efficiencies  
25 and/or shared services specified for the local government unit or  
26 dependent school district in such plan.

27 (ii) The chief financial officer of a local government unit and the  
28 chief fiscal officer of the dependent school district, that is a signa-  
29 tory to a government efficiency plan shall submit to the chief executive  
30 officer of the lead local government unit by May fifteenth, two thousand  
31 fifteen, a written certification that in his or her professional opin-  
32 ion, full implementation by the end of the local fiscal year beginning  
33 in two thousand seventeen, of the cooperation agreements, mergers, effi-  
34 ciencies and/or shared services that are to be taken by such local  
35 government unit itself as specified in such plan will result in the  
36 savings set forth in the government efficiency plan attributable to such  
37 local government unit or dependent school district.

38 (iii) The chief financial officer of each local government unit and  
39 dependent school district that is a signatory to a government efficiency



40 plan shall submit to the lead local government unit by May fifteenth,  
41 two thousand fifteen, a written certification that in his or her profes-  
42 sional opinion, full implementation of the cooperation agreements, merg-  
43 ers, efficiencies and/or shared services as specified for all of the  
44 local government units and dependent school districts that are signato-  
45 ries to such plan will result in savings over the aggregate tax levies  
46 for fiscal years beginning in two thousand fourteen for all local  
47 government units that are signatories to such plan of at least one  
48 percent in each of the fiscal years beginning in two thousand seventeen,  
49 beginning in two thousand eighteen and beginning in two thousand nine-  
50 teen.

51 (b) The chief financial officer of each lead local government unit  
52 shall submit the following documents to the director of the budget on or  
53 before June first, two thousand fifteen: (i) the government efficiency  
54 plan; (ii) a list of all local government units and dependent school  
55 districts that are signatories to such plan; (iii) all of the certif-  
56 ications required by paragraph (a) of this subdivision; and (iv) an

S. 6359--D

306

A. 8559--D

1 analysis of the aggregate amount of savings set forth in such plan  
2 attributable to all local government units and dependent school  
3 districts that are signatories to such plan that will be achieved if the  
4 cooperation agreements, shared services and/or mergers or efficiencies  
5 identified in such plan are fully implemented by the end of the local  
6 fiscal year beginning in two thousand seventeen. The director of the  
7 budget shall review such documents and shall consider past efficiencies,  
8 shared services and reforms in their approval process to determine  
9 whether the requirements of this subdivision have been met with respect  
10 to each local government unit and dependent school district that is a  
11 signatory to the government efficiency plan and shall notify the commis-  
12 sioner of taxation and finance of such determinations no later than July  
13 thirty-first, two thousand fifteen.

14 4. Local government government efficiency plans submitted by a single  
15 local government unit. (a) While localities may offer a variety of  
16 approaches it is anticipated that the county government or board of  
17 cooperative educational services will convene and facilitate a process  
18 and submit a county wide or board of cooperative educational services  
19 region wide plan for approval. As such, local government units are  
20 strongly encouraged to develop a single government efficiency plan for  
21 all of the local government units in their county. However, the chief  
22 executive officer or budget officer of each local government unit that  
23 is not participating in a government efficiency plan with more than one  
24 signatory may submit to the director of the budget by June first, two  
25 thousand fifteen, a government efficiency plan that demonstrates three

26 year savings and efficiencies of at least one percent per year from  
 27 shared services, cooperation agreements and/or mergers or efficiencies  
 28 over such local government unit's tax levy for the fiscal year beginning  
 29 in two thousand fourteen.

30 (i) In the event a local government unit chooses to submit such a  
 31 government efficiency plan, the chief executive officer or budget offi-  
 32 cer of such local government unit shall submit to the director of the  
 33 budget by June first, two thousand fifteen, a written certification that  
 34 such local government unit agrees to undertake its best efforts to fully  
 35 implement by the end of the local fiscal year beginning in two thousand  
 36 seventeen the cooperation agreements, mergers, efficiencies and/or  
 37 shared services specified in such plan.

38 (ii) In the event a local government unit chooses to submit such a  
 39 government efficiency plan, the chief financial officer of such local  
 40 government unit shall submit to the director of the budget by June  
 41 first, two thousand fifteen, an analysis of the savings set forth in  
 42 such plan that will be achieved if the cooperation agreements, shared  
 43 services and/or mergers or efficiencies identified in such plan are  
 44 fully implemented by the end of the local fiscal year beginning in two  
 45 thousand seventeen, as well as a written certification that in his or  
 46 her professional opinion, full implementation of the cooperation agree-  
 47 ments, mergers, efficiencies and/or shared services as specified in such  
 48 plan will result in savings over its tax levy for the fiscal year begin-  
 49 ning in two thousand fourteen of at least one percent in each of the  
 50 fiscal years beginning in two thousand seventeen, beginning in two thou-  
 51 sand eighteen and beginning in two thousand nineteen.

52 (b) The director of the budget shall review the documents referred to  
 53 in paragraph a of this subdivision and shall consider past efficiencies,  
 54 shared services and reforms in their approval process to determine  
 55 whether the requirements of this subdivision have been met with respect  
 56 to a local government unit that has submitted a government efficiency

S. 6359--D

307

A. 8559--D

1 plan and shall notify the commissioner of taxation and finance of such  
 2 determination no later than July thirty-first, two thousand fifteen.

3 § 4. Section 1590 of the real property tax law is amended by adding a  
 4 new subdivision 3 to read as follows:

5 3. Each municipal corporation shall submit to the commissioner the  
 6 data files used to prepare its tax rolls and tax bills no later than ten  
 7 days after the annexation of the warrant for the collection of taxes for  
 8 the applicable fiscal year, or where no such warrant is annexed, no  
 9 later than ten days after the last date prescribed by law for the levy  
 10 of taxes of the applicable fiscal year, provided that if its tax rolls  
 11 or tax bills, or both, are prepared by a different governmental entity,

12 that entity shall be jointly responsible for submitting the applicable  
13 data files to the commissioner.

14 § 5. This act shall take effect immediately, provided that the  
15 provisions of subdivision 3 of section 1590 of the real property tax law  
16 as added by section four of this act shall apply to tax rolls and tax  
17 bills of school districts and cities with a population of 125,000 or  
18 more for fiscal years starting on or after July 1, 2013, and to tax  
19 rolls and tax bills for other municipal corporations for fiscal years  
20 starting on or after January 1, 2014, except that in the case of tax  
21 rolls and tax bills for fiscal years that started prior to the effective  
22 date of this act, the data files used to prepare tax rolls and tax bills  
23 shall be submitted to the commissioner of taxation and finance no later  
24 than 60 days after the effective date of this act.