

PROGRAM BILL # 38

GOVERNOR'S PROGRAM BILL

2016

MEMORANDUM

AN ACT to amend the tax law, in relation to a school tax reduction credit for residents of a city with a population over one million; to amend the real property tax law and the tax law, in relation to the school tax relief exemption (Part A); to amend the tax law, in relation to the farm workforce retention credit (Part B); to amend the racing, pari-mutuel wagering and breeding law, in relation to the board of directors of the New York racing association (Part C); to amend chapter 53 of the laws of 2016 enacting the Aid to Localities Budget, in relation to the office of prekindergarten through grade twelve education program (Part D); to amend the public health law, in relation to home care worker wage parity (Part E); to amend chapter 710 of the laws of 1988, amending the social services law and the education law relating to medical assistance eligibility of certain persons and providing for managed medical care demonstration programs, in relation to the effectiveness thereof (Part F); relating to the enforcement of building codes of the city of New York (Part G); intentionally omitted (Part H); to amend the public authorities law, in relation to the New York state design and construction corporation act (Part I); to amend chapter 549 of the laws of 1994, amending the public authorities law relating to the membership composition of the metropolitan transportation authority board, in relation to extending the effectiveness of such provisions (Part J); to amend chapter 53 of the laws of 2016 enacting the Aid to Localities Budget, in relation to the office of aging community services program and the

Wadsworth center for laboratories and research program (Part K); to amend chapter 53 of the laws of 2016, enacting the Aid to Localities Budget, in relation to making technical corrections thereto (Part L); to amend chapter 55 of the laws of 2016 enacting the Capital Projects Budget, in relation to general maintenance and improvements for the city university of New York and state university of New York (Part M); intentionally omitted (Part N); to amend chapter 91 of the laws of 2002, amending the education law and other laws relating to reorganization of the New York city school construction authority, board of education and community boards, in relation to the effectiveness thereof; and to amend chapter 345 of the laws of 2009, amending the education law and other laws relating to the New York city board of education, chancellor, community councils and community superintendents, in relation to the effectiveness thereof; and to amend the education law, in relation to community school district based budgeting and expenditure reporting (Part O); to amend the education law, in relation to the duties and powers of charter entities (Part P); and to amend the real property actions and proceedings law and the civil practice law and rules, in relation to foreclosure proceedings and pre-foreclosure notices (Part Q)

Purpose:

This bill would refine parts of the 2016-17 Enacted Budget by making several technical amendments.

Summary of Provisions:

Section 1 of this bill would make several technical amendments to the 2016-17 Enacted Budget as follows:

Part A would amend Chapter 60 of the Laws of 2016 (Revenue) by making technical corrections to ensure that STAR exemption recipients and personal income tax (PIT) credit recipients are placed on equal footing, clarify the eligibility criteria for the

credit of sellers and buyers of residential property, and facilitate the administration of the PIT credit. More specifically, the bill would:

- Grant owners of co-operative apartments a full credit;
- Grant owners of mobile homes a credit no less than what property with a market value of \$20,000 would receive, while allowing a greater credit where the assessor's records or other documentation available or provided to the Commissioner shows that the unit is worth more;
- Ensure that when property is sold after the seller has paid the school taxes and received a STAR check, the credit for that taxable year will stay with the seller, while enabling the buyer to claim the credit when the seller has not paid the taxes;
- Ensure that STAR credit recipients are treated the same as STAR exemption recipients for purposes of other State tax credits and surcharges that take property tax payments into account (e.g., the Circuit Breaker credit allowed by Tax Law §606(e));
- Clarify the timing of the STAR credit application process;
- Clarify who remains eligible to receive the STAR exemption;
- Allow a STAR exemption to be continued on a marital residence that had been solely owned by one spouse and has since passed to the other through inheritance;
- Make technical corrections to various provisions relating to the STAR exemption; and
- Reconfigure duplicative subsection and subdivision designations.

Part B would amend Chapter 60 of the Laws of 2016 (Revenue) by making technical corrections to reconfigure duplicative subsection and subdivision designations.

Part C would extend the New York Racing Association (NYRA) Re-organization Board for one additional year.

Part D would amend Chapter 53 of the Laws of 2016 (Aid to Localities) by making technical changes to include 2014-15 Reappropriations for Non-public Schools that were omitted from the 2016-17 Enacted Budget.

Part E would amend Chapter 56 of the Laws of 2016 (Wage Parity) by conforming the existing wage parity statute to the \$15 per hour minimum wage schedule in New York City and the rest of the downstate region (Westchester, Nassau and Suffolk counties). The amendment passed with the FY 2017 Enacted Budget incorrectly referenced different schedules.

Part F would extend the Medicaid Managed Care Program for an additional three years to March 31, 2019.

Part G would allow State officials to: (i) proceed with design and construction under New York City codes for large-scale public works projects at the Jacob K. Javits Convention Center; and (ii) obtain construction permit(s) from the Dormitory Authority of the state of New York (DASNY) while acting as a construction-permitting agency for phases or portions of a proposed project for which the design is complete.

Part H is intentionally omitted.

Part I would amend part RR of Chapter 54 of the Laws of 2016 (ELFA) to make technical clarifications regarding the definition of public works projects and the status of current DASNY employees in relation to its subsidiary, the design and construction corporation.

Part J would extend, for four additional years, to June 30, 2020, the membership of two non-voting members and four alternate non-voting members on the New York State Metropolitan Transportation Authority board.

Part K would amend Chapter 53 of the Laws of 2016 (Aid to Localities) by making technical corrections to appropriations for Hillcrest Jewish Center, Inc. and for the Upstate University Hospital-Upstate Cord Blood Bank.

Part L would amend Chapter 53 of the Laws of 2016 (Aid to Localities) to extend the deadline for school districts to implement annual teacher and principal evaluation systems and to have such plans approved by the commissioner from September 1, 2016 to December 31, 2016.

Part M would amend Chapter 55 of the Laws of 2016 (Capital Projects) to include additional capital appropriations totaling \$20 million for the City University of New York and \$30 million for the State University of New York.

Part N is intentionally omitted.

Part O would extend mayoral control of the New York City public school system for one year, until June 30, 2017, and would require the City to publish a listing of the total funding allocated to each community school district twice a year: with budgeted data after release of the Mayor's Executive Budget and with actual data for the most recent completed school year prior to release of the next Executive Budget.

Part P would provide a charter school meeting all requirements of the law the flexibility to apply to another charter entity during the 2016-17 school year to request that such entity oversee and supervise the school, and would authorize the State University of New York, as a charter entity, to promulgate regulations with respect to governance and operations of schools under its oversight.

Part Q would require federally chartered banks, savings banks, savings and loan associations, or credit unions that originate, own, service, or maintain loans to secure and maintain 1 to 4 residential real properties deemed to be vacant and abandoned; mandates good faith negotiations during mandatory settlement conferences during foreclosure proceedings; expedites the foreclosure process for vacant and abandoned properties; and imposes additional notice requirements.

Section 2 of the bill would make it effective immediately.

Statement in Support:

Enactment of this bill is necessary to support the implementation of the 2016-17 Enacted Budget.

Budget Implications:

The provisions of this bill are accommodated for in the Financial Plan.

Effective date:

This bill would take effect immediately.

