

# New York State Assembly | Sheldon Silver, Speaker



## 2009 ANNUAL REPORT

committee on

### **Local Governements**

Sam Hoyt, Chairman

December 15, 2009

Honorable Sheldon Silver  
Speaker of the Assembly  
Legislative Office Building, Room 932  
Albany, NY 12248

Dear Speaker Silver:

I am pleased to submit to you the 2009 Annual Report of the Assembly Standing Committee on Local Governments.

The Committee addressed several important issues this year, including local government consolidation and dissolution, Industrial Development Agency reform, and assisted many municipalities across the State by taking up locally specific legislation. This report describes the legislative actions and major issues considered by the Committee. It sets forth our goals for the continued legislative support of municipalities and residents throughout the State.

I share with you an appreciation for the role municipalities play in providing essential services to the residents of this State and commend your continuing support and leadership in ensuring that the Local Governments Committee continues to address issues facing New York's municipalities. With your assistance, the Committee will continue to focus on the needs of local governments.

Sincerely,

Sam Hoyt, Chairman  
Assembly Standing Committee on  
Local Governments

**2009 ANNUAL REPORT**  
**OF THE NEW YORK STATE ASSEMBLY**  
**STANDING COMMITTEE ON LOCAL GOVERNMENTS**

**Sam Hoyt, Chairman**

**Committee Members**

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William Magee  
David Koon  
Michele R. Titus  
William F. Boyland, Jr.  
Phil Ramos  
George S. Latimer  
Addie J. Russell  
Frank K. Skartados  
Mark J. F. Schroeder  
Marc S. Alessi  
Dennis H. Gabryszak  
Ellen Jaffee  
Michelle Schimel

Annie Rabbitt  
Michael J. Fitzpatrick  
Bob Barra  
Michael W. Cole  
Marcus Molinaro  
Tony Jordan

**Staff**

Paul Nickson, Senior Legislative Analyst  
Julia Mallalieu, Assistant Secretary for Program and Policy  
Christian Malanga, Associate Counsel  
James Cuzzo, Committee Clerk  
Judith Alfonso, Program and Counsel Executive Secretary

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## I. INTRODUCTION

The Assembly Standing Committee on Local Governments considers the legislative needs of New York State's local governments, including counties, cities, towns, villages, school districts, fire districts, and various other special districts. The Committee's goals are to monitor the problems of local governments, to develop legislative remedies to these problems, and to research new proposals that will enable local governments to serve the needs of New York State better. The Committee strives to see the enactment of laws that will further improve local governments' abilities to address their unique problems, as well as prohibiting the enactment of laws that would impede local governments in their delivery of local services. The Committee is also interested in assisting local governments through this economic downturn by enacting legislation that will provide mechanisms for local governments to remain financially solvent.

New York statutes affected by proposed legislation before the Committee include: General Municipal, Municipal Home Rule, Local Finance, County, Town, Village, Volunteer Firefighters' Benefit and Volunteer Ambulance Workers' Benefit Laws. Since the powers of local governments are broad, the Committee's concerns range widely. The Committee addresses issues from general municipal finances and responsibilities, to the creation, dissolution or consolidation of special districts. Home rule, or "special legislation," is also addressed by the Committee. These measures concern problems of local governments and apply to a particular jurisdiction. A home rule bill is intended to remedy a specific local problem. Through the use of special legislation to solve individual local needs, the Committee has helped to resolve many unique problems and has enabled local governments to better serve their citizens.

## **II. MAJOR ISSUES OF 2009**

### **A. LOCAL GOVERNMENT AID – ENACTED BUDGET**

The State Budget for State Fiscal Years 2009-2010 included a total of approximately \$1 billion for the Aid and Incentives for Municipalities (AIM) program. Towns and villages received approximately \$73.5 million. Erie County received approximately \$668,000.

The Small Government Assistance Program provided \$126,426 for Essex County, \$73,500 for Franklin County, and \$21,756 for Hamilton County.

#### **Local Government Efficiency (LGE) Grant Program**

The State Budget contained \$13 million in funding for the Local Government Efficiency (LGE) grant program. The LGE program replaced the Shared Municipal Services Incentive (SMSI) program, which was created in 2005 to encourage municipal consolidation and cooperation.

The program is administered by the Department of State and provides grants to local governments, fire, special improvement or school districts that merge or share services. This year the program was divided into four separate grant pools: High Priority Grants (up to \$50,000 per award), General Efficiency Planning Grants (up to \$25,000 for the first two applicants, \$1,000 for each additional applicant, up to a maximum of \$35,000), Efficiency Implementation Grants (up to \$200,000 per municipality, up to a maximum of \$1 million), and 21<sup>st</sup> Century Demonstration Project Grants (up to \$400,000 per municipality).

Grants are intended to cover costs associated with mergers, consolidations, cooperative agreements, dissolutions and shared services. This includes legal and consultant services, feasibility studies and capital investments. For some grant categories, grant recipients must provide a match for up to 10 percent of the project cost.

### **B. INDUSTRIAL DEVELOPMENT AGENCIES**

Industrial Development Agencies (IDAs) were created by the State Legislature to promote the economic welfare and prosperity of the State's inhabitants. IDAs are intended to promote, attract, encourage and develop economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. In order to encourage increased economic activity and job growth, IDAs provide exemptions from municipal and school taxes. IDAs also issue low-interest bonds that allow companies to borrow money at a low cost. Currently, there are over 100 county and municipal-level IDAs.

On January 31, 2008 the statutory authorization for IDAs to finance not-for-profit civic facilities expired. The ban on financing retail projects also expired on this date. Since then, there has been significant interest in re-authorizing IDAs ability to finance civic facility projects. The Committee is cognizant of these issues and will work toward re-authorizing civic facilities as part of a larger reform package.

The Committee has continued to examine necessary IDA reform. The Committee seeks to ensure that IDAs are accountable and transparent and that they are in fact creating the number of jobs. The Committee is also interested in determining a fair way to require the recipients of IDA financing to pay adequate wages. The committee will continue to discuss with the stakeholders a way to resolve IDA reform and seek to enact reform legislation that includes a re-authorization for the funding of civic facilities in 2010.

### **C. 911 EMERGENCY SERVICE**

Many do not realize that 911 calls made from a cellular telephone are not received in the same manner as calls made from a landline telephone. Dispatchers receiving a 911 landline call are automatically able to identify the telephone number and location of callers. Due to technological issues, dispatchers do not receive the same information from wireless callers. This is true despite a Federal Communications Commission (FCC) order issued in 1996, which required wireless carriers to deploy wireless enhanced 911 (E-911) service. Wireless enhanced 911 service refers to the ability of a call center to determine the location and identity of wireless callers.

#### **Local Surcharge Bills**

**(A.1517 Canestrari; Chapter 243 of the Laws of 2009 – Albany County)**

**(A.6564A Zebrowski; Chapter 113 of the Laws of 2008 – Rockland County)**

Albany and Rockland counties requested and received authorization to levy a monthly \$.30 local surcharge on wireless telephone bills to supplement the support and development of E-911 systems.

#### **Voice Over Internet Protocol (VOIP) Surcharge**

**(A.8088 Brodsky; Chapter 269 of the Laws of 2009)**

Voice Over Internet Protocol (VOIP) is telephone service from broadband internet providers. Currently, counties are authorized to impose a surcharge on traditional landline telephone service, but are not authorized to impose such charges on VOIP service, in order to contribute to their enhanced emergency telephone systems (E-911). This legislation would authorize counties to impose a monthly \$.35 surcharge on VOIP customers in the same manner as they are authorized to do with landline telephone customers.

**Increased County Surcharge for E-911 systems**  
**(A.5013 Magnarelli; Chapter 264 of the Laws of 2009)**  
**(A.8923B Lifton; Chapter 210 of the Laws of 2009)**

Onondaga County and Tompkins County requested and received authorization to increase by \$.65 the surcharge currently imposed on landline telephone customers in order to help fund their enhanced emergency telephone systems (E-911). The monthly surcharge in these counties will now be \$1.

**Wireless Service Provider Accountability**  
**(A.2730 Sweeney; Passed Assembly)**

Numerous counties have received authorization to levy local surcharges on wireless telephone bills. The surcharges are collected by wireless service providers who determine eligibility for the surcharge based on the customer's designated place of primary use. Customers across the State have indicated that wireless service providers have failed to remove surcharges when the customer's place of primary use changes to a county that does not levy a surcharge.

This legislation would require wireless service providers to update customers' records within 45 days of notification that a customer's billing address has changed. In instances where the customer's place of primary use changes to a county without a surcharge, wireless service providers who continued to levy the surcharge after receiving notification would be responsible for refunding any surcharges.

**D. MUNICIPAL OFFICERS AND PUBLIC EMPLOYEES**

**Permissible Conflict of Interest**  
**(A.2379 Magee; Chapter 249 of the Laws of 2009)**

This legislation clarifies that locally elected officials who are members of rural electric cooperatives are exempted from the municipal employee conflict of interest proscription for contracts that involve the rural electric cooperative that such officials may be members of.

**Coroner Jurisdiction**  
**(A.3325 Pretlow; Passed Assembly)**

Under the current County Law, only the coroner or medical examiner of the county where a death has occurred has jurisdiction to investigate that death. In certain areas of the State, crime victims found near death in one county will be rushed by police or ambulance to a hospital in an adjoining county because that hospital is the nearest with adequate trauma facilities. In event of the patient's death, the homicide is prosecuted in the original county. This legislation would provide coroners in whose district the crime occurred with concurrent jurisdiction during autopsies.



## **E. MUNICIPAL FINANCES**

### **Private Activity Bond Allocation**

**(A.8570 Hoyt; Chapter 180 of the Laws of 2009)**

For the last eight years, the system for multi-year funding of large residential projects has served New York well. Development projects face increasing regulatory hurdles and may take longer to complete as a result. Bond issuers around the State are familiar with the existing process. The statutory continuation of this process will provide the most cost and labor efficient approach to the allocation of the State's bond volume, which provides that one-third of the statewide allocation is distributed to Industrial Development Agencies (IDAs); one-third to State agencies; and one-third to a statewide bond reserve, for use by both State and local agencies. This legislation's multi-year provision permits projects to proceed by providing funds in the actual year they are needed. This legislation also continues the development of much-needed affordable housing for all New Yorkers, and sustains construction activity and jobs as well.

### **Erie County Private Bond Sales**

**(A.4132 Schimminger; Chapter 39 of the Laws of 2009)**

This legislation extends, until June 30, 2010, the authority for the underwriting or sale of Erie County bonds or notes at private sale. This legislation provides Erie County with additional fiscal flexibility by permitting the County to determine the timing of bond sales.

### **Pilot Program to Sell Bonds Through Electronic Bidding**

**(A.4617 Paulin; Chapter 304 of the Laws of 2009)**

This legislation establishes a pilot program authorizing Westchester County to sell bonds through nationally recognized electronic securities bidding services and provides that the County is not obligated to receive paper bids when the notice of sale has specified that bids will only be accepted electronically.

### **Funding for Patriotic Organizations**

**(A.5934 Towns; Passed Assembly)**

Many municipalities do not have facilities for meetings conducted by patriotic organizations such as the American Legion or VFW Post. Instead, meetings are held in the post of an adjoining town. Current State law allows a town that has no post to appropriate up to \$125 annually to assist a neighboring town that has a post to fund costs incurred by a patriotic organization. The current sum has not been increased since 1984 and is inadequate to defray room rental or maintenance. This legislation would increase the amount of money that towns may appropriate from \$125 to \$300. The legislation would also increase, from \$500 to \$1,000, the amount of money available to help the town's patriotic organizations defray meeting costs.

**Funding for Public Cemetery Corporations**  
**(A.4217 Brodsky; Passed Assembly)**

Under current law, municipalities are responsible for assuming the maintenance and preservation of not-for-profit cemeteries that become abandoned within their borders. This legislation provides that a municipality may appropriate and provide funding, goods, and/or services to a public cemetery corporation, which may help prevent a cemetery from becoming abandoned.

**F. MUNICIPAL CORPORATIONS**

**Audit Responses**  
**(A.2731 Sweeney; Passed Assembly)**

Audit reports and management letters are important tools for the efficient management of local governments. They are utilized most effectively when local officials promptly focus on audit findings and recommendations and address any deficiencies. Written public responses also help foster greater accountability to the taxpayers of the local governments.

This legislation would require municipalities, IDAs, and special districts to respond in writing to audits performed by the Office of the State Comptroller, or to external audits performed by independent public accountants.

**G. ELECTION REFORMS**

**Absentee Ballots for Fire District Elections**  
**(A.4316 Galef; Passed Assembly)**

Currently, fire district commissioners may by local option adopt a resolution to provide absentee ballots in fire district elections. This legislation would require absentee ballots to be available for all fire district elections, which would harmonize election provisions of fire districts with provisions of other local elections.

**Ward System Elections**  
**(A.2380 McEneny; Passed Assembly)**

Historically, the phrase “ward system” has been very closely associated with cities. Since towns are governed by town boards made up of elected council members, it would be more consistent to call the system a council district system instead of a ward system. This legislation would amend the Town Law to replace the phrase “ward system” with “council district system.”

## **H. MUNICIPAL ZONING**

### **Urban Development Action Area Waivers (A.8796 Lopez; Chapter 197 of the Laws of 2009)**

Currently, the sale of New York City-owned land is subject to the Uniform Land Use Review Procedure (ULURP), which can take up to 11 months to complete. The lengthy process often has serious consequences for federally-funded low income, elderly and disabled housing projects. The United States Department of housing and Urban Development (HUD) provides a lower cost alternative to traditional projects. Once allocated, the HUD funding timeframes are not negotiable. The length of the ULURP process jeopardizes HUD funding by adding time to the development process and causes costs to rise by leaving the City in the position of having to fill the gap with other funding sources.

This legislation extends, until June 30, 2012, the review process to be conducted pursuant to the streamlined Urban Development Action Area Procedure (UDAAP), which will take a maximum of 150 days, thereby reducing the approval timeframe by six to nine months. The City Council retains its full land use review authority. The ability to accelerate the land use approval process may apply to up to six Urban Development Action Area Projects in any calendar year for the development of 90 housing units or less that will be occupied by the elderly or persons with disabilities.

### **School District Confirmation (A.3288 Eddington; Passed Assembly)**

School district location is often an important factor in determining whether to purchase a home. For newly-constructed homes, that consideration can pose a challenge which has caused developers to guess as to the likely school district the parcel lies in. This legislation would authorize municipal planning boards to require the developers of a proposed subdivision to apply for and receive notification from a school district as to whether such parcel is located within the school district's boundaries.

### **Hudson Valley Community Preservation Fund (A.593 Cahill; Passed Assembly) (A.2727 Rabbitt; Passed Assembly)**

These bills would add Ulster County and Orange County to the Hudson Valley Community Preservation Fund, which currently includes Westchester and Putnam Counties. This would authorize cities and towns within the counties of Ulster and Orange, following a mandatory referendum, to establish a tax of up to two percent of the sale amount above the median home value for the area on real estate transfers. The resulting monies would be used to establish a community preservation fund and would be available to acquire property listed on a city or town's community preservation plan.

**Accommodating the use of Renewable Energy Sources**  
**(A.626 Paulin; Passed Assembly)**

This legislation would require that when a town or village creates zoning and planning regulations, they must consider, in addition to other established factors, the accommodation of renewable energy sources.

**I. EMERGENCY SERVICES**

**Free Thruway Access for Emergency Vehicles**  
**(A.901 DelMonte; Passed Assembly)**

In some areas of the State, the New York State Thruway provides the fastest and most direct access to emergency scenes. This legislation would provide emergency vehicles fast and free Thruway access when responding to an emergency. The Thruway Authority would be directed to either issue refunds for tolls incurred by emergency vehicles, or establish a permit system for such vehicles.

**Residency Requirement Exemptions**

**(A.4321 Butler; Chapter 302 of the Laws of 2009 – Sir William Fire Company)**

**(A.6486 Amedore; Chapter 314 of the Laws of 2009 – Fort Johnson Fire District)**

**(A.8669 Rabbitt; Chapter 468 of the Laws of 2009 – Pocatello and Washington Heights Fire Districts)**

**(A.8815 Zebrowski; Chapter 474 of the Laws of 2009 – Rockland Lake Fire District)**

At least 45 percent of volunteer fire company members are required to be residents of the region covered by the fire company. In order to boost membership, the aforementioned legislation exempts the Sir William Fire Company, Fort Johnson Fire District, Pocatello Fire District, Washington Heights Fire District and Rockland Lake Fire District from this requirement.

**Fire District Commissioner Dereliction of Duty**  
**(A.3824 Galef; Passed Assembly)**

Fire district commissioners perform many essential roles in the governing of their districts. In most cases, if a quorum of commissioners is not present, business cannot be conducted. For this reason, fire commissioner attendance is very important. There has been some confusion as to whether or not commissioners can be removed for excessive, unexcused absences. The current provision in the Public Officers Law refers to “malversation” and “malfeasance.”

This legislation would authorize the removal of fire commissioners for dereliction of duty. Dereliction would include, but would not be limited to, excessive and unexcused absences from regularly scheduled meetings.

## **J. LAWS RELATED TO LOCAL GOVERNMENTS**

### **Law Revision Commission Review of Statutes**

**(A.699 Hoyt; Passed Assembly)**

This legislation would declare that State laws regarding local governments have evolved in a disorganized manner and are overlapping, outdated, unfair, confusing and burdensome. Furthermore, it would direct the Law Revision Commission to review the General City Law, Town Law, Village Law, County Law, General Municipal Law, Local Finance Law, and all other related statutes. The Commission would be required to report to the Legislature and Governor with recommendations on how to improve such laws no later than December 1, 2010.

### **Posting of Local Laws**

**(A.441A Kavanagh; Passed Assembly)**

This legislation would require the clerk of each county to provide local laws to the Department of State and would require the Department of State to publish on its website a complete codification of local laws in effect adopted by each county.

## **K. MANDATE RELIEF FOR LOCAL GOVERNMENTS**

### **Local Government Borrowing Flexibility**

**(A.8618 Farrell; Chapter 186 of the Laws of 2009)**

This legislation extends, for an additional three years, current provisions of law related to installment bonds, certificates of participation, variable rate bonds and notes, and suspension of down payment requirements. The provisions contained within this legislation were originally enacted to provide municipalities with expanded debt issuance and management options. The extension of these provisions will ensure that municipalities continue to realize financial flexibility, while at the same time reserving the Legislature's opportunity to review the implementation in light of changing fiscal conditions.

### **Efficient Operation of Local Governments**

**(A.40002 Rules (Hoyt); Chapter 494 of the Laws of 2009)**

This legislation enacts several components of law designed to encourage government efficiencies and provide local governments with savings opportunities. The following provisions are included in the legislation:

- Authorizes local governments to form municipal cooperative health benefit plans for their employees, thereby reducing overall health insurance costs.
- Authorizes municipalities and State agencies to enter into highway shared services agreements.
- Authorizes certain counties to employ the same public health director that could report to a single board of health.

- Increases the local competitive bidding threshold, from \$20,000 to \$35,000, on public works contracts.
- Authorizes the State of New York Municipal Bond Bank Agency (MBBA) to purchase bonds issued by municipalities in order to pool municipal bonds and allow localities to take advantage of certain public improvement opportunities available through the American Recovery and Reinvestment Act of 2009.
- Equalizes the treatment of collateral sources in tort actions against public employees.
- Protects parties to the settlement of a tort claim from certain unwarranted lien, reimbursement, and subrogation claims.

## **L. LOCAL GOVERNMENT CONSOLIDATION AND DISSOLUTION**

### **New N.Y. Government Reorganization and Citizen Empowerment Act (A.8501 Silver; Chapter 74 of the Laws of 2009)**

This legislation, proposed by Attorney General Andrew Cuomo and co-sponsored by Chairman Hoyt, outlines a new procedure for governing bodies and citizens to initiate consolidations and dissolutions of local government entities (not including school districts, city districts or special purpose districts created by counties under the County Law). Rather than having consolidation and dissolution laws scattered throughout the Town Law, Village Law, County Law, and General Municipal Law, this legislation enacts a single Article 17-A of the General Municipal Law governing consolidations and dissolutions of local government entities. The legislation provides that upon governing body resolution and 10 percent, or 5,000, whichever is fewer, of the electors of a local government entity or entities sign a petition to consolidate or dissolve, the locality or localities must conduct a mandatory referendum on the question of whether to dissolve or consolidate. For smaller municipalities, defined as 500 or fewer electors, the petition threshold would be 20 percent. If the outcome of the referendum is in the affirmative, the legislation outlines the steps and procedures that must occur before the consolidation or dissolution takes place.

This legislation also authorizes the county governing bodies to abolish units of government within their county, provided that the level and quality of ongoing services of all their functions or duties are transferred. This would also be subject to the approval of the voters through mandatory referendums.

## **M. LAND TRANSFER AUTHORIZATIONS**

### **Gate of Heaven Cemetery Land Transfer (A.1648 Brodsky; Chapter 251 of the Laws of 2009)**

This legislation authorizes the transfer of land from the Gate of Heaven Cemetery in Hawthorne to the Cemetery Floral Company in Hawthorne. In return the Gate of Heaven Cemetery may accept land from the Cemetery Floral Company.

**Saratoga County Restoration Land**  
**(A.4703 Sayward; Chapter 430 of the Laws of 2009)**

County Law Section 219 prohibits counties from using reforestation lands for non-reforestation purposes. This legislation authorizes Saratoga County to use certain reforestation land located in the Town of Moreau for the development of a court and public safety facility and a future town hall. This authorization is contingent on the dedication of other land, which has been identified in the legislation, for reforestation purposes.

### **III. OTHER ENACTED LEGISLATION**

#### **Town of Smithtown Parkland**

**(A.7840A Fitzpatrick; Chapter 444 of the Laws of 2009)**

This legislation authorizes the Town of Smithtown to discontinue the use of certain parkland and lease that land to Site Tech Wireless, LLC for a cellular communications tower. All proceeds from such lease shall be used for the acquisition of additional park lands and/or for capital improvements to existing park and recreation facilities.

#### **Village of Victor Parkland**

**(A.7938A Errigo; Chapter 446 of the Laws of 2009)**

This legislation provides for the transfer of parkland from the Village of Victor to the Town of Victor. The parkland will be used for the same purpose of recreation once transferred. Any revenues received from the village from the transfer of such property shall be used for capital improvements of the existing park and recreational facilities and/or for the acquisition of additional park and recreational facilities.

#### **Town of Marlborough Dissolving a Special District**

**(A.8272 Skartados; Chapter 398 of the Laws of 2009)**

This legislation authorizes the Town of Marlborough to dissolve and discontinue the Applewood Drainage District.

#### **Village of Nichols Parkland**

**(A.8020A O'Mara; Chapter 449 of the Laws of 2009)**

This legislation authorizes the Village of Nichols to discontinue the use of certain land as parkland and to convey an easement to United Water Owego-Nichols, Inc. for public water supply purposes. Upon completion of construction, the Village of Nichols is required to restore the surface of the land to its original condition and continue to use it for park purposes. The town has acquired land of equal or greater fair market value as a replacement.

#### **Rockland County Cost Savings**

**(A.6565 Zebrowski; Chapter 114 of the Laws of 2009)**

This legislation authorizes Rockland County to amortize, over a period of ten years, the cost of its early retirement incentive program.



**School District of Union-Endicott Parkland**  
**(A.8370 Lupardo; Chapter 460 of the Laws of 2009)**

This legislation authorizes the Union-Endicott Central School District to discontinue the use of certain parkland that is no longer needed for park purposes and will be used for needs of the school district. Additional land of equal or greater fair market value, which has been identified, must be dedicated as parkland by the school district.

**Town of Deerpark to Issue Serial Bonds**  
**(A.7745A Gunther; Chapter 148 of the Laws of 2009)**

This legislation extends, until June 30, 2010, the authorization for the Town of Deerpark to issue serial bonds in order to liquidate deficits in its general and highway funds.

**Town of Austerlitz Parkland**  
**(A.8661 Molinaro; Chapter 467 of the Laws of 2009)**

This legislation authorizes the Town of Austerlitz to discontinue the use of certain lands as parklands and to sell and convey the land for the construction of a firehouse. Additional land of equal or greater fair market value, which has been identified, must be dedicated as parkland by the Town.

**Village of New Berlin Parkland**  
**(A.8774 Crouch; Chapter 472 of the Laws of 2009)**

This legislation authorizes the Village of New Berlin to discontinue the use of certain parklands and to sell and convey the land at fair market value. All proceeds from the sale must be dedicated to making capital improvements to existing park facilities. The village has also identified land to be dedicated as additional parklands.

**Town of Marcellus Purchase of Equipment**  
**(A.8379A Barclay; Chapter 335 of the Laws of 2009)**

This legislation authorizes the Town of Marcellus to purchase a fire barn facility and related equipment located within the fire protection district outside of the Village of Marcellus.

## **IV. PUBLIC HEARINGS**

The Committee held two public hearings in 2009:

### **A. INDUSTRIAL DEVELOPMENT AGENCIES**

On March 4, 2009 the Committee held a public hearing in Albany to examine the role of Industrial Development Agencies (IDA) in New York State.

Industrial Development Agencies were created by the State Legislature to help bolster the economic welfare and prosperity of the State's inhabitants. IDAs were intended to attract, encourage, and develop economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. IDAs offer tax incentives to encourage businesses to remain or relocate in their area.

This hearing was held to discuss if IDAs were fulfilling their legislative intent and to examine how IDAs could better serve the residents of New York State. Testimony was heard that addressed issues relating to the effectiveness of IDAs including a potential need for reform. There was a great deal of dialogue centered on current IDA reform legislation that would require IDAs to pay a prevailing wage to construction workers and a living wage to the ongoing employees of a recipient of IDA benefits. In addition, there was significant discussion on the expired provisions of the IDA statute that authorized IDAs to finance not-for-profit civic facilities. Many witnesses indicated there was a pressing need to reauthorize these expired provisions. Other issues discussed included whether the information provided by IDAs was adequate enough to determine if its performance was sufficient and accountable to the municipalities and school districts where they are located.

The Committee will review the testimony provided at this hearing into account as we continue to consider legislation that seeks to reform IDAs to make them more accountable and make sure they are fulfilling the goals for which they were created. The Committee will also seek to ensure that a re-authorization of IDAs ability to finance civic facilities is part of any reform legislation presented before the Committee.

### **B. RESTORE NEW YORK**

On November 13, 2009, the Committee, in conjunction with the Assembly Committees on Cities and Economic Development, held a hearing in Buffalo to examine municipal participation in the Restore New York's Communities Initiative (Restore NY).

Restore NY was established in the 2006-2007 New York State Budget to provide eligible municipalities with financial assistance to encourage economic development and neighborhood revitalization. A total of \$300 million was dedicated to this program in the New York State Budget with \$50 million appropriated for State Fiscal Year (SFY) 2006-2007, \$100 million

appropriated for SFY 2007-2008 and \$150 million appropriated for SFY 2008-2009. The program goals of Restore NY were to improve housing stock, encourage commercial investment and revitalize urban centers. Eligible municipalities submitted proposals for funding for the demolition, deconstruction, rehabilitation or reconstruction of vacant or obsolete buildings. This hearing examined the effectiveness of Restore NY in achieving its legislative goals now that funding for Restore NY has concluded.

The response to the program from the participants of the hearing was overwhelmingly positive. The Empire State Development Corporation (ESDC) recognized Restore NY as one of their most valuable programs. Municipalities throughout the state received grants which helped to improve their communities by reducing neighborhood blight and taking steps to return previously vacant buildings to productive use. Considering the positive impact this program made in the State of New York, a common theme from the hearing was a call to reinstate funding for Restore NY. During the 2010 legislative session, the Committee will remain cognizant of the testimony that was presented in order to aid and support local governments including securing funding for the Restore NY Program.

## V. OUTLOOK FOR 2010

The Assembly Local Governments Committee will continue its in-depth review of provisions related to Industrial Development Agencies (IDAs). The expiration of certain provisions related to IDAs, including the authorization of IDAs to finance civic facilities as well as certain tax policies and restrictions on the use of agency funds, will provide the Committee with the opportunity to explore issues related to the role of IDAs, including potential reforms.

The Committee will also continue to examine potential land bank legislation. Many urban centers are faced with extensive neighborhood vacancy and blight. The Committee is eager to promote a mechanism for municipalities to bank, or temporarily acquire and rehabilitate land in order to provide a coordinated effort to combat blight and address their increasing need to revitalize neighborhoods plagued by vacant and abandoned property.

The Committee will advocate for the equitable distribution of local government aid. In particular, it will continue to support the adoption of equitable local government aid programs that provide a stable and predictable revenue stream for local governments. The Committee will also work to secure funding in the New York State Budget for the Restore NY program.

In addition, the Committee recognizes the difficult economic outlook that New York citizens and municipalities will face in the year to come. The State will be confronted with many budgetary challenges. The Committee will continue to consider ways to achieve savings and cut costs, including revisiting the recommendations of the New York State Commission on Local Government Efficiency and Competitiveness, as well as exploring other ways to reduce the cost of government in New York State.

## APPENDIX A

### 2009 SUMMARY OF ACTION ON ALL BILLS REFERRED TO THE COMMITTEE ON LOCAL GOVERNMENTS

<u>Final Disposition</u>	<u>Assembly Bills</u>	<u>Senate Bills</u>	<u>Total</u>
<b>Bills Reported</b>	<b>71</b>	<b>0</b>	<b>71</b>
To Floor	5	0	5
To Ways and Means	49	0	49
To Codes	6	0	6
To Rules	11	0	11
To Judiciary	0	0	0
<b>Bills Having Enacting Clause Stricken</b>	<b>7</b>	<b>0</b>	<b>7</b>
<b>Bills Having Committee Referenced Changed</b>	<b>1</b>	<b>0</b>	<b>1</b>
<b>Senate Bills Substituted or Recalled</b>		<b>5</b>	<b>5</b>
<b>Bills Never Reported, Held in Committee</b>	<b>223</b>	<b>3</b>	<b>226</b>
<b>Total # of Bills in Committee</b>	<b>302</b>	<b>8</b>	<b>310</b>
<b>TOTAL NUMBER OF MEETINGS HELD</b>		<b>10</b>	

## APPENDIX B

### Chapter Laws of 2009

<u>Bill #</u>	<u>Sponsor</u>	<u>Description</u>	<u>Chapter</u>
A.1517	Canestrari	Authorizes the establishment of a wireless surcharge for Albany County.	243
A.1648	Brodsky	Authorizes the Gate of Heaven Cemetery to transfer land to the Cemetery Floral Company.	251
A.1939	Townsend	Authorizes the Town of Schroepfel, County of Oswego, to repay to taxpayers monies erroneously received by such town as a result of overpaid special assessments.	223
A.2379	Magee	Makes the vote of municipal officers on contracts regarding rural electric cooperatives a permissible conflict of interest.	249
A.4132	Schimminger	Permits the County of Erie to market serial bonds at private sale through June 30, 2010.	39
A.4321	Butler	Adds a local fire company to the list of companies and districts which are exempt from state limits on non-resident members.	302
A.4617	Paulin	Establishes a pilot program in Westchester County authorizing the county to sell bonds through electronic securities bidding services.	304
A.4703-A	Sayward	Authorizes the County of Saratoga to discontinue for reforestation purposes the use of certain lands and to convey such lands.	430
A.5013	Magnarelli	Provides for an increase in the communication service surcharges in Onondaga County.	264
A.5643	Farrell	Raises minimum salary of each county clerks of the counties comprising the City of New York to that of New York Supreme Court justices instead of civil court judges.	491
A.6486	Amedore	Adds a local fire company to the list of companies and districts which are exempt from state limits on non-resident members.	314
A.6564-A	Zebrowski	Authorizes the County of Rockland to establish a surcharge on wireless communications.	113

<u>Bill #</u>	<u>Sponsor</u>	<u>Description</u>	<u>Chapter</u>
A.6565	Zebrowski	Authorizes and empowers the County of Rockland to amortize the cost of the targeted county retirement program of the County of Rockland.	114
A.7019-A	Hawley	Authorizes the town board of the Town of Byron, in the County of Genesee, to diminish the area of the Byron sewer district.	373
A.7092-A	Crouch	Provides that the person holding the title of building inspector/code enforcement in the Town of Windsor, County of Broome need not be an elector of such town.	375
A.7745-A	Gunther	Authorizes the Town of Deerpark to issue serial bonds.	148
A.7840-A	Fitzpatrick	Authorizes the Town of Smithtown in Suffolk County to discontinue the use of certain park land and lease the land for a cellular communications tower to Site Tech Wireless, LLC.	444
A.7938-A	Errigo	Provides for the transfer of land from the Village of Victor to the Town of Victor.	446
A. 8020-A	O'Mara	Authorizes the Village of Nichols, in the County of Tioga, to discontinue the use of certain lands as parklands.	449
A.8088	Brodsky	Provides that a provider of VOIP services be deemed a service supplier for purposes of enhanced emergency telephone system surcharges.	269
A.8132	Errigo	Authorizes the funding of the sanitary sewer system in the Town of Livonia, County of Livingston.	454
A.8272	Skartados	Authorizes the Town of Marlborough, in the County of Ulster, to dissolve and discontinue the Applewood drainage system.	398
A.8368-A	Alessi	Relates to the election of park commissioners of the Mattituck Park District.	459
A.8370	Lupardo	Authorizes the Union-Endicott Central School District to discontinue the use of certain parklands.	460
A.8379-A	Barclay	Authorizes the Town of Marcellus to purchase the fire barn and equipment located in the Village of Marcellus.	335
A.8501	Silver	Enacts the New NY Government Reorganization and Citizen Empowerment Act.	74
A.8570	Hoyt	Relates to the redistricting 2008 bond volume allocations.	180

<u>Bill #</u>	<u>Sponsor</u>	<u>Description</u>	<u>Chapter</u>
A.8580	Bradley	Provides for the licensure of electrical inspectors within the County of Westchester.	339
A.8589	Gordon	Legalizes, validates, ratifies and confirms certain actions taken by the Town of Schodack, in the County of Rensselaer, with respect to certain bond anticipation notes.	340
A.8618	Farrell	Relates to local government borrowing practices and mandate relief.	186
A.8661	Molinaro	An act to authorize the Town of Austerlitz, Columbia County to discontinue the use of certain lands as parklands.	467
A.8669	Rabbitt	Exempts the Pocatello and Washington Heights Fire Districts from the residency requirements for the membership of their volunteer firefighters.	468
A.8682	Thiele	Extends the authorization for East Hampton, Suffolk County, to issue certain serial bonds.	190
A.8774	Crouch	An act to authorize the Village of New Berlin to discontinue the use of certain parklands.	472
A.8796	Lopez, V.	Relates to area designation of urban development action areas.	197
A.8815	Zebrowski	Provides a residential membership exemption for volunteer firefighters in Rockland Lake Fire District in Rockland County.	474
A.8923-B	Lifton	Provides for the increase in the communication service surcharges in Tompkins County.	210
A.8967	Russell	Legalizes, validates, ratifies, and confirms certain actions taken by the Village of Hammond, in the county of Lawrence, with respect to a certain serial bond note.	475



## APPENDIX C

### Vetoed of 2009

<u>Bill #</u>	<u>Sponsor</u>	<u>Description</u>	<u>Veto Memo #</u>
A.3173	Bradley	Creates the Westchester County Workforce Housing Incentive Program.	62