

Public Hearing  
On  
2021 Executive Budget

Joint Legislative Budget Hearing: Taxes

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Presented by

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## Greeting

Good afternoon, it is my pleasure to be with you today. My name is Scott Shedler, IAO. I am the assessor for a large town in Rockland County, and a past president of the New York State Assessors Association (NYSAA). I currently serve as the Association's legislative liaison. I present this testimony on behalf of President Lloyd Tasch, IAO, assessor, City of White Plains, Westchester County, and the members of the New York State Assessors Association.

The New York State Assessors Association was formed in 1940 to improve the standards of assessment practices. The Association serves as a clearinghouse for the collection and distribution of useful information relating to the assessment of real property. The Association is a proponent of local government. Assessors serve to educate the taxpaying public on the nature and importance of the work performed by assessing officers, and assessors help explain and implement changes resulting from new legislation.

For over a decade, Gallup has reported that American citizens believe in their local governments. Americans have more trust and confidence in their local governments and their local government leaders than they do in other levels of government. Assessors are leaders in the community.

## Revenue Bill X - SOLAR

The New York State Assessors Association reviewed Revenue Article VII Bill part X, pertaining to the valuation of solar and wind generating systems and the creation of Real Property Tax Law (RPTL) section 575-b.

The New York State Assessors Association **opposes Revenue Bill X.**

The main concerns are as follows:

- Pursuant to a recent conversation with the New York State Department of Tax and Finance a standard valuation model has not been created; therefore no one knows the impact this may have on the taxing authorities. The taxing authorities may be disadvantaged. According to a national valuation expert (name the expert? increases credibility) some approaches could result in a more than 50% reduction in assessments. Budget Bill part X should not be codified.
- Solar and wind system owners are not required to provide reports to the local assessing unit. In order to develop and maintain an appropriate value the local assessing unit needs the inventory. The inventory will be shared with the New York State Department of Taxation and Finance, but the New York State Department of Finance does not share the inventory with the local assessing unit, so there is no transparency.
- The New York State Assessors Association should be included in any re-drafting of RPTL 575-b. The Association should also have a role in creating the valuation model. The proposal must adhere to the constitutional mandates and duties of the assessor.

## STAR

Property owners are most comfortable with their local assessor, and annual changes to the administration of the STAR program cause chaos and diminish trust. The Association recognizes the efforts of the Department of Tax and Finance, and we continue to strengthen ties, however, the exemption will soon diminish. There is no need to expedite the process. **Revenue Bill, Part V** specifically targets the **senior** population. Eligible applicants have already submitted applications, and assessors have already processed said applications. NYSAA is willing to support this provision, **effective 2022**. Should this provision come to fruition effective immediately, it should be the responsibility of the Department of Tax and Finance to automatically enroll the recipients into the Enhanced Credit Check program. The local assessor should not be charged with the responsibility of notifying the applicant that their application for Enhanced STAR is void and to direct the applicant to apply for the STAR Credit Check.

New York State must be cognizant of the assessment calendar. Setting new deadlines every year is disruptive to workflow. It's important to establish and stick to a deadline date in an effort to maintain consistent expectations. The Association **supports Subpart B**, with a deadline date of May 1 in order for the switch from the exemption to the credit to be effectuated on the current year's school tax bill.

Any information that can be shared between the Department of Tax and Finance and the local assessor benefits all involved parties. Disclosing the decedent reports to local assessors would expedite the removal of unwarranted STAR exemptions. Filtering the information through a county director of Real Property Tax Services provides no benefit, therefore, the Association is in **support of Subpart C**.

The Association **supports Subpart D**. It's important that the Department of Tax and Finance review STAR exemption appeals thoroughly and for decisions to be rendered quickly. Not only does NYSAA want to see the process simplified, NYSAA wants processes involving STAR to be expedited.

All mobile home owners would receive (at the very least) the benefit of the valuation "floor," as if the mobile home was worth \$20,000. In addition, taking mobile homes out of the exemption program altogether would greatly reduce the complexity of the STAR data management requirements for both state and local officials, thereby expediting the processing of checks to these owners. NYSAA **supports Subpart E**, with the recommendation that the Legislature set a similar process for owners of cooperatives.

**Make Cyclical Reassessment Aid available only to assessing units that conduct a reassessment in 2021 and have not received reassessment aid in 2019 or 2020.**

**Reduce available aid for reassessments to \$712,500 (5% lower than 2020)**

There is minimal aid available for reassessment projects, and decreasing aid could cause financial hardship at the local level. Since 1999, New York State has paid municipalities over \$83,000,000 in aid for assessment equity projects. The highest aid paid was in 2004. In 2004, 496 municipalities received aid totaling \$8,300,000. Between 1999 and 2010, the average number of municipalities receiving aid was 408, with annual payments averaging \$6,500,000. In 2011, the Legislature abolished the annual reassessment aid and cut the NYSORPTS budget to \$750,000. As a result, the average annual number of municipalities receiving aid fell from 408 to 76, an astounding 80 percent decrease. These figures do not include any payments to Long Island or New York City.

There is a direct relationship between state aid and equity projects. Assessment equity projects peaked across the state when financial assistance provided by state aid programs was at an all-time high. As the funding decreased so did the number of assessment projects. NYSAA **strongly discourages** the New York State Legislature from cutting funding for assessment equity projects.

### **Reduce reimbursement for assessor/director training to \$167,200 (5% lower than 2020)**

The Association **strongly opposes** reducing reimbursement for assessor/director training. The NYS Comptroller reported that assessors need more training. The State Legislature should allocate more funds toward training, or at the very least maintain the current funding for training reimbursement. Continuously improving one's skills is one surefire way to stay ahead in a career that is constantly evolving. Educated assessors help municipalities achieve long-term viability and profitability. Municipalities cannot afford to adhere to an underfunded training requirement. Most communities have trimmed budgets and are working with skeletal resources as it is.

### **Conclusion**

Thank you for the work that you do and affording us time today. We appreciate the opportunity to share our perspective on the executive budget. We look forward to working with you this legislative session.