

HOME RULE MESSAGE REQUESTING THE STATE OF NEW YORK TO AMEND CHAPTER 311 OF THE LAWS OF 1920, CONSTITUTING THE SUFFOLK COUNTY TAX ACT, IN RELATION TO THE SALE OF DELINQUENT TAX LIENS ON BROWNFIELDS PROPERTY (SENATE BILLS.5995/ASSEMBLY BILL A.8772)

WHEREAS, there are currently seventy-six parcels in Suffolk County with tax liens that are eligible for sale or disposal but for which the County has been reluctant to take tax deeds due to the contamination and/or the past use the parcels; and

WHEREAS, these parcels, identified as Brownfield sites, include approximately 215 acres that could be remediated and restored to the tax rolls if the tax lien could be sold or transferred to a private developer; and

WHEREAS, in many instances, the tax liens held by the County on Brownfields and the cost to remediate the property are in excess of the appraised value of the property; and

WHEREAS, legislation has been introduced in the New York State Senate and the New York State Assembly to amend the Suffolk County Tax Act to authorize Suffolk County to sell or dispose of tax liens for less than the outstanding tax due on liens on parcels identified as Brownfields, except Superfund sites, and to require remediation by purchasers; now, therefore be it

RESOLVED, that this Legislature hereby requests the State of New York to enact Assembly Bill A8772 and Senate Bill S.5995 for the purpose of amending Chapter 311 of the Laws of 1920, constituting the Suffolk County Tax Act, in relation to the sale of delinquent tax liens on Brownfields Property; and be it further

RESOLVED, that the Clerk of this Legislature is hereby directed to forward copies of this Resolution to Governor David. A. Paterson; to the Majority Leader of the New York State Senate Pedro Espada, Jr.; to the Speaker of the New York State Assembly Sheldon Silver; to the Minority Leaders of the New York State Senate and the New York State Assembly; and to each member of the Long Island delegation to the New York State Legislature

DATED: Adopted March 2, 2010

STATUS:

S5995 FOLEY Same as [A 8772](#) Englebright

Suffolk County Tax Act

TITLE....Relates to the sale of delinquent tax liens on brownfield property in Suffolk county

06/19/09 REFERRED TO RULES

01/06/10 REFERRED TO LOCAL GOVERNMENT

SUMMARY:

FOLEY

Add S46-a, Chap 311 of 1920

Authorizes Suffolk county to sell certain delinquent tax liens on brownfield property to private buyers.

BILL TEXT:

STATE OF NEW YORK

5995

2009-2010 Regular Sessions

IN SENATE

June 19, 2009

Introduced by Sen. FOLEY -- read twice and ordered printed, and
when printed to be committed to the Committee on Rules

of AN ACT to amend the Suffolk county tax act, in relation to the sale
of delinquent tax liens on brownfields property

The People of the State of New York, represented in Senate and
Assem- bly, do enact as follows:

1 Section 1. Chapter 311 of the laws of 1920 constituting the
Suffolk
2 county tax act is amended by adding a new section 46-a to read
as
3 follows:
4 § 46-a. The county shall have the right to enter into contracts
to

5 sell some or all of its delinquent tax liens on property identified
as
6 brownfield sites pursuant to section 27-1405 of the
environmental
7 conservation law, except superfund sites placed on the U.S.
Environ-
8 mental Protection Agency's (USEPA) National Priority List (NPL)
as
9 defined by the Comprehensive Environmental Response, Compensation,
and
10 Liabilities Act of 1980 to clean up abandoned hazardous waste
sites,
11 held by such county to one or more private parties subject to
the
12 following conditions:
13 (a) The consideration to be paid may be more or less than the
face
14 amount of the tax liens sold.
15 (b) The county shall set the terms and conditions of the contract
of
16 sale and all prior contracts of sale shall be deemed valid and shall
be
17 enforced under this act and that the county may require the purchaser
to
18 remediate the property in accordance with the provisions of title 17
of
19 article 27 of the environmental conservation law and to promote
invest-
20 ment in and development of such parcels.
21 (c) The county shall provide property owners with at least thirty
days
22 advance notice of such sale in the same form and manner as is
provided
23 by subdivision 2 of section 1190 of the real property tax law and
shall
24 be done by regular mail to the last known address. Failure to
provide
25 such notice by the county shall not in any way affect the validity
of

EXPLANATION--Matter in italics (underscored) is new; matter in
brackets

[-] is old law to be omitted.

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S. 5995

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1 any such sale of a tax lien or tax liens or the validity of the taxes
or
2 interest prescribed by law with respect thereto.
3 (d) The sale of a tax lien pursuant to this act shall not operate
to
4 shorten the otherwise applicable redemption period or change the
other-
5 wise applicable interest rate.
6 (e) Upon the expiration of the redemption period prescribed by
law,

7 the purchaser of a delinquent tax lien, or its successors or
8 assigns,
9 may foreclose the lien as in an action to foreclose a mortgage
10 as
11 provided in section 1194 of the real property tax law. The procedure
12 in
13 such action shall be the procedure prescribed by article 13 of the
14 real
15 property actions and proceedings law for the foreclosure of
16 mortgages.
17 At any time following the commencement of an action to foreclose a
18 lien,
19 the amount required to redeem the lien, or the amount received upon
20 sale
21 of a property, shall include attorney's fees, court costs, title
22 fees,
23 service of process fees, and other disbursements allowed by a court
24 of
25 competent jurisdiction upon the filing of said court with proof of
26 said
27 expenses.
28 (f) The provisions of title 5 of article 11 of the real property
29 tax
30 law shall apply so far as is practicable to a contract for the sale
31 of
32 tax liens pursuant to this act.
33 § 2. This act shall take effect immediately.

SPONSORS MEMO:

**NEW YORK STATE SENATE
INTRODUCER'S MEMORANDUM IN SUPPORT
submitted in accordance with Senate Rule VI. Sec 1**

BILL NUMBER: S5995

SPONSOR: FOLEY

TITLE OF BILL:

An act to amend the Suffolk county tax act, in relation to the sale of delinquent tax liens on brownfields property

PURPOSE:

The amendment would allow Suffolk County to sell or dispose of tax liens for less than outstanding tax due on lien on parcels identifies by the County as Brownfields except Superfund Sites. The sale or disposal of the County tax liens on these parcels will satisfy open real property tax liens and promote the return of these parcels to a productive real property taxpaying use.

SUMMARY OF PROVISIONS:

Adds a new section 46-a which would allow Suffolk County to sell or dispose of tax liens for less than outstanding tax due on lien on parcels identifies by the County as Brownfields except Superfund sites.

The sale or disposal of the County tax liens on these parcels will satisfy open real property tax liens and promote the return of these parcels to a productive real property taxpaying use.

JUSTIFICATION:

Suffolk County acquires an interest and, in most instances, take title by tax deed to real property for non-payment of taxes. However, the County has decided not to take title for non-payment of real property taxes on parcels identified as Brownfields. A parcel is identified as a Brownfield site as a result of its past use and/or the presence of known contamination on the site.

In many instances, the tax liens held by the County on ,Brownfield parcels and the cost to remediate the property are, in most instances, in excess of the appraised value of the property assuming the site is without contamination. Allowing the Count, the option to sell or dispose of the tax liens for less than the outstanding tax due on a Brownfield parcel with the requirement that the buyer will remediate the parcel will promote private developers to acquire the tax liens, invest money to clean up the land, and convert these contaminated non-taxpaying parcels into productive taxpaying use.

The Suffolk County Treasurer currently lists seventy-six parcels with tax liens that are eligible for sale or disposal that the County has been reluctant to take a tax deed due to the presence of contamination on the property. The seventy-six parcels include approximately 215 acres of potentially contaminated, under utilized land that would be remediated and restored to the tax rolls if the tax lien on the property could be sold or transferred to a private developer.

LEGISLATIVE HISTORY:

New Bill.

FISCAL IMPACT ON THE STATE:

The amendment would have a long term benefit to the taxpayers by returning these parcels, which are non producing tax revenue, to productive, taxpaying use.

EFFECTIVE DATE:

This act shall take immediately.