

STRICKEN AS OF END OF YEAR

Intro. Res. No. 1307-2013

Laid on Table 4/23/2013

Introduced by Legislators Cilmi, Gregory, Barraga and Horsley

**RESOLUTION NO. -2013, ADOPTING LOCAL LAW
NO. -2013, A CHARTER LAW ADOPTING AND
INCORPORATING 2% PROPERTY TAX CAP INTO THE
COUNTY BUDGET PROCESS**

WHEREAS, there was duly presented and introduced to this County Legislature at a meeting held on April 23, 2013 a proposed local law entitled, "**A CHARTER LAW ADOPTING AND INCORPORATING 2% PROPERTY TAX CAP INTO THE COUNTY BUDGET PROCESS**"; now, therefore be it

RESOLVED, that said local law be enacted in form as follows:

LOCAL LAW NO. -2013, SUFFOLK COUNTY, NEW YORK

**A CHARTER LAW ADOPTING AND INCORPORATING 2%
PROPERTY TAX CAP INTO THE COUNTY BUDGET PROCESS**

BE IT ENACTED BY THE COUNTY LEGISLATURE OF THE COUNTY OF SUFFOLK, as follows:

Section 1. Legislative Intent.

This Legislature hereby finds and determines that the County of Suffolk long ago enacted spending and tax cap laws which capped the annual growth of discretionary spending, and limited annual property tax increases attributable to such spending, to 4%, or the rate of inflation if greater.

This Legislature further determines that in 2011, the State of New York enacted the 2% Property Tax Cap Law that is applicable to local governments across the State, including the County of Suffolk.

This Legislature further finds that unlike the County's cap laws, the State's 2% Property Tax Cap applies to all County taxing funds, and makes no distinction between mandated and discretionary spending.

This Legislature determines that the State's cap law will limit the amount of property taxes more effectively than did the local cap laws because it authorizes a smaller rate of growth in taxes and does not exclude "mandated" expenses in calculating the tax cap limit.

This Legislature concludes that the enactment of the New York State 2% Property Tax Cap Law has rendered Suffolk's old spending and tax cap laws irrelevant and unnecessary.

Therefore, the purpose of this law is to update the SUFFOLK COUNTY CHARTER by incorporating the State's tax cap into the County's budgetary process, while eliminating arcane and obsolete provisions associated with the County's old cap laws.

Section 2. Amendments.

I. Paragraph (A) of § C4-6 of the SUFFOLK COUNTY CHARTER is hereby amended as follows:

§ C4-6. Submission of proposed budget by County Executive.

- A. On or before the third Friday of September in each year, the County Executive shall submit to the County Legislature a proposed expense budget[, consisting of a proposed expense budget and proposed capital budget for the ensuing year. The expense budget shall consist of two separate documents, as follows:
- (1) A budget document] outlining and identifying all of the expenditures or outlays by the County of Suffolk for goods, programs or services for the subsequent fiscal year. [that are statutorily required by the state or federal government, or for the repayment of all debt principal and interest thereon (mandated portion).
 - (2) A budget document outlining and identifying all of the goods, programs and services to be provided by the County of Suffolk that are not statutorily required by the state or federal government (nonmandated portion also known as "expense budget").]

* * * *

II. Paragraphs (B) and (E) of § C4-6 of the SUFFOLK COUNTY CHARTER are hereby repealed and deleted.

III. Paragraph (C) and (E) of § C4-10 of the SUFFOLK COUNTY CHARTER are hereby amended as follows:

§ C4-10. Action by County Legislature on proposed budget.

* * * *

- C. If the County Legislature amends the proposed County budget[, either the mandated or nonmandated portion, or both,] in any respect, it shall make any other amendments that may be required to provide that total estimated non-tax revenues, together with estimated tax revenues, shall equal total estimated expenditures. The amount estimated for any object or purpose for which an appropriation is required to be made by law shall not be reduced below the minimum so required.

* * * *

- E. The adopted expense budget for any fiscal year shall not require a tax levy that is greater than the tax levy limit established pursuant to the provisions of NEW YORK GENERAL MUNICIPAL LAW § 3-c ("2% Property Tax Cap Law"), unless a local law authorizing an override of such limit has been enacted in accordance with the requirements of NEW YORK GENERAL MUNICIPAL LAW § 3-c(5). [exceed the adopted and approved expense budget for the prior fiscal year by more than 4% or the amount of the increase in the Gross National Product (GNP) price deflator, whichever is greater, measured by the Bureau of Labor Statistics for the period of the fiscal year preceding the year in which the initial

public hearings on the proposed County budget are held, as calculated against the adopted and approved expense budget for the prior fiscal year. For the purposes of this subsection, "expense budget" shall include all expenditures and all revenues, except outlays of federal or state grants or aid, receipts of federal or state grants or aid, outlays by the County of Suffolk for goods or services statutorily required by the state or federal government and outlays used for repayment of all debt principal. "Outlays for goods or services statutorily required by the state or federal government" shall not mean the cost to deliver statutorily required goods or services if the pertinent state or federal statute does not mandate a specific level, quantity or degree of goods or services to be provided by the County of Suffolk. Increases in expenditures required by the Governmental Accounting Standards Board through its generally accepted accounting principles for governmental units shall be deemed outlays by the County of Suffolk for goods or services statutorily required by the state or federal government.】

* * * *

IV. Subsection (1) of Paragraph (F) of § C4-10 of the SUFFOLK COUNTY CHARTER is hereby repealed and deleted and subsections (2) and (3) are renumbered as subsections (1) and (2) accordingly.

V. Paragraphs (G), (H), (J) and (K) of § C4-10 of the SUFFOLK COUNTY CHARTER are hereby repealed and deleted.

VI. Paragraphs (B) and (D) of § C4-11 of the SUFFOLK COUNTY CHARTER are hereby amended as follows:

§ C4-11. Approval of budget by County Executive.

* * * *

B. The County Legislature may reconsider any amendment to the proposed County budget that the County Executive has returned with his disapproval. If, on such reconsideration, it passes the amendment by affirmative vote of at least 2/3 of the total membership, or at least 3/4 of the entire membership of the Suffolk County Legislature when the underlying budget amendment resolution required an affirmative vote of at least 3/4 of the entire membership of the County Legislature for adoption pursuant to [either] § C4-10F [or C4-12A] of this article, within 10 days after the date it was returned to it, the budget amendment resolution shall become effective forthwith. All such amendments exceeding \$10,000 passed over the County Executive's veto shall be accompanied by a written impact statement as required in § C4-6C. If it does not reconsider any such budget amendment resolution or if, on reconsideration, it does not pass the budget amendment resolution by affirmative vote of at least 2/3 of the total membership, or at least 3/4 of the entire membership of the Suffolk County Legislature when the underlying budget amendment resolution required an affirmative vote of at least 3/4 of the entire membership of the County Legislature for adoption pursuant to [either] § C4-10F [or C4-12A] of this article, within 10 days after the date it was returned to it, the budget amendment resolution shall not take effect, and the following rules shall apply:

* * * *

D. Any action taken by the County Executive under this section shall be subject to and in conformity with the limitations contained in § C4-10[E,] F [and G] of this article.

VII. Paragraph (A) of § C4-12 of the SUFFOLK COUNTY CHARTER is hereby amended as follows:

§ C4-12. Levy of taxes; adjustment of budget calendar.

A. When the County budget shall have been finally adopted, the County Legislature shall levy all taxes and assessments in the manner and within the time prescribed by law[, except that no County expense budget shall be adopted or approved for any fiscal year which requires the Suffolk County General Fund and Police District Fund or any captive service fund (nursing, self-insurance and interdepartment operation and service) net tax levy, calculated together, exclusive of the amount necessary to be raised by tax on real estate to provide for the interest on and principal of all indebtedness in the Suffolk County General Fund and Police District Fund or any captive service fund (nursing, self-insurance and interdepartment operation and service), not to exceed the combined Suffolk County General Fund and Police District Fund or any captive service fund (nursing, self-insurance and interdepartment operation and service) net tax levy for the prior fiscal year, exclusive of the amount necessary to be raised by tax on real estate to provide for the interest on and principal of all indebtedness in the Suffolk County General Fund and Police District Fund or any captive service fund (nursing, self-insurance and interdepartment operation and service) by more than 4% or the amount of the increase in the Gross National Product (GNP) price deflator, whichever is greater, measured by the Bureau of Labor Statistics for the period of the fiscal year immediately preceding the year in which the initial public hearings on the proposed County expense budget are held, unless such net tax levy in excess of the limitations contained herein is approved by an affirmative vote of 3/4 of the entire membership of the Suffolk County Legislature directed solely to that specific purpose. The Suffolk County Executive and Suffolk County Legislature shall ensure that the combined net tax levies do not exceed the limit set forth in such resolution or the limit contained in § C4-12A of this article. The effects of prior year ending fund balances shall be excluded from the calculation of the net tax levy].

* * * *

VIII. Subsections (8) and (10) of Paragraph (E) of § C4-31 of the SUFFOLK COUNTY CHARTER are hereby repealed and deleted and subsections (9) and (11) are renumbered as subsections (8) and (9) accordingly.

IX. Paragraph (F) of § C4-31 of the SUFFOLK COUNTY CHARTER is hereby repealed and deleted.

Section 3. Applicability.

This law shall apply to all operating budgets proposed and adopted on or after the effective date of this law.

Section 4. Severability.

If any clause, sentence, paragraph, subdivision, section, or part of this law or the application thereof to any person, individual, corporation, firm, partnership, entity, or

circumstance shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such order or judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section, or part of this law, or in its application to the person, individual, corporation, firm, partnership, entity, or circumstance directly involved in the controversy in which such order or judgment shall be rendered.

Section 5. SEQRA Determination.

This Legislature, being the State Environmental Quality Review Act (SEQRA) lead agency, hereby finds and determines that this law constitutes a Type II action pursuant to Section 617.5(c)(20), (21), and/or (27) of Title 6 of the NEW YORK CODE OF RULES AND REGULATIONS (6 NYCRR) and within the meaning of Section 8-0109(2) of the NEW YORK ENVIRONMENTAL CONSERVATION LAW as a promulgation of regulations, rules, policies, procedures, and legislative decisions in connection with continuing agency administration, management and information collection. The Suffolk County Council on Environmental Quality (CEQ) is hereby directed to circulate any appropriate SEQRA notices of determination of non-applicability or non-significance in accordance with this law.

Section 6. Effective Date.

This law will take effective immediately upon its filing in the Office of the Secretary of State.

[] Brackets denote deletion of existing language.
___ Underlining denotes addition of new language.

DATED:

APPROVED BY:

County Executive of Suffolk County

Date: