

BILL NUMBER: S7957A

TITLE OF BILL :

An act to amend the environmental conservation law, in relation to requiring the Hudson River Black River Regulation District to undertake a comprehensive study regarding the beneficiaries of the district and real property tax apportionments to establish a standard methodology for the determination of any future apportionment

SUMMARY OF SPECIFIC PROVISIONS :

Section 1 requires the District to conduct a comprehensive study regarding the apportionment charges and

Section 2 sets forth the effective date.

JUSTIFICATION :

The Hudson River Regulating District was created in 1922 and was joined with the Black River Regulating District in 1959. The Hudson River Regulating District (District) is to regulate the flow of the Hudson River.

The Hudson River District is managed by a board that is appointed by the Governor and it bills what it deems to be the beneficiaries including the five counties of Albany, Rensselaer, Saratoga, Warren, and Washington a proportional share of its operating expenses. The District also derives revenue from the State, through hydropower agreements with companies in exchange for the use of headwaters for hydroelectricity generation, and fees on hydroelectric firms. The smallest source of revenue for the district comes from Sacandaga Lake Access Permits. The charges to the five counties are problematic since they are statutory beneficiaries and the actual beneficiaries have varied since the District's inception.

There is a long and complicated history regarding the apportionment of costs; however, it is time for the District to take a fresh look at the localities that are actually benefiting from their operations, how it can operate in a more efficient manner, and how it can derive the necessary revenue for infrastructure upgrades and improvements. Currently the District collects from the five counties and other entities pursuant to a settlement agreement reached in 2013 (County of Albany et al v. HRBRD 97 AD3d 61) that expires in 2018.

The assessment paid by the five counties commenced when a federal court ordered in 2008 that the hydro-electric plants along the Hudson River no longer had to pay their costs.

This was never meant to be a permanent solution and addressing the inequity is long overdue. Since the District's inception, the board was tasked with examining any and all avenues to sustain District operations; however, the result has led to a historically limited financial impact on the downstream jurisdictions. In as much as the original intent was to prevent downstream flooding, the reality is that the creation and continued operations of the district has created opportunity and benefit for many entities both private and public outside of the five counties currently carrying the financial burden. Additionally, the five counties do not have any representation on the governing board and in fact the appointments are solely at the discretion of the Executive, without Legislative approval. This is a true example of taxation without representation and therefore it is

incumbent upon the state of New York to use its resources to address this long overdue inequity in recognition of the fact that what started as a local matter has grown into a regional and statewide benefit.

PRIOR LEGISLATIVE HISTORY :

New bill.

FISCAL IMPLICATIONS :

To be determined

EFFECTIVE DATE :

This act shall take effect immediately.

S7957A (ACTIVE) - Bill Text

S T A T E O F N E W Y O R K

7957--A

I N S E N A T E

March 13, 2018

Introduced by Sen. MARCHIONE -- read twice and ordered printed, and when printed to be committed to the Committee on Environmental Conservation -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the environmental conservation law, in relation to requiring the Hudson River Black River Regulation District to undertake a comprehensive study regarding the beneficiaries of the district and real property tax apportionments to establish a standard methodology for the determination of any future apportionment

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The environmental conservation law is amended by adding a new section 15-2143 to read as follows:

S 15-2143. HUDSON RIVER BLACK RIVER REGULATING DISTRICT: COSTS.

THE HUDSON RIVER BLACK RIVER REGULATING DISTRICT SHALL UNDERTAKE A COMPREHENSIVE STUDY REGARDING THE BENEFICIARIES OF THE DISTRICT AND REAL PROPERTY TAX APPORTIONMENTS TO ESTABLISH A STANDARD METHODOLOGY FOR THE DETERMINATION OF ANY FUTURE APPORTIONMENTS. SUCH METHODOLOGY SHALL BE DESCRIBED IN A REPORT SUBMITTED TO THE GOVERNOR, THE STATE COMPTROLLER, AND THE LEADERS OF THE LEGISLATURE AND FISCAL COMMITTEES NO LATER THAN JANUARY 1, 2020. THE BOARD OF THE HUDSON RIVER BLACK RIVER REGULATING DISTRICT SHALL SUBMIT ANNUAL REPORTS TO THE GOVERNOR TOGETHER WITH THE DISTRICT'S THREE YEAR BUDGET.

S 2. This act shall take effect immediately.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [] is old law to be omitted.

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