

RESOLUTION NO. 547 -2020, ADOPTING LOCAL LAW NO. -2020, A CHARTER LAW TO TRANSFER EXCESS FUNDS IN THE SEWER ASSESSMENT STABILIZATION RESERVE FUND TO THE SUFFOLK COUNTY TAXPAYERS TRUST FUND AND TO ELIMINATE THE REQUIREMENT THAT INTERFUND TRANSFERS BE MADE FROM THE GENERAL FUND TO THE SEWER ASSESSMENT STABILIZATION FUND

WHEREAS, there was duly presented and introduced to this County Legislature at a meeting held on April 28, 2020, a proposed local law entitled, "**ADOPTING LOCAL LAW NO. -2020, A CHARTER LAW TO TRANSFER EXCESS FUNDS IN THE SEWER ASSESSMENT STABILIZATION RESERVE FUND TO THE SUFFOLK COUNTY TAXPAYERS TRUST FUND AND TO ELIMINATE THE REQUIREMENT THAT INTERFUND TRANSFERS BE MADE FROM THE GENERAL FUND TO THE SEWER ASSESSMENT STABILIZATION FUND**"; now, therefore be it

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

LOCAL LAW NO. -2020, SUFFOLK COUNTY, NEW YORK

ADOPTING LOCAL LAW NO. -2020, A CHARTER LAW TO TRANSFER EXCESS FUNDS IN THE SEWER ASSESSMENT STABILIZATION RESERVE FUND TO THE SUFFOLK COUNTY TAXPAYERS TRUST FUND AND TO ELIMINATE THE REQUIREMENT THAT INTERFUND TRANSFERS BE MADE FROM THE GENERAL FUND TO THE SEWER ASSESSMENT STABILIZATION FUND

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

Section 1. Legislative Intent.

This Legislature finds and determines that the COVID-19 pandemic has resulted in risks and threats to public health never before experienced, requiring that government enact severe restrictions on commerce across the nation while simultaneously providing significant unforeseen emergency response and public health services to the people of Suffolk County. The restrictions on commerce enacted by New York State Executive Order have resulted in a near shutdown of the regional economy and resultant shortfall in revenues that has created a significant threat to the financial stability of state and local governments, including Suffolk County.

This Legislature further finds and determines that in order for the County to provide necessary services, decisive action is required to address the shortfall in revenues that has resulted from government directed restrictions on commerce pending recovery of the regional economy.

This Legislature further finds that the Sewer Assessment Stabilization Reserve Fund (ASRF) ended 2019 with a balance of \$35,000,000, and that transferring \$15,000,000

from the ASRF to reduce reliance on property tax revenues would leave the fund with sufficient reserves to stabilize sewer rates as required by C12-2(D) of the Suffolk County Charter.

This Legislature further finds that the \$29,409,109 that is required to be transferred into the ASRF pursuant to a judgment dated December 12, 2019 by the Honorable Justice Joseph Farneti in the Matter of the Long Island Pine Barrens Society Inc., et al vs. County of Suffolk, et al is not needed in the fund, which contains a significant excess fund balance.

Therefore, the purpose of this Charter law is to authorize general property tax relief with the excess Sewer Assessment Stabilization Reserve Fund balance.

Section 2. Amendments.

- I. Article IV of the SUFFOLK COUNTY CHARTER is hereby amended by REPEALING subdivisions (L) and (M) of Section C4-6.
- II. Article IV of the SUFFOLK COUNTY CHARTER is hereby amended by REPEALING subdivisions (L) and (M) of Section C4-10.
- III. Article XII of the SUFFOLK COUNTY CHARTER is hereby amended to read as follows:

**CHARTER
ARTICLE XII
Suffolk County Drinking Water Protection Program**

§ C12-2. Programmatic expenses.

D. Sewer taxpayer protection: 25% of the total revenues generated each calendar year for sewer district tax rate stabilization only in those instances in which the pertinent sewer district will experience an increase in rates of at least 3% in the aggregate for user charges, operations and maintenance charges, per-parcel charges, and ad valorem assessments in the calendar year for which these sewer district tax stabilization revenues are being allocated. The Suffolk County Sewer Assessment Stabilization Fund is hereby created; 25% of the total revenues generated each calendar year by such sales and compensating use tax shall be allocated and deposited annually to this trust fund. The annual appropriation of such revenues shall be effectuated via duly enacted resolution of the County of Suffolk and shall not reduce the projected rate increase below 3% in the aggregate for user charges, operations and maintenance charges, per-parcel charges, and ad valorem assessments for the year in question. If the revenues generated in any year, including calendar year 2030, exceed the amount necessary to provide such stabilization, then such excess Assessment Stabilization Reserve Fund balance shall be carried over as a fund balance for sewer district tax rate stabilization, subject to the provisions of Paragraphs (1), (2), (3), [and] (4) and (5) of this Subsection D. For purposes of this Subsection, the phrase "excess Assessment Stabilization Reserve Fund balance" means balances greater than needed for sewer district tax rate stabilization only in those instances in which the pertinent sewer district will experience an increase in rates of at least 3% in the aggregate for user charges, operations and maintenance charges, per-parcel charges, and ad valorem assessments in the calendar year for which these sewer district tax stabilization revenues are being allocated. With respect to the excess Assessment Stabilization Reserve Fund referred to in this Subsection D, the calculation of the excess balance, if any, shall be confirmed in writing, jointly certified by the Legislative Office of

Budget Review and the Executive Budget Office, as part of the consensus forecast required by Charter § C4-5 and Administrative Code § A4-3E.

(5) In Fiscal Year 2020 or in Fiscal Year 2021, forty-four million, four hundred nine thousand, one hundred nine dollars (\$44,409,109), which shall include the twenty-nine million, four hundred nine thousand, one hundred nine dollars (\$29,409,109) that was required to be paid into the Assessment Stabilization Reserve Fund by Judgment of the Honorable Justice Joseph Farneti dated December 12, 2019 in the Matter of the Long Island Pine Barrens Society Inc., et al vs. County of Suffolk, et al, shall be transferred and deposited in the Suffolk County Taxpayers Trust Fund created by this Article. This transfer and deposit shall be in addition to any other sum allocated and deposited to such fund pursuant to subdivision (C) of this section for enhanced county wide property tax protection. The appropriation for this transfer and deposit shall be effectuated via duly approved legislative resolution.

Section 3. Applicability.

This local law shall apply to all budgetary actions approved for, or occurring during any fiscal year beginning with January 1, 2020 and in all subsequent fiscal years.

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 has independently considered the Environmental Assessment Form (“EAF”), the Council on Environmental Quality (“CEQ”) recommendation, and any relevant testimony concerning the same; and

This Legislature, as Lead Agency under the State Environmental Quality Review Act, N.Y. Envtl. Conserv. Law Art. 8 (“SEQRA”), hereby classifies this proposed local law as an Unlisted Action under the provisions of Title 6 NYCRR Part 617 and Chapter 450 of the Suffolk County Code; and

Pursuant to Title 6 NYCRR Part 617 and Chapter 450 of the Suffolk County Code, this Legislature, as SEQRA Lead Agency, hereby finds and determines that this local law will not have significant adverse impacts on the environment for the following reasons:

1. The proposed action will not exceed any of the criteria in 6 NYCRR, Section 617.7, which sets forth thresholds for determining significant effect on the environment as demonstrated in the Environmental Assessment Form;

2. The proposal does not significantly threaten any unique or highly valuable environmental or cultural resources as identified in or regulated by the Environmental Conservation Law of the State of New York or the Suffolk County Charter and Code;
3. The proposed action will result in budgetary changes to the Sewer Assessment Stabilization Reserve Fund but these budgetary changes do not have the potential to have a significant adverse impact on the environment;
4. The proposed action will not impact the existing environmental regulations and requirements that are in place to protect Suffolk County's environmental resources; and

This Legislature hereby adopts a determination of non-significance (negative declaration) and the Council of Environmental Quality is hereby directed to circulate and file all necessary notices in accordance with this resolution.

Section 6. Effective Date.

This law shall not take effect until it has been approved by the affirmative vote of a majority of the qualified electors of the County of Suffolk voting upon a proposition for its approval in conformity with the provisions of Section 34 of the NEW YORK MUNICIPAL HOME RULE LAW and has been filed in the Office of the Secretary of State.

Section 7. Form of Proposition.

The proposition to be submitted at the next general election, shall be in the following form:

**SHALL RESOLUTION 2020, ADOPTING LOCAL LAW NO. -
 2020, A CHARTER LAW TO TRANSFER EXCESS FUNDS IN THE
 SEWER ASSESSMENT STABILIZATION RESERVE FUND TO THE
 SUFFOLK COUNTY TAXPAYERS TRUST FUND AND TO ELIMINATE
 THE REQUIREMENT THAT INTERFUND TRANSFERS BE MADE
 FROM THE GENERAL FUND TO THE SEWER ASSESSMENT
 STABILIZATION FUND, BE APPROVED?**

Section 8. Conflicting Referenda.

In the event that there are other referenda on the ballot, pertaining to or addressing substantially the same issues as are contained in this law, then the provisions of the measure approved by the electorate receiving the greatest number of affirmative votes, shall prevail, and the alternative measure, or measures, as the case may be, shall be deemed null and void.

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

DATED: July 21, 2020

APPROVED BY:

/s/ Steven Bellone
County Executive of Suffolk County

Date: July 30, 2020