

PROPOSED LOCAL LAW __-2020

A LOCAL LAW TO CREATE A SPECIAL REVENUE FUND TO ASSIST IN THE FINANCE
OR PAYMENT OF TAX CERTIORARI SETTLEMENTS AND JUDGMENTS IN NASSAU
COUNTY

WHEREAS, Nassau County's residents and businesses that have overpaid their taxes due to erroneous assessments are owed hundreds of millions of dollars in accumulated tax certiorari settlements and judgments; and

WHEREAS, Court interest on such debt that is owed by Nassau County to these residents and businesses accumulates at an unsustainable rate as high as 9% per year; and

WHEREAS, many of these businesses are suffering the economic effects of COVID-19 and are struggling to survive; and

WHEREAS, these businesses are an essential component of Nassau County's economy, employ many of its residents, and promote the economic activity that helps the greater economy to thrive; and

WHEREAS, the 2021 Nassau County budget does not provide adequate financial resources to pay for these settlements and judgments, and as a result, many businesses that need access to funds that are owed to them will not be able to access such funds; and

WHEREAS, both the Nassau Interim Finance Authority and the County Executive have indicated that bonding for such settlements and judgments will not be accomplished until 2023; and

WHEREAS, 2023 may be too late to provide meaningful financial relief to Nassau County's business community, and Nassau County must do everything it can now to help its local businesses and prevent the loss of jobs in this difficult economic environment; NOW, THEREFORE

BE IT ENACTED by the County Legislature of the County of Nassau as follows:

Section 1. Chapter III Budget, Title A of the Nassau County Administrative Code is amended to add the following subsections:

§ 3-2.3. Allocation, deposit, and authorized disposition of moneys resulting from sales tax receipts that are in excess of the adopted budget.

A special revenue fund is hereby established, to commence concurrently with the 2021 Nassau County Budget, to which all sales tax revenues collected by the County that are in excess of the adopted Nassau County budget shall be deposited. The use of this special revenue fund will be to fully or partially fund tax certiorari settlements and judgments or principal and interest payments on debt issued in 2021 or later to pay tax certiorari settlements and judgments and shall be restricted for any other purpose.

§ 3-2.4. Allocation, deposit, and authorized disposition of moneys resulting from funds within any budget line that become surplus due to the receipt of federal aid.

A special revenue fund is hereby established, to commence concurrently with the 2021 Nassau County Budget, to which any budgeted funds in any budget line that become surplus as a result of the receipt of federal aid to address the COVID-19 pandemic shall be deposited. The use of this special revenue fund will be to fully or partially fund tax certiorari settlements and judgments or principal and interest payments on debt issued in 2021 or later to pay tax certiorari settlements and judgments and shall be restricted for any other purpose.

§2. Severability.

If any clause, sentence, paragraph, subdivision, section, or part of this law or the application thereof to any person 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 hereof, 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 or circumstance directly involved in the controversy in which such order or judgment shall be rendered.

§3. SEQRA Determination

It is hereby determined, pursuant to the provisions of the State Environmental Quality Review Act, 8 N.Y.E.C.L., section 0101 et seq. and its implementing regulations, Part 617 of 6 N.Y.C.R.R., and section 1611 of the County Government Law of Nassau County, that the adoption of this local law is a “Type II” Action within the meaning of Section 617.5(c)(20) and (27) of 6 N.Y.C.R.R., and, accordingly, is of a class of actions which do not have a significant effect on the environment; and no further review is required.

§4. Effective Date

This local law shall take effect immediately after enactment.