

July 9, 2019

The Honorable Andrew M. Cuomo
Governor of New York State
NYS State Capitol Building
Albany, NY 12244

Re: S.2769, Comrie/ A.2947, Solages
Relates to requiring notice and confirmation of such notice by affected local taxing jurisdictions and school districts prior to approval of projects by industrial development agencies

Dear Governor Cuomo,

The New York State School Boards Association **supports** the above referenced legislation and encourages your signature.

This bill would require that industrial development agencies (IDAs) provide school districts and other affected local taxing entities with formal acknowledgment of the IDA's acceptance of a payment-in-lieu-of-taxes (PILOT), or other financial assistance, application. An IDA would be required to provide such notification by way of a copy of the agency's adopted resolution that outlines the project and associated financial assistance being considered by the agency. For school districts, a copy of the IDA's resolution must be delivered to the school board and superintendent by certified mail, return receipt requested.

IDAs were created with the goal of promoting and developing the economic health of their communities. A common way this goal is accomplished is by entering into PILOT agreements with companies and other organizations. Under current law, affected parties, including school districts, must be notified of any PILOT agreement within 15 days of the agreement being signed. In addition, if the agreement provides more than \$100,000 in financial assistance to any project or entity, the IDA must conduct a public hearing, with 10 days' notice, where any interested party can offer comments on the potential project.

Current law does not require any specific engagement or interaction between an IDA and a school district prior to approval of a PILOT application. Such PILOT agreements often include multi-million dollar reductions in the amount of property taxes a school district would otherwise receive, if the property were on the tax roll. In addition, PILOT revenue also directly impacts a school district's property tax cap calculation. New PILOT revenue creates a dollar for dollar reduction in a school district's tax cap amount and can, on occasion, lead to negative tax caps.

Given the direct relevance and scope PILOT agreements have on school district budgets, it is appropriate and fiscally prudent to require disclosure to school district leadership when a PILOT deal is being considered. School board members believe strongly in the need for greater openness and discourse between school districts and IDAs and this legislation takes a meaningful step in that direction.

Therefore, NYSSBA **supports** the above referenced legislation and urges your signature. For additional information, please do not hesitate to contact me at 518-783-0200.

Sincerely,

A handwritten signature in cursive script that reads "Julie M. Marlette". The signature is written in dark ink and has a fluid, connected style.

Julie M. Marlette
Director of Governmental Relations

CC: Senator Leroy Comrie
Assemblymember Michaelle Solages
Alphonso David
Nadine Fontaine
Christopher Riano
Dan Fuller
Jamie Frank
Michael Smingler