

STATE OF NEW YORK

2854

2023-2024 Regular Sessions

IN ASSEMBLY

January 27, 2023

Introduced by M. of A. ZEBROWSKI, DICKENS, STIRPE, SAYEGH, COOK, CRUZ, SEAWRIGHT, LUPARDO, BUTTENSCHON, DeSTEFANO, NORRIS, McDONOUGH, BRABEC, MILLER -- Multi-Sponsored by -- M. of A. HAWLEY, SIMON -- read once and referred to the Committee on Education

AN ACT to amend the general municipal law and the education law, in relation to the creation and funding of other post-employment benefit reserve funds; and to repeal certain provisions of the general municipal law relating thereto

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The general municipal law is amended by adding a new
2 section 6-w to read as follows:

3 § 6-w. Other post-employment benefit reserve funds. 1. As used in this
4 section:

5 (a) "Municipal corporation" means a school district (except a school
6 district in a city with a population of one hundred twenty-five thousand
7 or more) or a board of cooperative educational services.

8 (b) "Other post-employment benefit" means any benefit other than a
9 pension benefit that a municipal corporation is obligated by contract,
10 local law, or statute to pay to, or on behalf of, an individual on
11 account of that individual's prior employment by the municipal corpo-
12 ration, including post-employment healthcare benefits, regardless of the
13 type of plan that provides them, but excluding termination benefits such
14 as those described in section six-p of this article.

15 (c) "Participating employer" means a participating employer as defined
16 in subdivision twenty of section two of the retirement and social secu-
17 rity law or in subdivision twenty of section three hundred two of such
18 law.

19 2. The governing board of any municipal corporation which is also a
20 participating employer may establish by resolution a reserve fund for
21 the purpose of financing other post-employment benefits.

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

LBD06887-01-3

1 3. There may be paid into another post-employment benefit reserve
2 fund:

3 (a) Such amounts as may be provided therefor by budgetary appropri-
4 ation or raised by tax therefor;

5 (b) Such revenues as are not required by law to be paid into any other
6 fund or account;

7 (c) Such other funds as may be legally appropriated; and

8 (d) Notwithstanding any law to the contrary, such amounts as may be
9 transferred from a reserve fund established pursuant to section six-c,
10 six-d, six-e, six-f, six-g, six-m, six-n, or six-p of this article
11 comprised of moneys raised from the same tax base as the moneys in the
12 other post-employment benefit reserve fund, or a reserve fund estab-
13 lished pursuant to section thirty-six hundred fifty-one of the education
14 law, provided, that any such transfer shall only be made by resolution
15 of the governing board of such municipal corporation adopted after a
16 public hearing held on at least fifteen days prior published notice in
17 the official newspaper of the municipal corporation or, if the municip-
18 al corporation does not have an official newspaper, in at least one
19 newspaper having general circulation in the municipal corporation.

20 4. The moneys in another post-employment benefit reserve fund shall be
21 deposited and secured in the manner provided by section ten of this
22 article, the governing board of such municipal corporation, or the chief
23 fiscal officer thereof if the governing board shall delegate such duty
24 to him or her, may invest the moneys in such fund in the manner provided
25 by section eleven of this article, any interest earned or capital gain
26 realized on the money so deposited or invested shall accrue to and
27 become part of such fund.

28 5. The governing board of such municipal corporation by resolution may
29 authorize expenditures from another post-employment benefit reserve fund
30 except as otherwise provided by law, moneys in another post-employment
31 benefit reserve fund may only be expended to finance other post-employ-
32 ment benefits.

33 6. The governing board of such municipal corporation by resolution may
34 authorize the transfer of a portion of the moneys in another post-em-
35 ployment benefit reserve fund to a reserve fund of the municipal corpo-
36 ration established pursuant to section six-c, six-d, six-e, six-f,
37 six-g, six-m, six-n, or six-p of this article comprised of moneys raised
38 from the same tax base as the moneys in the retirement contribution
39 reserve funds, or a reserve fund established pursuant to section thir-
40 ty-six hundred fifty-one of the education law, provided, that any such
41 transfer shall only be made by resolution of the governing board of such
42 municipal corporation adopted after a public hearing held on at least
43 fifteen days prior published notice in the official newspaper of the
44 municipal corporation or, if the municipal corporation does not have an
45 official newspaper, in at least one newspaper having general circulation
46 in the municipal corporation.

47 7. The chief fiscal officer of such municipal corporation shall
48 account for another post-employment benefit reserve fund separate and
49 apart from all other funds of the municipal corporation such accounting
50 shall show: the source, date and amount of each sum paid into the fund;
51 the interest earned by such fund; capital gains or losses resulting from
52 the sale of investments of this fund; the order, purpose thereof, date
53 and amount of each payment from such fund; the assets of the fund, indi-
54 cating cash balance and a schedule of investments.

1 The chief fiscal officer, within sixty days of the end of each fiscal
2 year, shall furnish a detailed report of the operation and condition of
3 this fund to the governing board.

4 8. No member of the governing board of such municipal corporation
5 shall:

6 (a) Authorize a withdrawal from another post-employment benefit
7 reserve fund for any purpose except as provided in this section; or

8 (b) Expend any money withdrawn from such fund for a purpose other than
9 as provided in this section.

10 9. The governing board of such municipal corporation by resolution may
11 determine that an other post-employment benefit reserve fund is no long-
12 er needed and terminate the fund. Such resolution shall transfer any
13 moneys remaining in such fund to one or more reserve funds of the munic-
14 ipal corporation established pursuant to section six-c, six-d, six-e,
15 six-f, six-g, six-m, six-n, or six-p of this article comprised of moneys
16 raised from the same tax base as the moneys in the other post-employment
17 benefit reserve fund, or one or more reserve funds established pursuant
18 to section thirty-six hundred fifty-one of the education law.

19 § 2. Notwithstanding any other provision of law, within 180 days of
20 the effective date of this act, a municipal corporation may by resol-
21 ution transfer into another post-employment benefits reserve fund
22 created in accordance with section 6-w of the general municipal law any
23 funds previously committed or assigned by that municipal corporation for
24 the purpose of paying other post-employment benefits as defined in
25 section 6-w of the general municipal law, regardless of how those funds
26 have been designated.

27 § 3. Subdivisions 10 and 11 of section 6-p of the general municipal
28 law are REPEALED.

29 § 4. Paragraph b of subdivision 5 of section 1950 of the education
30 law, as amended by chapter 130 of the laws of 2022, is amended to read
31 as follows:

32 b. The cost of services herein referred to shall be the amount allo-
33 cated to each component school district by the board of cooperative
34 educational services to defray expenses of such board, including
35 approved expenses from the testing of potable water systems of occupied
36 school buildings under the board's jurisdiction as required pursuant to
37 section eleven hundred ten of the public health law provided that such
38 expenses for testing of potable water systems are not reimbursable from
39 another state or federal source, except that that part of the salary
40 paid any teacher, supervisor or other employee of the board of cooper-
41 ative educational services which is in excess of thirty thousand dollars
42 shall not be such an approved expense, and except also that administra-
43 tive and clerical expenses shall not exceed ten percent of the total
44 expenses for purposes of this computation. Any gifts, donations or
45 interest earned by the board of cooperative educational services or on
46 behalf of the board of cooperative educational services by the dormitory
47 authority or any other source shall not be deducted in determining the
48 cost of services allocated to each component school district. ~~[Any~~
49 ~~payments made to a component school district by the board of cooperative~~
50 ~~educational services pursuant to subdivision eleven of section six-p of~~
51 ~~the general municipal law attributable to an approved cost of service~~
52 ~~computed pursuant to this subdivision shall be deducted from the cost of~~
53 ~~services allocated to such component school district.]~~ The expense of
54 transportation provided by the board of cooperative educational services
55 pursuant to paragraph q of subdivision four of this section shall be
56 eligible for aid apportioned pursuant to subdivision seven of section

1 thirty-six hundred two of this chapter and no board of cooperative
2 educational services transportation expense shall be an approved cost of
3 services for the computation of aid under this subdivision. Transporta-
4 tion expense pursuant to paragraph q of subdivision four of this section
5 shall be included in the computation of the ten percent limitation on
6 administrative and clerical expenses.
7 § 5. This act shall take effect immediately.