

# STATE OF NEW YORK

8218

2025-2026 Regular Sessions

## IN SENATE

May 22, 2025

Introduced by Sen. COONEY -- read twice and ordered printed, and when printed to be committed to the Committee on Education

AN ACT to amend the education law and chapter 416 of the laws of 2007 establishing the city of Rochester and the board of education of the city school district of the city of Rochester school facilities modernization program act, in relation to certain bonds issued to finance school rehabilitation or reconstruction costs for Rochester schools

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

1 Section 1. Item (iv) of clause (a) of subparagraph 5 of paragraph e of  
2 subdivision 6 of section 3602 of the education law, as amended by chap-  
3 ter 533 of the laws of 2014, is amended to read as follows:

4 (iv) Notwithstanding the provisions of item (i) of this clause, where  
5 such city or city school district has entered into an agreement with the  
6 county of Monroe industrial development agency or the dormitory authori-  
7 ty of the state of New York, for projects authorized pursuant to the  
8 city of Rochester and the board of education of the city school district  
9 of the city of Rochester school facilities modernization program act, to  
10 finance [~~debt-related to~~] school rehabilitation or reconstruction that  
11 is subject to subparagraph three of this paragraph, the lesser of: (A)  
12 the net interest cost, as defined by the commissioner, [~~that would have~~  
13 ~~been~~] applicable to each series of bonds or bond anticipation notes  
14 issued by the county of Monroe industrial development agency [~~if the~~  
15 ~~project had been authorized to be financed and had been financed through~~  
16 ~~such entity, as certified to the commissioner by the executive director~~  
17 ~~of the county of Monroe industrial development agency~~] or the dormitory  
18 authority of the state of New York for such purpose, without regard to  
19 any refunding of such obligations; or (B) such net interest cost, as  
20 defined by the commissioner, that would have been applicable to [~~bonds~~  
21 ~~or bond anticipation notes issued by the state of New York dormitory~~  
22 ~~authority if the project had been authorized to be financed and had been~~  
23 ~~financed through such entity, as certified to the commissioner by the~~  
24 ~~executive director of the state of New York dormitory authority shall be~~

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

LBD13189-01-5

1 ~~the interest rate established for such city applicable to such debt]~~  
2 each series of obligations originally issued to finance each phase of  
3 project costs approved by the commissioner, by the Monroe industrial  
4 development agency or the dormitory authority of the state of New York,  
5 without regard to any refunding of such obligations, if the project had  
6 been financed through such agency or the dormitory authority of the  
7 state of New York, as certified to the commissioner by the executive  
8 director of the Monroe industrial development agency or the executive  
9 director of the dormitory authority of the state of New York, shall be  
10 the interest rate established for such city applicable for purposes of  
11 calculating the assumed amortization for such approved project costs  
12 pursuant to clause (b) of subparagraph three of this paragraph. For  
13 projects approved by the commissioner in any school year in which capi-  
14 tal debt is incurred by either the dormitory authority of the state of  
15 New York or the Monroe industrial development agency to refund debt  
16 related to school renovation, rehabilitation or reconstruction of or on  
17 behalf of the school district, where such school renovation, rehabili-  
18 tation or reconstruction qualifies for apportionment pursuant to subpar-  
19 agraph three of this paragraph, by the first day of September of the  
20 current year, the chief fiscal officer of such city shall provide to the  
21 commissioner an analysis, as prescribed by the commissioner, of the  
22 actual average interest rate applied to all capital debt incurred to  
23 finance or refund debt related to school renovation, rehabilitation or  
24 reconstruction that qualifies for apportionment pursuant to subparagraph  
25 three of this paragraph by either the dormitory authority of the state  
26 of New York or the city of Monroe industrial development agency during  
27 the base year and of the estimated average interest rate applied to all  
28 capital debt incurred to finance or refund debt related to school reno-  
29 vation, rehabilitation or reconstruction that is subject to subparagraph  
30 three of this paragraph by either the dormitory authority of the state  
31 of New York or the Monroe industrial development agency during the  
32 current year. Such interest rates shall be expressed as a decimal to  
33 five places rounded to the nearest eighth of one-one hundredth. The  
34 interest rate established for such city applicable to projects first  
35 approved in such year shall be tentatively established as the interest  
36 rate computed pursuant to this clause for the current year, except that  
37 all apportionments of aid payable during the current year based on such  
38 estimated average interest rate shall be recalculated in the following  
39 year and adjusted as appropriate based on the appropriate actual average  
40 interest rate then established pursuant to this clause and shall be the  
41 interest rate established for such city applicable for purposes of  
42 calculating the assumed amortization for project costs approved during  
43 the current year pursuant to clause (b) of subparagraph three of this  
44 paragraph.

45 § 2. Section 16 of chapter 416 of the laws of 2007 establishing the  
46 city of Rochester and the board of education of the city school district  
47 of the city of Rochester school facilities modernization program act, is  
48 amended by adding a new subdivision (c) to read as follows:

49 (c) In the event that refunding bonds are issued to refund bonds  
50 issued to finance a project funded pursuant to this section, the refund-  
51 ing savings amount shall be used only for funding of projects that are  
52 eligible for an apportionment pursuant to subdivision 6 of section 3602  
53 of the education law.

54 § 3. This act shall take effect immediately.