S T A T E O F N E W Y O R K

3239

2009-2010 Regular Sessions

I N A S S E M B L Y

January 23, 2009

Introduced by M. of A. ENGLEBRIGHT, P. RIVERA -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the education law, in relation to authorizing establishment of tax stabilization reserve funds

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The education law is amended by adding a new article 44 to read as follows:

ARTICLE 44
TAX STABILIZATION RESERVE FUNDS

SECTION 2150. TAX STABILIZATION RESERVE FUNDS.

S 2150. TAX STABILIZATION RESERVE FUNDS. NOTWITHSTANDING ANY INCONSISTENT PROVISION OF LAW, THE BOARD OF EDUCATION OF EACH SCHOOL DISTRICT SHALL BE AUTHORIZED TO TRANSFER ANY MONIES IDENTIFIED AS AN UNAPPROPRIATED FUND BALANCE IN EXCESS OF TWO PERCENT OF THE CURRENT BUDGET PERMITTED TO BE RETAINED FOR MEETING CONTINGENT EXPENSES TO A SPECIAL FUND WHICH SHALL BE KNOWN AS A TAX STABILIZATION RESERVE FUND. MONIES IN SUCH FUND SHALL BE DEPOSITED IN ONE OR MORE OF THE BANKS OR TRUST COMPANIES DESIGNATED IN THE MANNER PROVIDED BY LAW AS DEPOSITORIES OF THE FUNDS FOR ANY GIVEN DISTRICT. THE MONIES IN SUCH FUND SO DEPOSITED SHALL BE KEPT IN A SEPARATE BANK ACCOUNT. BOARDS OF EDUCATION MAY INVEST THE MONIES IN SUCH FUNDS IN A MANNER PROVIDED BY SECTION ELEVEN OF THE GENERAL MUNICIPAL LAW. ANY INTEREST EARNED ON THE MONIES SO DEPOSITED OR INVESTED SHALL ACCRUE TO AND BECOME PART OF SUCH FUND. MONIES IN SUCH FUND MAY BE APPROPRIATED IN ACCORDANCE WITH A PLAN TO STABILIZE THE SCHOOL DISTRICT'S PROPERTY TAX RATE BY MAKING USE OF SUCH FUNDS TO OFFSET TAX LEVY NEEDS.

S 2. This act shall take effect immediately.

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

LBD06749-01-9