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

4007

2011-2012 Regular Sessions

I N S E N A T E

March 13, 2011

Introduced by COMMITTEE ON RULES -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend part A of a chapter of the laws of 2011 amending the education law relating to contracts for schools of excellence, as proposed in legislative bill number S. 2808-B, in relation to net gap elimination adjustment and repealing section 44 of such part

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

Section 1. Section 44 of part A of a chapter of the laws of 2011 amending the education law relating to contracts for schools of excellence, as proposed in legislative bill number S. 2808-B, is REPEALED and a new section 44 is added to read as follows:

S 44. SUBDIVISION 1 OF SECTION 3609-A OF THE EDUCATION LAW IS AMENDED BY ADDING A NEW PARAGRAPH E TO READ AS FOLLOWS:

E. NET GAP ELIMINATION ADJUSTMENT FOR TWO THOUSAND ELEVEN--TWO THOUSAND TWELVE. (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE COMMISSIONER SHALL INCREASE PAYMENTS DUE TO EACH DISTRICT FOR THE TWO THOUSAND ELEVEN--TWO THOUSAND TWELVE SCHOOL YEAR PURSUANT TO THIS SECTION BY AN AMOUNT EQUAL TO THE POSITIVE DIFFERENCE, IF ANY, BETWEEN THE GAP ELIMINATION ADJUSTMENT COMPUTED FOR SUCH DISTRICT LESS THE NET GAP ELIMINATION ADJUSTMENT COMPUTED FOR SUCH DISTRICT FOR THE TWO THOUSAND ELEVEN--TWO THOUSAND TWELVE SCHOOL YEAR, AND SUCH AMOUNT SHALL BE PAID ON THE SAME DATE AS PAYMENTS SCHEDULED TO BE MADE TO THE DISTRICT PURSUANT TO CLAUSE (VI) OF SUBPARAGRAPH TWO OF PARAGRAPH B OF THIS SUBDIVISION FOR THE TWO THOUSAND ELEVEN--TWO THOUSAND TWELVE SCHOOL YEAR. THE COMMISSIONER SHALL COMPUTE SUCH NET GAP ELIMINATION ADJUSTMENT AND SHALL PROVIDE A SCHEDULE OF SUCH PAYMENTS TO THE STATE COMPTROLLER, THE DIRECTOR OF THE BUDGET, THE CHAIR OF THE SENATE FINANCE COMMITTEE AND THE CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE.

(2) THE NET GAP ELIMINATION ADJUSTMENT FOR TWO THOUSAND ELEVEN--TWO THOUSAND TWELVE SCHOOL YEAR SHALL BE COMPUTED AS FOLLOWS, BASED ON AN

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

LBD10224-01-1

UPDATED ELECTRONIC DATA FILE CONTAINING ACTUAL AND ESTIMATED DATA RELATING TO APPORTIONMENTS DUE AND OWING DURING THE CURRENT SCHOOL YEAR AND PROJECTIONS OF SUCH APPORTIONMENTS FOR THE FOLLOWING SCHOOL YEAR TO SCHOOL DISTRICTS AND BOARDS OF COOPERATIVE EDUCATIONAL SERVICES FROM THE GENERAL SUPPORT FOR PUBLIC SCHOOLS, GROWTH AND BOARDS OF COOPERATIVE EDUCATIONAL SERVICES APPROPRIATIONS PRODUCED PURSUANT TO PARAGRAPH B OF SUBDIVISION TWENTY-ONE OF SECTION THREE HUNDRED FIVE OF THIS CHAPTER ON FEBRUARY FIFTEENTH OF THE BASE YEAR.

(I) THE PERCENTAGE REDUCTION SHALL BE THE SUM OF (A) THE PRODUCT OF THE TOTAL AID FOR ADJUSTMENT, MULTIPLIED BY SIX AND FOUR-TENTHS PERCENT (0.064), AND (B) THE PRODUCT OF FOUR THOUSAND FOUR HUNDRED DOLLARS ($4,400) MULTIPLIED BY THE REDUCTION FACTOR, MULTIPLIED BY THE PUBLIC SCHOOL DISTRICT ENROLLMENT FOR THE BASE YEAR COMPUTED PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH N OF SUBDIVISION ONE OF SECTION THIRTY-SIX HUNDRED TWO OF THIS PART, PROVIDED, HOWEVER, THAT SUCH PERCENTAGE REDUCTION SHALL NOT BE LESS THAN THE PRODUCT OF TEN PERCENT (0.1) MULTIPLIED BY SUCH TOTAL AID FOR ADJUSTMENT, AND NOT MORE THAN THE PRODUCT OF TWENTY PERCENT (0.2) MULTIPLIED BY SUCH TOTAL AID FOR ADJUSTMENT.

(II) THE TAX EFFORT REDUCTION SHALL BE THE PRODUCT OF THE TOTAL AID FOR ADJUSTMENT, MULTIPLIED BY THE QUOTIENT OF TWENTY-THREE PERCENT (0.23) DIVIDED BY THE QUOTIENT OF THE TAX EFFORT RATIO DIVIDED BY THREE HUNDRED EIGHTY-FOUR THOUSANDTHS (0.0384), PROVIDED, HOWEVER, THAT SUCH TAX EFFORT REDUCTION SHALL NOT BE LESS THAN THE PRODUCT OF TEN PERCENT (0.1) MULTIPLIED BY SUCH TOTAL AID FOR ADJUSTMENT, AND NOT MORE THAN THE PRODUCT OF TWENTY PERCENT (0.2) MULTIPLIED BY SUCH TOTAL AID FOR ADJUSTMENT.

(III) THE TGFE CHECK SHALL BE THE PRODUCT OF THE TGFE PERCENTAGE AND THE TOTAL GENERAL FUND EXPENDITURES OF SUCH DISTRICT IN THE BASE YEAR.

(IV) THE ADMINISTRATIVE EFFICIENCY OFFSET SHALL BE THE PRODUCT OF SEVENTY-FIVE DOLLARS ($75), MULTIPLIED BY THE STATE SHARING RATIO, MULTIPLIED BY THE TOTAL AIDABLE FOUNDATION PUPIL UNITS.

(V) THE NEEDS-BASED AWARD SHALL BE THE PRODUCT OF THE NEEDS-BASED FLAT GRANT, MULTIPLIED BY THE PUBLIC SCHOOL DISTRICT ENROLLMENT FOR THE BASE YEAR COMPUTED PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH N OF SUBDIVISION ONE OF SUCH SECTION THIRTY-SIX HUNDRED TWO OF THIS PART.

THE GAP ELIMINATION ADJUSTMENT FOR A DISTRICT SHALL EQUAL THE LESSER OF THE DISTRICT'S PERCENTAGE REDUCTION AND ITS TGFE CHECK, PROVIDED, HOWEVER, THAT IN THE CASE OF A DISTRICT WITH A TAX EFFORT RATIO GREATER THAN FOUR PERCENT (0.04), THE GAP ELIMINATION ADJUSTMENT FOR A DISTRICT SHALL EQUAL THE LESSER OF THE PERCENTAGE REDUCTION, THE TGFE CHECK AND THE TAX EFFORT REDUCTION, AND FURTHER PROVIDED THAT IN THE CASE OF A SCHOOL DISTRICT, OTHER THAN A CITY SCHOOL DISTRICT OF A CITY HAVING A POPULATION IN EXCESS OF ONE HUNDRED TWENTY-FIVE THOUSAND, WITH (A) AN ADMINISTRATIVE EFFICIENCY RATIO OF LESS THAN ONE AND EIGHT-TENTHS PERCENT (0.018) AND (B) AN ADMINISTRATIVE EXPENSE PER PUPIL OF LESS THAN THREE HUNDRED FORTY-EIGHT DOLLARS ($348), THE GAP ELIMINATION ADJUSTMENT SHALL BE REDUCED BY AN AMOUNT EQUAL TO THE ADMINISTRATIVE EFFICIENCY OFFSET, AND FURTHER PROVIDED THAT, WHERE APPLICABLE, THE GAP ELIMINATION ADJUSTMENT SHALL BE REDUCED BY AN AMOUNT EQUAL TO THE NEEDS-BASED AWARD.

(3) FOR THE PURPOSES OF SUCH COMPUTATION, (I) "TOTAL AID FOR ADJUSTMENT" SHALL MEAN THE SUM OF THE AMOUNTS SET FORTH FOR EACH SCHOOL DISTRICT AS "FOUNDATION AID", "FULL DAY K CONVERSION", "BOCES + SPECIAL SERVICES", "HIGH COST EXCESS COST", "PRIVATE EXCESS COST", "HARDWARE & TECHNOLOGY", "SOFTWARE, LIBRARY, TEXTBOOK", "TRANSPORTATION INCL SUMMER", "OPERATING REORG INCENTIVE", "CHARTER SCHOOL TRANSITIONAL", "ACADEMIC ENHANCEMENT", "HIGH TAX AID" AND "SUPPLEMENTAL PUB EXCESS

COST" UNDER THE HEADING "2011-12 ESTIMATED AIDS" IN THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE EXECUTIVE BUDGET PROPOSAL FOR THE TWO THOUSAND ELEVEN--TWO THOUSAND TWELVE SCHOOL YEAR;

(II) "THREE-YEAR AVERAGE FREE AND REDUCED PRICE LUNCH PERCENT" SHALL MEAN THE QUOTIENT OF (A) THE SUM OF THE NUMBER OF PUPILS IN KINDERGARTEN THROUGH GRADE SIX ATTENDING THE PUBLIC SCHOOLS OF THE DISTRICT WHO HAVE APPLICATIONS ON FILE OR WHO ARE LISTED ON A DIRECT CERTIFICATION LETTER CONFIRMING THEIR ELIGIBILITY FOR PARTICIPATION IN THE STATE AND FEDERALLY FUNDED FREE AND REDUCED PRICE LUNCH PROGRAM ON THE DATE ENROLLMENT WAS COUNTED IN ACCORDANCE WITH THIS SUBDIVISION FOR THE YEAR PRIOR TO THE BASE YEAR, PLUS SUCH NUMBER OF ELIGIBLE APPLICANTS FOR THE FREE AND REDUCED PRICE LUNCH PROGRAM COMPUTED FOR THE YEAR TWO YEARS PRIOR TO THE BASE YEAR, PLUS SUCH NUMBER OF ELIGIBLE APPLICANTS FOR THE FREE AND REDUCED PRICE LUNCH PROGRAM COMPUTED FOR THE YEAR THREE YEARS PRIOR TO THE BASE YEAR, DIVIDED BY (B) THE SUM OF THE NUMBER OF PUPILS IN KINDERGARTEN THROUGH GRADE SIX ON A REGULAR ENROLLMENT REGISTER OF A PUBLIC SCHOOL DISTRICT ON THE DATE ENROLLMENT WAS COUNTED IN ACCORDANCE WITH THIS SUBDIVISION FOR THE YEAR PRIOR TO THE BASE YEAR, PLUS SUCH NUMBER OF PUPILS IN KINDERGARTEN THROUGH GRADE SIX ON A REGULAR ENROLLMENT REGISTER OF A PUBLIC SCHOOL DISTRICT COMPUTED FOR THE YEAR TWO YEARS PRIOR TO THE BASE YEAR, PLUS SUCH NUMBER OF PUPILS IN KINDERGARTEN THROUGH GRADE SIX ON A REGULAR ENROLLMENT REGISTER OF A PUBLIC SCHOOL DISTRICT COMPUTED FOR THE YEAR THREE YEARS PRIOR TO THE BASE YEAR; AND

(III) "TOTAL AIDABLE FOUNDATION PUPIL UNITS" SHALL MEAN THE TOTAL AIDABLE FOUNDATION PUPIL UNITS COMPUTED PURSUANT TO PARAGRAPH G OF SUBDIVISION TWO OF SUCH SECTION THIRTY-SIX HUNDRED TWO OF THIS PART, FOR THE PURPOSES OF COMPUTING TOTAL FOUNDATION AID; AND

(IV) "COMBINED WEALTH RATIO FOR TOTAL FOUNDATION AID" SHALL MEAN THE COMBINED WEALTH RATIO FOR TOTAL FOUNDATION AID COMPUTED PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH C OF SUBDIVISION THREE OF SECTION THIRTY-SIX HUNDRED TWO OF THIS PART; AND

(V) "THE STATE SHARING RATIO" SHALL MEAN THE STATE SHARING RATIO COMPUTED FOR TOTAL FOUNDATION AID COMPUTED PURSUANT TO PARAGRAPH G OF SUBDIVISION THREE OF SECTION THIRTY-SIX HUNDRED TWO OF THIS PART, BUT NOT LESS THAN TEN PERCENT (0.10); AND

(VI) "TAX EFFORT RATIO" SHALL MEAN THE TAX EFFORT RATIO COMPUTED PURSUANT TO SUBPARAGRAPH THREE OF PARAGRAPH A OF SUBDIVISION SIXTEEN OF SECTION THIRTY-SIX HUNDRED TWO OF THIS PART; AND

(VII) "REDUCTION FACTOR" SHALL MEAN THE PRODUCT OF THE POSITIVE REMAINDER OF ONE LESS THE THREE-YEAR AVERAGE FREE AND REDUCED PRICE LUNCH PERCENT, MULTIPLIED BY THE COMBINED WEALTH RATIO FOR TOTAL FOUNDATION AID COMPUTED PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH C OF SUBDIVISION THREE OF SECTION THIRTY-SIX HUNDRED TWO OF THIS PART; AND

(VIII) "NEEDS-BASED FLAT GRANT" SHALL MEAN, (A) IN THE CASE OF A DISTRICT DETERMINED TO BE A HIGH NEED SCHOOL DISTRICT PURSUANT TO CLAUSE (C) OF SUBPARAGRAPH TWO OF PARAGRAPH C OF SUBDIVISION SIX OF SECTION THIRTY-SIX HUNDRED TWO OF THIS PART FOR THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE ENACTED BUDGET FOR THE TWO THOUSAND SEVEN--TWO THOUSAND EIGHT SCHOOL YEAR AND ENTITLED "SA0708", HAVING A NEED-RESOURCE CATEGORY OF THREE OR FOUR, SEVENTY DOLLARS ($70.00), AND (B) IN THE CASE OF A DISTRICT DETERMINED TO BE AN AVERAGE NEED SCHOOL DISTRICT PURSUANT TO CLAUSE (C) OF SUBPARAGRAPH TWO OF PARAGRAPH C OF SUBDIVISION SIX OF SECTION THIRTY-SIX HUNDRED TWO OF THIS PART FOR THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE ENACTED BUDGET FOR THE TWO THOUSAND SEVEN--TWO

THOUSAND EIGHT SCHOOL YEAR AND ENTITLED "SA0708", HAVING A NEED-RESOURCE CATEGORY OF FIVE, FIFTY-FIVE DOLLARS ($55.00).

(IX) "ADMINISTRATIVE EFFICIENCY RADIO" SHALL MEAN THE QUOTIENT OF THE SUM OF THE EXPENDITURES RELATED TO THE BOARD OF EDUCATION, INCLUDING EXPENDITURES FOR THE BOARD OF EDUCATION, THE DISTRICT CLERK'S OFFICE, THE DISTRICT MEETING, AUDITING SERVICE, THE TREASURER'S OFFICE, THE TAX COLLECTOR'S OFFICE, LEGAL SERVICES AND THE SCHOOL CENSUS, PLUS EXPENDITURES FOR CENTRAL ADMINISTRATION, INCLUDING EXPENDITURES FOR THE CHIEF SCHOOL OFFICER, THE BUSINESS OFFICE, THE PURCHASING OFFICE, THE PERSONNEL OFFICE, THE RECORDS MANAGEMENT OFFICER, PUBLIC INFORMATION AND SERVICES, FEES FOR FISCAL AGENTS AND UNDISTRIBUTED INDIRECT COSTS, DIVIDED BY THE TOTAL EXPENDITURES CHARGED BY A DISTRICT TO THE GENERAL, DEBT SERVICE, AND SPECIAL AID FUNDS, EXCLUDING TRANSFERS FROM THE GENERAL FUND TO THE DEBT SERVICE AND SPECIAL AID FUNDS, BASED ON EXPENDITURES REPORTED BY THE DISTRICT FOR THE SCHOOL YEAR TWO YEARS PRIOR TO THE BASE YEAR, BASED ON DATA ON FILE FOR AN ELECTRONIC DATA FILE USED TO PRODUCE THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE EXECUTIVE BUDGET REQUEST; AND

(X) "ADMINISTRATIVE EXPENSE PER PUPIL" SHALL MEAN THE QUOTIENT OF THE SUM OF THE EXPENDITURES RELATED TO THE BOARD OF EDUCATION, INCLUDING EXPENDITURES FOR THE BOARD OF EDUCATION, THE DISTRICT CLERK'S OFFICE, THE DISTRICT MEETING, AUDITING SERVICE, THE TREASURER'S OFFICE, THE TAX COLLECTOR'S OFFICE, LEGAL SERVICES AND THE SCHOOL CENSUS, PLUS EXPENDITURES FOR CENTRAL ADMINISTRATION, INCLUDING EXPENDITURES FOR THE CHIEF SCHOOL OFFICER, THE BUSINESS OFFICE, THE PURCHASING OFFICE, THE PERSONNEL OFFICE, THE RECORDS MANAGEMENT OFFICER, PUBLIC INFORMATION AND SERVICES, FEES FOR FISCAL AGENTS AND UNDISTRIBUTED INDIRECT COSTS, CHARGED BY A DISTRICT TO THE GENERAL, DEBT SERVICE, AND SPECIAL AID FUNDS, BASED ON EXPENDITURES REPORTED BY THE DISTRICT FOR THE SCHOOL YEAR TWO YEARS PRIOR TO THE BASE YEAR, DIVIDED BY THE PUBLIC SCHOOL DISTRICT ENROLLMENT FOR THE BASE YEAR COMPUTED PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH N OF SUBDIVISION ONE OF SECTION THIRTY-SIX HUNDRED TWO OF THIS PART BASED ON DATA ON FILE FOR AN ELECTRONIC DATA FILE USED TO PRODUCE THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE EXECUTIVE BUDGET REQUEST; AND

(XI) "TGFE PERCENTAGE" SHALL MEAN, (A) IN THE CASE OF A DISTRICT DETERMINED TO BE A HIGH NEED SCHOOL DISTRICT PURSUANT TO CLAUSE (C) OF SUBPARAGRAPH TWO OF PARAGRAPH C OF SUBDIVISION SIX OF SECTION THIRTY-SIX HUNDRED TWO OF THIS PART FOR THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE ENACTED BUDGET FOR THE TWO THOUSAND SEVEN--TWO THOUSAND EIGHT SCHOOL YEAR AND ENTITLED "SA0708", FOR A SCHOOL DISTRICT WHICH HAS A THREE-YEAR AVERAGE FREE AND REDUCED PRICE LUNCH PERCENT GREATER THAN SEVENTY-FIVE PERCENT (0.75) AND WHICH HAS AN ADMINISTRATIVE EFFICIENCY RATIO LESS THAN ONE AND FIFTY-FIVE ONE HUNDREDTHS PERCENT (0.0155), FOUR AND SEVEN TENTHS PERCENT (0.047) AND FOR ALL OTHER SUCH SCHOOL DISTRICTS, SIX AND NINE TENTHS PERCENT (0.069), OR (B) IN THE CASE OF ALL OTHER SCHOOL DISTRICTS, ELEVEN PERCENT (0.11).

S 2. This act shall take effect on the same date and in the same manner as part A of a chapter of the laws of 2011 amending the education law relating to contracts for schools of excellence, as proposed in legislative bill number S. 2808-B, takes effect.