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

6861

2011-2012 Regular Sessions

I N A S S E M B L Y

April 5, 2011

Introduced by M. of A. GANTT -- read once and referred to the Committee on Education

AN ACT to amend the education law, in relation to making maintenance of effort payments be applied at a uniform rate among certain cities

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

Section 1. Subdivision 5-b of section 2576 of the education law, as added by section 9 of part B of chapter 57 of the laws of 2007, paragraphs c and d as amended by section 29 of part A of chapter 57 of the laws of 2009, is amended to read as follows:

5-b. a. For the purposes of this subdivision, the terms:

(i) "city funds" shall mean funds of each city having a population of one hundred twenty-five thousand or more inhabitants and less than one million inhabitants derived from any source except funds contained within the capital budget, funds from county sales tax revenues shared with such city, funds derived from any federal source and funds derived from any state or private sources over which the city has no discretion, as defined pursuant to regulations developed by the commissioner and approved by the director of the budget.

(ii) "city amount" shall mean the total amount of expenditures funded by city funds for the support of the city school district of each city having a population of one hundred twenty-five thousand or more inhabitants and less than one million inhabitants[, not including]. "CITY AMOUNT" SHALL NOT INCLUDE ANY city payments to bond or note holders for debt service payments of such district, as contained within the budget as adopted by such city AND SUCH CITY PAYMENTS SHALL NOT BE INCLUDED IN ANY CITY'S MAINTENANCE OF EFFORT PAYMENT CALCULATION.

(iii) "base year" shall mean the fiscal year immediately preceding the fiscal year for which the budget referred to in subparagraph (ii) of this paragraph is adopted. The initial base year shall be the fiscal year ending June thirtieth, two thousand [seven] TEN.

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

LBD10277-02-1

(IV) "PER STUDENT RATE" SHALL MEAN THE CITY AMOUNT IN THE INITIAL BASE YEAR DIVIDED BY THE NUMBER OF STUDENTS ENROLLED IN PUBLIC SCHOOLS LOCATED WITHIN THE BOUNDARIES OF THE CITY, AS REPORTED BY THE DEPARTMENT FOR THE TWO THOUSAND NINE--TWO THOUSAND TEN SCHOOL YEAR.

(V) "MINIMUM PER STUDENT RATE" SHALL MEAN THE LOWEST PER STUDENT RATE OF ALL CITIES SUBJECT TO THE PROVISIONS OF THIS SUBDIVISION.

b. The city amount FOR ALL CITIES SUBJECT TO THIS SUBDIVISION shall [not be less than the city amount appropriated in the base year determined at the time of adoption of the budget for the ensuing fiscal year, and shall not be less than the city amount expended in the base year determined as of the end of the school year], AT A MINIMUM, BE EQUAL TO THE MINIMUM PER STUDENT RATE MULTIPLIED BY THE NUMBER OF STUDENTS ENROLLED IN PUBLIC SCHOOLS LOCATED WITHIN THE CITY, AS REPORTED BY THE DEPARTMENT FOR THE TWO THOUSAND NINE--TWO THOUSAND TEN SCHOOL YEAR. NO CITY SHALL BE REQUIRED TO EXPEND MORE THAN THE CITY AMOUNT. NOTHING IN THIS PARAGRAPH SHALL BE CONSTRUED TO PREVENT A CITY FROM VOLUNTARILY EXPENDING AN AMOUNT GREATER THAN THEIR CITY AMOUNT. [Provided, however, in the event] IF the total amount of city funds relied upon to balance [such] THE CITY'S budget IN ANY GIVEN YEAR is lower than the total amount of city funds appropriated BY SUCH CITY in the CITY'S INITIAL base year, as determined at the time of adoption of such budget, the city amount may be reduced by up to the same percentage as the overall percentage decrease in city funds between the INITIAL base year and the ensuing fiscal year.

c. Upon the enactment of a city budget, for the two thousand [nine] ELEVEN--two thousand [ten] TWELVE school year budget and annually thereafter, the chief executive officer of the city, as defined pursuant to subdivision five-a of section 2.00 of the local finance law, shall annually certify to the commissioner, in a form prescribed by the commissioner upon approval of the director of the budget, as to the city amount in such budget, the city amount in the INITIAL base year, and that the city amount appropriated in such budget is in compliance with paragraph b of this subdivision.

d. The school district audit report certified to by an independent certified public accountant or an independent accountant pursuant to section twenty-one hundred sixteen-a of this title for the two thousand eight--two thousand nine school year budget and annually thereafter shall include a certification by the accountant, in a form prescribed by the commissioner upon approval of the director of the budget, as to the city amount expended in the school year covered by such audit report, the city amount in the [prior school] INITIAL BASE year, THE SCHOOL'S PER STUDENT RATE, THE MINIMUM PER STUDENT RATE THAT WILL BE APPLIED TO THE SCHOOL'S CALCULATION OF ITS MAINTENANCE OF EFFORT PAYMENT, and that the city amount expended in the school year covered by such audit report is in compliance with paragraph b of this subdivision.

S 2. This act shall take effect immediately.