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

9004

I N A S S E M B L Y

January 13, 2012

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

AN ACT to amend the education law, the general municipal law and the public authorities law, in relation to allowing the city school district of the city of Yonkers the option of amortizing future payments to the New York state teachers' retirement system

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

Section 1. Section 521 of the education law is amended by adding a new subdivision 3 to read as follows:

3. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE BOARD OF EDUCATION OF THE CITY SCHOOL DISTRICT OF THE CITY OF YONKERS MAY ELECT TO PROVIDE FOR THE FINANCING OF A CERTAIN PORTION OF THE CONTRIBUTIONS DUE FROM SUCH EMPLOYER PURSUANT TO THIS SECTION ON ACCOUNT OF PENSIONABLE COMPENSATION PAID BY SUCH EMPLOYER DURING THE PLAN YEARS JULY FIRST, TWO THOUSAND TWELVE THROUGH JUNE THIRTIETH, TWO THOUSAND THIRTEEN AND JULY FIRST, TWO THOUSAND THIRTEEN THROUGH JUNE THIRTIETH, TWO THOUSAND FOURTEEN IN ACCORDANCE WITH THE FOLLOWING PROVISIONS.

A. THE BOARD OF EDUCATION OF THE CITY SCHOOL DISTRICT OF THE CITY OF YONKERS SHALL HAVE THE AUTHORITY TO ADOPT A BOND RESOLUTION AUTHORIZING THE FINANCING OF THE PAYMENT OF A PORTION OF THE CONTRIBUTIONS DUE FROM SUCH EMPLOYER ON ACCOUNT OF PENSIONABLE COMPENSATION PAID BY SUCH EMPLOYER IN SUCH PLAN YEARS BY THE ISSUANCE OF BONDS, PROVIDED THE ISSUANCE OF SUCH OBLIGATIONS OTHERWISE COMPLIES WITH THE REQUIREMENTS OF THE LOCAL FINANCE LAW AND THIS CHAPTER AND PROVIDED FURTHER THE AMOUNT OF BONDS ISSUED PURSUANT TO THIS AUTHORITY SHALL NOT IN THE AGGREGATE EXCEED ONE HUNDRED TWENTY-FIVE PER CENTUM OF THE CONTRIBUTIONS DUE FROM SUCH EMPLOYER ON ACCOUNT OF PENSIONABLE COMPENSATION PAID DURING THE PLAN YEAR JULY FIRST, TWO THOUSAND ELEVEN THROUGH JUNE THIRTIETH, TWO THOUSAND TWELVE. SUCH BOARD OF EDUCATION SHALL HAVE THE AUTHORITY TO CONTRACT WITH THE STATE DORMITORY AUTHORITY FOR THE PURPOSES OF FINANCING THE PAYMENT UNDER THIS SECTION.

B. THE PROCEEDS OF SUCH BOND ISSUANCE SHALL BE DEPOSITED BY THE BOARD OF EDUCATION OF THE CITY SCHOOL DISTRICT OF THE CITY OF YONKERS IN A

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

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RETIREMENT CONTRIBUTION RESERVE ACCOUNT ESTABLISHED PURSUANT TO SECTION SIX-R OF THE GENERAL MUNICIPAL LAW AND SHALL BE APPLIED TO OFFSET THOSE CONTRIBUTIONS DUE FROM SUCH EMPLOYER TO THE SYSTEM ON ACCOUNT OF PENSIONABLE COMPENSATION PAID DURING THE PLAN YEARS JULY FIRST, TWO THOUSAND TWELVE THROUGH JUNE THIRTIETH, TWO THOUSAND THIRTEEN AND JULY FIRST, TWO THOUSAND THIRTEEN THROUGH JUNE THIRTIETH, TWO THOUSAND FOURTEEN AND PAID TO THE SYSTEM FROM THE APPROPRIATION FOR THE SUPPORT OF COMMON SCHOOLS PURSUANT TO THIS SECTION AS FOLLOWS:

(I) SO MUCH OF SUCH PROCEEDS SHALL BE APPLIED TO OFFSET THE CONTRIBUTIONS DUE FROM SUCH EMPLOYER ON ACCOUNT OF PENSIONABLE COMPENSATION PAID BY SUCH EMPLOYER DURING THE PLAN YEAR JULY FIRST, TWO THOUSAND TWELVE THROUGH JUNE THIRTIETH, TWO THOUSAND THIRTEEN AND PAID TO THE SYSTEM FROM THE APPROPRIATION FOR THE SUPPORT OF COMMON SCHOOLS PURSUANT TO THIS SECTION, BUT IN NO EVENT SHALL THE OFFSET EXCEED THE AMOUNT BY WHICH THE CONTRIBUTION OBLIGATION OF SUCH EMPLOYER EXCEEDS EIGHT AND SIXTY-TWO ONE HUNDREDTHS PER CENTUM OF SUCH PENSIONABLE COMPENSATION; AND

(II) THE REMAINDER OF SUCH PROCEEDS, IF ANY, SHALL BE APPLIED TO OFFSET THE CONTRIBUTIONS DUE FROM SUCH EMPLOYER ON ACCOUNT OF PENSIONABLE COMPENSATION PAID BY SUCH EMPLOYER DURING THE PLAN YEAR JULY FIRST, TWO THOUSAND THIRTEEN THROUGH JUNE THIRTIETH, TWO THOUSAND FOURTEEN AND PAID TO THE SYSTEM FROM THE APPROPRIATION FOR THE SUPPORT OF COMMON SCHOOLS PURSUANT TO THIS SECTION, BUT IN NO EVENT SHALL THE OFFSET EXCEED THE AMOUNT BY WHICH THE CONTRIBUTION OBLIGATION OF THE EMPLOYER EXCEEDS EIGHT AND SIXTY-TWO ONE HUNDREDTHS PER CENTUM OF SUCH PENSIONABLE COMPENSATION; AND

(III) ANY BALANCE OF SUCH PROCEEDS, IF ANY, REMAINING AFTER THE ACTIONS PRESCRIBED IN SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH SHALL BE APPLIED TO OFFSET THE CONTRIBUTIONS DUE FROM SUCH EMPLOYER ON ACCOUNT OF PENSIONABLE COMPENSATION PAID BY SUCH EMPLOYER DURING THE PLAN YEAR JULY FIRST, TWO THOUSAND FOURTEEN THROUGH JUNE THIRTIETH, TWO THOUSAND FIFTEEN, USED TO OFFSET DEBT RESULTING FROM THIS BOND ISSUANCE OR PAY FUTURE EMPLOYER PENSION CONTRIBUTIONS.

S 2. Paragraphs b and c of subdivision 1 of section 6-r of the general municipal law, as added by chapter 260 of the laws of 2004, are amended to read as follows:

b. "Participating employer" means a participating employer as defined in subdivision twenty of section two of the retirement and social security law or in subdivision twenty of section three hundred two of such law OR THE BOARD OF EDUCATION OF THE CITY SCHOOL DISTRICT OF THE CITY OF YONKERS.

c. "Retirement contribution" shall mean all or any portion of the amount payable by a municipal corporation to either the New York state and local employees' retirement system or the New York state and local police and fire retirement system pursuant to section seventeen or three hundred seventeen of the retirement and social security law OR TO THE NEW YORK STATE TEACHERS' RETIREMENT SYSTEM PURSUANT TO SECTIONS FIVE HUNDRED SEVENTEEN AND FIVE HUNDRED TWENTY-ONE OF THE EDUCATION LAW.

S 3. Section 6-r of the general municipal law is amended by adding a new subdivision 11 to read as follows:

11. A PARTICIPATING EMPLOYER WHICH HAS DEPOSITED THE PROCEEDS OF A BOND ISSUANCE AUTHORIZED PURSUANT TO SUBDIVISION THREE OF SECTION FIVE HUNDRED TWENTY-ONE OF THE EDUCATION LAW IS AUTHORIZED TO WITHDRAW SUCH PROCEEDS WHEN BUT ONLY TO THE EXTENT SUCH PROCEEDS HAVE BEEN OFFSET AGAINST THE CONTRIBUTION OBLIGATION OF SUCH EMPLOYER TO THE NEW YORK STATE TEACHERS' RETIREMENT SYSTEM AS PROVIDED IN SUCH SUBDIVISION.

S 4. Section 1678 of the public authorities law is amended by adding a new subdivision 26 to read as follows:

26. TO ENTER INTO A CONTRACT OR CONTRACTS WITH THE BOARD OF EDUCATION OF THE CITY SCHOOL DISTRICT OF THE CITY OF YONKERS FOR THE PURPOSE OF FINANCING RETIREMENT CONTRIBUTIONS PAYMENTS PURSUANT TO SUBDIVISION THREE OF SECTION FIVE HUNDRED TWENTY-ONE OF THE EDUCATION LAW.

S 5. This act shall take effect immediately.