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I N S E N A T E

January 21, 2014

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A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the education law, in relation to contracts for excellence, calculation of the gap elimination restoration amount, apportionment of school aid, teachers of tomorrow teacher recruitment and retention program, school district reorganizations and real property tax rates, transportation after 4 p.m., to establish a teacher excellence fund, duties and waivers of school districts with children with handicapping conditions, to authorize the commissioner of education to establish regional tuition rates for approved special education itinerant services, to authorize reimbursement for approved special education itinerant services based on actual attendance, to authorize New York city to establish local tuition rates for approved special education itinerant services; to amend chapter 756 of the laws of 1992 relating to funding a program for work force education conducted by the consortium for worker education in New York city, in relation to apportionment and reimbursement; and in relation to extending the expiration of certain provisions; to amend chapter 169 of the laws of 1994 relating to certain provisions related to the 1994-95 state operations, aid to localities, capital projects and debt service budgets; to amend chapter 82 of the laws of 1995, amending the education law and certain other laws relating to state aid to school districts and the appropriation of funds for the support of government; to amend the education law, in relation to the definition of "school district basic contribution"; to amend chapter 147 of the laws of 2001 amending the education law relating to conditional appointment of school district, charter school or BOCES employees; to amend chapter 425 of the laws of 2002 amending the education law relating to the provision of supplemental educational services, attendance at a safe public school and the suspension of pupils who bring a firearm to or possess a firearm at a school; to amend chapter 101 of the laws of 2003 amending the

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

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education law relating to implementation of the No Child Left Behind Act of 2001, in relation to extending the expiration of certain provisions of such chapters; to provide special apportionment for school bus driver training; to provide special apportionment for salary expenses; to provide special apportionment for public pension accruals; to provide special apportionment for salary expenses; in relation to suballocation of certain education department accruals; in relation to the support of public libraries; and providing for the repeal of certain provisions upon expiration thereof (Part A); to amend the education law, in relation to school building aid; to amend chapter 57 of the laws of 2012, amending the education law and other laws relating to implementing the education, labor and family assistance budget, in relation to extending the date on which a school district shall submit their final cost report by; in relation to tuition rates for the education of students with disabilities; in relation to extending the dates for moneys apportioned; to direct the commissioner of education to establish an online learning advisory committee to make recommendations on establishing a statewide online and blended learning program; and to amend the education law, in relation to the annexation of school district territory and the consolidation of two or more school districts and in relation to boards of cooperative educational services; to amend chapter 121 of the laws of 1996 relating to authorizing the Roosevelt union free school district to finance deficits by the issuance of serial bonds, in relation to extending certain provisions; to amend the general municipal law, in relation to withdrawals from the employee benefit accrued liability reserve fund; to amend the education law, in relation to certain powers of boards of cooperative educational services; to amend chapter 97 of the laws of 2011 amending the education law relating to census reporting, in relation to the effectiveness of certain provisions thereof; to amend the education law, in relation to making internal audit functions optional by school districts unless an audit by the comptroller reveals deficiencies; to amend chapter 698 of the laws of 1996 amending the education law relating to transportation contracts, in relation to the effectiveness thereof; to amend the education law, in relation to Earth day; authorizing the Valley Stream School District 24 to transfer to the general fund of such school district surplus monies in the retirement contribution reserve fund; relating to providing professional development and parent preparation programs to meet the needs of implementing common core learning standards; to repeal paragraph d of subdivision 4 of section 3641 of the education law relating to a school district's requirement to report on the status of asbestos; in relation to certain aid for the General Brown central school district; to amend the education law, in relation to the financing of charter schools; to amend the education law, in relation to charter schools' use of district school buildings and grounds; to amend the education law, in relation to the oversight and supervision of charter schools in a city having a population of one million or more inhabitants; to amend the education law, in relation to powers and duties of chancellor and proposed school closings and significant changes in school utilization; to amend the education law, in relation to building aid for charter schools; and relating to transportation aid for a school district transportation contract (Part A-1); to amend the education law, in relation to regional secondary schools (Part A-2); intentionally omitted (Part B); intentionally omitted (Part C); to amend

the education law, in relation to enacting the "nurse practitioners modernization act" (Part D); intentionally omitted (Part E); intentionally omitted (Part F); intentionally omitted (Part G); to amend chapter 57 of the laws of 2005 amending the labor law and other laws implementing the state fiscal plan for the 2005-2006 state fiscal year, relating to the New York state higher education capital matching grant program for independent colleges, in relation to the New York state higher education matching grant program for independent colleges and the effectiveness thereof (Part H); to amend the social services law, in relation to increasing the standards of monthly need for aged, blind and disabled persons living in the community (Part I); to amend the social services law, in relation to prohibiting the sale or purchase of alcoholic beverages, tobacco products or lottery tickets with public assistance benefits and prohibiting use of or access to such benefits in a casino, liquor store or adult entertainment facility; and to amend the state finance law, in relation to establishing the public assistance integrity fund (Part J); to utilize reserves in the project pool insurance account of the mortgage insurance fund for various housing purposes (Part K); to amend the education law, in relation to educational programs in juvenile justice programs operated by the office of children and family services (Subpart A); Intentionally omitted (Subpart B) (Part L); to amend the social services law, in relation to providing a rent cap for people living with HIV/AIDS in social services districts with a population over five million; and providing for the repeal of such provisions upon expiration thereof (Part M); to amend the education law, in relation to enacting "Erin Merryn's law" (Part N); to amend the labor law, in relation to the number of hours employees may work in the hospitality industry (Part O); to amend the education law, in relation to community colleges (Part P); to amend the state finance law, in relation to establishing the state university of New York upstate medical hospital operating account, the state university of New York downstate medical hospital operating account and the state university of New York Stony Brook medical hospital operating account and to amend the education law, in relation to apportionment to the state university; and to repeal subdivision 8-a of section 355 of the education law relating thereto (Part Q); to amend the education law, in relation to state appropriations to the state university of New York and the city university of New York (Part R); to amend the education law, in relation to requiring the chancellor of the state university of New York to report to the governor and the legislature on economic development activities (Part S); in relation to directing the chancellor of the state university of New York to convene a task force to examine ways in which the university centers can be made more autonomous (Part T); to amend the education law, in relation to the New York state licensed social worker loan forgiveness program (Part U); to amend the education law, in relation to tuition assistance program awards (Part V); to amend the education law and the state finance law, in relation to establishing the New York student affordable refinancing for tomorrow program (New START) (Part W); to amend the education law, the state finance law, the civil practice law and rules and the tax law, in relation to establishing the New York state pre-paid tuition plan (Part X); to amend the education law, in relation to establishing the retrain and employ unemployed persons program (Part Y); to amend the education law, in relation to online programs and accelerated proficiency degree programs at the state university of New York (Part Z);

to amend the financial services law, in relation to the truth in student lending clearinghouse program; and to amend the financial services law and the education law, in relation to the student lending transparency program (Part AA); to amend the education law, in relation to restricting the sale, lease, transfer or authorization of open-air schoolhouse playgrounds for certain uses (Part BB); to amend the private housing finance law, in relation to disabled veteran access to home for heroes contracts (Part CC); to amend the education law, in relation to establishing the New York state young farmers loan forgiveness incentive program (Part DD); to amend the executive law, in relation to establishing an inter-agency affordable housing development task force; and providing for the repeal of such provisions upon expiration thereof (Part EE); to amend the real property tax law, in relation to the tax abatement and exemption for rent regulated and rent controlled property occupied by senior citizens (Part FF); to amend the private housing finance law, in relation to establishing the Mitchell-Lama 2020 housing trust fund program (Part GG); to amend the social services law, in relation to requiring child day care facilities to post a copy of the most recent inspection report (Part HH); to grant an exemption from certain provisions of the administrative code of the city of New York relating to benefits pursuant to section 421-a of the real property tax law (Part II); to amend the real property tax law, in relation to permitting senior citizens whose spouses are deceased to substitute a more recent year's income for purposes of determining eligibility for the enhanced exemption for school tax relief (Part JJ); to amend the social services law, in relation to eligibility for child care block grants to eligible families (Part KK); and to amend the workers' compensation law and the insurance law, in relation to establishing family care benefits (Part LL)

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

1 Section 1. This act enacts into law major components of legislation  
2 which are necessary to implement the state fiscal plan for the 2014-2015  
3 state fiscal year. Each component is wholly contained within a Part  
4 identified as Parts A through LL. The effective date for each particular  
5 provision contained within such Part is set forth in the last section of  
6 such Part. Any provision in any section contained within a Part, includ-  
7 ing the effective date of the Part, which makes a reference to a section  
8 "of this act", when used in connection with that particular component,  
9 shall be deemed to mean and refer to the corresponding section of the  
10 Part in which it is found. Section three of this act sets forth the  
11 general effective date of this act.

12 PART A

13 Section 1. Paragraph e of subdivision 1 of section 211-d of the educa-  
14 tion law, as amended by section 2 of part A of chapter 57 of the laws of  
15 2013, is amended to read as follows:

16 e. Notwithstanding paragraphs a and b of this subdivision, a school  
17 district that submitted a contract for excellence for the two thousand  
18 eight--two thousand nine school year shall submit a contract for excel-  
19 lence for the two thousand nine--two thousand ten school year in  
20 conformity with the requirements of subparagraph (vi) of paragraph a of

1 subdivision two of this section unless all schools in the district are  
2 identified as in good standing and provided further that, a school  
3 district that submitted a contract for excellence for the two thousand  
4 nine--two thousand ten school year, unless all schools in the district  
5 are identified as in good standing, shall submit a contract for excel-  
6 lence for the two thousand eleven--two thousand twelve school year which  
7 shall, notwithstanding the requirements of subparagraph (vi) of para-  
8 graph a of subdivision two of this section, provide for the expenditure  
9 of an amount which shall be not less than the product of the amount  
10 approved by the commissioner in the contract for excellence for the two  
11 thousand nine--two thousand ten school year, multiplied by the  
12 district's gap elimination adjustment percentage and provided further  
13 that, a school district that submitted a contract for excellence for the  
14 two thousand eleven--two thousand twelve school year, unless all schools  
15 in the district are identified as in good standing, shall submit a  
16 contract for excellence for the two thousand twelve--two thousand thir-  
17 teen school year which shall, notwithstanding the requirements of  
18 subparagraph (vi) of paragraph a of subdivision two of this section,  
19 provide for the expenditure of an amount which shall be not less than  
20 the amount approved by the commissioner in the contract for excellence  
21 for the two thousand eleven--two thousand twelve school year AND  
22 PROVIDED FURTHER THAT, A SCHOOL DISTRICT WITH A POPULATION OF ONE  
23 MILLION OR MORE THAT SUBMITTED A CONTRACT FOR EXCELLENCE FOR THE TWO  
24 THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR, UNLESS ALL SCHOOLS  
25 IN THE DISTRICT ARE IDENTIFIED AS IN GOOD STANDING, SHALL SUBMIT A  
26 CONTRACT FOR EXCELLENCE FOR THE TWO THOUSAND FOURTEEN--TWO THOUSAND  
27 FIFTEEN SCHOOL YEAR WHICH SHALL, NOTWITHSTANDING THE REQUIREMENTS OF  
28 SUBPARAGRAPH (VI) OF PARAGRAPH A OF SUBDIVISION TWO OF THIS SECTION,  
29 PROVIDE FOR THE EXPENDITURE OF AN AMOUNT WHICH SHALL BE NOT LESS THAN  
30 THE AMOUNT APPROVED BY THE COMMISSIONER IN THE CONTRACT FOR EXCELLENCE  
31 FOR THE TWO THOUSAND THIRTEEN--TWO THOUSAND FOURTEEN SCHOOL YEAR. For  
32 purposes of this paragraph, the "gap elimination adjustment percentage"  
33 shall be calculated as the sum of one minus the quotient of the sum of  
34 the school district's net gap elimination adjustment for two thousand  
35 ten--two thousand eleven computed pursuant to chapter fifty-three of the  
36 laws of two thousand ten, making appropriations for the support of  
37 government, plus the school district's gap elimination adjustment for  
38 two thousand eleven--two thousand twelve as computed pursuant to chapter  
39 fifty-three of the laws of two thousand eleven, making appropriations  
40 for the support of the local assistance budget, including support for  
41 general support for public schools, divided by the total aid for adjust-  
42 ment computed pursuant to chapter fifty-three of the laws of two thou-  
43 sand eleven, making appropriations for the local assistance budget,  
44 including support for general support for public schools. Provided,  
45 further, that such amount shall be expended to support and maintain  
46 allowable programs and activities approved in the two thousand nine--two  
47 thousand ten school year or to support new or expanded allowable  
48 programs and activities in the current year.

49 S 1-a. The opening paragraph of subdivision 4 of section 3602 of the  
50 education law, as amended by section 8-a of part A of chapter 57 of the  
51 laws of 2013, is amended to read as follows:

52 In addition to any other apportionment pursuant to this chapter, a  
53 school district, other than a special act school district as defined in  
54 subdivision eight of section four thousand one of this chapter, shall be  
55 eligible for total foundation aid equal to the product of total aidable  
56 foundation pupil units multiplied by the district's selected foundation

1 aid, which shall be the greater of five hundred dollars (\$500) or foun-  
2 dation formula aid, provided, however that for the two thousand seven--  
3 two thousand eight through two thousand eight--two thousand nine school  
4 years, no school district shall receive total foundation aid in excess  
5 of the sum of the total foundation aid base for aid payable in the two  
6 thousand seven--two thousand eight school year computed pursuant to  
7 subparagraph (i) of paragraph j of subdivision one of this section, plus  
8 the phase-in foundation increase computed pursuant to paragraph b of  
9 this subdivision, and provided further that for the two thousand twelve-  
10 -two thousand thirteen school year, no school district shall receive  
11 total foundation aid in excess of the sum of the total foundation aid  
12 base for aid payable in the two thousand eleven--two thousand twelve  
13 school year computed pursuant to paragraph j of subdivision one of this  
14 section, plus the phase-in foundation increase computed pursuant to  
15 paragraph b of this subdivision, and provided further that for the two  
16 thousand thirteen--two thousand fourteen school year [and thereafter],  
17 no school district shall receive total foundation aid in excess of the  
18 sum of the total foundation aid base computed pursuant to paragraph j of  
19 subdivision one of this section, plus the phase-in foundation increase  
20 computed pursuant to paragraph b of this subdivision and provided  
21 further that total foundation aid shall not be less than the product of  
22 the total foundation aid base computed pursuant to paragraph j of subdi-  
23 vision one of this section and the due-minimum percent which shall be,  
24 for the two thousand twelve--two thousand thirteen school year, one  
25 hundred and six-tenths percent (1.006) and for the two thousand thir-  
26 teen--two thousand fourteen school year for city school districts of  
27 those cities having populations in excess of one hundred twenty-five  
28 thousand and less than one million inhabitants one hundred and one and  
29 one hundred and seventy-six thousandths percent (1.01176), and for all  
30 other districts one hundred and three-tenths percent (1.003), subject to  
31 allocation pursuant to the provisions of subdivision eighteen of this  
32 section and any provisions of a chapter of the laws of New York as  
33 described therein, nor more than the product of such total foundation  
34 aid base and one hundred fifteen percent, and provided further that for  
35 the two thousand nine--two thousand ten through two thousand eleven--two  
36 thousand twelve school years, each school district shall receive total  
37 foundation aid in an amount equal to the amount apportioned to such  
38 school district for the two thousand eight--two thousand nine school  
39 year pursuant to this subdivision AND PROVIDED FURTHER, THAT FOR THE TWO  
40 THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN SCHOOL YEAR EACH SCHOOL DISTRICT  
41 SHALL RECEIVE FOUNDATION AID IN AN AMOUNT EQUAL TO THE GREATER OF THE  
42 AMOUNT SET FORTH FOR SUCH SCHOOL DISTRICT AS "FOUNDATION AID" UNDER THE  
43 HEADING "2014-15 ESTIMATED AIDS" IN THE SCHOOL AID COMPUTER LISTING  
44 PRODUCED BY THE COMMISSIONER IN SUPPORT OF THE EXECUTIVE BUDGET FOR THE  
45 TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN FISCAL YEAR AND ENTITLED  
46 "BT141-5" AND THE TOTAL FOUNDATION AID BASE COMPUTED PURSUANT TO PARA-  
47 GRAPH J OF SUBDIVISION ONE OF THIS SECTION. Total aidable foundation  
48 pupil units shall be calculated pursuant to paragraph g of subdivision  
49 two of this section. For the purposes of calculating aid pursuant to  
50 this subdivision, aid for the city school district of the city of New  
51 York shall be calculated on a citywide basis.

52 S 2. Paragraph (f) of subdivision 17 of section 3602 of the education  
53 law, as added by section 12 of part A of chapter 57 of the laws of 2013,  
54 is amended and three new paragraphs (g), (h) and (i) are added to read  
55 as follows:

1 (f) The gap elimination adjustment restoration amount for the two  
2 thousand fourteen--two thousand fifteen school year [and thereafter  
3 shall equal the product of the gap elimination percentage for such  
4 district and the gap elimination adjustment restoration allocation  
5 established pursuant to subdivision eighteen of this section.] FOR A  
6 SCHOOL DISTRICT SHALL BE COMPUTED BASED ON DATA ON FILE WITH THE COMMIS-  
7 SIONER AND IN THE DATABASE USED BY THE COMMISSIONER TO PRODUCE AN  
8 UPDATED ELECTRONIC DATA FILE IN SUPPORT OF THE EXECUTIVE BUDGET REQUEST  
9 SUBMITTED FOR THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN STATE  
10 FISCAL YEAR AND SHALL EQUAL THE GREATER OF:

11 (I) THE PRODUCT OF TWENTY PERCENT (0.20) MULTIPLIED BY THE GAP ELIMI-  
12 NATION ADJUSTMENT FOR THE BASE YEAR OR;

13 (II) THE POSITIVE DIFFERENCE OF (A) THE PRODUCT OF THIRTY-SIX PERCENT  
14 (0.36) MULTIPLIED BY THE ABSOLUTE VALUE OF THE AMOUNT SET FORTH FOR SUCH  
15 SCHOOL DISTRICT AS "GAP ELIMINATION ADJUSTMENT" UNDER THE HEADING  
16 "2011-12 ESTIMATED AIDS" IN THE SCHOOL AID COMPUTER LISTING PRODUCED BY  
17 THE COMMISSIONER IN SUPPORT OF THE EXECUTIVE BUDGET REQUEST SUBMITTED  
18 FOR THE TWO THOUSAND ELEVEN--TWO THOUSAND TWELVE STATE FISCAL YEAR AND  
19 ENTITLED "BT111-2" MINUS (B) THE POSITIVE DIFFERENCE OF THE ABSOLUTE  
20 VALUE OF THE AMOUNT SET FORTH FOR SUCH SCHOOL DISTRICT AS "GAP ELIMI-  
21 NATION ADJUSTMENT" UNDER THE HEADING "2011-12 ESTIMATED AIDS" IN THE  
22 SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER IN SUPPORT OF  
23 THE EXECUTIVE BUDGET REQUEST SUBMITTED FOR THE TWO THOUSAND ELEVEN--TWO  
24 THOUSAND TWELVE STATE FISCAL YEAR AND ENTITLED "BT111-2" MINUS THE GAP  
25 ELIMINATION ADJUSTMENT FOR THE BASE YEAR OR;

26 (III) ONE HUNDRED THOUSAND DOLLARS (\$100,000) OR;

27 (IV) THE SUM OF (A) THE GREATER OF:

28 (A) THE PRODUCT OF (1) THE PRODUCT OF FOUR HUNDRED FOUR DOLLARS  
29 (\$404.00) MULTIPLIED BY THE EXTRAORDINARY NEEDS PERCENT COMPUTED TO TWO  
30 DECIMAL PLACES WITHOUT ROUNDING MULTIPLIED BY (2) THE PRODUCT OF THE  
31 STATE SHARING RATIO COMPUTED PURSUANT TO PARAGRAPH G OF SUBDIVISION  
32 THREE OF THIS SECTION MULTIPLIED BY (3) THE REGIONAL COST INDEX PURSUANT  
33 TO SUBDIVISION FOUR OF THIS SECTION MULTIPLIED BY (4) THE BASE YEAR  
34 PUBLIC SCHOOL DISTRICT ENROLLMENT AS COMPUTED PURSUANT TO SUBPARAGRAPH  
35 TWO OF PARAGRAPH N OF SUBDIVISION ONE OF THIS SECTION, OR;

36 (B) THE PRODUCT OF FIVE HUNDRED FIFTY DOLLARS (\$550.00) MULTIPLIED BY  
37 (1) THE POSITIVE DIFFERENCE, IF ANY, OF ONE MINUS THE PRODUCT OF ONE AND  
38 THIRTY-SEVEN ONE-HUNDREDTHS (1.37) MULTIPLIED BY THE COMBINED WEALTH  
39 RATIO COMPUTED PURSUANT TO SUBPARAGRAPH ONE OF PARAGRAPH C OF SUBDIVI-  
40 SION THREE OF THIS SECTION BUT NOT GREATER THAN NINE-TENTHS (0.9) MULTI-  
41 PLIED BY (2) THE BASE YEAR PUBLIC SCHOOL DISTRICT ENROLLMENT AS COMPUTED  
42 PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH N OF SUBDIVISION ONE OF THIS  
43 SECTION, OR

44 (C) THE PRODUCT, COMPUTED TO THE NEAREST WHOLE NUMBER WITHOUT ROUND-  
45 ING, OF: (1) THE PRODUCT OF THE QUOTIENT OF THE TAX EFFORT RATIO AS  
46 DEFINED IN SUBDIVISION SIXTEEN OF THIS SECTION DIVIDED BY THREE AND ONE  
47 HUNDRED SEVENTY-SIX THOUSANDTHS PERCENT (0.03176) MULTIPLIED BY THE  
48 POSITIVE DIFFERENCE, IF ANY, OF ONE MINUS THE ALTERNATE PUPIL WEALTH  
49 RATIO COMPUTED PURSUANT TO PARAGRAPH B OF SUBDIVISION THREE OF THIS  
50 SECTION BUT NOT GREATER THAN NINE-TENTHS (0.9) COMPUTED TO THREE DECI-  
51 MALS WITHOUT ROUNDING, MULTIPLIED BY (2) TWO HUNDRED SEVENTY-FIVE  
52 DOLLARS (\$275.00) WITH THE RESULT COMPUTED TO TWO DECIMALS WITHOUT  
53 ROUNDING MULTIPLIED BY (3) THE BASE YEAR PUBLIC SCHOOL DISTRICT ENROLL-  
54 MENT AS COMPUTED PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH N OF SUBDIVI-  
55 SION ONE OF THIS SECTION; AND

1 (B) THE PRODUCT OF (A) THE POSITIVE DIFFERENCE, IF ANY, OF THE BASE  
2 YEAR PUBLIC SCHOOL DISTRICT ENROLLMENT AS COMPUTED PURSUANT TO SUBPARA-  
3 GRAPH TWO OF PARAGRAPH N OF SUBDIVISION ONE OF THIS SECTION MINUS THE  
4 PUBLIC SCHOOL DISTRICT ENROLLMENT FOR THE YEAR FIVE YEARS PRIOR TO THE  
5 BASE YEAR, AS COMPUTED PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH N OF  
6 SUBDIVISION ONE OF THIS SECTION MULTIPLIED BY (B) TWO THOUSAND TWO  
7 HUNDRED SIXTY DOLLARS (\$2,260) MULTIPLIED BY (C) THE STATE SHARING RATIO  
8 COMPUTED PURSUANT TO PARAGRAPH G OF SUBDIVISION THREE OF THIS SECTION;  
9 AND

10 (C) FOR SCHOOL DISTRICTS THAT WERE: (1) DESIGNATED AS LOW OR AVERAGE  
11 NEED PURSUANT TO CLAUSE (C) OF SUBPARAGRAPH TWO OF PARAGRAPH C OF SUBDI-  
12 VISION SIX OF THIS SECTION FOR THE SCHOOL AID COMPUTER LISTING PRODUCED  
13 BY THE COMMISSIONER IN SUPPORT OF THE ENACTED BUDGET FOR THE TWO THOU-  
14 SAND SEVEN--TWO THOUSAND EIGHT SCHOOL YEAR AND ENTITLED "SA0708", OR IN  
15 THE CASE OF A REORGANIZED DISTRICT THAT HAD A PREDECESSOR DISTRICT THAT  
16 WAS SO DESIGNATED AND (2) DESIGNATED AS HIGH NEED PURSUANT TO THE REGU-  
17 LATIONS OF THE COMMISSIONER IN THE MOST RECENTLY AVAILABLE STUDY  
18 INCLUDED IN THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE COMMISSIONER  
19 IN SUPPORT OF THE ENACTED BUDGET FOR THE TWO THOUSAND THIRTEEN--TWO  
20 THOUSAND FOURTEEN STATE FISCAL YEAR AND ENTITLED "SA131-4" KNOWN AS THE  
21 2008 NEED RESOURCE CAPACITY CATEGORY CODE, THE PRODUCT OF (A) THE POSI-  
22 TIVE DIFFERENCE, IF ANY, OF THE ABSOLUTE VALUE OF THE AMOUNT SET FORTH  
23 FOR SUCH SCHOOL DISTRICT AS "GAP ELIMINATION ADJUSTMENT" UNDER THE HEAD-  
24 ING "2011-12 ESTIMATED AIDS" IN THE SCHOOL AID COMPUTER LISTING PRODUCED  
25 BY THE COMMISSIONER IN SUPPORT OF THE EXECUTIVE BUDGET REQUEST SUBMITTED  
26 FOR THE TWO THOUSAND ELEVEN--TWO THOUSAND TWELVE STATE FISCAL YEAR AND  
27 ENTITLED "BT111-2" MINUS THE PRODUCT OF SIX AND EIGHT TENTHS PERCENT  
28 (0.068) MULTIPLIED BY THE TOTAL GENERAL FUND EXPENDITURES OF SUCH  
29 DISTRICT FOR THE TWO THOUSAND TEN--TWO THOUSAND ELEVEN SCHOOL YEAR,  
30 MULTIPLIED BY (B) SIXTY-FIVE HUNDREDTHS (0.65); AND

31 (D) FOR SCHOOL DISTRICTS THAT: (1) WERE DESIGNATED AS AVERAGE NEED  
32 PURSUANT TO CLAUSE (C) OF SUBPARAGRAPH TWO OF PARAGRAPH C OF SUBDIVISION  
33 SIX OF THIS SECTION FOR THE SCHOOL AID COMPUTER LISTING PRODUCED BY THE  
34 COMMISSIONER IN SUPPORT OF THE ENACTED BUDGET FOR THE TWO THOUSAND  
35 SEVEN--TWO THOUSAND EIGHT SCHOOL YEAR AND ENTITLED "SA0708" AND (2) A  
36 COMBINED WEALTH RATIO COMPUTED PURSUANT TO SUBPARAGRAPH ONE OF PARAGRAPH  
37 C OF SUBDIVISION THREE OF THIS SECTION OF LESS THAN TWO (2.0), THE PROD-  
38 UCT OF EIGHTY DOLLARS (\$80.00) MULTIPLIED BY THE BASE YEAR PUBLIC SCHOOL  
39 DISTRICT ENROLLMENT AS COMPUTED PURSUANT TO SUBPARAGRAPH TWO OF PARA-  
40 GRAPH N OF SUBDIVISION ONE OF THIS SECTION; AND

41 (E) FOR SCHOOL DISTRICTS FOR WHICH THE QUOTIENT OF NON PUBLIC SCHOOL  
42 DISTRICT ENROLLMENT DIVIDED BY THE SUM OF THE NON PUBLIC SCHOOL DISTRICT  
43 ENROLLMENT AND THE BASE YEAR PUBLIC SCHOOL DISTRICT ENROLLMENT AS  
44 COMPUTED PURSUANT TO SUBPARAGRAPH TWO OF PARAGRAPH N OF SUBDIVISION ONE  
45 OF THIS SECTION IS GREATER THAN TWENTY-FIVE HUNDREDTHS (0.25), THE PROD-  
46 UCT OF (1) THE QUOTIENT OF NON PUBLIC SCHOOL DISTRICT ENROLLMENT DIVIDED  
47 BY THE SUM OF THE NON PUBLIC SCHOOL DISTRICT ENROLLMENT AND THE BASE  
48 YEAR PUBLIC SCHOOL DISTRICT ENROLLMENT AS COMPUTED PURSUANT TO SUBPARA-  
49 GRAPH TWO OF PARAGRAPH N OF SUBDIVISION ONE OF THIS SECTION MULTIPLIED  
50 BY (2) THE EXTRAORDINARY NEEDS PERCENT AS COMPUTED PURSUANT TO PARAGRAPH  
51 W OF SUBDIVISION ONE OF THIS SECTION MULTIPLIED BY (3) THE BASE YEAR  
52 PUBLIC SCHOOL DISTRICT ENROLLMENT AS COMPUTED PURSUANT TO SUBPARAGRAPH  
53 TWO OF PARAGRAPH N OF SUBDIVISION ONE OF THIS SECTION MULTIPLIED BY (4)  
54 THREE HUNDRED FIFTY DOLLARS (\$350.00).

55 (F) PROVIDED FURTHER, NOTWITHSTANDING ANY PROVISION OF THIS PARAGRAPH  
56 TO THE CONTRARY, THAT A DISTRICT'S GAP ELIMINATION ADJUSTMENT RESTORA-

1 TION FOR THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN SCHOOL YEAR  
2 SHALL NOT EXCEED THE PRODUCT OF FIFTY-TWO PERCENT (0.52) AND THE GAP  
3 ELIMINATION ADJUSTMENT FOR THE BASE YEAR FOR THE DISTRICT.

4 (G) PROVIDED FURTHER, NOTWITHSTANDING ANY PROVISION OF THIS PARAGRAPH  
5 TO THE CONTRARY, A DISTRICT'S GAP ELIMINATION ADJUSTMENT RESTORATION FOR  
6 THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN SCHOOL YEAR SHALL NOT BE  
7 LESS THAN THE AMOUNT SET FORTH FOR SUCH SCHOOL DISTRICT UNDER THE HEAD-  
8 ING "2014-15 ESTIMATED AIDS" IN THE SCHOOL AID COMPUTER LISTING PRODUCED  
9 BY THE COMMISSIONER IN SUPPORT OF THE EXECUTIVE BUDGET FOR THE TWO THOU-  
10 SAND FOURTEEN--TWO THOUSAND FIFTEEN FISCAL YEAR AND ENTITLED "BT141-5".

11 (H) NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE GAP ELIMINATION  
12 ADJUSTMENT FOR THE TWO THOUSAND FIFTEEN--TWO THOUSAND SIXTEEN SCHOOL  
13 YEAR SHALL EQUAL FIFTY PERCENT (0.50) OF THE GAP ELIMINATION ADJUSTMENT  
14 FOR SUCH DISTRICT FOR THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN  
15 SCHOOL YEAR.

16 (I) NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE GAP ELIMINATION  
17 ADJUSTMENT FOR THE TWO THOUSAND SIXTEEN--TWO THOUSAND SEVENTEEN SCHOOL  
18 YEAR SHALL EQUAL ZERO.

19 S 3. Intentionally omitted.

20 S 4. Intentionally omitted.

21 S 5. Paragraph b of subdivision 2 of section 3612 of the education  
22 law, as amended by section 15 of part A of chapter 57 of the laws of  
23 2013, is amended to read as follows:

24 b. Such grants shall be awarded to school districts, within the limits  
25 of funds appropriated therefor, through a competitive process that takes  
26 into consideration the magnitude of any shortage of teachers in the  
27 school district, the number of teachers employed in the school district  
28 who hold temporary licenses to teach in the public schools of the state,  
29 the number of provisionally certified teachers, the fiscal capacity and  
30 geographic sparsity of the district, the number of new teachers the  
31 school district intends to hire in the coming school year and the number  
32 of summer in the city student internships proposed by an eligible school  
33 district, if applicable. Grants provided pursuant to this section shall  
34 be used only for the purposes enumerated in this section. Notwithstand-  
35 ing any other provision of law to the contrary, a city school district  
36 in a city having a population of one million or more inhabitants receiv-  
37 ing a grant pursuant to this section may use no more than eighty percent  
38 of such grant funds for any recruitment, retention and certification  
39 costs associated with transitional certification of teacher candidates  
40 for the school years two thousand one--two thousand two through [two  
41 thousand thirteen--two thousand fourteen] TWO THOUSAND FOURTEEN--TWO  
42 THOUSAND FIFTEEN.

43 S 6. The education law is amended by adding a new section 3613 to read  
44 as follows:

45 S 3613. SCHOOL DISTRICT REORGANIZATIONS AND REAL PROPERTY TAX RATES.

46 1. WHEN TWO OR MORE SCHOOL DISTRICTS PROPOSE TO REORGANIZE PURSUANT TO  
47 SECTIONS FIFTEEN HUNDRED ELEVEN THROUGH FIFTEEN HUNDRED THIRTEEN,  
48 FIFTEEN HUNDRED TWENTY-FOUR, FIFTEEN HUNDRED TWENTY-SIX, SEVENTEEN  
49 HUNDRED FIVE, OR EIGHTEEN HUNDRED ONE THROUGH EIGHTEEN HUNDRED THREE OF  
50 THIS CHAPTER, AND UNDER THE LAW THAT WOULD OTHERWISE BE APPLICABLE, THE  
51 REORGANIZATION WOULD HAVE AN IMPACT UPON THE SCHOOL TAX RATES WITHIN THE  
52 AREAS SERVED BY THE SCHOOL DISTRICTS THAT EXISTED PRIOR TO THE REORGAN-  
53 IZATION, NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE  
54 BOARDS OF EDUCATION OR TRUSTEES OF ALL THE SCHOOL DISTRICTS PARTICIPAT-  
55 ING IN THE PROPOSED REORGANIZATION MAY OPT TO HAVE THAT IMPACT DEFERRED  
56 FOR A ONE-YEAR PERIOD AND/OR PHASED-IN OVER A PERIOD AS MAY BE DETER-

1 MINED BY THE BOARDS OF EDUCATION OR TRUSTEES OF ALL PARTICIPATING SCHOOL  
2 DISTRICTS IN THE MANNER PRESCRIBED BY THIS SECTION BUT WHICH SHALL NOT  
3 EXCEED A TEN-YEAR PERIOD. TO EXERCISE SUCH OPTION, THE BOARDS OF EDUCA-  
4 TION OR TRUSTEES OF ALL PARTICIPATING SCHOOL DISTRICTS, AFTER CONDUCTING  
5 A PUBLIC HEARING, MAY ADOPT A RESOLUTION AT LEAST FORTY-FIVE DAYS PRIOR  
6 TO THE SPECIAL DISTRICT MEETING AT WHICH THE REORGANIZATION VOTE WILL BE  
7 HELD, TO DEFER AND/OR PHASE-IN THE IMPACT AS PROVIDED HEREIN. IF THE  
8 BOARD OF EDUCATION OR TRUSTEES OF ANY PARTICIPATING SCHOOL DISTRICT DOES  
9 NOT APPROVE SUCH A RESOLUTION OPTING FOR A COMMON PHASE-IN PERIOD, THE  
10 PROVISIONS OF THIS SECTION SHALL NOT APPLY.

11 2. DURING THE ONE-YEAR DEFERRAL PERIOD, THE TAX RATE FOR EACH PORTION  
12 OF THE SCHOOL DISTRICT SHALL BE CALCULATED IN THE FOLLOWING MANNER:

13 (A) DETERMINE THE ASSESSED VALUE TAX RATE THAT APPLIED FOR THE SCHOOL  
14 YEAR IMMEDIATELY PRECEDING THE SCHOOL YEAR IN WHICH THE REORGANIZATION  
15 TOOK EFFECT.

16 (B) MULTIPLY THAT ASSESSED VALUE TAX RATE BY THE STATE EQUALIZATION  
17 RATE APPLICABLE TO THE PORTION FOR THE SCHOOL YEAR IMMEDIATELY PRECEDING  
18 THE SCHOOL YEAR IN WHICH THE REORGANIZATION TOOK EFFECT.

19 (C) DIVIDE THE PRODUCT SO DETERMINED BY THE STATE EQUALIZATION RATE  
20 APPLICABLE TO THE PORTION FOR THE FIRST SCHOOL YEAR OF THE REORGANIZED  
21 SCHOOL DISTRICT. THE QUOTIENT IS THE ASSESSED VALUE TAX RATE FOR THE  
22 PORTION FOR THAT SCHOOL YEAR. PROVIDED, THAT IF THE SUM OF THE REAL  
23 PROPERTY TAX LEVIES IN ALL OF THE PORTIONS IN THE SCHOOL DISTRICT, USING  
24 THE ASSESSED VALUE TAX RATES COMPUTED PURSUANT TO THIS SUBDIVISION,  
25 WOULD YIELD A REAL PROPERTY TAX LEVY THAT IS ABOVE OR BELOW THE TOTAL  
26 REAL PROPERTY TAX LEVY SPECIFIED IN THE SCHOOL DISTRICT BUDGET FOR THE  
27 CURRENT SCHOOL YEAR, THE ASSESSED VALUE TAX RATES SHALL ALL BE DECREASED  
28 OR INCREASED PROPORTIONATELY SO AS TO YIELD THE SPECIFIED REAL PROPERTY  
29 TAX LEVY AMOUNT.

30 3. DURING EACH YEAR OF A PHASE-IN PERIOD, WHOSE DURATION UP TO TEN  
31 YEARS SHALL HAVE BEEN DETERMINED BY THE BOARDS OF EDUCATION OR TRUSTEES  
32 OF THE CONSTITUENT SCHOOL DISTRICTS, THE TAX RATE FOR EACH PORTION OF  
33 THE REORGANIZED SCHOOL DISTRICT SHALL BE CALCULATED IN THE FOLLOWING  
34 MANNER:

35 (A) DETERMINE THE ASSESSED VALUE TAX RATE THAT APPLIED FOR THE SCHOOL  
36 YEAR IMMEDIATELY PRECEDING THE SCHOOL YEAR IN WHICH THE REORGANIZATION  
37 TOOK EFFECT.

38 (B) MULTIPLY THAT ASSESSED VALUE TAX RATE BY THE STATE EQUALIZATION  
39 RATE APPLICABLE TO THE PORTION FOR THE SCHOOL YEAR IMMEDIATELY PRECEDING  
40 THE SCHOOL YEAR IN WHICH THE REORGANIZATION TOOK EFFECT. THE RESULT IS  
41 THE BASE FULL VALUE TAX RATE OF THE PORTION.

42 (C) DETERMINE THE ASSESSED VALUE TAX RATE THAT WOULD HAVE APPLIED IN  
43 THE PORTION BUT FOR THE PROVISIONS OF THIS SECTION.

44 (D) MULTIPLY THAT ASSESSED VALUE TAX RATE BY THE STATE EQUALIZATION  
45 RATE THAT WOULD HAVE APPLIED FOR THE CURRENT SCHOOL YEAR BUT FOR THE  
46 PROVISIONS OF THIS SECTION. THE RESULT IS THE TARGET FULL VALUE TAX RATE  
47 FOR THE PORTION.

48 (E) DETERMINE THE DIFFERENCE BETWEEN THE TARGET FULL VALUE TAX RATE  
49 AND THE BASE FULL VALUE TAX RATE FOR THE PORTION.

50 (F) DIVIDE THE DIFFERENCE SO DETERMINED BY THE TOTAL NUMBER OF YEARS  
51 IN THE PHASE-IN PERIOD APPLICABLE TO THE SCHOOL DISTRICT.

52 (G) MULTIPLY THE QUOTIENT SO DETERMINED BY THE NUMBER OF YEARS FROM  
53 THE BEGINNING OF THE PHASE-IN PERIOD UP TO AND INCLUDING THE YEAR FOR  
54 WHICH THE TAX RATE IS BEING DETERMINED.

55 (H) ADD THE PRODUCT SO DETERMINED TO THE BASE FULL VALUE TAX RATE.

1 (I) DIVIDE THE SUM SO DETERMINED BY THE APPLICABLE EQUALIZATION RATE.  
2 THE QUOTIENT IS THE ASSESSED VALUE TAX RATE FOR THE PORTION FOR THE  
3 CURRENT SCHOOL YEAR. PROVIDED, THAT IF THE SUM OF THE REAL PROPERTY TAX  
4 LEVIES IN ALL OF THE PORTIONS IN THE SCHOOL DISTRICT, USING THE ASSESSED  
5 VALUE TAX RATES COMPUTED PURSUANT TO THIS SUBDIVISION, WOULD YIELD A  
6 REAL PROPERTY TAX LEVY THAT IS ABOVE OR BELOW THE TOTAL REAL PROPERTY  
7 TAX LEVY SPECIFIED IN THE SCHOOL DISTRICT BUDGET FOR THE CURRENT SCHOOL  
8 YEAR, THE ASSESSED VALUE TAX RATES SHALL ALL BE DECREASED OR INCREASED  
9 PROPORTIONATELY SO AS TO YIELD THE SPECIFIED REAL PROPERTY TAX LEVY  
10 AMOUNT.

11 4. AS USED HEREIN THE TERM "PORTION" MEANS THAT PART OF AN ASSESSING  
12 UNIT LOCATED WITHIN A SCHOOL DISTRICT.

13 S 7. Section 3627 of the education law, as added by section 23 of part  
14 A of chapter 57 of the laws of 2013, is amended to read as follows:

15 S 3627. Transportation after 4pm. 1. Notwithstanding any other  
16 provisions of this section to the contrary, for the two thousand thir-  
17 teen--two thousand fourteen AND TWO THOUSAND FOURTEEN--TWO THOUSAND  
18 FIFTEEN school [year] YEARS, AND EACH YEAR THEREAFTER a city school  
19 district located in a city having a population of one million or more  
20 providing transportation pursuant to this chapter shall be responsible  
21 for:

22 (a) providing transportation for those children attending public and  
23 nonpublic schools in grades kindergarten through six who remain at the  
24 same school for which they are enrolled for regularly scheduled academic  
25 classes from half-past nine o'clock in the morning or earlier until four  
26 o'clock in the afternoon or later, on weekdays, and reside at least one  
27 mile from their school of attendance for grades three through six, and  
28 at least one-half mile from their school of attendance for grades  
29 kindergarten through two or

30 (b) reimbursing the cost incurred by licensed transportation carriers  
31 pursuant to contracts with such school district for providing transpor-  
32 tation for those children attending public and nonpublic schools in  
33 grades kindergarten through six who remain at the same school for which  
34 they are enrolled for regularly scheduled academic classes from half-  
35 past nine o'clock in the morning or earlier until four o'clock in the  
36 afternoon or later, on weekdays, and reside at least one mile from their  
37 school of attendance for grades three through six, and at least one-half  
38 mile from their school of attendance for grades kindergarten through  
39 two.

40 2. Nothing herein shall prohibit the school district from reimbursing  
41 for costs incurred for contracts between the school district and any  
42 entity providing or contracting for such transportation service.

43 3. A district shall not be deemed to have satisfied its obligation  
44 under this section by providing public service transportation.

45 4. Notwithstanding any other provision of law to the contrary, any  
46 expenditures for transportation provided pursuant to this section in the  
47 two thousand thirteen--two thousand fourteen school year AND THEREAFTER  
48 and otherwise eligible for transportation aid pursuant to subdivision  
49 seven of section thirty-six hundred two of this article shall be consid-  
50 ered approved transportation expenses eligible for transportation aid,  
51 [provided further that such aid shall be limited to five million six  
52 hundred thousand dollars. And] provided further that such expenditures  
53 eligible for aid under this section shall supplement not supplant local  
54 expenditures for such transportation in the two thousand twelve--two  
55 thousand thirteen school year.

1 5. [Notwithstanding any other provision of this section to the contra-  
2 ry, in no event shall such city school district, in order to comply with  
3 the requirements of this section, be required to incur any costs in  
4 excess of the amount eligible for transportation aid pursuant to subdi-  
5 vision four of this section. In the event such amount is insufficient,  
6 the city school district of New York shall provide transportation  
7 services within such amount on an equitable basis, until such apportion-  
8 ment is exhausted.

9 6.] The chancellor of such school district, in consultation with the  
10 commissioner, shall prescribe the most cost effective system for imple-  
11 menting the requirements of this section, taking into consideration: (a)  
12 the costs associated with paragraphs (a) and (b) of subdivision one of  
13 this section, and (b) policies that attempt to maximize student safety  
14 for the student to be transported, which for purposes of this section  
15 shall include whether the pick up or drop off site of the transportation  
16 is:

17 (i) not further than 600 feet from the student's residence; and/or

18 (ii) at the same locations for any family that have children at the  
19 same residence who attend two or more different schools.

20 7. (a) In the event the chancellor has not satisfied a district's  
21 obligation under this section, a parent or guardian or any represen-  
22 tative authorized by such parent or guardian of a child eligible to  
23 receive transportation under this section may request the commissioner  
24 to arrange for the provision of the transportation to so satisfy the  
25 requirements of this section.

26 (b) If within sixty days of receiving a request from such a parent or  
27 guardian or any representative authorized by such parent or guardian,  
28 the commissioner determines that the chancellor has not satisfied a  
29 district's obligation under this section, then the commissioner shall  
30 immediately direct the chancellor to contract with a licensed transpor-  
31 tation carrier to provide the transportation required pursuant to this  
32 section.

33 (c) In the event the chancellor is directed by the commissioner to  
34 contract with a licensed transportation carrier to provide the transpor-  
35 tation required pursuant to this section, the chancellor shall provide  
36 the commissioner with a copy of such proposed contract, before it  
37 becomes effective, and the commissioner shall have the power to approve,  
38 disapprove or require amendments to such contract before it shall become  
39 effective.

40 (d) A district, determined by the commissioner to not be in compliance  
41 with the requirements of this section, shall be responsible for the cost  
42 of any transportation contract awarded by the chancellor.

43 8. The parent or guardian, or any representative authorized by such  
44 parent or guardian, may submit a written request for transportation  
45 under this section, in the same manner and upon the same dates as are  
46 required for a request for transportation pursuant to subdivision two of  
47 section thirty-six hundred thirty-five of this article.

48 S 8. Intentionally omitted.

49 S 9. Subdivision 6 of section 4402 of the education law, as amended by  
50 section 21 of part A of chapter 57 of the laws of 2013, is amended to  
51 read as follows:

52 6. Notwithstanding any other law, rule or regulation to the contrary,  
53 the board of education of a city school district with a population of  
54 one hundred twenty-five thousand or more inhabitants shall be permitted  
55 to establish maximum class sizes for special classes for certain  
56 students with disabilities in accordance with the provisions of this

1 subdivision. For the purpose of obtaining relief from any adverse fiscal  
2 impact from under-utilization of special education resources due to low  
3 student attendance in special education classes at the middle and  
4 secondary level as determined by the commissioner, such boards of educa-  
5 tion shall, during the school years nineteen hundred ninety-five--nine-  
6 ty-six through June thirtieth, two thousand [fourteen] FIFTEEN of the  
7 two thousand [thirteen] FOURTEEN--two thousand [fourteen] FIFTEEN school  
8 year, be authorized to increase class sizes in special classes contain-  
9 ing students with disabilities whose age ranges are equivalent to those  
10 of students in middle and secondary schools as defined by the commis-  
11 sioner for purposes of this section by up to but not to exceed one and  
12 two tenths times the applicable maximum class size specified in regu-  
13 lations of the commissioner rounded up to the nearest whole number,  
14 provided that in a city school district having a population of one  
15 million or more, classes that have a maximum class size of fifteen may  
16 be increased by no more than one student and provided that the projected  
17 average class size shall not exceed the maximum specified in the appli-  
18 cable regulation, provided that such authorization shall terminate on  
19 June thirtieth, two thousand. Such authorization shall be granted upon  
20 filing of a notice by such a board of education with the commissioner  
21 stating the board's intention to increase such class sizes and a certifi-  
22 cation that the board will conduct a study of attendance problems at  
23 the secondary level and will implement a corrective action plan to  
24 increase the rate of attendance of students in such classes to at least  
25 the rate for students attending regular education classes in secondary  
26 schools of the district. Such corrective action plan shall be submitted  
27 for approval by the commissioner by a date during the school year in  
28 which such board increases class sizes as provided pursuant to this  
29 subdivision to be prescribed by the commissioner. Upon at least thirty  
30 days notice to the board of education, after conclusion of the school  
31 year in which such board increases class sizes as provided pursuant to  
32 this subdivision, the commissioner shall be authorized to terminate such  
33 authorization upon a finding that the board has failed to develop or  
34 implement an approved corrective action plan.

35 S 10. The education law is amended by adding a new section 4403-a to  
36 read as follows:

37 S 4403-A. WAIVERS FROM CERTAIN DUTIES. 1. A LOCAL SCHOOL DISTRICT,  
38 APPROVED PRIVATE SCHOOL OR BOARD OF COOPERATIVE EDUCATIONAL SERVICES MAY  
39 SUBMIT AN APPLICATION FOR A WAIVER FROM ANY REQUIREMENT IMPOSED ON SUCH  
40 DISTRICT, SCHOOL OR BOARD OF COOPERATIVE EDUCATIONAL SERVICES PURSUANT  
41 TO SECTION FORTY-FOUR HUNDRED TWO OR SECTION FORTY-FOUR HUNDRED THREE OF  
42 THIS ARTICLE, AND REGULATIONS PROMULGATED THEREUNDER, FOR A SPECIFIC  
43 SCHOOL YEAR. SUCH APPLICATION MUST BE SUBMITTED AT LEAST SIXTY DAYS IN  
44 ADVANCE OF THE PROPOSED DATE ON WHICH THE WAIVER WOULD BE EFFECTIVE AND  
45 SHALL BE IN A FORM PRESCRIBED BY THE COMMISSIONER.

46 2. BEFORE SUBMITTING AN APPLICATION FOR A WAIVER, THE LOCAL SCHOOL  
47 DISTRICT, APPROVED PRIVATE SCHOOL OR BOARD OF COOPERATIVE EDUCATIONAL  
48 SERVICES SHALL PROVIDE NOTICE OF THE PROPOSED WAIVER TO THE PARENTS OR  
49 PERSONS IN PARENTAL RELATIONSHIP TO THE STUDENTS THAT WOULD BE IMPACTED  
50 BY THE WAIVER IF GRANTED. SUCH NOTICE SHALL BE IN A FORM AND MANNER THAT  
51 WILL ENSURE THAT SUCH PARENTS AND PERSONS IN PARENTAL RELATIONSHIP WILL  
52 BE AWARE OF ALL RELEVANT CHANGES THAT WOULD OCCUR UNDER THE WAIVER, AND  
53 SHALL INCLUDE INFORMATION ON THE FORM, MANNER AND DATE BY WHICH PARENTS  
54 MAY SUBMIT WRITTEN COMMENTS ON THE PROPOSED WAIVER. THE LOCAL SCHOOL  
55 DISTRICT, APPROVED PRIVATE SCHOOL, OR BOARD OF COOPERATIVE EDUCATIONAL  
56 SERVICES SHALL PROVIDE AT LEAST SIXTY DAYS FOR SUCH PARENTS AND PERSONS

1 IN PARENTAL RELATIONSHIP TO SUBMIT WRITTEN COMMENTS, AND SHALL INCLUDE  
2 IN THE WAIVER APPLICATION SUBMITTED TO THE COMMISSIONER PURSUANT TO  
3 SUBDIVISION ONE OF THIS SECTION ANY WRITTEN COMMENTS RECEIVED FROM SUCH  
4 PARENTS OR PERSONS IN PARENTAL RELATION TO SUCH STUDENTS.

5 3. THE COMMISSIONER MAY GRANT A WAIVER FROM ANY REQUIREMENT IMPOSED ON  
6 A LOCAL SCHOOL DISTRICT, APPROVED PRIVATE SCHOOL OR BOARD OF COOPERATIVE  
7 EDUCATIONAL SERVICES PURSUANT TO SECTION FORTY-FOUR HUNDRED TWO OR  
8 SECTION FORTY-FOUR HUNDRED THREE OF THIS ARTICLE, UPON A FINDING THAT  
9 SUCH WAIVER WILL ENABLE A LOCAL SCHOOL DISTRICT, APPROVED PRIVATE SCHOOL  
10 OR BOARD OF COOPERATIVE EDUCATIONAL SERVICES TO IMPLEMENT AN INNOVATIVE  
11 SPECIAL EDUCATION PROGRAM THAT IS CONSISTENT WITH APPLICABLE FEDERAL  
12 REQUIREMENTS, AND WILL ENHANCE STUDENT ACHIEVEMENT AND/OR OPPORTUNITIES  
13 FOR PLACEMENT IN REGULAR CLASSES AND PROGRAMS. IN MAKING SUCH DETERMI-  
14 NATION, THE COMMISSIONER SHALL CONSIDER ANY COMMENTS RECEIVED BY THE  
15 LOCAL SCHOOL DISTRICT, APPROVED PRIVATE SCHOOL OR BOARD OF COOPERATIVE  
16 EDUCATIONAL SERVICES FROM PARENTS OR PERSONS IN PARENTAL RELATION TO THE  
17 STUDENTS THAT WOULD BE DIRECTLY AFFECTED BY THE WAIVER IF GRANTED.

18 4. ANY LOCAL SCHOOL DISTRICT, APPROVED PRIVATE SCHOOL OR BOARD OF  
19 COOPERATIVE EDUCATIONAL SERVICES GRANTED A WAIVER SHALL SUBMIT AN ANNUAL  
20 REPORT TO THE COMMISSIONER REGARDING THE OPERATION AND EVALUATION OF THE  
21 PROGRAM NO LATER THAN THIRTY DAYS AFTER THE END OF EACH SCHOOL YEAR FOR  
22 WHICH A WAIVER IS GRANTED.

23 S 11. Intentionally omitted.

24 S 12. Subdivision b of section 2 of chapter 756 of the laws of 1992,  
25 relating to funding a program for work force education conducted by the  
26 consortium for worker education in New York city, as amended by section  
27 27 of part A of chapter 57 of the laws of 2013, is amended to read as  
28 follows:

29 b. Reimbursement for programs approved in accordance with subdivision  
30 a of this section [for the 2010--2011 school year shall not exceed 62.6  
31 percent of the lesser of such approvable costs per contact hour or  
32 twelve dollars and five cents per contact hour, reimbursement] for the  
33 2011--2012 school year shall not exceed 62.9 percent of the lesser of  
34 such approvable costs per contact hour or twelve dollars and fifteen  
35 cents per contact hour, reimbursement for the 2012--2013 school year  
36 shall not exceed 63.3 percent of the lesser of such approvable costs per  
37 contact hour or twelve dollars and thirty-five cents per contact hour,  
38 [and] reimbursement for the 2013--2014 school year shall not exceed 62.3  
39 percent of the lesser of such approvable costs per contact hour or  
40 twelve dollars and sixty-five cents per contact hour, AND REIMBURSEMENT  
41 FOR THE 2014--2015 SCHOOL YEAR SHALL NOT EXCEED 61.6 PERCENT OF THE  
42 LESSER OF SUCH APPROVABLE COSTS PER CONTACT HOUR OR EIGHT DOLLARS PER  
43 CONTACT HOUR where a contact hour represents sixty minutes of instruc-  
44 tion services provided to an eligible adult. Notwithstanding any other  
45 provision of law to the contrary, [for the 2010--2011 school year such  
46 contact hours shall not exceed one million five hundred twenty-five  
47 thousand one hundred ninety-eight (1,525,198) hours; whereas] for the  
48 2011--2012 school year such contact hours shall not exceed one million  
49 seven hundred one thousand five hundred seventy (1,701,570) hours; wher-  
50 eas for the 2012--2013 school year such contact hours shall not exceed  
51 one million six hundred sixty-four thousand five hundred thirty-two  
52 (1,664,532) hours; whereas for the 2013--2014 school year such contact  
53 hours shall not exceed one million six hundred forty-nine thousand seven  
54 hundred forty-six (1,649,746) hours; WHEREAS FOR THE 2014--2015 SCHOOL  
55 YEAR SUCH CONTACT HOURS SHALL NOT EXCEED ONE MILLION FOUR HUNDRED THIR-  
56 TY-TWO THOUSAND ONE HUNDRED TWENTY-NINE (1,432,129) HOURS. Notwith-

1 standing any other provision of law to the contrary, the apportionment  
2 calculated for the city school district of the city of New York pursuant  
3 to subdivision 11 of section 3602 of the education law shall be computed  
4 as if such contact hours provided by the consortium for worker educa-  
5 tion, not to exceed the contact hours set forth herein, were eligible  
6 for aid in accordance with the provisions of such subdivision 11 of  
7 section 3602 of the education law.

8 S 13. Section 4 of chapter 756 of the laws of 1992, relating to fund-  
9 ing a program for work force education conducted by the consortium for  
10 worker education in New York city, is amended by adding a new subdivi-  
11 sions to read as follows:

12 S. THE PROVISIONS OF THIS SUBDIVISION SHALL NOT APPLY AFTER THE  
13 COMPLETION OF PAYMENTS FOR THE 2014--2015 SCHOOL YEAR. NOTWITHSTANDING  
14 ANY INCONSISTENT PROVISIONS OF LAW, THE COMMISSIONER OF EDUCATION SHALL  
15 WITHHOLD A PORTION OF EMPLOYMENT PREPARATION EDUCATION AID DUE TO THE  
16 CITY SCHOOL DISTRICT OF THE CITY OF NEW YORK TO SUPPORT A PORTION OF THE  
17 COSTS OF THE WORK FORCE EDUCATION PROGRAM. SUCH MONEYS SHALL BE CREDITED  
18 TO THE ELEMENTARY AND SECONDARY EDUCATION FUND-LOCAL ASSISTANCE ACCOUNT  
19 AND SHALL NOT EXCEED THIRTEEN MILLION DOLLARS (\$13,000,000).

20 S 14. Section 6 of chapter 756 of the laws of 1992, relating to fund-  
21 ing a program for work force education conducted by the consortium for  
22 worker education in New York city, as amended by section 29 of part A of  
23 chapter 57 of the laws of 2013, is amended to read as follows:

24 S 6. This act shall take effect July 1, 1992, and shall be deemed  
25 repealed on June 30, [2014] 2015.

26 S 15. Subdivision 1 of section 167 of chapter 169 of the laws of 1994,  
27 relating to certain provisions related to the 1994-95 state operations,  
28 aid to localities, capital projects and debt service budgets, as amended  
29 by section 30 of part A of chapter 57 of the laws of 2013, is amended to  
30 read as follows:

31 1. Sections one through seventy of this act shall be deemed to have  
32 been in full force and effect as of April 1, 1994 provided, however,  
33 that sections one, two, twenty-four, twenty-five and twenty-seven  
34 through seventy of this act shall expire and be deemed repealed on March  
35 31, 2000; provided, however, that section twenty of this act shall apply  
36 only to hearings commenced prior to September 1, 1994, and provided  
37 further that section twenty-six of this act shall expire and be deemed  
38 repealed on March 31, 1997; and provided further that sections four  
39 through fourteen, sixteen, and eighteen, nineteen and twenty-one through  
40 twenty-one-a of this act shall expire and be deemed repealed on March  
41 31, 1997; and provided further that sections three, fifteen, seventeen,  
42 twenty, twenty-two and twenty-three of this act shall expire and be  
43 deemed repealed on March 31, [2015] 2016.

44 S 16. Subdivisions 22 and 24 of section 140 of chapter 82 of the laws  
45 of 1995, amending the education law and certain other laws relating to  
46 state aid to school districts and the appropriation of funds for the  
47 support of government, as amended by section 31 of part A of chapter 57  
48 of the laws of 2013, are amended to read as follows:

49 (22) sections one hundred twelve, one hundred thirteen, one hundred  
50 fourteen, one hundred fifteen and one hundred sixteen of this act shall  
51 take effect on July 1, 1995; provided, however, that section one hundred  
52 thirteen of this act shall remain in full force and effect until July 1,  
53 [2014] 2015 at which time it shall be deemed repealed;

54 (24) sections one hundred eighteen through one hundred thirty of this  
55 act shall be deemed to have been in full force and effect on and after  
56 July 1, 1995; provided further, however, that the amendments made pursu-

1 ant to section one hundred [nineteen] TWENTY-FOUR of this act shall be  
2 deemed to be repealed on and after July 1, [2014] 2015;

3 S 17. Subdivision 8 of section 4401 of the education law, as amended  
4 by section 25-a of part A of chapter 57 of the laws of 2013, is amended  
5 to read as follows:

6 8. "School district basic contribution" shall mean an amount equal to  
7 the total school district local property and non-property tax levy for  
8 the base year divided by the base year public school district enrollment  
9 of resident pupils of the school district as defined in paragraph n of  
10 subdivision one of section thirty-six hundred two of this chapter,  
11 except that for the two thousand thirteen--two thousand fourteen AND  
12 EACH [school] year THEREAFTER, for school districts other than central  
13 high school districts and their components, such tax levy for the base  
14 year shall be divided by the year prior to the base year pupil count as  
15 determined by the commissioner pursuant to paragraph f of subdivision  
16 two of section thirty-six hundred two of this chapter for any school  
17 district in which such year prior to the base year pupil count exceeds  
18 one hundred fifty percent of such base year public school district  
19 enrollment of resident pupils.

20 S 18. Section 12 of chapter 147 of the laws of 2001, amending the  
21 education law relating to conditional appointment of school district,  
22 charter school or BOCES employees, as amended by section 32 of part A of  
23 chapter 57 of the laws of 2013, is amended to read as follows:

24 S 12. This act shall take effect on the same date as chapter 180 of  
25 the laws of 2000 takes effect, and shall expire July 1, [2014] 2015 when  
26 upon such date the provisions of this act shall be deemed repealed.

27 S 19. Section 4 of chapter 425 of the laws of 2002, amending the  
28 education law relating to the provisions of supplemental educational  
29 services, attendance at a safe public school and the suspension of  
30 pupils who bring a firearm to or possess a firearm at a school, as  
31 amended by section 33 of part A of chapter 57 of the laws of 2013, is  
32 amended to read as follows:

33 S 4. This act shall take effect July 1, 2002 and shall expire and be  
34 deemed repealed June 30, [2014] 2015.

35 S 20. Section 5 of chapter 101 of the laws of 2003, amending the  
36 education law relating to implementation of the No Child Left Behind Act  
37 of 2001, as amended by section 34 of part A of chapter 57 of the laws of  
38 2013, is amended to read as follows:

39 S 5. This act shall take effect immediately; provided that sections  
40 one, two and three of this act shall expire and be deemed repealed on  
41 June 30, [2014] 2015.

42 S 21. The opening paragraph of subdivision 10 of section 3602-e of the  
43 education law, as amended by section 10-a of part A of chapter 57 of the  
44 laws of 2012, is amended to read as follows:

45 Notwithstanding any provision of law to the contrary, for aid payable  
46 in the two thousand eight--two thousand nine school year, the grant to  
47 each eligible school district for universal prekindergarten aid shall be  
48 computed pursuant to this subdivision, and for the two thousand nine--  
49 two thousand ten and two thousand ten--two thousand eleven school years,  
50 each school district shall be eligible for a maximum grant equal to the  
51 amount computed for such school district for the base year in the elec-  
52 tronic data file produced by the commissioner in support of the two  
53 thousand nine--two thousand ten education, labor and family assistance  
54 budget, provided, however, that in the case of a district implementing  
55 programs for the first time or implementing expansion programs in the  
56 two thousand eight--two thousand nine school year where such programs

1 operate for a minimum of ninety days in any one school year as provided  
2 in section 151-1.4 of the regulations of the commissioner, for the two  
3 thousand nine--two thousand ten and two thousand ten--two thousand elev-  
4 en school years, such school district shall be eligible for a maximum  
5 grant equal to the amount computed pursuant to paragraph a of subdivi-  
6 sion nine of this section in the two thousand eight--two thousand nine  
7 school year, and for the two thousand eleven--two thousand twelve school  
8 year each school district shall be eligible for a maximum grant equal to  
9 the amount set forth for such school district as "UNIVERSAL PREKINDER-  
10 GARTEN" under the heading "2011-12 ESTIMATED AIDS" in the school aid  
11 computer listing produced by the commissioner in support of the enacted  
12 budget for the 2011-12 school year and entitled "SA111-2", and for two  
13 thousand twelve--two thousand thirteen [and], two thousand thirteen--two  
14 thousand fourteen AND TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN school  
15 years each school district shall be eligible for a maximum grant equal  
16 to the greater of (i) the amount set forth for such school district as  
17 "UNIVERSAL PREKINDERGARTEN" under the heading "2010-11 BASE YEAR AIDS"  
18 in the school aid computer listing produced by the commissioner in  
19 support of the enacted budget for the 2011-12 school year and entitled  
20 "SA111-2", or (ii) the amount set forth for such school district as  
21 "UNIVERSAL PREKINDERGARTEN" under the heading "2010-11 BASE YEAR AIDS"  
22 in the school aid computer listing produced by the commissioner on May  
23 fifteenth, two thousand eleven pursuant to paragraph b of subdivision  
24 twenty-one of section three hundred five of this chapter, and provided  
25 further that the maximum grant shall not exceed the total actual grant  
26 expenditures incurred by the school district in the current school year  
27 as approved by the commissioner.

28 S 22. School bus driver training. In addition to apportionments other-  
29 wise provided by section 3602 of the education law, for aid payable in  
30 the 2014--2015 school year, the commissioner of education shall allocate  
31 school bus driver training grants to school districts and boards of  
32 cooperative educational services pursuant to sections 3650-a, 3650-b and  
33 3650-c of the education law, or for contracts directly with not-for-pro-  
34 fit educational organizations for the purposes of this section. Such  
35 payments shall not exceed four hundred thousand dollars (\$400,000) per  
36 school year.

37 S 23. Special apportionment for salary expenses. a. Notwithstanding  
38 any other provision of law, upon application to the commissioner of  
39 education, not sooner than the first day of the second full business  
40 week of June, 2015 and not later than the last day of the third full  
41 business week of June, 2015, a school district eligible for an appor-  
42 tionment pursuant to section 3602 of the education law shall be eligible  
43 to receive an apportionment pursuant to this section, for the school  
44 year ending June 30, 2015, for salary expenses incurred between April 1  
45 and June 30, 2015 and such apportionment shall not exceed the sum of (i)  
46 the deficit reduction assessment of 1990--1991 as determined by the  
47 commissioner of education, pursuant to paragraph f of subdivision 1 of  
48 section 3602 of the education law, as in effect through June 30, 1993,  
49 plus (ii) 186 percent of such amount for a city school district in a  
50 city with a population in excess of 1,000,000 inhabitants, plus (iii)  
51 209 percent of such amount for a city school district in a city with a  
52 population of more than 195,000 inhabitants and less than 219,000 inhab-  
53 itants according to the latest federal census, plus (iv) the net gap  
54 elimination adjustment for 2010--2011, as determined by the commissioner  
55 of education pursuant to chapter 53 of the laws of 2010, plus (v) the  
56 gap elimination adjustment for 2011--2012 as determined by the commis-

1 sioner of education pursuant to subdivision 17 of section 3602 of the  
2 education law, and provided further that such apportionment shall not  
3 exceed such salary expenses. Such application shall be made by a school  
4 district, after the board of education or trustees have adopted a resol-  
5 ution to do so and in the case of a city school district in a city with  
6 a population in excess of 125,000 inhabitants, with the approval of the  
7 mayor of such city.

8 b. The claim for an apportionment to be paid to a school district  
9 pursuant to subdivision a of this section shall be submitted to the  
10 commissioner of education on a form prescribed for such purpose, and  
11 shall be payable upon determination by such commissioner that the form  
12 has been submitted as prescribed. Such approved amounts shall be payable  
13 on the same day in September of the school year following the year in  
14 which application was made as funds provided pursuant to subparagraph  
15 (4) of paragraph b of subdivision 4 of section 92-c of the state finance  
16 law, on the audit and warrant of the state comptroller on vouchers  
17 certified or approved by the commissioner of education in the manner  
18 prescribed by law from moneys in the state lottery fund and from the  
19 general fund to the extent that the amount paid to a school district  
20 pursuant to this section exceeds the amount, if any, due such school  
21 district pursuant to subparagraph (2) of paragraph a of subdivision 1 of  
22 section 3609-a of the education law in the school year following the  
23 year in which application was made.

24 c. Notwithstanding the provisions of section 3609-a of the education  
25 law, an amount equal to the amount paid to a school district pursuant to  
26 subdivisions a and b of this section shall first be deducted from the  
27 following payments due the school district during the school year  
28 following the year in which application was made pursuant to subpara-  
29 graphs (1), (2), (3), (4) and (5) of paragraph a of subdivision 1 of  
30 section 3609-a of the education law in the following order: the lottery  
31 apportionment payable pursuant to subparagraph (2) of such paragraph  
32 followed by the fixed fall payments payable pursuant to subparagraph (4)  
33 of such paragraph and then followed by the district's payments to the  
34 teachers' retirement system pursuant to subparagraph (1) of such para-  
35 graph, and any remainder to be deducted from the individualized payments  
36 due the district pursuant to paragraph b of such subdivision shall be  
37 deducted on a chronological basis starting with the earliest payment due  
38 the district.

39 S 24. Special apportionment for public pension accruals. a. Notwith-  
40 standing any other provision of law, upon application to the commission-  
41 er of education, not later than June 30, 2015, a school district eligi-  
42 ble for an apportionment pursuant to section 3602 of the education law  
43 shall be eligible to receive an apportionment pursuant to this section,  
44 for the school year ending June 30, 2015 and such apportionment shall  
45 not exceed the additional accruals required to be made by school  
46 districts in the 2004--2005 and 2005--2006 school years associated with  
47 changes for such public pension liabilities. The amount of such addi-  
48 tional accrual shall be certified to the commissioner of education by  
49 the president of the board of education or the trustees or, in the case  
50 of a city school district in a city with a population in excess of  
51 125,000 inhabitants, the mayor of such city. Such application shall be  
52 made by a school district, after the board of education or trustees have  
53 adopted a resolution to do so and in the case of a city school district  
54 in a city with a population in excess of 125,000 inhabitants, with the  
55 approval of the mayor of such city.

1 b. The claim for an apportionment to be paid to a school district  
2 pursuant to subdivision a of this section shall be submitted to the  
3 commissioner of education on a form prescribed for such purpose, and  
4 shall be payable upon determination by such commissioner that the form  
5 has been submitted as prescribed. Such approved amounts shall be payable  
6 on the same day in September of the school year following the year in  
7 which application was made as funds provided pursuant to subparagraph  
8 (4) of paragraph b of subdivision 4 of section 92-c of the state finance  
9 law, on the audit and warrant of the state comptroller on vouchers  
10 certified or approved by the commissioner of education in the manner  
11 prescribed by law from moneys in the state lottery fund and from the  
12 general fund to the extent that the amount paid to a school district  
13 pursuant to this section exceeds the amount, if any, due such school  
14 district pursuant to subparagraph (2) of paragraph a of subdivision 1 of  
15 section 3609-a of the education law in the school year following the  
16 year in which application was made.

17 c. Notwithstanding the provisions of section 3609-a of the education  
18 law, an amount equal to the amount paid to a school district pursuant to  
19 subdivisions a and b of this section shall first be deducted from the  
20 following payments due the school district during the school year  
21 following the year in which application was made pursuant to subpara-  
22 graphs (1), (2), (3), (4) and (5) of paragraph a of subdivision 1 of  
23 section 3609-a of the education law in the following order: the lottery  
24 apportionment payable pursuant to subparagraph (2) of such paragraph  
25 followed by the fixed fall payments payable pursuant to subparagraph (4)  
26 of such paragraph and then followed by the district's payments to the  
27 teachers' retirement system pursuant to subparagraph (1) of such para-  
28 graph, and any remainder to be deducted from the individualized payments  
29 due the district pursuant to paragraph b of such subdivision shall be  
30 deducted on a chronological basis starting with the earliest payment due  
31 the district.

32 S 25. a. Notwithstanding any other law, rule or regulation to the  
33 contrary, any moneys appropriated to the state education department may  
34 be suballocated to other state departments or agencies, as needed, to  
35 accomplish the intent of the specific appropriations contained therein.

36 b. Notwithstanding any other law, rule or regulation to the contrary,  
37 moneys appropriated to the state education department from the general  
38 fund/aid to localities, local assistance account-001, shall be for  
39 payment of financial assistance, as scheduled, net of disallowances,  
40 refunds, reimbursement and credits.

41 c. Notwithstanding any other law, rule or regulation to the contrary,  
42 all moneys appropriated to the state education department for aid to  
43 localities shall be available for payment of aid heretofore or hereafter  
44 to accrue and may be suballocated to other departments and agencies to  
45 accomplish the intent of the specific appropriations contained therein.

46 d. Notwithstanding any other law, rule or regulation to the contrary,  
47 moneys appropriated to the state education department for general  
48 support for public schools may be interchanged with any other item of  
49 appropriation for general support for public schools within the general  
50 fund local assistance account office of prekindergarten through grade  
51 twelve education programs.

52 S 26. Notwithstanding the provision of any law, rule, or regulation to  
53 the contrary, the city school district of the city of Rochester, upon  
54 the consent of the board of cooperative educational services of the  
55 supervisory district serving its geographic region may purchase from

1 such board for the 2014--2015 school year, as a non-component school  
2 district, services required by article 19 of the education law.

3 S 27. The amounts specified in this section shall be a set aside from  
4 the state funds which each such district is receiving from the total  
5 foundation aid: for the purpose of the development, maintenance or  
6 expansion of magnet schools or magnet school programs for the 2014--2015  
7 school year. To the city school district of the city of New York there  
8 shall be paid forty-eight million one hundred seventy-five thousand  
9 dollars (\$48,175,000) including five hundred thousand dollars (\$500,000)  
10 for the Andrew Jackson High School; to the Buffalo city school district,  
11 twenty-one million twenty-five thousand dollars (\$21,025,000); to the  
12 Rochester city school district, fifteen million dollars (\$15,000,000);  
13 to the Syracuse city school district, thirteen million dollars  
14 (\$13,000,000); to the Yonkers city school district, forty-nine million  
15 five hundred thousand dollars (\$49,500,000); to the Newburgh city school  
16 district, four million six hundred forty-five thousand dollars  
17 (\$4,645,000); to the Poughkeepsie city school district, two million four  
18 hundred seventy-five thousand dollars (\$2,475,000); to the Mount Vernon  
19 city school district, two million dollars (\$2,000,000); to the New  
20 Rochelle city school district, one million four hundred ten thousand  
21 dollars (\$1,410,000); to the Schenectady city school district, one  
22 million eight hundred thousand dollars (\$1,800,000); to the Port Chester  
23 city school district, one million one hundred fifty thousand dollars  
24 (\$1,150,000); to the White Plains city school district, nine hundred  
25 thousand dollars (\$900,000); to the Niagara Falls city school district,  
26 six hundred thousand dollars (\$600,000); to the Albany city school  
27 district, three million five hundred fifty thousand dollars  
28 (\$3,550,000); to the Utica city school district, two million dollars  
29 (\$2,000,000); to the Beacon city school district, five hundred sixty-six  
30 thousand dollars (\$566,000); to the Middletown city school district,  
31 four hundred thousand dollars (\$400,000); to the Freeport union free  
32 school district, four hundred thousand dollars (\$400,000); to the Green-  
33 burgh central school district, three hundred thousand dollars  
34 (\$300,000); to the Amsterdam city school district, eight hundred thou-  
35 sand dollars (\$800,000); to the Peekskill city school district, two  
36 hundred thousand dollars (\$200,000); and to the Hudson city school  
37 district, four hundred thousand dollars (\$400,000). Notwithstanding the  
38 provisions of this section, a school district receiving a grant pursuant  
39 to this section may use such grant funds for: (i) any instructional or  
40 instructional support costs associated with the operation of a magnet  
41 school; or (ii) any instructional or instructional support costs associ-  
42 ated with implementation of an alternative approach to reduction of  
43 racial isolation and/or enhancement of the instructional program and  
44 raising of standards in elementary and secondary schools of school  
45 districts having substantial concentrations of minority students. The  
46 commissioner of education shall not be authorized to withhold magnet  
47 grant funds from a school district that used such funds in accordance  
48 with this paragraph, notwithstanding any inconsistency with a request  
49 for proposals issued by such commissioner. For the purpose of attendance  
50 improvement and dropout prevention for the 2014--2015 school year, for  
51 any city school district in a city having a population of more than one  
52 million, the setaside for attendance improvement and dropout prevention  
53 shall equal the amount set aside in the base year. For the 2014--2015  
54 school year, it is further provided that any city school district in a  
55 city having a population of more than one million shall allocate at  
56 least one-third of any increase from base year levels in funds set aside

1 pursuant to the requirements of this subdivision to community-based  
2 organizations. Any increase required pursuant to this subdivision to  
3 community-based organizations must be in addition to allocations  
4 provided to community-based organizations in the base year. For the  
5 purpose of teacher support for the 2014--2015 school year: to the city  
6 school district of the city of New York, sixty-two million seven hundred  
7 seven thousand dollars (\$62,707,000); to the Buffalo city school  
8 district, one million seven hundred forty-one thousand dollars  
9 (\$1,741,000); to the Rochester city school district, one million seven-  
10 ty-six thousand dollars (\$1,076,000); to the Yonkers city school  
11 district, one million one hundred forty-seven thousand dollars  
12 (\$1,147,000); and to the Syracuse city school district, eight hundred  
13 nine thousand dollars (\$809,000). All funds made available to a school  
14 district pursuant to this section shall be distributed among teachers  
15 including prekindergarten teachers and teachers of adult vocational and  
16 academic subjects in accordance with this section and shall be in addi-  
17 tion to salaries heretofore or hereafter negotiated or made available;  
18 provided, however, that all funds distributed pursuant to this section  
19 for the current year shall be deemed to incorporate all funds distrib-  
20 uted pursuant to former subdivision 27 of section 3602 of the education  
21 law for prior years. In school districts where the teachers are repres-  
22 ented by certified or recognized employee organizations, all salary  
23 increases funded pursuant to this section shall be determined by sepa-  
24 rate collective negotiations conducted pursuant to the provisions and  
25 procedures of article 14 of the civil service law, notwithstanding the  
26 existence of a negotiated agreement between a school district and a  
27 certified or recognized employee organization.

28 S 28. Support of public libraries. The moneys appropriated for the  
29 support of public libraries by a chapter of the laws of 2014 enacting  
30 the aid to localities budget shall be apportioned for the 2014--2015  
31 state fiscal year in accordance with the provisions of sections 271,  
32 272, 273, 282, 284, and 285 of the education law as amended by the  
33 provisions of this chapter and the provisions of this section, provided  
34 that library construction aid pursuant to section 273-a of the education  
35 law shall not be payable from the appropriations for the support of  
36 public libraries and provided further that no library, library system or  
37 program, as defined by the commissioner of education, shall receive less  
38 total system or program aid than it received for the year 2001--2002  
39 except as a result of a reduction adjustment necessary to conform to the  
40 appropriations for support of public libraries.

41 Notwithstanding any other provision of law to the contrary the moneys  
42 appropriated for the support of public libraries for the year 2014--2015  
43 by a chapter of the laws of 2014 enacting the education, labor and fami-  
44 ly assistance budget shall fulfill the state's obligation to provide  
45 such aid and, pursuant to a plan developed by the commissioner of educa-  
46 tion and approved by the director of the budget, the aid payable to  
47 libraries and library systems pursuant to such appropriations shall be  
48 reduced proportionately to assure that the total amount of aid payable  
49 does not exceed the total appropriations for such purpose.

50 S 29. Severability. The provisions of this act shall be severable, and  
51 if the application of any clause, sentence, paragraph, subdivision,  
52 section or part of this act to any person or circumstance shall be  
53 adjudged by any court of competent jurisdiction to be invalid, such  
54 judgment shall not necessarily affect, impair or invalidate the applica-  
55 tion of any such clause, sentence, paragraph, subdivision, section, part  
56 of this act or remainder thereof, as the case may be, to any other

1 person or circumstance, but shall be confined in its operation to the  
2 clause, sentence, paragraph, subdivision, section or part thereof  
3 directly involved in the controversy in which such judgment shall have  
4 been rendered.

5 S 30. This act shall take effect immediately, and shall be deemed to  
6 have been in full force and effect on and after April 1, 2014, provided,  
7 however, that:

8 1. Sections one, two, five, seven, nine, twelve, thirteen, seventeen,  
9 twenty-two, twenty-six and twenty-seven of this act shall take effect  
10 July 1, 2014.

11 2. The amendments to subdivision 6 of section 4402 of the education  
12 law made by section nine of this act shall not affect the repeal of such  
13 subdivision and shall be deemed repealed therewith.

14 3. The amendments to chapter 756 of the laws of 1992, relating to  
15 funding a program for work force education conducted by a consortium for  
16 worker education in New York city, made by sections twelve and thirteen  
17 of this act shall not affect the repeal of such chapter and shall be  
18 deemed repealed therewith.

19 4. Section twenty-five of this act shall expire and be deemed repealed  
20 June 30, 2015.

21

## PART A-1

22 Section 1. Clauses (c) and (d) of subparagraph 5 of paragraph e of  
23 subdivision 6 of section 3602 of the education law, clause (c) as  
24 amended by section 13-a of part A of chapter 57 of the laws of 2013,  
25 clause (d) as amended by section 30 of part A of chapter 58 of the laws  
26 of 2011, are amended to read as follows:

27 (c) [At the end of each ten year segment of an assumed amortization  
28 established pursuant to subparagraphs two, three and four of this para-  
29 graph, or in the two thousand fourteen -- two thousand fifteen school  
30 year in the case of assumed amortizations whose ten year segment ends  
31 prior to such school year, the commissioner shall revise the remaining  
32 scheduled semiannual payments of the outstanding principal and interest  
33 of such assumed amortization, other than the outstanding principal and  
34 interest of refunding bonds where the district can demonstrate to the  
35 commissioner that it is precluded by state or federal law, rule or regu-  
36 lation from refinancing such outstanding principal and interest, based  
37 on the interest rates applicable for the current year if the difference  
38 of the interest rate upon which the existing assumed amortization is  
39 based minus such interest rate applicable for the current year is equal  
40 to or greater than one quarter of one-one hundredth. Provided however,  
41 in the case of assumed amortization whose ten year segment ended prior  
42 to the two thousand fourteen -- two thousand fifteen school year the  
43 next ten year segment shall be deemed to commence with the two thousand  
44 fourteen -- two thousand fifteen school year. The department shall noti-  
45 fy school districts of projects subject to the provisions of this clause  
46 by no later than December first next preceding the school year in which  
47 the assumed amortization is scheduled to be revised pursuant to this  
48 clause.

49 (d)] Notwithstanding any other law, rule or regulation to the contra-  
50 ry, any interest rate calculated under this subdivision shall take into  
51 account any federal subsidy payments made or to be made to the applica-  
52 ble school district or an issuer on behalf of the school district under  
53 the terms of a federally authorized debt instrument which have the  
54 effect of reducing the actual interest costs incurred by the school

1 district or an issuer on behalf of the school district over the life of  
2 such capital debt, irrespective of any federal government right of set-  
3 off.

4 S 1-a. Notwithstanding any other law to the contrary, for building aid  
5 payable in the 2014--15 school year and thereafter, upon voter approval  
6 of the dissolution and annexation of the Tuckahoe common school district  
7 into the Southampton school district in Suffolk county, such school  
8 districts or successor school district shall be eligible for an addi-  
9 tional apportionment of building aid for approved expenditures pursuant  
10 to subdivision 6 of section 3602 of the education law for projects  
11 approved by the commissioner of education prior to July 1, 2015. Such  
12 additional apportionment shall equal the product of the approved expend-  
13 itures multiplied by ten hundredths (0.10).

14 S 2. Section 3641 of the education law is amended by adding a new  
15 subdivision 3-a to read as follows:

16 3-A. SUPPLEMENTAL VALUATION IMPACT GRANTS. A. IN ADDITION TO APPOR-  
17 TIONMENTS OTHERWISE PROVIDED BY SECTION THIRTY-SIX HUNDRED TWO OF THIS  
18 ARTICLE, FOR AID PAYABLE IN THE TWO THOUSAND FOURTEEN--TWO THOUSAND  
19 FIFTEEN SCHOOL YEAR, THE AMOUNTS SPECIFIED IN PARAGRAPHS B, C AND D OF  
20 THIS SUBDIVISION SHALL BE PAID FOR THE PURPOSE OF PROVIDING ADDITIONAL  
21 FUNDING FOR SCHOOL DISTRICTS WHICH HAVE EXPERIENCED A SIGNIFICANT FINAN-  
22 CIAL HARDSHIP CREATED BY AN EXTRAORDINARY CHANGE IN THE TAXABLE PROPERTY  
23 VALUATION ARISING OUT OF THE CLOSURE, GOVERNMENT ACQUISITION, AND/OR  
24 DECOMMISSIONING OF A POWER PLANT FACILITY AND/OR ENERGY PROCESSING  
25 FACILITY WITHIN SUCH SCHOOL DISTRICT BOUNDARIES.

26 B. TO THE PANAMA CENTRAL SCHOOL DISTRICT, THERE SHALL BE PAID FIVE  
27 HUNDRED THOUSAND DOLLARS (\$500,000). SUCH ADDITIONAL AMOUNT SHALL BE  
28 PAYABLE TO THE PANAMA CENTRAL SCHOOL DISTRICT IN ACCORDANCE WITH THE  
29 PAYMENT SCHEDULES CONTAINED IN SECTION THIRTY-SIX HUNDRED NINE-A OF THIS  
30 ARTICLE, NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY.

31 C. TO THE UNION-ENDICOTT CENTRAL SCHOOL DISTRICT, THERE SHALL BE PAID  
32 TWO MILLION FOUR HUNDRED THOUSAND DOLLARS (\$2,400,000). SUCH ADDITIONAL  
33 AMOUNT SHALL BE PAYABLE TO THE UNION-ENDICOTT CENTRAL SCHOOL DISTRICT IN  
34 ACCORDANCE WITH THE PAYMENT SCHEDULES CONTAINED IN SECTION THIRTY-SIX  
35 HUNDRED NINE-A OF THIS ARTICLE, NOTWITHSTANDING ANY PROVISION OF LAW TO  
36 THE CONTRARY.

37 D. TO THE NORTH SHORE CENTRAL SCHOOL DISTRICT, THERE SHALL BE PAID TWO  
38 MILLION FOUR HUNDRED THOUSAND DOLLARS (\$2,400,000). SUCH ADDITIONAL  
39 AMOUNT SHALL BE PAYABLE TO THE NORTH SHORE CENTRAL SCHOOL DISTRICT IN  
40 ACCORDANCE WITH THE PAYMENT SCHEDULES CONTAINED IN SECTION THIRTY-SIX  
41 HUNDRED NINE-A OF THIS ARTICLE, NOTWITHSTANDING ANY PROVISION OF LAW TO  
42 THE CONTRARY.

43 S 3. Section 31 of part A of chapter 57 of the laws of 2012 amending  
44 the education law and other laws relating to implementing the education,  
45 labor and family assistance budget, is amended to read as follows:

46 S 31. a. Notwithstanding any other provision of law to the contrary,  
47 the actions or omissions of any school district which failed to submit a  
48 final building project cost report by June 30 of the school year follow-  
49 ing June 30 of the school year in which the certificate of substantial  
50 completion of the project is issued by the architect or engineer, or six  
51 months after issuance of such certificate, whichever is later, are here-  
52 by ratified and validated, provided that such building project was  
53 eligible for aid in a year for which the commissioner is required to  
54 prepare an estimate of apportionments due and owing pursuant to para-  
55 graph c of subdivision 21 of section 305 of the education law, provided  
56 further that such school district submits a final cost report on or

1 before December 31, [2012] 2014 and such report is approved by the  
2 commissioner of education, and provided further that any amount due and  
3 payable for school years prior to the 2013-14 school year as a result of  
4 this act shall be paid pursuant to the provisions of paragraph c of  
5 subdivision 5 of section 3604 of the education law.

6 b. Notwithstanding any other provision of law to the contrary, any  
7 pending payment of moneys due to such district as a prior year adjust-  
8 ment payable pursuant to paragraph c of subdivision 5 of section 3604 of  
9 the education law for aid claims that had been previously paid in excess  
10 as current year aid payments and for which recovery of excess payments  
11 is to be made pursuant to this act, shall be reduced by any remaining  
12 unrecovered balance of such excess payments, and the remaining scheduled  
13 deductions of such excess payments pursuant to this act shall be reduced  
14 by the commissioner of education to reflect the amount so recovered.

15 [c. The education department is hereby directed to adjust the approved  
16 costs of the aforementioned projects on a pro-rata basis to reflect the  
17 number of years between June 30 of the school year following June 30 of  
18 the school year in which the certificate of substantial completion of  
19 the project is issued by the architect or engineer, or six months after  
20 issuance of such certificate, whichever is later and the date upon which  
21 the district filed a final cost report as a proportion of the useful  
22 life of the project, and to consider such adjusted approved costs as  
23 valid and proper obligations of such school districts.]

24 S 4. Paragraph c of subdivision 4 of section 4405 of the education  
25 law, as amended by chapter 82 of the laws of 1995, is amended to read as  
26 follows:

27 c. The director of the budget, in consultation with the commissioner  
28 of education, the commissioner of social services, and any other state  
29 agency or other source the director may deem appropriate, shall approve  
30 reimbursement methodologies for tuition and for maintenance. Any modifi-  
31 cation in the approved reimbursement methodologies shall be subject to  
32 the approval of the director of the budget. [Notwithstanding any other  
33 provision of law, rule or regulation to the contrary, tuition rates  
34 established for the nineteen hundred ninety-five--ninety-six school year  
35 shall exclude the two percent cost of living adjustment authorized in  
36 rates established for the nineteen hundred ninety-four--ninety-five  
37 school year.] TUITION RATES APPROVED FOR THE TWO THOUSAND FOURTEEN-TWO  
38 THOUSAND FIFTEEN SCHOOL YEAR AND THEREAFTER FOR SPECIAL SERVICES OR  
39 PROGRAMS PROVIDED TO SCHOOL-AGE STUDENTS BY APPROVED PRIVATE RESIDENTIAL  
40 OR NON-RESIDENTIAL SCHOOLS FOR THE EDUCATION OF STUDENTS WITH DISABILI-  
41 TIES THAT ARE LOCATED WITHIN THE STATE, 4201 SCHOOLS AND BY SPECIAL ACT  
42 SCHOOL DISTRICTS SHALL GROW BY A PERCENTAGE EQUAL TO THE GREATER OF: (I)  
43 THE AVERAGE, ROUNDED TO THREE DECIMAL PLACES, OF THE QUOTIENTS OF THE  
44 TOTAL PERSONAL INCOME OF TAXPAYERS IN THE STATE FOR EACH STATE FISCAL  
45 YEAR IN THE FOUR-YEAR PERIOD FINISHING WITH THE STATE FISCAL YEAR ONE  
46 YEAR PRIOR TO THE STATE FISCAL YEAR IN WHICH THE BASE YEAR COMMENCED  
47 DIVIDED BY THE TOTAL PERSONAL INCOME OF TAXPAYERS OF THE STATE FOR EACH  
48 IMMEDIATELY PRECEDING STATE FISCAL YEAR, ROUNDED TO THREE DECIMAL PLACES  
49 MINUS ONE; OR (II) ZERO.

50 S 5. The commissioner of education, in consultation with the New York  
51 state broadband program office of the empire state development corpo-  
52 ration, the New York state energy research and development authority and  
53 the public service commission, shall establish an online learning advi-  
54 sory committee which shall develop recommendations for establishment of  
55 a statewide online and blended learning program. Such advisory committee  
56 shall be composed of 12 members appointed by the commissioner of educa-

1 tion. Provided that of such 12 members: three members shall be  
2 appointed upon the recommendation of the governor, three members shall  
3 be appointed upon the recommendation of the temporary president of the  
4 senate, three members shall be appointed upon the recommendation of the  
5 speaker of the assembly, and the remaining members shall be appointed in  
6 the sole discretion of the commissioner of education. The members of the  
7 committee shall have demonstrated experience with or expertise in one of  
8 the following areas: private or public online providers, accreditation  
9 of programming, boards of cooperative educational services, school  
10 administration, educational delivery in a rural setting, existing online  
11 and blended learning program development, institutions of higher educa-  
12 tion, or as a teacher certified pursuant to article 61 of the education  
13 law. The recommendations of the advisory committee shall include, but  
14 not be limited to:

- 15 (a) definitions of online and blended learning;
- 16 (b) connecting modules throughout the state in order to create a  
17 statewide online and blended learning system including, but not limited  
18 to, remote and rural school districts;
- 19 (c) model school district policies, as well as model agreements to be  
20 used by school districts in implementation of an online and blended  
21 learning program including, but not limited to, agreements that address  
22 billing, fees, responsibilities of online course providers and school  
23 districts;
- 24 (d) best practices from throughout the state that can be modeled and  
25 replicated;
- 26 (e) implementation guidelines and policies for schools without online  
27 and blended learning programs;
- 28 (f) state and federal funding opportunities for online and blended  
29 learning programs, as well as a review of state aid to online and blend-  
30 ed learning programs;
- 31 (g) regulatory review and development of new regulations pertaining to  
32 online and blended learning programs;
- 33 (h) content and course evaluation;
- 34 (i) identifiable academic programming suited for online and blended  
35 learning that have been eliminated from course offerings within the past  
36 five years including, but not limited to, foreign language courses,  
37 technology classes, art and music, and career and college ready  
38 programs;
- 39 (j) partnerships with institutions of higher education for workforce  
40 opportunities using online and blended learning;
- 41 (k) teaching and professional development requirements including  
42 recommendations regarding licensure, and compliance with current state  
43 laws;
- 44 (l) technology support, including but not limited to, technological  
45 delivery and broadband access to remote and underrepresented geographic  
46 areas;
- 47 (m) quality assessment and licensing of online providers;
- 48 (n) operational and administrative support guidelines;
- 49 (o) addressing barriers to the implementation of online and blended  
50 learning programs; and
- 51 (p) local school district flexibility including recommendations for  
52 compliance with seat-time and graduation requirements.

53 S 6. The members of the advisory committee shall receive no compen-  
54 sation for their services, but shall be allowed their actual and neces-  
55 sary expenses incurred in the performance of their duties pursuant to  
56 this act.

1 S 7. The advisory committee shall convene on or before August 1, 2014  
2 to develop its recommendations. On or before January 1, 2015, the  
3 committee shall submit a preliminary report of its recommendations for  
4 consideration in the executive budget for the 2015-2016 state fiscal  
5 year, and, on or before October 1, 2015, shall submit a final report of  
6 its recommendations to the governor, the temporary president of the  
7 senate, the speaker of the assembly and the chairs of the legislative  
8 commission on the development of rural resources.

9 S 8. The opening paragraph of section 3609-a of the education law, as  
10 amended by section 14 of part A of chapter 57 of the laws of 2013, is  
11 amended to read as follows:

12 For aid payable in the two thousand seven--two thousand eight school  
13 year and thereafter, "moneys apportioned" shall mean the lesser of (i)  
14 the sum of one hundred percent of the respective amount set forth for  
15 each school district as payable pursuant to this section in the school  
16 aid computer listing for the current year produced by the commissioner  
17 in support of the budget which includes the appropriation for the gener-  
18 al support for public schools for the prescribed payments and individ-  
19 ualized payments due prior to April first for the current year plus the  
20 apportionment payable during the current school year pursuant to subdi-  
21 vision six-a and subdivision fifteen of section thirty-six hundred two  
22 of this part minus any reductions to current year aids pursuant to  
23 subdivision seven of section thirty-six hundred four of this part or any  
24 deduction from apportionment payable pursuant to this chapter for  
25 collection of a school district basic contribution as defined in subdi-  
26 vision eight of section forty-four hundred one of this chapter, less any  
27 grants provided pursuant to subparagraph two-a of paragraph b of subdi-  
28 vision four of section ninety-two-c of the state finance law, less any  
29 grants provided pursuant to subdivision twelve of section thirty-six  
30 hundred forty-one of this article, or (ii) the apportionment calculated  
31 by the commissioner based on data on file at the time the payment is  
32 processed; provided however, that for the purposes of any payments made  
33 pursuant to this section prior to the first business day of June of the  
34 current year, moneys apportioned shall not include any aids payable  
35 pursuant to subdivisions six and fourteen, if applicable, of section  
36 thirty-six hundred two of this part as current year aid for debt service  
37 on bond anticipation notes and/or bonds first issued in the current year  
38 or any aids payable for full-day kindergarten for the current year  
39 pursuant to subdivision nine of section thirty-six hundred two of this  
40 part. The definitions of "base year" and "current year" as set forth in  
41 subdivision one of section thirty-six hundred two of this part shall  
42 apply to this section. For aid payable in the [two thousand thirteen--  
43 two thousand fourteen] TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN  
44 school year, reference to such "school aid computer listing for the  
45 current year" shall mean the printouts entitled ["SA131-4"] SA141-5.

46 S 9. Subdivision a of section 5 of chapter 121 of the laws of 1996,  
47 relating to authorizing the Roosevelt union free school district to  
48 finance deficits by the issuance of serial bonds, as amended by section  
49 23-b of part A of chapter 57 of the laws of 2013, is amended to read as  
50 follows:

51 a. Notwithstanding any other provisions of law, upon application to  
52 the commissioner of education submitted not sooner than April first and  
53 not later than June thirtieth of the applicable school year, the Roose-  
54 velt union free school district shall be eligible to receive an appor-  
55 tionment pursuant to this chapter for salary expenses, including related  
56 benefits, incurred between April first and June thirtieth of such school

1 year. Such apportionment shall not exceed: for the 1996-97 school year  
2 through the [2013-14] 2014-15 school year, four million dollars  
3 (\$4,000,000); for the [2014-15] 2015-16 school year, three million  
4 dollars (\$3,000,000); for the [2015-16] 2016-17 school year, two million  
5 dollars (\$2,000,000); for the [2016-17] 2017-18 school year, one million  
6 dollars (\$1,000,000); and for the [2017-18] 2018-19 school year, zero  
7 dollars. Such annual application shall be made after the board of  
8 education has adopted a resolution to do so with the approval of the  
9 commissioner of education.

10 S 10. Paragraph a-1 of subdivision 11 of section 3602 of the education  
11 law, as amended by section 25 of Part A of chapter 57 of the laws of  
12 2013, is amended to read as follows:

13 a-1. Notwithstanding the provisions of paragraph a of this subdivi-  
14 sion, for aid payable in the school years two thousand--two thousand one  
15 through two thousand nine--two thousand ten, and two thousand eleven--  
16 two thousand twelve through two thousand [thirteen] FOURTEEN--two thou-  
17 sand [fourteen] FIFTEEN, the commissioner may set aside an amount not to  
18 exceed two million five hundred thousand dollars from the funds appro-  
19 priated for purposes of this subdivision for the purpose of serving  
20 persons twenty-one years of age or older who have not been enrolled in  
21 any school for the preceding school year, including persons who have  
22 received a high school diploma or high school equivalency diploma but  
23 fail to demonstrate basic educational competencies as defined in regu-  
24 lation by the commissioner, when measured by accepted standardized  
25 tests, and who shall be eligible to attend employment preparation educa-  
26 tion programs operated pursuant to this subdivision.

27 S 11. Subdivision 10 of section 6-p of the general municipal law, as  
28 amended by section 32-a of part A of chapter 57 of the laws of 2013, is  
29 amended to read as follows:

30 10. Notwithstanding any provision of law to the contrary, the govern-  
31 ing board of a school district may, during the [two thousand thirteen--  
32 two thousand fourteen] TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN  
33 school year, authorize a withdrawal from this fund in an amount not to  
34 exceed the lesser of: (a) the dollar value of excess funding in the fund  
35 as determined by the comptroller pursuant to section thirty-three of  
36 this chapter or (b) the amount of the school district's remaining gap  
37 elimination adjustment as calculated by the commissioner of education  
38 pursuant to subdivision seventeen of section thirty-six hundred two of  
39 the education law. Funds withdrawn pursuant to this subdivision may only  
40 be used for the purpose of maintaining educational programming during  
41 the [two thousand thirteen--two thousand fourteen] TWO THOUSAND FOUR-  
42 TEEN--TWO THOUSAND FIFTEEN school year which otherwise would have been  
43 reduced as a result of such gap elimination adjustment. Governing boards  
44 which make such a withdrawal shall submit, in a form prescribed by the  
45 commissioner of education, relevant information about the withdrawal,  
46 which shall include but not be limited to, the amount of such with-  
47 drawal, the date of withdrawal, and the use of such withdrawn funds.

48 S 12. Subparagraph (a) of paragraph p of subdivision 4 of section 1950  
49 of the education law, as amended by chapter 602 of the laws of 1994, is  
50 amended to read as follows:

51 (a) To rent suitable land, classrooms, offices or buildings upon or in  
52 which to maintain and conduct such cooperative educational services and  
53 administrative offices for a period not to exceed [ten] TWENTY years and  
54 to improve, alter, equip and furnish such land, classrooms, offices or  
55 buildings in a suitable manner for such purposes (1) before executing  
56 any lease, the board shall adopt a resolution determining that such

1 agreement is in the best financial interests of the supervisory district  
2 and stating the basis of that determination; (2) the rental payment  
3 shall not be more than the fair market value as determined by the board;  
4 and (3) upon the consent of the commissioner, renewal of such lease may  
5 be made for a period of up to [ten] TWENTY years. Nothing contained  
6 herein shall prevent the board from entering into a lease agreement  
7 which provides for the cancellation of the same by such board upon: (i)  
8 a substantial increase or decrease in pupil enrollment; or (ii) a  
9 substantial change in the needs and requirements of a board of cooper-  
10 ative educational services with respect to facilities; or (iii) any  
11 other change which substantially affects the needs or requirements of a  
12 board of cooperative educational services or the community in which it  
13 is located. No lease or other contract for the occupancy of such land,  
14 classrooms, offices or buildings shall be enforceable against the board  
15 of cooperative educational services unless and until the same shall have  
16 been approved in writing by the commissioner.

17 S 13. Section 26 of subpart F of part C of chapter 97 of the laws of  
18 2011 amending the education law relating to census reporting, is amended  
19 to read as follows:

20 S 26. This act shall take effect immediately provided, however, [that  
21 the provisions of section three of this act shall expire June 30, 2014  
22 when upon such date the provisions of such section shall be deemed  
23 repealed; provided, further] that the provisions of sections eight,  
24 eleven, twelve, thirteen and twenty of this act shall expire July 1,  
25 2014 when upon such date the provisions of such sections shall be deemed  
26 repealed.

27 S 14. Subdivisions 1, 2 and 7 of section 2116-b of the education law,  
28 subdivisions 1 and 7 as added by chapter 263 of the laws of 2005, and  
29 subdivision 2 as amended by section 4 of part A of chapter 57 of the  
30 laws of 2013, are amended and a new subdivision 8 is added to read as  
31 follows:

32 1. No later than July first, two thousand six, each school district  
33 shall establish an internal audit function to be in operation no later  
34 than the following December thirty-first. Such function shall include:  
35 (a) development of a risk assessment of district operations, including  
36 but not limited to, a review of financial policies and procedures and  
37 the testing and evaluation of district internal controls; (b) [an annu-  
38 al] A review and update of such risk assessment; and (c) preparation of  
39 reports[, at least annually or more frequently as the trustees or board  
40 of education may direct,] which analyze significant risk assessment  
41 findings, recommend changes for strengthening controls and reducing  
42 identified risks, and specify timeframes for implementation of such  
43 recommendations.

44 2. School districts of less than eight teachers, school districts with  
45 actual general fund expenditures totaling less than five million dollars  
46 in the previous school year, or school districts with actual enrollment  
47 of less than one thousand five hundred students in the previous school  
48 year shall be exempt from this requirement. Any school district claiming  
49 such exemption shall [annually] certify to the commissioner that such  
50 school district meets the requirements set forth in this subdivision.

51 7. Nothing in this section shall be construed as requiring a school  
52 district in any city with a population of one hundred twenty-five thou-  
53 sand or more to replace or modify an existing internal audit function  
54 where such function already exists by special or local law, so long as  
55 the superintendent of the district [annually] certifies to the commis-

1 sioner that the existing internal audit function meets or exceeds the  
2 requirements of this section.

3 8. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE  
4 INTERNAL AUDIT FUNCTION ESTABLISHED PURSUANT TO THIS SECTION SHALL BE  
5 OPTIONAL BY ALL SCHOOL DISTRICTS UNLESS THE COMPTROLLER FINDS DEFICIEN-  
6 CIES IN THE AUDIT PERFORMED PURSUANT TO SECTION THIRTY-THREE OF THE  
7 GENERAL MUNICIPAL LAW. IF DEFICIENCIES ARE FOUND BY THE COMPTROLLER,  
8 SCHOOL DISTRICTS SHALL PERFORM BIENNIAL INTERNAL AUDITS UNTIL THE COMP-  
9 TROLLER CONDUCTS ANOTHER AUDIT OF SUCH SCHOOL DISTRICT.

10 S 15. Section 4 of chapter 698 of the laws of 1996 amending the educa-  
11 tion law relating to transportation contracts, as amended by section 19  
12 of part A of chapter 57 of the laws of 2012, is amended to read as  
13 follows:

14 S 4. This act shall take effect immediately[, and shall expire and be  
15 deemed repealed on and after June 30, 2017].

16 S 16. Paragraph a of subdivision 2 of section 4402 of the education  
17 law, as amended by chapter 243 of the laws of 1989, is amended to read  
18 as follows:

19 a. The board of education or trustees of each school district shall be  
20 required to furnish suitable educational opportunities for [children  
21 with handicapping conditions] STUDENTS WITH DISABILITIES by one of the  
22 special services or programs listed in subdivision two of section  
23 forty-four hundred one OF THIS ARTICLE. The need of the individual child  
24 shall determine which of such services shall be rendered. Each district  
25 shall provide to the maximum extent appropriate such services in a  
26 manner which enables [children with handicapping conditions] STUDENTS  
27 WITH DISABILITIES to participate in regular education services when  
28 appropriate. Such services or programs shall be furnished between the  
29 months of September and June of each year, except that for the nineteen  
30 hundred eighty-seven--eighty-eight school year and thereafter, with  
31 respect to the students whose [handicapping conditions] DISABILITIES are  
32 severe enough to exhibit the need for a structured learning environment  
33 of twelve months duration to maintain developmental levels, the board of  
34 education or trustees of each school district upon the recommendation of  
35 the committee on special education [and, in the first instance, the  
36 consent of the parent] shall also provide, either directly or by  
37 contract, for the provision of special services and programs as defined  
38 in section forty-four hundred one of this article during the months of  
39 July and August as contained in the individualized education program for  
40 each eligible [child] STUDENT, and with prior approval by the commis-  
41 sioner if required; provided that [(i) a student with a handicapping  
42 condition who is first eligible to attend public school in the nineteen  
43 hundred eighty-seven--eighty-eight school year shall not be eligible to  
44 receive services pursuant to this paragraph during the months of July  
45 and August nineteen hundred eighty-seven and (ii) a student with a  
46 handicapping condition who is first eligible to attend public school in  
47 the nineteen hundred eighty-eight--eighty-nine school year shall not be  
48 eligible to receive services pursuant to this paragraph during the  
49 months of July and August nineteen hundred eighty-eight and (iii) a  
50 student with a handicapping condition who is eligible for services  
51 during the months of July and August nineteen hundred eighty-nine pursu-  
52 ant to the provisions of subdivision six of section forty-four hundred  
53 ten of this article shall not be eligible to receive services pursuant  
54 to this paragraph during such months and (iv)] a student with a [handi-  
55 capping condition] DISABILITY who is eligible for services, including  
56 services during the months of July and August, pursuant to section

1 forty-four hundred ten of this article shall not be eligible to receive  
2 services pursuant to this paragraph during the months of July and  
3 August.

4 S 17. Section 810 of the education law, as amended by chapter 616 of  
5 the laws of 1969, subdivision 1 as amended by chapter 96 of the laws of  
6 1978, is amended to read as follows:

7 S 810. [Conservation] EARTH day. [1. The last Friday in April each  
8 year is hereby made and declared to be known as Conservation day, and  
9 observed in accordance with the provisions of this chapter, except that  
10 for the year nineteen hundred seventy-eight, Conservation day shall be  
11 May third.

12 2. It shall be the duty of the authorities of every public school in  
13 this state to assemble the pupils in their charge on that day in the  
14 school building, or elsewhere, as they may deem proper, and to provide  
15 for and conduct (1) such exercises as shall tend to encourage the plant-  
16 ing, protection and preservation of trees and shrubs, and an acquaint-  
17 ance with the best methods to be adopted to accomplish such results, and  
18 (2) such lectures, pictures or tours, as shall tend to increase the  
19 interest and knowledge of such pupils in the fish and wild life, soil  
20 and water of the state.

21 3. The commissioner of education may prescribe from time to time a  
22 course of exercises and instruction in the subjects hereinbefore  
23 mentioned, which shall be adopted and observed by the public school  
24 authorities on Conservation day. Upon receipt of copies of such course  
25 sufficient in number to supply all the schools under their supervision,  
26 the school authorities aforesaid shall promptly provide each of the  
27 schools under their charge with a copy, and cause it to be observed.]  
28 ANNUALLY, IT SHALL BE THE DUTY OF THE AUTHORITIES OF EVERY PUBLIC SCHOOL  
29 IN THIS STATE TO OBSERVE EARTH DAY AS THEY MAY DEEM PROPER AND TO  
30 ENCOURAGE INSTRUCTION ON THE EARTH'S NATURAL ENVIRONMENT AS APPROPRIATE.

31 S 18. Paragraph d of subdivision 4 of section 3641 of the education  
32 law is REPEALED.

33 S 19. Notwithstanding any other provision of law to the contrary, the  
34 aggregate amount of one million one hundred twenty-three thousand nine  
35 hundred and twelve dollars received by the General Brown central school  
36 district from the Utica National Insurance Group allocated for the  
37 rebuilding of the bus garage and the lease of busses shall not be  
38 deducted from the cost allowance used to compute aid for such projects  
39 pursuant to subdivision 6 of section 3602 of the education law. Any  
40 amount due and payable to the General Brown central school district for  
41 school years prior to the 2014-15 school year as a result of this act  
42 shall be paid pursuant to the provisions of paragraph c of subdivision 5  
43 of section 3604 of the education law.

44 S 20. Subparagraph 10 of paragraph h of subdivision 4 of section 1950  
45 of the education law, as added by chapter 396 of the laws of 2012, is  
46 amended to read as follows:

47 (10) To enter into contracts [of no more than two years and subject to  
48 the sunset date of this subparagraph,] with out-of-state school  
49 districts for special education and/or career and technical education  
50 services or for the use of existing products that demonstrate how to map  
51 the common core standards to assessments and/or provide access to exist-  
52 ing webinars or online courses relating to implementation of the common  
53 core standards AND/OR FOR PROVIDING PROFESSIONAL DEVELOPMENT TO EDUCA-  
54 TORS. Any contract shall be approved by the commissioner, the board of  
55 cooperative educational services and the district superintendent of  
56 schools, provided such services are made available to any school

1 district within the supervisory district and that the requirements of  
2 this subparagraph are met. Contracts must be executed by the board of  
3 cooperative educational services and the trustees or boards of education  
4 of such out-of-state school districts and shall only authorize out-of-  
5 state students to participate in an instructional program if such  
6 services are available to all eligible students in New York state  
7 schools in the component districts and the number of participating out-  
8 of-state students only comprises up to five percent of the total number  
9 of the total enrolled students in the instructional program at the board  
10 of cooperative educational services and that the board of cooperative  
11 educational services spends no more than thirty percent of its employ-  
12 ees' time on services to out-of-state districts pursuant to this subpar-  
13 agraph. To be approved by the commissioner, the contract and any busi-  
14 ness plan, shall demonstrate that any services provided to out-of-state  
15 schools pursuant to this subparagraph shall not result in any additional  
16 costs being imposed on component school districts and that any payments  
17 received by the board of cooperative educational services for services  
18 provided in this subparagraph that exceed any cost to the board of coop-  
19 erative educational services for providing such services shall be  
20 applied to reduce the costs of aidable shared services allocated to  
21 component school districts pursuant to paragraph d of this subdivision  
22 and shall also be applied to reduce the approved cost of services pursu-  
23 ant to subdivision five of this section. Services provided by a board of  
24 cooperative educational services to component districts at the time of  
25 approval of a contract under this paragraph shall not be reduced or  
26 eliminated solely due to a board of cooperative educational services'  
27 performance of services to out-of-state districts pursuant to this para-  
28 graph.

29 S 21. Notwithstanding any other provision of law, rule or regulation  
30 to the contrary, the Valley Stream School District 24 is authorized in  
31 the 2014-2015 school year to transfer to the general fund of such school  
32 district, for the sole purpose of real property tax reduction, surplus  
33 monies in the retirement contribution reserve fund established by such  
34 school district.

35 S 22. The commissioner of education shall collaborate with parents,  
36 principals and teachers to provide effective, data-informed professional  
37 development and coaching to meet the needs of implementing the common  
38 core learning standards and provide parents with instructional tools to  
39 promote and assist in developing college and career readiness.

40 Such support shall include any necessary materials, age appropriate  
41 instruction and presentations that provide best practices for the effec-  
42 tive implementation of the common core learning standards that are  
43 designed to improve student learning outcomes. Such support shall be  
44 available for the purpose of providing professional development for  
45 teachers and principals, as well as parent engagement, and preparation  
46 programs for participating school districts, boards of cooperative  
47 educational services, charter schools and communities at large.

48 S 23. Subparagraphs (ii) and (iii) of paragraph (a) of subdivision 1  
49 of section 2856 of the education law, as amended by section 5 of part A  
50 of chapter 57 of the laws of 2013, are relettered subparagraphs (iii)  
51 and (iv) and a new subparagraph (ii) is added to read as follows:

52 (II) FOR CHARTER SCHOOL BASIC TUITION FOR A CITY SCHOOL DISTRICT IN A  
53 CITY HAVING A POPULATION OF ONE MILLION INHABITANTS OR MORE AN ADDI-  
54 TIONAL AMOUNT SHALL BE PROVIDED TO THE AMOUNT CALCULATED IN SUBPARAGRAPH  
55 (I) OF THIS PARAGRAPH EQUAL TO THE POSITIVE DIFFERENCE OF (1) ONE  
56 HUNDRED PERCENT OF THE AMOUNT CALCULATED PURSUANT TO PARAGRAPH F OF

1 SUBDIVISION ONE OF SECTION THIRTY-SIX HUNDRED TWO OF THIS CHAPTER FOR  
2 THE SCHOOL DISTRICT FOR THE YEAR PRIOR TO THE BASE YEAR INCREASED BY THE  
3 PERCENTAGE CHANGE IN THE STATE TOTAL APPROVED OPERATING EXPENSE CALCU-  
4 LATED PURSUANT TO PARAGRAPH T OF SUBDIVISION ONE OF SECTION THIRTY-SIX  
5 HUNDRED TWO OF THIS CHAPTER FROM TWO YEARS PRIOR TO THE BASE YEAR EXCEPT  
6 THAT THE TERMS OF PARAGRAPH D OF SUBDIVISION TWO OF SECTION THIRTY-SIX  
7 HUNDRED TWO OF THIS CHAPTER SHALL NOT APPLY TO CALCULATION UNDER THIS  
8 SUBPARAGRAPH MINUS (2) THE AMOUNT CALCULATED UNDER SUBPARAGRAPH (I) OF  
9 THIS PARAGRAPH. PROVIDED HOWEVER IN THE TWO THOUSAND FOURTEEN--TWO THOU-  
10 SAND FIFTEEN SCHOOL YEAR SUCH ADDITIONAL AMOUNT CALCULATED PURSUANT TO  
11 THIS SUBPARAGRAPH SHALL BE MULTIPLIED BY A FACTOR OF SEVENTY-FIVE  
12 HUNDREDTHS (.75) AND IN THE TWO THOUSAND FIFTEEN--TWO THOUSAND SIXTEEN  
13 SCHOOL YEAR AND EACH YEAR THEREAFTER SUCH ADDITIONAL AMOUNT CALCULATED  
14 PURSUANT TO THIS SUBPARAGRAPH SHALL BE MULTIPLIED BY A FACTOR OF ONE  
15 (1.00);

16 S 24. Subparagraphs (ii) and (iii) of paragraph (a) of subdivision 1  
17 of section 2856 of the education law, as amended by section 6 of part A  
18 of chapter 57 of the laws of 2013, are relettered subparagraphs (iii)  
19 and (iv) and a new subparagraph (ii) is added to read as follows:

20 (II) FOR CHARTER SCHOOL BASIC TUITION FOR A CITY SCHOOL DISTRICT IN A  
21 CITY HAVING A POPULATION OF ONE MILLION INHABITANTS OR MORE AN ADDI-  
22 TIONAL AMOUNT SHALL BE PROVIDED TO THE AMOUNT CALCULATED IN SUBPARAGRAPH  
23 (I) OF THIS PARAGRAPH EQUAL TO THE POSITIVE DIFFERENCE OF (1) ONE  
24 HUNDRED PERCENT OF THE AMOUNT CALCULATED PURSUANT TO PARAGRAPH F OF  
25 SUBDIVISION ONE OF SECTION THIRTY-SIX HUNDRED TWO OF THIS CHAPTER FOR  
26 THE SCHOOL DISTRICT FOR THE YEAR PRIOR TO THE BASE YEAR INCREASED BY THE  
27 PERCENTAGE CHANGE IN THE STATE TOTAL APPROVED OPERATING EXPENSE CALCU-  
28 LATED PURSUANT TO PARAGRAPH T OF SUBDIVISION ONE OF SECTION THIRTY-SIX  
29 HUNDRED TWO OF THIS CHAPTER FROM TWO YEARS PRIOR TO THE BASE YEAR EXCEPT  
30 THAT THE TERMS OF PARAGRAPH D OF SUBDIVISION TWO OF SECTION THIRTY-SIX  
31 HUNDRED TWO OF THIS CHAPTER SHALL NOT APPLY TO CALCULATION UNDER THIS  
32 SUBPARAGRAPH MINUS (2) THE AMOUNT CALCULATED UNDER SUBPARAGRAPH (I) OF  
33 THIS PARAGRAPH. PROVIDED HOWEVER IN THE TWO THOUSAND FOURTEEN--TWO THOU-  
34 SAND FIFTEEN SCHOOL YEAR SUCH ADDITIONAL AMOUNT CALCULATED PURSUANT TO  
35 THIS SUBPARAGRAPH SHALL BE MULTIPLIED BY A FACTOR OF SEVENTY-FIVE  
36 HUNDREDTHS (.75) AND IN THE TWO THOUSAND FIFTEEN--TWO THOUSAND SIXTEEN  
37 SCHOOL YEAR AND EACH YEAR THEREAFTER SUCH ADDITIONAL AMOUNT CALCULATED  
38 PURSUANT TO THIS SUBPARAGRAPH SHALL BE MULTIPLIED BY A FACTOR OF ONE  
39 (1.00);

40 S 25. Paragraph (c) of subdivision 4 of section 2853 of the education  
41 law, as added by chapter 4 of the laws of 1998, is amended to read as  
42 follows:

43 (c) A charter school may contract with [a school district or] the  
44 governing body of a public college or university for the use of a school  
45 building and grounds, the operation and maintenance thereof. Any such  
46 contract shall provide such services or facilities at cost. A SCHOOL  
47 DISTRICT SHALL PERMIT ANY CHARTER SCHOOL USING A DISTRICT SCHOOL BUILD-  
48 ING AND GROUNDS, THE OPERATION AND MAINTENANCE THEREOF, TO USE SUCH  
49 SERVICES AND FACILITIES WITHOUT COST.

50 S 26. Section 2856 of the education law is amended by adding a new  
51 subdivision 4 to read as follows:

52 4. FOR A CHARTER SCHOOL THAT, AFTER APRIL FIRST, TWO THOUSAND FOUR-  
53 TEEN, OPENS, ADDS ACADEMIC GRADES OR LOSES THE USE OF A DISTRICT SCHOOL  
54 BUILDING WITHOUT COST. A SCHOOL DISTRICT IN A CITY HAVING A POPULATION  
55 OF ONE MILLION OR MORE INHABITANTS SHALL PAY AN AMOUNT EQUAL TO THE  
56 LESSER OF (I) TWENTY-FIVE PERCENT OF THE AMOUNT CALCULATED PURSUANT TO

1 SUBDIVISION ONE OF THIS SECTION TO ANY CHARTER SCHOOL WITH RESPECT TO  
2 ANY OF ITS STUDENTS NOT LOCATED IN DISTRICT SCHOOL BUILDINGS AND GROUNDS  
3 PROVIDED WITHOUT COST PURSUANT TO PARAGRAPH (C) OF SUBDIVISION FOUR OF  
4 SECTION TWENTY-EIGHT HUNDRED FIFTY-THREE OF THIS ARTICLE OR (II) AN  
5 AMOUNT DETERMINED BY THE ENTITY AUTHORIZED TO ISSUE A CHARTER PURSUANT  
6 TO THIS ARTICLE EQUAL TO THE CHARTER SCHOOL'S ACTUAL ANNUAL PER PUPIL  
7 EXPENDITURE ON FACILITIES, INCLUDING RENT, OPERATION AND MAINTENANCE,  
8 DEBT SERVICE AND AMORTIZED CAPITAL OUTLAY THEREOF PROVIDED HOWEVER A  
9 CHARTER SCHOOL SHALL SELECT EITHER THE AID CALCULATED PURSUANT TO THIS  
10 SUBDIVISION OR THE AID CALCULATED UNDER SUBDIVISION SIX-G OF SECTION  
11 THIRTY-SIX HUNDRED TWO OF THIS CHAPTER BUT IN NO INSTANCE SHALL THE  
12 CHARTER SCHOOL RECEIVE BOTH.

13 S 27. Paragraph (c) of subdivision 2 of section 2854 of the education  
14 law, as added by chapter 4 of the laws of 1998, is amended to read as  
15 follows:

16 (c) A charter school shall serve one or more of the grades one through  
17 twelve, and shall limit admission to pupils within the grade levels  
18 served. Nothing herein shall prohibit a charter school from establishing  
19 a kindergarten OR PREKINDERGARTEN program. ANY SUCH PREKINDERGARTEN  
20 PROGRAM SHALL BE GOVERNED BY THE PROVISIONS OF THIS ARTICLE, INCLUDING  
21 PARAGRAPH (B) OF SUBDIVISION ONE OF THIS SECTION, BUT SHALL BE EXEMPT  
22 FROM ALL OTHER STATE AND LOCAL LAWS, RULES, REGULATIONS OR POLICIES  
23 GOVERNING PUBLIC OR PRIVATE SCHOOLS, BOARDS OF EDUCATION AND SCHOOL  
24 DISTRICTS, EXCEPT AS SPECIFICALLY PROVIDED IN THE SCHOOL'S CHARTER OR IN  
25 THIS ARTICLE.

26 S 28. Section 2856 of the education law is amended by adding a new  
27 subdivision 4-a to read as follows:

28 4-A. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR A PREK-  
29 INDERGARTEN PROGRAM OPERATED BY A CHARTER SCHOOL, THE SCHOOL DISTRICT OF  
30 RESIDENCE SHALL PAY DIRECTLY TO THE CHARTER SCHOOL FOR EACH STUDENT  
31 ENROLLED IN THE CHARTER SCHOOL'S PREKINDERGARTEN PROGRAM WHO RESIDES IN  
32 THE SCHOOL DISTRICT AN AMOUNT EQUAL TO ONE HUNDRED PERCENT OF THE TOTAL  
33 EXPENDITURES BY THE SCHOOL DISTRICT RESIDENCE, AS CALCULATED BY THE  
34 COMMISSIONER, FOR EACH STUDENT ENROLLED IN A FULL-DAY UNIVERSAL PREKIN-  
35 DERGARTEN PROGRAM OF THE SCHOOL DISTRICT OF RESIDENCE.

36 S 29. Section 2851 of the education law is amended by adding a new  
37 subdivision 5 to read as follows:

38 5. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, IN A CITY  
39 HAVING A POPULATION OF ONE MILLION OR MORE INHABITANTS, A CHARTER SCHOOL  
40 APPROVED PURSUANT TO PARAGRAPH (A) OF SUBDIVISION THREE OF THIS SECTION  
41 MAY APPLY AT ANY TIME TO ANOTHER CHARTER ENTITY DEFINED IN PARAGRAPH (B)  
42 OR (C) OF SUBDIVISION THREE OF THIS SECTION TO REQUEST SUCH OTHER CHAR-  
43 TER ENTITY TO OVERSEE AND SUPERVISE SUCH CHARTER SCHOOL. ALL OBLIGATIONS  
44 OF THE CHANCELLOR TO OVERSEE AND SUPERVISE A CHARTER SCHOOL SHALL TERMI-  
45 NATE UPON SUCH CHARTER SCHOOL ENTERING INTO A CHARTER AGREEMENT, AS  
46 DEFINED IN SUBDIVISION FIVE OF SECTION TWENTY-EIGHT HUNDRED FIFTY-TWO OF  
47 THIS ARTICLE, WITH ANOTHER CHARTER ENTITY, AND THE CHANCELLOR SHALL  
48 PROVIDE IN A TIMELY FASHION INFORMATION RELEVANT TO THE CHARTER AS  
49 REQUESTED BY SUCH OTHER CHARTER ENTITY.

50 S 30. Paragraph (e) of subdivision 2-a of section 2590-h of the educa-  
51 tion law, as added by chapter 345 of the laws of 2009, is amended to  
52 read as follows:

53 (e) Except as otherwise provided in paragraph (f) of this subdivision,  
54 all proposed school closings or significant changes in school utiliza-  
55 tion shall be approved by the city board pursuant to section twenty-five  
56 hundred ninety-g of this article and shall not take effect until all the

1 provisions of this subdivision have been satisfied and the school year  
2 in which such city board approval was granted, has ended. ANY APPROVAL  
3 PRIOR TO JANUARY FIRST, TWO THOUSAND FOURTEEN, PURSUANT TO PARAGRAPH (H)  
4 OF SUBDIVISION ONE OF SECTION TWENTY-FIVE HUNDRED NINETY-G OF THIS ARTI-  
5 CLE, OF A SIGNIFICANT CHANGE IN SCHOOL UTILIZATION RELATING TO THE  
6 CO-LOCATION OF A SCHOOL AUTHORIZED PURSUANT TO ARTICLE FIFTY-SIX OF THIS  
7 CHAPTER OR TO ALLOCATE SUCH SCHOOL SPACE IN A DISTRICT SCHOOL BUILDING  
8 MADE PRIOR TO THE IMPLEMENTATION OF THE REQUIREMENTS OF PARAGRAPH (H) OF  
9 SUBDIVISION ONE OF SECTION TWENTY-FIVE HUNDRED NINETY-G OF THIS ARTICLE  
10 SHALL NOT BE ALTERED, REVISED, AMENDED, REVOKED, OVERTURNED, OR WITH-  
11 DRAWN NOR SHALL ANY SUCH DECISION OR APPROVAL FAIL TO BE IMPLEMENTED  
12 WITHOUT THE CONSENT OF THE SCHOOL APPROVED FOR CO-LOCATION IN A PUBLIC  
13 SCHOOL BUILDING UNLESS SUCH SCHOOL IS NO LONGER AUTHORIZED PURSUANT TO  
14 ARTICLE FIFTY-SIX OF THIS CHAPTER. THIS PROVISION SHALL HAVE RETROACTIVE  
15 EFFECT.

16 S 31. Section 3602 of the education law is amended by adding a new  
17 subdivision 6-g to read as follows:

18 6-G. BUILDING AID FOR SCHOOLS AUTHORIZED PURSUANT TO ARTICLE FIFTY-SIX  
19 OF THIS CHAPTER. A. SCHOOLS AUTHORIZED PURSUANT TO ARTICLE FIFTY-SIX OF  
20 THIS CHAPTER SHALL BE ELIGIBLE FOR BUILDING AID TO THE SAME EXTENT AS  
21 SCHOOL DISTRICTS IN A PROCESS PRESCRIBED BY THE COMMISSIONER, WITH AID  
22 TO BEGIN NO LATER THAN THE TWO THOUSAND FOURTEEN--TWO THOUSAND FIFTEEN  
23 SCHOOL YEAR, PROVIDED, THAT (1) AID APPORTIONMENTS FOR SUCH SCHOOLS  
24 SHALL BE CALCULATED BASED ON THE ACTUAL AMORTIZATION AND ACTUAL INTEREST  
25 RATE, (2) THE BUILDING AID RATIO USED SHALL BE THE RATIO FOR THE SCHOOL  
26 DISTRICT IN WHICH THE SCHOOL IS LOCATED, AND THE CHARTER SCHOOL SHALL BE  
27 RESPONSIBLE FOR PAYMENT OF THE LOCAL SHARE OF ANY AIDABLE BUILDING  
28 EXPENSES, AND (3) AID ON EXPENDITURES FOR LEASE PAYMENTS SHALL BE APPOR-  
29 TIONED ONLY IF THE LEASE HAS BEEN APPROVED BY THE SCHOOL'S BOARD OF  
30 TRUSTEES, THE AUTHORIZING ENTITY, AND THE COMMISSIONER.

31 B. THE COMMISSIONER SHALL BE AUTHORIZED TO GRANT SPECIFIC WAIVERS FROM  
32 BUILDING AID PROGRAM REQUIREMENTS TO SCHOOLS AUTHORIZED PURSUANT TO  
33 ARTICLE FIFTY-SIX OF THIS CHAPTER UPON A SHOWING THAT COMPLIANCE WITH  
34 SUCH REQUIREMENTS WOULD CREATE AN UNDUE ECONOMIC HARDSHIP OR THAT SOME  
35 OTHER GOOD CAUSE EXISTS THAT MAKES COMPLIANCE EXTREMELY IMPRACTICAL.

36 C. SCHOOL DISTRICTS THAT COLLECT PAYMENTS FROM A SCHOOL AUTHORIZED  
37 PURSUANT TO ARTICLE FIFTY-SIX OF THIS CHAPTER UNDER A LEASE OR ANY OTHER  
38 ARRANGEMENT FOR THE USE OF DISTRICT-OWNED FACILITIES SHALL HAVE ITS  
39 BUILDING AID APPORTIONMENT REDUCED BY AN AMOUNT EQUAL TO THE SCHOOL'S  
40 PAYMENTS TO THE DISTRICT PROVIDED, HOWEVER, NOTHING IN THIS SUBDIVISION  
41 SHALL BE CONSTRUED TO AUTHORIZE A REDUCTION IN BUILDING AID ATTRIBUTABLE  
42 TO BUILDING PROJECTS SUBJECT TO THE PROVISIONS OF SUBDIVISION FOUR OF  
43 SECTION TWENTY-SEVEN HUNDRED NINETY-NINE-TT OF THE PUBLIC AUTHORITIES  
44 LAW.

45 D. IN THE EVENT THAT A SCHOOL IS NO LONGER AUTHORIZED PURSUANT TO  
46 ARTICLE FIFTY-SIX OF THIS CHAPTER BUILDING AID PAYMENTS SHALL CEASE  
47 IMMEDIATELY.

48 S 32. 1. Notwithstanding any other provision of law to the contrary,  
49 where the education department denies or has denied transportation aid  
50 for a school district transportation contract or has recovered overpay-  
51 ments of such aid relating thereto, the actions or omissions of all  
52 officers, employees or agents of an eligible school district relating to  
53 or in connection with transportation contracts for the 2002-03 school  
54 year through the 2013-14 school year and for contracts and contract  
55 extensions entered into prior to the 2002-03 school year for which  
56 expenses were incurred in the 2002-03 school year or thereafter, all

1 acts incidental thereto are hereby legalized, validated, ratified and  
2 confirmed, notwithstanding any failure to comply with the filing  
3 provisions of the education law, the general municipal law or any other  
4 law, rule or regulation other than those filing provisions defined in  
5 paragraph a of subdivision 5 of section 3604 of the education law, in  
6 relation to any omission, error, defect, irregularity or illegality in  
7 such proceeding had and taken.

8 2. The education department is hereby directed to consider the  
9 contracts legalized, ratified, validated and confirmed pursuant to  
10 subdivision one of this section for transportation aid as a valid and  
11 proper obligation of the school district for aid payable for expenses  
12 incurred in the 2004-05 school year and thereafter; provided that such  
13 school district submits to the education department the applicable  
14 contract number or numbers, school year and upon request, a copy of the  
15 contract, on or before December 31, 2014 and the contract is approved by  
16 the commissioner of education, and provided further that any amount due  
17 and payable for school years prior to the 2014-15 school year as a  
18 result of this act shall be paid pursuant to the provisions of paragraph  
19 c of subdivision 5 of section 3604 of the education law.

20 3. Notwithstanding any other provision of law to the contrary, any  
21 pending payment of moneys due to a school district for a contract  
22 approved for transportation aid pursuant to subdivision two of this  
23 section, as a prior year adjustment payable pursuant to paragraph c of  
24 subdivision 5 of section 3604 of the education law for aid claims that  
25 had been previously paid in excess as current year aid payments and for  
26 which recovery of excess payments is to be made pursuant to this act,  
27 shall be reduced by any remaining unrecovered balance of such excess  
28 payments, and the remaining scheduled deductions of such excess payments  
29 pursuant to this act shall be reduced by the commissioner of education  
30 to reflect the amount so recovered.

31 S 33. This act shall take effect immediately; provided, however, that:

32 1. Section one of this act shall be deemed to have been in full force  
33 and effect on and after April 1, 2001;

34 2. Sections one-a and two of this act shall take effect July 1, 2014;

35 3. Section three of this act shall be deemed to have been in full  
36 force and effect on and after April 1, 2012;

37 4. The amendments to subparagraph 10 of paragraph h of subdivision 4  
38 of section 1950 of the education law made by section twenty of this act  
39 shall not affect the repeal of such subparagraph and shall be deemed  
40 repealed therewith;

41 5. The amendments to subdivision 1 of section 2856 of the education  
42 law made by section twenty-three of this act shall be subject to the  
43 expiration and reversion of such subdivision pursuant to subdivision d  
44 of section 27 of chapter 378 of the laws of 2007, as amended, when upon  
45 such date the provisions of section twenty-four of this act shall take  
46 effect; and

47 6. The amendments to paragraph (e) of subdivision 2-a of section  
48 2590-h of the education law made by section thirty of this act shall not  
49 affect the repeal of such subdivision and shall be deemed repealed ther-  
50 ewith.

51

## PART A-2

52 Section 1. Legislative intent. The legislature hereby finds and  
53 declares that given the current fiscal climate in this state, many

1 school districts, particularly small, rural districts, are threatened by  
 2 a decline in educational opportunities and programs for their students.  
 3 School districts are seeking new models of delivering services to  
 4 students that are most cost-effective and efficient, in order to sustain  
 5 or enhance the quality of services to maintain or expand the scope of  
 6 services offered to students.

7 The legislature recognizes that many secondary schools in the state  
 8 are experiencing financial limitations that may impair their ability to  
 9 offer students the same range or quality of courses that other secondary  
 10 schools may provide. In order to ensure that these districts continue to  
 11 offer their students advanced course work, districts should be afforded  
 12 the opportunity to establish a regional secondary school.

13 Under this new model of delivering services, districts will be able to  
 14 streamline programs and services, increase resources and increase their  
 15 purchasing power through shared services. These resultant cost savings  
 16 will allow money to flow into educational programs and services for  
 17 students which will, in turn, help to improve student performance and  
 18 meet college and career readiness.

19 S 2. The education law is amended by adding a new article 39-A to read  
 20 as follows:

21 ARTICLE 39-A

22 REGIONAL SECONDARY SCHOOLS

23 SECTION 1920. DEFINITIONS.

24 1921. ESTABLISHMENT OF A REGIONAL SECONDARY SCHOOL OPERATED BY  
 25 A BOARD OF EDUCATION.

26 1922. ESTABLISHMENT OF A REGIONAL SECONDARY SCHOOL OPERATED BY  
 27 A BOARD OF COOPERATIVE EDUCATIONAL SERVICES.

28 1923. STATE AID FOR REGIONAL SECONDARY SCHOOLS.

29 1924. REGIONAL SECONDARY SCHOOL ADVISORY COMMITTEE.

30 S 1920. DEFINITIONS. FOR PURPOSES OF THIS ARTICLE, THE FOLLOWING TERMS  
 31 SHALL HAVE THE FOLLOWING MEANINGS:

32 1. THE TERM "REGIONAL SECONDARY SCHOOL" SHALL MEAN A SECONDARY SCHOOL  
 33 ESTABLISHED BY PARTICIPATING DISTRICTS WITHIN A REGION OF NEW YORK  
 34 STATE.

35 2. THE TERM "SECONDARY SCHOOL" SHALL MEAN:

36 A. A HIGH SCHOOL CONTAINING GRADES NINE THROUGH TWELVE;

37 B. A JUNIOR HIGH SCHOOL CONTAINING GRADES SIX THROUGH EIGHT;

38 C. A COMBINED JUNIOR/SENIOR HIGH SCHOOL CONTAINING GRADES SIX THROUGH  
 39 TWELVE;

40 D. A COMBINED JUNIOR/SENIOR HIGH SCHOOL CONTAINING GRADES SEVEN  
 41 THROUGH TWELVE; OR

42 E. A COMBINED JUNIOR/SENIOR HIGH SCHOOL CONTAINING GRADES EIGHT  
 43 THROUGH TWELVE.

44 3. THE TERM "REGION" SHALL MEAN THE COMBINED AREA OF ALL THE PARTIC-  
 45 IPATING DISTRICTS THAT ESTABLISH A REGIONAL SECONDARY SCHOOL.

46 4. THE TERM "PARTICIPATING DISTRICT" SHALL MEAN AN ELIGIBLE SCHOOL  
 47 DISTRICT WHOSE BOARD OF EDUCATION HAS ADOPTED A RESOLUTION TO ESTABLISH  
 48 A REGIONAL SECONDARY SCHOOL WITH ONE OR MORE OTHER ELIGIBLE SCHOOL  
 49 DISTRICTS.

50 5. THE TERM "ELIGIBLE SCHOOL DISTRICT" SHALL MEAN:

51 A. A CITY SCHOOL DISTRICT,

52 B. A CENTRAL SCHOOL DISTRICT,

53 C. A UNION FREE SCHOOL DISTRICT, AND/OR

54 D. A COMMON SCHOOL DISTRICT, WHICH IS ELIGIBLE TO ESTABLISH A REGIONAL  
 55 SECONDARY SCHOOL.

1 6. THE TERM "HOSTING DISTRICT" SHALL MEAN THE PARTICIPATING DISTRICT  
2 WHICH HOSTS THE REGIONAL SECONDARY SCHOOL.

3 7. THE TERM "REGIONAL REFERENDUM" SHALL MEAN A REFERENDUM, PRESENTED  
4 SIMULTANEOUSLY ON THE BALLOT OF ALL THE PARTICIPATING DISTRICTS, AND  
5 DETERMINED BY A MAJORITY VOTE OF THE PARTICIPATING ELECTORS OF THE  
6 REGION COLLECTIVELY.

7 8. THE TERM "PROPOSED CONTRACT" SHALL MEAN THE CONTRACT ADOPTED BY ALL  
8 THE BOARDS OF EDUCATION OF THE PARTICIPATING DISTRICTS FOR THE ESTAB-  
9 LISHMENT AND OPERATION OF THE REGIONAL SECONDARY SCHOOL.

10 9. THE TERM "GOVERNING BOARD OF THE REGIONAL SECONDARY SCHOOL" SHALL  
11 MEAN THE GOVERNING BOARD OF THE REGIONAL SECONDARY SCHOOL AS DESIGNATED  
12 BY THE PROPOSED CONTRACT.

13 S 1921. ESTABLISHMENT OF A REGIONAL SECONDARY SCHOOL OPERATED BY A  
14 BOARD OF EDUCATION. 1. A REGIONAL SECONDARY SCHOOL MAY BE ESTABLISHED  
15 PURSUANT TO THIS SECTION.

16 2. A REGIONAL SECONDARY SCHOOL MAY BE ESTABLISHED BY TWO OR MORE  
17 ELIGIBLE SCHOOL DISTRICTS.

18 3. THE ESTABLISHMENT OF A REGIONAL SECONDARY SCHOOL SHALL BE SUBJECT  
19 TO THE APPROVAL OF THE COMMISSIONER, IN A MANNER AND TIME FRAME, AS SET  
20 FORTH WITHIN THIS SECTION.

21 4. A REGIONAL SECONDARY SCHOOL:

22 A. SHALL BE WHOLLY CONTAINED WITHIN THE SUPERVISORY DISTRICT OF A  
23 BOARD OF COOPERATIVE EDUCATIONAL SERVICES, UNLESS:

24 (I) UPON APPLICATION OF THE BOARDS OF EDUCATION SEEKING TO ESTABLISH A  
25 REGIONAL SECONDARY SCHOOL, THE COMMISSIONER AGREES TO WAIVE THIS  
26 REQUIREMENT; OR

27 (II) THE PARTICIPATING SCHOOL DISTRICT IS A CENTRAL HIGH SCHOOL  
28 DISTRICT, WHICH SUBJECT TO APPROVAL OF ITS VOTERS, ENTERED INTO AN  
29 AGREEMENT WITH SCHOOL DISTRICTS OTHER THAN ITS COMPONENT SCHOOL  
30 DISTRICTS, THAT ARE WHOLLY CONTAINED WITHIN THE SUPERVISORY DISTRICT OF  
31 A BOARD OF COOPERATIVE EDUCATIONAL SERVICES.

32 B. SHALL NOT BE A COMPONENT SCHOOL DISTRICT OF A CENTRAL HIGH SCHOOL  
33 DISTRICT, OR A SPECIAL ACT SCHOOL DISTRICT, AS DEFINED IN SECTION FOUR  
34 THOUSAND ONE OF THIS CHAPTER.

35 5. A REGIONAL SECONDARY SCHOOL SHALL SERVE ALL OR SOME OF THE STUDENTS  
36 IN EACH OF THE PARTICIPATING DISTRICTS IN GRADES OF A SECONDARY SCHOOL  
37 AS DETERMINED BY THE AGREEMENT BETWEEN THE PARTICIPATING DISTRICTS.

38 6. UPON THE ESTABLISHMENT OF A REGIONAL SECONDARY SCHOOL, EACH PARTIC-  
39 IPATING DISTRICT SHALL CEASE OPERATION OF AT LEAST ONE SECONDARY SCHOOL,  
40 EXCEPT THAT THE HOSTING DISTRICT MAY CONTINUE TO OPERATE A SECONDARY  
41 SCHOOL AS A REGIONAL SECONDARY SCHOOL, PURSUANT TO THE CONDITIONS OF  
42 THIS ARTICLE.

43 7. PURSUANT TO THIS SECTION, THE REGIONAL SECONDARY SCHOOL MAY BE  
44 OPERATED BY:

45 A. ONE OF THE PARTICIPATING DISTRICTS, CONSTITUTING THE HOSTING  
46 DISTRICT, WHICH SHALL ASSUME THE RESPONSIBILITY TO OPERATE, SUPERVISE  
47 AND MAINTAIN THE REGIONAL SECONDARY SCHOOL AND THE ADMINISTRATION OF  
48 SUCH REGIONAL SECONDARY SCHOOL; OR

49 B. A JOINT BOARD OF EDUCATION ESTABLISHED PURSUANT TO THIS SECTION.

50 8. A. TO ESTABLISH A REGIONAL SECONDARY SCHOOL, TWO OR MORE PARTIC-  
51 IPATING SCHOOL DISTRICTS MUST INITIALLY ADOPT, BY MAJORITY VOTE OF THE  
52 BOARD OF EDUCATION OF EACH PARTICIPATING DISTRICT, A RESOLUTION PROPOS-  
53 ING THE ESTABLISHMENT OF THE REGIONAL SECONDARY SCHOOL.

54 B. THE RESOLUTION TO ESTABLISH A REGIONAL SECONDARY SCHOOL SHALL INDI-  
55 CATE:

56 (I) THE PROPOSED PARTICIPATING SCHOOL DISTRICTS;

1 (II) WHETHER THE SCHOOL WOULD BE GOVERNED BY A PROPOSED HOSTING  
2 DISTRICT OR A JOINT BOARD OF EDUCATION;

3 (III) A LISTING OF THE GRADES THAT WOULD BE INCLUDED IN THE REGIONAL  
4 SECONDARY SCHOOL;

5 (IV) THE PROPOSED LOCATION OF THE REGIONAL SECONDARY SCHOOL;

6 (V) THE PROPOSED TERM OF THE CONTRACT GOVERNING THE REGIONAL SECONDARY  
7 SCHOOL.

8 C. THE RESOLUTION TO ESTABLISH THE REGIONAL SECONDARY SCHOOL SHALL BE  
9 VOTED ON BY EACH BOARD AT A MEETING HELD NO LATER THAN OCTOBER FIRST OF  
10 THE SCHOOL YEAR PRIOR TO THE SCHOOL YEAR IN WHICH THE REGIONAL SECONDARY  
11 SCHOOL IS PROPOSED TO COMMENCE OPERATION.

12 9. A. IF TWO OR MORE SCHOOL DISTRICTS ADOPT SUCH A RESOLUTION AS  
13 PROVIDED IN SUBDIVISION EIGHT OF THIS SECTION, THE RESOLUTION SHALL BE  
14 PRESENTED IN A REGIONAL REFERENDUM BY MEANS OF A REGIONAL VOTE, BEFORE  
15 THE ELECTORS OF ALL OF THE PROPOSED PARTICIPATING DISTRICTS.

16 B. APPROVAL OF THE REGIONAL REFERENDUM SHALL BE UPON A MAJORITY VOTE  
17 OF THE PARTICIPATING ELECTORS IN THE REGION ENCOMPASSING ALL OF THE  
18 PROPOSED PARTICIPATION DISTRICTS.

19 C. IN THE EVENT THE VOTERS DO NOT APPROVE THE REGIONAL REFERENDUM, IT  
20 MAY BE PRESENTED FOR A RE-VOTE, BUT IN NO EVENT ANY MORE THAN TWO VOTES  
21 BE HELD IN ANY SCHOOL YEAR.

22 10. UPON THE APPROVAL OF THE VOTERS IN THE REGIONAL REFERENDUM,  
23 PRESENTED PURSUANT TO SUBDIVISION NINE OF THIS SECTION, THE PARTICIPAT-  
24 ING SCHOOL DISTRICTS SHALL COLLECTIVELY ENTER INTO A PROPOSED CONTRACT  
25 FOR THE ESTABLISHMENT OF A REGIONAL SECONDARY SCHOOL.

26 11. WITH THE CONSENT OF EACH OF THE PARTICIPATING BOARDS OF EDUCATION  
27 AND APPROVAL OF THE COMMISSIONER, ADDITIONAL SCHOOL DISTRICTS, OTHERWISE  
28 ELIGIBLE TO ESTABLISH THE REGIONAL SECONDARY SCHOOL, MAY JOIN THE  
29 REGIONAL SECONDARY SCHOOL IN THE SECOND OR A SUBSEQUENT YEAR OF OPERA-  
30 TION, BY ADOPTING A BOARD RESOLUTION AND OBTAINING VOTER APPROVAL UPON A  
31 MAJORITY VOTE OF THE ELECTORS OF SUCH ADDITIONAL DISTRICT.

32 12. A. UPON RECEIPT OF VOTER APPROVAL IN THE REGIONAL REFERENDUM HELD  
33 PURSUANT TO SUBDIVISION NINE OF THIS SECTION, THE PARTICIPATING SCHOOL  
34 DISTRICTS SHALL ADOPT, BY A MAJORITY VOTE OF THE BOARDS OF EDUCATION OF  
35 EACH PARTICIPATING SCHOOL DISTRICT, A PROPOSED CONTRACT FOR THE OPERA-  
36 TION OF THE REGIONAL SECONDARY SCHOOL.

37 B. THE PROPOSED CONTRACT FOR THE OPERATION OF THE REGIONAL SECONDARY  
38 SCHOOL SHALL INCLUDE THE PLAN OF FORMATION AND OPERATION OF THE REGIONAL  
39 SECONDARY SCHOOL AND SHALL BE SUBMITTED TO THE COMMISSIONER FOR HIS OR  
40 HER APPROVAL, IN A TIME AND MANNER PRESCRIBED BY THE COMMISSIONER.

41 C. THE PROPOSED CONTRACT FOR THE OPERATION OF THE REGIONAL SECONDARY  
42 SCHOOL SHALL BE AN INTER-MUNICIPAL SHARING AGREEMENT PURSUANT TO ARTICLE  
43 FIVE-G OF THE GENERAL MUNICIPAL LAW THAT COMPLIES WITH THE REQUIREMENTS  
44 OF THIS SECTION.

45 13. THE PROPOSED CONTRACT FOR THE OPERATION OF THE REGIONAL SECONDARY  
46 SCHOOL, AND THE REGIONAL SECONDARY SCHOOL THAT WOULD BE ESTABLISHED  
47 THEREUNDER, SHALL MEET THE FOLLOWING REQUIREMENTS:

48 A. THE PROPOSED CONTRACT SHALL PROVIDE THE NAME OF THE REGIONAL  
49 SECONDARY SCHOOL, WHICH SHALL BE SUBJECT TO THE COMMISSIONER'S APPROVAL.

50 B. THE TERM OF THE PROPOSED CONTRACT SHALL BE SPECIFIED THEREIN, AND  
51 SHALL BE FOR A TERM NOT LESS THAN FIVE NOR MORE THAN SEVEN SCHOOL YEARS.

52 C. THE PROPOSED CONTRACT SHALL ESTABLISH A GOVERNING BOARD OF THE  
53 REGIONAL SECONDARY SCHOOL, THAT WILL OPERATE THE REGIONAL SECONDARY  
54 SCHOOL ON BEHALF OF ALL PARTICIPATING DISTRICTS, AS FOLLOWS:

55 (I) THE GOVERNING BOARD OF THE REGIONAL SECONDARY SCHOOL SHALL BE  
56 DESIGNATED BY THE PROPOSED CONTRACT TO BE EITHER THE BOARD OF EDUCATION

1 OF THE HOSTING DISTRICT, OR A JOINT BOARD OF EDUCATION ESTABLISHED BY  
2 THE PARTICIPATING DISTRICTS.

3 (II) IN THE EVENT THE PROPOSED CONTRACT DESIGNATES A JOINT BOARD OF  
4 EDUCATION AS THE GOVERNING BOARD OF THE REGIONAL SECONDARY SCHOOL:

5 (1) SUCH JOINT BOARD SHALL CONSIST OF AT LEAST FIVE MEMBERS, WITH NOT  
6 LESS THAN ONE MEMBER APPOINTED BY THE BOARD OF EDUCATION OF EACH PARTIC-  
7 IPATING SCHOOL DISTRICT, AND WITH ANY REMAINING MEMBERS BEING JOINTLY  
8 APPOINTED BY THE BOARDS OF EDUCATION OF THE PARTICIPATING SCHOOL  
9 DISTRICTS COLLECTIVELY;

10 (2) THE PROPOSED CONTRACT, CONSISTENT WITH THE PROVISIONS OF THIS  
11 SECTION, SHALL SPECIFY THE NUMBER, TERM, AND PROCEDURES FOR APPOINTMENT  
12 OF THE JOINT BOARD MEMBERS; AND

13 (3) THE JOINT BOARD SHALL HAVE THE SAME POWERS AND DUTIES WITH RESPECT  
14 TO THE REGIONAL SECONDARY SCHOOL AS A BOARD OF EDUCATION OF A UNION FREE  
15 SCHOOL DISTRICT HAS WITH RESPECT TO ITS SCHOOLS UNDER THIS CHAPTER,  
16 EXCEPT AS MODIFIED BY THE TERMS OF THE PROPOSED CONTRACT.

17 (III) THE GOVERNING BOARD SHALL HAVE RESPONSIBILITY FOR THE OPERATION,  
18 SUPERVISION AND MAINTENANCE OF THE REGIONAL SECONDARY SCHOOL AND SHALL  
19 BE RESPONSIBLE FOR THE ADMINISTRATION OF THE SCHOOL, INCLUDING THE  
20 CURRICULUM, GRADING, STAFFING AND THE ISSUANCE OF DIPLOMAS FOR ALL  
21 STUDENTS THAT ATTEND THE REGIONAL SECONDARY SCHOOL, AS SHALL BE DESIG-  
22 NATED IN THE PROPOSED CONTRACT.

23 (IV) THE REGIONAL SECONDARY SCHOOL SHALL BE DEEMED A SCHOOL OF THE  
24 GOVERNING BOARD FOR ACCOUNTABILITY PURPOSES.

25 D. THE PROPOSED CONTRACT MAY PROVIDE THAT THE STUDENT'S SCHOOL  
26 DISTRICT OF RESIDENCE MAY ISSUE THE STUDENT'S DIPLOMA, UPON CERTIF-  
27 ICATION BY THE GOVERNING BOARD THAT ALL GRADUATION REQUIREMENTS OF THE  
28 REGIONAL SECONDARY SCHOOL HAVE BEEN MET.

29 E. THE PROPOSED CONTRACT SHALL DESIGNATE THE GRADES OF INSTRUCTION  
30 INTENDED TO BE SERVED BY THE REGIONAL SECONDARY SCHOOL.

31 F. THE PROPOSED CONTRACT SHALL DESIGNATE THE SITE OF THE REGIONAL  
32 SECONDARY SCHOOL, WHICH SHALL BE WITHIN THE BOUNDARIES OF ONE OF THE  
33 PARTICIPATING DISTRICTS, AND WHERE POSSIBLE, SHOULD USE EXISTING BUILD-  
34 INGS AND/OR INFRASTRUCTURE.

35 G. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE  
36 PROPOSED CONTRACT SHALL PROVIDE THAT EACH PARTICIPATING SCHOOL DISTRICT  
37 SHALL BE RESPONSIBLE FOR PROVIDING OR ARRANGING FOR TRANSPORTATION TO  
38 ITS RESIDENT STUDENTS ATTENDING THE REGIONAL SECONDARY SCHOOL IN ACCORD-  
39 ANCE WITH ITS SCHOOL DISTRICT POLICY, BUT WITHOUT REGARD TO ANY MAXIMUM  
40 MILEAGE LIMITATION.

41 H. THE PROPOSED CONTRACT MAY PROVIDE THAT STUDENT TRANSPORTATION MAY  
42 BE PROVIDED BY CONTRACT FOR TRANSPORTATION SERVICES, INCLUDING BUT NOT  
43 LIMITED TO A CONTRACT WITH ONE OR MORE PARTICIPATING DISTRICTS OR A  
44 BOARD OF COOPERATIVE EDUCATIONAL SERVICES.

45 I. THE PROPOSED CONTRACT SHALL SPECIFY:

46 (I) THAT THE STUDENTS OF EACH PARTICIPATING SCHOOL DISTRICT SHALL  
47 REMAIN ENROLLED AS STUDENTS OF THEIR RESPECTIVE PARTICIPATING SCHOOL  
48 DISTRICTS;

49 (II) THAT THE STUDENTS SHALL BE TREATED AND COUNTED AS STUDENTS OF  
50 THEIR RESPECTIVE PARTICIPATING SCHOOL DISTRICTS FOR PURPOSES OF ALL  
51 STATE AID CALCULATIONS PURSUANT TO THIS CHAPTER;

52 (III) THE CURRENT ENROLLMENT OF ALL PARTICIPATING SCHOOL DISTRICTS;  
53 AND

54 (IV) THE PROJECTED TOTAL ENROLLMENT NUMBERS OF THE REGIONAL SECONDARY  
55 SCHOOL.

1 J. THE PROPOSED CONTRACT MUST DEMONSTRATE HOW THE REGIONAL SECONDARY  
2 SCHOOL WILL PROVIDE INCREASED EDUCATIONAL OPPORTUNITIES FOR STUDENTS,  
3 INCLUDING COURSES AND PROGRAMS IN SCIENCE, TECHNOLOGY, ENGINEERING AND  
4 MATH, TO PREPARE STUDENTS FOR COLLEGE AND CAREER READINESS AND IMPROVE  
5 STUDENT PERFORMANCE.

6 K. THAT EMPLOYMENT ISSUES OF THE REGIONAL SECONDARY SCHOOL SHALL BE  
7 RESOLVED AS FOLLOWS:

8 (I) THAT ALL TEACHERS, TEACHING ASSISTANTS AND TEACHER AIDES OF THE  
9 PARTICIPATING SCHOOL DISTRICTS, WHOSE SERVICES IN THE PARTICIPATING  
10 SCHOOL DISTRICTS ARE NO LONGER NEEDED BECAUSE OF THE ESTABLISHMENT OF A  
11 REGIONAL SECONDARY SCHOOL, OR THE TRANSFER OF STUDENTS TO AN EXISTING  
12 REGIONAL SECONDARY SCHOOL, OR AS A RESULT OF A NEW PARTICIPATING SCHOOL  
13 DISTRICT JOINING THE REGIONAL SECONDARY SCHOOL, SHALL IMMEDIATELY BECOME  
14 EMPLOYEES OF THE GOVERNING BOARD DESIGNATED IN THE PROPOSED CONTRACT,  
15 AND SHALL RETAIN THEIR TENURE AND/OR EMPLOYMENT STATUS AND THE SENIORITY  
16 GAINED IN THE PARTICIPATING DISTRICT.

17 (II) THAT IN THE EVENT THAT THE NUMBER OF TEACHING, TEACHING ASSISTANT  
18 OR TEACHER AIDE POSITIONS NEEDED TO PROVIDE THE EDUCATIONAL SERVICES  
19 REQUIRED BY A REGIONAL SECONDARY SCHOOL IS LESS THAN THE NUMBER OF  
20 TEACHERS, TEACHING ASSISTANTS, AND TEACHER AIDES ELIGIBLE TO BE CONSID-  
21 ERED EMPLOYEES OF THE DESIGNATED GOVERNING BOARD OF SUCH REGIONAL  
22 SECONDARY SCHOOL, THE SERVICES OF THE TEACHERS, TEACHING ASSISTANTS AND  
23 TEACHER AIDES HAVING THE LEAST SENIORITY IN THE PARTICIPATING SCHOOL  
24 DISTRICT WITHIN THE TENURE AREA OR CIVIL SERVICE STATUS, AS THE CASE MAY  
25 BE, OF THE POSITION SHALL BE DISCONTINUED.

26 (III) THAT ANY SUCH EMPLOYEES WHO ARE TEACHERS, TEACHING ASSISTANTS OR  
27 TEACHER AIDES SHALL BE PLACED ON A PREFERRED ELIGIBLE LIST OF CANDIDATES  
28 FOR APPOINTMENT TO A VACANCY THAT MAY THEREAFTER OCCUR IN AN OFFICE OR  
29 POSITION UNDER THE JURISDICTION OF THE PARTICIPATING SCHOOL DISTRICT IN  
30 ACCORDANCE WITH THE PROVISIONS OF SECTION TWENTY-FIVE HUNDRED TEN OR  
31 THREE THOUSAND THIRTEEN OF THIS CHAPTER.

32 (IV) THAT FOR ANY SUCH TEACHER, TEACHING ASSISTANT OR TEACHER AIDE WHO  
33 IS RETAINED BY THE GOVERNING BOARD, FOR SALARY, SICK LEAVE AND ANY OTHER  
34 PURPOSES, THE LENGTH OF SERVICE CREDITED IN SUCH PARTICIPATING SCHOOL  
35 DISTRICT PRIOR TO ITS PARTICIPATION IN THE REGIONAL SECONDARY SCHOOL  
36 SHALL BE CREDITED AS EMPLOYMENT TIME WITH THE DESIGNATED GOVERNING  
37 BOARD.

38 (V) THAT UPON TERMINATION OF THE PROPOSED CONTRACT PURSUANT TO THIS  
39 SECTION AND THE RETURN OF STUDENTS FROM THE REGIONAL SECONDARY SCHOOL TO  
40 THE FORMER PARTICIPATING SCHOOL DISTRICT, THE TEACHERS, TEACHING ASSIST-  
41 ANTS AND TEACHER AIDES EMPLOYED BY THE GOVERNING BOARD TO SERVE IN THE  
42 REGIONAL SECONDARY SCHOOL SHALL HAVE THE SAME EMPLOYMENT RIGHTS IN THE  
43 PARTICIPATING SCHOOL DISTRICTS AS TEACHERS WOULD HAVE UPON TAKEOVER OF A  
44 BOARD OF COOPERATIVE EDUCATIONAL SERVICES PROGRAM BY SUCH SCHOOL  
45 DISTRICTS PURSUANT TO SECTION THREE THOUSAND FOURTEEN-B OF THIS CHAPTER.

46 (VI) THAT ALL SCHOOL PRINCIPALS, ASSISTANT PRINCIPALS, SUPERVISORY  
47 EMPLOYEES, AND NON-INSTRUCTIONAL EMPLOYEES OF THE PARTICIPATING SCHOOL  
48 DISTRICTS, WHOSE SERVICES IN THE PARTICIPATING SCHOOL DISTRICTS ARE NO  
49 LONGER NEEDED BECAUSE OF THE ESTABLISHMENT OF A REGIONAL SECONDARY  
50 SCHOOL, OR THE TRANSFER OF STUDENTS TO AN EXISTING REGIONAL SECONDARY  
51 SCHOOL, OR AS A RESULT OF A NEW PARTICIPATING SCHOOL DISTRICT JOINING  
52 THE REGIONAL SECONDARY SCHOOL, SHALL IMMEDIATELY BECOME EMPLOYEES OF THE  
53 GOVERNING BOARD DESIGNATED IN THE PROPOSED CONTRACT, AND SHALL HAVE  
54 EMPLOYMENT RIGHTS IDENTICAL TO TEACHERS, TEACHING ASSISTANTS OR TEACHER  
55 AIDES PROVIDED IN THIS SECTION AND THE EXISTING RELEVANT SECTIONS OF  
56 THIS CHAPTER.

1 L. THE PROPOSED CONTRACT SHALL SPECIFY THE PROCESS FOR DEVELOPMENT OF  
2 THE BUDGET FOR THE REGIONAL SECONDARY SCHOOL BY THE DESIGNATED GOVERNING  
3 BOARD AND HOW OPERATING AND ADMINISTRATIVE COSTS AND THE LOCAL SHARE OF  
4 CAPITAL EXPENSES ATTRIBUTABLE TO THE REGIONAL SECONDARY SCHOOL WILL BE  
5 ALLOCATED AMONGST THE PARTICIPATING DISTRICTS.

6 M. THE PROPOSED CONTRACT SHALL SPECIFY THE COSTS OF THE REGIONAL  
7 SECONDARY SCHOOL, STAFFING, CURRENT AND FUTURE CAPITAL CONSTRUCTION  
8 PLANS AND FOR THE DELIVERY OF SPECIAL EDUCATION PROGRAMS.

9 N. THE PROPOSED CONTRACT SHALL SPECIFY THE PROCEDURES FOR DISCIPLINE  
10 OF STUDENTS ATTENDING THE REGIONAL SECONDARY SCHOOL, INCLUDING THE  
11 APPLICABLE CODE OF CONDUCT PROVIDED THAT SUCH CODE OF CONDUCT MEETS THE  
12 REQUIREMENTS OF SECTION TWENTY-EIGHT HUNDRED ONE OF THIS CHAPTER AND  
13 PROCEDURES FOR SUPERINTENDENTS' HEARINGS AND APPEALS TO THE BOARD OF  
14 EDUCATION PURSUANT TO SECTION THIRTY-TWO HUNDRED FOURTEEN OF THIS CHAP-  
15 TER.

16 O. THE PROPOSED CONTRACT SHALL SPECIFY THE COSTS OF THE OPERATION OF  
17 THE REGIONAL SECONDARY SCHOOL FOR EACH PARTICIPATING SCHOOL DISTRICT AND  
18 AN ITEMIZED LISTING OF THE COST SAVINGS FOR EACH PARTICIPATING SCHOOL  
19 DISTRICT.

20 P. THE PROPOSED CONTRACT SHALL SPECIFY HOW EXTRA-CURRICULAR ACTIVITIES  
21 AND INTERSCHOLASTIC ATHLETICS WILL BE PROVIDED TO STUDENTS OF THE  
22 REGIONAL SECONDARY SCHOOL.

23 Q. THE PROPOSED CONTRACT SHALL SPECIFY THE FISCAL IMPLICATIONS OF THE  
24 REGIONAL SECONDARY SCHOOL INCLUDING EXPECTED STATE AID AND EXPECTED  
25 CHANGES IN EXPENDITURES AND PROPERTY TAX LEVIES.

26 R. THE PROPOSED CONTRACT SHALL SPECIFY WHETHER THE EMPLOYEES OF THE  
27 REGIONAL SECONDARY SCHOOL SHALL ESTABLISH NEW EMPLOYEE ORGANIZATIONS,  
28 PURSUANT TO ARTICLE FOURTEEN OF THE CIVIL SERVICE LAW, FOR THEIR REPRE-  
29 SENTATION, OR, WHERE APPLICABLE, WHETHER THEY SHALL BECOME MEMBERS OF  
30 THE APPLICABLE EMPLOYEE ORGANIZATIONS REPRESENTING THE EMPLOYEES OF THE  
31 HOSTING DISTRICT.

32 S. THE PROPOSED CONTRACT SHALL SET FORTH ANY OTHER INFORMATION OR  
33 ANALYSIS AS MAY BE REQUIRED BY THE REGULATIONS OF THE COMMISSIONER.

34 14. IF THE COMMISSIONER APPROVES THE PROPOSED CONTRACT, THE REGIONAL  
35 SECONDARY SCHOOL SHALL BE ESTABLISHED. THE CONTRACT, SO APPROVED, SHALL  
36 BE FOR A PERIOD OF AT LEAST FIVE AND NOT MORE THAN SEVEN SCHOOL YEARS  
37 AND, UPON THE APPROVAL OF THE COMMISSIONER, MAY BE RENEWED PURSUANT TO  
38 MUTUAL AGREEMENT BY MEANS OF A MAJORITY VOTE OF EACH OF THE BOARDS OF  
39 EDUCATION OF THE PARTICIPATING DISTRICTS. THE REGIONAL SECONDARY SCHOOL  
40 SHALL COMMENCE OPERATIONS ON THE FIRST OF JULY, AND SHALL NOT CEASE  
41 OPERATIONS BEFORE THE THIRTIETH OF JUNE IN ANY SCHOOL YEAR.

42 S 1922. ESTABLISHMENT OF A REGIONAL SECONDARY SCHOOL OPERATED BY A  
43 BOARD OF COOPERATIVE EDUCATIONAL SERVICES. 1. A REGIONAL SECONDARY  
44 SCHOOL MAY BE ESTABLISHED PURSUANT TO THIS SECTION.

45 2. A REGIONAL SECONDARY SCHOOL MAY BE ESTABLISHED BY TWO OR MORE  
46 ELIGIBLE SCHOOL DISTRICTS.

47 3. THE ESTABLISHMENT OF A REGIONAL SECONDARY SCHOOL SHALL BE SUBJECT  
48 TO THE APPROVAL OF THE COMMISSIONER, IN A MANNER AND TIME FRAME, AS SET  
49 FORTH WITHIN THIS SECTION.

50 4. A REGIONAL SECONDARY SCHOOL SHALL BE WHOLLY CONTAINED WITHIN THE  
51 SUPERVISORY DISTRICT OF THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES  
52 OPERATING THE REGIONAL SECONDARY SCHOOL.

53 5. A REGIONAL SECONDARY SCHOOL SHALL SERVE ALL OR SOME OF THE STUDENTS  
54 IN EACH OF THE PARTICIPATING DISTRICTS IN GRADES OF A SECONDARY SCHOOL  
55 AS DETERMINED BY THE AGREEMENT BETWEEN THE PARTICIPATING DISTRICTS.

1 6. UPON THE ESTABLISHMENT OF A REGIONAL SECONDARY SCHOOL, EACH PARTIC-  
2 IPATING DISTRICT SHALL CEASE OPERATION OF AT LEAST ONE SECONDARY SCHOOL,  
3 EXCEPT THAT THE HOSTING DISTRICT MAY CONTINUE TO OPERATE A SECONDARY  
4 SCHOOL AS A REGIONAL SECONDARY SCHOOL, PURSUANT TO THE CONDITIONS OF  
5 THIS ARTICLE.

6 7. PURSUANT TO THIS SECTION, THE REGIONAL SECONDARY SCHOOL OPERATED BY  
7 A BOARD OF COOPERATIVE EDUCATIONAL SERVICES, SHALL HAVE SUCH BOARD OF  
8 COOPERATIVE EDUCATIONAL SERVICES ASSUME THE RESPONSIBILITY TO OPERATE,  
9 SUPERVISE AND MAINTAIN THE REGIONAL SECONDARY SCHOOL AND THE ADMINIS-  
10 TRATION OF SUCH REGIONAL SECONDARY SCHOOL.

11 8. A. TO ESTABLISH A REGIONAL SECONDARY SCHOOL, TWO OR MORE PARTIC-  
12 IPATING SCHOOL DISTRICTS MUST INITIALLY ADOPT, BY MAJORITY VOTE OF THE  
13 BOARD OF EDUCATION OF EACH PARTICIPATING DISTRICT, A RESOLUTION PROPOS-  
14 ING THE ESTABLISHMENT OF THE REGIONAL SECONDARY SCHOOL.

15 B. THE RESOLUTION TO ESTABLISH A REGIONAL SECONDARY SCHOOL SHALL INDI-  
16 CATE:

17 (I) THE PROPOSED PARTICIPATING SCHOOL DISTRICTS;

18 (II) THAT THE REGIONAL SECONDARY SCHOOL SHALL BE OPERATED BY A BOARD  
19 OF COOPERATIVE EDUCATIONAL SERVICES;

20 (III) A LISTING OF THE GRADES THAT WOULD BE INCLUDED IN THE REGIONAL  
21 SECONDARY SCHOOL;

22 (IV) THE PROPOSED LOCATION OF THE REGIONAL SECONDARY SCHOOL;

23 (V) THE PROPOSED TERM OF THE CONTRACT GOVERNING THE REGIONAL SECONDARY  
24 SCHOOL.

25 C. THE RESOLUTION TO ESTABLISH THE REGIONAL SECONDARY SCHOOL SHALL BE  
26 VOTED ON BY EACH BOARD AT A MEETING HELD NO LATER THAN OCTOBER FIRST OF  
27 THE SCHOOL YEAR PRIOR TO THE SCHOOL YEAR IN WHICH THE REGIONAL SECONDARY  
28 SCHOOL IS PROPOSED TO COMMENCE OPERATION.

29 9. A. IF TWO OR MORE SCHOOL DISTRICTS ADOPT SUCH A RESOLUTION AS  
30 PROVIDED IN SUBDIVISION EIGHT OF THIS SECTION, THE RESOLUTION SHALL BE  
31 PRESENTED IN A REGIONAL REFERENDUM BY MEANS OF A REGIONAL VOTE, BEFORE  
32 THE ELECTORS OF ALL OF THE PROPOSED PARTICIPATING DISTRICTS.

33 B. APPROVAL OF THE REGIONAL REFERENDUM SHALL BE UPON A MAJORITY VOTE  
34 OF THE PARTICIPATING ELECTORS IN THE REGION ENCOMPASSING ALL OF THE  
35 PROPOSED PARTICIPATING DISTRICTS.

36 C. IN THE EVENT THE VOTERS DO NOT APPROVE THE REGIONAL REFERENDUM, IT  
37 MAY BE PRESENTED FOR A RE-VOTE, BUT IN NO EVENT MAY MORE THAN TWO VOTES  
38 BE HELD IN ANY SCHOOL YEAR.

39 10. UPON THE APPROVAL OF THE VOTERS IN THE REGIONAL REFERENDUM,  
40 PRESENTED PURSUANT TO SUBDIVISION NINE OF THIS SECTION, THE PARTICIPAT-  
41 ING SCHOOL DISTRICTS SHALL COLLECTIVELY ENTER INTO A PROPOSED CONTRACT  
42 FOR THE ESTABLISHMENT OF A REGIONAL SECONDARY SCHOOL.

43 11. WITH THE CONSENT OF EACH OF THE PARTICIPATING BOARDS OF EDUCATION,  
44 AND THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES OPERATING THE REGIONAL  
45 SECONDARY SCHOOL, AND UPON THE APPROVAL OF THE COMMISSIONER, ADDITIONAL  
46 SCHOOL DISTRICTS, OTHERWISE ELIGIBLE TO ESTABLISH THE REGIONAL SECONDARY  
47 SCHOOL OPERATED BY A BOARD OF COOPERATIVE EDUCATIONAL SERVICES, MAY JOIN  
48 THE REGIONAL SECONDARY SCHOOL IN THE SECOND OR A SUBSEQUENT YEAR OF  
49 OPERATION, BY ADOPTING A BOARD RESOLUTION AND OBTAINING VOTER APPROVAL  
50 UPON A MAJORITY VOTE OF THE ELECTORS OF SUCH ADDITIONAL DISTRICT.

51 12. A. UPON RECEIPT OF VOTER APPROVAL IN THE REGIONAL REFERENDUM HELD  
52 PURSUANT TO SUBDIVISION NINE OF THIS SECTION, THE PARTICIPATING SCHOOL  
53 DISTRICTS SHALL ADOPT, BY A MAJORITY VOTE OF THE BOARDS OF EDUCATION OF  
54 EACH PARTICIPATING SCHOOL DISTRICT, A PROPOSED CONTRACT FOR THE OPERA-  
55 TION OF THE REGIONAL SECONDARY SCHOOL.

1 B. THE PROPOSED CONTRACT FOR THE OPERATION OF THE REGIONAL SECONDARY  
2 SCHOOL SHALL INCLUDE THE PLAN OF FORMATION AND OPERATION OF THE REGIONAL  
3 SECONDARY SCHOOL AND SHALL BE SUBMITTED TO THE COMMISSIONER FOR HIS OR  
4 HER APPROVAL, IN A TIME AND MANNER PRESCRIBED BY THE COMMISSIONER.

5 C. THE PROPOSED CONTRACT FOR THE OPERATION OF THE REGIONAL SECONDARY  
6 SCHOOL SHALL BE AN INTERMUNICIPAL SHARING AGREEMENT PURSUANT TO ARTICLE  
7 FIVE-G OF THE GENERAL MUNICIPAL LAW THAT COMPLIES WITH THE REQUIREMENTS  
8 OF THIS SECTION.

9 13. THE PROPOSED CONTRACT FOR THE OPERATION OF THE REGIONAL SECONDARY  
10 SCHOOL, AND THE REGIONAL SECONDARY SCHOOL THAT WOULD BE ESTABLISHED  
11 THEREUNDER, SHALL MEET THE FOLLOWING REQUIREMENTS:

12 A. THE PROPOSED CONTRACT SHALL PROVIDE THE NAME OF THE REGIONAL  
13 SECONDARY SCHOOL, WHICH SHALL BE SUBJECT TO THE COMMISSIONER'S APPROVAL;

14 B. THE TERM OF THE PROPOSED CONTRACT SHALL BE SPECIFIED THEREIN, AND  
15 SHALL BE FOR A TERM NOT LESS THAN FIVE NOR MORE THAN SEVEN SCHOOL YEARS;

16 C. THE PROPOSED CONTRACT SHALL ESTABLISH:

17 (I) THAT THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES AS THE GOVERN-  
18 ING BOARD OF THE REGIONAL SECONDARY SCHOOL, WILL OPERATE THE REGIONAL  
19 SECONDARY SCHOOL ON BEHALF OF ALL PARTICIPATING DISTRICTS;

20 (II) THAT THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES AS THE GOVERN-  
21 ING BOARD OF THE REGIONAL SECONDARY SCHOOL, SHALL HAVE RESPONSIBILITY  
22 FOR THE OPERATION, SUPERVISION AND MAINTENANCE OF THE REGIONAL SECONDARY  
23 SCHOOL AND SHALL BE RESPONSIBLE FOR THE ADMINISTRATION OF THE SCHOOL,  
24 INCLUDING THE CURRICULUM, GRADING, STAFFING AND THE ISSUANCE OF DIPLOMAS  
25 FOR ALL STUDENTS THAT ATTEND THE REGIONAL SECONDARY SCHOOL, AS SHALL BE  
26 DESIGNATED IN THE PROPOSED CONTRACT; AND

27 (III) THAT THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES AS THE  
28 GOVERNING BOARD OF THE REGIONAL SECONDARY SCHOOL SHALL BE DEEMED A  
29 SCHOOL DISTRICT FOR ACCOUNTABILITY PURPOSES;

30 D. THE PROPOSED CONTRACT MAY PROVIDE THAT THE STUDENT'S SCHOOL  
31 DISTRICT OF RESIDENCE MAY ISSUE THE STUDENT'S DIPLOMA, UPON CERTIF-  
32 ICATION BY THE GOVERNING BOARD THAT ALL GRADUATION REQUIREMENTS OF THE  
33 REGIONAL SECONDARY SCHOOL HAVE BEEN MET;

34 E. THE PROPOSED CONTRACT SHALL DESIGNATE THE GRADES OF INSTRUCTION  
35 INTENDED TO BE SERVED BY THE REGIONAL SECONDARY SCHOOL;

36 F. THE PROPOSED CONTRACT SHALL DESIGNATE THE SITE OF THE REGIONAL  
37 SECONDARY SCHOOL, WHICH SHALL BE WITHIN THE BOUNDARIES OF ONE OF THE  
38 PARTICIPATING DISTRICTS, AND WHERE POSSIBLE, SHOULD USE EXISTING BUILD-  
39 INGS AND/OR INFRASTRUCTURE;

40 G. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE  
41 PROPOSED CONTRACT SHALL PROVIDE THAT EACH PARTICIPATING SCHOOL DISTRICT  
42 SHALL BE RESPONSIBLE FOR PROVIDING OR ARRANGING FOR TRANSPORTATION TO  
43 ITS RESIDENT STUDENTS ATTENDING THE REGIONAL SECONDARY SCHOOL IN ACCORD-  
44 ANCE WITH ITS SCHOOL DISTRICT POLICY, BUT WITHOUT REGARD TO ANY MAXIMUM  
45 MILEAGE LIMITATION.

46 H. THE PROPOSED CONTRACT MAY PROVIDE THAT STUDENT TRANSPORTATION MAY  
47 BE PROVIDED BY CONTRACT FOR TRANSPORTATION SERVICES, INCLUDING BUT NOT  
48 LIMITED TO A CONTRACT WITH ONE OR MORE PARTICIPATING DISTRICTS OR A  
49 BOARD OF COOPERATIVE EDUCATIONAL SERVICES;

50 I. THE PROPOSED CONTRACT SHALL SPECIFY:

51 (I) THAT THE STUDENTS OF EACH PARTICIPATING SCHOOL DISTRICT SHALL  
52 REMAIN ENROLLED AS STUDENTS OF THEIR RESPECTIVE PARTICIPATING SCHOOL  
53 DISTRICTS;

54 (II) THAT THE STUDENTS SHALL BE TREATED AND COUNTED AS STUDENTS OF  
55 THEIR RESPECTIVE PARTICIPATING SCHOOL DISTRICTS FOR PURPOSES OF ALL  
56 STATE AID CALCULATIONS PURSUANT TO THIS CHAPTER;

1 (III) THE CURRENT ENROLLMENT OF ALL PARTICIPATING SCHOOL DISTRICTS;  
2 AND

3 (IV) THE PROJECTED TOTAL ENROLLMENT NUMBERS OF THE REGIONAL SECONDARY  
4 SCHOOL;

5 J. THE PROPOSED CONTRACT MUST DEMONSTRATE HOW THE REGIONAL SECONDARY  
6 SCHOOL WILL PROVIDE INCREASED EDUCATIONAL OPPORTUNITIES FOR STUDENTS,  
7 INCLUDING COURSES AND PROGRAMS IN SCIENCE, TECHNOLOGY, ENGINEERING AND  
8 MATH, TO PREPARE STUDENTS FOR COLLEGE AND CAREER READINESS AND IMPROVE  
9 STUDENT PERFORMANCE;

10 K. THAT EMPLOYMENT ISSUES OF THE REGIONAL SECONDARY SCHOOL SHALL BE  
11 RESOLVED AS FOLLOWS:

12 (I) THAT ALL TEACHERS, TEACHING ASSISTANTS AND TEACHER AIDES OF THE  
13 PARTICIPATING SCHOOL DISTRICTS, WHOSE SERVICES IN THE PARTICIPATING  
14 SCHOOL DISTRICTS ARE NO LONGER NEEDED BECAUSE OF THE ESTABLISHMENT OF A  
15 REGIONAL SECONDARY SCHOOL, OR THE TRANSFER OF STUDENTS TO AN EXISTING  
16 REGIONAL SECONDARY SCHOOL, OR AS A RESULT OF A NEW PARTICIPATING SCHOOL  
17 DISTRICT JOINING THE REGIONAL SECONDARY SCHOOL, SHALL IMMEDIATELY BECOME  
18 EMPLOYEES OF THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES DESIGNATED IN  
19 THE PROPOSED CONTRACT, AND SHALL RETAIN THEIR TENURE AND/OR EMPLOYMENT  
20 STATUS AND THE SENIORITY GAINED IN THE PARTICIPATING DISTRICT;

21 (II) THAT IN THE EVENT THAT THE NUMBER OF TEACHING, TEACHING ASSISTANT  
22 OR TEACHER AIDE POSITIONS NEEDED TO PROVIDE THE EDUCATIONAL SERVICES  
23 REQUIRED BY A REGIONAL SECONDARY SCHOOL IS LESS THAN THE NUMBER OF  
24 TEACHERS, TEACHING ASSISTANTS AND TEACHER AIDES ELIGIBLE TO BE CONSID-  
25 ERED EMPLOYEES OF THE DESIGNATED GOVERNING BOARD OF SUCH REGIONAL  
26 SECONDARY SCHOOL, THE SERVICES OF THE TEACHERS, TEACHING ASSISTANTS AND  
27 TEACHER AIDES HAVING THE LEAST SENIORITY IN THE PARTICIPATING SCHOOL  
28 DISTRICT WITHIN THE TENURE AREA OR CIVIL SERVICE STATUS, AS THE CASE MAY  
29 BE, OF THE POSITION SHALL BE DISCONTINUED;

30 (III) THAT ANY SUCH EMPLOYEES WHO ARE TEACHERS, TEACHING ASSISTANTS OR  
31 TEACHER AIDES SHALL BE PLACED ON A PREFERRED ELIGIBLE LIST OF CANDIDATES  
32 FOR APPOINTMENT TO A VACANCY THAT MAY THEREAFTER OCCUR IN AN OFFICE OR  
33 POSITION UNDER THE JURISDICTION OF THE PARTICIPATING SCHOOL DISTRICT IN  
34 ACCORDANCE WITH THE PROVISIONS OF SECTION TWENTY-FIVE HUNDRED TEN OR  
35 THREE THOUSAND THIRTEEN OF THIS CHAPTER;

36 (IV) THAT FOR ANY SUCH TEACHER, TEACHING ASSISTANT OR TEACHER AIDE WHO  
37 IS RETAINED BY THE GOVERNING BOARD, FOR SALARY, SICK LEAVE AND ANY OTHER  
38 PURPOSES, THE LENGTH OF SERVICE CREDITED IN SUCH PARTICIPATING SCHOOL  
39 DISTRICT PRIOR TO ITS PARTICIPATION IN THE REGIONAL SECONDARY SCHOOL  
40 SHALL BE CREDITED AS EMPLOYMENT TIME WITH THE BOARD OF COOPERATIVE  
41 EDUCATIONAL SERVICES;

42 (V) THAT UPON TERMINATION OF THE PROPOSED CONTRACT PURSUANT TO THIS  
43 SECTION AND THE RETURN OF STUDENTS FROM THE REGIONAL SECONDARY SCHOOL TO  
44 THE FORMER PARTICIPATING SCHOOL DISTRICT, THE TEACHERS, TEACHING ASSIST-  
45 ANTS, AND TEACHER AIDES EMPLOYED BY THE BOARD OF COOPERATIVE EDUCATIONAL  
46 SERVICES TO SERVE IN THE REGIONAL SECONDARY SCHOOL SHALL HAVE THE SAME  
47 EMPLOYMENT RIGHTS IN THE PARTICIPATING SCHOOL DISTRICTS AS TEACHERS  
48 WOULD HAVE UPON TAKEOVER OF A BOARD OF COOPERATIVE EDUCATIONAL SERVICES  
49 PROGRAM BY SUCH SCHOOL DISTRICTS PURSUANT TO SECTION THREE THOUSAND  
50 FOURTEEN-B OF THIS CHAPTER;

51 (VI) THAT ALL SCHOOL PRINCIPALS, ASSISTANT PRINCIPALS, SUPERVISORY  
52 EMPLOYEES, AND NON-INSTRUCTIONAL EMPLOYEES OF THE PARTICIPATING SCHOOL  
53 DISTRICTS, WHOSE SERVICES IN THE PARTICIPATING SCHOOL DISTRICTS ARE NO  
54 LONGER NEEDED BECAUSE OF THE ESTABLISHMENT OF A REGIONAL SECONDARY  
55 SCHOOL, OR THE TRANSFER OF STUDENTS IN AN EXISTING REGIONAL SECONDARY  
56 SCHOOL, OR AS A RESULT OF A NEW PARTICIPATING SCHOOL DISTRICT JOINING

1 THE REGIONAL SECONDARY SCHOOL, SHALL IMMEDIATELY BECOME EMPLOYEES OF THE  
2 BOARD OF COOPERATIVE EDUCATIONAL SERVICES DESIGNATED IN THE PROPOSED  
3 CONTRACT, AND SHALL HAVE EMPLOYMENT RIGHTS IDENTICAL TO TEACHERS, TEACH-  
4 ING ASSISTANTS OR TEACHER AIDES PROVIDED IN THIS SECTION AND THE EXIST-  
5 ING RELEVANT SECTIONS OF THIS CHAPTER.

6 L. THE PROPOSED CONTRACT SHALL SPECIFY THE PROCESS FOR DEVELOPMENT OF  
7 THE BUDGET FOR THE REGIONAL SECONDARY SCHOOL BY THE BOARD OF COOPERATIVE  
8 EDUCATIONAL SERVICES AND HOW OPERATING AND ADMINISTRATIVE COSTS AND THE  
9 LOCAL SHARE OF CAPITAL EXPENSES ATTRIBUTABLE TO THE REGIONAL SECONDARY  
10 SCHOOL WILL BE ALLOCATED AMONGST THE PARTICIPATING DISTRICTS;

11 M. THE PROPOSED CONTRACT SHALL SPECIFY THE COSTS OF THE REGIONAL  
12 SECONDARY SCHOOL, STAFFING, CURRENT AND FUTURE CAPITAL CONSTRUCTION  
13 PLANS AND FOR THE DELIVERY OF SPECIAL EDUCATION PROGRAMS;

14 N. THE PROPOSED CONTRACT SHALL SPECIFY THE PROCEDURES FOR DISCIPLINE  
15 OF STUDENTS ATTENDING THE REGIONAL SECONDARY SCHOOL, INCLUDING THE  
16 APPLICABLE CODE OF CONDUCT PROVIDED THAT SUCH CODE OF CONDUCT MEETS THE  
17 REQUIREMENTS OF SECTION TWENTY-EIGHT HUNDRED ONE OF THIS CHAPTER AND  
18 PROCEDURES FOR SUPERINTENDENTS' HEARINGS AND APPEALS TO THE BOARD OF  
19 EDUCATION PURSUANT TO SECTION THIRTY-TWO HUNDRED FOURTEEN OF THIS CHAP-  
20 TER;

21 O. THE PROPOSED CONTRACT SHALL SPECIFY THE COSTS OF THE OPERATION OF  
22 THE REGIONAL SECONDARY SCHOOL FOR EACH PARTICIPATING SCHOOL DISTRICT AND  
23 AN ITEMIZED LISTING OF THE COST SAVINGS FOR EACH PARTICIPATING SCHOOL  
24 DISTRICT;

25 P. THE PROPOSED CONTRACT SHALL SPECIFY HOW EXTRACURRICULAR ACTIVITIES  
26 AND INTERSCHOLASTIC ATHLETICS WILL BE PROVIDED TO STUDENTS OF THE  
27 REGIONAL SECONDARY SCHOOL;

28 Q. THE PROPOSED CONTRACT SHALL SPECIFY THE FISCAL IMPLICATIONS OF THE  
29 REGIONAL SECONDARY SCHOOL INCLUDING EXPECTED STATE AID AND EXPECTED  
30 CHANGES IN EXPENDITURES AND PROPERTY TAX LEVIES;

31 R. THE PROPOSED CONTRACT SHALL SPECIFY WHETHER THE EMPLOYEES OF THE  
32 REGIONAL SECONDARY SCHOOL SHALL ESTABLISH NEW EMPLOYEE ORGANIZATIONS,  
33 PURSUANT TO ARTICLE FOURTEEN OF THE CIVIL SERVICE LAW, FOR THEIR REPRE-  
34 SENTATION, OR, WHERE APPLICABLE, WHETHER THEY SHALL BECOME MEMBERS OF  
35 THE APPLICABLE EMPLOYEE ORGANIZATIONS REPRESENTING THE EMPLOYEES OF THE  
36 HOSTING DISTRICT; AND

37 S. THE PROPOSED CONTRACT SHALL SET FORTH ANY OTHER INFORMATION OR  
38 ANALYSIS AS MAY BE REQUIRED BY THE REGULATIONS OF THE COMMISSIONER.

39 14. IF THE COMMISSIONER APPROVES THE PROPOSED CONTRACT, THE REGIONAL  
40 SECONDARY SCHOOL SHALL BE ESTABLISHED. THE CONTRACT, SO APPROVED, SHALL  
41 BE FOR A PERIOD OF AT LEAST FIVE AND NOT MORE THAN SEVEN SCHOOL YEARS  
42 AND, UPON THE APPROVAL OF THE COMMISSIONER, MAY BE RENEWED PURSUANT TO  
43 MUTUAL AGREEMENT BY MEANS OF A MAJORITY VOTE OF EACH OF THE BOARDS OF  
44 EDUCATION OF THE PARTICIPATING DISTRICTS AND THE SUPERVISORY DISTRICT OF  
45 THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES. THE REGIONAL SECONDARY  
46 SCHOOL SHALL COMMENCE OPERATIONS ON THE FIRST OF JULY, AND SHALL NOT  
47 CEASE OPERATIONS BEFORE THE THIRTIETH OF JUNE IN ANY SCHOOL YEAR.

48 S 1923. STATE AID FOR REGIONAL SECONDARY SCHOOLS. 1. STUDENTS ATTEND-  
49 ING A REGIONAL SECONDARY SCHOOL SHALL BE DEEMED ENROLLED IN THEIR SCHOOL  
50 DISTRICT OF RESIDENCE AND SHALL BE INCLUDED IN THE APPLICABLE MEMBER-  
51 SHIP, ENROLLMENT AND ATTENDANCE COUNTS OF THEIR RESPECTIVE SCHOOL  
52 DISTRICTS OF RESIDENCE FOR PURPOSES OF COMPUTATION OF STATE AID TO SUCH  
53 SCHOOL DISTRICTS. THE COSTS OF EDUCATING EACH SUCH STUDENT SHALL BE  
54 INCLUDED IN THE APPROVED OPERATING EXPENSE OF THE STUDENT'S SCHOOL  
55 DISTRICT OF RESIDENCE AND EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION,  
56 THE STATE AID ATTRIBUTABLE TO SUCH STUDENT SHALL BE COMPUTED IN THE SAME

1 MANNER AS AID ATTRIBUTABLE TO OTHER RESIDENT STUDENTS AND SHALL BE PAYA-  
2 BLE TO THE SCHOOL DISTRICT OF RESIDENCE.

3 2. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE  
4 SCHOOL DISTRICT THAT OWNS THE FACILITY USED TO HOUSE THE REGIONAL  
5 SECONDARY SCHOOL SHALL BE THE ONLY SCHOOL DISTRICT ELIGIBLE FOR BUILDING  
6 AID PURSUANT TO THE APPLICABLE PROVISIONS OF SUBDIVISION SIX, SIX-A,  
7 SIX-C, SIX-E OR SIX-F OF SECTION THIRTY-SIX HUNDRED TWO OF THIS CHAPTER  
8 FOR PROJECTS INVOLVING THE REGIONAL SECONDARY SCHOOL THAT ARE APPROVED  
9 BY THE QUALIFIED VOTERS OF SUCH DISTRICT AFTER ESTABLISHMENT OF THE  
10 REGIONAL SECONDARY SCHOOL, PROVIDED THAT SUCH AID SHALL BE COMPUTED  
11 USING THE BUILDING AID RATIO APPLICABLE TO PROJECTS OF THE SCHOOL  
12 DISTRICT THAT OWNS THE REGIONAL SECONDARY SCHOOL FACILITY UNDER THE  
13 PROVISIONS OF PARAGRAPHS B AND C OF SUBDIVISION SIX OF SECTION  
14 THIRTY-SIX HUNDRED TWO OF THIS CHAPTER. SUCH AID SHALL BE PAID TO SUCH  
15 SCHOOL DISTRICT OR TO THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES ON  
16 BEHALF OF SUCH SCHOOL DISTRICT WHERE THE BOARD OF COOPERATIVE EDUCA-  
17 TIONAL SERVICES OPERATES THE REGIONAL SECONDARY SCHOOL. THE SCHOOL  
18 DISTRICT OR BOARD OF COOPERATIVE EDUCATIONAL SERVICES SHALL ALLOCATE THE  
19 LOCAL SHARE OF THE COSTS OF SUCH PROJECTS TO THE PARTICIPATING SCHOOL  
20 DISTRICTS IN ACCORDANCE WITH ITS CONTRACT ENTERED INTO PURSUANT TO  
21 SECTION NINETEEN HUNDRED TWENTY-ONE OR NINETEEN HUNDRED TWENTY-TWO OF  
22 THIS ARTICLE. THE COSTS OF SUCH PROJECTS SHALL NOT BE ELIGIBLE FOR AID  
23 PURSUANT TO SUBDIVISION SIX-B OR PARAGRAPH C OF SUBDIVISION FOURTEEN OF  
24 SECTION THIRTY-SIX HUNDRED TWO OF THIS CHAPTER.

25 3. NOTWITHSTANDING ANY PROVISION OF SECTION NINETEEN HUNDRED FIFTY OR  
26 NINETEEN HUNDRED FIFTY-ONE OF THIS TITLE TO THE CONTRARY, IN THE CASE OF  
27 A REGIONAL SECONDARY SCHOOL OPERATED BY A BOARD OF COOPERATIVE EDUCA-  
28 TIONAL SERVICES THAT IS HOUSED IN A FACILITY OWNED BY A PARTICIPATING  
29 SCHOOL DISTRICT, THE CAPITAL EXPENSES FOR BUILDING PROJECTS INVOLVING  
30 THE REGIONAL SECONDARY SCHOOL SHALL BE A CHARGE UPON THE PARTICIPATING  
31 SCHOOL DISTRICTS ONLY, AND SUCH COSTS SHALL NOT BE ALLOCATED TO OTHER  
32 COMPONENT SCHOOL DISTRICTS. SUCH CAPITAL EXPENSES SHALL NOT BE ELIGIBLE  
33 FOR AID PURSUANT TO SUBDIVISION FIVE OF SECTION NINETEEN HUNDRED FIFTY  
34 OF THIS TITLE. PROVIDED, HOWEVER, THAT COSTS OF AIDABLE SHARED SERVICES  
35 PROVIDED BY THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES TO SUPPLEMENT  
36 THE PROGRAMS OF THE REGIONAL SECONDARY SCHOOL SHALL BE ELIGIBLE FOR AID  
37 PURSUANT TO SUCH SUBDIVISION FIVE OF SECTION NINETEEN HUNDRED FIFTY, THE  
38 ADMINISTRATIVE EXPENSES ATTRIBUTABLE TO THE REGIONAL SECONDARY SCHOOL  
39 AND THE CAPITAL EXPENSES ATTRIBUTABLE TO A REGIONAL SECONDARY SCHOOL  
40 HOUSED IN A FACILITY OWNED BY THE BOARD OF COOPERATIVE EDUCATIONAL  
41 SERVICES SHALL BE ALLOCATED TO COMPONENT SCHOOL DISTRICTS IN ACCORDANCE  
42 WITH SECTION NINETEEN HUNDRED FIFTY OR NINETEEN HUNDRED FIFTY-ONE OF  
43 THIS TITLE AND SHALL BE ELIGIBLE FOR AID PURSUANT TO SUCH SUBDIVISION  
44 FIVE OF SECTION NINETEEN HUNDRED FIFTY.

45 4. THE BOARD OF EDUCATION OF EACH SCHOOL DISTRICT PARTICIPATING IN A  
46 REGIONAL SECONDARY SCHOOL PURSUANT TO THIS ARTICLE SHALL BE ELIGIBLE FOR  
47 ADDITIONAL STATE AID IN ACCORDANCE WITH PARAGRAPH K OF SUBDIVISION FOUR-  
48 TEEN OF SECTION THIRTY-SIX HUNDRED TWO OF THIS CHAPTER.

49 S 1924. REGIONAL SECONDARY SCHOOL ADVISORY COMMITTEE. 1. EACH REGIONAL  
50 SECONDARY SCHOOL ESTABLISHED AND OPERATED PURSUANT TO THIS ARTICLE SHALL  
51 ESTABLISH AN ADVISORY COMMITTEE. THE ADVISORY COMMITTEE SHALL BE  
52 COMPOSED OF THE PRESIDENT OF THE BOARD OF EDUCATION OF EACH PARTICIPAT-  
53 ING SCHOOL DISTRICT, THE PRESIDENT OF THE BOARD OF EDUCATION OF EACH  
54 SUPERVISORY BOARD OF COOPERATIVE EDUCATIONAL SERVICES, WHERE APPLICABLE,  
55 AND THE SUPERINTENDENT OF EACH PARTICIPATING SCHOOL DISTRICT AND THE  
56 SUPERINTENDENT OF THE SUPERVISORY DISTRICT IN WHICH THE REGIONAL SECOND-

1 ARY SCHOOL IS LOCATED. THE SUPERINTENDENT OF THE SUPERVISORY DISTRICT  
2 SHALL BE THE CHAIR OF THE ADVISORY COMMITTEE.

3 2. THE ADVISORY COMMITTEE SHALL CONVENE, AT THE CALL OF THE CHAIR, NOT  
4 LESS THAN FOUR TIMES DURING EACH SCHOOL YEAR DURING WHICH THE REGIONAL  
5 SECONDARY SCHOOL OPERATES. DURING SUCH MEETINGS, THE ADVISORY COMMITTEE  
6 SHALL REVIEW THE OPERATION OF THE REGIONAL SECONDARY SCHOOL AND MAKE  
7 RECOMMENDATIONS TO THE HOSTING DISTRICT OR THE SUPERVISORY BOARD OF  
8 COOPERATIVE EDUCATIONAL SERVICES, AS THE CASE MAY BE, ON THE CONTINUED  
9 OPERATION OF SUCH SECONDARY SCHOOL.

10 S 3. Subdivision 4 of section 1950 of the education law is amended by  
11 adding a new paragraph oo to read as follows:

12 OO. PURSUANT TO ARTICLE THIRTY-NINE-A OF THIS TITLE, A BOARD OF COOP-  
13 ERATIVE EDUCATIONAL SERVICES MAY ENTER INTO AN AGREEMENT WITH TWO OR  
14 MORE SCHOOL DISTRICTS ELIGIBLE TO ENTER INTO SUCH AN AGREEMENT IN  
15 ACCORDANCE WITH SECTION NINETEEN HUNDRED TWENTY-TWO OF THIS TITLE, WHICH  
16 MAY INCLUDE CITY SCHOOL DISTRICTS, CENTRAL SCHOOL DISTRICTS, CENTRAL  
17 HIGH SCHOOL DISTRICTS, UNION FREE SCHOOL DISTRICTS, AND/OR COMMON SCHOOL  
18 DISTRICTS WHICH ARE WHOLLY CONTAINED WITHIN THE SUPERVISORY DISTRICT OF  
19 THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES, TO FORM A REGIONAL  
20 SECONDARY SCHOOL TO BE OPERATED BY THE BOARD OF COOPERATIVE EDUCATIONAL  
21 SERVICES. THE BOARD OF COOPERATIVE EDUCATIONAL SERVICES SHALL HAVE THE  
22 SAME POWERS AND DUTIES WITH RESPECT TO SUCH REGIONAL SECONDARY SCHOOL AS  
23 THE BOARD OF EDUCATION OF A UNION FREE SCHOOL DISTRICT HAS WITH RESPECT  
24 TO ITS SCHOOLS, CONSISTENT WITH THE TERMS OF ITS AGREEMENT WITH THE  
25 PARTICIPATING SCHOOL DISTRICTS.

26 S 4. Paragraph h of subdivision 4 of section 1950 of the education law  
27 is amended by adding three new subparagraphs 12, 13 and 14 to read as  
28 follows:

29 (12) TO ENTER INTO CONTRACTS AS NECESSARY OR CONVENIENT TO OPERATE A  
30 REGIONAL SECONDARY SCHOOL AS ESTABLISHED PURSUANT TO THE PROVISIONS OF  
31 SECTION NINETEEN HUNDRED TWENTY-ONE OF THIS TITLE.

32 (13) TO DEVELOP CORE CURRICULUM FOR STUDENTS ATTENDING A REGIONAL  
33 SECONDARY SCHOOL ESTABLISHED PURSUANT TO THE PROVISIONS OF SECTION NINE-  
34 TEEN HUNDRED TWENTY-TWO OF THIS TITLE.

35 (14) TO ISSUE REGENTS AND OTHER HIGH SCHOOL DIPLOMAS TO STUDENTS WHO  
36 GRADUATE FROM A REGIONAL SECONDARY SCHOOL ESTABLISHED PURSUANT TO THE  
37 PROVISIONS OF SECTION NINETEEN HUNDRED TWENTY-ONE OF THIS TITLE, UNDER  
38 THE SAME CONDITIONS AS A SCHOOL DISTRICT.

39 S 5. Paragraph b of subdivision 4 of section 1950 of the education law  
40 is amended by adding a new subparagraph 8 to read as follows:

41 (8) FOR REGIONAL SECONDARY SCHOOLS ESTABLISHED PURSUANT TO SECTION  
42 NINETEEN HUNDRED TWENTY-TWO OF THIS TITLE, THE BOARD OF COOPERATIVE  
43 EDUCATIONAL SERVICES SHALL PREPARE AND PROPOSE A TENTATIVE BUDGET OF  
44 EXPENDITURES FOR PROGRAM, ADMINISTRATIVE AND CAPITAL COSTS TO OPERATE  
45 THE REGIONAL SECONDARY SCHOOL IN THE ENSUING SCHOOL YEAR. SUCH PROPOSED  
46 BUDGET SHALL BE PROVIDED TO THE BOARD OF EDUCATION OF EACH PARTICIPATING  
47 SCHOOL DISTRICT OF THE REGIONAL SECONDARY SCHOOL, BY THE DATE PROVIDED  
48 IN THE AGREEMENT ENTERED INTO PURSUANT TO SUCH SECTION NINETEEN HUNDRED  
49 TWENTY-TWO. THE BOARD OF EDUCATION OF EACH PARTICIPATING SCHOOL DISTRICT  
50 SHALL BE AFFORDED AN OPPORTUNITY TO REVIEW AND COMMENT ON THE PROPOSED  
51 BUDGET PRIOR TO ITS FINAL ADOPTION BY THE BOARD OF COOPERATIVE EDUCA-  
52 TIONAL SERVICES.

53 S 6. Subdivision 14 of section 3602 of the education law is amended by  
54 adding a new paragraph k to read as follows:

55 K. TRANSITION INCENTIVE AID FOR REGIONAL SECONDARY SCHOOLS. (1)  
56 NOTWITHSTANDING THE PROVISIONS OF PARAGRAPHS A THROUGH G OF THIS SUBDI-

1 VISION, FOR AID PAYABLE IN THE TWO THOUSAND FIFTEEN--TWO THOUSAND  
2 SIXTEEN SCHOOL YEAR OR THEREAFTER, SCHOOL DISTRICTS THAT ARE PARTIES TO  
3 AN AGREEMENT TO ESTABLISH AND OPERATE A REGIONAL SECONDARY SCHOOL PURSU-  
4 ANT TO ARTICLE THIRTY-NINE-A OF THIS CHAPTER ENTERED INTO ON OR AFTER  
5 JULY FIRST, TWO THOUSAND FOURTEEN AND PARTICIPATED IN SUCH REGIONAL  
6 SECONDARY SCHOOL IN THE BASE YEAR SHALL BE ELIGIBLE FOR TRANSITION  
7 INCENTIVE AID PURSUANT TO THIS PARAGRAPH PROVIDED THAT THE FOLLOWING  
8 CONDITIONS ARE MET:

9 (I) THE REGIONAL SECONDARY SCHOOL AGREEMENT INCLUDES AT LEAST TWO  
10 SCHOOL DISTRICTS, EACH OF WHICH PREVIOUSLY MAINTAINED ITS OWN SECONDARY  
11 SCHOOLS, AND HAS CEASED DISTRICT OPERATION OF AT LEAST ONE HIGH SCHOOL  
12 OR JUNIOR HIGH SCHOOL FOLLOWING THE ESTABLISHMENT OF THE REGIONAL  
13 SECONDARY SCHOOL, OR

14 (II) THE REGIONAL SECONDARY SCHOOL AGREEMENT INCLUDES AT LEAST ONE  
15 SCHOOL DISTRICT WHICH PREVIOUSLY MAINTAINED ITS OWN HIGH SCHOOL OR  
16 JUNIOR HIGH SCHOOL, AND DOES NOT MAINTAIN ITS OWN HIGH SCHOOL OR JUNIOR  
17 HIGH SCHOOL FOLLOWING THE ESTABLISHMENT OF THE REGIONAL SECONDARY  
18 SCHOOL, AND IN ADDITION THERETO, INCLUDES AT LEAST ONE ADDITIONAL SCHOOL  
19 DISTRICT EMPLOYING EIGHT OR MORE TEACHERS THAT DO NOT MAINTAIN THEIR OWN  
20 HIGH SCHOOL OR JUNIOR HIGH SCHOOL;

21 (2) IN EACH OF THE FIRST THIRTEEN YEARS IN WHICH A SCHOOL DISTRICT IS  
22 PARTY TO SUCH AGREEMENT, SUCH DISTRICT SHALL BE ENTITLED TO AN APPOR-  
23 TIONMENT EQUAL TO THE PRODUCT OF (I) THIRTY PERCENT OF THE APPORTIONMENT  
24 COMPUTED IN ACCORDANCE WITH THE PROVISIONS OF PARAGRAPH D-1 OF THIS  
25 SUBDIVISION, MULTIPLIED BY (II) THE QUOTIENT OF THE NUMBER OF PUPILS  
26 WITHIN SUCH SCHOOL DISTRICT ATTENDING THE REGIONAL SECONDARY SCHOOL IN  
27 THE BASE YEAR DIVIDED BY THE RESIDENT PUBLIC SCHOOL DISTRICT ENROLLMENT  
28 OF SUCH SCHOOL DISTRICT WITHIN THE GRADES OF THE NEW REGIONAL SECONDARY  
29 SCHOOL OR SCHOOLS; PROVIDED FURTHER THAT SUCH DISTRICTS SHALL BE ELIGI-  
30 BLE TO RECEIVE AN ADDITIONAL APPORTIONMENT EQUAL TO THE PRODUCT OF (I)  
31 TEN PERCENT OF THE APPORTIONMENT COMPUTED IN ACCORDANCE WITH THE  
32 PROVISIONS OF PARAGRAPH D-1 OF THIS SUBDIVISION MULTIPLIED BY (II) THE  
33 QUOTIENT OF THE NUMBER OF PUPILS WITHIN SUCH SCHOOL DISTRICT ATTENDING  
34 THE REGIONAL SECONDARY SCHOOL IN THE BASE YEAR DIVIDED BY THE RESIDENT  
35 PUBLIC SCHOOL DISTRICT ENROLLMENT OF SUCH SCHOOL DISTRICT WITHIN THE  
36 GRADES OF THE NEW REGIONAL SECONDARY SCHOOL OR SCHOOLS UPON MEETING  
37 ACADEMIC ACHIEVEMENT GOALS AS ESTABLISHED BY THE COMMISSIONER IN ACCORD-  
38 ANCE WITH A METHODOLOGY PRESCRIBED IN THE REGULATIONS OF THE COMMISSION-  
39 ER. IN NO CASE SHALL THE SUM OF SUCH APPORTIONMENTS UNDER THIS PARAGRAPH  
40 PLUS THE SELECTED OPERATING AID PER PUPIL BE MORE THAN A TOTAL OF NINE-  
41 TY-FIVE PER CENTUM OF THE YEAR PRIOR TO THE BASE YEAR APPROVED OPERATING  
42 EXPENSE. SCHOOL DISTRICTS WHICH RECEIVE AN APPORTIONMENT UNDER THIS  
43 PARAGRAPH SHALL NOT BE ELIGIBLE FOR AN APPORTIONMENT UNDER PARAGRAPH C,  
44 F OR J OF THIS SUBDIVISION.

45 (3) THE APPORTIONMENT THAT A SCHOOL DISTRICT SHALL BE ENTITLED TO  
46 RECEIVE PURSUANT TO SUBPARAGRAPH TWO OF THIS PARAGRAPH SHALL BE REDUCED,  
47 AFTER THE THIRD YEAR IT HAS RECEIVED SUCH APPORTIONMENTS, BY THE AMOUNT  
48 OF TEN PERCENT FOR EACH YEAR SUCH SCHOOL DISTRICT IS ENTITLED TO RECEIVE  
49 SUCH APPORTIONMENT.

50 S 7. This act shall take effect July 1, 2014, provided that if this  
51 act becomes a law after such date, it shall take effect immediately and  
52 be deemed to have been in full force and effect on and after July 1,  
53 2014.

## PART C

Intentionally Omitted

## PART D

Section 1. Short title. This act shall be known and may be cited as the "nurse practitioners modernization act".

S 2. Subdivision 3 of section 6902 of the education law, as added by chapter 257 of the laws of 1988, is amended to read as follows:

3. (a) (I) The practice of registered professional nursing by a nurse practitioner, certified under section six thousand nine hundred ten of this article, may include the diagnosis of illness and physical conditions and the performance of therapeutic and corrective measures within a specialty area of practice, in collaboration with a licensed physician qualified to collaborate in the specialty involved, provided such services are performed in accordance with a written practice agreement and written practice protocols EXCEPT AS PERMITTED BY PARAGRAPH (B) OF THIS SUBDIVISION. The written practice agreement shall include explicit provisions for the resolution of any disagreement between the collaborating physician and the nurse practitioner regarding a matter of diagnosis or treatment that is within the scope of practice of both. To the extent the practice agreement does not so provide, then the collaborating physician's diagnosis or treatment shall prevail.

[(b)] (II) Prescriptions for drugs, devices and immunizing agents may be issued by a nurse practitioner, under this [subdivision] PARAGRAPH and section six thousand nine hundred ten of this article, in accordance with the practice agreement and practice protocols EXCEPT AS PERMITTED BY PARAGRAPH (B) OF THIS SUBDIVISION. The nurse practitioner shall obtain a certificate from the department upon successfully completing a program including an appropriate pharmacology component, or its equivalent, as established by the commissioner's regulations, prior to prescribing under this [subdivision] PARAGRAPH. The certificate issued under section six thousand nine hundred ten of this article shall state whether the nurse practitioner has successfully completed such a program or equivalent and is authorized to prescribe under this [subdivision] PARAGRAPH.

[(c)] (III) Each practice agreement shall provide for patient records review by the collaborating physician in a timely fashion but in no event less often than every three months. The names of the nurse practitioner and the collaborating physician shall be clearly posted in the practice setting of the nurse practitioner.

[(d)] (IV) The practice protocol shall reflect current accepted medical and nursing practice. The protocols shall be filed with the department within ninety days of the commencement of the practice and may be updated periodically. The commissioner shall make regulations establishing the procedure for the review of protocols and the disposition of any issues arising from such review.

[(e)] (V) No physician shall enter into practice agreements with more than four nurse practitioners who are not located on the same physical premises as the collaborating physician.

[(f)] (B) NOTWITHSTANDING SUBPARAGRAPH (I) OF PARAGRAPH (A) OF THIS SUBDIVISION, A NURSE PRACTITIONER, CERTIFIED UNDER SECTION SIXTY-NINE HUNDRED TEN OF THIS ARTICLE AND PRACTICING FOR MORE THAN FIVE YEARS IN THE AREAS OF PRIMARY CARE, PSYCHIATRIC CARE OR WOMEN'S HEALTH, MAY COMPLY WITH THIS PARAGRAPH IN LIEU OF COMPLYING WITH THE REQUIREMENTS OF

1 PARAGRAPH (A) OF THIS SUBDIVISION RELATING TO COLLABORATION WITH A  
2 PHYSICIAN, A WRITTEN PRACTICE AGREEMENT AND WRITTEN PRACTICE PROTOCOLS.  
3 A NURSE PRACTITIONER COMPLYING WITH THIS PARAGRAPH SHALL HAVE COLLABORA-  
4 TIVE RELATIONSHIPS WITH ONE OR MORE LICENSED PHYSICIANS QUALIFIED TO  
5 COLLABORATE IN THE SPECIALTY INVOLVED.

6 (C) (I) THE NURSE PRACTITIONER SHALL MAINTAIN DOCUMENTATION OF SUCH  
7 COLLABORATIVE RELATIONSHIPS IN A MANNER REQUIRED BY THE DEPARTMENT THAT  
8 SHALL INCLUDE AN ATTESTATION THAT THE NURSE PRACTITIONER HAS A COLLABO-  
9 RATIVE RELATIONSHIP AS PURSUANT TO THIS SUBPARAGRAPH, THAT SUCH COLLABO-  
10 RATOR PRACTICES WITHIN THE SAME SPECIALTY AREA AS SUCH NURSE PRACTITION-  
11 ER, AND THAT SUCH NURSE PRACTITIONER HAS THE ABILITY TO REFER TO THE  
12 COLLABORATOR AS NECESSARY.

13 (II) EVIDENCE OF A COLLABORATIVE RELATIONSHIP SHALL INCLUDE REGULAR  
14 REFERRALS AND CONSULTATION BETWEEN THE NURSE PRACTITIONER AND THE COLLA-  
15 BORATOR. SUCH COLLABORATOR SHALL PRACTICE WITHIN THE SAME SPECIALTY AREA  
16 AS THE NURSE PRACTITIONER AND SUCH CONSULTATION MAY INCLUDE A REVIEW OF  
17 A REPRESENTATIVE SAMPLE OF PATIENT RECORDS IN THE MANNER AND FREQUENCY  
18 DETERMINED BY THE NURSE PRACTITIONER AND COLLABORATOR. THE NURSE PRACTI-  
19 TIONER AND COLLABORATOR SHALL ALSO DETERMINE A PROCESS FOR THE RESOL-  
20 UTION OF DISAGREEMENTS. IN THE EVENT THAT THE AGREED TO PROCESS STILL  
21 RESULTS IN DISAGREEMENT, THE PHYSICIAN'S MEDICAL JUDGMENT CONCERNING  
22 APPROPRIATE CLINICAL INTERVENTION SHALL PREVAIL.

23 (D) Nothing in this subdivision shall be deemed to limit or diminish  
24 the practice of the profession of nursing as a registered professional  
25 nurse under this article or any other law, rule, regulation or certifi-  
26 cation, nor to deny any registered professional nurse the right to do  
27 any act or engage in any practice authorized by this article or any  
28 other law, rule, regulation or certification.

29 [(g)] (E) The provisions of this subdivision shall not apply to any  
30 activity authorized, pursuant to statute, rule or regulation, to be  
31 performed by a registered professional nurse in a hospital as defined in  
32 article twenty-eight of the public health law.

33 (F) IN CONJUNCTION WITH AND AS A CONDITION OF EACH TRIENNIAL REGISTRA-  
34 TION, THE DEPARTMENT SHALL COLLECT AND A NURSE PRACTITIONER SHALL  
35 PROVIDE SUCH INFORMATION AND DOCUMENTATION REQUIRED BY THE DEPARTMENT,  
36 IN CONSULTATION WITH THE DEPARTMENT OF HEALTH, AS NECESSARY TO ENABLE  
37 THE DEPARTMENT OF HEALTH TO EVALUATE ACCESS TO NEEDED SERVICES IN THIS  
38 STATE, INCLUDING BUT NOT LIMITED TO THE LOCATION AND TYPE OF SETTING  
39 WHEREIN THE NURSE PRACTITIONER PRACTICES; IF THE NURSE PRACTITIONER  
40 PRACTICES PURSUANT TO COLLABORATIVE RELATIONSHIPS WITH A PHYSICIAN OR  
41 HOSPITAL; AND OTHER INFORMATION THE DEPARTMENT, IN CONSULTATION WITH THE  
42 DEPARTMENT OF HEALTH, DEEMS RELEVANT.

43 S 3. This act shall take effect on the first of January after it shall  
44 have become a law; provided, however, that effective immediately, the  
45 addition, amendment and/or repeal of any rule or regulation necessary  
46 for the implementation of this act on its effective date is authorized  
47 and directed to be made and completed on or before such effective date.

48 PART E  
49 Intentionally Omitted

50 PART F  
51 Intentionally Omitted

PART G

Intentionally Omitted

PART H

Section 1. Paragraph (a) of subdivision 1 of section 1 of part U of chapter 57 of the laws of 2005 amending the labor law and other laws implementing the state fiscal plan for the 2005-2006 state fiscal year, relating to the New York state higher education capital matching grant program for independent colleges, as amended by section 1 of part C of chapter 57 of the laws of 2013, is amended to read as follows:

(a) The New York state higher education capital matching grant board is hereby created to have and exercise the powers, duties and prerogatives provided by the provisions of this section and any other provision of law. The board shall remain in existence during the period of the New York state higher education capital matching grant program from the effective date of this section through March 31, [2014] 2017, or the date on which the last of the funds available for grants under this section shall have been disbursed, whichever is earlier; provided, however, that the termination of the existence of the board shall not affect the power and authority of the dormitory authority to perform its obligations with respect to any bonds, notes, or other indebtedness issued or incurred pursuant to authority granted in this section.

S 2. Paragraph (h) of subdivision 4 of section 1 of part U of chapter 57 of the laws of 2005 amending the labor law and other laws implementing the state fiscal plan for the 2005-2006 state fiscal year, relating to the New York state higher education capital matching grant program for independent colleges, as amended by section 2 of part C of chapter 57 of the laws of 2013, is amended to read as follows:

(h) In the event that any colleges do not apply for higher education capital matching grants by March 31, 2009, or in the event they apply for and are awarded, but do not use the full amount of such grants, the unused funds associated with such grants shall thereafter be awarded to colleges on a competitive basis, according to the priorities set forth below. Notwithstanding subdivision five of this section, any college shall be eligible to apply for such unused funds in response to a request for proposals for a higher education capital matching grant pursuant to this paragraph. In such cases, the following priorities shall apply: first, priority shall be given to otherwise eligible colleges that either were, or would have been, deemed ineligible for the program prior to March 31, 2009, due to missed deadlines, insufficient matching funds, lack of accreditation or other disqualifying reasons; and second, after the board has acted upon all such first-priority applications for unused funds, if any such funds remain, those funds shall be available for distribution to eligible colleges. The dormitory authority shall develop a request for proposals and application process, in consultation with the board, for higher education capital matching grants awarded pursuant to this paragraph, and shall develop criteria, subject to review by the board, for the awarding of such grants. Such criteria shall include, but not be limited to the matching criteria contained in paragraph (c) of this subdivision, and the application criteria set forth in paragraph (e) of this subdivision. The dormitory authority shall require all applications in response to the request for proposals to be submitted by September 1, [2013] 2014, and the board

1 shall act on each application for such matching grants by November 1,  
2 [2013] 2014.

3 S 3. Subclause (A) of clause (ii) of paragraph (j) of subdivision 4 of  
4 section 1 of part U of chapter 57 of the laws of 2005 amending the labor  
5 law and other laws implementing the state fiscal plan for the 2005-2006  
6 state fiscal year, relating to the New York state higher education capi-  
7 tal matching grant program for independent colleges, as amended by  
8 section 3 of part C of chapter 57 of the laws of 2013, is amended to  
9 read as follows:

10 (A) Notwithstanding the provision of any general or special law to the  
11 contrary, and subject to the provisions of chapter 59 of the laws of  
12 2000 and to the making of annual appropriations therefor by the legisla-  
13 ture, in order to assist the dormitory authority in providing such high-  
14 er education capital matching grants, the director of the budget is  
15 authorized in any state fiscal year commencing April 1, 2005 or any  
16 state fiscal year thereafter for a period ending on March 31, [2015,]  
17 2017, to enter into one or more service contracts, none of which shall  
18 exceed 30 years in duration, with the dormitory authority, upon such  
19 terms as the director of the budget and the dormitory authority agree.

20 S 4. Paragraph (b) of subdivision 7 of section 1 of part U of chapter  
21 57 of the laws of 2005 amending the labor law and other laws implement-  
22 ing the state fiscal plan for the 2005-2006 state fiscal year, relating  
23 to the New York state higher education matching capital grant program  
24 for independent colleges, as amended by section 4 of part C of chapter  
25 57 of the laws of 2013, is amended to read as follows:

26 (b) Any eligible institution receiving a grant pursuant to this arti-  
27 cle shall report to the dormitory authority no later than June 1, [2014]  
28 2018, on the use of funding received and its programmatic and economic  
29 impact. The dormitory authority shall submit a report no later than  
30 November 1, [2014] 2018 to [the board,] the governor, the director of  
31 the budget, the temporary president of the senate, and the speaker of  
32 the assembly on the aggregate impact of the higher education matching  
33 capital grant program. Such report shall provide information on the  
34 progress and economic impact of such project.

35 S 5. This act shall take effect immediately and shall be deemed to  
36 have been in full force and effect on and after April 1, 2014.

#### 37 PART I

38 Section 1. Paragraphs (a), (b), (c) and (d) of subdivision 1 of  
39 section 131-o of the social services law, as amended by section 1 of  
40 part E of chapter 57 of the laws of 2013, are amended to read as  
41 follows:

42 (a) in the case of each individual receiving family care, an amount  
43 equal to at least [\$137.00] \$139.00 for each month beginning on or after  
44 January first, two thousand [thirteen] FOURTEEN.

45 (b) in the case of each individual receiving residential care, an  
46 amount equal to at least [\$158.00] \$160.00 for each month beginning on  
47 or after January first, two thousand [thirteen] FOURTEEN.

48 (c) in the case of each individual receiving enhanced residential  
49 care, an amount equal to at least [\$187.00] \$190.00 for each month  
50 beginning on or after January first, two thousand [thirteen] FOURTEEN.

51 (d) for the period commencing January first, two thousand [fourteen]  
52 FIFTEEN, the monthly personal needs allowance shall be an amount equal  
53 to the sum of the amounts set forth in subparagraphs one and two of this  
54 paragraph:

1 (1) the amounts specified in paragraphs (a), (b) and (c) of this  
2 subdivision; and

3 (2) the amount in subparagraph one of this paragraph, multiplied by  
4 the percentage of any federal supplemental security income cost of  
5 living adjustment which becomes effective on or after January first, two  
6 thousand [fourteen] FIFTEEN, but prior to June thirtieth, two thousand  
7 [fourteen] FIFTEEN, rounded to the nearest whole dollar.

8 S 2. Paragraphs (a), (b), (c), (d), (e) and (f) of subdivision 2 of  
9 section 209 of the social services law, as amended by section 2 of part  
10 E of chapter 57 of the laws of 2013, are amended to read as follows:

11 (a) On and after January first, two thousand [thirteen] FOURTEEN, for  
12 an eligible individual living alone, [\$797.00] \$808.00; and for an  
13 eligible couple living alone, [\$1170.00] \$1186.00.

14 (b) On and after January first, two thousand [thirteen] FOURTEEN, for  
15 an eligible individual living with others with or without in-kind  
16 income, [\$733.00] \$744.00; and for an eligible couple living with others  
17 with or without in-kind income, [\$1112.00] \$1128.00.

18 (c) On and after January first, two thousand [thirteen] FOURTEEN, (i)  
19 for an eligible individual receiving family care, [\$976.48] \$987.48 if  
20 he or she is receiving such care in the city of New York or the county  
21 of Nassau, Suffolk, Westchester or Rockland; and (ii) for an eligible  
22 couple receiving family care in the city of New York or the county of  
23 Nassau, Suffolk, Westchester or Rockland, two times the amount set forth  
24 in subparagraph (i) of this paragraph; or (iii) for an eligible individ-  
25 ual receiving such care in any other county in the state, [\$938.48]  
26 \$949.48; and (iv) for an eligible couple receiving such care in any  
27 other county in the state, two times the amount set forth in subpara-  
28 graph (iii) of this paragraph.

29 (d) On and after January first, two thousand [thirteen] FOURTEEN, (i)  
30 for an eligible individual receiving residential care, [\$1145.00]  
31 \$1156.00 if he or she is receiving such care in the city of New York or  
32 the county of Nassau, Suffolk, Westchester or Rockland; and (ii) for an  
33 eligible couple receiving residential care in the city of New York or  
34 the county of Nassau, Suffolk, Westchester or Rockland, two times the  
35 amount set forth in subparagraph (i) of this paragraph; or (iii) for an  
36 eligible individual receiving such care in any other county in the  
37 state, [\$1115.00] \$1126.00; and (iv) for an eligible couple receiving  
38 such care in any other county in the state, two times the amount set  
39 forth in subparagraph (iii) of this paragraph.

40 (e) (i) On and after January first, two thousand [thirteen] FOURTEEN,  
41 for an eligible individual receiving enhanced residential care,  
42 [\$1404.00] \$1415.00; and (ii) for an eligible couple receiving enhanced  
43 residential care, two times the amount set forth in subparagraph (i) of  
44 this paragraph.

45 (f) The amounts set forth in paragraphs (a) through (e) of this subdi-  
46 vision shall be increased to reflect any increases in federal supple-  
47 mental security income benefits for individuals or couples which become  
48 effective on or after January first, two thousand [fourteen] FIFTEEN but  
49 prior to June thirtieth, two thousand [fourteen] FIFTEEN.

50 S 3. This act shall take effect December 31, 2014.

51

#### PART J

52 Section 1. Short title. This act shall be known and may be cited as  
53 the "public assistance integrity act".

1 S 2. The social services law is amended by adding two new sections  
2 147-a and 147-b to read as follows:

3 S 147-A. PENALTIES FOR THE PURCHASE OR SALE OF ALCOHOLIC BEVERAGES,  
4 TOBACCO PRODUCTS OR LOTTERY TICKETS WITH PUBLIC ASSISTANCE BENEFITS. 1.  
5 FOR THE PURPOSES OF THIS SECTION, "PUBLIC ASSISTANCE BENEFITS" MEANS  
6 MONEY OR PROPERTY PROVIDED DIRECTLY OR INDIRECTLY THROUGH PROGRAMS OF  
7 THE FEDERAL GOVERNMENT, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF,  
8 AND ADMINISTERED BY THE OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE OR  
9 SOCIAL SERVICES DISTRICTS.

10 2. NO RECIPIENT OF PUBLIC ASSISTANCE BENEFITS SHALL USE ALL OR ANY  
11 PORTION OF SUCH BENEFITS FOR THE PURCHASE OF ANY ALCOHOLIC BEVERAGE,  
12 TOBACCO PRODUCT OR LOTTERY TICKET. ANY PERSON WHO VIOLATES THE  
13 PROVISIONS OF THIS SUBDIVISION SHALL UPON THE FIRST SUCH VIOLATION BE  
14 DISQUALIFIED FROM RECEIVING PUBLIC ASSISTANCE BENEFITS BY MEANS OF  
15 DIRECT CASH PAYMENT OR ELECTRONIC BENEFITS TRANSFER ACCESS DEVICE FOR A  
16 PERIOD OF ONE MONTH, UPON A FINDING OF A SECOND SUCH VIOLATION BE  
17 DISQUALIFIED FROM RECEIVING PUBLIC ASSISTANCE BENEFITS BY MEANS OF  
18 DIRECT CASH PAYMENT OR ELECTRONIC BENEFITS TRANSFER ACCESS DEVICE FOR A  
19 PERIOD OF THREE MONTHS, AND UPON A FINDING OF A THIRD OR SUBSEQUENT SUCH  
20 VIOLATION SHALL BE PERMANENTLY DISQUALIFIED FROM RECEIVING PUBLIC  
21 ASSISTANCE BENEFITS BY MEANS OF DIRECT CASH PAYMENT OR ELECTRONIC BENE-  
22 FITS TRANSFER ACCESS DEVICE. SUCH PERSON SHALL HAVE THE RIGHT TO A FAIR  
23 HEARING PURSUANT TO SECTION TWENTY-TWO OF THIS CHAPTER. NOTWITHSTANDING  
24 ANY PROVISION OF THIS CHAPTER OR ANY OTHER LAW TO THE CONTRARY, NO  
25 APPLICANT FOR PUBLIC ASSISTANCE BENEFITS SHALL BE APPROVED UNLESS HE OR  
26 SHE ATTESTS TO THE FACT THAT ALCOHOLIC BEVERAGES, TOBACCO PRODUCTS AND  
27 LOTTERY TICKETS ARE PRODUCTS WHICH ARE PROHIBITED FROM BEING PURCHASED  
28 WITH SUCH BENEFITS PURSUANT TO THIS SECTION. SUCH ATTESTATION SHALL BE  
29 IN A FORM PRESCRIBED BY THE COMMISSIONER OF TEMPORARY AND DISABILITY  
30 ASSISTANCE.

31 3. NO PERSON ENGAGED IN RETAIL SALES, OR ANY AGENT OR EMPLOYEE THERE-  
32 OF, SHALL SELL OR OFFER FOR SALE ANY ALCOHOLIC BEVERAGE, TOBACCO PRODUCT  
33 OR LOTTERY TICKET TO ANY OTHER PERSON IN EXCHANGE FOR OR FOR CONSIDER-  
34 ATION OF PUBLIC ASSISTANCE BENEFITS BY MEANS OF AN ELECTRONIC BENEFITS  
35 TRANSFER ACCESS DEVICE. ANY PERSON WHO VIOLATES THE PROVISIONS OF THIS  
36 SUBDIVISION SHALL BE SUBJECT TO A CIVIL FINE OF ONE HUNDRED DOLLARS FOR  
37 THE FIRST SUCH VIOLATION, A CIVIL FINE OF FIVE HUNDRED DOLLARS FOR THE  
38 SECOND SUCH VIOLATION WITHIN ANY FIVE YEAR PERIOD OF TIME, AND UPON A  
39 FINDING OF A THIRD OR A SUBSEQUENT VIOLATION WITHIN ANY FIVE YEAR PERIOD  
40 OF TIME THE LICENSE, PERMIT OR CERTIFICATION ISSUED TO SUCH PERSON  
41 PURSUANT TO THE ALCOHOLIC BEVERAGE CONTROL LAW, AND/OR ARTICLE TWENTY  
42 AND/OR ARTICLE THIRTY-FOUR OF THE TAX LAW SHALL BE SUSPENDED.

43 4. IN ANY PROCEEDING BROUGHT AGAINST THE OPERATOR OF A RETAIL BUSINESS  
44 ENGAGED IN RETAIL SALES, PURSUANT TO SUBDIVISION THREE OF THIS SECTION  
45 WHEN THE UNLAWFUL SALE WAS MADE BY AN AGENT OR EMPLOYEE OF THE OPERATOR  
46 OF SUCH BUSINESS, IT SHALL BE AN AFFIRMATIVE DEFENSE IN FAVOR OF SUCH  
47 OPERATOR THAT, AT THE TIME OF SUCH ALLEGED VIOLATION, THE BUSINESS OPER-  
48 ATOR CAN AND DOES PRODUCE PROOF THAT THE AGENT OR EMPLOYEE WHO COMMITTED  
49 SUCH VIOLATION COMPLETED A TRAINING PROGRAM ESTABLISHED PURSUANT TO  
50 SUBDIVISION FIVE OF THIS SECTION.

51 5. A. THE COMMISSIONER OF TEMPORARY AND DISABILITY ASSISTANCE SHALL  
52 PROMULGATE RULES AND REGULATIONS THAT WOULD DEVELOP AND ESTABLISH CRITE-  
53 RIA FOR TRAINING PROGRAMS ON THE PROHIBITION ON THE SALE AND PURCHASE OF  
54 ALCOHOLIC BEVERAGES, TOBACCO PRODUCTS AND LOTTERY TICKETS IN EXCHANGE  
55 FOR PUBLIC ASSISTANCE BENEFITS. SUCH TRAINING MAY BE GIVEN AND ADMINIS-  
56 TERED BY SCHOOLS; OTHER ENTITIES INCLUDING TRADE ASSOCIATIONS WHOSE

1 MEMBERS ARE ENGAGED IN THE RETAIL SALE OF ALCOHOLIC BEVERAGES, TOBACCO  
2 PRODUCTS AND/OR LOTTERY TICKETS; AND NATIONAL AND REGIONAL FRANCHISORS  
3 WITH AT LEAST FIVE FRANCHISES IN THE STATE WHICH ENGAGE IN THE SALES OF  
4 ALCOHOLIC BEVERAGES, TOBACCO PRODUCTS AND/OR LOTTERY TICKETS. THE OFFICE  
5 OF TEMPORARY AND DISABILITY ASSISTANCE SHALL PROVIDE FOR THE ISSUANCE OF  
6 CERTIFICATES OF APPROVAL TO ALL CERTIFIED TRAINING PROGRAMS ON THE  
7 PROHIBITION ON THE SALE AND PURCHASE OF ALCOHOLIC BEVERAGES, TOBACCO  
8 PRODUCTS AND/OR LOTTERY TICKETS IN EXCHANGE FOR PUBLIC ASSISTANCE BENE-  
9 FITS. CERTIFICATES OF APPROVAL MAY BE REVOKED BY THE OFFICE OF TEMPORARY  
10 AND DISABILITY ASSISTANCE FOR FAILURE TO ADHERE TO THE COMMISSIONER'S  
11 RULES AND REGULATIONS. SUCH RULES AND REGULATIONS SHALL AFFORD THOSE WHO  
12 HAVE BEEN ISSUED A CERTIFICATE OF APPROVAL AN OPPORTUNITY FOR A HEARING  
13 PRIOR TO ANY DETERMINATION OF WHETHER SUCH CERTIFICATE SHOULD BE  
14 REVOKED. THE COMMISSIONER OF TEMPORARY AND DISABILITY ASSISTANCE SHALL  
15 ADOPT RULES TO EFFECTUATE THE PROVISIONS OF THIS SUBDIVISION, INCLUDING  
16 MINIMUM REQUIREMENTS FOR THE CURRICULUM OF EACH SUCH TRAINING PROGRAM  
17 AND THE REGULAR TRAINING OF AGENTS AND EMPLOYEES HOLDING CERTIFICATES OF  
18 COMPLETION OR RENEWAL CERTIFICATES.

19 B. TO EFFECTUATE THE PROVISIONS OF THIS SUBDIVISION, THE OFFICE OF  
20 TEMPORARY AND DISABILITY ASSISTANCE IS EMPOWERED TO REQUIRE IN  
21 CONNECTION WITH AN APPLICATION THE SUBMISSION OF SUCH INFORMATION AS  
22 SUCH OFFICE MAY DIRECT; TO PRESCRIBE FORMS OF APPLICATIONS AND OF ALL  
23 REPORTS IT DEEMS NECESSARY TO BE MADE BY ANY APPLICANT OR CERTIFICATE  
24 HOLDER; TO CONDUCT INVESTIGATIONS, TO REQUIRE MAINTENANCE OF SUCH BOOKS  
25 AND RECORDS AS SUCH OFFICE MAY DIRECT; AND TO CANCEL, REVOKE OR SUSPEND  
26 FOR CAUSE ANY CERTIFICATE PROVIDED FOR IN THIS SUBDIVISION.

27 C. EACH ENTITY AUTHORIZED TO GIVE AND ADMINISTER A TRAINING PROGRAM ON  
28 THE PROHIBITION ON THE SALE AND PURCHASE OF ALCOHOLIC BEVERAGES, TOBACCO  
29 PRODUCTS AND LOTTERY TICKETS IN EXCHANGE FOR PUBLIC ASSISTANCE BENEFITS  
30 SHALL ISSUE CERTIFICATES OF COMPLETION TO ALL PERSONS ENGAGED IN RETAIL  
31 SALES, AND THE AGENTS AND EMPLOYEES THEREOF WHO SUCCESSFULLY COMPLETE  
32 SUCH APPROVED TRAINING PROGRAM. SUCH ENTITY SHALL REGULARLY TRANSMIT TO  
33 THE OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE THE NAMES, ADDRESSES  
34 AND DATES OF ATTENDANCE OF ALL SUCH PERSONS, AGENTS AND EMPLOYEES WHO  
35 SUCCESSFULLY COMPLETE AN APPROVED TRAINING PROGRAM. SUCH TRANSMITTAL  
36 SHALL BE IN A FORM AND MANNER PRESCRIBED BY SUCH OFFICE. A CERTIFICATE  
37 OF COMPLETION OR RENEWAL THEREOF ISSUED BY AN ENTITY AUTHORIZED TO GIVE  
38 AND ADMINISTER A TRAINING PROGRAM PURSUANT TO THIS SUBDIVISION TO  
39 PERSONS ENGAGED IN RETAIL SALES, AND THE AGENTS AND EMPLOYEES THEREOF  
40 SHALL NOT BE INVALIDATED BY A CHANGE OF EMPLOYER. ATTENDANCE AT ANY  
41 COURSE ESTABLISHED PURSUANT TO THIS SUBDIVISION SHALL BE IN PERSON,  
42 THROUGH DISTANCE LEARNING METHODS OR THROUGH AN INTERNET BASED ONLINE  
43 PROGRAM. EACH CERTIFICATE OF APPROVAL, RENEWAL AND COMPLETION THEREOF  
44 SHALL BE ISSUED FOR A PERIOD OF THREE YEARS.

45 S 147-B. PROHIBITION OF USE OF PUBLIC ASSISTANCE BENEFITS IN CERTAIN  
46 FACILITIES. 1. FOR THE PURPOSES OF THIS SECTION:

47 A. "ELECTRONIC BENEFIT TRANSFER TRANSACTION" MEANS THE USE OF A CREDIT  
48 CARD OR DEBIT CARD SERVICE, AUTOMATED TELLER MACHINE, POINT-OF-SALE  
49 TERMINAL OR ACCESS TO AN ONLINE SYSTEM FOR THE WITHDRAWAL OF FUNDS OR  
50 THE PROCESSING OF A PAYMENT FOR MERCHANDISE OR A SERVICE.

51 B. "CASINO" MEANS ANY CASINO, GAMING ESTABLISHMENT OR GAMBLING CASINO,  
52 BUT SHALL NOT INCLUDE:

53 (I) ANY RETAIL STORE WHICH SELLS GROCERIES INCLUDING STAPLE FOODS  
54 (WITHIN THE MEANING OF SECTION 3(R) OF THE FOOD AND NUTRITION ACT OF  
55 2008 (7 U.S.C. 2012 (R)), AND WHICH ALSO OFFERS OR IS LOCATED WITHIN THE  
56 SAME BUILDING OR COMPLEX AS CASINO, GAMBLING OR GAMING ACTIVITIES; OR

1 (II) ANY OTHER ESTABLISHMENT THAT OFFERS CASINO, GAMBLING OR GAMING  
2 ACTIVITIES INCIDENTAL TO THE PRINCIPAL PURPOSE OF THE BUSINESS OF SUCH  
3 ESTABLISHMENT.

4 C. "LIQUOR STORE" MEANS ANY RETAIL ESTABLISHMENT WHICH EXCLUSIVELY OR  
5 PRIMARILY SELLS ALCOHOLIC BEVERAGES. SUCH TERM SHALL NOT INCLUDE ANY  
6 GROCERY STORE WHICH SELLS BOTH ALCOHOLIC BEVERAGES AND STAPLE FOODS  
7 (WITHIN THE MEANING OF SECTION 3(R) OF THE FOOD AND NUTRITION ACT OF  
8 2008 (7 U.S.C. 2012 (R))).

9 D. "PUBLIC ASSISTANCE BENEFITS" MEANS MONEY OR PROPERTY PROVIDED  
10 DIRECTLY OR INDIRECTLY THROUGH PROGRAMS OF THE FEDERAL GOVERNMENT, THE  
11 STATE OR ANY POLITICAL SUBDIVISION THEREOF, AND ADMINISTERED BY THE  
12 OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE OR SOCIAL SERVICES  
13 DISTRICTS.

14 2. NO RECIPIENT OF PUBLIC ASSISTANCE BENEFITS SHALL BY MEANS OF AN  
15 ELECTRONIC BENEFIT TRANSFER TRANSACTION WITHDRAW OR USE SUCH BENEFITS IN  
16 ANY LIQUOR STORE, CASINO OR RETAIL ESTABLISHMENT WHICH PROVIDES  
17 ADULT-ORIENTED ENTERTAINMENT IN WHICH PERFORMERS DISROBE OR PERFORM IN  
18 AN UNCLOTHED STATE FOR ENTERTAINMENT. ANY PERSON WHO VIOLATES THE  
19 PROVISIONS OF THIS SUBDIVISION SHALL UPON THE FIRST SUCH VIOLATION BE  
20 DISQUALIFIED FROM RECEIVING PUBLIC ASSISTANCE BENEFITS BY MEANS OF  
21 DIRECT CASH PAYMENT OR ELECTRONIC BENEFITS TRANSFER ACCESS DEVICE FOR A  
22 PERIOD OF ONE MONTH, UPON A FINDING OF A SECOND SUCH VIOLATION SHALL BE  
23 DISQUALIFIED FROM RECEIVING PUBLIC ASSISTANCE BENEFITS BY MEANS OF  
24 DIRECT CASH PAYMENT OR ELECTRONIC BENEFITS TRANSFER ACCESS DEVICE FOR A  
25 PERIOD OF THREE MONTHS, AND UPON A FINDING OF A THIRD OR SUBSEQUENT SUCH  
26 VIOLATION SHALL BE PERMANENTLY DISQUALIFIED FROM RECEIVING PUBLIC  
27 ASSISTANCE BENEFITS BY MEANS OF DIRECT CASH PAYMENT OR ELECTRONIC BENE-  
28 FITS TRANSFER ACCESS DEVICE. SUCH PERSON SHALL HAVE THE RIGHT TO A FAIR  
29 HEARING PURSUANT TO SECTION TWENTY-TWO OF THIS CHAPTER.

30 3. THE OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE SHALL ESTABLISH  
31 AND IMPLEMENT RULES AND REGULATIONS PROHIBITING RECIPIENTS OF PUBLIC  
32 ASSISTANCE BENEFITS, BY MEANS OF ANY ELECTRONIC BENEFIT TRANSFER TRANS-  
33 ACTION, FROM WITHDRAWING OR USING ANY SUCH BENEFITS IN ANY LIQUOR STORE,  
34 CASINO OR RETAIL ESTABLISHMENT WHICH PROVIDES ADULT-ORIENTED ENTER-  
35 TAINMENT IN WHICH PERFORMERS DISROBE OR PERFORM IN AN UNCLOTHED STATE  
36 FOR ENTERTAINMENT.

37 S 3. The state finance law is amended by adding a new section 85 to  
38 read as follows:

39 S 85. PUBLIC ASSISTANCE INTEGRITY FUND. 1. THERE IS HEREBY ESTABLISHED  
40 IN THE JOINT CUSTODY OF THE STATE COMPTROLLER AND THE COMMISSIONER OF  
41 TAXATION AND FINANCE A SPECIAL REVENUE FUND TO BE KNOWN AS THE "PUBLIC  
42 ASSISTANCE INTEGRITY FUND".

43 2. THE PUBLIC ASSISTANCE INTEGRITY FUND SHALL CONSIST OF MONIES  
44 RECEIVED BY THE STATE FROM FINES AND FEES IMPOSED PURSUANT TO SECTIONS  
45 ONE HUNDRED FORTY-SEVEN-A AND ONE HUNDRED FORTY-SEVEN-B OF THE SOCIAL  
46 SERVICES LAW, AND ALL OTHER MONIES APPROPRIATED, CREDITED OR TRANSFERRED  
47 THERETO FROM ANY OTHER FUND OR SOURCE.

48 3. MONIES OF THE PUBLIC ASSISTANCE INTEGRITY FUND, FOLLOWING APPROPRI-  
49 ATION THEREOF, SHALL BE SOLELY MADE AVAILABLE TO THE OFFICE OF TEMPORARY  
50 AND DISABILITY ASSISTANCE FOR EXPENDITURE FOR THE COSTS OF SUCH OFFICE  
51 ASSOCIATED WITH THE PREVENTION OF MISUSE OF PUBLIC ASSISTANCE BENEFITS  
52 INCLUDING, BUT NOT LIMITED TO, ADMINISTRATION, OVERSIGHT, TRAINING AND  
53 ENFORCEMENT RELATED ACTIVITIES.

54 S 4. This act shall take effect immediately.

1 Section 1. Notwithstanding any other provision of law, the housing  
2 trust fund corporation (the corporation) may provide, for purposes of  
3 the rural rental assistance program, a sum not to exceed twenty million  
4 four hundred thousand dollars for the fiscal year ending March 31, 2015.  
5 Notwithstanding any other provision of law, and provided that the  
6 reserves in the project pool insurance account of the mortgage insurance  
7 fund created pursuant to section 2429-b of the public authorities law  
8 are sufficient to attain and maintain the credit rating (as determined  
9 by the agency) required to accomplish the purposes of such account, the  
10 board of directors of the state of New York mortgage agency shall  
11 authorize the transfer from the project pool insurance account of the  
12 mortgage insurance fund to the housing trust fund corporation (the  
13 corporation), for the purposes of reimbursing any costs associated with  
14 rural rental assistance program contracts authorized by this section, a  
15 total sum not to exceed twenty million four hundred thousand dollars as  
16 soon as practicable but no later than June 30, 2014. Notwithstanding any  
17 other provision of law, all current and existing rural rental assistance  
18 program contracts may be assigned to the corporation to administer as  
19 soon as practicable. Notwithstanding any other provision of law, such  
20 funds may be used by the corporation in support of contracts scheduled  
21 to expire in 2014-15 for as many as 10 additional years; in support of  
22 contracts for new eligible projects for a period not to exceed 5 years;  
23 and in support of contracts which reach their 25 year maximum in and/or  
24 prior to 2014-15 for an additional one year period.

25 S 2. Intentionally omitted.

26 S 3. Notwithstanding any other provision of law, the housing trust  
27 fund corporation (the corporation) may provide, for purposes of the  
28 neighborhood preservation program, a sum not to exceed eight million  
29 four hundred seventy-nine thousand dollars for the fiscal year ending  
30 March 31, 2015. Notwithstanding any other provision of law, and provided  
31 that the reserves in the project pool insurance account of the mortgage  
32 insurance fund created pursuant to section 2429-b of the public authori-  
33 ties law are sufficient to attain and maintain the credit rating (as  
34 determined by the agency) required to accomplish the purposes of such  
35 account, the board of directors of the state of New York mortgage agency  
36 shall authorize the transfer from the project pool insurance account of  
37 the mortgage insurance fund to the housing trust fund corporation (the  
38 corporation), for the purposes of reimbursing any costs associated with  
39 neighborhood preservation program contracts authorized by this section,  
40 a total sum not to exceed eight million four hundred seventy-nine thou-  
41 sand dollars as soon as practicable but no later than June 30, 2014.

42 S 4. Notwithstanding any other provision of law, the housing trust  
43 fund corporation (the corporation) may provide, for purposes of the  
44 rural preservation program, a sum not to exceed three million five  
45 hundred thirty-nine thousand dollars for the fiscal year ending March  
46 31, 2015. Notwithstanding any other provision of law, and provided that  
47 the reserves in the project pool insurance account of the mortgage  
48 insurance fund created pursuant to section 2429-b of the public authori-  
49 ties law are sufficient to attain and maintain the credit rating (as  
50 determined by the agency) required to accomplish the purposes of such  
51 account, the board of directors of the state of New York mortgage agency  
52 shall authorize the transfer from the project pool insurance account of  
53 the mortgage insurance fund to the housing trust fund corporation (the  
54 corporation), for the purposes of reimbursing any costs associated with  
55 rural preservation program contracts authorized by this section, a total

1 sum not to exceed three million five hundred thirty-nine thousand  
2 dollars as soon as practicable but no later than June 30, 2014.

3 S 5. Notwithstanding any other provision of law, the housing trust  
4 fund corporation (the corporation) may provide, for purposes of the  
5 rural and urban community investment fund program created pursuant to  
6 article XXVII of the private housing finance law, a sum not to exceed  
7 six million seven hundred fifty thousand dollars for the fiscal year  
8 ending March 31, 2015. Notwithstanding any other provision of law, and  
9 provided that the reserves in the project pool insurance account of the  
10 mortgage insurance fund created pursuant to section 2429-b of the public  
11 authorities law are sufficient to attain and maintain the credit rating  
12 (as determined by the agency) required to accomplish the purposes of  
13 such account, the board of directors of the state of New York mortgage  
14 agency shall authorize the transfer from the project pool insurance  
15 account of the mortgage insurance fund to the housing trust fund corpo-  
16 ration (the corporation), for the purposes of reimbursing any costs  
17 associated with rural and urban community investment fund program  
18 contracts authorized by this section, a total sum not to exceed six  
19 million seven hundred fifty thousand dollars as soon as practicable but  
20 not later than March 31, 2015.

21 S 6. Notwithstanding any other provision of law, the housing trust  
22 fund corporation (the corporation) may provide, for the purposes of  
23 carrying out the provisions of the low income housing trust fund program  
24 created pursuant to article XVIII of the private housing finance law, a  
25 sum not to exceed two million five hundred thousand dollars for the  
26 fiscal year ending March 31, 2015. Notwithstanding any other provision  
27 of law, and provided that reserves in the project pool insurance account  
28 of the mortgage insurance fund created pursuant to section 2429-b of the  
29 public authorities law are sufficient to attain and maintain the credit  
30 rating (as determined by the agency) required to accomplish the purposes  
31 of such account, the board of directors of the state of New York mort-  
32 gage agency shall authorize the transfer from the project pool insurance  
33 account of the mortgage insurance fund to the housing trust fund corpo-  
34 ration (the corporation), for the purposes of carrying out the  
35 provisions of the low income housing trust fund program created pursuant  
36 to article XVIII of the private housing finance law authorized by this  
37 section, a total sum not to exceed two million five hundred thousand  
38 dollars as soon as practicable but no later than March 31, 2015.

39 S 7. Notwithstanding any other provision of law, the housing trust  
40 fund corporation (the corporation) may provide, for purposes of the  
41 homes for working families program for deposit in the housing trust fund  
42 created pursuant to section 59-a of the private housing finance law and  
43 subject to the provisions of article XVIII of the private housing  
44 finance law, a sum not to exceed one million seven hundred fifty thou-  
45 sand dollars for the fiscal year ending March 31, 2015. Notwithstanding  
46 any other provision of law, and provided that the reserves in the  
47 project pool insurance account of the mortgage insurance fund created  
48 pursuant to section 2429-b of the public authorities law are sufficient  
49 to attain and maintain the credit rating (as determined by the agency)  
50 required to accomplish the purposes of such account, the board of direc-  
51 tors of the state of New York mortgage agency shall authorize the trans-  
52 fer from the project pool insurance account of the mortgage insurance  
53 fund to the housing trust fund corporation (the corporation), for the  
54 purposes of reimbursing any costs associated with homes for working  
55 families program contracts authorized by this section, a total sum not

1 to exceed one million seven hundred fifty thousand dollars as soon as  
2 practicable but no later than March 31, 2015.

3 S 8. This act shall take effect immediately.

4 PART L

5 Section 1. This act enacts into law major components of legislation  
6 which are necessary to continue transforming New York's juvenile justice  
7 system. Each component is wholly contained within a Subpart identified  
8 as Subparts A through B. The effective date for each particular  
9 provision contained within such Subpart is set forth in the last section  
10 of such Subpart. Any provision in any section contained within a  
11 Subpart, including the effective date of the Subpart, which makes refer-  
12 ence to a section "of this act", when used in connection with that  
13 particular component, shall be deemed to mean and refer to the corre-  
14 sponding section of the Subpart in which it is found. Section three of  
15 this act sets forth the general effective date of this act.

16 SUBPART A

17 Section 1. Subparagraph 8 of paragraph h of subdivision 4 of section  
18 1950 of the education law, as added by section 1 of part K of chapter 57  
19 of the laws of 2012, is amended to read as follows:

20 (8) To enter into contracts with the commissioner of the office of  
21 children and family services pursuant to subdivision six-a of section  
22 thirty-two hundred two of this chapter to provide to such office, for  
23 the benefit of youth in its custody, any special education programs AND  
24 ANY OTHER PROGRAMS and related services provided by the board of cooper-  
25 ative educational services to component school districts. Any such  
26 proposed contract shall be subject to the review and approval of the  
27 commissioner to determine that it is an approved cooperative educational  
28 service. Services provided pursuant to such contracts shall be provided  
29 at cost, and the board of cooperative educational services shall not be  
30 authorized to charge any costs incurred in providing such services to  
31 its component school districts.

32 S 2. Subdivision 6-a of section 3202 of the education law, as amended  
33 by section 2 of part K of chapter 57 of the laws of 2012, is amended to  
34 read as follows:

35 6-a. Notwithstanding subdivision six of this section or any other law  
36 to the contrary, the commissioner of the office of children and family  
37 services shall be responsible for the secular education of youth under  
38 the jurisdiction of the office and may contract for such education with  
39 the trustees or board of education of the school district wherein a  
40 facility for the residential care of such youth is located or with the  
41 board of cooperative educational services at which any such school  
42 district is a component district [for special education programs and  
43 related services]. A youth attending a local public school while in  
44 residence at such facility shall be deemed a resident of the school  
45 district where his parent or guardian resides at the commencement of  
46 each school year for the purpose of determining which school district  
47 shall be responsible for the youth's tuition pursuant to section five  
48 hundred four of the executive law.

49 S 3. This act shall take effect immediately; provided that the amend-  
50 ments to subparagraph 8 of paragraph h of subdivision 4 of section 1950  
51 of the education law made by section one of this act shall not affect  
52 the expiration and repeal of such subparagraph and shall expire and be

1 deemed repealed therewith pursuant to section 4 of part K of chapter 57  
2 of the laws of 2012, and provided further, that the amendments to subdi-  
3 vision 6-a of section 3202 of the education law made by section two of  
4 this act shall be subject to the expiration and reversion of such subdi-  
5 vision pursuant to section 4 of part K of chapter 57 of the laws of  
6 2012.

## 7 SUBPART B

8 Intentionally omitted

9 S 2. Severability clause. If any clause, sentence, paragraph, subdivi-  
10 sion, section or part of this act shall be adjudged by any court of  
11 competent jurisdiction to be invalid, such judgment shall not affect,  
12 impair, or invalidate the remainder thereof, but shall be confined in  
13 its operation to the clause, sentence, paragraph, subdivision, section  
14 or part thereof directly involved in the controversy in which such judg-  
15 ment shall have been rendered. It is hereby declared to be the intent of  
16 the legislature that this act would have been enacted even if such  
17 invalid provisions had not been included herein.

18 S 3. This act shall take effect immediately, provided, however, that  
19 the applicable effective date of Subparts A and B of this act shall be  
20 as specifically set forth in the last section of such Subparts.

## 21 PART M

22 Section 1. Section 131-a of the social services law is amended by  
23 adding a new subdivision 14 to read as follows:

24 14. (A) IN DETERMINING THE NEED FOR AID PROVIDED PURSUANT TO PUBLIC  
25 ASSISTANCE PROGRAMS, EACH PERSON LIVING WITH CERTAIN CHRONIC DISEASES,  
26 INCLUDING, BUT NOT LIMITED TO, CLINICAL/SYMPTOMATIC HIV ILLNESS OR AIDS  
27 IN SOCIAL SERVICES DISTRICTS WITH A POPULATION OVER FIVE MILLION, WHO IS  
28 RECEIVING PUBLIC ASSISTANCE AND EARNED AND/OR UNEARNED INCOME, SHALL NOT  
29 BE REQUIRED TO PAY MORE THAN THIRTY PERCENT OF HIS OR HER MONTHLY EARNED  
30 AND/OR UNEARNED INCOME TOWARD THE COST OF RENT THAT SUCH PERSON HAS A  
31 DIRECT OBLIGATION TO PAY; PROVIDED THAT THE PROVISIONS OF THIS SUBDIVI-  
32 SION SHALL NOT APPLY TO ROOM AND BOARD ARRANGEMENTS.

33 (B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, THE  
34 OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE, IN CONSULTATION WITH THE  
35 DEPARTMENT OF HEALTH, SHALL PROMULGATE REGULATIONS SPECIFYING QUALIFYING  
36 CHRONIC DISEASES WHICH WILL INFORM ELIGIBILITY DETERMINATIONS PURSUANT  
37 TO PARAGRAPH (A) OF THIS SUBDIVISION.

38 S 2. This act shall take effect immediately and shall expire and be  
39 deemed repealed December 31, 2019; provided that no funds shall be  
40 expended pursuant to this act until a plan submitted by a district has  
41 been approved by the office of temporary and disability assistance and  
42 the director of the budget.

## 43 PART N

44 Section 1. Short title. This act shall be known and may be cited as  
45 "Erin Merryn's law".

46 S 2. Legislative findings and intent. The legislature finds and  
47 declares that child sexual abuse, estimated to affect up to one in four  
48 girls and up to one in six boys, poses a grave threat to the health and  
49 safety of young people, and its damaging effects can last a lifetime.

1 The legislature also finds and declares that child sexual exploita-  
2 tion, including the use of children in pornography and prostitution, and  
3 child abduction pose a similar threat to the health and safety of young  
4 people, and put child victims at grave risk of death or severe bodily  
5 harm.

6 The legislature also finds and declares that the incidence of child  
7 sexual abuse, child sexual exploitation and child abduction can be  
8 reduced by raising awareness among young children of common dangers and  
9 warning signs, empowering children to better protect themselves from  
10 sexual predators, and teaching children how to obtain any necessary  
11 assistance or services.

12 It is hereby declared to be the public policy and in the public inter-  
13 est of this state to establish a comprehensive program to provide an  
14 age-appropriate course of instruction in the prevention of child abduc-  
15 tion, child sexual exploitation and child sexual abuse.

16 S 3. Section 803-a of the education law, as added by chapter 658 of  
17 the laws of 1994, is amended to read as follows:

18 S 803-a. Courses of study in prevention of child abduction, CHILD  
19 SEXUAL EXPLOITATION AND CHILD SEXUAL ABUSE. 1. All pupils in grades  
20 [K-8] KINDERGARTEN THROUGH EIGHT in all public schools in the state  
21 shall receive instruction designed to prevent the abduction, EXPLOITA-  
22 TION OR SEXUAL ABUSE of children. Such instruction shall be provided by  
23 or under the direct supervision of regular classroom teachers, provided,  
24 however, that such instruction may be provided by any other agency,  
25 public or private.

26 2. The commissioner, shall provide technical assistance to assist in  
27 the development of curricula for such courses of study which shall be  
28 age appropriate and developed according to the needs and abilities of  
29 pupils at successive grade levels in order to provide awareness skills,  
30 information, self-confidence and support to aid in the prevention of  
31 child abduction, CHILD SEXUAL EXPLOITATION AND CHILD SEXUAL ABUSE.

32 3. For purposes of developing such courses of study, the board of  
33 education or trustees of every school district may establish local advi-  
34 sory councils or utilize the school-based shared decision making and  
35 planning committee established pursuant to regulations of the commis-  
36 sioner to make recommendations concerning the content and implementation  
37 of such courses. School districts may alternatively utilize courses of  
38 instruction developed by consortia of school district, boards of cooper-  
39 ative educational services, other school districts or any other agency,  
40 public or private. Such advisory councils shall consist of, but not be  
41 limited to, parents, school trustees and board members, appropriate  
42 school personnel, business and community representatives, and law  
43 enforcement personnel having experience in the prevention of child  
44 abduction, CHILD SEXUAL EXPLOITATION AND CHILD SEXUAL ABUSE.

45 4. The board of education or trustees of every school district shall  
46 provide appropriate training and curriculum materials for the regular  
47 teachers who provide such instruction.

48 S 4. This act shall take effect on the first of September next  
49 succeeding the date on which it shall have become a law.

50

## PART O

51 Section 1. The labor law is amended by adding a new section 196-e to  
52 read as follows:

53 S 196-E. WORKWEEK HOURS IN THE HOSPITALITY INDUSTRY. NO EMPLOYER SHALL  
54 BE DEEMED TO HAVE VIOLATED ANY STATUTE, RULE, REGULATION OR ORDER BY

1 EMPLOYING ANY EMPLOYEE IN THE HOSPITALITY INDUSTRY FOR A WORKWEEK IN  
2 EXCESS OF THE APPLICABLE WORKWEEK SPECIFIED THEREIN IF:

3 (A) THE REGULAR RATE OF PAY OF SUCH EMPLOYEE IS IN EXCESS OF TWICE THE  
4 STATUTORY MINIMUM HOURLY RATE APPLICABLE TO SUCH EMPLOYEE; AND

5 (B) MORE THAN HALF THE EMPLOYEE'S COMPENSATION FOR A REPRESENTATIVE  
6 PERIOD, WHICH SHALL NOT BE LESS THAN ONE MONTH, REPRESENTS COMPENSATION  
7 FROM SERVICE CHARGES, MANDATORY GRATUITY ON GOODS OR SERVICES.

8 S 2. This act shall take effect immediately, provided, however, that  
9 this act shall be deemed to have been in full force and effect with  
10 respect to any employee in the hospitality industry who received compen-  
11 sation consistent with section 196-e of the labor law, as added by  
12 section one of this act, prior to the effective date of this act.

13 PART P

14 Section 1. Subdivision 5 of section 6305 of the education law, as  
15 amended by chapter 681 of the laws of 1971, is amended to read as  
16 follows:

17 5. Amounts payable to such colleges by a county pursuant to this  
18 section shall be a general county charge[; provided, however, that with  
19 respect to the amounts allocable to each community college a county may  
20 charge back such amounts in whole or in part to the cities and towns in  
21 the county in proportion to the number of students who, on the basis of  
22 certificates of residence issued by such county, were attending each  
23 such college as non-residents of the local sponsors thereof during the  
24 terms for which the county has been charged, and who were residents of  
25 each such city or town at the beginning of such terms].

26 S 2. Subdivisions 10 and 11 of section 6305 of the education law,  
27 subdivision 10 as added by chapter 170 of the laws of 1994 and subdivi-  
28 sion 11 as amended by section 3 of part V of chapter 57 of the laws of  
29 2013, are amended to read as follows:

30 10. On or before March thirty-first, nineteen hundred ninety-five and  
31 every year thereafter, the state shall reimburse each county which has  
32 issued a certificate of residence for any non-resident student in  
33 attendance at the fashion institute of technology during the nineteen  
34 hundred ninety-three--ninety-four academic year and every year thereaft-  
35 er in an amount equal to fifty percent of the actual amount paid by such  
36 county on behalf of such students and on or before June first, nineteen  
37 hundred ninety-five and every year thereafter, the state shall reimburse  
38 each county for the remaining fifty percent of the actual amount paid by  
39 each such county on behalf of such students. NOTWITHSTANDING SUBDIVI-  
40 SION FIVE OF THIS SECTION, AND SUBJECT TO THE AVAILABILITY OF STATE  
41 APPROPRIATIONS FOR STATE FISCAL YEARS TWO THOUSAND FIFTEEN--TWO THOUSAND  
42 SIXTEEN AND THEREAFTER, GENERAL COUNTY CHARGES PAYABLE TO THE FASHION  
43 INSTITUTE OF TECHNOLOGY FOR NON-RESIDENT STUDENTS ENROLLED IN UPPER  
44 DIVISION CLASSES SHALL NOT BE CHARGED BACK TO ANY CITY OR TOWN WITHIN  
45 THE COUNTY. PROVIDED FURTHER HOWEVER, THAT FOR THE TWO THOUSAND FOUR-  
46 TEEN--TWO THOUSAND FIFTEEN STATE FISCAL YEAR ONLY, A COUNTY MAY CHARGE  
47 BACK TOWNS UP TO FIFTY PERCENT OF THE ACADEMIC YEAR COSTS ATTRIBUTABLE  
48 TO NON-RESIDENT ENROLLMENT IN UPPER DIVISION CLASSES.

49 11. The state university of New York and the city university of New  
50 York shall, pursuant to a plan, develop a [uniform] methodology for  
51 calculating chargeback rates to ensure equity between the local sponsor  
52 contribution per student and the chargeback rate per student charged to  
53 other counties, and the implementation of such methodology will be  
54 phased in over five years beginning in the two thousand [fourteen--two

1 thousand fifteen] FIFTEEN--TWO THOUSAND SIXTEEN academic year. [The] A  
2 REPORT ON THE plan shall be submitted to the chair of the senate and  
3 assembly higher education committees, the chairs of the senate finance  
4 committee, the chair of the assembly ways and means committee and the  
5 director of the budget no later than [December first, two thousand thir-  
6 teen] JUNE FIRST, TWO THOUSAND FOURTEEN.

7 S 3. This act shall take effect immediately.

8

PART Q

9 Section 1. The state finance law is amended by adding three new  
10 sections 99-v, 99-w and 99-x to read as follows:

11 S 99-V. STATE UNIVERSITY OF NEW YORK UPSTATE MEDICAL HOSPITAL OPERAT-  
12 ING ACCOUNT. 1. THERE IS HEREBY ESTABLISHED IN THE JOINT CUSTODY OF THE  
13 STATE COMPTROLLER AND THE COMMISSIONER OF TAXATION AND FINANCE AN  
14 ACCOUNT TO BE KNOWN AS THE "STATE UNIVERSITY OF NEW YORK UPSTATE MEDICAL  
15 HOSPITAL OPERATING ACCOUNT."

16 2. SUCH ACCOUNT SHALL CONSIST OF (A) ANY MONIES RECEIVED BY STATE  
17 UNIVERSITY HEALTH CARE FACILITIES FROM FEES, CHARGES AND REIMBURSEMENT  
18 FROM ALL OTHER SOURCES, AND (B) ANY FUNDING FROM THE STATE GENERAL FUND  
19 PROVIDED TO THE STATE UNIVERSITY HEALTH CARE FACILITIES PURSUANT TO AN  
20 ANNUAL TRANSFER SO DESIGNATED AS BEING ASSOCIATED WITH THE STATE UNIVER-  
21 SITY HEALTH CARE FACILITY AT SYRACUSE. NOTWITHSTANDING THE PROVISIONS  
22 OF ANY LAW, RULE OR REGULATION TO THE CONTRARY, A PORTION OF SUCH MONIES  
23 CREDITED MAY BE TRANSFERRED TO A STATE UNIVERSITY ACCOUNT AS REQUESTED  
24 BY THE STATE UNIVERSITY CHANCELLOR OR HIS OR HER DESIGNEE. MONIES TO  
25 ESTABLISH RESERVES FOR LONG-TERM EXPENSES OF STATE UNIVERSITY HEALTH  
26 CARE FACILITIES AND TO FULFILL OBLIGATIONS REQUIRED FOR ANY CONTRACT FOR  
27 HEALTH CARE SERVICES AUTHORIZED PURSUANT TO SUBDIVISION SIXTEEN OF  
28 SECTION THREE HUNDRED FIFTY-FIVE OF THE EDUCATION LAW MAY BE DESIGNATED  
29 BY THE STATE UNIVERSITY HEALTH CARE FACILITY AT SYRACUSE AS A RESERVE  
30 AND TRANSFERRED TO A SEPARATE CONTRACTUAL RESERVE ACCOUNT. THE AMOUNTS  
31 IN SUCH ACCOUNTS SHALL BE AVAILABLE FOR USE IN ACCORDANCE WITH PARAGRAPH  
32 B OF SUBDIVISION FOUR AND SUBDIVISION EIGHT OF SECTION THREE HUNDRED  
33 FIFTY-FIVE OF THE EDUCATION LAW. MONIES SHALL ONLY BE EXPENDED FROM THE  
34 STATE UNIVERSITY OF NEW YORK UPSTATE MEDICAL HOSPITAL OPERATING ACCOUNT  
35 AND THE CONTRACTUAL RESERVE ACCOUNT PURSUANT TO APPROPRIATION. NOTWITH-  
36 STANDING ANY OTHER PROVISION OF THIS CHAPTER, THE EDUCATION LAW OR ANY  
37 OTHER LAW TO THE CONTRARY, SUCH APPROPRIATION SHALL REMAIN IN FULL FORCE  
38 AND EFFECT FOR TWO YEARS FROM THE EFFECTIVE DATE OF THE APPROPRIATION  
39 ACT MAKING SUCH APPROPRIATION. MONIES SO TRANSFERRED MAY BE RETURNED TO  
40 THE STATE UNIVERSITY OF NEW YORK UPSTATE MEDICAL HOSPITAL OPERATING  
41 ACCOUNT; PROVIDED, HOWEVER, THAT FUNDS IN SUCH CONTRACTUAL RESERVE  
42 ACCOUNT MUST BE SUFFICIENT TO MEET THE OBLIGATIONS OF ALL SUCH  
43 CONTRACTS.

44 3. NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH C OF SUBDIVISION FOUR  
45 OF SECTION THREE HUNDRED FIFTY-FIVE OF THE EDUCATION LAW, OR ANY OTHER  
46 LAW, RULE OR REGULATION TO THE CONTRARY, AND EXCEPT AS OUTLINED IN THIS  
47 SECTION, SUCH FUNDS CONTAINED WITHIN THE STATE UNIVERSITY OF NEW YORK  
48 UPSTATE MEDICAL HOSPITAL OPERATING ACCOUNT SHALL BE FOR THE OPERATIONS  
49 OF THE STATE UNIVERSITY HEALTH CARE FACILITY AT SYRACUSE ALONE AND MAY  
50 NOT BE SUPPLEMENTED BY MONIES CONTAINED WITHIN ANY OTHER STATE UNIVERSI-  
51 TY ACCOUNT.

52 S 99-W. STATE UNIVERSITY OF NEW YORK DOWNSTATE MEDICAL HOSPITAL OPER-  
53 ATING ACCOUNT. 1. THERE IS HEREBY ESTABLISHED IN THE JOINT CUSTODY OF  
54 THE STATE COMPTROLLER AND THE COMMISSIONER OF TAXATION AND FINANCE AN

1 ACCOUNT TO BE KNOWN AS THE "STATE UNIVERSITY OF NEW YORK DOWNSTATE  
2 MEDICAL HOSPITAL OPERATING ACCOUNT."

3 2. SUCH ACCOUNT SHALL CONSIST OF (A) ANY MONIES RECEIVED BY STATE  
4 UNIVERSITY HEALTH CARE FACILITIES FROM FEES, CHARGES AND REIMBURSEMENT  
5 FROM ALL OTHER SOURCES, AND (B) ANY FUNDING FROM THE STATE GENERAL FUND  
6 PROVIDED TO THE STATE UNIVERSITY HEALTH CARE FACILITIES PURSUANT TO AN  
7 ANNUAL TRANSFER SO DESIGNATED AS BEING ASSOCIATED WITH THE STATE UNIVER-  
8 SITY HEALTH CARE FACILITY AT BROOKLYN. NOTWITHSTANDING ANY LAW, RULE OR  
9 REGULATION TO THE CONTRARY, A PORTION OF SUCH MONIES CREDITED MAY BE  
10 TRANSFERRED TO A STATE UNIVERSITY ACCOUNT AS REQUESTED BY THE STATE  
11 UNIVERSITY CHANCELLOR OR HIS OR HER DESIGNEE. MONIES TO ESTABLISH  
12 RESERVES FOR LONG-TERM EXPENSES OF STATE UNIVERSITY HEALTH CARE FACILI-  
13 TIES AND TO FULFILL OBLIGATIONS REQUIRED FOR ANY CONTRACT FOR HEALTH  
14 CARE SERVICES AUTHORIZED PURSUANT TO SUBDIVISION SIXTEEN OF SECTION  
15 THREE HUNDRED FIFTY-FIVE OF THE EDUCATION LAW MAY BE DESIGNATED BY THE  
16 STATE UNIVERSITY HEALTH CARE FACILITY AT BROOKLYN AS A RESERVE AND  
17 TRANSFERRED TO A SEPARATE CONTRACTUAL RESERVE ACCOUNT. THE AMOUNTS IN  
18 SUCH ACCOUNTS SHALL BE AVAILABLE FOR USE IN ACCORDANCE WITH PARAGRAPH B  
19 OF SUBDIVISION FOUR AND SUBDIVISION EIGHT OF SECTION THREE HUNDRED  
20 FIFTY-FIVE OF THE EDUCATION LAW. MONIES SHALL ONLY BE EXPENDED FROM THE  
21 STATE UNIVERSITY OF NEW YORK DOWNSTATE MEDICAL HOSPITAL OPERATING  
22 ACCOUNT AND THE CONTRACTUAL RESERVE ACCOUNT PURSUANT TO APPROPRIATION.  
23 NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER, THE EDUCATION LAW  
24 OR ANY OTHER LAW TO THE CONTRARY, SUCH APPROPRIATION SHALL REMAIN IN  
25 FULL FORCE AND EFFECT FOR TWO YEARS FROM THE EFFECTIVE DATE OF THE  
26 APPROPRIATION ACT MAKING SUCH APPROPRIATION. MONIES SO TRANSFERRED MAY  
27 BE RETURNED TO THE STATE UNIVERSITY OF NEW YORK DOWNSTATE MEDICAL HOSPI-  
28 TAL OPERATING ACCOUNT; PROVIDED, HOWEVER, THAT FUNDS IN SUCH CONTRACTUAL  
29 RESERVE ACCOUNT MUST BE SUFFICIENT TO MEET THE OBLIGATIONS OF ALL SUCH  
30 CONTRACTS.

31 3. NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH C OF SUBDIVISION FOUR  
32 OF SECTION THREE HUNDRED FIFTY-FIVE OF THE EDUCATION LAW, OR ANY LAW,  
33 RULE OR REGULATION TO THE CONTRARY, AND EXCEPT AS OUTLINED IN THIS  
34 SECTION, SUCH FUNDS CONTAINED WITHIN THE STATE UNIVERSITY OF NEW YORK  
35 DOWNSTATE MEDICAL HOSPITAL OPERATING ACCOUNT SHALL BE FOR THE OPERATIONS  
36 OF THE STATE UNIVERSITY HEALTH CARE FACILITY AT BROOKLYN ALONE AND MAY  
37 NOT BE SUPPLEMENTED BY MONIES CONTAINED WITHIN ANY OTHER STATE UNIVERSI-  
38 TY ACCOUNT.

39 S 99-X. STATE UNIVERSITY OF NEW YORK STONY BROOK MEDICAL HOSPITAL  
40 OPERATING ACCOUNT. 1. THERE IS HEREBY ESTABLISHED IN THE JOINT CUSTODY  
41 OF THE STATE COMPTROLLER AND THE COMMISSIONER OF TAXATION AND FINANCE AN  
42 ACCOUNT TO BE KNOWN AS THE "STATE UNIVERSITY OF NEW YORK STONY BROOK  
43 MEDICAL HOSPITAL OPERATING ACCOUNT."

44 2. SUCH ACCOUNT SHALL CONSIST OF (A) ANY MONIES RECEIVED BY STATE  
45 UNIVERSITY HEALTH CARE FACILITIES FROM FEES, CHARGES AND REIMBURSEMENT  
46 FROM ALL OTHER SOURCES, AND (B) ANY FUNDING FROM THE STATE GENERAL FUND  
47 PROVIDED TO THE STATE UNIVERSITY HEALTH CARE FACILITIES PURSUANT TO AN  
48 ANNUAL TRANSFER SO DESIGNATED AS BEING ASSOCIATED WITH THE STATE UNIVER-  
49 SITY HEALTH CARE FACILITY AT STONY BROOK. NOTWITHSTANDING THE  
50 PROVISIONS OF ANY LAW, RULE OR REGULATION TO THE CONTRARY, A PORTION OF  
51 SUCH MONIES CREDITED MAY BE TRANSFERRED TO A STATE UNIVERSITY ACCOUNT AS  
52 REQUESTED BY THE STATE UNIVERSITY CHANCELLOR OR HIS OR HER DESIGNEE.  
53 MONIES TO ESTABLISH RESERVES FOR LONG-TERM EXPENSES OF STATE UNIVERSITY  
54 HEALTH CARE FACILITIES AND TO FULFILL OBLIGATIONS REQUIRED FOR ANY  
55 CONTRACT FOR HEALTH CARE SERVICES AUTHORIZED PURSUANT TO SUBDIVISION  
56 SIXTEEN OF SECTION THREE HUNDRED FIFTY-FIVE OF THE EDUCATION LAW MAY BE

1 DESIGNATED BY THE STATE UNIVERSITY HEALTH CARE FACILITY AT STONY BROOK  
2 AS A RESERVE AND TRANSFERRED TO A SEPARATE CONTRACTUAL RESERVE ACCOUNT.  
3 THE AMOUNTS IN SUCH ACCOUNTS SHALL BE AVAILABLE FOR USE IN ACCORDANCE  
4 WITH PARAGRAPH B OF SUBDIVISION FOUR AND SUBDIVISION EIGHT OF SECTION  
5 THREE HUNDRED FIFTY-FIVE OF THE EDUCATION LAW. MONIES SHALL ONLY BE  
6 EXPENDED FROM THE STATE UNIVERSITY OF NEW YORK STONY BROOK MEDICAL  
7 HOSPITAL OPERATING ACCOUNT AND THE CONTRACTUAL RESERVE ACCOUNT PURSUANT  
8 TO APPROPRIATION. NOTWITHSTANDING ANY OTHER PROVISION OF THIS CHAPTER,  
9 THE EDUCATION LAW OR ANY OTHER LAW TO THE CONTRARY, SUCH APPROPRIATION  
10 SHALL REMAIN IN FULL FORCE AND EFFECT FOR TWO YEARS FROM THE EFFECTIVE  
11 DATE OF THE APPROPRIATION ACT MAKING SUCH APPROPRIATION. MONIES SO  
12 TRANSFERRED MAY BE RETURNED TO THE UNIVERSITY OF NEW YORK STONY BROOK  
13 MEDICAL HOSPITAL OPERATING ACCOUNT; PROVIDED, HOWEVER, THAT FUNDS IN  
14 SUCH CONTRACTUAL RESERVE ACCOUNT MUST BE SUFFICIENT TO MEET THE OBLI-  
15 GATIONS OF ALL SUCH CONTRACTS.

16 3. NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH C OF SUBDIVISION FOUR  
17 OF SECTION THREE HUNDRED FIFTY-FIVE OF THE EDUCATION LAW, OR ANY LAW,  
18 RULE OR REGULATION TO THE CONTRARY, AND EXCEPT AS OUTLINED IN THIS  
19 SECTION, SUCH FUNDS CONTAINED WITHIN THE STATE UNIVERSITY OF NEW YORK  
20 STONY BROOK MEDICAL HOSPITAL OPERATING ACCOUNT SHALL BE FOR THE OPER-  
21 ATIONS OF THE STATE UNIVERSITY HEALTH CARE FACILITY AT STONY BROOK ALONE  
22 AND MAY NOT BE SUPPLEMENTED BY MONIES CONTAINED WITHIN ANY OTHER STATE  
23 UNIVERSITY ACCOUNT.

24 S 2. Subdivision 8-a of section 355 of the education law is REPEALED  
25 and a new subdivision 8-a is added to read as follows:

26 8-A. (A) THE DIRECTOR OF THE BUDGET, IN CONSULTATION WITH THE COMMIS-  
27 SIONER OF HEALTH AND CHANCELLOR OF THE STATE UNIVERSITY OF NEW YORK,  
28 SHALL DEVELOP A METHODOLOGY FOR THE APPORTIONMENT OF GENERAL FUND MONIES  
29 TO BE ALLOCATED ANNUALLY TO EACH OF THE STATE UNIVERSITY OF NEW YORK  
30 HEALTH CARE FACILITIES TO REFLECT ONGOING SUPPORT FOR COSTS ATTRIBUTABLE  
31 TO THE STATE AGENCY STATUS OF SUCH HEALTH CARE FACILITIES. IN DEVELOP-  
32 ING SUCH METHODOLOGY, THE DIRECTOR OF THE BUDGET SHALL TAKE INTO CONSID-  
33 ERATION EACH FACILITY'S SHARE OF LABOR COSTS, INCLUDING FRINGE BENEFIT  
34 COSTS, AS WELL AS ANY APPLICABLE HOSPITAL INDUSTRY NORMS, WHICH SHALL  
35 INCLUDE, BUT NOT BE LIMITED TO, THE NUMBER OF FULL-TIME EQUIVALENT  
36 EMPLOYEES, AND OUTPATIENT AND INPATIENT VOLUME. SUCH METHODOLOGY SHALL  
37 BE SUBMITTED TO THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF  
38 THE ASSEMBLY, THE CHAIR OF THE SENATE FINANCE COMMITTEE, THE CHAIR OF  
39 THE ASSEMBLY WAYS AND MEANS COMMITTEE AND THE CHAIRS OF THE SENATE AND  
40 ASSEMBLY HIGHER EDUCATION COMMITTEES NO LATER THAN THIRTY DAYS PRIOR TO  
41 THE ALLOCATION OF MONIES TO EACH HEALTH CARE FACILITY.

42 (B) THE STATE UNIVERSITY OF NEW YORK SHALL CONTINUE TO OPERATE ITS  
43 HEALTH CARE FACILITIES AT SYRACUSE, BROOKLYN AND STONY BROOK AS PUBLIC  
44 FACILITIES. NOTWITHSTANDING THE SUSPENSION OF ANY LAW, RULE OR REGU-  
45 LATION RELATING TO CONTRACTUAL ARRANGEMENTS WITH OUTSIDE ENTITIES OR  
46 COMPETITIVE BIDDING, OR ANY OTHER ACTION TAKEN THAT COULD UNDERMINE THE  
47 PUBLIC NATURE OF SUCH HEALTH CARE FACILITIES, SUCH FACILITIES SHALL  
48 REMAIN STATE AGENCIES FOR THE DURATION OF THEIR EXISTENCE. SUCH STATE  
49 AGENCY STATUS SHALL CONTINUE IN ORDER TO REFLECT THE PUBLIC NATURE AND  
50 SCOPE OF THE GOODS AND SERVICES PROVIDED BY SUCH HEALTH CARE FACILITIES,  
51 INCLUDING, A COMMITMENT TO SERVING THE INTERESTS OF THEIR LOCAL COMMUNI-  
52 TIES.

53 S 3. Notwithstanding any law to the contrary, and in accordance with  
54 section 4 of the state finance law, the state comptroller is hereby  
55 authorized and directed to transfer, upon request of the director of the  
56 budget, the outstanding balance of the state university income fund,

1 state university hospitals income reimbursable account (22656) to the  
2 state university of New York upstate medical hospital operating account,  
3 the state university of New York downstate medical hospital operating  
4 account and the state university of New York Stony Brook medical hospi-  
5 tal operating account. Such transfer shall be done in direct proportion  
6 to the share of the revenues received by each hospital for the state  
7 university fiscal year ending on June 30, 2013.

8 S 4. This act shall take effect immediately, provided that sections  
9 two and three of this act shall take effect on the thirtieth day after  
10 it shall have become a law.

11 PART R

12 Section 1. Clause (iii) of subparagraph 4 of paragraph h of subdivi-  
13 sion 2 of section 355 of the education law, as amended by chapter 260 of  
14 the laws of 2011, is amended to read as follows:

15 (iii) The state shall appropriate annually and make available general  
16 fund operating support, including fringe benefits, for the state univer-  
17 sity in an amount not less than the amount appropriated and made avail-  
18 able to the state university in state fiscal year two thousand eleven--  
19 two thousand twelve. Beginning in state fiscal year two thousand  
20 twelve-two thousand thirteen and thereafter, the state shall appropriate  
21 and make available general fund operating support, including fringe  
22 benefits, AND COLLECTIVELY BARGAINED SALARY INCREASES for the state  
23 university AND THE STATE UNIVERSITY HEALTH SCIENCE CENTERS in an amount  
24 not less than the amount appropriated and made available in the prior  
25 state fiscal year; provided, however, that if the governor declares a  
26 fiscal emergency, and communicates such emergency to the temporary pres-  
27 ident of the senate and speaker of the assembly, state support for oper-  
28 ating expenses at the state university and city university may be  
29 reduced in a manner proportionate to one another, and the aforementioned  
30 provisions shall not apply.

31 S 2. This act shall take effect April 1, 2014; provided that the  
32 amendments to subparagraph 4 of paragraph h of subdivision 2 of section  
33 355 of the education law, made by section one of this act shall not  
34 affect the expiration of such subparagraph and shall be deemed to expire  
35 therewith.

36 PART S

37 Section 1. The education law is amended by adding a new section 215-d  
38 to read as follows:

39 S 215-D. STATE UNIVERSITY OF NEW YORK REPORT ON ECONOMIC DEVELOPMENT  
40 ACTIVITIES. THE CHANCELLOR OF THE STATE UNIVERSITY OF NEW YORK SHALL  
41 REPORT TO THE GOVERNOR AND TO THE LEGISLATURE, ON OR BEFORE JANUARY  
42 FIRST, TWO THOUSAND FIFTEEN, ON ECONOMIC DEVELOPMENT ACTIVITIES UNDER-  
43 TAKEN BY THE STATE UNIVERSITY OF NEW YORK. SUCH REPORT SHALL INCLUDE,  
44 BUT NOT BE LIMITED TO, EXPENDITURES OF CAPITAL FUNDS FOR ECONOMIC DEVEL-  
45 OPMENT ACTIVITIES RECEIVED FROM THE EMPIRE STATE DEVELOPMENT CORPO-  
46 RATION, SUNY 2020 CHALLENGE GRANT PROJECTS, CAPITAL EXPENDITURES FROM  
47 OTHER SOURCES, AND ACTIVITIES FOR THE PURPOSE OF SECURING START-UP NY  
48 APPROVAL.

49 S 2. This act shall take effect immediately.

50 PART T

1 Section 1. 1. The chancellor of the state university of New York shall  
2 convene a task force to examine ways in which the university centers at  
3 Albany, Binghamton, Buffalo and Stony Brook can be made more autonomous  
4 in order to enhance the stature of such university centers at the state-  
5 wide, national and international levels. The members of such task force,  
6 shall, to the extent practicable, include students, alumni, faculty and  
7 senior administration of the university centers. The task force shall:

8 a. examine the structure and policies of other state university  
9 systems; and

10 b. consider alternative financial, operational, academic, administra-  
11 tive and governance structures and policies that would further empower  
12 the university centers to achieve institutional excellence.

13 2. The task force shall issue a report on its findings to the governor  
14 and the legislature no later than November 1, 2014. Such report shall  
15 include any recommended statutory and/or regulatory changes the task  
16 force determines are necessary to further enhance the reputation and  
17 quality of public higher education at the university centers, while  
18 maintaining access to such centers.

19 S 2. This act shall take effect immediately.

20 PART U

21 Section 1. Subdivision 1 of section 679-a of the education law, as  
22 added by section 161 of the laws of 2005, is amended to read as follows:

23 1. Purpose. The president shall grant student loan forgiveness awards  
24 for the purpose of increasing the number of social workers serving in  
25 critical human service areas, WHICH MAY BE DESIGNATED IN ANY GEOGRAPHIC  
26 REGION THROUGHOUT NEW YORK STATE. For the purposes of this section, the  
27 term "critical human service area" shall mean an area in New York state  
28 designated by the corporation, in consultation with a committee  
29 comprised of one representative each from the corporation, the depart-  
30 ment, the department of health, the department of mental hygiene, and  
31 the office of children and family services, provided that such areas  
32 shall include, but not be limited to, areas with a shortage of social  
33 workers in HOME CARE, health, mental health, substance abuse, aging,  
34 HIV/AIDS and child welfare concerns, or communities with multi-lingual  
35 needs.

36 S 2. This act shall take effect immediately; provide, however, that  
37 the amendments to subdivision 1 of section 679-a of the education law  
38 made by section one of this act shall not affect the repeal of such  
39 section and shall be deemed repealed therewith.

40 PART V

41 Section 1. Paragraph a of subdivision 3 of section 667 of the educa-  
42 tion law, as amended by section 1 of part B of chapter 60 of the laws of  
43 2000, item 1 of clause (A) of subparagraph (i) as amended by section 1  
44 of part H of chapter 58 of the laws of 2011, subitem (c) of item 1 of  
45 clause (A) of subparagraph (i) as separately amended by section 1 of  
46 part E and section 1 of part H of chapter 58 of the laws of 2011, sub-  
47 item (d) of item 1 of clause (A) of subparagraph (i) as added by section  
48 1 of part E of chapter 58 of the laws of 2011, item 2 of clause (A) of  
49 subparagraph (i) as amended by section 2 of part H of chapter 58 of the  
50 laws of 2011 and subparagraph (iii) as amended by section 3 of part H of  
51 chapter 58 of the laws of 2011, is amended to read as follows:

1 a. Amount. The president shall make awards to students enrolled in  
2 degree-granting institutions or registered not-for-profit business  
3 schools qualified for tax exemption under S 501(c)(3) of the internal  
4 revenue code for federal income tax purposes in the following amounts:

5 (i) For each year of undergraduate study, assistance shall be provided  
6 as computed on the basis of the amount which is the lesser of the  
7 following:

8 (A) (1) In the case of students who have not been granted an exclusion  
9 of parental income or had a dependent for income tax purposes during the  
10 tax year next preceding the academic year for which application is made,  
11 except for those students who have been granted exclusion of parental  
12 income who have a spouse but no other dependent:

13 (a) For students first receiving aid after nineteen hundred ninety-  
14 three--nineteen hundred ninety-four and before two thousand--two thou-  
15 sand one, four thousand one hundred twenty-five dollars; or

16 (b) For students first receiving aid in nineteen hundred ninety-three-  
17 -nineteen hundred ninety-four or earlier, three thousand five hundred  
18 seventy-five dollars; or

19 (c) For students first receiving aid in two thousand--two thousand one  
20 and thereafter, five thousand dollars; or

21 (d) FOR STUDENTS FIRST RECEIVING AID IN TWO THOUSAND FIFTEEN--TWO  
22 THOUSAND SIXTEEN AND THEREAFTER, SIX THOUSAND FOUR HUNDRED SEVENTY  
23 DOLLARS; OR

24 (E) For undergraduate students enrolled in a program of study at a  
25 non-public degree-granting institution that does not offer a program of  
26 study that leads to a baccalaureate degree, or at a registered not-for-  
27 profit business school qualified for tax exemption under section  
28 501(c)(3) of the internal revenue code for federal income tax purposes  
29 that does not offer a program of study that leads to a baccalaureate  
30 degree, four thousand dollars. Provided, however, that this subitem  
31 shall not apply to students enrolled in a program of study leading to a  
32 certificate or degree in nursing.

33 (2) In the case of students receiving awards pursuant to subparagraph  
34 (iii) of this paragraph and those students who have been granted exclu-  
35 sion of parental income who have a spouse but no other dependent.

36 (a) FOR STUDENTS RECEIVING AID IN TWO THOUSAND FIFTEEN--TWO THOUSAND  
37 SIXTEEN AND THEREAFTER, SIX THOUSAND FOUR HUNDRED SEVENTY DOLLARS, OR

38 (B) For students first receiving aid in nineteen hundred ninety-four  
39 --nineteen hundred ninety-five and nineteen hundred ninety-five--nine-  
40 teen hundred ninety-six and thereafter, three thousand twenty-five  
41 dollars, or

42 [(b)] (C) For students first receiving aid in nineteen hundred nine-  
43 ty-two--nineteen hundred ninety-three and nineteen hundred ninety-three-  
44 -nineteen hundred ninety-four, two thousand five hundred seventy-five  
45 dollars, or

46 [(c)] (D) For students first receiving aid in nineteen hundred nine-  
47 ty-one--nineteen hundred ninety-two or earlier, two thousand four  
48 hundred fifty dollars; or

49 (B) (1) Ninety-five percent of the amount of tuition (exclusive of  
50 educational fees) charged and, if applicable, the college fee levied by  
51 the state university of New York pursuant to the April first, nineteen  
52 hundred sixty-four financing agreement with the New York state dormitory  
53 authority.

54 (2) For the two thousand one--two thousand two academic year and ther-  
55 eafter one hundred percent of the amount of tuition (exclusive of educa-  
56 tional fees) charged and, if applicable, the college fee levied by the

1 state university of New York pursuant to the April first, nineteen  
 2 hundred sixty-four financing agreement with the New York state dormitory  
 3 authority.

4 (ii) Except for students as noted in subparagraph (iii) of this para-  
 5 graph, the base amount as determined from subparagraph (i) of this para-  
 6 graph, shall be reduced in relation to income as follows:

7 Amount of income	8 Schedule of reduction of base amount
9 (A) Less than [seven] EIGHT 10 thousand SEVEN HUNDRED 11 FIFTY dollars	None
12 (B) [Seven] EIGHT thousand 13 SEVEN HUNDRED FIFTY 14 dollars or more, but less than 15 [eleven] THIRTEEN thousand 16 SEVEN HUNDRED FIFTY DOLLARS	Seven per centum of excess over [seven] EIGHT thousand SEVEN HUNDRED FIFTY dollars
17 (C) [Eleven] THIRTEEN thousand 18 SEVEN HUNDRED FIFTY 19 dollars or more, but less than 20 [eighteen] TWENTY-TWO 21 thousand FIVE HUNDRED 22 dollars	[Two] THREE hundred [eighty] FIFTY dollars plus ten per centum of excess over [eleven] THIRTEEN thousand SEVEN HUNDRED fifty dollars
23 (D) [Eighteen] TWENTY-TWO 24 thousand FIVE HUNDRED 25 dollars or more, but not more 26 than [eighty] ONE 27 HUNDRED thousand dollars	[Nine] ONE THOUSAND TWO hundred [eighty] TWENTY-FIVE dollars plus twelve per centum of excess over [eighteen] TWENTY-TWO thousand FIVE HUNDRED dollars;

30 PROVIDED THAT DEPENDENT STUDENTS WHOSE PARENTAL INCOME EXCEEDS EIGHTY  
 31 THOUSAND DOLLARS BUT NOT MORE THAN ONE HUNDRED THOUSAND DOLLARS, OR  
 32 STUDENTS WITH A DEPENDENT AND INCOME IN EXCESS OF EIGHTY THOUSAND  
 33 DOLLARS, BUT NOT MORE THAN ONE HUNDRED THOUSAND DOLLARS, SHALL ONLY BE  
 34 ELIGIBLE FOR AWARDS IF HE OR SHE FIRST RECEIVES AN AWARD BEGINNING WITH  
 35 THE TWO THOUSAND FIFTEEN--TWO THOUSAND SIXTEEN ACADEMIC YEAR.

36 (iii) (A) For students who have been granted exclusion of parental  
 37 income and were single with no dependent for income tax purposes during  
 38 the tax year next preceding the academic year for which application is  
 39 made, the base amount, as determined in subparagraph (i) of this para-  
 40 graph, shall be reduced in relation to income as follows:

41 Amount of income	42 Schedule of reduction of base amount
43 (1) Less than [three] TEN thousand 44 FIVE HUNDRED dollars	None
45 (2) [Three] TEN thousand 46 FIVE HUNDRED dollars or more, 47 but not more than [ten] 48 THIRTY-FIVE thousand dollars	Thirty-one per centum of amount in excess of [three] TEN thousand FIVE HUNDRED dollars;

1 PROVIDED THAT STUDENTS WITH INCOMES IN EXCESS OF TEN THOUSAND DOLLARS  
 2 BUT NOT MORE THAN THIRTY-FIVE THOUSAND DOLLARS, SHALL ONLY BE ELIGIBLE  
 3 FOR AWARDS IF HE OR SHE FIRST RECEIVES AN AWARD BEGINNING WITH THE TWO  
 4 THOUSAND FIFTEEN--TWO THOUSAND SIXTEEN ACADEMIC YEAR.

5 (B) For those students who have been granted exclusion of parental  
 6 income who have a spouse but no other dependent, for income tax purposes  
 7 during the tax year next preceding the academic year for which applica-  
 8 tion is made, the base amount, as determined in subparagraph (i) of this  
 9 paragraph, shall be reduced in relation to income as follows:

10 Amount of income	Schedule of reduction
11	of base amount
12 (1) Less than [seven] EIGHT 13 thousand SEVEN HUNDRED FIFTY 14 dollars	None
15 (2) [Seven] EIGHT thousand 16 SEVEN HUNDRED FIFTY 17 dollars or more, but less than 18 [eleven] THIRTEEN 19 thousand SEVEN HUNDRED 20 FIFTY dollars	Seven per centum of excess over [seven] EIGHT thousand SEVEN HUNDRED FIFTY dollars
21 (3) [Eleven] THIRTEEN 22 thousand SEVEN HUNDRED 23 FIFTY dollars or 24 more, but less than 25 [eighteen] TWENTY-TWO 26 thousand FIVE HUNDRED 27 dollars	[Two] THREE hundred [eighty] FIFTY dollars plus ten per centum of excess over [eleven] THIRTEEN thousand SEVEN HUNDRED FIFTY dollars
28 (4) [Eighteen] TWENTY-TWO 29 thousand FIVE HUNDRED 30 dollars or more, but not 31 more than [forty] FIFTY 32 thousand dollars	[Nine] ONE THOUSAND TWO hundred [eighty] TWENTY-FIVE dollars plus twelve per centum of excess over [eighteen] TWENTY-TWO thousand FIVE HUNDRED dollars;

34 PROVIDED THAT STUDENTS WITH INCOMES IN EXCESS OF FORTY THOUSAND DOLLARS  
 35 BUT NOT MORE THAN FIFTY THOUSAND DOLLARS, SHALL ONLY BE ELIGIBLE FOR  
 36 AWARDS IF HE OR SHE FIRST RECEIVES AN AWARD BEGINNING WITH THE TWO THOU-  
 37 SAND FIFTEEN--TWO THOUSAND SIXTEEN ACADEMIC YEAR.

38 (iv) If the amount of reduction is not a whole dollar, it shall be  
 39 reduced to the next lowest whole dollar. In the case of any student who  
 40 has received four or more payments pursuant to any and all awards  
 41 provided for in this subdivision, for the two thousand--two thousand one  
 42 academic year the base amount shall be reduced by an additional one  
 43 hundred fifty dollars for the two thousand one--two thousand two academ-  
 44 ic year and thereafter the base amount shall be reduced by an additional  
 45 one hundred dollars.

46 (v) The award shall be the net amount of the base amount determined  
 47 pursuant to subparagraph (i) of this paragraph reduced pursuant to  
 48 subparagraph (ii) or (iii) of this paragraph but the award shall not be  
 49 reduced for the two thousand--two thousand one and two thousand one--two  
 50 thousand two academic years below two hundred seventy-five dollars if  
 51 the amount of income is eighty thousand dollars or less and more than  
 52 seventy thousand dollars, three hundred twenty-five dollars if the  
 53 amount of income is seventy thousand dollars or less and more than sixty

1 thousand dollars and four hundred twenty-five dollars if the amount of  
2 income is sixty thousand dollars or less.

3 (vi) For the two thousand two--two thousand three academic year and  
4 thereafter, the award shall be the net amount of the base amount deter-  
5 mined pursuant to subparagraph (i) of this paragraph reduced pursuant to  
6 subparagraph (ii) or (iii) of this paragraph but the award shall not be  
7 reduced below five hundred dollars.

8 S 2. This act shall take effect April 1, 2015, provided that the addi-  
9 tion, amendment and/or repeal of any rule or regulation necessary for  
10 the implementation of this act on its effective date is authorized and  
11 directed to be made and completed by the president of the higher educa-  
12 tion services corporation on or before such effective date.

13 PART W

14 Section 1. Article 14 of the education law is amended by adding a new  
15 part VI to read as follows:

16 PART VI

17 NEW YORK STUDENT AFFORDABLE REFINANCING  
18 FOR TOMORROW PROGRAM (NEW START)

19 SECTION 694-C. DEFINITIONS.

20 694-D. NEW YORK STUDENT AFFORDABLE REFINANCING FOR TOMORROW  
21 PROGRAM (NEW START)

22 694-E. PROGRAM ELIGIBILITY.

23 694-F. PROGRAM.

24 694-G. REPAYMENT.

25 S 694-C. DEFINITIONS. FOR PURPOSES OF THIS PART, THE FOLLOWING TERMS  
26 SHALL HAVE THE FOLLOWING MEANINGS: 1. "EDUCATION LOAN" SHALL MEAN ANY  
27 STUDENT LOAN THAT THE STATE REFINANCES UNDER THE PROGRAM THAT WAS  
28 OBTAINED BY A BORROWER FOR THE PURPOSES OF ATTENDING COLLEGE AT THE  
29 STATE UNIVERSITY OF NEW YORK OR THE CITY UNIVERSITY OF NEW YORK,  
30 PROVIDED, HOWEVER, THAT LOANS PROVIDED BY THE FEDERAL GOVERNMENT, OR  
31 LOANS PROVIDED AT AN INTEREST RATE AT OR LOWER THAN THE CURRENT FEDERAL  
32 LOAN INTEREST RATE SHALL NOT BE ELIGIBLE FOR REFINANCING UNDER THE  
33 PROGRAM.

34 2. "PARTICIPANT" SHALL MEAN AN INDIVIDUAL WHO HAS INCURRED STUDENT  
35 LOAN DEBT FROM A LENDING INSTITUTION OR LENDER TO COVER THE COST OF  
36 TUITION AT THE STATE UNIVERSITY OF NEW YORK OR THE CITY UNIVERSITY OF  
37 NEW YORK AND HAS APPLIED TO PARTICIPATE AND BEEN ACCEPTED TO PARTICIPATE  
38 IN THE PROGRAM.

39 3. "LENDING INSTITUTION" OR "LENDER" SHALL MEAN ANY ENTITY THAT HAS  
40 ITSELF OR THROUGH AN AFFILIATE PROVIDED STUDENT LOANS TO AN ELIGIBLE  
41 PARTICIPANT.

42 4. "PROGRAM" SHALL MEAN THE NEW YORK STUDENT AFFORDABLE REFINANCING  
43 FOR TOMORROW PROGRAM (NEW START).

44 5. "FUND" SHALL MEAN THE NEW YORK STUDENT AFFORDABLE REFINANCING FOR  
45 TOMORROW PROGRAM FUND ESTABLISHED BY SECTION NINETY-NINE-W OF THE STATE  
46 FINANCE LAW.

47 S 694-D. NEW YORK STUDENT AFFORDABLE REFINANCING FOR TOMORROW PROGRAM  
48 (NEW START). THE NEW YORK STUDENT AFFORDABLE REFINANCING FOR TOMORROW  
49 PROGRAM (NEW START) IS HEREBY ESTABLISHED FOR THE PURPOSES OF RELIEVING  
50 STUDENT DEBT BY DIRECTLY PAYING AN ELIGIBLE PARTICIPANT'S LOAN DEBT TO  
51 THE LENDING INSTITUTION OR LENDER AND PROVIDING A REPAYMENT PLAN WHEREBY  
52 PAYMENTS WILL BE DEPOSITED IN THE FUND.

1 1. THE CORPORATION SHALL PROMULGATE RULES AND REGULATIONS FOR THE  
2 ADMINISTRATION OF THIS PROGRAM AND SHALL MANAGE THE FUND IN CONSULTATION  
3 WITH THE OFFICE OF THE COMPTROLLER.

4 2. THE CORPORATION SHALL DETERMINE ADDITIONAL REQUIREMENTS FOR ELIGI-  
5 BLE PARTICIPANTS, OTHER THAN THOSE SPECIFIED IN SECTION SIX HUNDRED  
6 NINETY-FOUR-E OF THIS PART, SHALL SET A FIXED INTEREST RATE FOR THE  
7 REPAYMENT OF REFINANCED LOANS, WHICH SHALL BE LOWER THAN THE AVERAGE  
8 MARKET RATE FOR PRIVATE STUDENT LOANS, AND SHALL ESTABLISH AN APPLICA-  
9 TION PROCESS FOR THE PROGRAM.

10 3. THE CORPORATION SHALL DETERMINE APPROPRIATE PAYMENT DEFERMENT AND  
11 FORBEARANCE OPTIONS FOR LOSS OF EMPLOYMENT OR EXTREME HARDSHIP.

12 S 694-E. PROGRAM ELIGIBILITY. 1. TO BE ELIGIBLE FOR THIS PROGRAM A  
13 PARTICIPANT MUST:

14 A. HAVE GRADUATED FROM THE STATE UNIVERSITY OF NEW YORK OR THE CITY  
15 UNIVERSITY OF NEW YORK WITHIN FOUR YEARS, OR FIVE YEARS IF ENROLLED IN A  
16 PROGRAM NORMALLY REQUIRING FIVE YEARS;

17 B. HAVE GRADUATED WITH A GRADE POINT AVERAGE AT OR ABOVE 3.0;

18 C. HAVE INCURRED STUDENT LOAN DEBT;

19 D. BE GAINFULLY EMPLOYED IN NEW YORK STATE FOR AT LEAST THREE MONTHS  
20 PRIOR TO FILING AN APPLICATION TO PARTICIPATE IN THE PROGRAM;

21 E. AGREE TO SIGN A CONTRACT WITH THE CORPORATION TO ALLOW A DIRECT  
22 WITHDRAWAL OF PAYMENTS FROM THEIR PAY CHECKS UNTIL THE DEBT OBLIGATION  
23 IS PAID IN FULL; AND

24 F. MUST APPLY FOR THE PROGRAM WITHIN TWO YEARS AFTER COLLEGE GRADU-  
25 ATION.

26 S 694-F. PROGRAM. 1. THE CORPORATION SHALL MAKE LUMP SUM PAYMENTS TO  
27 LENDING INSTITUTIONS OR LENDERS TO PAY ELIGIBLE PARTICIPANTS' EDUCATION  
28 LOANS OUT OF THE FUNDS APPROPRIATED TO THE FUND FOR THE PURPOSES OF THIS  
29 PROGRAM IN AMOUNTS NOT TO EXCEED THIRTY-FIVE THOUSAND DOLLARS PER  
30 PARTICIPANT.

31 2. LOANS THAT THE PARTICIPANT ACQUIRED FROM THE FEDERAL GOVERNMENT OR  
32 THOSE LOANS THAT HAVE A FIXED INTEREST RATE PROVIDED AT AN INTEREST RATE  
33 AT OR LOWER THAN THE CURRENT FEDERAL LOAN INTEREST RATE SHALL NOT BE  
34 ELIGIBLE FOR ACQUISITION UNDER THE PROGRAM.

35 S 694-G. REPAYMENT. 1. PARTICIPANTS SHALL REPAY THE TOTAL COST OF THE  
36 DEBT OBLIGATION TO THE FUND AT AN INTEREST RATE DETERMINED BY THE CORPO-  
37 RATION ACCORDING TO THE FOLLOWING:

38 A. DURING THE FIRST FIVE YEARS OF PARTICIPATION IN THE PROGRAM, THE  
39 PARTICIPANT SHALL PAY THREE PERCENT OF THE SALARY EARNED PER YEAR DURING  
40 EACH OF THOSE YEARS;

41 B. DURING THE NEXT FIVE YEARS OF PARTICIPATION IN THE PROGRAM, THE  
42 PARTICIPANT SHALL PAY FIVE PERCENT OF THE SALARY EARNED PER YEAR DURING  
43 EACH OF THOSE YEARS;

44 C. DURING THE ELEVENTH YEAR OF PARTICIPATION AND EACH YEAR THEREAFTER  
45 UNTIL THE DEBT OBLIGATION IS PAID IN FULL, THE PARTICIPANT SHALL PAY  
46 EIGHT PERCENT OF THE SALARY EARNED PER YEAR DURING EACH OF THOSE YEARS.

47 2. THERE SHALL BE NO PRE-PAYMENT PENALTIES UNDER THE PROGRAM AND  
48 REPAYMENT SCHEDULES MAY BE CALCULATED AT A HIGHER PERCENTAGE RATE PER  
49 YEAR OF SALARY IF THE PARTICIPANT CHOOSES OR REQUESTS A FASTER RE-PAY-  
50 MENT OPTION.

51 S 2. The state finance law is amended by adding a new section 99-w to  
52 read as follows:

53 S 99-w. NEW YORK STUDENT AFFORDABLE REFINANCING FOR TOMORROW PROGRAM  
54 FUND. 1. THERE IS HEREBY ESTABLISHED WITHIN THE CUSTODY OF THE NEW YORK  
55 STATE HIGHER EDUCATION SERVICES CORPORATION, IN CONSULTATION WITH THE

1 STATE COMPTROLLER, OR HIS OR HER DESIGNEE, A FUND TO BE KNOWN AS THE NEW  
2 YORK STUDENT AFFORDABLE REFINANCING FOR TOMORROW PROGRAM FUND.

3 2. ALL MONIES RECEIVED PURSUANT TO THE NEW YORK STUDENT AFFORDABLE  
4 REFINANCING FOR TOMORROW PROGRAM (NEW START) SHALL BE DEPOSITED INTO THE  
5 FUND AND SHALL BE MANAGED PURSUANT TO PART SIX OF ARTICLE FOURTEEN OF  
6 THE EDUCATION LAW.

7 3. ALL NECESSARY RULES AND REGULATIONS FOR THE SUCCESSFUL ADMINIS-  
8 TRATION, INVESTMENT AND MANAGEMENT OF SUCH FUND SHALL BE PROMULGATED BY  
9 SUCH CORPORATION, IN CONSULTATION WITH THE STATE COMPTROLLER, OR HIS OR  
10 HER DESIGNEE.

11 S 3. This act shall take effect on the one hundred twentieth day after  
12 it shall have become a law, provided, however, that effective immediate-  
13 ly, the addition, amendment and/or repeal of any rule or regulation  
14 necessary for the implementation of this act on its effective date is  
15 authorized to be made and completed on or before such date.

16 PART X

17 Section 1. The education law is amended by adding a new section 355-d  
18 to read as follows:

19 S 355-D. "NEW YORK STATE PRE-PAID TUITION PLAN". 1. DEFINITIONS. FOR  
20 THE PURPOSES OF THIS SECTION, THE FOLLOWING TERMS SHALL HAVE THE FOLLOW-  
21 ING MEANINGS:

22 A. "ACCOUNT" OR "PRE-PAID TUITION ACCOUNT" SHALL MEAN AN INDIVIDUAL  
23 PRE-PAID TUITION ACCOUNT ESTABLISHED IN ACCORDANCE WITH THE PROVISIONS  
24 OF THIS SECTION.

25 B. "ACCOUNT OWNER" SHALL MEAN A PERSON WHO ENTERS INTO A PRE-PAID  
26 TUITION AGREEMENT PURSUANT TO THE PROVISIONS OF THIS ARTICLE, INCLUDING  
27 A PERSON WHO ENTERS INTO SUCH AN AGREEMENT AS A FIDUCIARY OR AGENT ON  
28 BEHALF OF A TRUST, ESTATE, PARTNERSHIP, ASSOCIATION, COMPANY OR CORPO-  
29 RATION. THE ACCOUNT OWNER MAY ALSO BE THE DESIGNATED BENEFICIARY OF THE  
30 ACCOUNT.

31 C. "CITY UNIVERSITY" SHALL MEAN THE CITY UNIVERSITY OF NEW YORK.

32 D. "COMPTROLLER" SHALL MEAN THE STATE COMPTROLLER.

33 E. "DESIGNATED BENEFICIARY" SHALL MEAN, WITH RESPECT TO AN ACCOUNT OR  
34 ACCOUNTS, THE INDIVIDUAL DESIGNATED AS THE INDIVIDUAL WHOSE TUITION  
35 EXPENSES ARE EXPECTED TO BE PAID FROM THE ACCOUNT OR ACCOUNTS.

36 F. "ELIGIBLE EDUCATIONAL INSTITUTION" SHALL MEAN ANY INSTITUTION OF  
37 HIGHER EDUCATION DEFINED AS AN ELIGIBLE EDUCATIONAL INSTITUTION IN  
38 SECTION 529(E)(5) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

39 G. "FINANCIAL ORGANIZATION" SHALL MEAN AN ORGANIZATION AUTHORIZED TO  
40 DO BUSINESS IN THE STATE AND (I) WHICH IS AN AUTHORIZED FIDUCIARY TO ACT  
41 AS A TRUSTEE PURSUANT TO THE PROVISIONS OF AN ACT OF CONGRESS ENTITLED  
42 "EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974" AS SUCH PROVISIONS MAY  
43 BE AMENDED FROM TIME TO TIME, OR AN INSURANCE COMPANY; AND (II) (A) IS  
44 LICENSED OR CHARTERED BY THE DEPARTMENT OF FINANCIAL SERVICES, (B) IS  
45 CHARTERED BY AN AGENCY OF THE FEDERAL GOVERNMENT, (C) IS SUBJECT TO THE  
46 JURISDICTION AND REGULATION OF THE SECURITIES AND EXCHANGE COMMISSION OF  
47 THE FEDERAL GOVERNMENT, OR (D) IS ANY OTHER ENTITY OTHERWISE AUTHORIZED  
48 TO ACT IN THIS STATE AS A TRUSTEE PURSUANT TO THE PROVISIONS OF AN ACT  
49 OF CONGRESS ENTITLED "EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974"  
50 AS SUCH PROVISIONS MAY BE AMENDED FROM TIME TO TIME.

51 H. "MEMBER OF FAMILY" SHALL MEAN A FAMILY MEMBER AS DEFINED IN SECTION  
52 529 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

53 I. "NONQUALIFIED WITHDRAWAL" SHALL MEAN A WITHDRAWAL FROM AN ACCOUNT,  
54 BUT SHALL NOT MEAN:

1 (I) A QUALIFIED WITHDRAWAL; (II) A WITHDRAWAL MADE AS THE RESULT OF  
2 THE DEATH OR DISABILITY OF THE DESIGNATED BENEFICIARY OF AN ACCOUNT; OR  
3 (III) A WITHDRAWAL MADE ON THE ACCOUNT OF A SCHOLARSHIP.

4 J. "PLAN" SHALL MEAN THE NEW YORK STATE PRE-PAID TUITION PLAN ESTAB-  
5 LISHED PURSUANT TO THIS SECTION.

6 K. "PLAN MANAGER" SHALL MEAN A FINANCIAL ORGANIZATION SELECTED BY THE  
7 COMPTROLLER TO ACT AS A DEPOSITORY AND MANAGER OF THE PLAN.

8 L. "QUALIFIED WITHDRAWAL" SHALL MEAN A WITHDRAWAL FROM AN ACCOUNT TO  
9 PAY THE QUALIFIED TUITION EXPENSES OF THE DESIGNATED BENEFICIARY.

10 M. "STATE UNIVERSITY" SHALL MEAN THE STATE UNIVERSITY OF NEW YORK.

11 N. "TUITION" SHALL MEAN ANY MANDATORY CHARGES IMPOSED BY AN ELIGIBLE  
12 EDUCATIONAL INSTITUTION FOR ATTENDANCE FOR AN ACADEMIC YEAR AS A CONDI-  
13 TION OF ENROLLMENT. SUCH TERM SHALL NOT INCLUDE LABORATORY FEES, ROOM  
14 AND BOARD, OR OTHER SIMILAR FEES AND CHARGES.

15 O. "TUITION SAVINGS AGREEMENT" SHALL MEAN AN AGREEMENT BETWEEN THE  
16 COMPTROLLER OR A FINANCIAL ORGANIZATION AND AN ACCOUNT OWNER.

17 2. POWERS AND DUTIES OF THE COMPTROLLER. THE COMPTROLLER SHALL ADMIN-  
18 ISTER THE PLAN AND SHALL DEVELOP AND IMPLEMENT PROGRAMS FOR THE PREPAY-  
19 MENT OF UNDERGRADUATE TUITION, AT A FIXED, GUARANTEED LEVEL FOR APPLICA-  
20 TION AT ANY TWO-YEAR OR FOUR-YEAR ELIGIBLE EDUCATIONAL INSTITUTION AS  
21 DEFINED IN SECTION 529 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED,  
22 OR OTHER APPLICABLE FEDERAL LAW. IN ADDITION, THE COMPTROLLER SHALL HAVE  
23 THE POWER AND DUTY TO:

24 A. DEVELOP AND IMPLEMENT THE PLAN IN A MANNER CONSISTENT WITH THE  
25 PROVISIONS OF THIS SECTION THROUGH RULES AND REGULATIONS ESTABLISHED IN  
26 ACCORDANCE WITH THE STATE ADMINISTRATIVE PROCEDURE ACT;

27 B. MAKE ARRANGEMENTS WITH THE STATE UNIVERSITY, CITY UNIVERSITY AND  
28 ANY ELIGIBLE EDUCATIONAL INSTITUTION LOCATED WITHIN THE STATE WHICH  
29 CHOOSES TO PARTICIPATE, TO FULFILL OBLIGATIONS UNDER PREPAID TUITION  
30 CONTRACTS FOR TWO-YEAR OR FOUR-YEAR DEGREE PROGRAMS, INCLUDING, BUT NOT  
31 LIMITED TO, PAYMENT FROM THE PLAN OF THE THEN ACTUAL IN-STATE UNDERGRAD-  
32 UATE TUITION COST ON BEHALF OF A QUALIFIED BENEFICIARY OF A PREPAID  
33 TUITION CONTRACT TO THE INSTITUTION IN WHICH SUCH BENEFICIARY IS ADMIT-  
34 TED AND ENROLLED, AND APPLICATION OF SUCH BENEFITS TOWARDS GRADUATE-LEV-  
35 EL TUITION AND TOWARDS TUITION COSTS AT SUCH ELIGIBLE EDUCATIONAL INSTI-  
36 TUTIONS, AS THAT TERM IS DEFINED IN 26 U.S.C. S 529 OR ANY OTHER  
37 APPLICABLE SECTION OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AS  
38 DETERMINED BY THE COMPTROLLER IN HIS SOLE DISCRETION. SUCH ARRANGEMENTS  
39 MUST INCLUDE PLANS THAT ALLOW AN ACCOUNT OWNER TO ENTER INTO CONTRACTS  
40 IN WHICH HE OR SHE CAN PURCHASE TUITION IN INSTALLMENTS EQUAL TO THE  
41 COST OF SEMESTERS AS A FULL TIME STUDENT, BUT CAN ALSO INCLUDE PLANS  
42 THAT WOULD ALLOW FOR THE PREPAYMENT OF TUITION FOR TUITION CREDIT HOURS;

43 C. ENGAGE THE SERVICES OF CONSULTANTS ON A CONTRACT BASIS FOR RENDER-  
44 ING PROFESSIONAL AND TECHNICAL ASSISTANCE AND ADVICE;

45 D. SEEK RULINGS AND OTHER GUIDANCE FROM THE UNITED STATES DEPARTMENT  
46 OF TREASURY AND THE INTERNAL REVENUE SERVICE RELATING TO THE PROGRAM;

47 E. MAKE CHANGES TO THE PLAN REQUIRED FOR THE PARTICIPANTS TO OBTAIN  
48 THE FEDERAL INCOME TAX BENEFITS OR TREATMENT PROVIDED BY SECTION 529 OF  
49 THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, OR ANY SIMILAR SUCCESSOR  
50 LEGISLATION;

51 F. CHARGE, IMPOSE AND COLLECT ADMINISTRATIVE FEES AND SERVICE CHARGES  
52 IN CONNECTION WITH ANY AGREEMENT, CONTRACT OR TRANSACTION RELATING TO  
53 THE PLAN;

54 G. DEVELOP MARKETING PLANS AND PROMOTION MATERIAL;

55 H. ESTABLISH THE METHODS BY WHICH THE FUNDS HELD IN SUCH ACCOUNTS BE  
56 DISBURSED;

1 I. ESTABLISH THE METHOD BY WHICH FUNDS SHALL BE ALLOCATED TO PAY FOR  
2 ADMINISTRATIVE COSTS; AND

3 J. DO ALL THINGS NECESSARY AND PROPER TO CARRY OUT THE PURPOSES OF  
4 THIS SECTION.

5 3. PLAN REQUIREMENTS. EVERY PRE-PAID TUITION ACCOUNT SHALL COMPLY WITH  
6 THE PROVISIONS OF THIS SECTION.

7 A. A PRE-PAID TUITION ACCOUNT MAY BE OPENED BY ANY PERSON WHO DESIRES  
8 TO ENTER INTO A CONTRACT FOR PRE-PAYMENT OF TUITION EXPENSES AT AN  
9 INSTITUTION OF THE STATE UNIVERSITY, THE CITY UNIVERSITY OR ANY PARTIC-  
10 IPATING ELIGIBLE EDUCATIONAL INSTITUTION. AN ACCOUNT OWNER MAY DESIGNATE  
11 ANOTHER PERSON AS SUCCESSOR OWNER OF THE ACCOUNT IN THE EVENT OF THE  
12 DEATH OF THE ORIGINAL ACCOUNT OWNER. SUCH PERSON WHO OPENS AN ACCOUNT OR  
13 ANY SUCCESSOR OWNER SHALL BE CONSIDERED THE ACCOUNT OWNER.

14 B. AN APPLICATION FOR SUCH ACCOUNT SHALL BE IN THE FORM PRESCRIBED BY  
15 THE COMPTROLLER AND CONTAIN THE FOLLOWING:

16 (I) THE NAME, ADDRESS AND SOCIAL SECURITY NUMBER OR EMPLOYER IDENTIFI-  
17 CATION NUMBER OF THE ACCOUNT OWNER;

18 (II) THE DESIGNATION OF A DESIGNATED BENEFICIARY;

19 (III) THE NAME, ADDRESS AND SOCIAL SECURITY NUMBER OF THE DESIGNATED  
20 BENEFICIARY; AND

21 (IV) SUCH OTHER INFORMATION AS THE COMPTROLLER MAY REQUIRE.

22 C. THE COMPTROLLER MAY ESTABLISH A NOMINAL FEE FOR SUCH APPLICATION.

23 D. ANY PERSON, INCLUDING THE ACCOUNT OWNER, MAY MAKE CONTRIBUTIONS TO  
24 AN ACCOUNT AFTER THE ACCOUNT IS OPENED.

25 E. CONTRIBUTIONS TO ACCOUNTS MAY BE MADE ONLY IN CASH.

26 F. FOUR YEARS MUST ELAPSE BETWEEN THE ESTABLISHMENT OF A PRE-PAID  
27 TUITION ACCOUNT AND THE TIME THE FIRST QUALIFIED WITHDRAWAL IS MADE FOR  
28 THE PAYMENT OF TUITION EXPENSES.

29 G. AN ACCOUNT OWNER MAY WITHDRAW ALL OR PART OF THE BALANCE FROM AN  
30 ACCOUNT ON SIXTY DAYS NOTICE OR SUCH SHORTER PERIOD AS MAY BE AUTHORIZED  
31 UNDER RULES GOVERNING THE PLAN. SUCH RULES SHALL INCLUDE PROVISIONS THAT  
32 WILL GENERALLY ENABLE THE DETERMINATION AS TO WHETHER A WITHDRAWAL IS A  
33 NONQUALIFIED WITHDRAWAL OR A QUALIFIED WITHDRAWAL.

34 H. AN ACCOUNT OWNER MAY CHANGE THE DESIGNATED BENEFICIARY OF AN  
35 ACCOUNT TO AN INDIVIDUAL WHO IS A MEMBER OF THE FAMILY OF THE PRIOR  
36 DESIGNATED BENEFICIARY IN ACCORDANCE WITH PROCEDURES ESTABLISHED BY THE  
37 COMPTROLLER.

38 I. AN ACCOUNT OWNER MAY TRANSFER ALL OR A PORTION OF AN ACCOUNT TO  
39 ANOTHER FAMILY TUITION ACCOUNT, THE SUBSEQUENT DESIGNATED BENEFICIARY OF  
40 WHICH IS A MEMBER OF THE FAMILY AS DEFINED IN SECTION 529 OF THE INTER-  
41 NAL REVENUE CODE OF 1986, AS AMENDED.

42 J. THE PLAN SHALL PROVIDE SEPARATE ACCOUNTING FOR EACH DESIGNATED  
43 BENEFICIARY.

44 K. NO ACCOUNT OWNER OR DESIGNATED BENEFICIARY OF ANY ACCOUNT SHALL BE  
45 PERMITTED TO DIRECT THE INVESTMENT OF ANY CONTRIBUTIONS TO AN ACCOUNT OR  
46 THE EARNINGS THEREON.

47 L. NEITHER AN ACCOUNT OWNER NOR A DESIGNATED BENEFICIARY SHALL USE AN  
48 INTEREST IN AN ACCOUNT AS SECURITY FOR A LOAN. ANY PLEDGE OF AN INTEREST  
49 IN AN ACCOUNT SHALL BE OF NO FORCE AND EFFECT.

50 M. (I) IF THERE IS ANY DISTRIBUTION FROM AN ACCOUNT TO ANY INDIVIDUAL  
51 OR FOR THE BENEFIT OF ANY INDIVIDUAL DURING A CALENDAR YEAR, SUCH  
52 DISTRIBUTION SHALL BE REPORTED TO THE INTERNAL REVENUE SERVICE AND THE  
53 ACCOUNT OWNER, THE DESIGNATED BENEFICIARY OR THE DISTRIBUTE TO THE  
54 EXTENT REQUIRED BY FEDERAL LAW OR REGULATION.

55 (II) STATEMENTS SHALL BE PROVIDED TO EACH ACCOUNT OWNER AT LEAST ONCE  
56 EACH YEAR WITHIN SIXTY DAYS AFTER THE END OF THE TWELVE MONTH PERIOD TO

1 WHICH THEY RELATE. THE STATEMENT SHALL IDENTIFY THE CONTRIBUTIONS MADE  
2 DURING A PRECEDING TWELVE MONTH PERIOD, THE TOTAL CONTRIBUTIONS MADE TO  
3 THE ACCOUNT THROUGH THE END OF THE PERIOD, THE VALUE OF THE ACCOUNT AT  
4 THE END OF SUCH PERIOD, DISTRIBUTIONS MADE DURING SUCH PERIOD AND ANY  
5 OTHER INFORMATION THAT THE COMPTROLLER SHALL REQUIRE TO BE REPORTED TO  
6 THE ACCOUNT OWNER.

7 (III) STATEMENTS AND INFORMATION RELATING TO ACCOUNTS SHALL BE  
8 PREPARED AND FILED TO THE EXTENT REQUIRED BY FEDERAL AND STATE TAX LAW.

9 N. (I) A LOCAL GOVERNMENT OR ORGANIZATION DESCRIBED IN SECTION  
10 501(C)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, MAY OPEN AND  
11 BECOME THE ACCOUNT OWNER OF AN ACCOUNT TO FUND SCHOLARSHIPS FOR PERSONS  
12 WHOSE IDENTITY WILL BE DETERMINED UPON DISBURSEMENT.

13 (II) IN THE CASE OF ANY ACCOUNT OPENED PURSUANT TO PARAGRAPH A OF THIS  
14 SUBDIVISION THE REQUIREMENT SET FORTH IN THIS SUBDIVISION THAT A DESIG-  
15 NATED BENEFICIARY BE DESIGNATED WHEN AN ACCOUNT IS OPENED SHALL NOT  
16 APPLY AND EACH INDIVIDUAL WHO RECEIVES AN INTEREST IN SUCH ACCOUNT AS A  
17 SCHOLARSHIP SHALL BE TREATED AS A DESIGNATED BENEFICIARY WITH RESPECT TO  
18 SUCH INTEREST.

19 O. AN ANNUAL FEE MAY BE IMPOSED UPON THE ACCOUNT OWNER FOR THE MAINTENANCE OF THE ACCOUNT.

21 P. THE PLAN SHALL DISCLOSE THE FOLLOWING INFORMATION IN WRITING TO  
22 EACH ACCOUNT OWNER AND PROSPECTIVE ACCOUNT OWNER OF A PRE-PAID TUITION  
23 ACCOUNT:

24 (I) THE TERMS AND CONDITIONS FOR PURCHASING A PRE-PAID TUITION  
25 ACCOUNT;

26 (II) ANY RESTRICTIONS ON THE SUBSTITUTION OF BENEFICIARIES;

27 (III) THE PERSON OR ENTITY ENTITLED TO TERMINATE THE TUITION PRE-PAYMENT AGREEMENT;

29 (IV) THE PERIOD OF TIME DURING WHICH A BENEFICIARY MAY RECEIVE BENEFITS UNDER THE TUITION PRE-PAYMENT AGREEMENT;

31 (V) THE TERMS AND CONDITIONS UNDER WHICH MONEY MAY BE WHOLLY OR PARTIALLY WITHDRAWN FROM THE PLAN, INCLUDING, BUT NOT LIMITED TO, ANY REASONABLE CHARGES AND FEES THAT MAY BE IMPOSED FOR WITHDRAWAL;

34 (VI) THE PROBABLE TAX CONSEQUENCES ASSOCIATED WITH CONTRIBUTIONS TO AND DISTRIBUTIONS FROM ACCOUNTS; AND

36 (VII) ALL OTHER RIGHTS AND OBLIGATIONS PURSUANT TO PRE-PAID TUITION AGREEMENTS, AND ANY OTHER TERMS, CONDITIONS AND PROVISIONS DEEMED NECESSARY AND APPROPRIATE BY THE COMPTROLLER PURSUANT TO THIS SUBDIVISION.

39 Q. PRE-PAID TUITION SAVINGS AGREEMENTS SHALL BE SUBJECT TO SECTION FOURTEEN-C OF THE BANKING LAW AND THE "TRUTH-IN-SAVINGS" REGULATIONS PROMULGATED THEREUNDER.

42 R. NOTHING IN THIS ARTICLE OR IN ANY PRE-PAID TUITION SAVINGS AGREEMENT ENTERED INTO PURSUANT TO THIS ARTICLE SHALL BE CONSTRUED AS A GUARANTEE BY THE STATE OR ANY COLLEGE THAT A BENEFICIARY WILL BE ADMITTED TO A COLLEGE OR UNIVERSITY, OR, UPON ADMISSION TO A COLLEGE WILL BE PERMITTED TO CONTINUE TO ATTEND OR WILL RECEIVE A DEGREE FROM A COLLEGE OR UNIVERSITY.

48 4. STATE GUARANTEE. A. NOTHING IN THIS SECTION SHALL ESTABLISH OR BE DEEMED TO ESTABLISH ANY OBLIGATION OF THE STATE, THE COMPTROLLER OR ANY AGENCY OR INSTRUMENTALITY OF THE STATE TO GUARANTEE ANY BENEFITS TO ANY ACCOUNT OWNER OR DESIGNATED BENEFICIARY.

52 B. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION ONE OF THIS SECTION, IN ORDER TO ENSURE THAT THE PLAN IS ABLE TO MEET ITS OBLIGATIONS, THE GOVERNOR SHALL INCLUDE IN THE BUDGET SUBMITTED PURSUANT TO SECTION TWENTY-TWO OF THE STATE FINANCE LAW, AN APPROPRIATION SUFFICIENT FOR THE PURPOSE OF ENSURING THAT THE PLAN CAN MEET ITS OBLIGATIONS. ANY SUMS

1 APPROPRIATED FOR SUCH PURPOSE SHALL BE TRANSFERRED TO THE PLAN. ALL  
2 AMOUNTS PAID INTO THE PLAN PURSUANT TO THIS SUBDIVISION SHALL CONSTITUTE  
3 AND BE ACCOUNTED FOR AS ADVANCES BY THE STATE TO THE PLAN AND, SUBJECT  
4 TO THE RIGHTS OF THE PLAN'S CONTRACT HOLDERS, SHALL BE REPAYED TO THE  
5 STATE WITHOUT INTEREST FROM AVAILABLE OPERATING REVENUE OF THE PLAN IN  
6 EXCESS OF AMOUNTS REQUIRED FOR THE PAYMENT OF THE OBLIGATIONS OF THE  
7 PLAN. AS USED IN THIS SECTION, "OBLIGATIONS OF THE PLAN" MEANS AMOUNTS  
8 REQUIRED FOR THE PAYMENT OF CONTRACT BENEFITS OR OTHER OBLIGATIONS OF  
9 THE PLAN, THE MAINTENANCE OF THE PLAN, AND OPERATING EXPENSES FOR THE  
10 CURRENT FISCAL YEAR.

11 S 2. The state finance law is amended by adding a new section 78-c to  
12 read as follows:

13 S 78-C. NEW YORK STATE PRE-PAID TUITION PLAN FUND. 1. THERE IS HEREBY  
14 ESTABLISHED IN THE SOLE CUSTODY OF THE STATE COMPTROLLER A SPECIAL FUND  
15 TO BE KNOWN AS THE NEW YORK STATE PRE-PAID TUITION PLAN FUND. ALL  
16 PAYMENTS FROM SUCH FUND SHALL BE MADE IN ACCORDANCE WITH SECTION THREE  
17 HUNDRED FIFTY-FIVE-D OF THE EDUCATION LAW.

18 2. (A) THE COMPTROLLER SHALL INVEST THE ASSETS OF THE FUND IN INVEST-  
19 MENTS AUTHORIZED BY ARTICLE FOUR-A OF THE RETIREMENT AND SOCIAL SECURITY  
20 LAW, PROVIDED HOWEVER, THAT:

21 (I) THE PROVISIONS OF PARAGRAPH (A) OF SUBDIVISION TWO OF SECTION ONE  
22 HUNDRED SEVENTY-SEVEN OF THE RETIREMENT AND SOCIAL SECURITY LAW SHALL  
23 NOT APPLY EXCEPT FOR SUBPARAGRAPH (II) OF SUCH PARAGRAPH; AND (II)  
24 NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION SEVEN OF SECTION ONE  
25 HUNDRED SEVENTY-SEVEN OF THE RETIREMENT AND SOCIAL SECURITY LAW OR ANY  
26 OTHER LAW TO THE CONTRARY, THE ASSETS OF THE FUND MAY BE INVESTED IN ANY  
27 FUNDING AGREEMENT ISSUED IN ACCORDANCE WITH SECTION THREE THOUSAND TWO  
28 HUNDRED TWENTY-TWO OF THE INSURANCE LAW BY A DOMESTIC LIFE INSURANCE  
29 COMPANY OR A FOREIGN LIFE INSURANCE COMPANY DOING BUSINESS IN THIS  
30 STATE, SUBJECT TO THE FOLLOWING:

31 (1) SUCH A FUNDING AGREEMENT MAY PROVIDE FOR A GUARANTEED MINIMUM RATE  
32 OF RETURN;

33 (2) SUCH A FUNDING AGREEMENT MAY BE ALLOCATED AS EITHER A SEPARATE  
34 ACCOUNT OR A GENERAL ACCOUNT OF THE ISSUER, AS THE COMPTROLLER MAY  
35 DECIDE;

36 (3) TOTAL INVESTMENTS OF THE FUND PURSUANT TO THIS PARAGRAPH IN ANY  
37 FUNDING AGREEMENTS ISSUED BY A SINGLE LIFE INSURANCE COMPANY WHICH ARE  
38 ALLOCATED AS A GENERAL ACCOUNT OF THE ISSUER SHALL NOT, IN THE AGGRE-  
39 GATE, EXCEED THREE HUNDRED FIFTY MILLION DOLLARS; AND

40 (4) NO ASSETS OF THE FUND SHALL BE INVESTED IN ANY SUCH FUNDING AGREE-  
41 MENT UNLESS, AT THE TIME OF SUCH INVESTMENT, THE GENERAL OBLIGATIONS OR  
42 FINANCIAL STRENGTH OF THE ISSUER HAVE RECEIVED EITHER THE HIGHEST OR  
43 SECOND HIGHEST RATING BY TWO NATIONALLY RECOGNIZED RATING SERVICES OR BY  
44 ONE NATIONALLY RECOGNIZED RATING SERVICE IN THE EVENT THAT ONLY ONE SUCH  
45 SERVICE RATES SUCH OBLIGATIONS.

46 (B) FUND ASSETS SHALL BE KEPT SEPARATE AND SHALL NOT BE COMMINGLED  
47 WITH OTHER ASSETS. THE COMPTROLLER MAY ENTER INTO CONTRACTS TO PROVIDE  
48 FOR INVESTMENT ADVICE AND MANAGEMENT, CUSTODIAL SERVICES AND OTHER  
49 PROFESSIONAL SERVICES FOR THE ADMINISTRATION AND INVESTMENT OF THE PLAN.  
50 ADMINISTRATIVE FEES, COSTS AND EXPENSES, INCLUDING INVESTMENT FEES AND  
51 EXPENSES, SHALL BE PAID FROM THE ASSETS OF THE FUND.

52 3. THE COMPTROLLER SHALL PROVIDE FOR THE ADMINISTRATION OF THE TRUST  
53 FUND, INCLUDING MAINTAINING PARTICIPANT RECORDS AND ACCOUNTS, AND  
54 PROVIDING ANNUAL AUDITED REPORTS. THE COMPTROLLER MAY ENTER INTO  
55 CONTRACTS TO PROVIDE ADMINISTRATIVE SERVICES AND REPORTING.

1 S 3. Section 5205 of the civil practice law and rules is amended by  
2 adding a new subdivision (p) to read as follows:

3 (P) EXEMPTION FOR NEW YORK STATE PRE-PAID TUITION PLAN MONIES. MONIES  
4 IN AN ACCOUNT CREATED PURSUANT TO SECTION THREE HUNDRED FIFTY FIVE-D OF  
5 THE EDUCATION LAW ARE EXEMPT FROM APPLICATION TO THE SATISFACTION OF A  
6 MONEY JUDGMENT AS FOLLOWS:

7 1. ONE HUNDRED PERCENT OF MONIES IN AN ACCOUNT IN CONNECTION WITH A  
8 PRE-PAID TUITION PLAN ESTABLISHED PURSUANT TO SUCH ARTICLE IS EXEMPT;  
9 AND

10 2. ONE HUNDRED PERCENT OF MONIES IN AN ACCOUNT IS EXEMPT WHERE THE  
11 JUDGMENT DEBTOR IS THE ACCOUNT OWNER OR DESIGNATED BENEFICIARY OF SUCH  
12 ACCOUNT.

13 FOR THE PURPOSES OF THIS SUBDIVISION, THE TERMS "ACCOUNT OWNER" AND  
14 "DESIGNATED BENEFICIARY" SHALL HAVE THE MEANINGS ASCRIBED TO THEM IN  
15 ARTICLE FOURTEEN-A OF THE EDUCATION LAW.

16 S 4. Paragraph 34 of subsection (b) of section 612 of the tax law, as  
17 amended by chapter 535 of the laws of 2000, subparagraph (B) as amended  
18 by chapter 593 of the laws of 2003, is amended to read as follows:

19 (34) (A) Excess distributions received during the taxable year by a  
20 distributee of a family tuition account established under the New York  
21 state college choice tuition savings program provided for under article  
22 fourteen-A of the education law, OR OF A PRE-PAID TUITION ACCOUNT ESTAB-  
23 LISHED PURSUANT TO SECTION THREE HUNDRED FIFTY-FIVE-D OF THE EDUCATION  
24 LAW, to the extent such excess distributions are deemed attributable to  
25 deductible contributions under paragraph thirty-two of subsection (c) of  
26 this section.

27 (B) (i) The term "excess distributions" means distributions which are  
28 not

29 (I) qualified withdrawals within the meaning of subdivision nine of  
30 section six hundred ninety-five-b OR PARAGRAPH L OF SUBDIVISION ONE OF  
31 SECTION THREE HUNDRED FIFTY-FIVE-D of the education law;

32 (II) withdrawals made as a result of the death or disability of the  
33 designated beneficiary within the meaning of subdivision ten of section  
34 six hundred ninety-five-b OR PARAGRAPH I OF SUBDIVISION ONE OF SECTION  
35 THREE HUNDRED FIFTY-FIVE-D of such law; or

36 (III) transfers described in paragraph b of subdivision six of section  
37 six hundred ninety-five-e of such law.

38 (ii) Excess distributions shall be deemed attributable to deductible  
39 contributions to the extent the amount of any such excess distribution,  
40 when added to all previous excess distributions from the account,  
41 exceeds the aggregate of all nondeductible contributions to the account.

42 S 5. Paragraphs 32 and 33 of subsection (c) of section 612 of the tax  
43 law, paragraph 32 as amended by chapter 81 of the laws of 2008 and para-  
44 graph 33 as added by chapter 546 of the laws of 1997, are amended to  
45 read as follows:

46 (32) Contributions made during the taxable year by an account owner to  
47 one or more family tuition accounts established under the New York state  
48 college choice tuition savings program provided for under article four-  
49 teen-A, OR TO A PRE-PAID TUITION ACCOUNT PURSUANT TO SECTION THREE  
50 HUNDRED FIFTY-FIVE-D of the education law, to the extent not deductible  
51 or eligible for credit for federal income tax purposes, provided, howev-  
52 er, the exclusion provided for in this paragraph shall not exceed [five]  
53 TEN thousand dollars for an individual or head of household, and for  
54 married couples who file joint tax returns, shall not exceed [ten] TWEN-  
55 TY thousand dollars; provided, further, that such exclusion shall be  
56 available only to the account owner and not to any other person.

1 (33) Distributions from a family tuition account established under the  
2 New York state college choice tuition savings program provided for under  
3 article fourteen-A, OR FROM A PRE-PAID TUITION ACCOUNT PURSUANT TO  
4 SECTION THREE HUNDRED FIFTY-FIVE-D of the education law, to the extent  
5 includible in gross income for federal income tax purposes.

6 S 6. This act shall take effect immediately and shall apply to taxable  
7 years commencing after December 31, 2014.

8 PART Y

9 Section 1. The education law is amended by adding a new section 6303-b  
10 to read as follows:

11 S 6303-B. RETRAIN AND EMPLOY UNEMPLOYED PERSONS PROGRAM. 1. DEFI-  
12 NITIONS. AS USED IN THIS SECTION THE FOLLOWING TERMS SHALL HAVE THE  
13 FOLLOWING MEANINGS.

14 (A) "GRANT PROGRAM" SHALL MEAN THE RETRAIN AND EMPLOY UNEMPLOYED  
15 PERSONS PROGRAM OR THE RE-UP NEW YORK PROGRAM.

16 (B) "TRAINING PROGRAM OR WORKFORCE DEVELOPMENT PROGRAM" SHALL MEAN THE  
17 COMMUNITY COLLEGE PROGRAMS CREATED OR IMPROVED PURSUANT TO THE GRANT  
18 PROGRAM.

19 (C) "BOCES" SHALL MEAN BOARDS OF COOPERATIVE EDUCATIONAL SERVICES AS  
20 DEFINED IN ARTICLE FORTY OF THIS CHAPTER.

21 2. BY NO LATER THAN JULY FIRST, TWO THOUSAND FIFTEEN THE STATE UNIVER-  
22 SITY BOARDS OF TRUSTEES AND THE CITY UNIVERSITY BOARDS OF TRUSTEES SHALL  
23 ESTABLISH A GRANT PROGRAM FOR COMMUNITY COLLEGES TO DEVELOP TRAINING  
24 PROGRAMS OR IMPROVE EXISTING WORKFORCE DEVELOPMENT PROGRAMS FOR THE  
25 PURPOSES OF TRAINING UNEMPLOYED INDIVIDUALS FOR JOBS IN THE REGIONS  
26 SURROUNDING EACH COMMUNITY COLLEGES.

27 3. GRANTS SHALL BE AWARDED PURSUANT TO APPROPRIATION IN AN AMOUNT UP  
28 TO FIVE HUNDRED THOUSAND DOLLARS TO COMMUNITY COLLEGES THAT CAN DEMON-  
29 STRATE THAT SUCH TRAINING PROGRAMS OR WORKFORCE DEVELOPMENT PROGRAMS  
30 WILL PROVIDE THE REQUISITE TRAINING REQUIRED FOR JOB PLACEMENT IN BUSI-  
31 NESSES AND INDUSTRIES WITHIN THE REGION THAT LACK THE NECESSARY WORK-  
32 FORCE OR THAT ARE SEEKING EMPLOYEES WITH NEW SKILLS IN AN AREA WHERE JOB  
33 OPENINGS CURRENTLY EXIST OR WHERE JOB GROWTH IS ANTICIPATED IN THE NEAR  
34 FUTURE.

35 4. TO BE ELIGIBLE TO RECEIVE A GRANT, A COMMUNITY COLLEGE MUST ALSO  
36 DEMONSTRATE THAT SUCH COMMUNITY COLLEGE: (A) HAS PARTNERED WITH REGIONAL  
37 BUSINESSES OR INDUSTRIES TO DETERMINE AREAS WHERE JOBS ARE AVAILABLE OR  
38 ARE ANTICIPATED TO BECOME AVAILABLE AND A SKILLED WORKFORCE IS NEEDED;  
39 AND (B) CONSULTS WITH THE DEPARTMENT OF LABOR TO TARGET UNEMPLOYED INDI-  
40 VIDUALS WHO SHALL BE GIVEN PRIORITY PLACEMENT INTO SUCH TRAINING  
41 PROGRAMS OR WORKFORCE DEVELOPMENT PROGRAMS.

42 5. UPON SUCCESSFUL PLACEMENT OF TRAINING PROGRAM OR WORKFORCE DEVELOP-  
43 MENT PROGRAM PARTICIPANTS, LOCAL BUSINESSES OR INDUSTRIES PARTNERING  
44 WITH COMMUNITY COLLEGES PURSUANT TO THIS GRANT PROGRAM SHALL REIMBURSE  
45 THE COMMUNITY COLLEGES FOR ONE THIRD OF THE COST OF SUCH EMPLOYEE TRAIN-  
46 ING.

47 6. COMMUNITY COLLEGES MAY SEEK TO PROVIDE ON-SITE TRAINING OR MAY SEEK  
48 TO HAVE PARTICIPANTS TRAINED ON JOB SITES.

49 7. THE COMMUNITY COLLEGE, IN CONSULTATION WITH LOCAL BUSINESS OR  
50 INDUSTRY, SHALL DETERMINE THE LENGTH OF SUCH TRAINING OR WORKFORCE  
51 DEVELOPMENT PROGRAM, PROVIDED THAT SUCH PROGRAM SHALL PROVIDE COMPETENCY  
52 FOR A PARTICULAR BUSINESS OR INDUSTRY NEED. SUCCESSFUL COMPLETION OF  
53 SUCH PROGRAMS SHALL BE SIGNIFIED BY THE RECEIPT OF A CERTIFICATE OF  
54 COMPLETION, HOWEVER, TRAINING OR WORKFORCE DEVELOPMENT PROGRAMS NEED NOT

1 LEAD TO DEGREES OR OFFICIAL CERTIFICATIONS PROVIDED BY THE DEPARTMENT OR  
2 THE DEPARTMENT OF STATE.

3 8. BEGINNING IN THE YEAR TWO THOUSAND SIXTEEN AND THEREAFTER, PURSUANT  
4 TO APPROPRIATION AND BASED ON THE AVAILABILITY OF FUNDS, COMMUNITY  
5 COLLEGES SHALL BE ELIGIBLE TO RECEIVE AN ADDITIONAL FIFTY THOUSAND  
6 DOLLARS IN ANY YEAR THAT MORE THAN FIFTY PERCENT OF ALL GRANT PROGRAM  
7 PARTICIPANTS TRAINED BECOME EMPLOYED.

8 9. SUNY AND CUNY BOARDS OF TRUSTEES SHALL ALSO CONSULT WITH REGIONAL  
9 BOCES TO DEVELOP OR IMPROVE CAREER TRAINING PROGRAMS THAT WILL PARTNER  
10 WITH COMMUNITY COLLEGES AND BUSINESS INDUSTRIES TO TRAIN MIDDLE SCHOOL  
11 OR HIGH SCHOOL STUDENTS. IN ORDER TO BE ELIGIBLE FOR A GRANT UNDER THIS  
12 SUBDIVISION, SUCH CAREER TRAINING PROGRAMS SHALL RESULT IN HIGH SCHOOL  
13 GRADUATION AND ENROLLMENT IN A COMMUNITY COLLEGE OR PARTICIPATION IN A  
14 RE-UP NEW YORK TRAINING OR WORKFORCE DEVELOPMENT PROGRAM. A PORTION OF  
15 THE FUNDING FOR THE BOCES, COMMUNITY COLLEGE AND INDUSTRY PARTNERSHIP  
16 MAY BE FUNDED BY THE PARTICIPATING BUSINESS OR INDUSTRY.

17 S 2. This act shall take effect immediately.

18

#### PART Z

19 Section 1. Subdivision 2 of section 355 of the education law is  
20 amended by adding a new paragraph f-1 to read as follows:

21 F-1. (1) THE STATE UNIVERSITY BOARD OF TRUSTEES, IN CONSULTATION WITH  
22 THE DEPARTMENT, SHALL: (I) IDENTIFY BACCALAUREATE DEGREE PROGRAMS THAT  
23 COULD BE OFFERED AT REDUCED RATES BY REQUIRING FEWER CREDITS FOR  
24 COMPLETION AND BY BEING PROVIDED EXCLUSIVELY AS ON-LINE PROGRAMS; AND  
25 (II) DEVELOP CRITERIA FOR THE CREATION OF AN ACCELERATED PROFICIENCY  
26 DEGREE (APD) TO BE OFFERED AT FOUR STATE UNIVERSITY OF NEW YORK STATE  
27 OPERATED INSTITUTIONS TO BE CHOSEN BY THE STATE UNIVERSITY BOARD OF  
28 TRUSTEES IN CONSULTATION WITH THE COLLEGE PRESIDENTS AND THE COLLEGE  
29 COUNCILS.

30 (2) APD PROGRAMS SHALL CONSIST OF CONCENTRATED COURSES OF STUDY THAT  
31 SHALL BE COMPLETED WITHIN THREE YEARS. APD PROGRAMS MAY ACCEPT AND MAY  
32 APPLY PREVIOUSLY EARNED CREDITS, EXPERIENCE CREDITS, MILITARY CREDITS,  
33 COMPETENCY BASED EDUCATION AS DEFINED BY FEDERAL REGULATION OR ANY OTHER  
34 CRITERIA THAT LEAD TO PROFICIENCY IN AN APD PROGRAM AREA TOWARD DEGREE  
35 COMPLETION.

36 (3) BEGINNING IN THE ACADEMIC YEAR TWO THOUSAND SIXTEEN--TWO THOUSAND  
37 SEVENTEEN, APD PROGRAMS SHALL BE OPEN TO ENROLLMENT.

38 (4) THE TOTAL COST OF TUITION AND FEES CHARGED TO THE STUDENT ENROLLED  
39 IN AN APD PROGRAM SHALL NOT EXCEED TWELVE THOUSAND DOLLARS.

40 S 2. This act shall take effect immediately.

41

#### PART AA

42 Section 1. Paragraphs 6 and 7 of subsection (c) of section 301 of the  
43 financial services law are amended and a new paragraph 8 is added to  
44 read as follows:

45 (6) providing technical assistance to local governments and not-for-  
46 profits in the development of consumer protection measures with respect  
47 to financial products and services; [and]

48 (7) continuing and expanding the detection, investigation and  
49 prevention of insurance fraud[.]; AND

50 (8) ESTABLISHING AND ADMINISTERING THE "STUDENT LENDING TRANSPARENCY  
51 PROGRAM" PURSUANT TO ARTICLE SIX OF THIS CHAPTER.

1 S 2. The financial services law is amended by adding a new article 6  
2 to read as follows:

3 ARTICLE 6

4 STUDENT LENDING TRANSPARENCY PROGRAM

5 SECTION 601. DEFINITIONS.

6 602. STUDENT LENDING TRANSPARENCY PROGRAM.

7 603. RULES AND REGULATIONS.

8 S 601. DEFINITIONS. THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEAN-  
9 INGS WHEN USED IN THIS ARTICLE:

10 (A) "PRIVATE STUDENT LOANS" SHALL MEAN A PRIVATE LOAN ISSUED BY A  
11 PRIVATE LENDING INSTITUTION FOR THE PURPOSES OF PAYING FOR OR FINANCING  
12 HIGHER EDUCATION EXPENSES.

13 (B) "PRIVATE LENDING INSTITUTIONS" OR "PRIVATE LENDERS" SHALL MEAN ANY  
14 PRIVATE ENTITY THAT ITSELF OR THROUGH AN AFFILIATE MAKES AVAILABLE  
15 STUDENT LOANS TO PAY FOR OR FINANCE HIGHER EDUCATION EXPENSES.

16 (C) "STUDENT BORROWER" SHALL MEAN ANY INDIVIDUAL WHO BORROWS MONEY  
17 FROM A PRIVATE LENDING INSTITUTION TO FINANCE HIGHER EDUCATION EXPENSES.

18 (D) "HIGHER EDUCATION EXPENSES" SHALL INCLUDE THE FOLLOWING:

19 (1) TUITION AND FEES;

20 (2) BOOKS AND SUPPLIES; AND

21 (3) ROOM AND BOARD.

22 S 602. STUDENT LENDING TRANSPARENCY PROGRAM. (A) THE SUPERINTENDENT  
23 SHALL ESTABLISH A PROGRAM TO COMPILE DATA RELATED TO PRIVATE STUDENT  
24 LOANS FOR THE PURPOSE OF COMPARING PRIVATE LENDING INSTITUTION'S STUDENT  
25 LOAN INTEREST RATES AND REPAYMENT PLANS, INCLUDING POLICIES RELATING TO  
26 DEFERMENT AND FORBEARANCE, DEFAULT POLICIES AND PENALTIES, AND ANY OTHER  
27 INFORMATION THAT THE SUPERINTENDENT DEEMS RELEVANT FOR THE PURPOSE OF  
28 CREATING A LIST OF PRIVATE LENDERS WHO PROVIDE THE LOWEST RATES AND BEST  
29 REPAYMENT OPTIONS ON STUDENT LOANS. SUCH LIST SHALL BE CREATED AND MAIN-  
30 TAINED BY THE SUPERINTENDENT OR HIS DESIGNEE AND SHALL BE PLACED ON AN  
31 EASILY ACCESSIBLE WEBSITE THAT SHALL BE MADE AVAILABLE TO BE LINKED TO  
32 THE WEBSITE OF THE HIGHER EDUCATION SERVICES CORPORATION PURSUANT TO  
33 SUBDIVISION THIRTEEN OF SECTION SIX HUNDRED FIFTY-FIVE OF THE EDUCATION  
34 LAW AND TO COLLEGES AND UNIVERSITIES WEBSITES PURSUANT TO ARTICLE FOUR-  
35 TEEN-B OF THE EDUCATION LAW.

36 (B) SUCH WEBSITE SHALL BE UPDATED ON A MONTHLY BASIS TO ENSURE THAT  
37 THE STUDENT LOAN INFORMATION IS CURRENT AND ACCURATE. THE SUPERINTENDENT  
38 OR HIS OR HER DESIGNEE SHALL COMPILE A LIST OF THE TOP TEN BEST PRIVATE  
39 LENDING INSTITUTIONS BASED UPON RATES AND POLICIES THAT ARE MOST FAVORA-  
40 BLE TO THE STUDENT BORROWER. THE SUPERINTENDENT MAY ALSO CONSIDER THE  
41 PRIVATE LENDING INSTITUTIONS POLICIES FOR ALLOWING A STUDENT BORROWER TO  
42 BORROW MORE THAN TEN PERCENT OVER SUCH STUDENT BORROWER'S TOTAL COST OF  
43 HIGHER EDUCATION EXPENSES WHEN DETERMINING IF A PRIVATE LENDING INSTITU-  
44 TION SHOULD BE PLACED ON SUCH LIST. INFORMATION PERTAINING TO LENDING  
45 INSTITUTIONS THAT DO NOT MAKE THE TOP TEN LIST SHALL ALSO BE POSTED ON  
46 SUCH WEBSITE AND THOSE LENDING INSTITUTIONS THAT PROVIDE THE WORST RATES  
47 AND STRICTEST REPAYMENT OPTIONS SHALL BE CLEARLY INDICATED.

48 S 603. RULES AND REGULATIONS. THE SUPERINTENDENT SHALL PROMULGATE ALL  
49 RULES AND REGULATIONS NECESSARY FOR THE IMPLEMENTATION OF THIS ARTICLE.

50 S 3. Section 655 of the education law is amended by adding a new  
51 subdivision 13 to read as follows:

52 13. TO CREATE A LINK ON THE CORPORATION'S WEBSITE TO THE DEPARTMENT OF  
53 FINANCIAL SERVICES WEBSITE PURSUANT TO SUBSECTION (A) OF SECTION SIX  
54 HUNDRED TWO OF THE FINANCIAL SERVICES LAW.

55 S 4. The education law is amended by adding a new article 14-B to read  
56 as follows:

## ARTICLE 14-B

## STUDENT LENDING TRANSPARENCY PROGRAM

SECTION 697. CREATION OF PROGRAM.

698. ACCESS TO INFORMATION.

699. LINKS TO DEPARTMENT OF FINANCIAL SERVICES.

S 697. CREATION OF PROGRAM. THE STUDENT LENDING TRANSPARENCY PROGRAM IS HEREBY ESTABLISHED TO ENSURE THAT NEW YORK STATE COLLEGES PROVIDE THE MOST ACCURATE AND TRANSPARENT INFORMATION WITH REGARD TO STUDENT LOANS.

S 698. ACCESS TO INFORMATION. NOTWITHSTANDING ANY OTHER LAW, RULE OR REGULATION TO THE CONTRARY, NEW YORK STATE COLLEGES AS DEFINED IN SECTION SIX HUNDRED ONE OF THIS TITLE, SHALL BE REQUIRED THROUGH THEIR FINANCIAL AID OFFICES TO PROVIDE TO PROSPECTIVE OR NEWLY ACCEPTED STUDENTS AND PARENTS CLEARLY OUTLINED AND EASY TO UNDERSTAND INFORMATION PERTAINING TO THE TOTAL COST OF ATTENDANCE AT THEIR INSTITUTION, THE APPROXIMATE OR ACTUAL TOTAL AMOUNT OF FINANCIAL AID THEY WOULD RECEIVE FROM SUCH INSTITUTION AND THE APPROXIMATE OR ACTUAL TOTAL AMOUNT OF STUDENT LOAN DEBT THEY WOULD ACCUMULATE OVER THE COURSE OF FOUR YEARS IF THEY ATTENDED SUCH COLLEGE. THE INFORMATION PROVIDED MUST ALSO INCLUDE STUDENT LOAN RATES, INFORMATION ON REPAYMENT PLANS AND DEFAULT RATES AND THE ACTUAL COST OF THE AVERAGE MONTHLY PAYMENT THAT WOULD BE REQUIRED UPON GRADUATION WHEN SUCH LOANS WOULD BECOME DUE.

S 699. LINKS TO DEPARTMENT OF FINANCIAL SERVICES. NEW YORK STATE COLLEGES THAT MAINTAIN AN OFFICIAL COLLEGE WEBSITE SHALL ALSO BE REQUIRED TO ADD A LINK ON EACH OF THEIR WEBSITES TO THE DEPARTMENT OF FINANCIAL SERVICES WEBSITE ON STUDENT LENDING TRANSPARENCY CREATED PURSUANT TO ARTICLE SIX OF THE FINANCIAL SERVICES LAW.

S 5. This act shall take effect on the one hundred eightieth day after it shall have become a law.

## PART BB

Section 1. Subdivision 5 of section 2556 of the education law, such section as renumbered by chapter 762 of the laws of 1950, is amended to read as follows:

5. It shall be unlawful for a schoolhouse to be constructed in the city of New York without an open-air playground attached to or used in connection with the same. EXISTING PLAYGROUNDS SHALL NOT BE SOLD, LEASED OR TRANSFERRED, OR PERMANENTLY AUTHORIZED FOR OTHER USES SUCH AS SCHOOL BUILDING CONSTRUCTION, RENOVATION, PLACEMENT OR STORAGE OF BUILDING MATERIALS FOR SUCH WORK THAT WOULD ELIMINATE THE USE OF SUCH PLAYGROUND SPACE FOR OUTDOOR RECREATIONAL ACTIVITIES UNLESS A PLAN IS ESTABLISHED AND IMPLEMENTED TO PROVIDE SUITABLE AND ADEQUATE PHYSICAL ACTIVITIES OR SPACE TO ACCOMMODATE THE PHYSICAL AND RECREATIONAL NEEDS OF THE PUPILS OF SUCH BUILDING. THE PROVISIONS OF THIS SUBDIVISION SHALL NOT APPLY TO SCHOOL CONSTRUCTION OR RENOVATION ACTIVITIES THAT OCCUR ON OR REQUIRE THE USE OF SUCH PLAYGROUNDS FOR A DURATION OF NO MORE THAN ONE YEAR.

S 2. This act shall take effect on the one hundred eightieth day after it shall have become a law; provided however, that the commissioner of education is authorized and directed to promulgate any rules or regulations necessary for the timely implementation of this act on or before such date.

## PART CC

1 Section 1. The private housing finance law is amended by adding a new  
2 article 28 to read as follows:

3 ARTICLE XXVIII

4 NEW YORK ACCESS TO HOME FOR HEROES PROGRAM

5 SECTION 1240. STATEMENT OF LEGISLATIVE FINDINGS AND PURPOSE.

6 1241. DEFINITIONS.

7 1242. ACCESS TO HOME FOR HEROES CONTRACTS.

8 S 1240. STATEMENT OF LEGISLATIVE FINDINGS AND PURPOSE. THE LEGISLATURE  
9 HEREBY FINDS AND DECLARES THAT MANY DISABLED VETERANS IN NEW YORK STATE  
10 FACE A SIGNIFICANT IMPEDIMENT TO ACCESSIBLE AND AFFORDABLE HOUSING AS A  
11 RESULT OF SERVICE RELATED INJURIES, AGE OR HEALTH RELATED DISABILITIES.  
12 THESE MEN AND WOMEN HAVE SERVED OUR COUNTRY AND STATE WITH HONOR AND  
13 DISTINCTION AND DESERVE TO ACHIEVE MAXIMUM INDEPENDENCE, SOCIAL INTER-  
14 ACTION AND COMMUNITY INTEGRATION. PROVIDING FINANCIAL ASSISTANCE WITH  
15 THE COST OF ADAPTING THE DWELLING UNITS OF OUR DISABLED VETERANS, IS  
16 FUNDAMENTAL TO PROVIDING FOR THE PROMISE OF LIVING SAFELY, COMFORTABLY  
17 AND PRODUCTIVELY IN THE MOST INTEGRATED SETTING OF THEIR CHOICE.

18 S 1241. DEFINITIONS. AS USED IN THIS ARTICLE: 1. "CORPORATION" SHALL  
19 MEAN THE HOUSING TRUST FUND CORPORATION ESTABLISHED IN SECTION  
20 FORTY-FIVE-A OF THIS CHAPTER.

21 2. "ELIGIBLE APPLICANT" SHALL MEAN A CITY, TOWN, VILLAGE OR  
22 NOT-FOR-PROFIT CORPORATION IN EXISTENCE FOR A PERIOD OF ONE OR MORE  
23 YEARS PRIOR TO APPLICATION, WHICH IS, OR WILL BE AT THE TIME OF AWARD,  
24 INCORPORATED UNDER THE NOT-FOR-PROFIT CORPORATION LAW AND HAS SUBSTAN-  
25 TIAL EXPERIENCE IN ADAPTING OR RETROFITTING HOMES FOR PERSONS WITH DISA-  
26 BILITIES.

27 3. "VETERAN" SHALL MEAN A RESIDENT OF THIS STATE, WHO HAS SERVED ON  
28 ACTIVE DUTY IN THE UNITED STATES ARMY, NAVY, AIR FORCE, MARINE CORPS,  
29 COAST GUARD, AND/OR THE ARMY NATIONAL GUARD, AIR NATIONAL GUARD, NEW  
30 YORK GUARD AND/OR THE NEW YORK NAVAL MILITIA, WHO HAS BEEN RELEASED FROM  
31 SUCH SERVICE BY HONORABLE DISCHARGE OR GENERAL DISCHARGE.

32 4. "DISABLED VETERAN" SHALL MEAN A VETERAN WHO IS CERTIFIED BY THE  
33 UNITED STATES DEPARTMENT OF VETERANS AFFAIRS OR THE DEPARTMENT OF  
34 DEFENSE AS ENTITLED TO RECEIVE DISABILITY PAYMENTS UPON THE CERTIF-  
35 ICATION OF SUCH DEPARTMENT FOR A DISABILITY INCURRED BY HIM OR HER IN  
36 TIME OF WAR.

37 5. "ACCESS TO HOME FOR HEROES PROGRAMS" OR "PROGRAMS" SHALL MEAN A  
38 SERIES OF ACTIVITIES BY AN ELIGIBLE APPLICANT TO ADMINISTER FUNDS TO  
39 PROVIDE GRANTS TO HOMEOWNERS AND RENTERS AND TO OVERSEE THE ADAPTATION  
40 OR RETROFITTING OF ELIGIBLE PROPERTIES.

41 6. "ELIGIBLE PROPERTY" SHALL MEAN A HOUSING UNIT THAT IS THE PRIMARY  
42 RESIDENCE OF A DISABLED VETERAN OR VETERAN WITH A PHYSICAL DISABILITY  
43 AND A TOTAL HOUSEHOLD INCOME THAT DOES NOT EXCEED ONE HUNDRED AND TWENTY  
44 PERCENT OF AREA MEDIAN INCOME. A PROPERTY SHALL NOT BE CONSIDERED AN  
45 ELIGIBLE PROPERTY IF THE OWNER OF THE PROPERTY IS OTHERWISE OBLIGATED BY  
46 FEDERAL, STATE OR LOCAL LAW TO PROVIDE THE IMPROVEMENTS FUNDED UNDER  
47 THIS ARTICLE.

48 S 1242. ACCESS TO HOME FOR HEROES CONTRACTS. 1. WITHIN THE LIMIT OF  
49 FUNDS AVAILABLE IN THE ACCESS TO HOME FOR HEROES PROGRAM, THE CORPO-  
50 RATION IS HEREBY AUTHORIZED TO ENTER INTO CONTRACTS WITH ELIGIBLE APPLI-  
51 CANTS TO PROVIDE FINANCIAL ASSISTANCE FOR THE ACTUAL COSTS OF AN ACCESS  
52 TO HOME FOR HEROES PROGRAM. THE FINANCIAL ASSISTANCE SHALL BE IN THE  
53 FORM OF GRANTS. NO MORE THAN FIFTY PERCENT OF THE TOTAL AMOUNT AWARDED  
54 PURSUANT TO THIS ARTICLE IS ANY FISCAL YEAR SHALL BE ALLOCATED TO ACCESS  
55 TO HOME PROGRAMS LOCATED WITHIN ANY SINGLE MUNICIPALITY. THE CORPORATION  
56 SHALL MAKE A CONCERTED EFFORT TO PROVIDE GEOGRAPHIC DISTRIBUTION IN THE

1 AWARDING OF PROGRAM FUNDS TO AFFORD MAXIMUM STATEWIDE IMPACT FOR DISA-  
2 BLED VETERANS.

3 2. THE TOTAL PAYMENT PURSUANT TO ANY ONE CONTRACT SHALL NOT EXCEED  
4 FIVE HUNDRED THOUSAND DOLLARS AND THE CONTRACT SHALL PROVIDE FOR  
5 COMPLETION OF THE PROGRAM WITHIN A REASONABLE PERIOD, AS SPECIFIED THER-  
6 EIN, WHICH SHALL NOT IN ANY EVENT EXCEED THREE YEARS FROM ITS COMMENCE-  
7 MENT. UPON REQUEST, THE CORPORATION MAY EXTEND THE TERM OF THE CONTRACT  
8 FOR UP TO TWO ADDITIONAL ONE YEAR PERIODS FOR GOOD CAUSE SHOWN BY THE  
9 ELIGIBLE APPLICANT.

10 3. THE CORPORATION MAY AUTHORIZE THE ELIGIBLE APPLICANT TO SPEND UP TO  
11 SEVEN AND ONE-HALF PERCENT OF THE CONTRACT AMOUNT FOR APPROVED ADMINIS-  
12 TRATIVE COSTS ASSOCIATED WITH ADMINISTERING THE PROGRAM.

13 4. THE CORPORATION SHALL REQUIRE THAT, IN ORDER TO RECEIVE FUNDS  
14 PURSUANT TO THIS ARTICLE, THE ELIGIBLE APPLICANT SHALL SUBMIT A PLAN  
15 WHICH SHALL INCLUDE, BUT NOT BE LIMITED TO, PROGRAM FEASIBILITY, IMPACT  
16 ON THE COMMUNITY, BUDGET FOR EXPENDITURE OF PROGRAM FUNDS, A SCHEDULE  
17 FOR COMPLETION OF THE PROGRAM, AFFIRMATIVE ACTION AND MINORITY BUSINESS  
18 PARTICIPATION.

19 S 2. This act shall take effect immediately.

20

PART DD

21 Section 1. The education law is amended by adding a new section 679-f  
22 to read as follows:

23 S 679-F. NEW YORK STATE YOUNG FARMERS LOAN FORGIVENESS INCENTIVE  
24 PROGRAM. 1. PURPOSE. THE PRESIDENT SHALL GRANT STUDENT LOAN FORGIVENESS  
25 AWARDS FOR THE PURPOSE OF ALLEVIATING THE BURDEN OF STUDENT LOAN DEBT  
26 FOR YOUNG FARMERS. SUCH AWARDS SHALL BE MADE ON A COMPETITIVE BASIS, IN  
27 ACCORDANCE WITH RULES AND REGULATIONS PROMULGATED BY THE CORPORATION FOR  
28 SUCH PURPOSES, TO APPLICANTS WHO MEET THE ELIGIBILITY CRITERIA. SUCH  
29 RULES AND REGULATIONS SHALL INCLUDE PROVISIONS FOR THE CONSIDERATION OF  
30 APPLICANTS WHO ARE ECONOMICALLY DISADVANTAGED.

31 2. ELIGIBILITY. TO BE ELIGIBLE FOR AN AWARD PURSUANT TO THIS SECTION,  
32 APPLICANTS SHALL: (A) HAVE GRADUATED AND OBTAINED A DEGREE FROM AN  
33 APPROVED NEW YORK STATE COLLEGE OR UNIVERSITY; (B) HAVE AN OUTSTANDING  
34 STUDENT LOAN DEBT FROM OBTAINING SUCH DEGREE; (C) OPERATE A FARM IN NEW  
35 YORK STATE ON A FULL-TIME BASIS; (D) AGREE TO OPERATE SUCH FARM FOR THE  
36 DURATION OF NO LESS THAN FIVE YEARS; (E) APPLY FOR THIS PROGRAM WITHIN  
37 TWO YEARS OF COLLEGE GRADUATION; AND (F) COMPLY WITH SUBDIVISIONS THREE  
38 AND FIVE OF SECTION SIX HUNDRED SIXTY-ONE OF THIS PART.

39 3. AWARDS. NO GREATER THAN TEN AWARDS SHALL BE GRANTED TO QUALIFIED  
40 APPLICANTS IN THE AMOUNT OF UP TO TEN THOUSAND DOLLARS PER YEAR, PER  
41 APPLICANT, NOT TO EXCEED A DURATION OF FIVE YEARS AND NOT TO EXCEED THE  
42 TOTAL AMOUNT OF SUCH APPLICANT'S STUDENT LOAN DEBT. THE CORPORATION  
43 SHALL GRANT SUCH AWARDS WITHIN AMOUNTS APPROPRIATED FOR SUCH PURPOSES  
44 AND BASED ON THE AVAILABILITY OF FUNDS. NO ONE APPLICANT SHALL RECEIVE  
45 MORE THAN A TOTAL OF FIFTY THOUSAND DOLLARS UPON THE END OF A FIVE YEAR  
46 PERIOD.

47 4. PRIORITY. FIRST PRIORITY SHALL BE GIVEN TO APPLICANTS WHO ARE  
48 COMPLETING THE SECOND, THIRD, FOURTH OR FIFTH YEAR OF FULL-TIME FARM  
49 OPERATION AND ARE RE-APPLYING TO RECEIVE AN AWARD UNDER THIS PROGRAM.  
50 SECOND PRIORITY SHALL BE GIVEN TO AN APPLICANT WHO CAN DEMONSTRATE  
51 ECONOMIC NEED BUT DID NOT RECEIVE AN AWARD DURING THE FIRST YEAR OF THIS  
52 PROGRAM'S OPERATION. IF LARGER NUMBERS OF APPLICANTS ARE ELIGIBLE PURSU-  
53 ANT TO THIS SUBDIVISION THAN FUNDS AVAILABLE, APPLICANTS SHALL BE CHOSEN  
54 PURSUANT TO RULES AND REGULATIONS PROMULGATED BY THE CORPORATION.

1 PROVIDED, HOWEVER, THAT EACH APPLICANT CHOSEN SHALL RECEIVE AN AWARD OF  
2 UP TO TEN THOUSAND DOLLARS IN EACH YEAR SUCH APPLICANT IS ACCEPTED INTO  
3 THE PROGRAM.

4 S 2. This act shall take effect on the one hundred eightieth day after  
5 it shall have become a law; provided, however that any rules or regu-  
6 lations necessary for the timely implementation of this act on its  
7 effective date may be promulgated on or before such effective date.

8 PART EE

9 Section 1. Article 13 of the executive law is amended by adding a new  
10 section 260-a to read as follows:

11 S 260-A. INTER-AGENCY AFFORDABLE HOUSING DEVELOPMENT TASK FORCE. 1.  
12 THERE SHALL BE ESTABLISHED AN INTER-AGENCY AFFORDABLE HOUSING TASK FORCE  
13 TO IDENTIFY HOW STATE AGENCIES, PUBLIC AUTHORITIES AND MUNICIPALITIES  
14 CAN ASSIST IN THE CREATION OF ADDITIONAL AFFORDABLE HOUSING THROUGH THE  
15 EASING OF REGULATORY BURDENS, AND MAKING VACANT OR UNDERUTILIZED PUBLIC  
16 ASSETS SUITABLE FOR AFFORDABLE HOUSING DEVELOPMENT AVAILABLE TO ENTITIES  
17 THAT DEVELOP AFFORDABLE HOUSING.

18 2. AS USED IN THIS SECTION:

19 (A) "METROPOLITAN TRANSPORTATION AUTHORITY" MEANS THE PUBLIC AUTHORITY  
20 ESTABLISHED PURSUANT TO TITLE ELEVEN OF ARTICLE FIVE OF THE PUBLIC  
21 AUTHORITIES LAW, AND ITS SUBSIDIARIES, THE LONG ISLAND RAIL ROAD,  
22 METRO-NORTH RAILROAD, METROPOLITAN SUBURBAN BUS AUTHORITY, STATEN ISLAND  
23 RAPID TRANSIT OPERATING AUTHORITY, TRIBOROUGH BRIDGE AND TUNNEL AUTHORI-  
24 TY, NEW YORK CITY TRANSIT AUTHORITY AND ITS SUBSIDIARIES, AND MANHATTAN  
25 AND BRONX SURFACE TRANSIT OPERATING AUTHORITY; AND ANY OTHER AUTHORITY  
26 WHICH IS SUBJECT TO THE CUSTODY OR CONTROL OF THE METROPOLITAN TRANSPOR-  
27 TATION AUTHORITY.

28 (B) "TASK FORCE" MEANS THE INTER-AGENCY AFFORDABLE HOUSING DEVELOPMENT  
29 TASK FORCE ESTABLISHED PURSUANT TO THIS SECTION.

30 (C) "UNDERUTILIZED PROPERTY" MEANS VACANT OR ABANDONED LAND OR SPACE  
31 IN A BROWNFIELD SITE AS DEFINED IN ARTICLE TWENTY-SEVEN OF THE ENVIRON-  
32 MENTAL CONSERVATION LAW, OR A DISTRESSED OR ABANDONED PROPERTY, WHICH  
33 SHALL BE DETERMINED BY FACTORS INCLUDING POVERTY, IDENTIFIED BY THE  
34 COUNTY, TOWN, VILLAGE OR CITY THAT CONTAINS SUCH DISTRESSED OR ABANDONED  
35 PROPERTY.

36 (D) "VACANT LAND" MEANS LAND, INCLUDING LAND UNDER WATER, WHICH  
37 CONTAINS NO ENCLOSED, PERMANENT IMPROVEMENT. A FENCE, SHED, GARAGE,  
38 ATTENDANT'S BOOTH, PAVING, PIER, BULKHEAD, LIGHTING FIXTURES AND SIMILAR  
39 ITEMS, OR ANY IMPROVEMENT HAVING AN ASSESSED VALUE OF LESS THAN TWO  
40 THOUSAND DOLLARS SHALL NOT CONSTITUTE AN ENCLOSED, PERMANENT IMPROVE-  
41 MENT.

42 3. THE TASK FORCE SHALL BE CO-CHAIRLED BY THE COMMISSIONER OF GENERAL  
43 SERVICES AND THE COMMISSIONER OF HOUSING AND COMMUNITY RENEWAL, OR BY  
44 THEIR DESIGNEES. THE REMAINING MEMBERSHIP OF THE TASK FORCE SHALL  
45 CONSIST OF SUCH MEMBERS AS ARE APPOINTED BY THE CO-CHAIRS WHO ARE DEEMED  
46 TO BE NECESSARY TO CARRY OUT THE DUTIES OF THE TASK FORCE. THE MEMBER-  
47 SHIP OF THE TASK FORCE MAY INCLUDE REPRESENTATION FROM APPROPRIATE STATE  
48 AGENCIES.

49 4. THE MEMBERS OF THE TASK FORCE SHALL RECEIVE NO ADDITIONAL COMPEN-  
50 SATION FOR THEIR SERVICES, BUT SHALL BE ALLOWED THEIR ACTUAL AND NECES-  
51 SARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES PURSUANT TO  
52 THIS SECTION.

1 5. THE CO-CHAIRS MAY REQUEST SUCH ASSISTANCE FROM STATE AGENCIES AND  
2 PUBLIC AUTHORITIES AS SHALL BE NECESSARY TO CARRY OUT THE DUTIES OF THE  
3 TASK FORCE.

4 6. THE TASK FORCE SHALL:

5 (A) CREATE A LIST OF ALL VACANT LAND AND UNDERUTILIZED PROPERTY OWNED  
6 BY THE STATE OR ANY STATE AGENCY DEEMED APPROPRIATE FOR THE DEVELOPMENT  
7 OF AFFORDABLE HOUSING. THE LIST SHALL INCLUDE AN ESTIMATE OF THE VALUE  
8 OF THESE LANDS OR PROPERTIES. THE LIST MAY INCLUDE ANY OTHER PARCELS OF  
9 LAND OR PROPERTIES OWNED BY THE STATE OR ANY STATE AGENCY ALSO DEEMED  
10 APPROPRIATE FOR THE DEVELOPMENT OF AFFORDABLE HOUSING BY THE CO-CHAIRS;

11 (B) REQUEST FROM THE METROPOLITAN TRANSPORTATION AUTHORITY, NEW YORK  
12 CITY HOUSING AUTHORITY, PORT AUTHORITY OF NEW YORK AND NEW JERSEY AND  
13 THE NEW YORK STATE THRUWAY AUTHORITY A LIST OF VACANT LANDS OR UNDERUTI-  
14 LIZED PROPERTIES OWNED BY SUCH AUTHORITIES. SUCH LISTS SHALL INCLUDE AN  
15 ESTIMATE OF THE VALUE OF THESE LANDS AND PROPERTIES. THE CO-CHAIRS SHALL  
16 DETERMINE WHICH LANDS OR PROPERTIES ARE DEEMED APPROPRIATE FOR THE  
17 DEVELOPMENT OF AFFORDABLE HOUSING AND ADD THEM TO THE LIST CREATED  
18 PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION;

19 (C) REQUEST FROM ANY CITY WITH A POPULATION GREATER THAN ONE MILLION A  
20 LIST OF VACANT LANDS AND UNDERUTILIZED PROPERTIES OWNED BY SUCH CITY.  
21 THESE LISTS SHALL INCLUDE AN ESTIMATE OF THE VALUE OF SUCH LANDS AND  
22 PROPERTIES. THE CO-CHAIRS SHALL DETERMINE WHICH LANDS OR PROPERTIES ARE  
23 DEEMED APPROPRIATE FOR THE DEVELOPMENT OF AFFORDABLE HOUSING AND ADD  
24 THEM TO THE LIST CREATED PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION;

25 (D) AT THE DISCRETION OF THE CO-CHAIRS, REQUEST A LIST OF VACANT LANDS  
26 AND UNDERUTILIZED PROPERTIES OWNED BY ANY PUBLIC AUTHORITY ESTABLISHED  
27 UNDER THE PUBLIC AUTHORITIES LAW, ANY HOUSING AUTHORITY ESTABLISHED  
28 UNDER THE PUBLIC HOUSING LAW AND ANY MUNICIPALITY. THESE LISTS SHALL  
29 INCLUDE AN ESTIMATE OF THE VALUE OF THESE LANDS OR PROPERTIES. THE  
30 CO-CHAIRS SHALL DETERMINE WHICH LANDS OR PROPERTIES ARE DEEMED APPROPRI-  
31 ATE FOR THE DEVELOPMENT OF AFFORDABLE HOUSING AND ADD THEM TO THE LIST  
32 CREATED PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION; AND

33 (E) ISSUE A REPORT WITH RECOMMENDATIONS ON CHANGES IN LAWS, RULES AND  
34 REGULATIONS THE STATE, ITS AGENCIES, PUBLIC AUTHORITIES AND MUNICI-  
35 PALITIES CAN UNDERTAKE TO FACILITATE THE CONSTRUCTION OF MORE AFFORDABLE  
36 HOUSING IN THIS STATE. IN ORDER TO COMPLETE THIS REPORT THE TASK FORCE  
37 MAY:

38 (I) EXAMINE THE EXISTING STATUTES, REGULATIONS AND RULES GOVERNING THE  
39 TRANSFER OR SALE OF PUBLICLY OWNED LANDS AND PROPERTIES,

40 (II) EXAMINE THE EFFECT OF LOCAL ZONING CODES, LAND USE LAWS OR OTHER  
41 MUNICIPAL POLICIES ON THE DEVELOPMENT OF AFFORDABLE HOUSING, AND

42 (III) INVESTIGATE ANY OTHER STATE POLICIES THAT AFFECT THE DEVELOPMENT  
43 OF AFFORDABLE HOUSING IN THE STATE.

44 7. THE TASK FORCE SHALL, WITHIN ONE YEAR OF THE EFFECTIVE DATE OF THIS  
45 SECTION, ISSUE TO THE PUBLIC, AND SUBMIT TO THE GOVERNOR, TEMPORARY  
46 PRESIDENT OF THE SENATE, SPEAKER OF THE ASSEMBLY, CHAIR OF THE SENATE  
47 FINANCE COMMITTEE, CHAIR OF THE ASSEMBLY WAYS AND MEANS COMMITTEE, AND  
48 CHAIRS OF THE SENATE AND ASSEMBLY HOUSING COMMITTEES A REPORT OF ITS  
49 FINDINGS, CONCLUSIONS AND RECOMMENDATIONS, ALONG WITH THE LIST OF LANDS  
50 AND PROPERTIES DEEMED APPROPRIATE FOR THE DEVELOPMENT OF AFFORDABLE  
51 HOUSING.

52 S 2. This act shall take effect on the sixtieth day after it shall  
53 have become a law, and shall expire and be deemed repealed 14 months  
54 after it shall take effect.

1 Section 1. Paragraph a of subdivision 3 of section 467-b of the real  
2 property tax law, as separately amended by chapters 188 and 205 of the  
3 laws of 2005, is amended to read as follows:

4 a. for a dwelling unit where the head of the household is a person  
5 sixty-two years of age or older, no tax abatement shall be granted if  
6 the combined income of all members of the household for the income tax  
7 year immediately preceding the date of making application exceeds four  
8 thousand dollars, or such other sum not more than twenty-five thousand  
9 dollars beginning July first, two thousand five, twenty-six thousand  
10 dollars beginning July first, two thousand six, twenty-seven thousand  
11 dollars beginning July first, two thousand seven, twenty-eight thousand  
12 dollars beginning July first, two thousand eight, [and] twenty-nine  
13 thousand dollars beginning July first, two thousand nine, AND FIFTY  
14 THOUSAND DOLLARS BEGINNING JULY FIRST, TWO THOUSAND FOURTEEN, as may be  
15 provided by the local law, ordinance or resolution adopted pursuant to  
16 this section, provided that when the head of the household retires  
17 before the commencement of such income tax year and the date of filing  
18 the application, the income for such year may be adjusted by excluding  
19 salary or earnings and projecting his or her retirement income over the  
20 entire period of such year.

21 S 2. Subparagraph 1 of paragraph d of subdivision 1 of section 467-c  
22 of the real property tax law, as separately amended by chapters 188 and  
23 205 of the laws of 2005, is amended to read as follows:

24 (1) a person or his or her spouse who is sixty-two years of age or  
25 older and is entitled to the possession or to the use and occupancy of a  
26 dwelling unit, provided, however, with respect to a dwelling which was  
27 subject to a mortgage insured or initially insured by the federal  
28 government pursuant to section two hundred thirteen of the National  
29 Housing Act, as amended "eligible head of the household" shall be limit-  
30 ed to that person or his or her spouse who was entitled to possession or  
31 the use and occupancy of such dwelling unit at the time of termination  
32 of such mortgage, and whose income when combined with the income of all  
33 other members of the household, does not exceed six thousand five  
34 hundred dollars for the taxable period, or such other sum not less than  
35 sixty-five hundred dollars nor more than twenty-five thousand dollars  
36 beginning July first, two thousand five, twenty-six thousand dollars  
37 beginning July first, two thousand six, twenty-seven thousand dollars  
38 beginning July first, two thousand seven, twenty-eight thousand dollars  
39 beginning July first, two thousand eight, [and] twenty-nine thousand  
40 dollars beginning July first, two thousand nine, AND FIFTY THOUSAND  
41 DOLLARS BEGINNING JULY FIRST, TWO THOUSAND FOURTEEN, as may be provided  
42 by local law; or

43 S 3. This act shall take effect immediately; provided that the amend-  
44 ment to section 467-b of the real property tax law made by section one  
45 of this act shall not affect the expiration of such section and shall be  
46 deemed to expire therewith.

47 PART GG

48 Section 1. Section 59-a of the private housing finance law, as added  
49 by chapter 67 of the laws of 1985, is amended to read as follows:

50 S 59-a. Housing trust fund account. The housing trust fund corporation  
51 created by section forty-five-a of this chapter shall create and estab-  
52 lish a special account to be known as the housing trust fund account and  
53 shall pay into such account any moneys which may be made available to  
54 such corporation for the purposes of such account from any source

1 including but not limited to moneys appropriated by and made available  
 2 pursuant to appropriation by the state and any income or interest earned  
 3 by, or increment to, the account due to the investment thereof or loans  
 4 made pursuant to [article] ARTICLES eighteen AND TWENTY-EIGHT of this  
 5 chapter. The moneys held in or credited to the housing trust fund  
 6 account established under this section shall be expended solely to carry  
 7 out the provisions of [article] ARTICLES eighteen AND TWENTY-EIGHT of  
 8 this chapter.

9 S 2. The private housing finance law is amended by adding a new arti-  
 10 cle XXVIII to read as follows:

11 ARTICLE XXVIII

12 MITCHELL-LAMA 2020 HOUSING TRUST FUND PROGRAM

13 SECTION 1240. STATEMENT OF LEGISLATIVE FINDINGS AND PURPOSE.

14 1241. DEFINITIONS.

15 1242. COOPERATIVE OR CONDOMINIUM, HOMESTEADING AND RENTAL  
 16 CONTRACTS.

17 1243. GENERAL AND ADMINISTRATIVE PROVISIONS.

18 S 1240. STATEMENT OF LEGISLATIVE FINDINGS AND PURPOSE. THE LEGISLATURE  
 19 HEREBY FINDS AND DECLARES THAT THERE IS INCREASINGLY A SHORTAGE OF  
 20 AFFORDABLE HOUSING IN THE STATE FOR PERSONS OF MODERATE AND MIDDLE  
 21 INCOME; THAT THE COST OF PROVIDING SUCH HOUSING WITHOUT PUBLIC PARTIC-  
 22 IPATION AND ASSISTANCE IS PROHIBITIVE IN MANY PARTS OF THE STATE; THAT  
 23 THE FEDERAL GOVERNMENT DOES NOT MAKE FUNDS AVAILABLE FOR CREATING THIS  
 24 KIND OF HOUSING AND THUS THE STATE MUST TAKE A LEADING ROLE; THAT THE  
 25 PURPOSES OF THIS ARTICLE SHOULD BE SERVED BY PROVIDING FOR NEW HOUSING  
 26 FOR PERSONS OF MODERATE AND MIDDLE INCOME THROUGH NEW CONSTRUCTION OR  
 27 THROUGH REHABILITATION OF EXISTING PROPERTIES DEPENDING ON WHICH  
 28 PROJECTS ARE MOST COST EFFICIENT; THAT THE CARRYING OUT OF SUCH PROJECTS  
 29 SERVES A SIGNIFICANT PUBLIC PURPOSE AND MAY APPROPRIATELY BE PERFORMED  
 30 BY ELIGIBLE APPLICANTS; THAT PAYMENT FOR SUCH SERVICES, TAX EXEMPTIONS  
 31 AND OTHER PUBLIC PARTICIPATION IN SUCH PROJECTS WOULD BRING DOWN THE  
 32 COST OF SUCH HOUSING AND MAKE IT AFFORDABLE TO PERSONS OF MODERATE AND  
 33 MIDDLE INCOME; AND THAT IT IS THE POLICY OF THE STATE TO PRESERVE AND  
 34 CREATE SUCH HOUSING IN ORDER TO MAINTAIN THE ECONOMIC VIABILITY AND MAIN  
 35 TAX BASE OF OUR MUNICIPALITIES AND STATE. THE LEGISLATURE THEREFORE  
 36 FINDS THAT A PROGRAM SHOULD BE ESTABLISHED TO PROVIDE MONIES FOR THE  
 37 REHABILITATION AND CONSTRUCTION OF THESE PROPERTIES BY ELIGIBLE APPLI-  
 38 CANTS TO PROMOTE THE PRESERVATION AND CREATION OF AFFORDABLE HOUSING FOR  
 39 PERSONS OF MODERATE AND MIDDLE INCOME.

40 IT IS INTENDED THAT ANY PAYMENTS, GRANTS OR LOANS PROVIDED TO MUNICI-  
 41 PALITIES PURSUANT TO THIS ARTICLE NOT SUBSTITUTE FOR FUNDS WHICH SUCH  
 42 MUNICIPALITIES WOULD HAVE SPENT IN THE ABSENCE OF THIS ARTICLE AND THAT  
 43 SUCH PAYMENTS, GRANTS AND LOANS WILL ENABLE SUCH MUNICIPALITIES TO  
 44 EXPAND THEIR COMMITMENT TO INCREASE THE SUPPLY OF AFFORDABLE MIDDLE  
 45 INCOME HOUSING TO LEVELS GREATER THAN WOULD HAVE BEEN POSSIBLE WITHOUT  
 46 THIS ARTICLE.

47 S 1241. DEFINITIONS. FOR THE PURPOSES OF THIS ARTICLE:

48 1. "COMMISSIONER" SHALL BE AS SUCH TERM IS DEFINED IN SUBDIVISION ONE  
 49 OF SECTION ELEVEN HUNDRED ONE OF THIS CHAPTER.

50 2. "CORPORATION" SHALL BE AS SUCH TERM IS DEFINED IN SUBDIVISION TWO  
 51 OF SECTION ELEVEN HUNDRED ONE OF THIS CHAPTER.

52 3. "REHABILITATION" SHALL BE AS SUCH TERM IS DEFINED IN SUBDIVISION  
 53 THREE OF SECTION ELEVEN HUNDRED ONE OF THIS CHAPTER.

54 4. "COOPERATIVE PROJECT" OR "CONDOMINIUM PROJECT" SHALL BE AS SUCH  
 55 TERM IS DEFINED IN SUBDIVISION FOUR OF SECTION ELEVEN HUNDRED ONE OF  
 56 THIS CHAPTER.

1 5. "HOMESTEADING PROJECT" SHALL BE AS SUCH TERM IS DEFINED IN SUBDIVI-  
2 SION FIVE OF SECTION ELEVEN HUNDRED ONE OF THIS CHAPTER.

3 6. "RENTAL PROJECT" SHALL BE AS SUCH TERM IS DEFINED IN SUBDIVISION  
4 SIX OF SECTION ELEVEN HUNDRED ONE OF THIS CHAPTER.

5 7. "ELIGIBLE APPLICANT" SHALL MEAN A PERSON OF MODERATE OR MIDDLE  
6 INCOME, A HOUSING DEVELOPMENT FUND COMPANY INCORPORATED PURSUANT TO  
7 ARTICLE ELEVEN OF THIS CHAPTER, A LIMITED PROFIT HOUSING COMPANY INCOR-  
8 PORATED PURSUANT TO ARTICLE TWO OF THIS CHAPTER, A LIMITED DIVIDEND  
9 HOUSING COMPANY INCORPORATED PURSUANT TO ARTICLE FOUR OF THIS CHAPTER, A  
10 NOT-FOR-PROFIT CORPORATION OR CHARITABLE ORGANIZATION WHICH HAS AS ONE  
11 OF ITS PRIMARY PURPOSES THE IMPROVEMENT OF HOUSING FOR PERSONS OF LOW  
12 INCOME, A WHOLLY-OWNED SUBSIDIARY OF SUCH A CORPORATION OR ORGANIZATION,  
13 A PARTNERSHIP AT LEAST FIFTY PERCENT OF THE CONTROLLING INTEREST OF  
14 WHICH IS HELD BY SUCH A CORPORATION OR ORGANIZATION AND WHICH HAS AGREED  
15 TO LIMIT PROFITS OR RATE OF RETURN OF INVESTORS IN ACCORDANCE WITH A  
16 FORMULA ESTABLISHED OR APPROVED BY THE CORPORATION OR A PRIVATE DEVELOP-  
17 ER WHICH HAS AGREED TO LIMIT PROFITS OR RATE OF RETURN OF INVESTORS IN  
18 ACCORDANCE WITH A FORMULA ESTABLISHED OR APPROVED BY THE CORPORATION, A  
19 CITY, TOWN OR VILLAGE, OR A COUNTY, PROVIDED, HOWEVER, THAT THE COUNTY  
20 IS ONLY ACTING AS AN ADMINISTRATOR OF A PROGRAM UNDER WHICH PROJECTS ARE  
21 REHABILITATED OR CONSTRUCTED OR NONRESIDENTIAL PROPERTIES ARE CONVERTED  
22 BY OTHER ELIGIBLE APPLICANTS, AND PROVIDED FURTHER, HOWEVER, THAT  
23 PERSONS OF MODERATE AND MIDDLE INCOME SHALL NOT BE DIRECT RECIPIENTS OF  
24 PAYMENTS, GRANTS OR LOANS FROM THE CORPORATION UNDER THIS ARTICLE BUT  
25 MAY RECEIVE SUCH FUNDS FROM ANOTHER ELIGIBLE APPLICANT.

26 8. "CONVERSION" SHALL BE AS SUCH TERM IS DEFINED IN SUBDIVISION EIGHT  
27 OF SECTION ELEVEN HUNDRED ONE OF THIS CHAPTER.

28 9. "NONRESIDENTIAL PROPERTY" SHALL BE AS SUCH TERM IS DEFINED IN  
29 SUBDIVISION NINE OF SECTION ELEVEN HUNDRED ONE OF THIS CHAPTER.

30 10. "PERSONS OF MODERATE AND MIDDLE INCOME" SHALL MEAN (A) IN CITIES  
31 WITH A POPULATION OF ONE MILLION OR MORE PERSONS, THOSE PERSONS AND  
32 FAMILIES WHOSE INCOMES DO NOT EXCEED ONE HUNDRED THIRTY PERCENT OF THE  
33 MEDIAN INCOME FOR THE METROPOLITAN STATISTICAL AREA IN WHICH A PROJECT  
34 IS LOCATED; PROVIDED HOWEVER THAT IN THE CASE OF AN OWNER OCCUPANT OF A  
35 HOMESTEADING PROJECT, "PERSONS OF MODERATE AND MIDDLE INCOME" SHALL ALSO  
36 MEAN THOSE PERSONS AND FAMILIES WHOSE INCOMES DO NOT EXCEED ONE HUNDRED  
37 THIRTY PERCENT OF THE MEDIAN INCOME FOR THE STATE AND (B) IN THE PORTION  
38 OF THE STATE OUTSIDE CITIES WITH A POPULATION OF ONE MILLION OR MORE  
39 PERSONS, (I) AND WITHIN A METROPOLITAN STATISTICAL AREA THOSE PERSONS  
40 AND FAMILIES WHOSE INCOMES DO NOT EXCEED ONE HUNDRED THIRTY PERCENT OF  
41 THE MEDIAN INCOME FOR THE METROPOLITAN STATISTICAL AREA IN WHICH A  
42 PROJECT IS LOCATED OR ONE HUNDRED THIRTY PERCENT OF THE MEDIAN INCOME  
43 FOR THE STATE, WHICHEVER IS LOWER OR, (II) IF A PROJECT IS LOCATED  
44 OUTSIDE A METROPOLITAN STATISTICAL AREA, THOSE PERSONS AND FAMILIES  
45 WHOSE INCOMES DO NOT EXCEED ONE HUNDRED THIRTY PERCENT OF THE MEDIAN  
46 INCOME FOR THE COUNTY IN WHICH A PROJECT IS LOCATED, OR ONE HUNDRED  
47 THIRTY PERCENT OF THE MEDIAN INCOME FOR THE STATE, WHICHEVER IS LOWER.

48 11. "DISTRESSED RESIDENTIAL PROPERTY" SHALL BE AS SUCH TERM IS DEFINED  
49 IN SUBDIVISION ELEVEN OF SECTION ELEVEN HUNDRED ONE OF THIS CHAPTER.

50 12. "PROJECT" SHALL BE AS SUCH TERM IS DEFINED IN SUBDIVISION TWELVE  
51 OF SECTION ELEVEN HUNDRED ONE OF THIS CHAPTER.

52 13. "PRIVATE DEVELOPER" SHALL BE AS SUCH TERM IS DEFINED IN SUBDIVI-  
53 SION THIRTEEN OF SECTION ELEVEN HUNDRED ONE OF THIS CHAPTER.

54 S 1242. COOPERATIVE OR CONDOMINIUM, HOMESTEADING AND RENTAL CONTRACTS.  
55 1. WITHIN THE LIMIT OF FUNDS AVAILABLE IN THE HOUSING TRUST FUND  
56 ACCOUNT, THE CORPORATION IS HEREBY AUTHORIZED TO ENTER INTO CONTRACTS

1 WITH ELIGIBLE APPLICANTS FOR THE FURNISHING BY SUCH APPLICANTS OF HOUS-  
2 ING FOR PERSONS OF MODERATE AND MIDDLE INCOME. EACH SUCH CONTRACT SHALL  
3 PROVIDE THAT ELIGIBLE APPLICANTS REHABILITATE OR CONSTRUCT ONE OR MORE  
4 PROJECTS OR CONVERT ONE OR MORE NONRESIDENTIAL PROPERTIES. SUCH  
5 CONTRACTS MAY PROVIDE FOR PAYMENTS, GRANTS OR LOANS BY THE CORPORATION  
6 FOR THE ACTIVITIES TO BE CARRIED OUT BY THE ELIGIBLE APPLICANT UNDER THE  
7 CONTRACT. SUCH CONTRACTS SHALL PROVIDE THAT A PRIVATE DEVELOPER MAKE AN  
8 EQUITY INVESTMENT OF THE GREATER OF (I) TWO AND ONE-HALF PERCENT OF  
9 PROJECT COSTS OR (II) FIVE PERCENT OF PROJECT COSTS LESS GRANTS WHICH  
10 ARE TO BE APPLIED TO SUCH COSTS. THE FOREGOING SHALL NOT PRECLUDE A  
11 PRIVATE DEVELOPER FROM MAKING A GREATER EQUITY INVESTMENT. ANY PAYMENTS,  
12 GRANTS OR LOANS MADE BY THE CORPORATION OUTSTANDING AT THE TIME OF  
13 RESALE SHALL BE SUBJECT TO REPAYMENT IN WHOLE OR IN PART UPON RESALE  
14 AFTER TERMINATION OF THE REGULATORY PERIOD AND AS OTHERWISE PROVIDED  
15 THEREIN. SUCH REPAYMENT PROVISIONS MAY SURVIVE THE END OF THE REGULATORY  
16 PERIOD. SUCH CONTRACTS MAY PROVIDE THAT ELIGIBLE APPLICANTS SHALL EITHER  
17 (A) PERFORM ACTIVITIES SPECIFIED UNDER THE CONTRACT THEMSELVES OR (B)  
18 ACT AS ADMINISTRATORS OF A PROGRAM UNDER WHICH PROJECTS ARE REHABILI-  
19 TATED OR CONSTRUCTED OR NONRESIDENTIAL PROPERTIES ARE CONVERTED BY OTHER  
20 ELIGIBLE APPLICANTS OR (C) PERFORM BOTH SUCH FUNCTIONS. IN THE CASE OF A  
21 MUNICIPALITY ACTING AS AN ADMINISTRATOR, FUNDS PROVIDED TO SUCH MUNICI-  
22 PALITY HEREUNDER SHALL NOT BE DEEMED TO BE MUNICIPAL FUNDS. THE CORPO-  
23 RATION SHALL REFER ANY REQUEST FOR PAYMENTS, GRANTS OR LOANS FROM  
24 PERSONS OF MODERATE AND MIDDLE INCOME TO ELIGIBLE APPLICANTS IN THE AREA  
25 IN WHICH SUCH PERSONS RESIDE. LOANS MAY BE IN THE FORM OF PARTICIPATION  
26 IN LOANS INCLUDING BUT NOT LIMITED TO PARTICIPATION IN LOANS ORIGINATED  
27 OR FINANCED BY LENDING INSTITUTIONS AS DEFINED IN SECTION FORTY-TWO OF  
28 THIS CHAPTER, THE STATE OF NEW YORK MORTGAGE AGENCY, THE NEW YORK CITY  
29 HOUSING DEVELOPMENT CORPORATION, THE NEW YORK STATE HOUSING FINANCE  
30 AGENCY, OR PRIVATE OR PUBLIC EMPLOYEE PENSION FUNDS. NOTWITHSTANDING ANY  
31 OTHER PROVISION OF LAW, PAYMENTS, GRANTS AND LOANS MAY BE DEPOSITED BY  
32 THE CORPORATION DIRECTLY WITH A LENDING INSTITUTION AT OR BEFORE THE  
33 TIME OF INITIAL LOAN CLOSING PURSUANT TO AN ESCROW AGREEMENT SATISFAC-  
34 TORY TO THE CORPORATION. PAYMENTS, GRANTS AND LOANS SHALL BE ON SUCH  
35 TERMS AND CONDITIONS AS THE CORPORATION, OR THE ELIGIBLE APPLICANT WITH  
36 THE APPROVAL OF THE CORPORATION, AS THE CASE MAY BE, SHALL DETERMINE.  
37 PAYMENTS, GRANTS AND LOANS SHALL BE USED TO PAY FOR THE ACTUAL AND  
38 NECESSARY COST OF ACQUISITION, CONSTRUCTION, REHABILITATION OR CONVER-  
39 SION, PROVIDED THAT NOT MORE THAN FIFTY PERCENT OF SUCH PAYMENTS, GRANTS  
40 AND LOANS RECEIVED FOR THE REHABILITATION, CONSTRUCTION OR CONVERSION OF  
41 A PROJECT MAY BE USED FOR THE COST OF THE PROJECT'S ACQUISITION AND NOT  
42 MORE THAN TEN PERCENT OF SUCH PAYMENTS, GRANTS AND LOANS MAY BE USED FOR  
43 THE REHABILITATION, CONSTRUCTION OR CONVERSION OF COMMUNITY SERVICE  
44 FACILITIES AND, PROVIDED FURTHER, THAT PAYMENTS, GRANTS OR LOANS SHALL  
45 NOT BE USED FOR (A) THE ADMINISTRATIVE COSTS OF AN ELIGIBLE APPLICANT  
46 EXCEPT AS OTHERWISE AUTHORIZED BY LAW, (B) THE COST OF THE ACQUISITION,  
47 CONSTRUCTION, CONVERSION OR REHABILITATION OF RESIDENTIAL UNITS WHICH,  
48 SUBSEQUENT TO SUCH ACQUISITION, CONSTRUCTION, CONVERSION OR REHABILI-  
49 TATION, ARE TO BE OCCUPIED BY PERSONS OTHER THAN PERSONS OF MODERATE OR  
50 MIDDLE INCOME, AND (C) THE COST OF THE ACQUISITION, CONSTRUCTION,  
51 CONVERSION OR REHABILITATION OF UNITS WHICH, SUBSEQUENT TO SUCH ACQUI-  
52 SION, CONSTRUCTION, CONVERSION OR REHABILITATION, ARE OCCUPIED OR TO BE  
53 OCCUPIED FOR OTHER THAN RESIDENTIAL PURPOSES, EXCEPT FOR COMMUNITY  
54 SERVICE FACILITIES AS DESCRIBED ABOVE. NO SUCH PAYMENTS, GRANTS OR LOANS  
55 SHALL EXCEED A TOTAL OF ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS PER  
56 DWELLING UNIT. AMONG THE CRITERIA THE CORPORATION SHALL CONSIDER IN

1 DETERMINING WHETHER TO PROVIDE ADDITIONAL FUNDS ARE: AVERAGE COST OF  
2 CONSTRUCTION IN THE AREA, LOCATION OF THE PROJECT AND THE IMPACT OF THE  
3 ADDITIONAL FUNDING ON THE AFFORDABILITY OF THE PROJECT FOR THE OCCUPANTS  
4 OF SUCH PROJECT. THE LENGTH OF ANY LOAN PROVIDED UNDER THIS ARTICLE  
5 SHALL NOT EXCEED FORTY YEARS.

6 2. THE AMOUNT ORIGINALLY APPROPRIATED PURSUANT TO THIS ARTICLE IN THE  
7 FIRST FISCAL YEAR OF OPERATIONS SHALL BE ALLOCATED TO PROJECTS LOCATED  
8 WITHIN CITIES WITH A POPULATION ABOVE ONE HUNDRED FORTY THOUSAND. NO  
9 MORE THAN SEVENTY PERCENT SHALL BE ALLOCATED TO PROJECTS WITHIN A CITY  
10 WITH A POPULATION OF ONE MILLION.

11 2-A. NO MORE THAN SIXTY PERCENT OF THE TOTAL AMOUNT ORIGINALLY APPRO-  
12 PRIATED PURSUANT TO THIS ARTICLE IN ANY FISCAL YEAR SUBSEQUENT TO THE  
13 FIRST FISCAL YEAR SHALL BE ALLOCATED TO PROJECTS LOCATED WITHIN ANY  
14 SINGLE MUNICIPALITY. OF THE AMOUNT ORIGINALLY APPROPRIATED TO THE CORPO-  
15 RATION IN ANY FISCAL YEAR SUBSEQUENT TO THE FIRST FISCAL YEAR, NO MORE  
16 THAN THIRTY-THREE AND ONE-THIRD PERCENT SHALL BE ALLOCATED TO PRIVATE  
17 DEVELOPERS FOR PROJECTS WITHIN A CITY WITH A POPULATION OF ONE MILLION  
18 OR MORE. OF THE AMOUNT ORIGINALLY APPROPRIATED TO THE CORPORATION IN ANY  
19 FISCAL YEAR SUBSEQUENT TO THE FIRST FISCAL YEAR, NO MORE THAN  
20 THIRTY-THREE AND ONE-THIRD PERCENT SHALL BE ALLOCATED TO PRIVATE DEVEL-  
21 OPERS FOR PROJECTS IN THE AREA OUTSIDE CITIES WITH A POPULATION OF ONE  
22 MILLION OR MORE.

23 3. THE CORPORATION AND ELIGIBLE APPLICANTS WHICH ACT AS ADMINISTRATORS  
24 OF A PROGRAM UNDER THIS ARTICLE SHALL DEPOSIT ANY RECAPTURED FUNDS OR  
25 FUNDS FROM THE REPAYMENT OF LOANS AND INTEREST RECEIVED ON LOANS INTO  
26 THE HOUSING TRUST FUND ACCOUNT.

27 4. THE CORPORATION SHALL NOT ENTER INTO A CONTRACT UNDER THIS ARTICLE  
28 UNLESS THE ELIGIBLE APPLICANT HAS SUBMITTED AN APPLICATION AND SUCH  
29 APPLICATION CONTAINS A PLAN, ACCEPTABLE TO THE CORPORATION, WHICH  
30 PROVIDES FOR EACH PROJECT:

31 (A) THAT VIOLATIONS ON THE PROJECT WHICH ARE CLASSIFIED AS HAZARDOUS  
32 OR IMMEDIATELY HAZARDOUS SHALL BE REPAIRED IN ACCORDANCE WITH STATE AND  
33 LOCAL LAWS AND REGULATIONS OF STATE AND LOCAL AGENCIES AND THE PROJECT  
34 SHALL BE BROUGHT INTO COMPLIANCE WITH ALL APPLICABLE LAWS AND REGU-  
35 LATIONS.

36 (B) FOR THE ESTABLISHMENT OF OCCUPANT SELECTION PROCEDURES WHICH  
37 PROVIDE THAT ANY LAWFUL OCCUPANTS WHO LIVE IN A PROJECT PRIOR TO REHA-  
38 BILITATION SHALL NOT BE DISPLACED AS A RESULT OF SUCH REHABILITATION,  
39 OTHER THAN TEMPORARILY, IN WHICH CASE SUITABLE RELOCATION ARRANGEMENTS  
40 SHALL BE PROVIDED, AND THAT ANY ADDITIONAL OCCUPANTS WHO MOVE INTO A  
41 PROJECT ARE PERSONS OF MODERATE OR MIDDLE INCOME.

42 (C) IN THE CASE OF A HOMESTEADING PROJECT THAT (I) THE PROJECT MAY  
43 ONLY BE TRANSFERRED OR SOLD TO AN ELIGIBLE APPLICANT; AND (II) THE  
44 RESALE PRICE OF THE PROJECT SHALL NOT EXCEED AN AMOUNT EQUAL TO THE SUM  
45 OF (A) THE ORIGINAL EQUITY PAID BY THE OWNER FOR THE PROJECT AND REHA-  
46 BILITATION OR CONSTRUCTION THEREOF, EXCLUSIVE OF ANY PAYMENTS, GRANTS OR  
47 LOANS RECEIVED PURSUANT TO THIS ARTICLE FOR SUCH PURPOSES, OR FROM SUCH  
48 OTHER SOURCES AS DETERMINED BY THE CORPORATION, WITH INTEREST THEREON AT  
49 THE RATE OF SIX PERCENT PER ANNUM, (B) THE COST OF CAPITAL IMPROVEMENTS  
50 TO THE PROJECT PAID BY SUCH OWNER AFTER THE COMPLETION OF REHABILITATION  
51 OR CONSTRUCTION, EXCLUSIVE OF ANY PAYMENTS, GRANTS OR LOANS RECEIVED  
52 PURSUANT TO THIS ARTICLE FOR SUCH PURPOSES, OR FROM SUCH OTHER SOURCES  
53 AS DETERMINED BY THE CORPORATION, WITH INTEREST THEREON AT THE RATE OF  
54 SIX PERCENT PER ANNUM, (C) THE ACTUAL AMORTIZATION PAID BY SUCH OWNER IN  
55 THE REDUCTION OF TOTAL OUTSTANDING PRINCIPAL INDEBTEDNESS ON ALL EXIST-  
56 ING AND PRIOR MORTGAGES ON, OR LOANS FOR, SUCH PROJECT, BUT ONLY TO THE

1 EXTENT THAT THE PROCEEDS OF SUCH MORTGAGES OR LOANS WERE USED BY THE  
2 OWNER FOR THE PROJECT AND REHABILITATION OR CONSTRUCTION THEREOF OR FOR  
3 THE COST OF CAPITAL IMPROVEMENTS THERETO, WITH INTEREST THEREON AT THE  
4 RATE OF SIX PERCENT PER ANNUM, (D) THE ACTUAL OUTSTANDING PRINCIPAL  
5 INDEBTEDNESS ON ALL EXISTING MORTGAGES ON, OR LOANS OR OTHER OBLIGATIONS  
6 FOR, SUCH PROJECT WHICH THE OWNER IS REQUIRED TO SATISFY, BUT ONLY TO  
7 THE EXTENT THAT THE PROCEEDS OF SUCH MORTGAGES OR LOANS WERE USED BY THE  
8 OWNER FOR THE PROJECT AND REHABILITATION OR CONSTRUCTION THEREOF OR FOR  
9 THE COST OF CAPITAL IMPROVEMENTS THERETO, WITH INTEREST THEREON AT THE  
10 RATE OF SIX PERCENT PER ANNUM, PROVIDED THAT IF THE INDEBTEDNESS IS NOT  
11 PAID IN FULL UPON THE SALE OF THE PROJECT, SUCH OWNER SHALL NOT BE CRED-  
12 ITED WITH THE AMOUNT OF SUCH INDEBTEDNESS, AND (E) THE REASONABLE COSTS  
13 AND EXPENSES INCURRED IN CONNECTION WITH THE SALE OF SUCH PROJECT.

14 (D) IN THE CASE OF A COOPERATIVE PROJECT THAT (I) THE SHARES APPLICA-  
15 BLE TO A COOPERATIVE UNIT SHALL BE TRANSFERRED OR SOLD ONLY TO AN ELIGI-  
16 BLE APPLICANT; AND (II) THE RESALE PRICE OF SHARES APPLICABLE TO A COOP-  
17 ERATIVE UNIT SHALL NOT EXCEED AN AMOUNT EQUAL TO THE SUM OF (A) THE  
18 ORIGINAL EQUITY PAID BY THE TENANT SHAREHOLDER FOR SUCH SHARES AND FOR  
19 THE REHABILITATION OR CONSTRUCTION OF SUCH UNIT, EXCLUSIVE OF ANY  
20 PAYMENTS, GRANTS OR LOANS RECEIVED PURSUANT TO THIS ARTICLE FOR SUCH  
21 PURPOSES OR FROM SUCH OTHER SOURCES AS DETERMINED BY THE CORPORATION,  
22 WITH INTEREST THEREON AT THE RATE OF SIX PERCENT PER ANNUM, (B) THE COST  
23 OF CAPITAL IMPROVEMENTS TO SUCH UNIT PAID BY SUCH TENANT SHAREHOLDER  
24 AFTER THE COMPLETION OF REHABILITATION OR CONSTRUCTION, EXCLUSIVE OF ANY  
25 PAYMENTS, GRANTS OR LOANS RECEIVED PURSUANT TO THIS ARTICLE FOR SUCH  
26 PURPOSES OR FROM SUCH OTHER SOURCES AS DETERMINED BY THE CORPORATION,  
27 WITH INTEREST THEREON AT THE RATE OF SIX PERCENT PER ANNUM, (C) THE  
28 PRO-RATA PORTION OF ANY CAPITAL ASSESSMENTS OR CAPITAL CONTRIBUTIONS FOR  
29 BUILDING WIDE IMPROVEMENTS PAID BY SUCH TENANT SHAREHOLDER, WITH INTER-  
30 EST THEREON AT THE RATE OF SIX PERCENT PER ANNUM, (D) THE PRO-RATA  
31 PORTION OF ACTUAL AMORTIZATION PAID BY SUCH TENANT SHAREHOLDER ON ALL  
32 EXISTING AND PRIOR MORTGAGES ON SUCH PROJECT IN THE REDUCTION OF TOTAL  
33 OUTSTANDING PRINCIPAL INDEBTEDNESS, WITH INTEREST THEREON AT THE RATE OF  
34 SIX PERCENT PER ANNUM, (E) THE ACTUAL AMORTIZATION PAID BY SUCH TENANT  
35 SHAREHOLDER IN THE REDUCTION OF TOTAL OUTSTANDING PRINCIPAL INDEBTEDNESS  
36 ON ALL EXISTING AND PRIOR LOANS FOR SUCH UNIT, BUT ONLY TO THE EXTENT  
37 THAT THE PROCEEDS OF SUCH LOANS WERE USED BY THE TENANT SHAREHOLDER FOR  
38 THE PURCHASE OF SUCH SHARES OR FOR THE COST OF THE REHABILITATION OR  
39 CONSTRUCTION OF, OR CAPITAL IMPROVEMENTS TO, SUCH UNIT, WITH INTEREST  
40 THEREON AT THE RATE OF SIX PERCENT PER ANNUM, (F) THE ACTUAL OUTSTANDING  
41 PRINCIPAL INDEBTEDNESS ON ALL EXISTING LOANS OR OTHER OBLIGATIONS FOR  
42 SUCH UNIT WHICH THE TENANT SHAREHOLDER IS REQUIRED TO SATISFY, BUT ONLY  
43 TO THE EXTENT THAT THE PROCEEDS OF SUCH LOANS WERE USED BY SUCH TENANT  
44 SHAREHOLDER FOR THE PURCHASE OF SUCH SHARES OR FOR THE COST OF THE REHA-  
45 BILITATION OR CONSTRUCTION OF, OR CAPITAL IMPROVEMENTS TO, SUCH UNIT,  
46 PROVIDED THAT IF SUCH INDEBTEDNESS IS NOT PAID IN FULL UPON THE SALE OF  
47 SUCH TENANT'S SHARES SUCH TENANT SHAREHOLDER SHALL NOT BE CREDITED WITH  
48 THE AMOUNT OF SUCH INDEBTEDNESS, AND (G) THE REASONABLE COSTS AND  
49 EXPENSES INCURRED IN CONNECTION WITH THE SALE OF SUCH SHARES.

50 (E) IN THE CASE OF A CONDOMINIUM PROJECT THAT (I) A CONDOMINIUM UNIT  
51 SHALL BE TRANSFERRED OR SOLD ONLY TO AN ELIGIBLE APPLICANT; AND (II) THE  
52 RESALE PRICE OF A CONDOMINIUM UNIT SHALL NOT EXCEED AN AMOUNT EQUAL TO  
53 THE SUM OF (A) THE ORIGINAL EQUITY PAID BY THE OWNER FOR SUCH UNIT AND  
54 THE REHABILITATION OR CONSTRUCTION THEREOF, EXCLUSIVE OF ANY PAYMENTS,  
55 GRANTS OR LOANS RECEIVED PURSUANT TO THIS ARTICLE FOR SUCH PURPOSES OR  
56 FROM SUCH OTHER SOURCES AS DETERMINED BY THE CORPORATION, WITH INTEREST

1 THEREON AT THE RATE OF SIX PERCENT PER ANNUM, (B) THE COST OF CAPITAL  
2 IMPROVEMENTS TO SUCH UNIT PAID BY SUCH OWNER AFTER THE COMPLETION OF  
3 REHABILITATION OR CONSTRUCTION, EXCLUSIVE OF ANY PAYMENTS, GRANTS OR  
4 LOANS RECEIVED PURSUANT TO THIS ARTICLE FOR SUCH PURPOSES OR FROM SUCH  
5 OTHER SOURCES AS DETERMINED BY THE CORPORATION, WITH INTEREST THEREON AT  
6 THE RATE OF SIX PERCENT PER ANNUM, (C) THE PRO-RATA PORTION OF ANY CAPI-  
7 TAL ASSESSMENTS OR CAPITAL CONTRIBUTIONS FOR BUILDING WIDE IMPROVEMENTS  
8 PAID BY SUCH OWNER TO THE PROJECT, WITH INTEREST THEREON AT THE RATE OF  
9 SIX PERCENT PER ANNUM, (D) THE ACTUAL AMORTIZATION PAID BY SUCH OWNER ON  
10 ALL EXISTING AND PRIOR MORTGAGES ON, OR LOANS FOR, SUCH UNIT IN THE  
11 REDUCTION OF TOTAL OUTSTANDING PRINCIPAL INDEBTEDNESS, BUT ONLY TO THE  
12 EXTENT THAT THE PROCEEDS OF SUCH MORTGAGES OR LOANS WERE USED BY SUCH  
13 OWNER FOR THE UNIT AND THE REHABILITATION OR CONSTRUCTION THEREOF OR FOR  
14 THE COST OF CAPITAL IMPROVEMENTS THERETO WITH INTEREST THEREON AT THE  
15 RATE OF SIX PERCENT PER ANNUM, (E) THE ACTUAL OUTSTANDING PRINCIPAL  
16 INDEBTEDNESS ON ALL EXISTING MORTGAGES ON, AND LOANS OR OTHER OBLI-  
17 GATIONS FOR, SUCH UNIT WHICH THE OWNER IS REQUIRED TO SATISFY, BUT ONLY  
18 TO THE EXTENT THAT THE PROCEEDS OF SUCH MORTGAGES OR LOANS WERE USED BY  
19 SUCH OWNER FOR THE UNIT AND THE REHABILITATION OR CONSTRUCTION THEREOF  
20 OR FOR THE COST OF CAPITAL IMPROVEMENTS THERETO, PROVIDED THAT IF THE  
21 INDEBTEDNESS IS NOT PAID IN FULL UPON THE SALE OF SUCH UNIT, SUCH OWNER  
22 SHALL NOT BE CREDITED WITH THE AMOUNT OF SUCH INDEBTEDNESS, AND (F) THE  
23 REASONABLE COSTS AND EXPENSES INCURRED IN CONNECTION WITH THE SALE OF  
24 SUCH UNIT.

25 (F) IN THE CASE OF A RENTAL PROJECT THAT (I) THE RENTAL PROJECT MAY  
26 ONLY BE TRANSFERRED OR SOLD TO AN ELIGIBLE APPLICANT; AND (II) THE  
27 RESALE PRICE OF THE RENTAL PROJECT SHALL NOT EXCEED AN AMOUNT EQUAL TO  
28 THE SUM OF (A) THE ORIGINAL EQUITY PAID BY THE OWNER FOR THE PROJECT AND  
29 REHABILITATION OR CONSTRUCTION THEREOF, EXCLUSIVE OF ANY PAYMENTS,  
30 GRANTS OR LOANS RECEIVED PURSUANT TO THIS ARTICLE FOR SUCH PURPOSES OR  
31 FROM SUCH OTHER SOURCES AS DETERMINED BY THE CORPORATION, WITH INTEREST  
32 THEREON AT THE RATE OF SIX PERCENT PER ANNUM, (B) THE COST OF CAPITAL  
33 IMPROVEMENTS TO THE PROJECT PAID BY THE OWNER AFTER THE COMPLETION OF  
34 REHABILITATION OR CONSTRUCTION, EXCLUSIVE OF ANY PAYMENTS, GRANTS OR  
35 LOANS RECEIVED PURSUANT TO THIS ARTICLE FOR SUCH PURPOSES OR FROM SUCH  
36 OTHER SOURCES AS DETERMINED BY THE CORPORATION, WITH INTEREST THEREON AT  
37 THE RATE OF SIX PERCENT PER ANNUM, (C) THE ACTUAL AMORTIZATION PAID BY  
38 SUCH OWNER ON ALL EXISTING AND PRIOR MORTGAGES ON, OR LOANS FOR, SUCH  
39 PROJECT IN THE REDUCTION OF TOTAL OUTSTANDING PRINCIPAL INDEBTEDNESS,  
40 BUT ONLY TO THE EXTENT THAT THE PROCEEDS OF SUCH MORTGAGES OR LOANS WERE  
41 USED BY SUCH OWNER FOR THE PROJECT AND REHABILITATION THEREOF OR FOR THE  
42 COST OF CAPITAL IMPROVEMENTS THERETO, WITH INTEREST THEREON AT THE RATE  
43 OF SIX PERCENT PER ANNUM, (D) THE ACTUAL OUTSTANDING PRINCIPAL INDEBT-  
44 EDNESS ON ALL EXISTING MORTGAGES ON, OR LOANS OR OTHER OBLIGATIONS FOR,  
45 SUCH PROJECT WHICH THE OWNER IS REQUIRED TO SATISFY, BUT ONLY TO THE  
46 EXTENT THAT THE PROCEEDS OF SUCH MORTGAGES OR LOANS WERE USED BY THE  
47 OWNER FOR THE PROJECT AND REHABILITATION THEREOF OR FOR THE COST OF  
48 CAPITAL IMPROVEMENTS THERETO, PROVIDED THAT IF THE INDEBTEDNESS IS NOT  
49 PAID IN FULL UPON THE SALE OF THE PROJECT, SUCH OWNER SHALL NOT BE CRED-  
50 ITED WITH THE AMOUNT OF SUCH INDEBTEDNESS, AND (E) THE REASONABLE COSTS  
51 AND EXPENSES INCURRED IN CONNECTION WITH THE SALE OF SUCH PROJECT.

52 (G) IN THE CASE OF A RENTAL PROJECT, THAT THE PROJECT SHALL BE OPER-  
53 ATED INITIALLY AS A RENTAL PROPERTY, AND WHEN LOCATED IN THE CITY OF NEW  
54 YORK SHALL BE SUBJECT TO THE RENT STABILIZATION LAW OF NINETEEN HUNDRED  
55 SIXTY-NINE, AND WHEN LOCATED IN A MUNICIPALITY WHICH HAS ELECTED TO BE  
56 COVERED BY THE PROVISIONS OF THE EMERGENCY TENANT PROTECTION ACT OF

1 NINETEEN SEVENTY-FOUR, BE SUBJECT TO THE PROVISIONS OF SUCH ACT. ANY  
2 SUBSEQUENT CONVERSION TO COOPERATIVE OR CONDOMINIUM OWNERSHIP DURING THE  
3 PERIOD IN WHICH SUCH PROPERTY REMAINS SUBJECT TO THE PROVISIONS OF THIS  
4 ARTICLE SHALL ONLY BE ALLOWED WITH THE CONSENT OF THE CORPORATION AND IF  
5 DONE PURSUANT TO SECTION THREE HUNDRED FIFTY-TWO-EEEE OR THREE HUNDRED  
6 FIFTY-TWO-EEE OF THE GENERAL BUSINESS LAW SHALL ONLY BE ALLOWED PURSUANT  
7 TO A NON-EVICTION PLAN. THE CONVERSION OF A RENTAL PROJECT TO COOPER-  
8 ATIVE OR CONDOMINIUM OWNERSHIP SHALL MAKE THE COOPERATIVE OR CONDOMINIUM  
9 SUBJECT TO THE PROVISIONS OF THIS ARTICLE FOR COOPERATIVE OR CONDOMINIUM  
10 PROJECTS FOR THE REMAINING TERM WHICH THE RENTAL PROJECT WAS TO BE  
11 SUBJECT TO THE PROVISIONS OF THIS ARTICLE.

12 4-A. THE CORPORATION SHALL PROVIDE THE APPLICANT WITH A LIST OF CONDI-  
13 TIONS THAT MUST BE MET PRIOR TO ENTERING INTO A CONTRACT PURSUANT TO  
14 THIS ARTICLE. WITHIN FIFTEEN WORKING DAYS OF RECEIPT BY THE CORPORATION  
15 OF ALL DOCUMENTS IN SATISFACTION OF THE LIST, THE CORPORATION SHALL  
16 NOTIFY THE APPLICANT OF THE SUFFICIENCY OR INSUFFICIENCY OF THE DOCU-  
17 MENTS. AFTER SATISFACTION BY THE APPLICANT OF ALL CONDITIONS REQUIRED BY  
18 THE CORPORATION PRIOR TO ENTERING INTO A CONTRACT THE CORPORATION SHALL  
19 ENTER INTO THE CONTRACT WITHIN FORTY-FIVE WORKING DAYS OF SATISFACTION  
20 OF SUCH CONDITIONS.

21 5. NOTWITHSTANDING THE PROVISIONS OF, OR ANY REGULATION PROMULGATED  
22 PURSUANT TO, THE EMERGENCY HOUSING RENT CONTROL LAW, THE LOCAL EMERGENCY  
23 HOUSING RENT CONTROL ACT, OR LOCAL LAW ENACTED PURSUANT THERETO, THE  
24 RENT STABILIZATION LAW OF NINETEEN HUNDRED SIXTY-NINE, OR THE EMERGENCY  
25 TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR, THE ELIGIBLE APPLICANT  
26 WITH THE APPROVAL OF THE CORPORATION SHALL HAVE THE POWER TO SET THE  
27 INITIAL RENT LEVEL OF ANY RENTAL HOUSING ACCOMMODATION WHICH IS LOCATED  
28 IN A RENTAL OR HOMESTEADING PROJECT RECEIVING PAYMENTS, GRANTS OR LOANS  
29 UNDER THIS ARTICLE.

30 6. ANY COOPERATIVE OR CONDOMINIUM OR RENTAL PROJECT WHICH RECEIVES  
31 PAYMENTS, GRANTS OR LOANS PURSUANT TO THIS ARTICLE SHALL BE SUBJECT TO  
32 ITS PROVISIONS FOR A PERIOD OF THIRTY YEARS FOLLOWING COMPLETION OF  
33 REHABILITATION WORK, CONSTRUCTION OR CONVERSION OR FOR THE PERIOD DURING  
34 WHICH ANY LOAN OR INDEBTEDNESS RECEIVED UNDER THIS ARTICLE REMAINS  
35 OUTSTANDING, WHICHEVER IS GREATER PROVIDED HOWEVER THAT ALL HOUSING  
36 ACCOMMODATIONS IN RENTAL PROJECTS SHALL CONTINUE TO BE SUBJECT TO THE  
37 RENT STABILIZATION LAW OF NINETEEN HUNDRED SIXTY-NINE OR THE EMERGENCY  
38 TENANT PROTECTION ACT OF NINETEEN SEVENTY-FOUR, AS PROVIDED IN PARAGRAPH  
39 (G) OF SUBDIVISION FOUR OF THIS SECTION AS THE CASE MAY BE, FOR THE  
40 PERIOD SPECIFIED IN THIS SUBDIVISION AND THEREAFTER THE APPLICABILITY OF  
41 SUCH LAWS SHALL TERMINATE AS TO EACH ACCOMMODATION UPON THE FIRST VACAN-  
42 CY WHICH OCCURS IN EACH ACCOMMODATION.

43 7. ANY HOMESTEADING PROJECT WHICH RECEIVES PAYMENTS, GRANTS OR LOANS  
44 UNDER THIS ARTICLE SHALL BE SUBJECT TO ITS PROVISIONS FOR A PERIOD OF  
45 TWENTY YEARS FOLLOWING COMPLETION OF REHABILITATION WORK, CONSTRUCTION  
46 OR CONVERSION, OR FOR THE PERIOD DURING WHICH ANY LOAN OR INDEBTEDNESS  
47 RECEIVED UNDER THIS ARTICLE REMAINS OUTSTANDING, WHICHEVER IS GREATER.

48 7-A. NOTWITHSTANDING ANY PROVISIONS OF SUBDIVISIONS FIVE AND SIX OF  
49 THIS SECTION TO THE CONTRARY, IN THE CASE OF PROJECTS SUBJECT TO A MORT-  
50 GAGE MADE BY ANY LENDER:

51 (A) SUCH LENDER, IF NOT THE CORPORATION, SHALL GIVE THE CORPORATION  
52 NOTICE WHEN AN OWNER HAS DEFAULTED ON ANY PAYMENT OF PRINCIPAL OR INTER-  
53 EST ON SUCH MORTGAGE LOAN FOR A PROJECT FOR A CONSECUTIVE PERIOD OF  
54 SIXTY DAYS.

55 (B) FOLLOWING RECEIPT OF SUCH NOTICE, OR AT SUCH EARLIER TIME AS THE  
56 CORPORATION DEEMS APPROPRIATE, THE CORPORATION SHALL SEEK TO CURE SUCH

1 DEFAULT AND MAKE THE PROJECT ECONOMICALLY VIABLE BY ASSISTING THE OWNER  
2 IN ENTERING INTO A MORTGAGE MODIFICATION AGREEMENT WITH THE LENDER,  
3 FINDING A NEW ELIGIBLE APPLICANT TO OWN THE PROJECT AND ASSUME THE OBLI-  
4 GATIONS UNDER THE MORTGAGE OR TAKING SUCH OTHER ACTIONS, CONSISTENT WITH  
5 THE PROVISIONS OF THIS ARTICLE, AS THE CORPORATION DEEMS APPROPRIATE.

6 (C) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPHS (A) AND (B) OF THIS  
7 SUBDIVISION, WITH RESPECT TO ANY LENDER OTHER THAN THE CORPORATION, THE  
8 CORPORATION MAY PROVIDE IN AGREEMENTS RESPECTING ANY PROJECT THAT WHERE  
9 A LENDER SHALL HAVE FORECLOSED OR OBTAINED TITLE TO A PROJECT IN ACCORD-  
10 ANCE WITH LAW AND THE PROVISIONS OF ITS MORTGAGE, THE PROJECT OR PARTIC-  
11 ULAR RESIDENTIAL UNITS THEREIN SHALL NOT BE SUBJECT TO ONE OR MORE  
12 PROVISIONS OF THIS ARTICLE, OTHER THAN THE RENT STABILIZATION COVERAGE  
13 PROVISIONS OF PARAGRAPH (G) OF SUBDIVISION FOUR OF THIS SECTION. ANY  
14 AGREEMENT PURSUANT TO THIS PARAGRAPH SHALL ONLY BE MADE UPON A FINDING  
15 BY THE CORPORATION THAT SUCH AGREEMENT IS NECESSARY IN ORDER TO ENABLE A  
16 PROJECT OWNER TO OBTAIN A MORTGAGE LOAN FROM A LENDER OTHER THAN THE  
17 CORPORATION.

18 8. THE CORPORATION SHALL PROVIDE FOR THE REVIEW, AT PERIODIC INTERVALS  
19 AT LEAST ANNUALLY, OF THE PERFORMANCE OF ELIGIBLE APPLICANTS UNDER  
20 CONTRACT PURSUANT TO THIS ARTICLE. SUCH REVIEW SHALL, AMONG OTHER  
21 THINGS, BE FOR THE PURPOSES OF ASCERTAINING CONFORMITY TO CONTRACTUAL  
22 PROVISIONS, THE FINANCIAL INTEGRITY AND EFFICIENCY OF ELIGIBLE APPLI-  
23 CANTS AND THE EVALUATION OF THE PROJECT. CONTRACTS ENTERED INTO PURSUANT  
24 TO THIS ARTICLE MAY BE TERMINATED, FUNDS MAY BE WITHHELD AND UNSPENT  
25 FUNDS MAY BE RECAPTURED BY THE CORPORATION UPON A FINDING OF SUBSTANTIAL  
26 NONPERFORMANCE OR BREACH BY THE ELIGIBLE APPLICANT OF ITS OBLIGATIONS  
27 UNDER ITS CONTRACT.

28 9. WITHIN EACH OF THE THREE CATEGORIES OF PROJECTS (COOPERATIVE OR  
29 CONDOMINIUM, RENTAL, OR HOMESTEADING), PREFERENCE IN THE AWARDING OF  
30 CONTRACTS SHALL BE GIVEN TO ECONOMICALLY FEASIBLE PROJECTS IN WHICH AT  
31 LEAST TWENTY PERCENT OF THE DWELLING UNITS ARE SUITABLE FOR HOUSEHOLDS  
32 WITH FOUR MEMBERS OR MORE, IN CASES WHERE ANY SUCH PROJECT CONSISTS OF  
33 LESS THAN THE TOTAL NUMBER OF UNITS OR THE TOTAL AMOUNT OF FLOOR SPACE  
34 OF A PROPERTY TO PROJECTS THAT COMPOSE AT LEAST FIFTY PERCENT OF THE  
35 TOTAL NUMBER OF UNITS IN THE PROPERTY, TO PROJECTS THAT MET THE REQUIRE-  
36 MENTS OF THE GREEN RESIDENTIAL BUILDING STANDARDS AS ESTABLISHED AND  
37 AUTHORIZED BY SECTION EIGHTEEN HUNDRED SEVENTY-TWO OF THE PUBLIC AUTHOR-  
38 ITIES LAW, TO PROJECTS THAT UTILIZE INNOVATIVE CONSTRUCTION METHODS THAT  
39 MINIMIZE COSTS WHILE COMPLYING WITH ALL RELEVANT SAFETY AND BUILDING  
40 STANDARDS, ADDITIONAL PREFERENCE SHALL BE GIVEN TO ECONOMICALLY FEASIBLE  
41 PROJECTS LOCATED ON A BROWNFIELD SITE THAT HAS RECEIVED A CERTIFICATE OF  
42 COMPLETION.

43 S 1243. GENERAL AND ADMINISTRATIVE PROVISIONS. 1. THE CORPORATION  
44 SHALL ISSUE AND PROMULGATE RULES AND REGULATIONS FOR THE ADMINISTRATION  
45 OF THIS ARTICLE. THE RULES AND REGULATIONS SHALL INCLUDE PROVISIONS  
46 CONCERNING THE ELIGIBILITY OF APPLICANTS FOR PAYMENTS, GRANTS AND LOANS  
47 UNDER THIS ARTICLE; FUNDING CRITERIA AND THE FUNDING DETERMINATION PROC-  
48 ESS; SUPERVISION AND EVALUATION OF CONTRACTING APPLICANTS; REPORTING,  
49 BUDGETING AND RECORD-KEEPING REQUIREMENTS; PROVISIONS FOR MODIFICATION  
50 AND TERMINATION OF CONTRACTS; AND SUCH OTHER MATTERS NOT INCONSISTENT  
51 WITH THE PURPOSES AND PROVISIONS OF THIS ARTICLE AS THE CORPORATION  
52 SHALL DEEM NECESSARY OR APPROPRIATE.

53 2. THE CORPORATION MAY PROVIDE TECHNICAL SERVICES AND ASSISTANCE OR  
54 CONTRACT TO PROVIDE TECHNICAL SERVICES AND ASSISTANCE TO ELIGIBLE APPLI-  
55 CANTS TO COMPLY WITH THE PROVISIONS AND INTENT OF THIS ARTICLE WHICH  
56 SERVICES AND ASSISTANCE MAY INCLUDE BUT SHALL NOT NECESSARILY BE LIMITED

1 TO REHABILITATION SKILLS TRAINING, SITE SELECTION, FINANCIAL PACKAGING  
2 AND ENGINEERING AND ARCHITECTURAL SERVICES NECESSARY FOR THE PREPARATION  
3 OF PROPOSALS FOR ENTERING INTO CONTRACTS OR FOR THE CONTINUED OPERATION  
4 OF COOPERATIVE OR CONDOMINIUM, HOMESTEADING OR RENTAL REHABILITATION  
5 PROJECTS.

6 3. THE CORPORATION SHALL, ON OR BEFORE SEPTEMBER FIFTEENTH IN EACH  
7 YEAR, SUBMIT A PROPOSED BUDGET FOR THE OPERATION OF THE CORPORATION FOR  
8 ITS NEXT FISCAL YEAR TO THE DIRECTOR OF THE BUDGET FOR HIS REVIEW. THE  
9 CHAIRMAN OF THE CORPORATION SHALL ALSO DELIVER A COPY OF SUCH BUDGET TO  
10 THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE AND THE CHAIRMAN OF THE  
11 ASSEMBLY WAYS AND MEANS COMMITTEE AT THE SAME TIME THAT THE BUDGET IS  
12 DELIVERED TO THE DIRECTOR OF THE BUDGET. THE BUDGET SHALL INCLUDE THE  
13 TOTAL AMOUNT NEEDED FOR CORPORATE PURPOSES, INCLUDING THE FUNDS REQUIRED  
14 BY THE CORPORATION FOR ITS GENERAL AND ADMINISTRATIVE EXPENSES, THE  
15 SOURCE OF ALL FUNDS THAT THE CORPORATION EXPECTS TO RECEIVE AND SUCH  
16 OTHER INFORMATION AS THE DIRECTOR OF THE BUDGET SHALL REQUIRE.

17 4. THE CORPORATION SHALL REQUIRE THE SUBMISSION OF THE NAMES,  
18 ADDRESSES AND BUSINESS BACKGROUND OF THE PRINCIPALS INVOLVED, THE NATURE  
19 OF THEIR FIDUCIARY RELATIONSHIP AND THEIR FINANCIAL RELATIONSHIP, PAST,  
20 PRESENT AND FUTURE, TO THE PROJECT AND TO EACH OTHER.

21 S 3. This act shall take effect on the one hundred twentieth day after  
22 it shall have become a law; provided, however, that effective immediate-  
23 ly, the addition, amendment and/or repeal of any rule or regulation  
24 necessary for the implementation of this act on its effective date are  
25 authorized and directed to be made and completed on or before such  
26 effective date.

27

## PART HH

28 Section 1. The social services law is amended by adding a new section  
29 390-i to read as follows:

30 S 390-I. NOTICE OF INSPECTION REPORT. 1. EACH CHILD DAY CARE PROVIDER  
31 THAT OPERATES A RESIDENTIAL OR NON-RESIDENTIAL CHILD DAY CARE FACILITY,  
32 WHERE CHILD DAY CARE IS PROVIDED SHALL POST A COPY OF ITS MOST RECENT  
33 INSPECTION REPORT IN A PROMINENT PLACE, AND IF POSSIBLE ON THE WEBSITE  
34 OF SUCH PROVIDER.

35 2. ALL SUCH RESIDENTIAL AND NON-RESIDENTIAL CHILD DAY CARE FACILITIES  
36 REGULATED PURSUANT TO THE PROVISIONS OF SUBDIVISION ONE OF THIS SECTION  
37 BY THE OFFICE OF CHILDREN AND FAMILY SERVICES, OR THE DEPARTMENT OF  
38 HEALTH AND MENTAL HEALTH OF THE CITY OF NEW YORK, SHALL COMPLY WITH THE  
39 POSTING REQUIREMENTS OF THIS SECTION TO BE ENFORCED BY THE APPLICABLE  
40 STATE OR CITY AGENCY PURSUANT TO ITS RULES OR REGULATIONS.

41 S 2. This act shall take effect on the first of January next succeed-  
42 ing the date on which it shall have become a law. Provided, however,  
43 that effective immediately any rules and regulations necessary to imple-  
44 ment the provisions of this act on its effective date are authorized and  
45 directed to be completed on or before such date.

46

## PART II

47 Section 1. The provisions of subdivision (c) of section 11-245.1-b of  
48 the administrative code of the city of New York shall not be applicable  
49 to any multiple dwelling containing fewer than 4 dwelling units, as set  
50 forth in the certificate of occupancy, that is located on lots numbered  
51 1667 through 1708 and lots numbered 1801 through 1964 of Bronx block  
52 numbered 3432, as such lots are indicated on the tax map of the city of

1 New York, provided that the construction of any such multiple dwellings  
2 on those lots commences on or before January 1, 2009, and provided,  
3 further, that any application for a preliminary or a final certificate  
4 of eligibility for such lots is submitted to the local housing agency no  
5 later than 180 days after the effective date of this act.  
6 S 2. This act shall take effect immediately.

7 PART JJ

8 Section 1. Subparagraph (i) of paragraph (b) of subdivision 4 of  
9 section 425 of the real property tax law is amended by adding a new  
10 clause (C-1) to read as follows:

11 (C-1) NOTWITHSTANDING THE PROVISIONS OF CLAUSE (C) OF THIS SUBPARA-  
12 GRAPH, IN THE EVENT THAT A SENIOR CITIZEN WHO, AS A RESULT OF THE DEATH  
13 OF HIS OR HER SPOUSE, EXPERIENCES A SUFFICIENT DECREASE IN INCOME DURING  
14 THE TAX YEAR IMMEDIATELY PRECEDING THE DATE OF MAKING APPLICATION FOR  
15 THE EXEMPTION, THEN FOR THE PURPOSES OF DETERMINING ELIGIBILITY FOR THE  
16 ENHANCED EXEMPTION, SUCH SENIOR CITIZEN MAY USE HIS OR HER INCOME FOR  
17 SUCH YEAR; PROVIDED THAT THE INCOME TAX RETURN FOR SUCH YEAR HAS BEEN  
18 FILED WITH THE APPROPRIATE STATE OR FEDERAL AGENCY, OR OTHER DOCUMENTA-  
19 TION OF INCOME ELIGIBILITY HAS BEEN FILED WITH THE ASSESSOR OF APPROPRI-  
20 ATE JURISDICTION, PRIOR TO APRIL THIRTIETH.

21 S 2. This act shall take effect immediately.

22 PART KK

23 Section 1. Subdivision 2 of section 410-u of the social services law,  
24 as added by section 52 of part B of chapter 436 of the laws of 1997, is  
25 amended to read as follows:

26 2. The state block grant for child care shall be divided into two  
27 parts pursuant to a plan developed by the [department] OFFICE and  
28 approved by the director of the budget. One part shall be retained by  
29 the state to provide child care on a statewide basis to special groups  
30 and for activities to increase the availability and/or quality of child  
31 care programs, including, but not limited to, the start-up of child  
32 care programs, the operation of child care resource and referral  
33 programs, training activities, the regulation and monitoring of child  
34 care programs, the development of computerized data systems, and consum-  
35 er education, provided however, that child care resource and referral  
36 programs funded under title five-B of article six of this chapter shall  
37 meet additional performance standards developed by the [department of  
38 social services] OFFICE OF CHILDREN AND FAMILY SERVICES including but  
39 not limited to: increasing the number of child care placements for  
40 persons who are at or below two hundred percent of the state income  
41 standard OR FOUR HUNDRED PERCENT OF THE STATE INCOME STANDARD FOR THOSE  
42 IN THE FACILITATED ENROLLMENT PROGRAM, with emphasis on placements  
43 supporting local efforts in meeting federal and state work participation  
44 requirements, increasing technical assistance to all modalities of legal  
45 child care to persons who are at or below two hundred percent of the  
46 state income standard OR FOUR HUNDRED PERCENT OF THE STATE INCOME STAND-  
47 ARD FOR THOSE IN THE FACILITATED ENROLLMENT PROGRAM, including the  
48 provision of training to assist providers in meeting child care stand-  
49 ards or regulatory requirements, and creating new child care opportu-  
50 nities, and assisting social services districts in assessing and  
51 responding to child care needs for persons at or below two hundred  
52 percent of the state income standard OR FOUR HUNDRED PERCENT OF THE

1 STATE INCOME STANDARD FOR THOSE IN THE FACILITATED ENROLLMENT PROGRAM.  
2 The [department] OFFICE shall have the authority to withhold funds from  
3 those agencies which do not meet performance standards. Agencies whose  
4 funds are withheld may have funds restored upon achieving performance  
5 standards. The other part shall be allocated to social services  
6 districts to provide child care assistance to families receiving family  
7 assistance and to other low income families.

8 S 2. Section 410-v of the social services law is amended by adding a  
9 new subdivision 5 to read as follows:

10 5. NOTWITHSTANDING ANY INCONSISTENT PROVISIONS OF LAW, APPROPRIATE  
11 CHILD CARE BLOCK GRANT FUNDS SHALL BE AVAILABLE TO CONTINUE AND EXPAND  
12 OPERATION OF FACILITATED ENROLLMENT PROGRAMS IN NEW YORK STATE. THE  
13 CHILD CARE FACILITATED ENROLLMENT PROGRAMS EXPAND ACCESS TO CHILD CARE  
14 SUBSIDIES FOR WORKING FAMILIES WITH INCOMES UP TO FOUR HUNDRED PERCENT  
15 OF THE STATE INCOME STANDARD.

16 (A) SUCH PROGRAMS OUTSIDE THE CITY OF NEW YORK SHALL BE ADMINISTERED  
17 BY THE NYS AFL-CIO WORKFORCE DEVELOPMENT INSTITUTE, AND SUCH PROGRAMS  
18 WITHIN THE CITY OF NEW YORK SHALL BE ADMINISTERED BY THE CONSORTIUM FOR  
19 WORKERS EDUCATION (ADMINISTERING ORGANIZATIONS).

20 (B) ADMINISTERING ORGANIZATIONS MAY, AT THEIR DISCRETION AND WITH THE  
21 APPROVAL OF THE COMMISSIONER OF THE OFFICE OF CHILDREN AND FAMILY  
22 SERVICES AND WITHIN THE APPROPRIATIONS ALLOCATED TO THE FACILITATED  
23 ENROLLMENT PROGRAM, CONTRACT WITH AND OVERSEE APPROPRIATE AND EXPERI-  
24 ENCED NOT-FOR-PROFIT CHILD CARE AGENCIES TO ASSIST IN THE DELIVERY OF  
25 FACILITATED ENROLLMENT SERVICES.

26 (C) ADMINISTERING ORGANIZATIONS MAY SPEND NO MORE THAN TEN PERCENT OF  
27 THE BLOCK GRANT ALLOCATION FOR ADMINISTRATIVE ACTIVITIES. THE TERM  
28 "ADMINISTRATIVE ACTIVITIES" SHALL NOT INCLUDE THE COSTS OF PROVIDING  
29 DIRECT SERVICES, BUT SHALL INCLUDE THE START-UP COSTS OF IMPLEMENTING A  
30 NEW PROGRAM IN AN AREA NOT YET SERVED UNTIL THE PROGRAM IS AVAILABLE  
31 STATEWIDE.

32 (D) THE REMAINING PORTION OF THE FUNDS SHALL BE ALLOCATED BY THE  
33 OFFICE OF CHILDREN AND FAMILY SERVICES TO THE LOCAL SOCIAL SERVICES  
34 DISTRICTS WHERE THE RECIPIENT FAMILIES RESIDE AS DETERMINED BY THE  
35 PROJECT ADMINISTRATOR BASED ON PROJECTED NEED AND COST OF PROVIDING  
36 CHILD CARE SUBSIDY PAYMENTS TO WORKING FAMILIES ENROLLED THROUGH THE  
37 FACILITATED ENROLLMENT PROGRAM, A LOCAL SOCIAL SERVICES DISTRICT SHALL  
38 NOT REIMBURSE SUBSIDY PAYMENTS IN EXCESS OF THE AMOUNT OF THE SUBSIDY  
39 FUNDING APPROPRIATED HEREIN CAN SUPPORT. CHILD CARE SUBSIDIES PAID ON  
40 BEHALF OF ELIGIBLE FAMILIES SHALL BE REIMBURSED AT THE ACTUAL COST OF  
41 CARE UP TO THE APPLICABLE MARKET RATE FOR THE DISTRICT IN WHICH THE  
42 CHILD CARE IS PROVIDED IN ACCORDANCE WITH THE FEE SCHEDULE OF THE LOCAL  
43 SOCIAL SERVICES DISTRICT MAKING THE SUBSIDY PAYMENTS.

44 (E) ADMINISTERING ORGANIZATIONS SHALL MAINTAIN THE NUMBER OF CHILD  
45 CARE SLOTS AS FUNDING FOR THE FACILITATED ENROLLMENT PROGRAM WILL ALLOW,  
46 PROVIDING SLOTS ON A FIRST-COME, FIRST SERVE BASIS FOR ELIGIBLE FAMILIES  
47 WITH HOUSEHOLD INCOMES UP TO AND INCLUDING FOUR HUNDRED PERCENT OF THE  
48 STATE INCOME STANDARD.

49 (F) ADMINISTERING ORGANIZATIONS ARE REQUIRED TO SUBMIT BIMONTHLY  
50 (ALTERNATING MONTHS) REPORTS TO THE OFFICE OF CHILDREN AND FAMILY  
51 SERVICES, THE LOCAL SOCIAL SERVICES DISTRICT, AND TO THE ADMINISTRATION  
52 FOR CHILDREN'S SERVICES FOR THOSE PROGRAMS LOCATED IN THE CITY OF NEW  
53 YORK; AND ARE FURTHER REQUIRED TO SUBMIT REPORTS ON AN ANNUAL BASIS ON  
54 DECEMBER FIRST, TWO THOUSAND FOURTEEN AND THEREAFTER TO THE CHAIRS OF  
55 THE SENATE COMMITTEE ON CHILDREN AND FAMILIES AND THE SENATE COMMITTEE  
56 ON SOCIAL SERVICES, THE CHAIR OF THE ASSEMBLY COMMITTEE ON CHILDREN AND

1 FAMILIES, THE CHAIR OF THE ASSEMBLY COMMITTEE ON SOCIAL SERVICES, THE  
2 CHAIR OF THE SENATE COMMITTEE ON LABOR, AND THE CHAIR OF THE ASSEMBLY  
3 COMMITTEE ON LABOR.

4 (G) EACH REPORT MUST PROVIDE WITHOUT BENEFIT OF PERSONALLY IDENTIFYING  
5 INFORMATION, THE PROGRAMS' CURRENT ENROLLMENT LEVEL, AMOUNT OF THE  
6 CHILD'S SUBSIDY, CO-PAYMENT LEVELS AND OTHER INFORMATION AS NEEDED OR  
7 REQUIRED BY THE OFFICE OF CHILDREN AND FAMILY SERVICES. FURTHER, THE  
8 OFFICE SHALL PROVIDE TECHNICAL ASSISTANCE TO THE PROGRAMS TO ASSIST WITH  
9 PROJECT ADMINISTRATION AND TIMELY COORDINATION OF THE MONTHLY CLAIMING  
10 PROCESS.

11 S 3. Paragraphs (b), (c), (d) and (e) of subdivision 1 of section  
12 410-w of the social services law, as amended by chapter 569 of the laws  
13 of 2001, are amended to read as follows:

14 (b) families with incomes up to two hundred percent of the state  
15 income standard OR FOUR HUNDRED PERCENT OF THE STATE INCOME STANDARD FOR  
16 THOSE IN THE FACILITATED ENROLLMENT PROGRAM who are attempting through  
17 work activities to transition off of public assistance when such child  
18 care is necessary in order to enable a parent or caretaker relative to  
19 engage in work provided such families' public assistance has been termi-  
20 nated as a result of increased hours of or income from employment or  
21 increased income from child support payments or the family voluntarily  
22 ended assistance; and, provided that the family received public assist-  
23 ance at least three of the six months preceding the month in which  
24 eligibility for such assistance terminated or ended or provided that  
25 such family has received child care assistance under subdivision four of  
26 this section;

27 (c) families with incomes up to two hundred percent of the state  
28 income standard OR FOUR HUNDRED PERCENT OF THE STATE INCOME STANDARD FOR  
29 THOSE IN THE FACILITATED ENROLLMENT PROGRAM which are determined in  
30 accordance with the regulations of the [department] OFFICE to be at risk  
31 of becoming dependent on family assistance;

32 (d) families with incomes up to two hundred percent of the state  
33 income standard OR FOUR HUNDRED PERCENT OF THE STATE INCOME STANDARD FOR  
34 THOSE IN THE FACILITATED ENROLLMENT PROGRAM who are attending a post  
35 secondary educational program and working at least seventeen and one-  
36 half hours per week; and

37 (e) other families with incomes up to two hundred percent of the state  
38 income standard OR FOUR HUNDRED PERCENT OF THE STATE INCOME STANDARD FOR  
39 THOSE IN THE FACILITATED ENROLLMENT PROGRAM which the social services  
40 district designates in its consolidated services plan as eligible for  
41 child care assistance in accordance with criteria established by the  
42 [department] OFFICE.

43 S 4. Subdivision 6 of section 410-x of the social services law, as  
44 added by section 52 of part B of chapter 436 of the laws of 1997, is  
45 amended to read as follows:

46 6. Pursuant to department regulations, child care assistance shall be  
47 provided on a sliding fee basis based upon the family's ability to pay.  
48 FOR THOSE FAMILIES ENROLLED IN THE FACILITATED ENROLLMENT PROGRAM, NO  
49 CO-PAYMENT SHALL BE ASSESSED TO A FAMILY WHOSE INCOME IS AT OR BELOW THE  
50 STATE INCOME STANDARD AS DEFINED IN SUBDIVISION TWO OF SECTION FOUR  
51 HUNDRED TEN-W OF THIS TITLE. CO-PAYMENTS SHALL NOT EXCEED TEN PERCENT OF  
52 THE HOUSEHOLD INCOME.

53 S 5. This act shall take effect immediately.

1 Section 1. Subdivision 9 of section 201 of the workers' compensation  
2 law is amended by adding a new paragraph C to read as follows:

3 C. "DISABILITY" ALSO INCLUDES FAMILY CARE.

4 S 2. Subdivision 14 of section 201 of the workers' compensation law,  
5 as added by chapter 600 of the laws of 1949 and as renumbered by chapter  
6 438 of the laws of 1964, is amended, and nine new subdivisions 15, 16,  
7 17, 18, 19, 20, 21, 22 and 23 are added to read as follows:

8 14. "A day of disability" means any day on which the employee was  
9 prevented from performing work because of disability, INCLUDING ANY DAY  
10 WHICH THE EMPLOYEE USES FOR FAMILY CARE, and for which [he] THE EMPLOYEE  
11 has not received his OR HER regular remuneration.

12 15. "FAMILY CARE" MEANS ANY LEAVE TAKEN BY AN EMPLOYEE FROM PERFORMING  
13 WORK:

14 A. TO PARTICIPATE IN PROVIDING CARE, INCLUDING PHYSICAL OR PSYCHOLOG-  
15 ICAL CARE, FOR A FAMILY MEMBER OF THE EMPLOYEE MADE NECESSARY BY A SERI-  
16 OUS HEALTH CONDITION OF THE FAMILY MEMBER; OR

17 B. TO BOND WITH THE EMPLOYEE'S CHILD DURING THE FIRST TWELVE MONTHS  
18 AFTER THE CHILD'S BIRTH, OR THE FIRST TWELVE MONTHS AFTER THE PLACEMENT  
19 OF THE CHILD FOR ADOPTION OR FOSTER CARE WITH THE EMPLOYEE.

20 16. "CHILD" MEANS A BIOLOGICAL, ADOPTED OR FOSTER CHILD, A STEP-CHILD,  
21 A LEGAL WARD OR A CHILD OF A PERSON WHO STANDS IN PARENTAL RELATIONSHIP  
22 TO THE CHILD WHO IS:

23 A. LESS THAN EIGHTEEN YEARS OF AGE; OR

24 B. EIGHTEEN YEARS OF AGE OR OLDER AND INCAPABLE OF SELF-CARE BECAUSE  
25 OF A MENTAL OR PHYSICAL DISABILITY.

26 17. "DOMESTIC PARTNER" HAS THE SAME MEANING SET FORTH IN SUBDIVISION  
27 ONE OF SECTION FOUR OF THIS CHAPTER.

28 18. "SERIOUS HEALTH CONDITION" MEANS AN ILLNESS, INJURY, IMPAIRMENT,  
29 OR PHYSICAL OR MENTAL CONDITION THAT:

30 A. REQUIRES INPATIENT CARE IN A HOSPITAL, HOSPICE OR RESIDENTIAL  
31 HEALTH CARE FACILITY; OR

32 B. REQUIRES CONTINUING TREATMENT BY A HEALTH CARE PROVIDER.

33 19. "PARENT" MEANS A BIOLOGICAL OR ADOPTIVE PARENT OR STEP-PARENT OF  
34 AN EMPLOYEE, OR A PERSON WHO STOOD IN PARENTAL RELATIONSHIP TO AN  
35 EMPLOYEE WHEN THE EMPLOYEE WAS:

36 A. LESS THAN EIGHTEEN YEARS OF AGE; OR

37 B. EIGHTEEN YEARS OF AGE OR OLDER AND INCAPABLE OF SELF-CARE BECAUSE  
38 OF A MENTAL OR PHYSICAL DISABILITY.

39 20. "FAMILY MEMBER" MEANS A CHILD, SPOUSE, DOMESTIC PARTNER, PARENT,  
40 GRANDCHILD, GRANDPARENT, OR MOTHER OR FATHER OF A DOMESTIC PARTNER.

41 21. "PERSONS WHO STAND IN PARENTAL RELATIONSHIP TO A CHILD" INCLUDE  
42 THOSE WITH DAY-TO-DAY RESPONSIBILITIES TO CARE FOR AND PROVIDE FINANCIAL  
43 SUPPORT OF A CHILD, OR, IN THE CASE OF AN EMPLOYEE, WHO HAD SUCH RESPON-  
44 SIBILITY FOR THE EMPLOYEE WHEN THE EMPLOYEE WAS A CHILD. A BIOLOGICAL OR  
45 LEGAL RELATIONSHIP SHALL NOT BE NECESSARY.

46 22. "GRANDCHILD" MEANS THE CHILD OF A CHILD.

47 23. "HEALTH CARE PROVIDER" MEANS A HEALTH CARE PRACTITIONER WHO IS  
48 LICENSED UNDER THE RELEVANT FEDERAL OR STATE LAWS TO PROVIDE MEDICAL,  
49 EMERGENCY OR HEALTH SERVICES, AND IS TREATING AN EMPLOYEE OR A FAMILY  
50 MEMBER FOR A SERIOUS HEALTH CONDITION.

51 S 3. Section 202 of the workers' compensation law is amended by adding  
52 a new subdivision 1-a to read as follows:

53 1-A. SOLELY FOR THE PURPOSES OF THE PROVISIONS OF THIS ARTICLE RELAT-  
54 ING TO THE PROVISION OF BENEFITS, RIGHTS AND PRIVILEGES RELATING TO  
55 FAMILY CARE LEAVE, "COVERED EMPLOYER" SHALL INCLUDE THE STATE OR ANY

1 POLITICAL OR CIVIL SUBDIVISION THEREOF, AND EMPLOYERS WITH TWENTY-FIVE  
2 OR MORE EMPLOYEES.

3 S 4. The workers' compensation law is amended by adding two new  
4 sections 203-a and 203-b to read as follows:

5 S 203-A. RETALIATORY ACTION PROHIBITED. 1. THE PROVISIONS OF SECTION  
6 ONE HUNDRED TWENTY OF THIS CHAPTER AND SECTION TWO HUNDRED FORTY-ONE OF  
7 THIS ARTICLE SHALL BE APPLICABLE TO FAMILY CARE LEAVE AS IF FULLY SET  
8 FORTH IN THIS SECTION.

9 2. NOTHING IN THIS SECTION SHALL BE DEEMED TO DIMINISH THE RIGHTS,  
10 PRIVILEGES OR REMEDIES OF ANY EMPLOYEE UNDER ANY COLLECTIVE BARGAINING  
11 AGREEMENT OR EMPLOYMENT CONTRACT; EXCEPT THAT THE INSTITUTION OF AN  
12 ACTION IN ACCORDANCE WITH THIS SECTION SHALL BE DEEMED A WAIVER OF THE  
13 RIGHTS AND REMEDIES AVAILABLE UNDER ANY OTHER CONTRACT OR COLLECTIVE  
14 BARGAINING AGREEMENT.

15 S 203-B. FAMILY CARE LEAVE. ANY ELIGIBLE EMPLOYEE OF A COVERED EMPLOY-  
16 ER WHO TAKES FAMILY CARE LEAVE ON OR AFTER JANUARY FIRST, TWO THOUSAND  
17 FIFTEEN UNDER THIS SECTION SHALL BE ENTITLED, ON RETURN FROM SUCH LEAVE,  
18 TO BE RESTORED BY HIS OR HER EMPLOYER TO THE POSITION OF EMPLOYMENT HELD  
19 BY THE EMPLOYEE WHEN THE LEAVE COMMENCED, OR TO BE RESTORED TO A COMPA-  
20 RABLE POSITION WITH COMPARABLE EMPLOYMENT BENEFITS, PAY AND OTHER TERMS  
21 AND CONDITIONS OF EMPLOYMENT. THE TAKING OF LEAVE FOR THE PURPOSE OF  
22 FAMILY CARE SHALL NOT RESULT IN THE LOSS OF ANY EMPLOYMENT BENEFIT  
23 ACCRUED PRIOR TO THE DATE ON WHICH THE LEAVE COMMENCED. NOTHING IN THIS  
24 SECTION SHALL BE CONSTRUED TO ENTITLE ANY RESTORED EMPLOYEE TO THE  
25 ACCRUAL OF ANY SENIORITY OR EMPLOYMENT BENEFITS DURING ANY PERIOD OF  
26 LEAVE, OR ANY RIGHT, BENEFIT OR POSITION TO WHICH THE EMPLOYEE WOULD  
27 HAVE BEEN ENTITLED HAD THE EMPLOYEE NOT TAKEN SUCH LEAVE. A VIOLATION OF  
28 THIS SECTION SHALL BE A VIOLATION OF SECTION ONE HUNDRED TWENTY OF THIS  
29 CHAPTER, AND ALL REMEDIES AND PENALTIES AVAILABLE UNDER SECTION ONE  
30 HUNDRED TWENTY OF THIS CHAPTER SHALL BE AVAILABLE FOR VIOLATIONS OF THIS  
31 SECTION AS IF FULLY SET FORTH IN THIS SECTION.

32 S 5. Section 204 of the workers' compensation law is amended by adding  
33 a new subdivision 3 to read as follows:

34 3. THE WEEKLY BENEFIT WHICH AN EMPLOYEE ON FAMILY CARE LEAVE IS ENTI-  
35 TLED TO RECEIVE FOR DISABILITY COMMENCING ON OR AFTER JANUARY FIRST, TWO  
36 THOUSAND FIFTEEN, BUT BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, SHALL  
37 BE FIFTY PERCENT OF THE EMPLOYEE'S AVERAGE WEEKLY WAGE, BUT IN NO CASE  
38 SHALL SUCH BENEFIT EXCEED THIRTY-FIVE PERCENT OF THE STATEWIDE AVERAGE  
39 WEEKLY WAGE AS DETERMINED BY THE DEPARTMENT PURSUANT TO SUBDIVISION  
40 SIXTEEN OF SECTION TWO OF THIS CHAPTER. THE WEEKLY BENEFIT WHICH THE  
41 DISABLED EMPLOYEE IS ENTITLED TO RECEIVE FOR DISABILITY COMMENCING ON OR  
42 AFTER JANUARY FIRST, TWO THOUSAND SIXTEEN, BUT BEFORE JANUARY FIRST, TWO  
43 THOUSAND SEVENTEEN, SHALL BE FIFTY PERCENT OF THE EMPLOYEE'S AVERAGE  
44 WEEKLY WAGE, BUT IN NO CASE SHALL SUCH BENEFIT EXCEED FORTY PERCENT OF  
45 THE STATEWIDE AVERAGE WEEKLY WAGE AS DETERMINED BY THE DEPARTMENT PURSU-  
46 ANT TO SUBDIVISION SIXTEEN OF SECTION TWO OF THIS CHAPTER. THE WEEKLY  
47 BENEFIT WHICH THE DISABLED EMPLOYEE IS ENTITLED TO RECEIVE FOR DISABILI-  
48 TY COMMENCING ON OR AFTER JANUARY FIRST, TWO THOUSAND SEVENTEEN SHALL BE  
49 FIFTY PERCENT OF THE EMPLOYEE'S AVERAGE WEEKLY WAGE, BUT IN NO CASE  
50 SHALL SUCH BENEFIT EXCEED FIFTY PERCENT OF THE STATEWIDE AVERAGE WEEKLY  
51 WAGE AS DETERMINED BY THE DEPARTMENT PURSUANT TO SUBDIVISION SIXTEEN OF  
52 SECTION TWO OF THIS CHAPTER.

53 S 6. Subdivisions 1, 2, 3, 4, and 8 of section 205 of the workers'  
54 compensation law, subdivision 1 as amended by chapter 651 of the laws of  
55 1958, subdivision 2 as amended by chapter 270 of the laws of 1990 and  
56 subdivisions 3, 4 and 8 as added by chapter 600 of the laws of 1949 and

1 as renumbered by chapter 352 of the laws of 1981, are amended and a new  
2 subdivision 9 is added to read as follows:

3 1. (A) For DISABILITY RESULTING FROM INJURY, SICKNESS OR PREGNANCY OF  
4 AN EMPLOYEE, FOR more than twenty-six weeks during a period of fifty-two  
5 consecutive calendar weeks or during any one period of disability, OR

6 (B) FOR FAMILY CARE, FOR MORE THAN SIX WEEKS DURING A PERIOD OF  
7 FIFTY-TWO CONSECUTIVE CALENDAR WEEKS OR DURING ANY ONE PERIOD OF FAMILY  
8 CARE;

9 2. for any period of disability RESULTING FROM THE INJURY, SICKNESS OR  
10 PREGNANCY OF AN EMPLOYEE during which an employee is not under the care  
11 of a duly licensed physician or with respect to disability resulting  
12 from a condition of the foot which may lawfully be treated by a duly  
13 registered and licensed podiatrist of the state of New York or with  
14 respect to a disability resulting from a condition which may lawfully be  
15 treated by a duly registered and licensed chiropractor of the state of  
16 New York or with respect to a disability resulting from a condition  
17 which may lawfully be treated by a duly licensed dentist of the state of  
18 New York or with respect to a disability resulting from a condition  
19 which may lawfully be treated by a duly registered and licensed psychol-  
20 ogist of the state of New York or with respect to a disability resulting  
21 from a condition which may lawfully be treated by a duly certified nurse  
22 midwife, for any period of such disability during which an employee is  
23 neither under the care of a physician nor a podiatrist, nor a chiroprac-  
24 tor, nor a dentist, nor a psychologist, nor a certified nurse midwife;  
25 and for any period of disability during which an employee who adheres to  
26 the faith or teachings of any church or denomination and who in accord-  
27 ance with its creed, tenets or principles depends for healing upon pray-  
28 er through spiritual means alone in the practice of religion, is not  
29 under the care of a practitioner duly accredited by the church or denom-  
30 ination, and provided such employee shall submit to all physical exam-  
31 inations as required by this chapter[.];

32 3. for any disability RESULTING FROM INJURY OR SICKNESS OF AN EMPLOYEE  
33 occasioned by the wilful intention of the employee to bring about injury  
34 to or the sickness of himself or another, or resulting from any injury  
35 or sickness sustained in the perpetration by the employee of an illegal  
36 act;

37 4. for any day of disability during which the employee performed work  
38 for remuneration or profit, BUT NOT INCLUDING ANY REMUNERATION RECEIVED  
39 FOR CARING FOR A FOSTER OR ADOPTED CHILD OR OTHER INDIVIDUAL RESIDING IN  
40 THE EMPLOYEE'S PLACE OF RESIDENCE;

41 8. for any disability RESULTING FROM AN INJURY, SICKNESS OR PREGNANCY  
42 OF THE EMPLOYEE commencing before the employee becomes eligible to bene-  
43 fits hereunder [or commencing prior to July first, nineteen hundred  
44 fifty, but this shall not preclude benefits for recurrence after July  
45 first, nineteen hundred fifty, of a disability commencing prior there-  
46 to.]; OR

47 9. FOR ANY DAY OF ABSENCE FROM WORK REQUIRED PURSUANT TO ANY DISCIPLI-  
48 NARY PROCESS, OR, WITH REGARD TO FAMILY CARE BENEFITS, ANY DAY OF  
49 ABSENCE FROM WORK RESULTING FOR INJURY, SICKNESS OR PREGNANCY OF THE  
50 EMPLOYEE, INCLUDING ANY LEAVE TAKEN UNDER SECTION SEVENTY-THREE OR  
51 SEVENTY-FIVE OF THE CIVIL SERVICE LAW.

52 S 7. The workers' compensation law is amended by adding a new section  
53 205-a to read as follows:

54 S 205-A. RELATIONSHIP BETWEEN DISABILITY BENEFITS FOR FAMILY CARE AND  
55 FOR THE EMPLOYEE'S OWN INJURY, SICKNESS OR PREGNANCY. THE RECEIPT OF  
56 BENEFITS FOR DISABILITY RESULTING FROM INJURY, SICKNESS OR PREGNANCY OF

1 THE EMPLOYEE, SHALL NOT COUNT TOWARD ANY TIME LIMITATION UNDER SUBDIVI-  
2 SION ONE OF SECTION TWO HUNDRED FIVE OF THIS ARTICLE ON THE RECEIPT OF  
3 BENEFITS FOR FAMILY CARE, AND THE RECEIPT OF BENEFITS FOR FAMILY CARE  
4 SHALL NOT COUNT TOWARD ANY TIME LIMITATION UNDER SUBDIVISION ONE OF  
5 SECTION TWO HUNDRED FIVE OF THIS ARTICLE ON THE RECEIPT OF BENEFITS FOR  
6 DISABILITY RESULTING FROM INJURY, SICKNESS OR PREGNANCY TO THE EMPLOYEE,  
7 EXCEPT THAT AN EMPLOYEE MAY RECEIVE DISABILITY BENEFITS ON ONLY ONE  
8 CLAIM AT ANY TIME.

9 S 8. Subdivision 3 of section 209 of the workers' compensation law, as  
10 amended by chapter 415 of the laws of 1983, is amended and a new subdi-  
11 vision 6 is added to read as follows:

12 3. The contribution of each such employee to the cost of disability  
13 benefits provided by this article shall be one-half of one per centum of  
14 the employee's wages paid to him on and after July first, nineteen  
15 hundred fifty, but not in excess of sixty cents per week FOR THE COST OF  
16 DISABILITY BENEFITS FOR INJURY, SICKNESS OR PREGNANCY OF THE EMPLOYEE.

17 6. EFFECTIVE DURING THE TWO THOUSAND FIFTEEN CALENDAR YEAR FAMILY CARE  
18 BENEFITS SHALL BE PROVIDED AT NO COST TO AN ELIGIBLE EMPLOYEE THROUGH  
19 THE STATE GENERAL FUND. THIS EXACT LEVEL OF FUNDING SHALL BE PROVIDED BY  
20 THE STATE EACH CALENDAR YEAR FOR FAMILY CARE BENEFITS. DURING EVERY  
21 SUBSEQUENT CALENDAR YEAR, THE CONTRIBUTION OF EACH SUCH EMPLOYEE TO THE  
22 COST OF FAMILY CARE BENEFITS SHALL BE SET BY REGULATION OF THE SUPER-  
23 INTENDENT OF FINANCIAL SERVICES. EMPLOYERS SHALL NOT CONTRIBUTE TOWARD  
24 THE COST OF FAMILY CARE BENEFITS.

25 S 9. Section 211 of the workers' compensation law is amended by adding  
26 two new subdivisions 7 and 8 to read as follows:

27 7. SUCH FAMILY CARE BENEFITS AS ARE PROVIDED FOR IN THIS ARTICLE SHALL  
28 BE IN ADDITION TO, AND SHALL NOT AMEND, REPEAL OR REPLACE, THE TERMS OF  
29 ANY AGREEMENT THAT IS COLLECTIVELY NEGOTIATED BETWEEN AN EMPLOYER AND AN  
30 EMPLOYEE ORGANIZATION, INCLUDING AGREEMENT OR INTEREST ARBITRATION  
31 AWARDS MADE PURSUANT TO ARTICLE FOURTEEN OF THE CIVIL SERVICE LAW.

32 8. NOTHING IN THIS ARTICLE SHALL REQUIRE AN EMPLOYER TO USE THE SAME  
33 CARRIER TO PROVIDE BENEFITS REQUIRED BY OR PERMISSIBLE UNDER THIS ARTI-  
34 CLE FOR DISABILITY RESULTING FROM INJURY, SICKNESS TO OR PREGNANCY OF  
35 THE EMPLOYEE AS IT USES TO PROVIDE BENEFITS REQUIRED BY OR PERMISSIBLE  
36 UNDER THIS ARTICLE FOR FAMILY CARE. AN EMPLOYER MAY USE A DIFFERENT  
37 MEANS, AMONG THOSE SET FORTH IN SUBDIVISIONS ONE THROUGH FIVE OF THIS  
38 SECTION, TO PROVIDE BENEFITS REQUIRED BY THIS ARTICLE FOR DISABILITY  
39 RESULTING FROM INJURY OR SICKNESS TO OR PREGNANCY OF THE EMPLOYEE, FROM  
40 THE MEANS USED TO PROVIDE BENEFITS REQUIRED BY THIS ARTICLE FOR FAMILY  
41 CARE.

42 S 10. The workers' compensation law is amended by adding a new section  
43 211-a to read as follows:

44 S 211-A. PUBLIC EMPLOYEES; EMPLOYEE OPTION. 1. FOR PURPOSES OF THIS  
45 SECTION:

46 (A) "PUBLIC EMPLOYEE" MEANS ANY EMPLOYEE OF THE STATE, ANY POLITICAL  
47 SUBDIVISION OF THE STATE, A PUBLIC AUTHORITY, OR ANY OTHER GOVERNMENTAL  
48 AGENCY OR INSTRUMENTALITY.

49 (B) "PUBLIC EMPLOYER" MEANS THE STATE, ANY POLITICAL SUBDIVISION OF  
50 THE STATE, A PUBLIC AUTHORITY, OR ANY OTHER GOVERNMENTAL AGENCY OR  
51 INSTRUMENTALITY THEREOF.

52 (C) "EMPLOYEE ORGANIZATION" SHALL HAVE THE MEANING SET FORTH IN  
53 SECTION TWO HUNDRED ONE OF THE CIVIL SERVICE LAW.

54 2. PUBLIC EMPLOYERS SHALL PROVIDE BENEFITS FOR FAMILY CARE TO PUBLIC  
55 EMPLOYEES WHERE AN EMPLOYEE ORGANIZATION THAT REPRESENTS THOSE PUBLIC  
56 EMPLOYEES ELECTS TO HAVE FAMILY CARE BENEFITS PROVIDED IN ACCORDANCE

1 WITH THE PROCEDURES AND TERMS SET FORTH IN SUBDIVISION THREE OF THIS  
2 SECTION.

3 3. AN EMPLOYEE ORGANIZATION MAY ELECT TO HAVE FAMILY CARE BENEFITS  
4 PROVIDED ON BEHALF OF THE PUBLIC EMPLOYEES IT REPRESENTS:

5 (A) AT ANY TIME UPON NINETY DAYS NOTICE TO ANY PUBLIC EMPLOYER WHICH  
6 IS NOT PROVIDING DISABILITY BENEFITS FOR INJURY, SICKNESS OR PREGNANCY  
7 OF A PUBLIC EMPLOYEE UNDER SECTION TWO HUNDRED TWELVE OF THIS ARTICLE,  
8 OR WHICH IS SELF-INSURED FOR SUCH BENEFITS;

9 (B) FOR ANY PUBLIC EMPLOYER WHICH IS PROVIDING DISABILITY BENEFITS FOR  
10 INJURY, SICKNESS OR PREGNANCY OF A PUBLIC EMPLOYEE UNDER SECTION TWO  
11 HUNDRED TWELVE OF THIS ARTICLE, UPON NOTICE AT LEAST NINETY DAYS PRIOR  
12 TO THE EXPIRATION OF THE PUBLIC EMPLOYER'S INSURANCE POLICY FOR SUCH  
13 BENEFITS, WHICH ELECTION SHALL BE EFFECTIVE ONLY FOR THE TIME PERIOD  
14 COVERED BY ANY SUBSEQUENT POLICY OR RENEWAL; OR

15 (C) AT ANY TIME AS IS MUTUALLY AGREED UPON BETWEEN THE EMPLOYEE ORGAN-  
16 IZATION AND ANY PUBLIC EMPLOYER. AN EMPLOYEE ORGANIZATION THAT HAS  
17 ELECTED TO HAVE THE FAMILY CARE BENEFIT PROVIDED MAY OPT OUT OF IT WITH-  
18 IN THE TIME PERIODS, AND EFFECTIVE UPON THE SAME DATES, SET FORTH IN  
19 THIS PARAGRAPH.

20 4. IN THE ABSENCE OF ANY CONTRARY STATEMENT IN A COLLECTIVELY NEGOTI-  
21 ATED AGREEMENT UNDER ARTICLE FOURTEEN OF THE CIVIL SERVICE LAW, A PUBLIC  
22 EMPLOYER MAY REQUIRE PUBLIC EMPLOYEES WHO OPT IN UNDER THIS SECTION TO  
23 CONTRIBUTE THE FAMILY CARE COST AS SET FORTH IN SECTION TWO HUNDRED NINE  
24 OF THIS ARTICLE.

25 S 11. Subdivisions 1, 2, 3 and 4 of section 217 of the workers'  
26 compensation law, subdivision 1 as amended by chapter 167 of the laws of  
27 1999, subdivisions 2 and 3 as amended by chapter 270 of the laws of  
28 1990, and subdivision 4 as added by chapter 600 of the laws of 1949, are  
29 amended to read as follows:

30 1. (A) Written notice and proof of disability shall be furnished to  
31 the employer by or on behalf of the employee claiming benefits or, in  
32 the case of a claimant under section two hundred seven of this article,  
33 to the chair, within thirty days after commencement of the period of  
34 disability. Additional proof shall be furnished thereafter from time to  
35 time as the employer or carrier or chair may require but not more often  
36 than once each week. Such proof shall include:

37 (I) IN THE CASE OF DISABILITY RESULTING FROM INJURY, SICKNESS OR PREG-  
38 NANCY OF THE EMPLOYEE, a statement of disability by the employee's  
39 attending [physician or attending podiatrist or attending chiropractor  
40 or attending dentist or attending psychologist or attending certified  
41 nurse midwife, or in the case of an employee who adheres to the faith or  
42 teachings of any church or denomination, and who in accordance with its  
43 creed, tenets or principles depends for healing upon prayer through  
44 spiritual means alone in the practice of religion, by an accredited  
45 practitioner, containing facts and opinions as to such disability in  
46 compliance with regulations of the chair.] HEALTH CARE PROVIDER; AND

47 (II) IN THE CASE OF FAMILY CARE FOR BONDING WITH A NEW CHILD, A BIRTH  
48 CERTIFICATE, CERTIFICATE OF ADOPTION, OR OTHER COMPETENT EVIDENCE SHOW-  
49 ING THAT THE EMPLOYEE IS THE PARENT OF A CHILD WITHIN TWELVE MONTHS OF  
50 THAT CHILD'S BIRTH OR PLACEMENT FOR ADOPTION OR FOSTER CARE WITH THE  
51 EMPLOYEE.

52 (B) Failure to furnish notice or proof within the time and in the  
53 manner [above] provided IN PARAGRAPH (A) OF THIS SUBDIVISION shall not  
54 invalidate the claim but no benefits shall be required to be paid for  
55 any period more than two weeks prior to the date on which the required  
56 proof is furnished unless it shall be shown to the satisfaction of the

1 chair not to have been reasonably possible to furnish such notice or  
2 proof and that such notice or proof was furnished as soon as possible;  
3 provided, however, that no benefits shall be paid unless the required  
4 proof of disability is furnished within twenty-six weeks after commence-  
5 ment of the period of disability. No limitation of time provided in  
6 this section shall run as against any person who is mentally incompe-  
7 tent, or physically incapable of providing such notice as a result of a  
8 serious medical condition, or a minor so long as such person has no  
9 guardian of the person and/or property.

10 2. An employee claiming benefits FOR THE EMPLOYEE'S INJURY, SICKNESS  
11 OR PREGNANCY shall, as requested by the employer or carrier, submit  
12 himself or herself at intervals, but not more than once a week, for  
13 examination by a [physician or podiatrist or chiropractor or dentist or  
14 psychologist or certified nurse midwife] RELEVANT HEALTH CARE PROVIDER  
15 designated by the employer or carrier. All such examinations shall be  
16 without cost to the employee and shall be held at a reasonable time and  
17 place.

18 3. The chair may direct the claimant WHO SEEKS DISABILITY BENEFITS FOR  
19 HIS OR HER INJURY, SICKNESS OR PREGNANCY to submit to examination by a  
20 [physician or podiatrist or chiropractor or dentist or psychologist]  
21 RELEVANT HEALTH CARE PROVIDER designated by him or her in any case in  
22 which the claim to disability benefits is contested and in claims aris-  
23 ing under section two hundred seven OF THIS ARTICLE, and in other cases  
24 as the chair or board may require.

25 4. Refusal of the claimant without good cause to submit to any such  
26 examination shall disqualify [him] THE CLAIMANT from all benefits here-  
27 under for the period of such refusal, except as to benefits already  
28 paid.

29 S 12. Subdivision 2 of section 229 of the workers' compensation law,  
30 as added by chapter 271 of the laws of 1985, is amended to read as  
31 follows:

32 2. (A) Whenever an employee of a covered employer who is eligible for  
33 benefits under section two hundred four of this article shall be absent  
34 from work due to a disability as defined in subdivision nine of section  
35 two hundred one of this article for more than seven consecutive days,  
36 the employer shall provide the employee with a written statement of the  
37 employee's rights under this article in a form prescribed by [the chair-  
38 man] CHAIR. The statement shall be provided to the employee within five  
39 business days after the employee's seventh consecutive day of absence  
40 due to disability or within five business days after the employer knows  
41 or should know that the employee's absence is due to disability, which-  
42 ever is later.

43 (B) EACH COVERED EMPLOYER SHALL PROVIDE EACH EMPLOYEE WITH A TYPEWRIT-  
44 TEN, PRINTED OR ELECTRONIC NOTICE IN A FORM PRESCRIBED BY THE CHAIR,  
45 STATING THAT THE EMPLOYER HAS PROVIDED FOR THE PAYMENT OF DISABILITY  
46 BENEFITS AS REQUIRED BY THIS ARTICLE WITHIN THIRTY DAYS OF THE EFFECTIVE  
47 DATE OF THIS PARAGRAPH. EACH COVERED EMPLOYER SHALL PROVIDE SUCH NOTICE  
48 TO ALL NEW EMPLOYEES WITHIN THIRTY DAYS OF THEIR FIRST DAY OF WORK.

49 S 13. Subdivision 2 of section 76 of the workers' compensation law, as  
50 added by chapter 600 of the laws of 1949, is amended to read as follows:

51 2. The purposes of the state insurance fund herein created are hereby  
52 enlarged to provide [for the] insurance [by the state insurance fund of]  
53 FOR the payment of the benefits required by section two hundred four of  
54 this chapter, INCLUDING BENEFITS FOR FAMILY CARE PROVIDED EITHER IN THE  
55 SAME POLICY WITH OR IN A SEPARATE POLICY FROM BENEFITS FOR DISABILITY  
56 RESULTING FROM INJURY OR SICKNESS TO OR PREGNANCY OF AN EMPLOYEE, AND AS

1 PROVIDED PURSUANT TO SECTION TWO HUNDRED ELEVEN-A OF THIS CHAPTER. A  
2 separate fund is hereby created within the state insurance fund, which  
3 shall be known as the "disability benefits fund", and which shall  
4 consist of all premiums received and paid into said fund on account of  
5 such insurance, all securities acquired by and through the use of moneys  
6 belonging to said fund and of interest earned upon moneys belonging to  
7 said fund and deposited or invested as herein provided. Said disability  
8 benefits fund shall be applicable to the payment of benefits, expenses  
9 and assessments on account of insurance written pursuant to article nine  
10 of this chapter.

11 S 14. Paragraph 3 of subsection (a) of section 1113 of the insurance  
12 law is amended to read as follows:

13 (3) "Accident and health insurance," means (i) insurance against death  
14 or personal injury by accident or by any specified kind or kinds of  
15 accident and insurance against sickness, ailment or bodily injury,  
16 including insurance providing disability benefits pursuant to article  
17 nine of the workers' compensation law, INCLUDING ANY INSURANCE UNDER  
18 SUCH ARTICLE FOR FAMILY CARE BENEFITS, AND/OR DISABILITY BENEFITS  
19 RESULTING FROM INJURY, SICKNESS OR PREGNANCY OF AN EMPLOYEE ALL, except  
20 as specified in item (ii) [hereof] OF THIS PARAGRAPH; and (ii) non-can-  
21 cellable disability insurance, meaning insurance against disability  
22 resulting from sickness, ailment or bodily injury (but excluding insur-  
23 ance solely against accidental injury) under any contract which does not  
24 give the insurer the option to cancel or otherwise terminate the  
25 contract at or after one year from its effective date or renewal date.

26 S 15. This act shall take effect immediately.

27 S 2. Severability clause. If any clause, sentence, paragraph, subdivi-  
28 sion, section or part of this act shall be adjudged by any court of  
29 competent jurisdiction to be invalid, such judgment shall not affect,  
30 impair, or invalidate the remainder thereof, but shall be confined in  
31 its operation to the clause, sentence, paragraph, subdivision, section  
32 or part thereof directly involved in the controversy in which such judg-  
33 ment shall have been rendered. It is hereby declared to be the intent of  
34 the legislature that this act would have been enacted even if such  
35 invalid provisions had not been included herein.

36 S 3. This act shall take effect immediately provided, however, that  
37 the applicable effective date of Parts A through LL of this act shall be  
38 as specifically set forth in the last section of such Parts.