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

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2015-2016 Regular Sessions

I N S E N A T E

June 3, 2015

Introduced by Sen. MARCELLINO -- (at request of the State Comptroller) -- read twice and ordered printed, and when printed to be committed to the Committee on Education -- recommitted to the Committee on Education in accordance with Senate Rule 6, sec. 8 -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the education law, in relation to requiring notice of reserve funds and reserves funded by resolution and to require that each school district post on its website, if any, a final annual budget and any multi-year financial plan adopted by the board of education or trustees

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

Section 1. Paragraph a of subdivision 7 of section 1608 of the education law, as amended by section 4 of part A of chapter 97 of the laws of 2011, is amended to read as follows:

a. Each year, commencing with the proposed budget for the two thousand--two thousand one school year, the trustee or board of trustees shall prepare a property tax report card, pursuant to regulations of the commissioner, and shall make it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed budget made publicly available as required by law, making it available for distribution at the annual meeting, and otherwise disseminating it as required by the commissioner. Such report card shall include: (i) the amount of total spending and total estimated school tax levy that would result from adoption of the proposed budget and the percentage increase or decrease in total spending and total school tax levy from the school district budget for the preceding school year; and (ii) the district's tax levy limit determined pursuant to section two thousand twenty-three-a of this title, and the estimated school tax

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

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levy, excluding any levy necessary to support the expenditures pursuant to subparagraphs (i) through (iv) of paragraph i of subdivision two of section two thousand twenty-three-a of this title, that would result from adoption of the proposed budget; and (iii) the projected enrollment growth for the school year for which the budget is prepared, and the percentage change in enrollment from the previous year; and (iv) the percentage increase in the consumer price index, as defined in paragraph c of this subdivision; and (v) the projected amount of the unappropriated unreserved fund balance that will be retained if the proposed budget is adopted, the projected amount of the reserved fund balance, the projected amount of the appropriated fund balance, the percentage of the proposed budget that the unappropriated unreserved fund balance represents, the actual unappropriated unreserved fund balance retained in the school district budget for the preceding school year, and the percentage of the school district budget for the preceding school year that the actual unappropriated unreserved fund balance represents, AND A SCHEDULE OF RESERVE FUNDS, SETTING FORTH THE NAME OF EACH RESERVE FUND, A DESCRIPTION OF ITS PURPOSE, THE BALANCE AS OF THE CLOSE OF THE THIRD QUARTER OF THE CURRENT SCHOOL DISTRICT FISCAL YEAR AND A BRIEF STATEMENT EXPLAINING ANY PLANS FOR THE USE OF EACH SUCH RESERVE FUND FOR THE ENSUING FISCAL YEAR.

S 1-a. Paragraph a of subdivision 7 of section 1608 of the education law, as amended by chapter 238 of the laws of 2007, is amended to read as follows:

a. Each year, commencing with the proposed budget for the two thousand--two thousand one school year, the trustee or board of trustees shall prepare a property tax report card, pursuant to regulations of the commissioner, and shall make it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed budget made publicly available as required by law, making it available for distribution at the annual meeting, and otherwise disseminating it as required by the commissioner. Such report card shall include: (i) the amount of total spending and total estimated school tax levy that would result from adoption of the proposed budget and the percentage increase or decrease in total spending and total school tax levy from the school district budget for the preceding school year; and (ii) the projected enrollment growth for the school year for which the budget is prepared, and the percentage change in enrollment from the previous year; and (iii) the percentage increase in the consumer price index, as defined in paragraph c of this subdivision; and (iv) the projected amount of the unappropriated unreserved fund balance that will be retained if the proposed budget is adopted, the projected amount of the reserved fund balance, the projected amount of the appropriated fund balance, the percentage of the proposed budget that the unappropriated unreserved fund balance represents, the actual unappropriated unreserved fund balance retained in the school district budget for the preceding school year, and the percentage of the school district budget for the preceding school year that the actual unappropriated unreserved fund balance represents; AND (V) A SCHEDULE OF RESERVE FUNDS, SETTING FORTH THE NAME OF EACH RESERVE FUND, A DESCRIPTION OF ITS PURPOSE, THE BALANCE AS OF THE CLOSE OF THE THIRD QUARTER OF THE CURRENT SCHOOL DISTRICT FISCAL YEAR AND A BRIEF STATEMENT EXPLAINING ANY PLANS FOR THE USE OF EACH SUCH RESERVE FUND FOR THE ENSUING FISCAL YEAR.

S 2. Paragraph a of subdivision 7 of section 1716 of the education law, as amended by section 5 of part A of chapter 97 of the laws of 2011, is amended to read as follows:

a. Each year, commencing with the proposed budget for the two thousand--two thousand one school year, the board of education shall prepare a property tax report card, pursuant to regulations of the commissioner, and shall make it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed budget made publicly available as required by law, making it available for distribution at the annual meeting, and otherwise disseminating it as required by the commissioner. Such report card shall include: (i) the amount of total spending and total estimated school tax levy that would result from adoption of the proposed budget and the percentage increase or decrease in total spending and total school tax levy from the school district budget for the preceding school year; and (ii) the district's tax levy limit determined pursuant to section two thousand twenty-three-a of this title, and the estimated school tax levy, excluding any levy necessary to support the expenditures pursuant to subparagraphs (i) through (iv) of paragraph i of subdivision two of section two thousand twenty-three-a of this title, that would result from adoption of the proposed budget; and (iii) the projected enrollment growth for the school year for which the budget is prepared, and the percentage change in enrollment from the previous year; and (iv) the percentage increase in the consumer price index, as defined in paragraph c of this subdivision; and (v) the projected amount of the unappropriated unreserved fund balance that will be retained if the proposed budget is adopted, the projected amount of the reserved fund balance, the projected amount of the appropriated fund balance, the percentage of the proposed budget that the unappropriated unreserved fund balance represents, the actual unappropriated unreserved fund balance retained in the school district budget for the preceding school year, A SCHEDULE OF RESERVE FUNDS, SETTING FORTH THE NAME OF EACH RESERVE FUND, A DESCRIPTION OF ITS PURPOSE, THE BALANCE AS OF THE CLOSE OF THE THIRD QUARTER OF THE CURRENT SCHOOL DISTRICT FISCAL YEAR AND A BRIEF STATEMENT EXPLAINING ANY PLANS FOR THE USE OF EACH SUCH RESERVE FUND FOR THE ENSUING FISCAL YEAR and the percentage of the school district budget for the preceding school year that the actual unappropriated unreserved fund balance represents.

S 2-a. Paragraph a of subdivision 7 of section 1716 of the education law, as amended by chapter 238 of the laws of 2007, is amended to read as follows:

a. Each year, commencing with the proposed budget for the two thousand--two thousand one school year, the board of education shall prepare a property tax report card, pursuant to regulations of the commissioner, and shall make it publicly available by transmitting it to local newspapers of general circulation, appending it to copies of the proposed budget made publicly available as required by law, making it available for distribution at the annual meeting, and otherwise disseminating it as required by the commissioner. Such report card shall include: (i) the amount of total spending and total estimated school tax levy that would result from adoption of the proposed budget and the percentage increase or decrease in total spending and total school tax levy from the school district budget for the preceding school year; and (ii) the projected enrollment growth for the school year for which the budget is prepared, and the percentage change in enrollment from the previous year; and (iii) the percentage increase in the consumer price index, as defined in paragraph c of this subdivision; and (iv) the projected amount of the unappropriated unreserved fund balance that will be retained if the proposed budget is adopted, the projected amount of the reserved fund

balance, the projected amount of the appropriated fund balance, the percentage of the proposed budget that the unappropriated unreserved fund balance represents, the actual unappropriated unreserved fund balance retained in the school district budget for the preceding school year, A SCHEDULE OF RESERVE FUNDS, SETTING FORTH THE NAME OF EACH RESERVE FUND, A DESCRIPTION OF ITS PURPOSE, THE BALANCE AS OF THE CLOSE OF THE THIRD QUARTER OF THE CURRENT SCHOOL DISTRICT FISCAL YEAR AND A BRIEF STATEMENT EXPLAINING ANY PLANS FOR THE USE OF EACH SUCH RESERVE FUND FOR THE ENSUING FISCAL YEAR and the percentage of the school district budget for the preceding school year that the actual unappropriated unreserved fund balance represents.

S 3. The education law is amended by adding a new section 3653 to read as follows:

S 3653. RESERVES FUNDED BY RESOLUTION. IN ADDITION TO ANY OTHER REQUIREMENTS, NO MONIES SHALL BE PAID OR TRANSFERRED INTO ANY RESERVE FUND, ESTABLISHED PURSUANT TO THIS CHAPTER OR ANY OTHER CHAPTER OF LAW, FOR THE PURPOSE OF INCREASING THE FUNDING OF SUCH RESERVE FUND, UNLESS EXPRESSLY AUTHORIZED BY A RESOLUTION OF THE BOARD OF EDUCATION OR TRUSTEES OF A SCHOOL DISTRICT.

S 4. Section 2116-a of the education law is amended by adding a new subdivision 3-b to read as follows:

3-B. EACH SCHOOL DISTRICT SHALL IN A TIMELY FASHION POST ON ITS WEBSITE, IF ANY, THE ANNUAL EXTERNAL AUDIT REPORT AND THE CORRECTIVE ACTION PLAN PREPARED IN RESPONSE TO ANY FINDINGS CONTAINED IN THE ANNUAL EXTERNAL AUDIT REPORT OR MANAGEMENT LETTER, OR ANY FINAL AUDIT REPORT ISSUED BY THE STATE COMPTROLLER.

S 5. Section 2022 of the education law is amended by adding a new subdivision 7 to read as follows:

7. EACH SCHOOL DISTRICT SHALL POST ON ITS WEBSITE, IF ANY, A FINAL ANNUAL BUDGET AND ANY MULTI-YEAR FINANCIAL PLAN ADOPTED BY THE BOARD OF EDUCATION OR TRUSTEES.

S 6. This act shall take effect on the first of July next succeeding the date on which it shall have become a law; provided, however, that:

a. the amendment to paragraph a of subdivision 7 of section 1608 of the education law made by section one of this act shall be subject to the expiration and reversion of such paragraph pursuant to section 13 of part A of chapter 97 of the laws of 2011, as amended, when upon such date the provisions of section one-a of this act shall take effect;

b. the amendment to paragraph a of subdivision 7 of section 1716 of the education law made by section two of this act shall be subject to the expiration and reversion of such paragraph pursuant to section 13 of part A of chapter 97 of the laws of 2011, as amended, when upon such date the provisions of section two-a of this act shall take effect; and

c. provided, further, that the amendment to section 2022 of the education law made by section five of this act shall survive the expiration and reversion of such section pursuant to section 13 of part A of chapter 97 of the laws of 2011, as amended.