

5795--A

Cal. No. 225

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:

1 Section 1. Paragraph a of subdivision 7 of section 1608 of the educa-
2 tion law, as amended by section 4 of part A of chapter 97 of the laws of
3 2011, is amended to read as follows:
4 a. Each year, commencing with the proposed budget for the two thou-
5 sand--two thousand one school year, the trustee or board of trustees
6 shall prepare a property tax report card, pursuant to regulations of the
7 commissioner, and shall make it publicly available by transmitting it to
8 local newspapers of general circulation, appending it to copies of the
9 proposed budget made publicly available as required by law, making it
10 available for distribution at the annual meeting, and otherwise dissem-
11 inating it as required by the commissioner. Such report card shall
12 include: (i) the amount of total spending and total estimated school tax
13 levy that would result from adoption of the proposed budget and the
14 percentage increase or decrease in total spending and total school tax
15 levy from the school district budget for the preceding school year; and
16 (ii) the district's tax levy limit determined pursuant to section two
17 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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1 levy, excluding any levy necessary to support the expenditures pursuant
2 to subparagraphs (i) through (iv) of paragraph i of subdivision two of
3 section two thousand twenty-three-a of this title, that would result
4 from adoption of the proposed budget; and (iii) the projected enrollment
5 growth for the school year for which the budget is prepared, and the
6 percentage change in enrollment from the previous year; and (iv) the
7 percentage increase in the consumer price index, as defined in paragraph
8 c of this subdivision; and (v) the projected amount of the unappropri-
9 ated unreserved fund balance that will be retained if the proposed budg-
10 et is adopted, the projected amount of the reserved fund balance, the
11 projected amount of the appropriated fund balance, the percentage of the
12 proposed budget that the unappropriated unreserved fund balance repres-
13 ents, the actual unappropriated unreserved fund balance retained in the
14 school district budget for the preceding school year, and the percentage
15 of the school district budget for the preceding school year that the
16 actual unappropriated unreserved fund balance represents, AND A SCHEDULE
17 OF RESERVE FUNDS, SETTING FORTH THE NAME OF EACH RESERVE FUND, A
18 DESCRIPTION OF ITS PURPOSE, THE BALANCE AS OF THE CLOSE OF THE THIRD
19 QUARTER OF THE CURRENT SCHOOL DISTRICT FISCAL YEAR AND A BRIEF STATEMENT
20 EXPLAINING ANY PLANS FOR THE USE OF EACH SUCH RESERVE FUND FOR THE ENSU-
21 ING FISCAL YEAR.

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

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

54 S 2. Paragraph a of subdivision 7 of section 1716 of the education
55 law, as amended by section 5 of part A of chapter 97 of the laws of
56 2011, is amended to read as follows:

1 a. Each year, commencing with the proposed budget for the two thou-
2 sand--two thousand one school year, the board of education shall prepare
3 a property tax report card, pursuant to regulations of the commissioner,
4 and shall make it publicly available by transmitting it to local newspa-
5 pers of general circulation, appending it to copies of the proposed
6 budget made publicly available as required by law, making it available
7 for distribution at the annual meeting, and otherwise disseminating it
8 as required by the commissioner. Such report card shall include: (i) the
9 amount of total spending and total estimated school tax levy that would
10 result from adoption of the proposed budget and the percentage increase
11 or decrease in total spending and total school tax levy from the school
12 district budget for the preceding school year; and (ii) the district's
13 tax levy limit determined pursuant to section two thousand
14 twenty-three-a of this title, and the estimated school tax levy, exclud-
15 ing any levy necessary to support the expenditures pursuant to subpara-
16 graphs (i) through (iv) of paragraph i of subdivision two of section two
17 thousand twenty-three-a of this title, that would result from adoption
18 of the proposed budget; and (iii) the projected enrollment growth for
19 the school year for which the budget is prepared, and the percentage
20 change in enrollment from the previous year; and (iv) the percentage
21 increase in the consumer price index, as defined in paragraph c of this
22 subdivision; and (v) the projected amount of the unappropriated unre-
23 served fund balance that will be retained if the proposed budget is
24 adopted, the projected amount of the reserved fund balance, the project-
25 ed amount of the appropriated fund balance, the percentage of the
26 proposed budget that the unappropriated unreserved fund balance repres-
27 ents, the actual unappropriated unreserved fund balance retained in the
28 school district budget for the preceding school year, A SCHEDULE OF
29 RESERVE FUNDS, SETTING FORTH THE NAME OF EACH RESERVE FUND, A
30 DESCRIPTION OF ITS PURPOSE, THE BALANCE AS OF THE CLOSE OF THE THIRD
31 QUARTER OF THE CURRENT SCHOOL DISTRICT FISCAL YEAR AND A BRIEF STATEMENT
32 EXPLAINING ANY PLANS FOR THE USE OF EACH SUCH RESERVE FUND FOR THE ENSU-
33 ING FISCAL YEAR and the percentage of the school district budget for the
34 preceding school year that the actual unappropriated unreserved fund
35 balance represents.

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

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

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

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

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

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

22 3-B. EACH SCHOOL DISTRICT SHALL IN A TIMELY FASHION POST ON ITS
23 WEBSITE, IF ANY, THE ANNUAL EXTERNAL AUDIT REPORT AND THE CORRECTIVE
24 ACTION PLAN PREPARED IN RESPONSE TO ANY FINDINGS CONTAINED IN THE ANNUAL
25 EXTERNAL AUDIT REPORT OR MANAGEMENT LETTER, OR ANY FINAL AUDIT REPORT
26 ISSUED BY THE STATE COMPTROLLER.

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

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

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

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

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

44 c. provided, further, that the amendment to section 2022 of the educa-
45 tion law made by section five of this act shall survive the expiration
46 and reversion of such section pursuant to section 13 of part A of chap-
47 ter 97 of the laws of 2011, as amended.