STATE OF NEW YORK

8701

IN SENATE

March 31, 2022

Introduced by Sen. RYAN -- read twice and ordered printed, and when printed to be committed to the Committee on Education

AN ACT to amend the education law, in relation to excluding certain lottery winnings from a school district's adjusted gross income

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Paragraph h of subdivision 1 of section 3602 of the education law, as added by section 7 of part B of chapter 57 of the laws of 2008, is amended to read as follows

h. "Adjusted gross income" shall mean the adjusted gross income of a school district for the calendar year three years prior to the calendar year in which the current year commences. The income data shall be computed in accordance with regulations adopted by the commissioner of taxation and finance based upon personal income tax returns for the calendar year three years prior to the calendar year in which the current school year commences, as reported to the commissioner by September of the base year, including the results of the permanent computerized statewide school district address match and income verification system. **Any lottery winnings in excess of twenty-five percent of a district's adjusted gross income shall be excluded from such district's adjusted gross income for the year.** The adjusted gross income of the city school district of the city of New York shall be the sum of the adjusted gross income of the boroughs of the city. The adjusted gross income of a central high school district shall equal the sum of the adjusted gross income of each of its component school districts. "Selected adjusted gross income" shall mean the lesser of adjusted gross income calculated for aid payable in the current year or the two-year average of the adjusted gross income calculated for aid payable in the current year and the adjusted gross income calculated for aid payable in the base year.

§ 2. Subparagraph 2 of paragraph a of subdivision 16 of section 3602 of the education law, as amended by section 18 of part B of chapter 57 of the laws of 2008, is amended to read as follows:

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

LBD15224-01-2

(2) "Adjusted gross income" shall mean the adjusted gross income of a school district as used in computation of the district's alternate pupil wealth ratio pursuant to paragraph b of subdivision three of this section, provided, however, that for the computation of apportionments pursuant to this subdivision, the adjusted gross income of a central high school district shall not equal the sum of the adjusted gross income of each of its component school districts**; and provided, further, that any lottery winnings in excess of twenty-five percent of a district's adjusted gross income shall be excluded from a district's adjusted gross income for the year**.

§ 3. This act shall take effect immediately.