STATE OF NEW YORK

7049

2023-2024 Regular Sessions

IN ASSEMBLY

May 10, 2023

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

AN ACT to amend the local finance law, in relation to the contracting of indebtedness by city school districts

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

Section 1. Paragraphs b, c and d of section 104.00 of the local finance law, paragraphs b and c as added by chapter 831 of the laws of 1951 and paragraph d as amended by chapter 424 of the laws of 2001, are amended to read as follows:

b. No county, city, town[~~,~~] **or** village [~~**or school district in a city**~~] shall contract indebtedness for any purpose or in any manner which, including existing indebtedness, shall exceed an amount equal to the following percentages of the average full valuation of such county, city, town[~~,~~] **or** village [~~**or school district**~~]:

1. The county of Nassau, for county purposes, ten per centum;

2. Any county, other than the county of Nassau, for county purposes, seven per centum;

3. The city of New York, for city purposes, ten per centum;

4. Any city, other than the city of New York, having one hundred twenty-five thousand or more inhabitants according to the latest federal census, for city purposes[~~:~~]~~,~~ nine per centum;

5. Any city having less than one hundred twenty-five thousand inhabitants according to the latest federal census, for city purposes, [~~**excluding education purposes,**~~] seven per centum;

6. Any town, for town purposes, seven per centum; **and**

7. Any village, for village purposes, seven per centum[~~**; and**~~

~~**8. Any school district in a city, for education purposes, five per centum**~~].

c. [~~**Notwithstanding the provisions of paragraph b of this section any school district in a city may issue bonds, bond anticipation notes or**~~

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

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~~capital notes for a specific object or purpose, and, where authorized by this chapter, for a class of objects or purposes, in an amount which, including existing indebtedness, shall exceed an amount equal to five per centum of the average full valuation of such school district, provided:~~

~~1. The tax voted to be collected in installments in relation thereto, or the proposition for the approval of a bond resolution or capital note resolution in relation thereto, shall have been voted or approved, as the case may be, by at least a sixty per centum vote of the qualified voters voting thereon in person at the meeting or election called for such purpose;~~

~~2. The proposition to authorize the tax to be collected in installments in relation thereto, or the proposition for the approval of a bond resolution or capital note resolution in relation thereto, contained a statement to the effect that the obligations to be issued may be issued in excess of the constitutional debt limitation of the school district; and~~

~~3. The board of regents and the state comptroller severally shall consent thereto.~~

~~d.~~] A school district, [~~other than a school district in a city, having an aggregate assessed valuation of taxable real property of one hundred thousand dollars or over,~~] except for the payment of judgments, or compromised or settled claims against the school district, or awards or sums payable by the school district pursuant to a determination by a court, or an officer, body or agency acting in an administrative or quasi-judicial capacity, shall not issue bonds or bond anticipation notes, if the indebtedness of the school district determined pursuant to section 137.00 of this [~~chapter~~] **article** will exceed ten per centum of the full valuation of the real property subject to taxation by the school district, unless:

1. The tax voted to be collected in installments in relation thereto, or the proposition for the approval of a bond resolution in relation thereto, shall have been voted or approved, as the case may be, before July first, nineteen hundred sixty-three, by at least a two thirds vote, or on and after July first, nineteen hundred sixty-three, by at least a sixty per centum vote, of the qualified voters voting thereon in person at the meeting or election called for such purpose;

2. The board of regents shall consent thereto; and

3. In a school district located wholly or partly in the Adirondack park which has within its boundaries state lands subject to taxation, the full valuation of which is more than thirty per centum of the full valuation of the real property subject to taxation by the school district, the state comptroller, on behalf of the state, also shall consent thereto.

§ 2. This act shall take effect on the same date as a concurrent resolution of the senate and assembly proposing an amendment to section 4 of article 8 of the constitution, in relation to limitations on local indebtedness, as proposed in legislative bills numbers S. 5025 and A. 1771-A, takes effect.