

# STATE OF NEW YORK

8076

2023-2024 Regular Sessions

## IN ASSEMBLY

September 27, 2023

Introduced by M. of A. CONRAD, WALLACE, McMAHON -- read once and referred to the Committee on Education

AN ACT to amend the education law, in relation to creating a school budget tax cap exemption for expenditures resulting from settlement awards in civil actions brought against school districts under the child victims act

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

1 Section 1. Paragraph i of subdivision 2 of section 2023-a of the  
2 education law, as added by section 2 of part A of chapter 97 of the laws  
3 of 2011, is amended to read as follows:

4 i. "Tax levy limit" means the amount of taxes a school district is  
5 authorized to levy pursuant to this section, provided, however, that the  
6 tax levy limit shall not include the following:

7 (i) a tax levy necessary for expenditures resulting from court orders  
8 or judgments against the school district arising out of tort actions for  
9 any amount that exceeds five percent of the total tax levied in the  
10 prior school year;

11 (ii) a tax levy necessary for expenditures resulting from court orders  
12 or judgments against the school district arising out of civil claims or  
13 causes of action brought pursuant to section two hundred fourteen-g of  
14 the civil practice law and rules;

15 (iii) in years in which the system average actuarial contribution rate  
16 of the New York state and local employees' retirement system, as defined  
17 by paragraph ten of subdivision a of section nineteen-a of the retire-  
18 ment and social security law, increases by more than two percentage  
19 points from the previous year, a tax levy necessary for expenditures for  
20 the coming fiscal year for school district employer contributions to the  
21 New York state and local employees' retirement system caused by growth  
22 in the system average actuarial contribution rate minus two percentage  
23 points;

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

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1 [~~(iii)~~] (iv) in years in which the normal contribution rate of the New  
2 York state teachers' retirement system, as defined by paragraph a of  
3 subdivision two of section five hundred seventeen of this chapter,  
4 increases by more than two percentage points from the previous year, a  
5 tax levy necessary for expenditures for the coming fiscal year for  
6 school district employer contributions to the New York state teachers'  
7 retirement system caused by growth in the normal contribution rate minus  
8 two percentage points; and

9 [~~(iv)~~] (v) a capital tax levy.

10 § 2. Subdivision 1, subparagraph 4 of paragraph a of subdivision 3,  
11 paragraph (a) of subdivision 6, and subdivision 9 of section 2023-a of  
12 the education law, as added by section 2 of part A of chapter 97 of the  
13 laws of 2011, are amended to read as follows:

14 1. Generally. Unless otherwise provided by law, the amount of taxes  
15 that may be levied by or on behalf of any school district, other than a  
16 city school district of a city with one hundred twenty-five thousand  
17 inhabitants or more, shall not exceed the tax levy limit established  
18 pursuant to this section, not including any tax levy necessary to  
19 support the expenditures pursuant to subparagraphs (i) through [~~(iv)~~]  
20 (v) of paragraph i of subdivision two of this section.

21 (4) Subtract the tax levy necessary to support the expenditures pursu-  
22 ant to subparagraphs (i) and [~~(iv)~~] (v) of paragraph i of subdivision  
23 two of this section for the prior school year, if any.

24 (a) Notwithstanding any other provision of law to the contrary, in the  
25 event the trustee, trustees or board of education of a school district  
26 that is subject to the provisions of this section proposes a budget that  
27 will require a tax levy that exceeds the tax levy limit for the corre-  
28 sponding school year, not including any levy necessary to support the  
29 expenditures pursuant to subparagraphs (i) through [~~(iv)~~] (v) of para-  
30 graph i of subdivision two of this section, then such budget shall be  
31 approved if sixty percent of the votes cast thereon are in the affirma-  
32 tive.

33 9. Nothing in this section shall preclude the trustee, trustees, or  
34 board of education of a school district, in their discretion, from  
35 submitting additional items of expenditures to the voters for approval  
36 as separate propositions or the voters from submitting propositions  
37 pursuant to sections two thousand eight and two thousand thirty-five of  
38 this part; provided however, except in the case of a proposition submit-  
39 ted for any expenditure contained within subparagraphs (i) through  
40 [~~(iv)~~] (v) of paragraph i of subdivision two of this section, if any  
41 proposition, or propositions collectively that are subject to a vote on  
42 the same date, would require an expenditure of money that would require  
43 a tax levy and would result in the tax levy limit being exceeded for the  
44 corresponding school year then such proposition shall be approved if  
45 sixty percent of the votes cast thereon are in the affirmative.

46 § 3. Paragraph a of subdivision 7 of section 1608 of the education  
47 law, as amended by chapter 514 of the laws of 2016, is amended to read  
48 as follows:

49 a. Each year, commencing with the proposed budget for the two thou-  
50 sand--two thousand one school year, the trustee or board of trustees  
51 shall prepare a property tax report card, pursuant to regulations of the  
52 commissioner, and shall make it publicly available by transmitting it to  
53 local newspapers of general circulation, appending it to copies of the  
54 proposed budget made publicly available as required by law, making it  
55 available for distribution at the annual meeting, and otherwise dissem-  
56 inating it as required by the commissioner. Such report card shall

1 include: (i) the amount of total spending and total estimated school tax  
2 levy that would result from adoption of the proposed budget and the  
3 percentage increase or decrease in total spending and total school tax  
4 levy from the school district budget for the preceding school year; and  
5 (ii) the district's tax levy limit determined pursuant to section two  
6 thousand twenty-three-a of this title, and the estimated school tax  
7 levy, excluding any levy necessary to support the expenditures pursuant  
8 to subparagraphs (i) through [~~(iv)~~] (v) of paragraph i of subdivision  
9 two of section two thousand twenty-three-a of this title, that would  
10 result from adoption of the proposed budget; and (iii) the projected  
11 enrollment growth for the school year for which the budget is prepared,  
12 and the percentage change in enrollment from the previous year; and (iv)  
13 the percentage increase in the consumer price index, as defined in para-  
14 graph c of this subdivision; and (v) the projected amount of the unap-  
15 propriated unreserved fund balance that will be retained if the proposed  
16 budget is adopted, the projected amount of the reserved fund balance,  
17 the projected amount of the appropriated fund balance, the percentage of  
18 the proposed budget that the unappropriated unreserved fund balance  
19 represents, the actual unappropriated unreserved fund balance retained  
20 in the school district budget for the preceding school year, and the  
21 percentage of the school district budget for the preceding school year  
22 that the actual unappropriated unreserved fund balance represents, and a  
23 schedule of reserve funds, setting forth the name of each reserve fund,  
24 a description of its purpose, the balance as of the close of the third  
25 quarter of the current school district fiscal year and a brief statement  
26 explaining any plans for the use of each such reserve fund for the ensu-  
27 ing fiscal year.

28 § 4. Paragraph a of subdivision 7 of section 1716 of the education  
29 law, as amended by chapter 514 of the laws of 2016, is amended to read  
30 as follows:

31 a. Each year, commencing with the proposed budget for the two thou-  
32 sand--two thousand one school year, the board of education shall prepare  
33 a property tax report card, pursuant to regulations of the commissioner,  
34 and shall make it publicly available by transmitting it to local newspa-  
35 pers of general circulation, appending it to copies of the proposed  
36 budget made publicly available as required by law, making it available  
37 for distribution at the annual meeting, and otherwise disseminating it  
38 as required by the commissioner. Such report card shall include: (i) the  
39 amount of total spending and total estimated school tax levy that would  
40 result from adoption of the proposed budget and the percentage increase  
41 or decrease in total spending and total school tax levy from the school  
42 district budget for the preceding school year; and (ii) the district's  
43 tax levy limit determined pursuant to section two thousand  
44 twenty-three-a of this title, and the estimated school tax levy, exclud-  
45 ing any levy necessary to support the expenditures pursuant to subpara-  
46 graphs (i) through [~~(iv)~~] (v) of paragraph i of subdivision two of  
47 section two thousand twenty-three-a of this title, that would result  
48 from adoption of the proposed budget; and (iii) the projected enrollment  
49 growth for the school year for which the budget is prepared, and the  
50 percentage change in enrollment from the previous year; and (iv) the  
51 percentage increase in the consumer price index, as defined in paragraph  
52 c of this subdivision; and (v) the projected amount of the unappropri-  
53 ated unreserved fund balance that will be retained if the proposed budg-  
54 et is adopted, the projected amount of the reserved fund balance, the  
55 projected amount of the appropriated fund balance, the percentage of the  
56 proposed budget that the unappropriated unreserved fund balance repres-

1 ents, the actual unappropriated unreserved fund balance retained in the  
2 school district budget for the preceding school year, a schedule of  
3 reserve funds, setting forth the name of each reserve fund, a  
4 description of its purpose, the balance as of the close of the third  
5 quarter of the current school district fiscal year and a brief statement  
6 explaining any plans for the use of each such reserve fund for the ensu-  
7 ing fiscal year and the percentage of the school district budget for the  
8 preceding school year that the actual unappropriated unreserved fund  
9 balance represents.

10 § 5. The opening paragraph of subdivision 2-a of section 2022 of the  
11 education law, as amended by section 7 of part A of chapter 97 of the  
12 laws of 2011, is amended to read as follows:

13 Every common, union free, central, central high school district and  
14 city school district to which this article applies shall mail a school  
15 budget notice to all qualified voters of the school district after the  
16 date of the budget hearing, but no later than six days prior to the  
17 annual meeting and election or special district meeting at which a  
18 school budget vote will occur. The school budget notice shall compare  
19 the percentage increase or decrease in total spending under the proposed  
20 budget over total spending under the school district budget adopted for  
21 the current school year, with the percentage increase or decrease in the  
22 consumer price index, from January first of the prior school year to  
23 January first of the current school year, and shall also include the  
24 information required by paragraphs a and b of this subdivision. The  
25 notice shall also set forth the date, time and place of the school budg-  
26 et vote, in the same manner as in the notice of annual meeting, and  
27 shall also include the district's tax levy limit pursuant to section two  
28 thousand twenty-three-a of this part, and the estimated school tax levy,  
29 excluding any levy necessary to support the expenditures pursuant to  
30 subparagraphs (i) through [~~(iv)~~] (v) of paragraph i of subdivision two  
31 of section two thousand twenty-three-a of this part, that would result  
32 from adoption of the proposed budget. Such notice shall be in a form  
33 prescribed by the commissioner.

34 § 6. This act shall take effect immediately and shall first apply to  
35 school district budgets and the budget adoption process or the 2024-2025  
36 school year; and shall continue to apply to school district budgets and  
37 the budget adoption process for any school year beginning in any calen-  
38 dar year during which this act is in effect.