STATE OF NEW YORK

9520

IN SENATE

May 16, 2024

Introduced by Sen. MAYER -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the local finance law, in relation to the exclusion of certain indebtedness of school districts in a city with one hundred twenty-five thousand inhabitants or more

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

Section 1. Section 121.20 of the local finance law, as amended by chapter 506 of the laws of 1964, paragraph b as amended by chapter 116 of the laws of 1968, is amended to read as follows:

§ 121.20[~~.~~] Exclusion of certain indebtedness of school districts other than school districts in a city ***with one hundred twenty-five thousand inhabitants or more according to the latest federal census*** in ascertaining their power to contract indebtedness. a. As used in this section:

1. The term "indebtedness" shall mean indebtedness evidenced by bonds and bond anticipation notes.

2. The term "school district" shall mean a school district other than a school district in a city ***with one hundred twenty-five thousand inhabitants or more according to the latest federal census***.

b. In ascertaining the power of a school district to contract indebtedness, there may be excluded outstanding indebtedness contracted, or indebtedness to be contracted, for objects or purposes having periods of probable usefulness provided in paragraph [~~a.~~] ***a*** of section 11.00 of this chapter, to the extent to which the commissioner of education, or such person or persons as may be designated by [~~him~~] ***the commissioner***, shall estimate based upon facts existing on the date of such estimate that moneys receivable by the school district from the state as an apportionment for debt service for school building purposes, under laws existing on the date of such estimate, shall meet the interest on and the annual requirements for the payment of such indebtedness. Any such estimate shall describe the indebtedness to which it relates. An estimate shall be effective only until the June thirtieth next succeeding the date thereof.

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

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c. The commissioner of education by rule or regulation may prescribe the manner and form in which a school district shall make application for any such estimate. The department of education shall furnish to the school district, without charge, three certified copies of any such estimate.

§ 2. Section 121.30 of the local finance law, as added by chapter 382 of the laws of 1962, is amended to read as follows:

§ 121.30 Exclusion of certain indebtedness of school districts other than school districts in a city **with one hundred twenty-five thousand inhabitants or more according to the latest federal census**. In ascertaining the power of a school district, other than a school district in a city **with one hundred twenty-five thousand inhabitants or more according to the latest federal census**, to contract indebtedness under section 104.00 of this [~~chapter~~] **article**, there may be excluded outstanding bonds and bond anticipation notes or indebtedness proposed to be contracted and to be evidenced by bonds or bond anticipation notes to finance the acquisition, construction and installation of a shelter or fallout shelter by such school district pursuant to section twenty-three-a of the New York state defense emergency act, but only to the extent to which such indebtedness, at the time it was contracted or is to be contracted, did not or will not exceed fifty dollars multiplied by the planned shelter occupancy of such shelter.

§ 3. Section 137.00 of the local finance law, as amended by chapter 760 of the laws of 1963, is amended to read as follows:

§ 137.00 Debt statement of school districts outside cities **with one hundred twenty-five thousand inhabitants or more according to the latest federal census**. The debt statement of a school district, other than a school district in a city **with one hundred twenty-five thousand inhabitants or more according to the latest federal census**, shall contain the following items of indebtedness for the purpose of showing the indebtedness of such school district:

1. The amount of

(a) Outstanding bonds;

(b) Outstanding bond anticipation notes, other than those issued in anticipation of the bonds of the issue in connection with which the debt statement is prepared;

(c) Bonds of the proposed issue in connection with which the debt statement is prepared; and

(d) Bond anticipation notes proposed to be issued where a debt statement is prepared in connection with the issuance of such notes.

2. The amount of indebtedness of a merged or annexed school district determined pursuant to section 121.10 of this [~~chapter~~] **article**.

For the purpose of showing the indebtedness of a school district, other than a school district in a city **with one hundred twenty-five thousand inhabitants or more according to the latest federal census**, there may be deducted the amount of any such indebtedness which has been contracted or is proposed to be contracted to the extent provided in section 121.20 of this [~~chapter~~] **article**, and in such case a certified copy of the estimate of the commissioner of education shall be attached to and form a part of the debt statement filed with the state comptroller and the clerk of the school district.

For the purpose of showing the indebtedness of a school district other than a school district in a city **with one hundred twenty-five thousand inhabitants or more according to the latest federal census,** there may be deducted the amount of indebtedness contracted, or indebtedness proposed to be contracted, for the purpose and to the extent provided in section 121.30 of this [~~chapter~~] **article**.

In connection with the sale of bond anticipation notes, a school district may prepare a debt statement and may file such statement in the manner provided in section 109.00 of this [~~chapter~~] **article**.

§ 4. This act shall take effect immediately.