

STATE OF NEW YORK

8218

2025-2026 Regular Sessions

IN SENATE

May 22, 2025

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

AN ACT to amend the education law and chapter 416 of the laws of 2007 establishing the city of Rochester and the board of education of the city school district of the city of Rochester school facilities modernization program act, in relation to certain bonds issued to finance school rehabilitation or reconstruction costs for Rochester schools

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

1 Section 1. Item (iv) of clause (a) of subparagraph 5 of paragraph e of
2 subdivision 6 of section 3602 of the education law, as amended by chap-
3 ter 533 of the laws of 2014, is amended to read as follows:

4 (iv) Notwithstanding the provisions of item (i) of this clause, where
5 such city or city school district has entered into an agreement with the
6 county of Monroe industrial development agency or the dormitory authori-
7 ty of the state of New York, for projects authorized pursuant to the
8 city of Rochester and the board of education of the city school district
9 of the city of Rochester school facilities modernization program act, to
10 finance ~~[debt related to]~~ school rehabilitation or reconstruction that
11 is subject to subparagraph three of this paragraph, the lesser of: (A)
12 the net interest cost, as defined by the commissioner, ~~[that would have~~
13 ~~been]~~ applicable to each series of bonds or bond anticipation notes
14 issued by the county of Monroe industrial development agency ~~[if the~~
15 ~~project had been authorized to be financed and had been financed through~~
16 ~~such entity, as certified to the commissioner by the executive director~~
17 ~~of the county of Monroe industrial development agency]~~ or the dormitory
18 authority of the state of New York for such purpose, without regard to
19 any refunding of such obligations; or (B) such net interest cost, as
20 defined by the commissioner, that would have been applicable to ~~[bonds~~
21 ~~or bond anticipation notes issued by the state of New York dormitory~~
22 ~~authority if the project had been authorized to be financed and had been~~
23 ~~financed through such entity, as certified to the commissioner by the~~
24 ~~executive director of the state of New York dormitory authority shall be~~

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

LBD13189-01-5

~~the interest rate established for such city applicable to such debt]~~
each series of obligations originally issued to finance each phase of project costs approved by the commissioner, by the Monroe industrial development agency or the dormitory authority of the state of New York, without regard to any refunding of such obligations, if the project had been financed through such agency or the dormitory authority of the state of New York, as certified to the commissioner by the executive director of the Monroe industrial development agency or the executive director of the dormitory authority of the state of New York, shall be the interest rate established for such city applicable for purposes of calculating the assumed amortization for such approved project costs pursuant to clause (b) of subparagraph three of this paragraph. For projects approved by the commissioner in any school year in which capital debt is incurred by either the dormitory authority of the state of New York or the Monroe industrial development agency to refund debt related to school renovation, rehabilitation or reconstruction of or on behalf of the school district, where such school renovation, rehabilitation or reconstruction qualifies for apportionment pursuant to subparagraph three of this paragraph, by the first day of September of the current year, the chief fiscal officer of such city shall provide to the commissioner an analysis, as prescribed by the commissioner, of the actual average interest rate applied to all capital debt incurred to finance or refund debt related to school renovation, rehabilitation or reconstruction that qualifies for apportionment pursuant to subparagraph three of this paragraph by either the dormitory authority of the state of New York or the city of Monroe industrial development agency during the base year and of the estimated average interest rate applied to all capital debt incurred to finance or refund debt related to school renovation, rehabilitation or reconstruction that is subject to subparagraph three of this paragraph by either the dormitory authority of the state of New York or the Monroe industrial development agency during the current year. Such interest rates shall be expressed as a decimal to five places rounded to the nearest eighth of one-one hundredth. The interest rate established for such city applicable to projects first approved in such year shall be tentatively established as the interest rate computed pursuant to this clause for the current year, except that all apportionments of aid payable during the current year based on such estimated average interest rate shall be recalculated in the following year and adjusted as appropriate based on the appropriate actual average interest rate then established pursuant to this clause and shall be the interest rate established for such city applicable for purposes of calculating the assumed amortization for project costs approved during the current year pursuant to clause (b) of subparagraph three of this paragraph.

§ 2. Section 16 of chapter 416 of the laws of 2007 establishing the city of Rochester and the board of education of the city school district of the city of Rochester school facilities modernization program act, is amended by adding a new subdivision (c) to read as follows:

(c) In the event that refunding bonds are issued to refund bonds issued to finance a project funded pursuant to this section, the refunding savings amount shall be used only for funding of projects that are eligible for an apportionment pursuant to subdivision 6 of section 3602 of the education law.

§ 3. This act shall take effect immediately.