§ 1504. Formation of new district. 1. A district superintendent may organize a new school district out of the territory of one or more school districts which are wholly within the geographic area served by his board of cooperative educational services, whenever the educational interests of the community require it. If there is an outstanding bonded indebtedness chargeable against the district or districts out of the territory of which such new district is organized, the district superintendent shall apportion said indebtedness between such new district and the remaining portion of the district or districts out of which such new district is organized, according to the assessed valuation thereof, and the portion of the indebtedness so apportioned shall become a charge for principal and interest upon the respective districts as though the same had been incurred by said districts separately.

2. The district superintendents of two or more adjoining supervisory districts, when public interests require it, may form a joint school district out of the adjoining portions of their respective districts.

3. Any municipality situated wholly within one central or union free school district but whose boundaries are not coterminous with the boundaries of such school district may organize, pursuant to the provisions of this subdivision, a new union free school district consisting of the entire territory of such municipality whenever required by the educational interests of the community.

a. No such new school district may be organized unless: (i) the enrollment of the municipality seeking to organize such new school district equals at least two thousand children, and is no greater than sixty percent of the enrollment of the existing school district from which such new school district will be organized; (ii) such new school district would have an actual valuation per total wealth pupil unit at least equal to the statewide average; and (iii) the enrollment of the existing school district from which such new school district will be organized equals at least two thousand children, excluding the residents of such municipality.

b. No such new school district shall be organized unless the creation of such new school district first shall have been approved by: (i) a majority vote of the residents of a municipality seeking to organize such new school district, provided that a vote of such residents shall not be required if creation of the new school district has been approved by a vote of at least two-thirds of the members of the local governing body of the municipality of such municipality (ii) a majority vote of the trustees or members of the boards of education of the existing school district from which such new school district will be organized; and (iii) a majority vote of the residents of such existing school district, except that the residents of the municipality seeking to organize the new school district shall not be entitled to participate in such vote. Notwithstanding any provision of law to the contrary, a vote of the residents of an existing school district shall not be required if the creation of the new school district has been approved by a vote of at least two-thirds of the trustees or members of the board of education of such existing school district.

c. If a vote of the residents of a municipality is required, it shall be the duty of the chief executive officer of the municipality seeking to organize a new school district, pursuant to a resolution duly adopted by the governing body of such municipality that the educational interests of the community require the creation of a new school district, to give public notice that a meeting of the qualified electors of such municipality will be held at some convenient place within such municipality to vote upon the question of creating such new school district and to elect members of the board of education of such new school district. Such notice shall specify the day, hour and place where such meeting shall be held, which shall be not less than ten nor more than thirty days after the posting or publication of such notice. Such notice shall be published at least once before such meeting in a newspaper circulated in such municipality, and in the event no newspaper is circulated in such municipality, such notice shall be posted at least ten days prior to such meeting in at least five conspicuous places in such municipality.

d. If a vote of the residents of the existing school district (other

than the residents of the municipality seeking to organize the new school district) is required, it shall be the duty of the trustees or board of education of such existing school district to give public notice that a meeting of the qualified electors of such district will be held to vote upon the question of creating such new school district. Such notice shall specify the day, hour and place where such meeting shall be held, which shall be not less than ten nor more than thirty days after the posting or publication of such notice. Such notice shall be published at least once before such meeting in a newspaper circulated in such district, and in the event no newspaper is circulated in such district, such notice shall be posted at least ten days prior to such meeting in at least five conspicuous places in such district. Such meeting shall be held in accordance with the procedures of section one thousand five hundred twenty-three of this article.

e. The clerk of the existing school district immediately shall file with the district superintendent a certification of the vote of the members of the board of education or board of trustees of the existing school district and, if applicable, a certification of the vote of the residents of such existing school district (other than the residents of the municipality seeking to organize the new school district) and/or a certification of the vote of the residents of such municipality. The new union free school district consisting of the entire territory of such municipality shall be deemed created immediately upon the filing of such certifications, and the district superintendent immediately shall issue an order altering the boundaries of the existing school district accordingly, and shall file such order in accordance with section one thousand five hundred six of this article.

f. If there is an outstanding bonded indebtedness chargeable against the existing school district out of the territory of which such new district is organized, the district superintendent shall apportion said indebtedness between such new district and the remaining portion of the district out of which such new district is organized, according to the assessed valuation thereof, and the portion of the indebtedness so apportioned shall become a charge for principal and interest upon the respective districts as though the same had been incurred by said

districts separately.

g. For the purposes of this subdivision, the term "municipality" shall mean a city, town or village, and the terms "enrollment," and "actual valuation" and "total wealth pupil unit" shall have the same meaning as those terms are defined in section three thousand six hundred two of this chapter.