

§ 3602. Apportionment of public moneys to school districts employing eight or more teachers. Notwithstanding any other provisions of this chapter or any other provisions of law, each school district of the state employing eight or more teachers shall receive its apportionment of public money payable during the school year commencing July first, nineteen hundred ninety-three and during subsequent school years pursuant to the provisions of this section and in lieu of any apportionments or payments otherwise payable under any other section of this chapter except any such apportionments or payments that may be payable to such district for school lunches, for textbooks, school library materials, computer hardware or computer software, for services or programs provided by a board of cooperative educational services or by a county vocational education and extension board for such district, for the education of Indian children of a reservation under a contract with the state, by virtue of chapter six hundred thirty-five of the laws of nineteen hundred sixty-one, for school tax relief aid, or for experimental or special programs in selected school districts, including but not limited to special apportionments and grants-in-aid pursuant to section thirty-six hundred forty-one of this article.

1. Definitions. As used in this section the following terms shall be defined as follows:

a. "Current year" shall mean the school year during which the apportionment is to be paid pursuant to this section.

b. "Base year" shall mean the school year immediately preceding the current year.

c. "Actual valuation" shall mean the valuation of taxable real property in a school district obtained by taking the assessed valuation of taxable real property within such district as it appears upon the assessment roll of the town, city, village, or county in which such property is located, for the calendar year two years prior to the calendar year in which the base year commenced, after revision as provided by law, plus any assessed valuation that was exempted from taxation pursuant to the class one reassessment exemption authorized by

section four hundred eighty-five-u of the real property tax law or the residential revaluation exemption authorized by section four hundred eighty-five-v of such law as added by chapter five hundred sixty of the laws of two thousand twenty-one, and dividing it by the state equalization rate as determined by the commissioner of taxation and finance, for the assessment roll of such town, city, village, or county completed during such preceding calendar year. The actual valuation of a central high school district shall be the sum of such valuations of its component districts. Such actual valuation shall include any actual valuation equivalent of payments in lieu of taxes determined pursuant to section four hundred eighty-five of the real property tax law. "Selected actual valuation" shall mean the lesser of actual valuation calculated for aid payable in the current year or the two-year average of the actual valuation calculated for aid payable in the current year and the actual valuation calculated for aid payable in the base year.

d. "Average daily attendance" shall mean the total number of attendance days of pupils in a public school of a school district in kindergarten through grade twelve, or equivalent ungraded programs, plus the total number of instruction days for such pupils receiving homebound instruction including pupils receiving remote instruction as defined in the regulations of the commissioner, divided by the number of days the district school was in session as provided in this section. The attendance of pupils with disabilities attending under the provisions of paragraph c of subdivision two of section forty-four hundred one of this chapter shall be added to average daily attendance.

(1) Equivalent attendance shall mean the quotient of the total number of student hours of instruction in programs in a public school of a school district or a board of cooperative educational services leading to a high school diploma or a high school equivalency diploma as defined in regulations of the commissioner for pupils under the age of twenty-one not on a regular day school register of the district, divided by one thousand. Average daily attendance shall include the equivalent attendance of the school district. For the purposes of secondary school weighting, such equivalent attendance shall be considered as average daily attendance in grades seven through twelve.

(2) In computing average daily attendance, school districts may, with

the commissioner's approval, exclude attendance for those days on which school attendance was adversely affected because of an epidemic or manmade or natural disaster or act of terrorism. In computing such attendance, the school district shall: (i) determine the number of religious holidays which fall on a school day within a school year according to regulations established by the commissioner, such religious holidays to be duly recognized as such for purposes of this section by duly adopted resolution of the board of education; (ii) deduct the aggregate attendance on such religious holidays from the total aggregate attendance, by grade level; (iii) deduct such religious holidays from the total number of days of session, by grade level; and (iv) compute the average daily attendance for the school year.

e. Pupils with special educational needs.

(1) "Percentage of pupils with special educational needs" shall be based on the following tests: the third and sixth grade reading and math tests administered in spring of nineteen hundred eighty-five and the spring of nineteen hundred eighty-six. Such percentage shall be calculated as follows:

(i) determine the number of pupils tested who scored below the statewide reference point as determined by the commissioner on each test administered pursuant to this subparagraph, plus pupils, other than pupils with disabilities and English language learner pupils as defined by the commissioner who are exempt from taking such tests, provided, however, that a district employing eight or more teachers in such years but not operating each grade may use the percentage computed pursuant to this paragraph for the district which in such years enrolled the greatest number of pupils in such grade from such district;

(ii) divide the sum of such numbers by the number of such pupils who took each of such tests, plus pupils, other than pupils with disabilities and English language learner pupils as defined by the commissioner who are exempt from taking such tests, provided, however, that a district which in any of the applicable school years did not maintain a home school or employed fewer than eight teachers, and which in the base year employed eight or more teachers, may use the scores in a later test as designated by the commissioner for the purposes of this paragraph;

(iii) express the result as a percentage carried to one decimal place without rounding; and

(iv) for the purposes of the computation made pursuant to this subparagraph, pupils attending campus schools of the state university shall be included in the numbers of pupils in the district in which they reside. The percentage of such pupils in component districts shall be used in the case of central high school districts. The commissioner shall make adjustments for differences in tests and test administration in accordance to regulations adopted for such purposes.

(2) (i) For the computation of total wealth pupil units, "pupils with special educational needs" shall be computed by multiplying the percentage of pupils with special educational needs by the district's adjusted average daily attendance.

(ii) For the computation of total aidable pupils units pursuant to subdivision eight of this section for aid payable in the nineteen hundred ninety-seven--ninety-eight through the two thousand six--two thousand seven school years, "pupils with special educational needs" shall be the product of the percentage of pupils with special educational needs, the district's adjusted average daily attendance for the year prior to the base year, and the enrollment index.

(iii) For the computation of total aidable pupils units pursuant to paragraph e of subdivision two of this section for aid payable in the two thousand seven--two thousand eight school year and thereafter, "pupils with special educational needs" shall be the product of the percentage of pupils with special educational needs, the district's adjusted average daily attendance for the year prior to the base year, and the enrollment index.

(3) "Weighted pupils with special educational needs" shall be computed by multiplying pupils with special educational needs by twenty-five percentum, with the result rounded up to the next whole number. For the purposes of the computation of additional aidable pupil units for inclusion in total wealth pupil units, the computations made pursuant to this paragraph shall include only resident pupils.

f. "Expense per pupil" shall mean approved operating expense for the year prior to the base year divided by the sum, computed using year prior to the base year pupil counts, of the total aidable pupil units

plus weighted pupils with disabilities, provided that for the two thousand six--two thousand seven school year and prior school years, total aidable pupil units plus weighted pupils with handicapping conditions shall be used in such computation. Expense per pupil for each borough in the city school district of the city of New York shall be the expense per pupil of the entire city school district.

g. "Summer session pupils" shall mean those pupils attending approved programs of instruction operated by the district during the months of July and August in accordance with the regulations promulgated by the commissioner.

h. "Adjusted gross income" shall mean the adjusted gross income of a school district for the calendar year three years prior to the calendar year in which the current year commences. The income data shall be computed in accordance with regulations adopted by the commissioner of taxation and finance based upon personal income tax returns for the calendar year three years prior to the calendar year in which the current school year commences, as reported to the commissioner by September of the base year, including the results of the permanent computerized statewide school district address match and income verification system. Commencing with calendar year two thousand twenty-two, New York state lottery and video lottery gaming individual prizes in excess of one million dollars that when aggregated exceeds twenty-five percent of a district's adjusted gross income shall be excluded from such district's adjusted gross income for the year. The commissioner of taxation and finance shall determine the amount of this exclusion based on the annual report of New York state lottery and video lottery gaming individual prizes in excess of one million dollars produced by the gaming commission pursuant to paragraph three of subdivision c of section sixteen hundred four of the tax law. The adjusted gross income of the city school district of the city of New York shall be the sum of the adjusted gross income of the boroughs of the city. The adjusted gross income of a central high school district shall equal the sum of the adjusted gross income of each of its component school districts. "Selected adjusted gross income" shall mean the lesser of adjusted gross income calculated for aid payable in the

current year or the two-year average of the adjusted gross income calculated for aid payable in the current year and the adjusted gross income calculated for aid payable in the base year.

i. "Weighted pupils with disabilities" shall be computed as follows:

(1) "Pupils with disabilities" shall mean pupils of school age who are identified as students with disabilities pursuant to article eighty-nine of this chapter and the regulations of the commissioner and who receive special education services or attend special education programs which meet criteria established by the commissioner, operated by a school district eligible for total foundation aid pursuant to this section or by a board of cooperative educational services, whether or not the school district is a component of such board.

(2) "Declassification pupils" shall mean pupils enrolled in a full-time regular education program, who were enrolled in a special education program in the prior year. Services to pupils shall be provided on a regular basis and may include, but not be limited to psychological, social work, speech and language services and noncareer counseling services provided by qualified professional personnel as defined in regulations of the commissioner. Services for teachers of such pupils may include the assistance of teacher aides or consultation with appropriate personnel. When a committee on special education determines that a pupil no longer needs special education services and is ready for a full-time regular education program, such committee shall identify and recommend the appropriate declassification support services for the first year in the regular education program.

(3) "Weighted pupils with disabilities" shall mean the attendance, as defined in the regulations of the commissioner, of pupils with disabilities who have been determined by a school district committee on special education to require any of the following types and levels of programs or services specified in this subparagraph, and who receive such programs and services from the school district of attendance during the base year, multiplied by a special services weighting determined as follows:

(i) for placement for sixty per centum or more of the school day in a special class, or home or hospital instruction for a period of more than sixty days, or special services or programs for more than sixty per

centum of the school day, the special services weighting shall be one hundred seventy percent;

(ii) for placement for twenty per centum or more of the school week in a resource room or special services or programs including related services required for twenty per centum or more of the school week, or in the case of pupils in grades seven through twelve or a multi-level middle school program as defined by the commissioner or in the case of pupils in grades four through six in an elementary school operating on a period basis, the equivalent of five periods per week, but not less than the equivalent of one hundred eighty minutes in a resource room or in other special services or programs including related services, or for at least two hours per week of direct or indirect consultant teacher services, in accordance with regulations of the commissioner adopted for such purpose, the special services weighting shall be ninety percent.

(3-a) "Resident weighted pupils with disabilities" shall mean weighted pupils with disabilities minus the nonresident weighted pupils with disabilities plus the resident weighted pupils with disabilities to whom special services or programs are provided by another public school district.

(4) "Weighted foundation pupils with disabilities" shall mean the sum of

(i) the full-time equivalent enrollment, as defined in the regulations of the commissioner, of pupils with disabilities who have been determined by a school district committee on special education to require any of the following types and levels of programs or services specified in this subparagraph, and who receive such programs and services from the school district of attendance, multiplied by a special services weighting based on an analysis of costs of special education and general education in successful school districts, provided that the weighting for the two thousand seven--two thousand eight school year and thereafter shall be one and forty-one hundredths (1.41):

(A) placement for sixty per centum or more of the school day in a special class, or

(B) home or hospital instruction for a period of more than sixty days, or

(C) special services or programs for more than sixty per centum of the school day, or

(D) placement for twenty per centum or more of the school week in a resource room or to require special services or programs including related services for twenty per centum or more of the school week, or in the case of pupils in grades seven through twelve or a multi-level middle school program as defined by the commissioner or in the case of pupils in grades four through six in an elementary school operating on a period basis, the equivalent of five periods per week, but not less than the equivalent of one hundred eighty minutes in a resource room or in other special services or programs including related services, or

(E) at least two hours per week of direct or indirect consultant teacher services, in accordance with regulations of the commissioner adopted for such purpose, plus

(ii) the full time equivalent enrollment of declassification pupils multiplied by a declassification weighting of five-tenths (0.5).

(5) "Resident weighted supplemental pupils with disabilities" shall mean weighted supplemental pupils with disabilities minus the nonresident weighted supplemental pupils with disabilities plus the resident weighted supplemental pupils with disabilities to whom special services or programs are provided by another public school district, where "weighted supplemental pupils with disabilities" shall mean the attendance, as defined in the regulations of the commissioner, of pupils with disabilities who have been determined by a school district committee on special education to require any of the following types and levels of programs or services specified in this subparagraph, and who receive such programs and services from the school district of attendance during the base year, multiplied by a special services weighting determined as follows:

(i) for placement for sixty per centum or more of the school day in a special class, or home or hospital instruction for a period of more than sixty days, or special services or programs for more than sixty per centum of the school day, the special services weighting shall be one hundred sixty-five percent;

(ii) for placement for twenty per centum or more of the school week in a resource room or special services or programs including related services required for twenty per centum or more of the school week, or in the case of pupils in grades seven through twelve or a multi-level middle school program as defined by the commissioner or in the case of

pupils in grades four through six in an elementary school operating on a period basis, the equivalent of five periods per week, but not less than the equivalent of one hundred eighty minutes in a resource room or in other special services or programs including related services, or for at least two hours per week of direct or indirect consultant teacher services, in accordance with regulations of the commissioner adopted for such purpose, the special services weighting shall be ninety percent.

(6) "Integrated settings weighted pupils with disabilities" shall be the product of the attendance in the year prior to the base year of pupils who have been determined by a committee on special education to require special services or programs for sixty per centum or more of the school day pursuant to clause (i) of subparagraph three of this paragraph and are provided special services or programs in the general education setting by qualified personnel, as defined in the regulations of the commissioner, multiplied by five tenths.

j. "Total foundation aid base" for the purposes of this section (i) for aid payable in the two thousand seven--two thousand eight school year, the total foundation aid base shall equal the total amount a district was eligible to receive in the base year for

(1) flex aid in an amount equal to the sum of (A) the amount set forth for each school district as "FLEX AID" under the heading "2005-06 Base Year Aids" in the school aid computer listing produced by the commissioner in support of the executive budget request for the 2006--2007 school year and entitled "BT131-6", and (B) the additional FLEX aid equivalent as computed pursuant to chapter fifty-eight of the laws of two thousand six;

(2) the extraordinary needs equivalent aid apportionment computed pursuant to chapter fifty-eight of the laws of two thousand six, as amended by chapter sixty-one of the laws of two thousand six;

(3) an amount equal to the amount such district received for early grade class size reduction grants pursuant to or in lieu of subdivision thirty-seven of this section, provided that such amount computed and payable as of September one of the school year immediately following the school year for which such aid is claimed shall be deemed final and not subject to change;

(4) the growth aid equivalent apportionment computed pursuant to

chapter fifty-eight of the laws of two thousand six;

(5) the enrollment adjustment aid apportionment computed pursuant to chapter fifty-eight of the laws of two thousand six;

(6) the reorganization incentive operating aid equivalent computed pursuant to chapter fifty-eight of the laws of two thousand six;

(7) the tax limitation aid equivalent computed pursuant to chapter fifty-eight of the laws of two thousand six;

(8) the high tax aid apportionment computed pursuant to chapter fifty-eight of the laws of two thousand six, as amended by chapter sixty-one of the laws of two thousand six;

(9) the additional limited English proficiency aid equivalent apportionment computed pursuant to chapter fifty-eight of the laws of two thousand six, as amended by chapter sixty-one of the laws of two thousand six;

(10) the positive difference of the public excess cost aid equivalent apportionment computed pursuant to chapter fifty-eight of the laws of two thousand six, minus the amount computed under paragraph five of subdivision nineteen of this section;

(11) teacher support payments made in the 2006--2007 school year as follows: to the city school district of the city of New York, sixty-two million seven hundred seven thousand dollars; to the Buffalo city school district, one million, seven hundred forty-one thousand dollars; to the Rochester city school district, one million, seventy-six thousand dollars; to the Syracuse city school district, eight hundred nine thousand dollars; and to the Yonkers city school district, one million, one hundred forty-seven thousand dollars;

(12) an amount equal to the amount such district was eligible to receive pursuant to or in lieu of subdivision thirty-one-a of this section;

(13) an amount equal to a share of three million dollars in the same proportion as such district's share of Fort Drum school district grants for the 2005--2006 school year, and additional amounts provided to the Indian River central school district, the Watertown city school district and the Carthage central school district pursuant to chapter fifty-three of the laws of two thousand six to account for an increase in student enrollment as a result of the expansion of Fort Drum;

(14) payments made in the 2006--2007 school year for magnet school

grants pursuant to or in lieu of subdivision five of section thirty-six hundred forty-one of this article, as follows: to the Albany city school district, three million, five hundred fifty thousand dollars; to the Amsterdam city school district, eight hundred thousand dollars; to the Beacon city school district, five hundred sixty-six thousand dollars; to the Buffalo city school district, twenty-one million twenty-five thousand dollars; to the Freeport union free school district, four hundred thousand dollars; to the Greenburgh central school district, three hundred thousand dollars; to the Hudson city school district, four hundred thousand dollars; to the Middletown city school district, four hundred thousand dollars; to the Mount Vernon city school district, two million dollars; to the New Rochelle city school district, one million, four hundred ten thousand dollars; to the city school district of the city of New York, forty-eight million, one hundred seventy-five thousand dollars; to the Newburgh city school district, four million, six hundred forty-five thousand dollars; to the Niagara Falls city school district, six hundred thousand dollars; to the Peekskill city school district, two hundred thousand dollars; to the Port Chester city school district, one million, one hundred fifty thousand dollars; to the Poughkeepsie city school district, two million, four hundred seventy-five thousand dollars; to the Rochester city school district, fifteen million dollars; to the Schenectady city school district, one million, eight hundred thousand dollars; to the Syracuse city school district, thirteen million dollars; to the Utica city school district, two million dollars; to the White Plains city school district, nine hundred thousand dollars; to the Yonkers city school district, forty-nine million, five hundred thousand dollars;

(15) an amount equal to the amount received by such district in the 2005--2006 school year pursuant to subdivision six of section thirty-six hundred forty-one of this article;

(16) an amount equal to the amount received by such district in the 2005--2006 school year pursuant to subdivision seven of section thirty-six hundred forty-one of this article;

(17) sound basic education aid equal to the sum of (A) the district's base year apportionment for sound basic education aid set forth for each school district as "2005-2006 Sound Basic Education" in the school aid computer listing produced by the commissioner in support of the

executive budget request for the 2006--2007 school year and entitled "BT131-6" plus (B) the product of three hundred seventy-five million dollars (\$375,000,000) multiplied by the district's SBE ratio. The "SBE ratio" shall be equal to the quotient of the district's apportionment for sound basic education aid set forth for each school district as "2005-06 Sound Basic Education" in the school aid computer listing produced by the commissioner in support of the executive budget request for the 2006--2007 school year and entitled "BT131-6", divided by the sum of such apportionments set forth for all school districts as "2005-06 Sound Basic Education" in such school aid computer listing entitled "BT131-6".

(18) the net tuition adjustment computed for the 2006--07 school year pursuant to or in lieu of paragraph g of subdivision two of this section.

(ii) For aid payable in the two thousand eight--two thousand nine school year and thereafter, the total foundation aid base shall equal the total amount a district was eligible to receive in the base year pursuant to subdivision four of this section.

k. "Attendance ratio" shall mean the number computed to four decimals without rounding when the aggregate days attendance is divided by the possible aggregate attendance of all pupils in attendance in the district, as computed for each school district by the commissioner by June first of the year following the attendance year.

l. "Average daily membership" shall mean the possible aggregate attendance of all pupils in attendance in a public school of the school district in kindergarten through grade twelve, or equivalent ungraded programs, including possible aggregate attendance for such pupils receiving homebound instruction, including pupils receiving remote instruction as defined in the regulations of the commissioner, with the possible aggregate attendance of such pupils in one-half day kindergartens multiplied by one-half, divided by the number of days the district school was in session as provided in this section. The full time equivalent enrollment of pupils with disabilities attending under the provisions of paragraph c of subdivision two of section forty-four hundred one of this chapter shall be added to average daily membership.

Average daily membership shall include the equivalent attendance of the school district, as computed pursuant to paragraph d of this subdivision. In any instance where a pupil is a resident of another state or an Indian pupil is a resident of any portion of a reservation located wholly or partly within the borders of the state pursuant to subdivision four of section forty-one hundred one of this chapter or a pupil is living on federally owned land or property, such pupil's possible aggregate attendance shall be counted as part of the possible aggregate attendance of the school district in which such pupil is enrolled.

n. (1) "Enrollment" shall mean the unduplicated count of all children registered to receive educational services in grades kindergarten through twelve, including children in ungraded programs, as registered on the date prior to November first that is specified by the commissioner as the enrollment reporting date for the school district or nonpublic school, as reported to the commissioner.

(2) "Public school district enrollment" shall mean the sum of: (1) the number of children on a regular enrollment register of a public school district on such date; (2) the number of children eligible to receive home instruction in the school district on such date; (3) the number of children for whom equivalent attendance must be computed pursuant to this subdivision on such date; (4) the number of children with disabilities who are residents of such district who are registered on such date to attend programs under the provisions of paragraph c of subdivision two of section forty-four hundred one of this chapter; (5) the number of children eligible to receive educational services on such date but not claimed for aid pursuant to subdivision seven of section thirty-two hundred two of this chapter; and (6) the number of children registered on such date to attend programs (i) pursuant to subdivision two of section three hundred fifty-five of this chapter or (ii) pursuant to an agreement between the city school district of the city of New York and Hunter College pursuant to section sixty-two hundred sixteen of this chapter.

(3) "Nonpublic school enrollment" shall mean the number of children on a regular enrollment register of a nonpublic school meeting the compulsory attendance law, excluding any child counted as part of the

enrollment of a public school district.

(4) "Resident public school district enrollment" shall be the public school district enrollment less the public school district enrollment of nonresident pupils attending public schools in the district, plus the public school district enrollment of pupils resident in the district but attending public schools in another district or state plus the public school district enrollment of pupils resident in the district but attending full-time a school operated by a board of cooperative educational services or a county vocational education and extension board. Indian pupils who are residents of any portion of a reservation located wholly or partly within the borders of the state pursuant to subdivision four of section forty-one hundred one of this chapter and are attending public school, or pupils living on the United States military reservation at West Point attending public school, shall be deemed to be resident pupils of the district providing such school, for purposes of this paragraph. Where a school district has entered into a contract with the state university pursuant to subdivision two of section three hundred fifty-five of this chapter under which the school district makes payments in the nature of tuition for the education of certain children residing in the district, such children for whom such tuition payments are made shall be deemed to be resident pupils of such district for the purposes of this paragraph. No student shall be counted more than once, except that, in determining the resident public school district enrollment of a component school district of a central high school district the resident public school district enrollment of high school pupils residing in such component district and attending the central high school shall be included, and in determining the resident public school district enrollment of a central high school district the resident public school district enrollment of elementary school pupils residing in such central high school district and attending a component district of the central high school district shall be included.

(5) "Resident nonpublic school district enrollment" shall be the nonpublic school district enrollment less the nonpublic school district enrollment of nonresident pupils attending nonpublic schools in the district, plus the nonpublic school district enrollment of pupils resident in the district but attending nonpublic schools in another district of the state.

(6) "Additional public school enrollment" shall mean resident students with disabilities placed by public school districts in approved private schools, the New York state school for the blind at Batavia, or the New York state school for the deaf at Rome and resident students placed in schools subject to the provisions of chapter five hundred sixty-three of the laws of nineteen hundred eighty as amended.

(7) In determining enrollment pursuant to subparagraphs two, three, four, five and six of this paragraph for central high school districts and all school districts located within the boundaries of a central high school district, for the purposes of any apportionments payable to both central high school districts and to other school districts located within the boundaries of such central high school districts pursuant to this chapter, and for the purposes of computing the poverty count pursuant to paragraph q of this subdivision and the school district basic contribution pursuant to subdivision eight of section forty-four hundred one of this chapter, only those children in the grade levels maintained by a central high school district shall be included in the enrollment used to apportion aid to such central high school district and only those children of the grade levels maintained by a component school district of a central high school district shall be included in the public school district enrollment of such component school district.

o. "English language learner count" shall mean the number of pupils served in the base year in programs for pupils who are English language learners approved by the commissioner pursuant to the provisions of this chapter and in accordance with regulations adopted for such purpose.

q. "Poverty count" shall mean the sum of the product of the economically disadvantaged student count multiplied by sixty-five percent, plus the product of the SAIPE count multiplied by sixty-five percent, where:

(i) "Economically disadvantaged student count" shall mean the product of the public school enrollment of the school district on the date enrollment was counted in accordance with this subdivision for the base year multiplied by the three-year average economically disadvantaged rate; and

(ii) "SAIPE count" shall mean the product of the public school

enrollment of the school district on the date enrollment was counted in accordance with this subdivision for the base year multiplied by the three-year average small area income and poverty estimate rate.

(iii) "Three-year average small area income and poverty estimate rate" shall equal the quotient of: (i) the sum of the number of persons aged five to seventeen within the school district, based on the small area income and poverty estimates produced by the United States census bureau, whose families had incomes below the poverty level for the calendar year prior to the year in which the base year began, plus such number for the calendar year two years prior to the year in which the base year began, plus such number for the calendar year three years prior to the year in which the base year began; divided by (ii) the sum of the total number of persons aged five to seventeen within the school district, based on such census bureau estimates, for the year prior to the year in which the base year began, plus such total number for the year two years prior to the year in which the base year began, plus such total number for the year three years prior to the year in which the base year began, rounded to four decimals.

(iv) (1) "Economically disadvantaged count" shall be equal to the unduplicated count of all children registered to receive educational services in grades kindergarten through twelve, including children in ungraded programs who participate in, or whose family participates in, economic assistance programs, such as the free or reduced-price lunch programs, Social Security Insurance, Supplemental Nutrition Assistance Program, Foster Care, Refugee Assistance (cash or medical assistance), Earned Income Tax Credit (EITC), Home Energy Assistance Program (HEAP), Safety Net Assistance (SNA), Bureau of Indian Affairs (BIA), or Temporary Assistance for Needy Families (TANF).

(2) "Economically disadvantaged rate" shall mean the quotient arrived at when dividing the economically disadvantaged count by public enrollment as computed pursuant to subparagraph one of paragraph n of this subdivision.

(3) "Three-year average economically disadvantaged rate" shall equal the quotient of: (i) the sum of the economically disadvantaged count for the school year prior to the base year, plus such number for the school year two years prior to the base year, plus such number for the school year three years prior to the base year; divided by (ii) the sum of

enrollment as computed pursuant to subparagraph one of paragraph n of this subdivision for the school year prior to the base year, plus such number for the school year two years prior to the base year, plus such number for the school year three years prior to the base year, rounded to four decimals.

r. "Sparsity count", for districts operating a kindergarten through grade twelve school program, shall mean the product of (i) the base year public school enrollment of the district and (ii) the sparsity factor, which shall mean the quotient, computed to three decimals without rounding, of the positive remainder of twenty-five minus the enrollment per square mile divided by fifty and nine tenths, but not less than zero. Enrollment per square mile shall be the quotient, computed to two decimals without rounding, of the public school enrollment of the school district on the date enrollment was counted in accordance with this subdivision for the base year divided by the square miles of the district, as determined by the commissioner.

s. "Extraordinary needs count" shall mean the sum of (i) the product of the English language learner count multiplied by the ELL weight, (ii) the poverty count, (iii) the homeless and foster count, plus (iv) the sparsity count, provided that the 'ELL weight' shall be five tenths (0.50) for the two thousand twenty-four--two thousand twenty-five school year and prior, fifty-three hundredths (0.53) in the two thousand twenty-five--two thousand twenty-six school year, and six tenths (0.6) in the two thousand twenty-six--two thousand twenty-seven school year and thereafter.

t. The "approved operating expense" for the apportionments to any school district hereunder shall mean the amount computed as follows: The apportionment to any school district for operating expense shall be based upon the total expenditures from its general fund and from its capital fund and from its risk retention fund for purposes of employee benefit claims related to salaries paid from the general fund, and for any city school districts with a population of more than one hundred twenty-five thousand inhabitants its expenditures from the special aid fund of grant moneys for improving pupil performance and categorical aid

for special reading programs as provided in the aid to localities budget during the applicable year as approved by the commissioner, and in accordance with the classification of expenditures in use by the commissioner for the reporting by school districts of receipts, expenditures and other financial data. For the purpose of this paragraph operating expense shall be defined as total cash expenditures during the applicable year, but shall exclude: (1) any balances and transfers; (2) any payments for transportation of pupils to and from school during the regular school year inclusive of capital outlays and debt service therefor; (2-a) a portion of any payments for transportation of pupils to and from district operated summer school programs pursuant to subdivision six of section thirty-six hundred twenty-two-a of this article, inclusive of capital outlays and debt service therefor, equal to the product of such expenditures multiplied by the quotient of the total apportionment after the proration, if any, required by such subdivision six of such section divided by the total apportionment prior to such proration; (3) any payments for capital outlay and debt service for school building purposes, provided, however, that in the case of a school district which has entered into a contract with state university pursuant to paragraph o of subdivision two of section three hundred fifty-five of this chapter, under which the school district makes payments to state university on account of capital outlay relating to certain children residing in such school district, such payments shall not be so excluded; (4) any payments for cafeteria or school lunch programs; (5) any proceeds of short term borrowings in the general fund and any payments from the proceeds of the sale of obligations in the capital fund; (6) any cash receipts which reduce the cost of an item when applied against the expenditure therefor, except gifts, donations and earned interest and any refunds made; (7) any payments made to boards of cooperative educational services for purposes or programs for which an apportionment is paid pursuant to other sections of this chapter, except that payments attributable to eligible pupils with disabilities and ineligible pupils residing in noncomponent districts shall be included in operating expense; (8) any tuition payments made to other school districts inclusive of payments made to a central high school district by one of its component school districts; (9) any apportionment or payment received from the state for experimental or

special programs paid under provisions other than those found in this section and other than any apportionments or payments received from the state by the city school district of the city of Yonkers for the purpose of funding an educational improvement program pursuant to a court order and other than any other state grants in aid identified by the commissioner for general use as specified by the board of education pursuant to subdivision two of section seventeen hundred eighteen of this chapter; (10) any funds received from the federal government except the federal share of medicaid subject to the provisions of section thirty-six hundred nine-a of this part and except Impact Aid funds received pursuant to sections two and six of Public Law eighty-one-eight hundred seventy-four (PL 81-874) or any law superseding such law in any such district which received aid pursuant to both such sections; provided further, however, that there shall be excluded from such federal funds or other apportionments any payments from such funds already deducted pursuant to this paragraph; (11) any payments made for which an apportionment is disallowed pursuant to regulations of the commissioner; (12) any expenditures made for accounting, tabulation, or computer equipment, in excess of ten thousand dollars unless such expenditures shall have been specifically approved by the commissioner; (13) any rentals received pursuant to the provisions of section four hundred three-a of this chapter; (14) any rentals or other annual payments received pursuant to the provisions of section four hundred three-b of this chapter; (15) any expenditures made for persons twenty-one years of age or over attending employment preparation education programs pursuant to subdivision eleven of this section; (16) any tuition payments made pursuant to a contract under the provisions of paragraphs e, f, g, h, i and l of subdivision two of section forty-four hundred one of this chapter or any tuition payments on behalf of pupils attending a state school under paragraph d of such subdivision; (17) in any year in which expenditures are made to the New York state teachers' retirement system or the New York state and local employees' retirement system for both the prior school year and the current school year, any expenditures made to such retirement systems and recorded in the school year prior to the school year in which such obligations are paid; and (18) any payments to the commissioner of taxation and finance pursuant to article twenty-three of the tax law.

u. "Instructional expense" shall mean the sum of all year prior to the base year expenditures related to the instructional program of the district, as defined in regulations of the commissioner, including the cost of fringe benefits paid by such district for the instructional staff of the district.

w. "Extraordinary needs percent" shall mean the quotient of the extraordinary needs count for the base year, calculated pursuant to paragraph s of this subdivision, divided by the public school district enrollment for the base year, calculated pursuant to subparagraph two of paragraph n of this subdivision.

x. "Enrollment index" shall be computed by dividing the public school enrollment for the current year by public school enrollment for the base year, both as defined in paragraph n of this subdivision, with the result carried to three places without rounding.

y. "School tax relief aid" shall mean state aid payable to a school district representing tax savings duly provided by the school district pursuant to section thirteen hundred six-a of the real property tax law that is claimed by the school district and certified by the commissioner of taxation and finance pursuant to subdivision three of section thirteen hundred six-a of the real property tax law.

aa. "Total personal income of the state" shall mean the total personal income of the state of New York as published by the United States department of commerce or any successor agency from which information is available, aggregated on a state fiscal year basis. For the two thousand twelve--two thousand thirteen school year, such personal income shall be based on the data available most proximate and prior to February first, two thousand eleven, and for the two thousand thirteen--two thousand fourteen school year and each school year thereafter, such personal income shall be based on the data available most proximate and prior to October thirty-first of the base year. Subsequent revisions of the published estimated dollar amount for any state fiscal year estimate employed pursuant to the terms of this section shall not affect the

validity of the determinations made for any state fiscal year.

bb. "Personal income growth index" shall mean (1) for the two thousand twelve--two thousand thirteen school year, the average of the quotients for each year in the period commencing with the two thousand five--two thousand six state fiscal year and finishing with the two thousand nine--two thousand ten state fiscal year of the total personal income of the state for each such year divided by the total personal income of the state for the immediately preceding state fiscal year, but not less than one, (2) for the two thousand thirteen--two thousand fourteen through two thousand nineteen--two thousand twenty school years, the quotient of the total personal income of the state for the state fiscal year one year prior to the state fiscal year in which the base year commenced divided by the total personal income of the state for the immediately preceding state fiscal year, but not less than one and (3) for the two thousand twenty--two thousand twenty-one school year and each school year thereafter, the average of the quotients for each year in the period commencing with the state fiscal year nine years prior to the state fiscal year in which the base year began and finishing with the state fiscal year prior to the state fiscal year in which the base year began of the total personal income of the state for each such year divided by the total personal income of the state for the immediately preceding state fiscal year, but not less than one.

dd. "Allowable growth amount" shall mean the product of the positive difference of the personal income growth index minus one, multiplied by the statewide total of the sum of (1) the apportionments, including the gap elimination adjustment, due and owing during the base year, commencing with the base year computed for the two thousand twelve--two thousand thirteen school year, to school districts and boards of cooperative educational services from the general support for public schools as computed based on an electronic data file used to produce the school aid computer listing produced by the commissioner in support of the enacted budget for the base year plus (2) the competitive awards amount for the base year.

ee. "Competitive awards amount" shall mean, for the two thousand

twelve--two thousand thirteen state fiscal year and thereafter, fifty million dollars.

ff. "Preliminary growth amount" shall mean the difference between the statewide total, excluding the apportionments computed pursuant to subdivisions four and seventeen of section thirty-six hundred two of the education law, of the apportionments due and owing during the current school year, commencing with the two thousand twelve--two thousand thirteen school year, to school districts and boards of cooperative educational services from the general support for public schools as computed based on an electronic data file used to produce the school aid computer listing produced by the commissioner in support of the enacted budget for the current year, less the statewide total of such apportionments, excluding the apportionments computed pursuant to subdivisions four and seventeen of section thirty-six hundred two of the education law, due and owing during the base school year to school districts and boards of cooperative educational services from the general support for public schools as computed based on an electronic data file used to produce the school aid computer listing produced by the commissioner in support of the enacted budget for the current year.

gg. "Allocable growth amount" shall mean the positive difference, if any, of the allowable growth amount less the sum of the competitive awards amount plus the preliminary growth amount.

hh. "Consumer price index" shall mean the quotient of: (i) the average of the national consumer price indexes determined by the United States department of labor for the twelve-month period preceding January first of the current year minus the average of the national consumer price indexes determined by the United States department of labor for the twelve-month period preceding January first of the prior year, divided by (ii) the average of the national consumer price indexes determined by the United States department of labor for the twelve-month period preceding January first of the prior year, with the result expressed as a decimal to three places.

ii. (1) "Direct certification count" shall be equal to the number of

children eligible for free meals or free milk based on information obtained directly from the office of temporary and disability assistance administering the supplemental nutrition assistance program and the department of health administering Medicaid and providing data as per the United States department of agriculture Medicaid demonstration project.

(2) "Direct certification enrollment" shall mean enrollment collected for purposes of the direct certification matching process.

(3) "Direct certification percent" shall mean the quotient arrived at when dividing the direct certification count by the direct certification enrollment.

(4) "Three-year direct certification percentage" shall mean the quotient of: (A) the sum of the direct certification count for the base year, plus such direct certification count computed for the year prior to the base year, plus such direct certification count computed for the year two years prior to the base year, divided by (B) the direct certification enrollment for the base year, plus such direct certification enrollment computed for the year prior to the base year, plus such direct certification enrollment computed for the year two years prior to the base year.

jj. "Small city school districts" shall mean any school districts that were designated as small city school districts or central school districts whose boundaries include a portion of a small city for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand fourteen--two thousand fifteen school year and entitled "SA141-5".

kk. "Homeless and foster count" shall mean the sum of (i) the product of twelve hundredths (0.12) multiplied by the three-year average of students experiencing homelessness plus (ii) the product of twelve hundredths (0.12) multiplied by the three-year average of foster students, where:

(1) "students experiencing homelessness" shall be equal to the unduplicated count of students who lack a fixed, regular, and adequate nighttime residence, including a student who is sharing the housing of other persons due to a loss of housing, economic hardship, or similar

reason; living in motels, hotels, trailer parks or camping grounds due to the lack of alternative adequate accommodations; abandoned in hospitals; or a migratory child, as defined by the commissioner, who qualifies as homeless under any of the above provisions; or has a primary nighttime location that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations including, but not limited to, shelters operated or approved by the state or local department of social services, and residential programs for runaway and homeless youth established pursuant to article nineteen-H of the executive law or a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings, including a car, park, public space, abandoned building, substandard housing, bus, train station, or similar setting. Homeless students does not include children in foster care placements or who are receiving educational services pursuant to subdivision four, five, six, six-a, or seven of section thirty-two hundred two of this chapter or pursuant to article eighty-one, eighty-five, eighty-seven or eighty-eight of this chapter;

(2) the "three-year average of students experiencing homelessness" shall be equal to the quotient of (i) the unduplicated count of students experiencing homelessness for the school year prior to the base year, plus such number for the school year two years prior to the base year, plus such number for the school year three years prior to the base year, divided by (ii) three, rounded to the nearest whole number;

(3) "foster students" shall be equal to the unduplicated count of students in twenty-four-hour substitute care for children placed away from their parents and for whom the agency under title IV-E of the Social Security Act has placement and care responsibility. This shall include, but is not limited to, placements in foster family homes, foster homes of relatives, group homes, emergency shelters, residential facilities, child care institutions, and pre-adoptive homes. A child is in foster care in accordance with this definition regardless of whether or not the foster care facility is licensed and payments are made by the state, tribal, or local agency for the care of the child, whether adoption subsidy payments are being made prior to the finalization of an adoption, or whether there is federal matching of any payments that are made; and

(4) the "three-year average of foster students" shall be equal to the quotient of (i) the unduplicated count of foster students for the school year prior to the base year, plus such number for the school year two years prior to the base year, plus such number for the school year three years prior to the base year, divided by (ii) three, rounded to the nearest whole number.

2. Computation of pupil counts and related factors. a. Computation of resident weighted average daily attendance. For purposes of this section weighted average daily attendance of a school district for any school year shall be computed as follows:

(1) Weighted average daily attendance shall be determined by using the average daily attendance of public school pupils in a full-day kindergarten and grades one through six as the basic unit, with the attendance of such pupils in one-half day kindergartens measured at one-half of such basic unit and the attendance of such pupils in grades seven through twelve measured at one and one-quarter of such basic unit. The sum of all such units of attendance shall be the weighted average daily attendance.

(2) In computing such attendance, the school district shall (i) determine the number of religious holidays which fall on a school day within a school year according to regulations established by the commissioner, such religious holidays to be duly recognized as such for purposes of this section by duly adopted resolution of the board of education; (ii) deduct the aggregate attendance on such religious holidays from the total aggregate attendance, by grade level; (iii) deduct such religious holidays from the total number of days of session, by grade level; (iv) compute the weighted average daily attendance for the school year.

(3) In any instance where a pupil is a resident of another state or an Indian pupil is a resident of any portion of a reservation located wholly or partly within the borders of the state pursuant to subdivision four of section forty-one hundred one of this chapter or a pupil is living on federally owned land or property, such pupil's attendance shall be counted as part of the weighted average daily attendance of the school district in which such pupil is enrolled.

(4) Resident weighted average daily attendance for purposes of

determining the aid ratio of a school district for any school year shall be the weighted average daily attendance for the school year immediately preceding the base year, less the weighted average daily attendance of nonresident pupils attending public schools in the district for such school year, plus the weighted average daily attendance of pupils resident in the district but attending public schools in another district or state plus the weighted average daily attendance of pupils resident in the district but attending full-time a school operated by a board of cooperative educational services or a county vocational education and extension board for such school year. The attendance of nonresident pupils attending public school in the district and resident pupils attending such schools outside of the district shall be determined by applying to the number of such pupils registered during the school year in each case the ratio of aggregate days attendance to the possible aggregate days attendance of all pupils in attendance in the district. Indian pupils of a reservation attending public school, or pupils living on the United States military reservation at West Point attending public school, shall be deemed to be resident pupils of the district providing such school, for purposes of this paragraph. Where a school district has entered into a contract with the state university pursuant to subdivision two of section three hundred fifty-five of this chapter under which the school district makes payments in the nature of tuition for the education of certain children residing in the district, such children for whom such tuition payments are made shall be deemed to be resident pupils of such district for the purposes of this paragraph.

(5) In determining the resident weighted average daily attendance of a component school district of a central high school district for computing the aid ratio the weighted average daily attendance of high school pupils residing in such component district and attending the central high school shall be included. The resident weighted average daily attendance of a central high school district itself shall be the sum of the resident weighted average daily attendance of each component school district computed as provided in the first sentence of this paragraph.

(6) Notwithstanding the provisions of subparagraphs four and five of this paragraph, when a school district shall experience an increase in resident weighted average daily attendance during the current year

because of the closing in whole, or in part, of a non-public school or a campus school, or a school previously operated by the United States government on the United States military reservation at West Point, the commissioner, in computing any aid ratio of such district, shall permit the use of such additional resident weighted average daily attendance for aid ratio purposes during the current year and the next succeeding year, provided that such additional resident weighted average daily attendance attributable to such closing, or part thereof, shall be in excess of one hundred students; provided, however, that such district which qualifies for an increase in total wealth pupil units pursuant to paragraph f of this subdivision, shall use the increase in resident weighted average daily attendance, even if such increase in resident weighted average daily attendance is less than one hundred.

b. Computation of adjusted average daily attendance. For purposes of this section adjusted average daily attendance of a school district for any school year shall be computed as follows:

(1) Adjusted average daily attendance shall be determined by using the average daily attendance of public school pupils in a full-day kindergarten and grades one through twelve as the basic unit, with the attendance of such pupils in one-half day kindergartens measured at one-half of such basic unit. The sum of all such units of attendance shall be the adjusted average daily attendance.

(2) In computing such attendance, the school district shall (i) determine the number of religious holidays which fall on a school day within a school year according to regulations established by the commissioner, such religious holidays to be duly recognized as such for purposes of this section by duly adopted resolution of the board of education; (ii) deduct the aggregate attendance on such religious holidays from the total aggregate attendance, by grade level; (iii) deduct such religious holidays from the total number of days of session, by grade level; (iv) compute the adjusted average daily attendance for the school year.

(3) In any instance where a pupil is a resident of another state or an Indian pupil is a resident of any portion of a reservation located wholly or partly within the borders of the state pursuant to subdivision four of section forty-one hundred one of this chapter or a pupil is

living on federally owned land or property, such pupil's attendance shall be counted as part of the adjusted average daily attendance of the school district in which such pupil is enrolled.

c. Computation of additional aidable pupil units. The additional aidable pupil units used to compute total aidable pupil units pursuant to paragraph e of this subdivision shall be the sum of the attendance of summer session pupils multiplied by twelve per centum and the weighted pupils with special educational needs. The additional aidable pupil units used to compute total wealth pupil units pursuant to paragraph f of this subdivision shall be the sum of the year prior to the base year resident weighted pupils with special educational needs and resident weighted pupils with handicapping conditions. Nothing contained in this paragraph shall be construed to result in the inclusion of the attendance of summer session pupils in the computation of weighted or adjusted average daily attendance pursuant to this subdivision.

d. Secondary school weighting. There shall be added to the total aidable pupil units computed in paragraph e of this subdivision and the total wealth pupil units computed in paragraph f of this subdivision, a number equal to the product of: (1) twenty-five per centum, (2) the adjusted average daily attendance in grades seven through twelve for the year prior to the base year, excluding attendance of pupils who receive a weighting for disabilities, and (3) for total aidable pupil units, the enrollment index computed pursuant to this section for the base year, provided, however, that only resident secondary pupils shall be used for the computation of total wealth pupil units.

e. Computation of total aidable pupil units. (1) A district's total aidable pupil units shall be the sum of the district's adjusted average daily attendance computed pursuant to this section for the year prior to the base year multiplied by the enrollment index computed pursuant to this section for the base year plus the additional aidable pupil units computed for the year prior to the base year under paragraph c of this subdivision.

(2) In such computation school districts may, with the commissioner's approval, exclude attendance for those days on which school attendance

was adversely affected because of an epidemic or because of a religious holiday as provided in subparagraph two of paragraph b of this subdivision. For the purposes of computing selected total aidable pupil units, a district may use either total aidable pupil units for the current aid year or the average of total aidable pupil units for the current aid year and the prior aid year, using current aid year definitions of total aidable pupil units for both years, except that for aids payable during the nineteen hundred ninety-seven--nineteen hundred ninety-eight school year the total aidable pupil units for the prior aid year used in such average shall be calculated using the definition of total aidable pupil units in effect for aid payable in the base year.

f. Computation of total wealth pupil units. (1) Total wealth pupil units will be computed using the adjusted average daily attendance for the year prior to the base year as computed in this section, plus the attendance of resident pupils attending public school elsewhere, less the attendance of nonresident pupils plus the attendance of resident pupils attending full-time in board of cooperative educational services (not otherwise specifically included), plus the additional aidable pupil units as computed pursuant to paragraphs c and d of this subdivision, excluding summer school pupils, plus the year prior to the base year resident weighted pupils with disabilities. The attendance of nonresident pupils attending public school in the district and resident pupils attending such schools outside of the district shall be determined by applying to the number of such pupils registered during the school year in each case the ratio of aggregate days attendance to the possible aggregate days attendance of all pupils in attendance in the district. Native American pupils of a reservation attending public school, or pupils living on the United States military reservation at West Point attending public school, shall be deemed to be resident pupils of the district providing such school, for purposes of this paragraph. Where a school district has entered into a contract with state university pursuant to subdivision two of section three hundred fifty-five of this chapter under which the school district makes payment in the nature of tuition for the education of certain children residing in the district, such children for whom such tuition payments are made shall be deemed to be resident pupils of such district for the purposes

of this paragraph.

(2) In determining the total wealth pupil units of a component school district of a central high school district for computing aid ratios the total wealth pupil units of high school pupils residing in such component district and attending the central high school shall be included. The total wealth pupil units of a central high school district itself shall be the sum of the total wealth pupil units of each component school district.

(3) Notwithstanding the foregoing provisions of this paragraph, when a school district shall experience an increase in total wealth pupil units during the current year because of the closing in whole, or in part, of a nonpublic school or a campus school, or a school previously operated by the United States government on the United States military reservation at West Point, the commissioner, in computing any aid ratio of such district, shall permit the use of such additional total wealth pupil units during the current year and the next succeeding year, provided that such additional total wealth pupil units attributable to such closing, or part thereof, shall be in excess of one hundred students; provided, however, that such district which qualifies for an increase in resident weighted average daily attendance pursuant to subparagraph six of paragraph a of this subdivision, shall use the increase in total wealth pupil units, even if such increase in total wealth pupil units is less than one hundred.

g. Computation of total aidable foundation pupil units. Total aidable foundation pupil units shall be the sum of (1) the district's average daily membership computed pursuant to this section for the year prior to the base year multiplied by the enrollment index computed pursuant to this section for the base year plus (2) the product of the average daily membership of summer session pupils and twelve percent plus (3) the year prior to the base year weighted foundation pupils with disabilities. For the purposes of computing total foundation aid a district may use either total aidable foundation pupil units for the current aid year or the average of total foundation aidable pupil units for the current aid year and the prior aid year, using current aid year definitions of total aidable foundation pupil units for both years.

h. Computation of total wealth foundation pupil units. (1) Total wealth foundation pupil units shall mean the sum of (i) average daily membership for the year prior to the base year as computed in this section, plus (ii) the full-time equivalent enrollment of resident pupils attending public school elsewhere, less the full-time equivalent enrollment of nonresident pupils, plus (iii) the full-time equivalent enrollment of resident pupils attending full-time in board of cooperative educational services (not otherwise specifically included). Native American pupils of a reservation attending public school, or pupils living on the United States military reservation at West Point attending public school, shall be deemed to be resident pupils of the district providing such school, for purposes of this paragraph. Where a school district has entered into a contract with state university pursuant to subdivision two of section three hundred fifty-five of this chapter under which the school district makes payment in the nature of tuition for the education of certain children residing in the district, such children for whom such tuition payments are made shall be deemed to be resident pupils of such district for the purposes of this paragraph.

(2) In determining the total wealth foundation pupil units of a component school district of a central high school district for computing aid ratios the total wealth foundation pupil units of high school pupils residing in such component district and attending the central high school shall be included. The total wealth foundation pupil units of a central high school district itself shall be the sum of the total wealth foundation pupil units of each component school district.

(3) Notwithstanding the foregoing provisions of this paragraph, when a school district shall experience an increase in total wealth foundation pupil units during the current year because of the closing in whole, or in part, of a nonpublic school or a campus school, or a school previously operated by the United States government on the United States military reservation at West Point, the commissioner, in computing any aid ratio of such district, shall permit the use of such additional total wealth foundation pupil units during the current year and the next succeeding year, provided that such additional total wealth foundation pupil units attributable to such closing, or part thereof, shall be in excess of one hundred students.

i. Parent-teacher conferences or workshops. Notwithstanding any other provision of this section to the contrary, when a school district operates for a half day session because of a parent-teacher conference or workshops for teachers, it shall be apportioned with the same amount of state aid for pupils attending kindergarten as if both morning and afternoon kindergarten groups were in attendance although only one kindergarten class attends school. The school district shall provide that morning and afternoon kindergarten groups shall alternate in attendance if more than one half day session is scheduled during the school year.

3. Computation of aid ratios.

a. (1) "Pupil wealth ratio" shall mean the number computed to three decimals without rounding obtained when actual valuation of a school district divided by the total wealth pupil units is divided by the statewide average actual valuation per total wealth pupil unit as computed by the commissioner in accordance with the provisions of this section. Such statewide average actual valuation per total wealth pupil unit shall be established each year by the commissioner using the latest single year actual valuation computed under paragraph c of subdivision one of this section. Such statewide average shall be transmitted to the school districts. Such statewide average shall be rounded to the nearest hundredth and shall include the actual valuation and total wealth pupil units of all school districts eligible for aid pursuant to this section except central high school districts. For the purposes of calculating such statewide average the data for the city school district of the city of New York shall be citywide data.

(2) "Pupil wealth ratio for total foundation aid" shall mean the number computed to three decimals without rounding obtained when the selected actual valuation of a school district divided by the total wealth pupil units is divided by the statewide average selected actual valuation per total wealth pupil unit as computed by the commissioner in accordance with the provisions of this section. Such statewide average selected actual valuation per total wealth pupil unit shall be established each year by the commissioner using the selected actual valuation computed under paragraph c of subdivision one of this section.

Such statewide average shall be transmitted to the school districts. Such statewide average shall be rounded to the nearest hundredth and shall include the selected actual valuation and total wealth pupil units of all school districts eligible for aid pursuant to this section except central high school districts. For the purposes of calculating such statewide average the data for the city school district of the city of New York shall be citywide data.

b. (1) "Alternate pupil wealth ratio" shall mean the number computed to three decimals without rounding obtained when the adjusted gross income of a school district for the calendar year two years prior to the calendar year in which the base year began divided by the total wealth pupil units of such district is divided by the statewide adjusted gross income per total wealth pupil unit. Such statewide average gross income per pupil shall be established each year by the commissioner and shall be transmitted to school districts. Such statewide average shall be rounded to the nearest hundredth and shall include the adjusted gross income and total wealth pupil units of all school districts eligible for aid pursuant to this section except central high school districts. For the purposes of calculating such statewide average the data for the city school district of the city of New York shall be citywide data.

(2) "Alternate pupil wealth ratio for total foundation aid" shall mean the number computed to three decimals without rounding obtained when the selected adjusted gross income of a school district for the calendar year two years prior to the calendar year in which the base year began divided by the total wealth pupil units of such district is divided by the statewide selected adjusted gross income per total wealth pupil unit. Such statewide average selected adjusted gross income per pupil shall be established each year by the commissioner and shall be transmitted to school districts. Such statewide average shall be rounded to the nearest hundredth and shall include the selected adjusted gross income and total wealth pupil units of all school districts eligible for aid pursuant to this section except central high school districts. For the purposes of calculating such statewide average the data for the city school district of the city of New York shall be citywide data.

c. (1) "Combined wealth ratio" shall mean the number computed to three

decimals without rounding obtained when fifty per centum of the pupil wealth ratio is added to fifty per centum of the alternate pupil wealth ratio.

(2) "Combined wealth ratio for total foundation aid" shall mean the number computed to three decimals without rounding obtained when fifty per centum of the pupil wealth ratio for total foundation aid is added to fifty per centum of the alternate pupil wealth ratio for total foundation aid.

d. "Income wealth index" shall mean the number computed to three decimals without rounding obtained when the adjusted gross income of a school district for the calendar year two years prior to the calendar year in which the base year began divided by the total wealth foundation pupil units of such district is divided by the statewide adjusted gross income per total wealth foundation pupil units. Such statewide average gross income per pupil shall be established each year by the commissioner and shall be transmitted to school districts. For the purposes of this paragraph, the income data shall be computed in accordance with paragraph h of subdivision one of this section. Such statewide average shall be rounded to the nearest hundredth and shall include the adjusted gross income and total wealth foundation pupil units of all school districts eligible for aid pursuant to this section except central high school districts. For the purposes of calculating such statewide average the data for the city school district of the city of New York shall be citywide data. The adjusted gross income of a central high school district shall equal the sum of the adjusted gross income of each of its component school districts.

e. Building aid ratios. The aid ratio to be used in determining building aid apportionments to any school district pursuant to this section shall be computed in the following manner:

(1) The actual valuation of such district shall be divided by its resident weighted average daily attendance as computed pursuant to this section to determine its actual valuation per resident pupil.

(2) The commissioner shall determine the state average actual valuation per pupil in resident weighted average daily attendance for the preceding school year using the latest single year actual valuation

computed under paragraph c of subdivision one of this section. The commissioner shall transmit such state average to the school districts. Such statewide average shall be rounded to the nearest hundredth and shall include the actual valuation and resident weighted average daily attendance of all school districts eligible for aid pursuant to this section except central high school districts. For the purposes of calculating such statewide average the data for the city school district of the city of New York shall be citywide data.

(3) The resident weighted average daily attendance wealth ratio shall mean the actual valuation per resident pupil of the school district divided by such state average actual valuation per pupil, carried to three decimal places without rounding.

(4) The building aid ratio shall be computed by subtracting from one the product obtained by multiplying the resident weighted average daily attendance wealth ratio by fifty-one percent. Such aid ratio shall be expressed as a decimal carried to three places without rounding, but shall not be less than zero.

(5) The additional building aid ratio for low income wealth school districts shall be the product obtained by multiplying the state sharing ratio by one and two hundred sixty-three thousandths (1.263).

f. The board of cooperative educational services aid ratio shall equal the greater of: (1) an amount equal to one minus the quotient expressed as a decimal to three places without rounding of eight mills divided by the tax rate of the local district computed upon the actual valuation of taxable property, as determined pursuant to subdivision one of this section, expressed in mills to the nearest tenth as determined by the commissioner, provided, however, that where services are provided to a school district which is included within a central high school district or to a central high school district, such amount shall equal one minus the quotient expressed as a decimal to three places without rounding of three mills divided by the tax rates, expressed in mills to the nearest tenth, of such districts, as determined by the commissioner or (2) an amount computed by subtracting from one the product obtained by multiplying the resident weighted average daily attendance wealth ratio by fifty-one percent. Such aid ratio shall be expressed as a decimal carried to three places without rounding but shall not be less than

thirty-six percent and shall not be greater than ninety percent.

g. Computation of the state sharing ratio. The state sharing ratio shall be the higher of:

(1) a value computed by subtracting from one and thirty-seven hundredths the product obtained by multiplying the combined wealth ratio by one and twenty-three hundredths; or

(2) a value computed by subtracting from one the product obtained by multiplying the combined wealth ratio by sixty-four hundredths, provided however, that for the purpose of computing the state sharing ratio for total foundation aid, the tier two value shall be computed by subtracting from one the product obtained when multiplying the combined wealth ratio by six hundred sixteen thousandths (0.616) and such values shall be computed using the combined wealth ratio for total foundation aid in place of the combined wealth ratio; or

(3) a value computed by subtracting from eighty hundredths the product obtained by multiplying the combined wealth ratio by thirty-nine hundredths; or

(4) a value computed by subtracting from fifty-one hundredths the product obtained by multiplying the combined wealth ratio by twenty-two hundredths, provided, however, that for the purpose of computing the state sharing ratio for total foundation aid, the tier four value shall be computed by subtracting from fifty-one hundredths the product obtained by multiplying the combined wealth ratio by one hundred seventy-three thousandths and such values shall be computed using the combined wealth ratio for total foundation aid in place of the combined wealth ratio, and, for high need school districts, as determined pursuant to clause (c) of subparagraph two of paragraph c of subdivision six of this section for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand seven--two thousand eight school year and entitled "SA0708", such values shall be multiplied by one hundred five percent.

Such result shall be expressed as a decimal carried to three places without rounding, but shall not be greater than ninety hundredths nor less than zero, provided, however, that for the purpose of computing the state sharing ratio for total foundation aid in the two thousand

twenty-four--two thousand twenty-five school year, such result shall not be greater than ninety-one hundredths (0.91), and that for the purpose of computing the state sharing ratio for total foundation aid in the two thousand twenty-five--two thousand twenty-six school year and thereafter, such result shall not be greater than ninety-three hundredths (0.93).

4. Total foundation aid.

In addition to any other apportionment pursuant to this chapter, a school district, other than a special act school district as defined in subdivision eight of section four thousand one of this chapter, shall be eligible for total foundation aid equal to the product of total aidable foundation pupil units multiplied by the district's selected foundation aid, which shall be the greater of five hundred dollars (\$500) or foundation formula aid. Total aidable foundation pupil units shall be calculated pursuant to paragraph g of subdivision two of this section. For the purposes of calculating aid pursuant to this subdivision, aid for the city school district of the city of New York shall be calculated on a citywide basis.

a. Foundation formula aid. Foundation formula aid shall equal the remainder when the expected minimum local contribution is subtracted from the product of the foundation amount, the regional cost index, and the pupil need index, or: $(\text{foundation amount} \times \text{regional cost index} \times \text{pupil need index}) - \text{expected minimum local contribution}$.

(1) The foundation amount shall reflect the average per pupil cost of general education instruction in successful school districts, as determined by a statistical analysis of the costs of special education and general education in successful school districts, provided that the foundation amount shall be adjusted annually to reflect the percentage increase in the consumer price index as defined by paragraph hh of subdivision one of this section, provided that for the two thousand twenty-four--two thousand twenty-five school year, the percentage increase in the consumer price index shall be deemed to be two and eight-tenths percent (0.028).

(2) The regional cost index shall reflect an analysis of labor market

costs based on median salaries in professional occupations that require similar credentials to those of positions in the education field, but not including those occupations in the education field, provided that the regional cost indices for the two thousand seven--two thousand eight school year and thereafter shall be as follows:

Labor Force Region	Index
Capital District	1.124
Southern Tier	1.045
Western New York	1.091
Hudson Valley	1.314
Long Island/NYC	1.425
Finger Lakes	1.141
Central New York	1.103
Mohawk Valley	1.000
North Country	1.000

Provided that in the two thousand twenty-five--two thousand twenty-six school year and thereafter, the regional cost index for Westchester county shall be 1.351.

(3) The pupil need index shall equal the sum of one plus the extraordinary needs percent, provided, however, that the pupil need index shall not be less than one nor more than two. The extraordinary needs percent shall be calculated pursuant to paragraph w of subdivision one of this section.

(4) The expected minimum local contribution shall equal the lesser of (i) the product of (A) the quotient arrived at when the selected actual valuation is divided by total wealth foundation pupil units, multiplied by (B) the product of the local tax factor, multiplied by the income wealth index, or (ii) the product of (A) the product of the foundation amount, the regional cost index, and the pupil need index, multiplied by (B) the positive difference, if any, of one minus the state sharing ratio for total foundation aid. The local tax factor shall be established by May first of each year by determining the product, computed to four decimal places without rounding, of ninety percent multiplied by the quotient of the sum of the statewide average tax rate as computed by the commissioner for the current year in accordance with the provisions of paragraph e of subdivision one of section thirty-six

hundred nine-e of this part plus the statewide average tax rate computed by the commissioner for the base year in accordance with such provisions plus the statewide average tax rate computed by the commissioner for the year prior to the base year in accordance with such provisions, divided by three. The income wealth index shall be calculated pursuant to paragraph d of subdivision three of this section, provided, however, that for the purposes of computing the expected minimum local contribution the income wealth index shall not be less than sixty-five percent (0.65) and shall not be more than two hundred percent (2.0). The selected actual valuation shall be calculated pursuant to paragraph c of subdivision one of this section. Total wealth foundation pupil units shall be calculated pursuant to paragraph h of subdivision two of this section.

(5) For the purposes of this subdivision, "total foundation aid" shall be equal to the product of the total aidable foundation pupil units multiplied by the district's selected foundation aid.

b. Notwithstanding any other provision of law to the contrary, for the two thousand seven--two thousand eight school year and thereafter, the additional amount payable to each school district pursuant to this subdivision in the current year as total foundation aid, after deducting the total foundation aid base, shall be deemed a state grant in aid identified by the commissioner for general use for purposes of section seventeen hundred eighteen of this chapter.

c. Public excess cost aid setaside. Each school district shall set aside from its total foundation aid computed for the current year pursuant to this subdivision an amount equal to the product of: (i) the difference between the amount the school district was eligible to receive in the two thousand six--two thousand seven school year pursuant to or in lieu of paragraph six of subdivision nineteen of this section as such paragraph existed on June thirtieth, two thousand seven, minus the amount such district was eligible to receive pursuant to or in lieu of paragraph five of subdivision nineteen of this section as such paragraph existed on June thirtieth, two thousand seven, in such school year, and (ii) the sum of one and the percentage increase in the consumer price index for the current year over such consumer price index

for the two thousand six--two thousand seven school year, as defined by paragraph hh of subdivision one of this section, provided that the percentage increase in the consumer price index for the two thousand twenty-four--two thousand twenty-five school year over such consumer price index for the two thousand six--two thousand seven school year shall be deemed to be fifty-four and one-tenth percent (0.541). Notwithstanding any other provision of law to the contrary, the public excess cost aid setaside shall be paid pursuant to section thirty-six hundred nine-b of this part.

d. For the two thousand fourteen--two thousand fifteen through two thousand twenty-eight--two thousand twenty-nine school years a city school district of a city having a population of one million or more may use amounts apportioned pursuant to this subdivision for afterschool programs.

e. Community schools aid set-aside. Each school district shall set aside from its total foundation aid computed for the current year pursuant to this subdivision an amount equal to the sum of (i) the amount, if any, set forth for such district as "COMMUNITY SCHL AID (BT1617)" in the data file produced by the commissioner in support of the enacted budget for the two thousand sixteen--two thousand seventeen school year and entitled "SA161-7", (ii) the amount, if any, set forth for such district as "COMMUNITY SCHL INCR" in the data file produced by the commissioner in support of the executive budget request for the two thousand seventeen--two thousand eighteen school year and entitled "BT171-8", (iii) the amount, if any, set forth for such district as "COMMUNITY SCHOOLS INCREASE" in the data file produced by the commissioner in support of the executive budget for the two thousand eighteen--two thousand nineteen school year and entitled "BT181-9", and (iv) the amount, if any, set forth for such district as "19-20 COMMUNITY SCHOOLS INCR" in the data file produced by the commissioner in support of the executive budget for the two thousand nineteen--two thousand twenty school year and entitled "BT192-0". Each school district shall use such "COMMUNITY SCHL AID (BT1617)" amount to support the transformation of school buildings into community hubs to deliver co-located or school-linked academic, health, mental health, nutrition,

counseling, legal and/or other services to students and their families, including but not limited to providing a community school site coordinator, or to support other costs incurred to maximize students' academic achievement. Each school district shall use such "COMMUNITY SCHL INCR" amount to support the transformation of school buildings into community hubs to deliver co-located or school linked academic, health, mental health services and personnel, after-school programming, dual language programs, nutrition, counseling, legal and/or other services to students and their families, including but not limited to providing a community school site coordinator and programs for English language learners, or to support other costs incurred to maximize students' academic achievement, provided however that a school district whose "COMMUNITY SCHL INCR" amount exceeds one million dollars (\$1,000,000) shall use an amount equal to the greater of one hundred fifty thousand dollars (\$150,000) or ten percent of such "COMMUNITY SCHL INCR" amount to support such transformation at schools with extraordinary high levels of student need as identified by the commissioner, subject to the approval of the director of the budget. Each school district shall use such "COMMUNITY SCHOOLS INCREASE" to support the transformation of school buildings into community hubs to deliver co-located or school linked academic, health, mental health services and personnel, after-school programming, dual language programs, nutrition, counseling, legal and/or other services to students and their families, including but not limited to providing a community school site coordinator and programs for English language learners, or to support other costs incurred to maximize students' academic achievement. Each school district shall use such "19-20 COMMUNITY SCHOOLS INCR" to support the transformation of school buildings into community hubs to deliver co-located or school linked academic, health, mental health services and personnel, after-school programming, dual language programs, nutrition, trauma informed support, counseling, legal and/or other services to students and their families, including but not limited to providing a community school site coordinator and programs for English language learners, or to support other costs incurred to maximize students' academic achievement.

f. Foundation aid payable in the two thousand twenty-five--two

thousand twenty-six school year. Notwithstanding any provision of law to the contrary, foundation aid payable in the two thousand twenty-five--two thousand twenty-six school year shall equal the greater of total foundation aid or the product of one and two hundredths (1.02) multiplied by the foundation aid base.

* g. Foundation aid payable in the two thousand twenty-six--two thousand twenty-seven school year. Notwithstanding any provision of law to the contrary, foundation aid payable in the two thousand twenty-six--two thousand twenty-seven school year shall equal the greater of total foundation aid or the product of one and two hundredths (1.02) multiplied by the foundation aid base.

* NB Effective July 1, 2026

5. Public high cost excess cost aid. A school district having a pupil with a disability of school age for whom the cost, as approved by the commissioner, of appropriate special services or programs exceeds the lesser of ten thousand dollars or four times the expense per pupil without limits shall be entitled to an additional apportionment for each such child computed by multiplying the district's excess cost aid ratio by the amount by which such cost exceeds three times the district's expense per pupil without limits.

a. For the purpose of this subdivision:

(1) Expense per pupil for the purposes of this subdivision shall be not less than two thousand dollars and not more than the greater of seven thousand one hundred ten dollars or the statewide average of such expense per pupil. Such statewide average expense per pupil shall be computed and rounded to the nearest fifty dollars by the commissioner using the expense and pupils as estimated by school districts or as determined by the commissioner for use in determining the expense per pupil of the district pursuant to paragraph f of subdivision one of this section for all districts eligible for aid pursuant to this section. For the purposes of calculating such statewide expense per pupil, the data for the city school district of the city of New York shall be city-wide data.

(2) The excess cost aid ratio shall be computed by subtracting from one the product obtained by multiplying fifty-one per centum by the

combined wealth ratio. This aid ratio shall be expressed as a decimal carried to three places without rounding, but not less than twenty-five percent.

b. Notwithstanding section thirty-six hundred nine-a of this part, the apportionment provided for in this subdivision shall be paid pursuant to section thirty-six hundred nine-b of this part.

5-a. Supplemental public excess cost aid. For the two thousand seven--two thousand eight school year, a school district having a pupil with a disability of school age shall be entitled to an additional apportionment computed as follows:

a. Total excess cost amount per pupil shall equal the product of the expense per pupil computed pursuant to subparagraph one of paragraph a of subdivision five of this section and the excess cost aid ratio, which shall be computed pursuant to subparagraph two of paragraph a of subdivision five of this section.

b. Basic excess cost amount shall equal the product of the total excess cost amount per pupil and the resident weighted supplemental pupils with disabilities computed pursuant to subparagraph five of paragraph i of subdivision one of this section.

c. Integrated settings excess cost amount shall equal the product of the total excess cost amount per pupil and the integrated settings weighted pupils with disabilities computed pursuant to subparagraph six of paragraph i of subdivision one of this section.

d. Declassification support services amount. (1) Declassification support services shall mean services for teachers and pupils in the first year that a pupil moves from a special education program to a full-time regular education program. Services to pupils shall be provided on a regular basis and may include, but not be limited to psychological, social work, speech and language services and noncareer counseling services provided by qualified professional personnel as defined in regulations of the commissioner. Services for teachers of

such pupils may include the assistance of teacher aides or consultation with appropriate personnel. When a committee on special education determines that a pupil no longer needs special education services and is ready for a full-time regular education program, such committee shall identify and recommend the appropriate declassification support services for the first year in the regular education program.

(2) The declassification support services amount shall be equal to fifty percent of the total excess cost amount per pupil multiplied by the number of such pupils in the base year.

(3) Declassification support services shall not be eligible for an apportionment pursuant to section nineteen hundred fifty of this chapter.

(4) The commissioner shall adopt regulations to implement the provisions of this paragraph.

e. Total supplemental public excess cost amount shall be equal to the sum of the basic excess cost aid amount, the integrated settings excess cost amount, the declassification support services amount and the public high cost excess cost aid computed pursuant to subdivision five of this section for the current year.

f. The supplemental public excess cost aid base shall equal for the two thousand seven--two thousand eight school year, the amount the school district was eligible to receive in the two thousand six--two thousand seven school year pursuant to or in lieu of paragraph six of former subdivision nineteen of this section.

g. Supplemental public excess cost aid shall equal the product of ninety-one hundredths and the positive difference, if any, of:

(1) the difference of the total supplemental excess cost amount minus the supplemental public excess cost aid base, minus (2) the positive difference of the district's total foundation aid minus the product of one hundred three percent and the total foundation aid base.

h. Notwithstanding section thirty-six hundred nine-a of this part, the apportionment provided for in this subdivision shall be paid pursuant to section thirty-six hundred nine-b of this part.

For the two thousand eight--two thousand nine school year, each school district shall be entitled to an apportionment equal to the product of fifteen percent and the additional apportionment computed pursuant to this subdivision for the two thousand seven--two thousand eight school year. For the two thousand nine--two thousand ten school year and thereafter each school district shall be entitled to an apportionment equal to the amount set forth for such school district as "SUPPLEMENTAL PUB EXCESS COST" under the heading "2008-09 BASE YEAR AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand nine--two thousand ten school year and entitled "SA0910".

6. Apportionment for capital outlays and debt service for school building purposes. Any apportionment to a school district pursuant to this subdivision shall be based upon base year approved expenditures for capital outlays incurred prior to July first, two thousand one from its general fund, capital fund or reserved funds and current year approved expenditures for debt service, including debt service for refunding bond issues eligible for an apportionment pursuant to paragraph g of this subdivision and lease or other annual payments to the New York city educational construction fund created by article ten of this chapter or the city of Yonkers educational construction fund created by article ten-B of this chapter which have been pledged to secure the payment of bonds, notes or other obligations issued by the fund to finance the construction, acquisition, reconstruction, rehabilitation or improvement of the school portion of combined occupancy structures, or for lease or other annual payments to the New York state urban development corporation created by chapter one hundred seventy-four of the laws of nineteen hundred sixty-eight, pursuant to agreement between such school district and such corporation relating to the construction, acquisition, reconstruction, rehabilitation or improvement of any school building, or for annual payments to the dormitory authority pursuant to any lease, sublease or other agreement relating to the financing, refinancing, acquisition, design, construction, reconstruction, rehabilitation, improvement, furnishing and equipping of, or otherwise provide for school district capital facilities or school district capital equipment

made under the provisions of section sixteen hundred eighty of the public authorities law, or for annual payments pursuant to any lease, sublease or other agreement relating to the financing, refinancing, acquisition, design, construction, reconstruction, rehabilitation, improvement, furnishing and equipping of, or otherwise providing for educational facilities of a city school district under the provisions of section sixteen of chapter six hundred five of the laws of two thousand, or for payments, pursuant to any assignment authorized by section twenty-seven hundred ninety-nine-~~tt~~ of the public authorities law, of debt service in furtherance of funding the five-year educational facilities capital plan of the city of New York school district or related debt service costs and expenses as set forth in such section, for annual payments pursuant to any lease, sublease or other agreement relating to the financing, refinancing, design, reconstruction, rehabilitation, improvement, furnishing and equipping of, or otherwise providing for projects authorized pursuant to the city of Syracuse and the board of education of the city school district of the city of Syracuse cooperative school reconstruction act, for annual payments pursuant to any lease, sublease or other agreement relating to the financing, refinancing, design, reconstruction, rehabilitation, improvement, furnishing and equipping of, or otherwise providing for projects authorized pursuant to the city of Rochester and the board of education of the city school district of the city of Rochester school facilities modernization program act, for annual payments pursuant to any lease, sublease or other agreement relating to the financing, refinancing, design, construction, reconstruction, rehabilitation, improvement, furnishing and equipping of, or otherwise providing for projects authorized pursuant to the Yonkers city school district facilities modernization program act, or for lease, lease-purchase or other annual payments to another school district or person, partnership or corporation pursuant to an agreement made under the provisions of section four hundred three-b, subdivision eight of section twenty-five hundred three, or subdivision six of section twenty-five hundred fifty-four of this chapter, provided that the apportionment for such lease or other annual payments under the provisions of section four hundred three-b, subdivision eight of section twenty-five hundred three, or subdivision six of section twenty-five hundred fifty-four of this

chapter, other than payments under a lease-purchase agreement or an equivalent agreement, shall be based upon approved expenditures in the current year. Approved expenditures for capital outlays from a school district's general fund, capital fund or reserved funds that are incurred on or after July first, two thousand two, and are not aidable pursuant to subdivision six-f of this section, shall be aidable as debt service under an assumed amortization established pursuant to paragraphs e and j of this subdivision. In any such case approved expenditures shall be only for new construction, reconstruction, purchase of existing structures, for site purchase and improvement, for new garages, for original equipment, furnishings, machinery, or apparatus, and for professional fees and other costs incidental to such construction or reconstruction, or purchase of existing structures. In the case of a lease or lease-purchase agreement entered pursuant to section four hundred three-b, subdivision eight of section twenty-five hundred three or subdivision six of section twenty-five hundred fifty-four of this chapter, approved expenditures for the lease or other annual payments shall not include the costs of heat, electricity, water or other utilities or the costs of operation or maintenance of the leased facility. An apportionment shall be available pursuant to this subdivision for construction, reconstruction, rehabilitation or improvement in a building, or portion thereof, being leased by a school district only if the lease is for a term of at least ten years subsequent to the date of the general construction contract for such construction, reconstruction, rehabilitation or improvement. Each school district shall prepare a five year capital facilities plan, pursuant to regulations developed by the commissioner for such purpose, provided that in the case of a city school district in a city having a population of one million inhabitants or more, such facilities plan shall comply with the provisions of section twenty-five hundred ninety-p of this chapter and this subdivision. Such plan shall include, but not be limited to, a building inventory, and estimated expense of facility needs, for new construction, additions, alterations, reconstruction, major repairs, energy consumption and maintenance by school building, as appropriate. Such plan shall consider the incorporation of design principles and strategies, pursuant to guidance issued by the commissioner, as part of a comprehensive approach to provide a safe,

secure and healthy school environment. Such five year plan shall include a priority ranking of projects and shall be amended if necessary to reflect subsequent on-site evaluations of facilities conducted by state supported contractors.

a. For capital outlays for such purposes first incurred on or after July first, nineteen hundred sixty-one and debt service for such purposes first incurred on or after July first, nineteen hundred sixty-two, the actual approved expenditures less the amount of civil defense aid received pursuant to the provisions of section thirty-five of chapter seven hundred eighty-four of the laws of nineteen hundred fifty-one as amended shall be allowed for purposes of apportionment under this subdivision but not in excess of the following schedule of cost allowances:

(1) For new construction and the purchase of existing structures, the cost allowances shall be based upon the rated capacity of the building or addition and a basic per pupil allowance of up to six thousand three hundred seventy-five dollars adjusted monthly by a statewide index reflecting changes in the cost of labor and materials since July first, nineteen hundred ninety-two, established by the commissioner of labor, modified by an annual county or multi-county labor market composite wage rate, established by the commissioner of labor in consultation with the commissioner, for July first of the base year, commencing July first, nineteen hundred ninety-seven for general construction contracts awarded on or after July first, nineteen hundred ninety-eight, indexed to the median of such county or multi-county rates, but not less than one. Such base allowance shall apply to a building or an addition housing grades prekindergarten through six and shall be adjusted for a building or an addition housing grades seven through nine by a factor of one and four-tenths, for a building or an addition housing grades seven through twelve by a factor of one and five-tenths, for a building or addition housing special education programs by a factor of two, except that where such building or addition is connected to, or such space is located within, a public school facility housing programs for nondisabled pupils, as approved by the commissioner, a factor of three shall be used. Rated capacity of a building or an addition shall be determined by the commissioner based on space standards and other requirements for

building construction specified by the commissioner. Such assigned capacity ratings shall include, in addition to those spaces used for the instruction of pupils, those spaces which are used for elementary and secondary school libraries, cafeterias, prekindergarten instructional rooms, teachers' conference rooms, gymnasiums and auditoriums. For new construction projects approved on or after July first, two thousand, by the voters of the school district or by the board of education of a city school district in a city with more than one hundred twenty-five thousand inhabitants, and/or the chancellor in a city school district in a city having a population of one million or more, such rated capacity for new buildings and additions constructed to replace existing buildings that, in the judgment of the commissioner, have not been adequately maintained and have not reached their projected useful life shall be reduced by the commissioner by an amount proportional to the remaining unused portion of the useful life of the existing buildings, provided however that the commissioner may waive such requirement upon a finding that replacement of the existing building is necessary to protect the health and safety of students or staff, that reconstruction and modernization of the existing building would not adequately address such health and safety problems, and that the need to replace the building was not caused by failure to adequately maintain the building. If the commissioner of labor resets the statewide index reflecting changes in the costs of labor and materials since July first, nineteen hundred ninety-two, the commissioner shall adopt regulations to supersede the basic per pupil allowance of up to six thousand three hundred seventy-five dollars to the imputed allowance in effect at that time.

(2) Where a school district has expenditures for site purchase, grading or improvement of the site, original furnishings, equipment, machinery or apparatus, or professional fees, or other incidental costs, the cost allowances for new construction and the purchase of existing structures may be increased by the actual expenditures for such purposes but by not more than the product of the applicable cost allowance established pursuant to subparagraph one of this paragraph and twenty per centum for school buildings or additions housing grades prekindergarten through six and by not more than the product of such cost allowance and twenty-five per centum for school buildings or

additions housing grades seven through twelve and by not more than the product of such cost allowance and twenty-five per centum for school buildings or additions housing special education programs as approved by the commissioner.

(3) Cost allowances for reconstructing or modernizing structures shall not exceed one hundred per centum of the cost allowances for the equivalent new construction over the projected useful life of the building, to be determined in accordance with the regulations of the commissioner. Reconstruction projects shall reasonably meet the criteria established for new construction, including but not limited to energy, fire, personal safety and space per pupil standards.

(4) The commissioner shall promulgate regulations prescribing the methodology for establishing a multi-year cost allowance for the purpose of computation of building aid to school districts and a procedure for school districts to appeal the determination that a building has not been adequately maintained, as required by subparagraphs one and three of this paragraph. Such methodology shall include the development of a building replacement cost allowance schedule for the replacement of major building systems of a building over its projected useful life and the construction of new buildings and additions for projects that have been approved on or after July first, two thousand by the voters of the school district or by the board of education of a city school district in a city with more than one hundred twenty-five thousand inhabitants, and/or the chancellor in a city school district in a city having a population of one million or more. For purposes of this subdivision, "major building systems" shall mean the electrical, plumbing, heating, ventilation and air conditioning systems, and the roof and other major structural elements of a school building.

(5) For costs relating to the construction, acquisition, reconstruction or leases of any school building project conducted by or on behalf of a city school district in a city having a population of one million inhabitants or more, where a general construction contract has been awarded or a purchase or lease agreement was executed on or after July first, two thousand four, the cost allowance for such project shall include: (a) construction and incidental costs where such costs are associated with multistory construction necessitated by substandard site sizes, site security costs, difficulties with delivery of construction

supplies, increased fire resistance and fire suppression costs, and (b) site acquisition, environmental remediation and building demolition costs, provided, however, that costs which are eligible for an apportionment pursuant to this subparagraph on or before July first, two thousand six shall be deemed to be debt service for the two thousand five--two thousand six school year on new bonds and capital notes aidable in July following the current year pursuant to clause (b) of subparagraph one of paragraph f of this subdivision.

On or before January first, two thousand nine, the commissioner shall report to the director of the budget, the chair of the senate finance committee and the chair of the assembly ways and means committee on the projects which received funding pursuant to the provisions of this subparagraph, and the overall implementation of this subparagraph.

(6) Notwithstanding any other provision of law to the contrary, for the purpose of computation of building aid for reconstruction or modernizing of no more than eight projects pursuant to chapter five hundred thirty-three of the laws of two thousand fourteen, multi-year cost allowances for each project shall be established and utilized two times in the first five-year period. Subsequent multi-year cost allowances shall be established no sooner than ten years after establishment of the first maximum cost allowance authorized pursuant to this subparagraph.

(7) Notwithstanding any other provision of law to the contrary, for the purpose of computation of building aid for three new construction projects and for the equipping of such projects authorized pursuant to chapter three hundred fifty-five of the laws of two thousand sixteen, multi-year cost allowances for each project shall be established and utilized two times in the first five-year period. Subsequent multi-year cost allowances shall be established no sooner than ten years after establishment of the first maximum cost allowance authorized pursuant to this subparagraph.

(8) Notwithstanding any other provision of law to the contrary, for the purpose of computation of building aid for the renovation and equipping of the Syracuse Science, Technology, Engineering, Arts and Mathematics high school authorized for operation by the Syracuse city school district the building aid units assigned to this project shall

reflect a building aid enrollment of one thousand students and multi-year cost allowances for the project shall be established and utilized two times in the first five-year period. Subsequent multi-year cost allowances shall be established no sooner than ten years after establishment of the first maximum cost allowance authorized pursuant to this subparagraph.

(9) Notwithstanding any other provision of law to the contrary, for the purpose of computation of building aid for reconstruction or modernizing of no more than six projects pursuant to chapter four hundred sixteen of the laws of two thousand seven, as amended, enacting the third phase of the city of Rochester school facilities modernization program act, multi-year cost allowances for each project shall be established and utilized two times in the first five-year period. Subsequent multi-year cost allowances shall be established no sooner than ten years after establishment of the first maximum cost allowance authorized pursuant to this subparagraph.

(10) Notwithstanding any other provision of law to the contrary, for the purpose of computation of building aid for the renovation and equipping of the Leonardo da Vinci high school authorized for operation by the city school district of the city of Buffalo the building aid units assigned to this project shall reflect a building aid enrollment of four hundred twenty students.

(11) Notwithstanding any other provision of law to the contrary, for the purpose of computation of building aid for reconstruction or modernizing of the STEM at Blodgett middle school, the Delaware Primary school, the Syracuse Latin school, the Lincoln middle school, the Roberts Pre-k-8 school, the Seymour Dual Language Academy and the Webster elementary school pursuant to a chapter of the laws of two thousand twenty-one enacting the third phase of the city of Syracuse cooperative school reconstruction act, multi-year cost allowances for each project shall be established and utilized two times in the first five-year period. Subsequent multi-year cost allowances shall be established no sooner than ten years after establishment of the first maximum cost allowance authorized pursuant to this subparagraph.

(12) Notwithstanding any other provision of law to the contrary, for the purpose of computation of building aid for construction, reconstruction or modernizing of no more than one project by the

Binghamton city school district, multi-year cost allowances for the project shall be established and utilized two times in the first five-year period. Subsequent multi-year cost allowances shall be established no sooner than ten years after establishment of the first maximum cost allowance authorized pursuant to this subparagraph.

(13) (a) Renewable energy projects shall be considered part of the cost allowances calculated by the commissioner pursuant to this subparagraph.

(b) For the purposes of determining eligible cost allowances pursuant to this subparagraph, renewable energy projects shall include: (i) solar photovoltaic or thermal systems, whether ground-mounted or roof-mounted; (ii) geothermal systems; and (iii) other systems, as defined in subdivision one of section sixty-six-p of the public service law, which may be considered appropriate by the commissioner and the New York state energy research and development authority. Renewable energy projects may not include capital expenses allowable under subdivision seven of this section.

(c) Ground-mounted renewable energy projects shall be sited to minimize impacts on athletic fields, outdoor educational spaces, and natural areas serving the school.

(d) The portion of project costs attributable to system capacity that, when combined with other renewable energy projects, if any, exceeds one hundred ten percent of the building's baseline energy consumption shall not constitute an aidable expense. Baseline energy consumption shall be calculated using a methodology as determined by the commissioner, in consultation with the New York state energy research and development authority, which shall consider historic energy consumption.

b. (1) The apportionment for school building purposes to any district shall be determined by adding the amount of its current year approved expenditures for lease or other annual payments under the provisions of section four hundred three-b, subdivision eight of section twenty-five hundred three, or subdivision six of section twenty-five hundred fifty-four of this chapter, other than payments under a lease-purchase agreement or an equivalent agreement, plus the amount of its current year approved expenditures under an assumed amortization for capital outlays for school building purposes from its general fund, capital fund

or from a reserve fund to the amount of its current year approved expenditures for debt service for such purposes and multiplying the sum by its aid ratio. Expenditures made for computer equipment, including original purchase and installation of hardware, conduit, wiring, and powering of hardware installations in computer classrooms, or for building or campuswide local area network systems and in-building elements of other wide area networks, including the original purchase and installation of conduit, wiring, and powering of hardware installations, may be included in approved expenditures for building aid pursuant to this paragraph on the approval of the commissioner regardless of any minimum cost requirement that may be applied to other approved expenditures pursuant to this section. Such equipment expenses claimed for aid under this subdivision shall not be claimed for aid under any other provisions of this chapter. Provided further that any lead remediation expense required pursuant to section eleven hundred ten of the public health law, where such expense is reimbursable from another state or federal source, shall not be an approved expenditure for purposes of this subdivision.

(2) Additional apportionment for certain school building projects.

(i) Eligibility. All school building projects (a) approved by the voters of the school district or (b) approved by the board of education of a city school district in a city with more than one hundred twenty-five thousand inhabitants, and/or the chancellor in a city school district in a city having a population of one million or more or (c) in the case of a construction emergency project, approved by the board of education of any school district or by the chancellor in a city school district in a city having a population of one million or more, for projects approved on or after July first, nineteen hundred ninety-eight, shall be eligible for an additional apportionment pursuant to this subparagraph to the extent that expenditures for such projects are otherwise aidable pursuant to this subdivision, provided that where such projects are leases, such projects would only be aidable pursuant to this subdivision following the approval of the voters of the school district if entered into pursuant to section four hundred three-b of the education law, and provided that for all such projects so approved on or after July first, two thousand, expenditures directly related to swimming pools shall not be eligible for such additional apportionment, and further provided that

for the purposes of this subdivision a construction emergency project shall mean a school construction project approved on or after July first, two thousand, to remediate emergency situations which arise in public school buildings and threaten the health and/or safety of building occupants, as a result of the unanticipated discovery of asbestos or other hazardous substances during construction work on a school or significant damage caused by a fire, snow storm, ice storm, excessive rain, high wind, flood or similar catastrophic event which results in the necessity for immediate repair.

(ii) Apportionment. The apportionment pursuant to this subparagraph shall equal the product of such eligible approved expenses determined in accordance with the provisions of clause (i) of this subparagraph and this section and the incentive decimal computed for use in the year in which the project was approved. The incentive decimal shall equal the positive remainder resulting when the district's building aid ratio selected pursuant to paragraph c of this subdivision is subtracted from the enhanced building aid ratio. The enhanced building aid ratio shall equal the sum of the building aid ratio selected for use in the current year pursuant to paragraph c of this subdivision and one-tenth, computed to three decimals without rounding, but not more than (a) ninety-eight hundredths for a high need school district, as defined pursuant to regulations of the commissioner, for all school building projects approved by the voters of the school district or by the board of education of a city school district in a city with more than one hundred twenty-five thousand inhabitants, and/or the chancellor in a city school district in a city having a population of one million or more, on or after July first, two thousand five, or (b) ninety-five hundredths for any other school building project or school district, nor less than one-tenth.

c. (1) For aid payable in the school year nineteen hundred ninety-three--ninety-four and earlier, any school district may compute aid under the provisions of this subdivision, or under subdivision six of section thirty-six hundred one-a of this article, using the building aid ratio computed for use in the current year or the aid ratio computed for use in any year commencing with the nineteen hundred eighty-one--eighty-two school year as computed by the commissioner based

on data on file with the education department as of July first, nineteen hundred ninety-six, and; provided that, school districts who are eligible for aid under paragraph f of subdivision fourteen of this section may compute aid under the provisions of this subdivision using the aid ratio so computed for the reorganized district or the highest of the aid ratios so computed for any of the individual school districts which existed prior to the date of the reorganized school district.

(2) (a) For aid payable in the school years nineteen hundred ninety-four--ninety-five and thereafter for all school building projects approved by the voters of the school district or by the board of education of a city school district in a city with more than one hundred twenty-five thousand inhabitants, and/or the chancellor in a city school district in a city having a population of one million or more, before July first, two thousand, any school district may compute aid under the provisions of this subdivision using the building aid ratio computed for use in the current year or the aid ratio computed for use in any year commencing with the nineteen hundred eighty-one--eighty-two school year as such earlier aid ratios are computed by the commissioner based on data on file with the education department on or before July first of the third school year following the school year in which aid is first payable; provided that, school districts who are eligible for aid under paragraph f of subdivision fourteen of this section may compute aid under the provisions of this subdivision using the aid ratio so computed for the reorganized district or the highest of the aid ratios so computed for any of the individual school districts which existed prior to the date of the reorganized school district.

(b) For aid payable in the school years two thousand--two thousand one and thereafter for all school building projects approved by the voters of the school district or by the board of education of a city school district in a city with more than one hundred twenty-five thousand inhabitants, and/or the chancellor in a city school district in a city having a population of one million or more, on or after July first, two thousand, any school district shall compute aid under the provisions of this subdivision using the sum of the high-need supplemental building aid ratio, if any, computed pursuant to clause (c) of this subparagraph and the greater of (i) the building aid ratio computed for use in the current year; or (ii) a building aid ratio equal to the difference of

the aid ratio that was used or that would have been used to compute an apportionment pursuant to this subdivision in the nineteen hundred ninety-nine--two thousand school year as such aid ratio is computed by the commissioner based on data on file with the department on or before July first of the third school year following the school year in which aid is first payable, less one-tenth; or (iii) for all such school building projects approved by the voters of the school district or by the board of education of a city school district in a city with more than one hundred twenty-five thousand inhabitants, and/or the chancellor in a city school district in a city having a population of one million or more, on or after July first, two thousand and on or before June thirtieth, two thousand four, for any school district for which the pupil wealth ratio is greater than two and five-tenths in the school year in which such school building project was approved by the voters of the school district or by the board of education of a city school district in a city with more than one hundred twenty-five thousand inhabitants, and/or the chancellor in a city school district in a city having a population of one million or more and for which the alternate pupil wealth ratio is less than eighty-five hundredths in such school year, and for all such school building projects approved by the voters of the school district or by the board of education of a city school district in a city with more than one hundred twenty-five thousand inhabitants, and/or the chancellor in a city school district in a city having a population of one million or more, on or after July first, two thousand five and on or before June thirtieth, two thousand eight, for any school district for which the pupil wealth ratio was greater than two and five-tenths in the two thousand--two thousand one school year and for which the alternate pupil wealth ratio was less than eighty-five hundredths in the two thousand--two thousand one school year, the additional building aid ratio; provided that, school districts who are eligible for aid under paragraph f of subdivision fourteen of this section may compute aid under the provisions of this subdivision using the difference of the highest of the aid ratios so computed for the reorganized district or the highest of the aid ratios so computed for any of the individual school districts which existed prior to the date of the reorganized school district less one-tenth.

(c) For aid payable in the school years two thousand five--two

thousand six and thereafter for all school building projects approved by the voters of the school district or by the board of education of a city school district in a city with more than one hundred twenty-five thousand inhabitants, and/or the chancellor in city school district in a city having a population of one million or more, on or after July first, two thousand five, high need school districts, as defined pursuant to regulations of the commissioner, may compute aid under the provisions of this subdivision using the high-need supplemental building aid ratio, which shall be the lesser of (A) the product, computed to three decimals without rounding, of the greater of the building aid ratios computed pursuant to subclauses i, ii and iii of clause (b) of this subparagraph multiplied by five percent, or (B) the positive remainder of ninety-eight one-hundredths less the greater of the building aid ratios computed pursuant to subclauses i, ii and iii of clause (b) of this subparagraph.

d. Additional apportionment of building aid for structural inspection of school buildings. In addition to the foregoing apportionments made to a school district under the provisions of this subdivision, the commissioner is hereby authorized to apportion to any school district an amount in accordance with this subdivision for structural inspections of school buildings conducted pursuant to sections four hundred nine-d and four hundred nine-e of this chapter and the regulations of the commissioner implementing such sections. The amount of such apportionment shall equal the product of the building aid ratio defined pursuant to paragraph c of this subdivision and the actual approved expenses incurred by the district in the base year for each school building so inspected by a licensed architect or licensed professional engineer, provided that the amount of such apportionment shall not exceed the structural inspection aid ceiling. For inspections conducted in the nineteen hundred ninety-two--ninety-three school year, the structural inspection aid ceiling shall be ten thousand dollars. For inspections conducted in the nineteen hundred ninety-three--ninety-four school year and thereafter, the inspection aid ceiling shall be ten thousand dollars plus an amount computed by the commissioner in accordance with regulations adopted for such purpose, on the basis of an index number reflecting changes in the costs of labor and materials from

July first, nineteen hundred ninety-three.

e. (1) Apportionments payable for the nineteen hundred ninety-three--ninety-four through the two thousand one--two thousand two school years to the city school district of the city of New York. (a) For the purposes of calculating the apportionment payable to the city school district of the city of New York pursuant to this subdivision for the nineteen hundred ninety-three--ninety-four through the two thousand one--two thousand two school years, current year approved expenditures for debt service shall mean expenditures for debt service that would be incurred during the current year based on an assumed amortization for a period of thirty years of the total approved costs relating to the construction, acquisition, reconstruction, rehabilitation or improvement of any school building, and based on an assumed rate of annual interest applied to such amortization, both to be established by the commissioner pursuant to this subparagraph.

(b) The commissioner shall establish an assumed amortization for a period of thirty years commencing with the date of the award of a general contract by the school construction authority of the city of New York, or by another body or official designated by law, relating to the construction, acquisition, reconstruction, rehabilitation or improvement of any school building within the city school district of the city of New York. Such assumed amortization shall provide for equal monthly payments of principal and interest based on an interest rate established by the commissioner for such purpose for the school year during which such general contract is awarded. Such estimated average interest rate and such actual average interest rate shall be expressed as a decimal to five places rounded to the nearest eighth of one-one hundredth.

(c) By the first day of September of the current year the comptroller of the city of New York shall provide to the commissioner an analysis, as prescribed by the commissioner, of the actual average interest rate applied to all capital debt incurred by the city of New York and the New York city transitional finance authority for school purposes during the base year and of the estimated average interest rate applied to all capital debt to be incurred by the city of New York and the New York city transitional finance authority for school purposes during the current year. Upon approval by the commissioner such actual average

interest rate shall be established as the interest rate applicable to the base year for the purposes of this subparagraph and subparagraph two of this paragraph, and such estimated average interest rate shall be tentatively established as the interest rate applicable to 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 by the commissioner.

(d) By the first day of November, nineteen hundred ninety-six the chancellor of the city school district of the city of New York shall provide to the commissioner an analysis of any outstanding debt of the city of New York which had originally been incurred by such city or its subdivisions for capital projects related to school buildings of the city school district of the city of New York for which general construction contracts were awarded prior to July first, nineteen hundred eighty-eight. Such analysis shall include the total principal amount borrowed, the total capital expenditures included in such principal for capital projects related to school buildings of the city school district of the city of New York for which general construction contracts were awarded prior to July first, nineteen hundred eighty-eight, the ratio of such capital expenditures to such total principal expressed as a decimal to five places without rounding and the annual principal and interest payment scheduled for each year remaining in the amortization of such principal as of July first, nineteen hundred ninety-six for all such borrowings reported to the department on the "SA 121 Form Building Expenses Worksheet, 1995-96 State Aid" bearing a run date of July tenth, nineteen hundred ninety-five which list shall constitute the maximum principal outstanding and eligible for aid pursuant to the provisions of this paragraph. Notwithstanding any other provision of this subdivision, for aids payable in the nineteen hundred ninety-six--ninety-seven school year and thereafter, the approved debt service included in such principal and interest payments for the purposes of calculating an apportionment pursuant to this subdivision shall equal the product of: (i) five tenths; (ii) the principal and interest payments scheduled for the current year as reported in such analysis; and (iii) the ratio of such capital expenditures to such total

principal as reported in such analysis.

(2) Apportionments payable for the two thousand two--two thousand three school year and thereafter to the city school district of the city of New York.

(a) For the purposes of calculating the apportionment payable to the city school district of the city of New York pursuant to this subdivision for the two thousand two--two thousand three school year and thereafter, current year approved expenditures for debt service shall mean expenditures for debt service, including expenditures for any lease-purchase or other annual payments under a lease-purchase agreement or the equivalent that are eligible for aid under the opening paragraph of this subdivision, that would be incurred during the current year based on:

(i) an assumed amortization to be established by the commissioner pursuant to this subparagraph for a period of thirty years of the total approved costs relating to the construction, acquisition, reconstruction, rehabilitation or improvement of any school building for which a general construction contract was awarded on or after the first day of July, two thousand two, and

(ii) an assumed amortization to be established by the commissioner pursuant to this subparagraph of any assumed unpaid principal, or the equivalent amount in the case of a lease-purchase agreement or its equivalent, remaining as of the first day of July, two thousand two pursuant to subparagraph one of this paragraph. Each such amortization shall be based on an assumed rate of annual interest applied to such amortization to be established by the commissioner pursuant to this subparagraph and pursuant to clause (c) of subparagraph one of this paragraph.

(b)(i) For approved costs relating to the construction, acquisition, reconstruction, rehabilitation or improvement of any school building for which a general construction contract was awarded on or after the first day of July, two thousand two, the commissioner shall establish an assumed amortization for a period of thirty years commencing on the date of receipt by the commissioner of a certification by the district that such general construction contract has been awarded by the school construction authority of the city of New York, or by another body or official designated by law, relating to the construction, acquisition,

reconstruction, rehabilitation or improvement of any school building within the city school district of the city of New York. Such assumed amortization shall provide for equal semiannual payments of principal and interest based on an interest rate established by the commissioner for such purpose for the school year during which such certification was received. Such estimated average interest rate and such actual average interest rate shall be expressed as a decimal to five places rounded to the nearest eighth of one-one hundredth.

(ii) For any assumed unpaid principal or the equivalent amount in the case of a lease-purchase agreement or its equivalent, remaining as of the first day of July, two thousand two pursuant to subparagraph one of this paragraph, the commissioner shall establish a new assumed amortization commencing on such date for the unexpired term of the original assumed amortization as of such date. Such assumed amortization shall provide for equal semiannual payments of principal and interest based on the interest rate applied to the original amortization as established by the commissioner pursuant to subparagraph one of this paragraph. Provided, however, that, notwithstanding any provision of law to the contrary, for aid payable in the two thousand nine--two thousand ten school year and thereafter, the total apportionment for such current year approved expenditures for debt service shall not exceed the estimated apportionment as computed based on the estimated current year approved expenditures for debt service on file with the commissioner as of the date upon which an electronic data file was created for the purposes of compliance with paragraph b of subdivision twenty-one of section three hundred five of this chapter on November fifteenth of the base year, and the positive remainder, if any, of such apportionment less such estimated apportionment shall not be an apportionment payable in the current year, but shall be deemed to be an apportionment payable for debt service on new bonds and capital notes aidable in July following the current year as defined in clause (b) of subparagraph one of paragraph f of this subdivision. Such estimate shall be done in consultation with the commissioner.

(3) Apportionments payable to a school district other than the city school district of the city of New York for any debt service related to projects approved by the commissioner on or after the later of the first day of December, two thousand one or thirty days after the date upon

which this subparagraph shall have become a law or for any debt service related to projects approved by the commissioner prior to such date where a bond, capital note or bond anticipation note is first issued on or after such date to fund such project or for lease-purchase or other annual payments under a lease-purchase agreement or an equivalent agreement entered into on or after such date that are eligible for aid under the opening paragraph of this subdivision.

(a) For the purposes of calculating the apportionments payable to a school district other than the city school district of the city of New York pursuant to this subdivision for any debt service related to projects approved by the commissioner on or after the later of the first day of December, two thousand one or thirty days after the date upon which this subparagraph shall have become a law, or for any debt service related to projects approved by the commissioner prior to such date where a bond, capital note or bond anticipation note is first issued on or after such date to fund such project or for lease-purchase or other annual payments under a lease-purchase agreement or an equivalent agreement entered into on or after the later of the first day of December, two thousand one or thirty days after the date upon which this subparagraph shall have become a law that are eligible for aid under the opening paragraph of this subdivision, current year approved expenditures for debt service shall mean debt service or lease-purchase or other annual payments under a lease-purchase agreement or an equivalent agreement that would be incurred during the current year based on an assumed amortization to be established by the commissioner pursuant to this subparagraph of the approved project costs to be financed related to any such approved project, for a period of:

(i) thirty years if the project is for the construction or acquisition of a new school building,

(ii) twenty years if the project is for the construction of an addition to a school building or for the reconstruction, rehabilitation or improvement of a school building for which a period of probable usefulness of twenty or more years is assigned pursuant to the local finance law, and

(iii) fifteen years if the project is for the reconstruction, rehabilitation or improvement of a school building for which a period of probable usefulness of less than twenty years is assigned pursuant to

the local finance law.

Provided, however, that, notwithstanding any provision of law to the contrary, for aid payable in the two thousand three--two thousand four school year, for any project which is eligible for an apportionment pursuant to this subparagraph, but which did not yet have a certification that a general construction contract had been awarded for such project by the district on file with the commissioner as of February fifteenth, two thousand three, such debt service or lease-purchase or other annual payments under a lease-purchase agreement or an equivalent agreement that would be incurred during the current year based on an assumed amortization to be established by the commissioner pursuant to this subparagraph of the approved project costs to be financed shall not be current year approved expenditures for debt service, but shall be deemed to be debt service on new bonds and capital notes aidable in July following the current year pursuant to clause (b) of subparagraph one of paragraph f of this subdivision.

Provided, however, that, notwithstanding any provision of law to the contrary, for aid payable in the two thousand four--two thousand five school year, for any project which is eligible for an apportionment pursuant to this subparagraph, but which did not yet have a certification that a general construction contract had been awarded for such project by or on behalf of the district on file with the commissioner as of February fifteenth of the base year, such debt service or lease-purchase or other annual payments under a lease-purchase agreement or an equivalent agreement that would be incurred during the current year based on an assumed amortization to be established by the commissioner pursuant to this subparagraph of the approved project costs to be financed shall not be current year approved expenditures for debt service, but shall be deemed to be debt service on new bonds and capital notes aidable in July following the current year pursuant to clause (b) of subparagraph one of paragraph f of this subdivision.

Provided, however, that, notwithstanding any provision of law to the contrary, for aid payable in the two thousand seven--two thousand eight

school year and thereafter, for any project which is eligible for an apportionment pursuant to this subparagraph, but which did not yet have a certification that a general construction contract had been awarded for such project by or on behalf of the district on file with the commissioner as of the date upon which an electronic data file was created for the purposes of compliance with paragraph b of subdivision twenty-one of section three hundred five of this chapter on November fifteenth of the base year, such debt service or lease-purchase or other annual payments under a lease-purchase agreement or an equivalent agreement that would be incurred during the current year based on an assumed amortization to be established by the commissioner pursuant to this subparagraph of the approved project costs to be financed shall not be current year approved expenditures for debt service, but shall be deemed to be debt service on new bonds and capital notes aidable in July following the current year pursuant to clause (b) of subparagraph one of paragraph f of this subdivision.

(b) Such assumed amortization for a project approved by the commissioner on or after the later of the first day of December, two thousand one or thirty days after the date upon which this subdivision shall have become a law and prior to the first day of July, two thousand eleven or for any debt service related to projects approved by the commissioner prior to such date where a bond, capital note or bond anticipation note is first issued on or after the first day of December, two thousand one to fund such projects, shall commence: (i) eighteen months after such approval or (ii) on the date of receipt by the commissioner of a certification by the district that a general construction contract has been awarded for such project by the district, whichever is later, and such assumed amortization for a project approved by the commissioner on or after the first day of July, two thousand eleven shall commence: (iii) eighteen months after such approval or (iv) on the date of receipt by the commissioner of both the final certificate of substantial completion of the project issued by the architect or engineer and the final cost report for such project, whichever is later or (v) upon the effective date of a waiver based on a finding by the commissioner, pursuant to a process set forth by the commissioner, that the district is unable to submit a final certificate of substantial completion for the project and/or complete the final cost report because

of circumstances beyond the control of the district, which shall include but shall not be limited to the inability of the district to complete a complex project within eighteen months. Such assumed amortization shall provide for equal semiannual payments of principal and interest based on an interest rate established pursuant to subparagraph five of this paragraph for such purpose for the school year during which such certification is received. The first installment of obligations issued by the school district in support of such projects may mature not later than the dates established pursuant to sections 21.00 and 22.10 of the local finance law.

(c) Definitions. For purposes of this paragraph and subdivision thirty-nine of section sixteen hundred eighty of the public authorities law:

(i) "the state share of a school construction project" shall mean the product of: (A) the difference of the total approved cost of such project less the approved cost of such project to be funded pursuant to subdivision six-f of this section and subdivisions ten and twelve of section thirty-six hundred forty-one of this article, multiplied by (B) the building aid ratio applicable to such project pursuant to paragraph c of this subdivision;

(ii) "the local share of a school construction project" shall mean the difference of the total approved cost of such project, less the sum of: (A) the approved cost of such project to be funded through subdivision six-f of this section and subdivisions ten and twelve of section thirty-six hundred forty-one of this article, and (B) the state share of such school construction project;

(iii) "refinancing costs attributable to refinancing the state share of a school construction project for purposes of retroactive amortization" shall mean the sum of: (A) that portion of the approved fees and other charges of refinancing, as defined in subparagraph one of paragraph h of this subdivision, which are determined by the commissioner to be reasonable in accordance with guidelines approved by the director of the budget, and which are fixed charges that will not vary by the amount of principal and additional principal to be refunded and (B) the product of: (1) the total amount of such approved fees and other charges of refinancing which are not fixed charges and which are determined by the commissioner to be reasonable in accordance with

guidelines approved by the director of the budget, and (2) the percentage of the principal of the refunding bond that is attributable to refinancing of the state share of a school construction project pursuant to subparagraph four of this paragraph, less (C) the amount of such approved costs included in the principal of a refunding bond issued by the school district or by the dormitory authority of the state of New York to refund obligations of the school district subject to subparagraph four of this paragraph which is necessary to provide for the payment of the principal, redemption premiums, and interest due on the refunded obligations of the school district to their stated maturities or if such bonds are to be called, to the call date. Provided, however, that such expenditures shall be incurred for refunding bonds issued on or before July first, two thousand five and that such expenditures result from the refunding of outstanding obligations subject to an assumed amortization pursuant to this subparagraph for facilities which were eligible for building aid, and for which the annual aid apportionment payable in the two thousand two--two thousand three and/or two thousand three--two thousand four school years for approved expenditures for debt service are subsequently reduced as a result of the application of assumed amortization to unpaid principal outstanding as of July first, two thousand two, and further provided that the gross dollar savings over the life of the obligation shall be less than the approved fees and other charges of refinancing as defined in subparagraph one of paragraph h of this subdivision, but only to the extent that such amounts are not otherwise eligible for aid pursuant to this subdivision;

(iv) "additional principal attributable to the refunding of bonds" shall mean the amount of approved expenses included in the principal of a refunding bond issued by the school district, or issued by the dormitory authority of the state of New York to refund obligations of the school district subject to subparagraph four of this paragraph, which is necessary to provide for the payment of the principal, redemption premiums, and interest due on the refunded obligations of the school district to their stated maturities or if such bonds are to be called, to the call date; and

(v) "additional principal attributable to the refunding of bonds to refinance the state share of a school construction project for purposes

of retroactive amortization" shall mean the percentage of the additional principal attributable to the refunding of bonds that is necessary to refinance the state share of a school construction project pursuant to subparagraph four of this paragraph.

(4) Apportionments payable for the two thousand two--two thousand three school year and thereafter to a school district other than the city school district of the city of New York or a school district constituted pursuant to chapter five hundred sixty-six of the laws of nineteen hundred sixty-seven as amended, for any debt service still outstanding as of the first day of July, two thousand two that has not been subject to an assumed amortization pursuant to subparagraph three of this paragraph or for lease-purchase or other annual payments under a lease-purchase agreement or an equivalent agreement having an unexpired term on such date.

(a) For the purposes of calculating the apportionments payable to a school district other than the city school district of the city of New York pursuant to this subdivision for the two thousand two--two thousand three school year and thereafter for any debt service still outstanding as of the first day of July, two thousand two that has not been subject to an assumed amortization pursuant to subparagraph three of this paragraph or for lease-purchase or other annual payments under a lease-purchase agreement or an equivalent agreement having an unexpired term on such date, current year approved expenditures for debt service shall mean debt service or lease-purchase or other annual payments under a lease-purchase agreement or an equivalent agreement that would be incurred during the current year based on an assumed amortization to be established by the commissioner pursuant to this subparagraph of the sum of

(i) any assumed or actual unpaid principal, or the equivalent amount in the case of a lease-purchase agreement or its equivalent, remaining as of the first day of July, two thousand two pursuant to an existing amortization or any unpaid principal of a bond anticipation note as of the first day of July, two thousand two, plus

(ii) the approved expenditures for the refunding of bonds that are otherwise eligible for an apportionment pursuant to this subdivision, as such expenditures are defined in subparagraph two of paragraph g of this subdivision, provided that such refunding bonds are issued on or before

July first, two thousand five, less the sum of the refinancing costs attributable to refinancing the state share of a school construction project for purposes of retroactive amortization plus the additional principal attributable to the refunding of bonds, as such terms are defined in subclauses (iii) and (iv) of clause (c) of subparagraph three of this paragraph, for a period equal to the greater of:

(i) the remaining maximum useful life of the project, or projects associated with such obligation, as determined by the commissioner based on data submitted by the school district, or

(ii) the remaining term of the bond, bond anticipation note, or lease-purchase agreement.

(b) Such assumed amortization of any assumed or actual unpaid principal, or the equivalent amount in the case of a lease-purchase agreement or its equivalent, remaining as of the first day of July, two thousand two for a project that has not been subject to an assumed amortization pursuant to subparagraph three of this paragraph, shall commence on the first day of July, two thousand two, and shall provide for equal semiannual payments of principal and interest based on an interest rate established by the commissioner for such purpose for the two thousand two--two thousand three school year.

(c) Any school district eligible for an apportionment pursuant to this subparagraph shall be eligible for an additional apportionment equal to the sum of the refinancing costs attributable to refinancing the state share of a school construction project for purposes of retroactive amortization plus the additional principal attributable to the refunding of bonds to refinance the state share of a school construction project for purposes of retroactive amortization, as such terms are defined in subclauses (iii) and (v) of clause (c) of subparagraph three of this paragraph.

(d) Any school district that issues debt after July first, two thousand two for the funding of the approved costs of projects eligible for an apportionment pursuant to this subparagraph shall be eligible for an additional apportionment calculated pursuant to the provisions of this subdivision, where the assumed amortization shall be based upon such approved costs and the remaining useful life shall be the remaining period over which the apportionments calculated pursuant to clause (a) of this subparagraph are to be paid.

(5) (a) Calculation of interest rates for the city school districts of the cities of Buffalo, Rochester, Syracuse and Yonkers. (i) By the first day of September of the current year, or by the date prescribed by the commissioner for the two thousand one--two thousand two school year, the chief fiscal officer of each of the cities of Buffalo, Rochester, Syracuse and Yonkers shall provide to the commissioner an analysis, as prescribed by the commissioner, of the actual average interest rate applied to all capital debt incurred by such city related to school construction purposes during the base year not including debt issued by the dormitory authority for the benefit of any school district and of the estimated average interest rate applied to all capital debt to be incurred by such city related to school construction purposes during the current year not including debt issued by the dormitory authority for the benefit of any school district. Such interest rates shall be expressed as a decimal to five places rounded to the nearest eighth of one-one hundredth. Except as otherwise provided in items (ii), (iii) and (iv) of this clause, the interest rate of such city applicable to the base year for the purposes of this subparagraph shall be the actual average interest rate of such city in the base year, and the estimated average interest rate shall be tentatively established as the interest rate of such city applicable to 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 provided, however, that in any year in which such city has not incurred debt related to serial bonds or sinking fund bonds as defined in sections 21.00 and 22.10, respectively, of the local finance law, issued for school construction purposes, the assumed interest rate calculated pursuant to clause (b) of this subparagraph shall be tentatively established as the interest rate of such city applicable to the projects approved by the commissioner in such year, except that all apportionments of aid payable based on such interest rate for each such project shall be recalculated following the submission of a final cost report for such project and adjusted as appropriate based on the appropriate actual average interest rate applicable to the debt issued to fund such project, and provided further that where such city has

entered into an agreement with the dormitory authority of the state of New York to finance debt related to school construction that is subject to subparagraph four of this paragraph or has entered into an agreement with the dormitory authority of the state of New York for the purpose of financing a school construction project that is subject to subparagraph three of this paragraph, the interest rate applicable to the obligations issued by the dormitory authority of the state of New York for such purpose shall be the interest rate established for such city applicable to such debt.

(ii) Notwithstanding the provisions of item (i) of this clause, where such city has entered into an agreement with the state of New York municipal bond bank agency pursuant to subdivision one of section twenty-four hundred thirty-five-a of the public authorities law and subdivision (b) of section sixteen of chapter six hundred five of the laws of two thousand, or an agreement with the Erie county industrial development agency for projects described in subdivision (b) of section sixteen of such chapter six hundred five, to finance school renovation, rehabilitation or reconstruction that is subject to subparagraph three of this paragraph, the lesser of: (A) the interest rate actually applicable to each series of obligations originally issued to finance each phase of project costs approved by the commissioner, by the state of New York municipal bond bank agency or by the Erie county industrial development agency for such purpose (without regard to any refunding of such obligations); or (B) the interest rate that would have been applicable to each series of obligations originally issued to finance each phase of project costs approved by the commissioner, by the state of New York municipal bond bank agency (without regard to any refunding of such obligations) if the project had been financed through such agency, as certified to the commissioner by the executive director of the state of New York municipal bond bank agency, 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 state of New York municipal bond bank agency or the Erie county 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 state of New York municipal bond bank agency or the Erie county 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 state of New York municipal bond bank agency or the Erie county 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.

(iii) Notwithstanding the provisions of item (i) of this clause, where such city has entered into an agreement with the state of New York municipal bond bank agency pursuant to subdivision one of section twenty-four hundred thirty-five-a of the public authorities law and subdivision (a) of section fourteen of the city of Syracuse and the board of education of the city school district of the city of Syracuse cooperative school reconstruction act, or an agreement with the city of Syracuse industrial development agency for projects authorized pursuant

to the city of Syracuse and the board of education of the city school district of the city of Syracuse cooperative school reconstruction act, to finance school rehabilitation or reconstruction that is subject to subparagraph three of this paragraph, the lesser of: (A) the net interest cost as defined by the commissioner, applicable to each series of obligations originally issued by the state of New York municipal bond bank agency or the city of Syracuse industrial development agency for such purpose, without regard to any refunding of such obligations; or (B) such net interest cost, as defined by the commissioner that would have been applicable to each series of obligations originally issued to finance each phase of project costs approved by the commissioner, by the state of New York municipal bond bank agency, without regard to any refunding of such obligations, if the project had been financed through such agency, as certified to the commissioner by the executive director of the state of New York municipal bond bank agency, 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 state of New York municipal bond bank agency or the city of Syracuse 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 state of New York municipal bond bank agency or the city of Syracuse 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 state

of New York municipal bond bank agency or the city of Syracuse 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.

(iv) Notwithstanding the provisions of item (i) of this clause, where such city or city school district has entered into an agreement with the county of Monroe industrial development agency or the dormitory authority of the state of New York, for projects authorized pursuant to the city of Rochester and the board of education of the city school district of the city of Rochester school facilities modernization program act, to finance school rehabilitation or reconstruction that is subject to subparagraph three of this paragraph, the lesser of: (A) the net interest cost, as defined by the commissioner, applicable to each series of bonds or bond anticipation notes issued by the county of Monroe industrial development agency or the dormitory authority of the state of New York for such purpose, without regard to any refunding of such obligations; or (B) such net interest cost, as defined by the commissioner, that would have been applicable to 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.

(v) Notwithstanding the provisions of item (i) of this clause, where such city or city school district has entered into an agreement with the state of New York municipal bond bank agency pursuant to subdivision one

of section twenty four hundred thirty-five-a of the public authorities law and section sixteen of the Yonkers city school district joint schools construction and modernization act, or an agreement with the city of Yonkers industrial development agency for projects authorized pursuant to the Yonkers city school district joint schools construction and modernization act, to finance debt related to school rehabilitation or reconstruction of school buildings or construction of new school buildings that is subject to subparagraph three of this paragraph, the lesser of: (A) the net interest cost, as defined by the commissioner, applicable to the obligations issued by the state of New York municipal bond bank agency or the city of Yonkers industrial development agency for such purpose; or (B) such net interest cost, as defined by the commissioner, that would have been applicable to bonds issued by the state of New York municipal bond bank agency if the project had been authorized to be financed and had been financed through such entity, as certified to the commissioner by the executive director of the state of New York municipal bond bank agency, shall be the interest rate established for such city applicable to such debt.

(b) Calculation of interest rates for school districts other than the city school districts of the cities of Buffalo, Rochester, Syracuse, Yonkers and New York. By the first day of September of the current year, or by the date prescribed by the commissioner for the two thousand one--two thousand two school year, each school district, other than the city school districts of the cities of Buffalo, Rochester, Syracuse, Yonkers and New York, shall provide to the commissioner in a format prescribed by the commissioner such information as the commissioner shall require for all capital debt incurred by such school district during the preceding school year relating to the construction, acquisition, reconstruction, rehabilitation or improvement of any school building, not including debt issued by the dormitory authority. Based on such reported amortizations and a methodology prescribed by the commissioner in regulations, the commissioner shall compute an assumed interest rate that shall equal the average of the interest rates applied to all such debt issued during the preceding school year. The assumed interest rate shall be tentatively established as the interest rate of each such school district applicable to the current year for the purposes of this subparagraph and shall be expressed as a decimal to

five places rounded to the nearest eighth of one-one hundredth except that all apportionments of aid payable during the current year based on such assumed interest rate shall be recalculated in the following year and adjusted as appropriate based on the appropriate assumed interest rate then established pursuant to this clause, provided, however, that where such school district has entered into an agreement with the dormitory authority of the state of New York to refinance debt issued by such school district that is subject to subparagraph four of this paragraph or has entered into an agreement with the dormitory authority of the state of New York for the purpose of financing a school construction project that is subject to subparagraph three of this paragraph, the interest rate applicable to the obligations issued by the dormitory authority of the state of New York for such purpose shall be the interest rate established for each such school district applicable to such debt.

(c) At the end of each ten year segment of an assumed amortization established pursuant to subparagraphs two, three and four of this paragraph, or in the two thousand seventeen--two thousand eighteen school year in the case of assumed amortizations whose ten year segment ends prior to such school year, the commissioner shall revise the remaining scheduled semiannual payments of the outstanding principal and interest of such assumed amortization, other than the outstanding principal and interest of refunding bonds where the district can demonstrate to the commissioner that it is precluded by state or federal law, rule or regulation from refinancing such outstanding principal and interest, based on the interest rates applicable for the current year if the difference of the interest rate upon which the existing assumed amortization is based minus such interest rate applicable for the current year is equal to or greater than one quarter of one-one hundredth. Provided however, in the case of assumed amortization whose ten year segment ended prior to the two thousand seventeen--two thousand eighteen school year the next ten year segment shall be deemed to commence with the two thousand seventeen--two thousand eighteen school year. The department shall notify school districts of projects subject to the provisions of this clause by no later than December first next preceding the school year in which the assumed amortization is scheduled to be revised pursuant to this clause.

(d) Notwithstanding any other law, rule or regulation to the contrary, any interest rate calculated under this subdivision shall take into account any federal subsidy payments made or to be made to the applicable school district or an issuer on behalf of the school district under the terms of a federally authorized debt instrument which have the effect of reducing the actual interest costs incurred by the school district or an issuer on behalf of the school district over the life of such capital debt, irrespective of any federal government right of set-off.

(6) Notwithstanding any other provisions of this paragraph, where a school district can demonstrate to the satisfaction of the commissioner extenuating circumstances that a waiver is warranted for an existing amortization or an existing lease-purchase agreement or equivalent agreement as of the first day of July, two thousand two, the commissioner may consult with the dormitory authority of the state of New York and may grant a waiver consistent with guidelines developed in consultation with the director of the division of the budget and shared with the chairs of the senate finance committee and the assembly ways and means committee, to make adjustments, including, but not limited to: (i) the period of assumed amortization to equal the period of the existing amortization, (ii) the interest rate applied to such amortization to equal the actual average interest rate applied to the existing amortization, and/or (iii) the annual assumed payments of debt service to equal the aidable payments of debt service under the existing amortization and provided further that where a school district can demonstrate to the commissioner that it is precluded by state or federal law, rule or regulation from refinancing such outstanding principal and interest, clause (iii) of this subparagraph shall apply.

(7) For aid payable in the two thousand two--two thousand three school year, school districts shall provide, on or before the fifteenth day of January, two thousand two, such data as the commissioner shall deem necessary to estimate the apportionment payable under assumed amortization pursuant to subparagraph four of this paragraph, in such form as the commissioner shall determine. Such data shall be provided for each project for which the district will make a debt service payment that is aidable pursuant to this subdivision in the current school year and for each project for which such district expects to make a debt

service payment that will be aidable pursuant to this subdivision in the following school year.

(8) Notwithstanding any other provision of the law to the contrary, where, during the period of assumed amortization relating to a project for the construction, acquisition, reconstruction, rehabilitation or improvement of a school building, the school building is sold or ownership is otherwise transferred to an entity other than the school district or city and such transfer results in the building no longer being operated by the school district as a public elementary or secondary school that is not independent or autonomous, the district shall, within sixty days of the transfer of ownership, notify the commissioner of such sale or transfer, and shall provide such additional information about the sale or transfer as the commissioner may require, in a form prescribed by the commissioner, and the commissioner shall re-compute the building aid, if any, payable for such project pursuant to this subparagraph, except to the extent such re-computation would conflict with the provisions of section twenty-seven hundred ninety-nine-~~tt~~ of the public authorities law. The commissioner shall deduct the revenues received by the school district or city as a result of such sale or transfer from the approved total project cost and, based on such adjusted project cost, establish a new assumed amortization for the remaining useful life of the project under the applicable provisions of this paragraph.

f. (1) As used in this subdivision and in section thirty-six hundred nine-a of this article the following terms shall be defined as follows:

(a) "Debt service on bond anticipation notes aidable in July following the current year" shall mean current year debt service expenditures for bond anticipation notes issued in the current school year.

(b) "Debt service on new bonds and capital notes aidable in July following the current year" shall mean current year debt service expenditures for bonds and/or capital notes issued in the current school year.

(2) Notwithstanding any inconsistent provisions of this subdivision, the amount of current year approved expenditure for debt service for bond anticipation notes and for bonds and capital notes issued during the current year for school building purposes pursuant to paragraph b of

this subdivision shall not be greater than the estimate of such expenditures as reported to the commissioner by the school district on or before November fifteenth of the current year. For aid payable in the nineteen hundred ninety-six--ninety-seven school year and thereafter, any excess of actual expenditures for such debt service for bond anticipation notes and such bonds or capital notes incurred in the base year, within the limitations imposed pursuant to paragraph i of this subdivision, over such estimate of base year expenditures as reported to the commissioner by the school district on or before November fifteenth of the base year shall be considered approved expenditures for lease or other annual payments under the provisions of section four hundred three-b, subdivision eight of section twenty-five hundred three, or subdivision six of section twenty-five hundred fifty-four of this chapter, other than payments under a lease-purchase agreement or an equivalent agreement, for school building purposes.

(3) (a) For the purposes of this subparagraph the following terms shall be defined as follows:

(i) "First issue date" shall mean the date on which the school district issued an initial obligation in the form of a bond anticipation note, a bond or a capital note for the purpose of financing one or more approved building projects for which a combined annual claim of aidable debt service as defined in regulations of the commissioner, is submitted to the commissioner.

(ii) "First contract date" shall mean the date by which: (A) the school district certifies to the commissioner that construction activities related to the erection, construction, reconstruction or alteration of a school building have commenced, or that the purchase of a school building has been made under one or more of the approved building projects included in a combined annual claim of aidable debt service; and (B) that one or more payments for such construction activities or purchase, including incidental costs have been made by the school district in a total amount equal to or greater than ten percent of the principal value upon which the combined annual claim of aidable debt service is based. Such certification shall be in a form and of a content as prescribed by the commissioner.

(iii) "Principal value" shall mean the sum of the original principal amounts of all obligations issued by the school district for the purpose

of financing one or more approved building projects for which a combined annual claim of aidable debt service is submitted to the commissioner, less any such principal that has been refinanced.

(iv) "Approved project cost" shall mean the sum of approved project costs of all approved building projects for which a combined annual claim of aidable debt service is submitted to the commissioner.

(v) "Final redemption date" shall mean the date by which the school district will have repaid all principal borrowed for the purpose of financing one or more approved building projects for which a combined annual claim of aidable debt service is submitted to the commissioner.

(b) For aids payable in the two thousand--two thousand one school year, and thereafter, notwithstanding any inconsistent provisions of this subdivision, except for any project to which paragraph e of this subdivision applies, the amount of approved expenditures incurred during the current school year for debt service for bond anticipation notes, bonds and capital notes having a related first issue date on or after July first, two thousand shall equal the product of the actual expenditures incurred during the current school year for debt service for each such bond anticipation note, bond or capital note, less any accrued interest or premiums received by the district, and the applicable bond percent.

(c) The applicable bond percent shall equal: (i) the quotient of the approved project cost for contracts awarded on or before June thirtieth of the current school year divided by the principal value, or (ii) if the first issue date is more than ninety days prior to the first contract date, the product of: (A) one minus the quotient of the number of days elapsed between the first issue date and the first contract date divided by the number of days elapsed between the first issue date and the final redemption date and (B) the quotient of the approved project cost for contracts awarded on or before June thirtieth of the current school year divided by the principal value, provided that, if upon review of documentation submitted by a school district the commissioner determines that the debt was issued by a city having a population of one hundred twenty-five thousand or more, as part of a mixed borrowing including both school purposes and other municipal purposes or, that a school district, due to circumstances beyond its control, issued bond anticipation notes, bonds or capital notes more than ninety days prior

to the first contract date, the commissioner may compute the applicable bond percent pursuant to item (i) of this clause. The applicable bond percent shall be expressed as a decimal to five places without rounding.

g. Eligibility criteria for aid for refunding of bonds. (1) To be eligible for any apportionment of aid pursuant to this subdivision for approved expenditures for the refunding of bonds to refinance school construction, reconstruction or purchase of existing structures or for expenditures incidental to such refunding of bonds the following requirements shall be met:

(i) the refunding shall be in accordance with section 90.10 of the local finance law;

(ii) the bonds to be refunded shall have been issued exclusively to finance school construction, reconstruction or purchase of existing structures;

(iii) the issuance of refunding bonds shall result in a net present value savings to both the school district and the state, provided, however, that the gross dollar savings over the life of the bond shall exceed the approved fees and other charges of refinancing as defined in subparagraph one of paragraph h of this subdivision, except in the case of the refunding of bonds with unpaid principal outstanding as of the first day of July, two thousand two subject to assumed amortization pursuant to subparagraph four of paragraph e of this subdivision, for facilities eligible for building aid, and for which the annual aid apportionment payable in the two thousand two--two thousand three and two thousand three--two thousand four school years for approved expenditures for debt service are subsequently reduced as a result of the application of assumed amortization to such unpaid principal; and

(iv) for any refunding of bonds for which a refunding bond resolution is approved after April first, nineteen hundred ninety-four, the board of education or trustees shall certify that the intention of the school district to accept proposals for the refunding of bonds has been announced in at least one regular public meeting of such board and that all such proposals received have been discussed in a second public meeting of the board held no sooner than fourteen days after such announcement.

(2) For the purposes of subparagraph three of this paragraph, approved

expenditures for the refunding of bonds shall mean any amount included in the principal of the refunding bond issue of a school district, or of the dormitory authority of the state of New York to refund obligations of a school district for purposes of subparagraph four of paragraph e of this subdivision, that represents the unmatured interest on the bonds to be refunded to and including either the date or dates such bonds were to mature or the date or dates set for redemption prior to their maturities, plus the redemption premiums, if any, payable on the bonds to be refunded on the redemption date or dates, plus the approved fees and other charges of refinancing as defined in subparagraph one of paragraph h of this subdivision.

(3) Approved expenditures for the refunding of bonds as defined in subparagraph two of this paragraph shall be excluded from the calculation of any ratio of allowable expense to principal that may be used to determine approved debt service expense.

h. Additional apportionment of building aid for approved fees and other charges and expenses related to the issuance of refinancing bonds. (1) For the purposes of this subdivision approved fees and other charges of refinancing shall include the costs and expenses incidental to the issuance of refunding bonds by a school district, or by the dormitory authority of the state of New York to refund obligations of a school district for purposes of subparagraph four of paragraph e of this subdivision, which are eligible for an apportionment pursuant to paragraph g of this subdivision, the costs of the development of the refunding financial plan and of executing and performing the terms and conditions of the escrow contract and all fees and charges of the escrow holders.

(2) Notwithstanding any inconsistent provisions of this subdivision, school districts shall also be eligible for an apportionment pursuant to this subdivision in an amount equal to the product of the aid ratio used for building aid in the current year as defined in paragraph c of this subdivision and the base year approved fees and other charges of refinancing as defined in subparagraph one of this paragraph, but only to the extent such costs and expenses are not paid from the proceeds of the refunding bonds and are not otherwise eligible for aid pursuant to this subdivision, provided however, that in the case of the refunding of

bonds subject to an assumed amortization pursuant to subparagraph four of paragraph e of this subdivision for facilities which were eligible for building aid, provided that such refunding bonds are issued on or before the first day of July, two thousand five and for which the annual aid apportionment payable in the two thousand two--two thousand three and/or two thousand three--two thousand four school years for approved expenditures for debt service are subsequently reduced as a result of the application of assumed amortization to unpaid principal outstanding as of July first, two thousand two, and further provided that the gross dollar savings over the life of the bond shall be less than the approved fees and other charges of refinancing as defined in subparagraph one of this paragraph, such apportionment shall be equal to such base year approved fees and other charges of refinancing, but only to the extent such costs and expenses are not paid from the proceeds of the refunding bonds and are not otherwise eligible for aid pursuant to this subdivision.

i. Approved expenditures for debt service. (1) Bond anticipation notes. Except as otherwise provided in subparagraph four of this paragraph, for purposes of the apportionment payable pursuant to this subdivision in the nineteen hundred ninety-six--ninety-seven school year and thereafter to a school district other than to the city school district of the city of New York, except for any project to which paragraph e of this subdivision applies, approved expenditures for debt service on bond anticipation notes relating to the construction, acquisition, reconstruction, rehabilitation or improvement of any school building, including but not limited to the balance of principal outstanding as of July first, nineteen hundred ninety-six which was funded during the nineteen hundred ninety-five--ninety-six school year from proceeds of the sale of bond anticipation notes by a school district, shall mean actual approved expenditures for principal and interest related to the financing of a school construction project through bond anticipation notes; except that:

(i) such expenditures shall not include expenditures for principal on such notes during the first twenty-three months following the original issuance of such notes; and

(ii) such expenditures shall not include expenditures for principal or

interest on bond anticipation notes issued or reissued after the issuance of a certificate of substantial completion for such project, or expenditures for principal made during the school year in excess of the minimum principal payment required under the local finance law.

(2) Bonds and capital notes. (i) For purposes of the apportionment payable pursuant to this subdivision in the nineteen hundred ninety-six--ninety-seven school year and thereafter to a school district other than to the city school district of the city of New York, approved expenditures for debt service on bonds, capital notes and any other long-term local obligations relating to the construction, acquisition, reconstruction, rehabilitation or improvement of any school building, shall mean actual approved expenditures for principal and interest related to the financing of a school construction project through such local obligations except as provided pursuant to clause (ii) of this subparagraph or subparagraph four of this paragraph or paragraph e of this subdivision; provided that, to be eligible for aid on debt service pursuant to this subdivision, such bonds, capital notes or other local obligations issued on or after August first, nineteen hundred ninety-six, or, in the case of a small city school district, on or after November fifteenth, nineteen hundred ninety-six, shall provide for substantially level debt service or principal as defined in paragraph d of section 21.00 of the local finance law; and

(A) be amortized for a period of not less than fifteen years, including any period of amortization on related bond anticipation notes, in the case of local obligations issued to finance new construction and the purchase of existing structures; or

(B) be amortized for a period of not less than ten years, including any period of amortization on related bond anticipation notes, in the case of local obligations issued to finance the reconstruction, rehabilitation or improvement of existing school buildings.

(ii) Notwithstanding any inconsistent provisions of this clause, any actual principal or interest expenditures related to the issuance of a local obligation to finance new construction for a term of less than fifteen years or reconstruction for a term of less than ten years, as specified in clause (i) of this subparagraph, shall not be used in the calculation of the apportionment payable pursuant to this subdivision, provided, however, that aidable approved expenditures for debt service

shall be calculated pursuant to the provisions of this clause, as follows:

(A) for new construction and the purchase of existing structures, current year approved expenditures for debt service shall mean expenditures for principal and interest expense that would be incurred during the current year based on an assumed amortization for a period of fifteen years, or the actual term of the obligation issued by the school district, whichever is greater, of any outstanding principal and/or principal payments not previously aided at the time of issue of the obligation that represents costs approved by the commissioner including any period of amortization on related bond anticipation notes. Such assumed amortization shall commence with the date of the award of a general contract by the school district for such new construction or purchase, the date the district was placed on assumed amortization by the commissioner, or the date upon which the district selected an assumed amortization pursuant to subparagraph four of this paragraph, whichever shall last occur, and shall be based on an assumed rate of annual interest applied to such amortization, as determined by the commissioner pursuant to subparagraph three of this paragraph for the month in which a general contract is awarded for such project; and

(B) for reconstruction, rehabilitation or improvement of existing school buildings, current year approved expenditures for debt service shall mean expenditures for principal and interest expense that would be incurred during the current year based on an assumed amortization for a period of ten years, or the actual term of the obligation issued by the school district, whichever is greater, of any outstanding principal and/or principal payments not previously aided that represents costs approved by the commissioner including any period of amortization on related bond anticipation notes. Such assumed amortization shall commence with the date of the award of a general contract by the school district for such new construction or purchase, the date the district was placed on actual amortization by the commissioner, or the date upon which the district selected an assumed amortization pursuant to subparagraph four of this paragraph, whichever shall last occur, and shall be based on an assumed rate of annual interest applied to such amortization, as determined by the commissioner pursuant to subparagraph three of this paragraph for the month in which a general contract is

awarded for such project.

(3) By the fifteenth day of each month, beginning on August fifteenth, nineteen hundred ninety-six, the commissioner shall determine the prevailing interest rate for the preceding month based on a nationally recognized and accepted index of municipal bond yields reported for such preceding month, in accordance with a methodology prescribed by the commissioner and approved by the director of the budget.

(4) Notwithstanding any other provision of this paragraph to the contrary, in the case of projects eligible for an apportionment pursuant to subparagraph one of this paragraph during the nineteen hundred ninety-six--ninety-seven school year, and projects of small city school districts whether or not eligible for such an apportionment during such school year, for the purpose of the apportionment payable pursuant to this subdivision or subdivision six-b of this section during the nineteen hundred ninety-six--ninety-seven school year and thereafter to a school district other than to the city school district of the city of New York, for the construction, acquisition, reconstruction, rehabilitation or improvement of a school building, such school district shall have the option of selecting to receive aid based on actual expenditures pursuant to subparagraph one or clause (i) of subparagraph two of this paragraph; or based on an assumed amortization pursuant to clause (ii) of subparagraph two of such paragraph. Such selection shall be made on or before the time of submission of a project to the commissioner for final approval or November fifteenth, nineteen hundred ninety-seven, whichever shall occur later. Provided, however, any such school district selecting to receive aid based on actual expenditures pursuant to subparagraph one or clause (i) of subparagraph two of this paragraph, but not meeting all requirements of such provisions, shall have their aid for debt service computed under an assumed amortization pursuant to clause (ii) of subparagraph two of this paragraph, and provided further that any adjustments resulting from a required computation under clause (ii) of subparagraph two of this paragraph shall apply to the next payment due for such project.

(5) Notwithstanding any inconsistent provisions of this paragraph, for the purpose of calculating an apportionment pursuant to this subdivision:

(i) current approved expenditures for debt service for energy

performance contracts authorized pursuant to section 9-103 of the energy law shall mean approved debt service incurred by a school district under such contract during the current school year related to the financing of such construction, acquisition, reconstruction, rehabilitation or improvement of any school building, provided that as a condition of eligibility for aid:

A. The amortization period shall not exceed the term of the energy performance contract.

B. Any state building aid attributable to such project shall be excluded in determining the cost savings under the energy performance contract.

C. The energy performance contractor shall guarantee recovery of contract costs from energy savings realized by the school district during the term of the energy performance contract, which shall not exceed twenty-five years.

(ii) notwithstanding any inconsistent provisions of this paragraph, for aid payable in the two thousand two--two thousand three school year and thereafter, approved expenditures for debt service for energy performance contracts shall be based on assumed amortization where required by paragraph e of this subdivision.

(iii) current year approved expenditures for debt service for the purchase of computer equipment shall mean expenditures for principal and interest expense incurred by a school district during the current year for financing of the purchase of computer equipment eligible for aid pursuant to paragraph b of this subdivision, provided that the payment of aid shall be based on an assumed period of amortization which shall equal the period of probable usefulness applicable to the acquisition of such equipment under section 11.00 of the local finance law and on an assumed rate of annual interest determined pursuant to subparagraph three of this paragraph for the month in which the purchase contract was executed; and

(iv) current year approved expenditures for debt service for any other expenditures that are aidable pursuant to this subdivision and involve an object or purpose for which the period of probable usefulness under

section 11.00 of the local finance law is less than ten years shall mean expenditures for principal and interest expense incurred by a school district during the current year for the contracting of indebtedness for such object or purpose, provided that the payment of aid shall be based on an assumed period of amortization equal to such period of probable usefulness and on an assumed rate of annual interest determined pursuant to subparagraph three of this paragraph for the month in which the financing agreement was executed.

j. Assumed amortization for capital outlays. For aid payable in the two thousand three--two thousand four school year and thereafter, the apportionment to a school district for approved expenditures for capital outlays from its general fund, capital fund or reserved funds pursuant to this subdivision shall be based upon an assumed amortization established pursuant to the applicable provisions of subparagraph two, three, or four of paragraph e of this subdivision, as modified by this paragraph, whether or not the school district issues debt for such expenditures. Notwithstanding any provisions of subparagraph two, three, or four of paragraph e of this subdivision to the contrary:

(1) For approved expenditures for capital outlay incurred by the city school district of the city of New York on or after July first, two thousand two that are related to projects for which a general construction contract was first awarded by the school construction authority of the city of New York, or by another body or official designated by law, prior to the first day of July, two thousand two, such amortization shall commence (i) eighteen months after January first, two thousand three; or (ii) on the date of receipt by the commissioner of a certification by the district that a general construction contract has been awarded for such project, whichever is later; and the quotient, calculated to the nearest whole dollar without rounding, of (A) the positive remainder of the approved expenditures of such project to be funded through capital outlay less the total amount of approved expenditures for capital outlay incurred before July first, two thousand two, divided by (B) the positive remainder, computed to the nearest year without rounding, of the new term of the assumed amortization established pursuant to item (ii) of clause (b) of subparagraph two of paragraph e of this subdivision as of July first,

two thousand three, less twelve months shall be deemed to be the current year approved expenditures for debt service for the purposes of such paragraph.

(2) Approved expenditures for capital outlay incurred by the city school district of the city of New York that are related to projects for which a general construction contract was first awarded on or after the first day of July, two thousand two, shall be deemed approved expenditures for debt service included in the assumed amortization for the project pursuant to subparagraph two of paragraph e of this subdivision.

(3) For approved expenditures for capital outlay incurred by a school district other than the city school district of the city of New York on or after July first, two thousand two that are related to projects approved by the commissioner prior to the first day of July, two thousand two, such amortization shall commence: (i) eighteen months after January first, two thousand three; or (ii) on the date of receipt by the commissioner of a certification by the district that a general construction contract has been first awarded for such project by the district, whichever is later, and the quotient, calculated to the nearest whole dollar without rounding, of (A) the positive remainder of the approved cost of such project to be funded through capital outlay less the total amount of approved expenditures for capital outlay incurred before July first, two thousand two, divided by (B) the positive remainder, computed to the nearest year without rounding, of the remaining maximum useful life of the project as determined by the commissioner pursuant to item (i) of clause (a) of subparagraph four of paragraph e of this subdivision as of July first, two thousand one, less twelve months, shall be deemed to be the current year approved expenditures for debt service for the purposes of such paragraph.

(4) Approved expenditures for capital outlay incurred by a school district other than the city school district of the city of New York that are related to projects approved by the commissioner on or after the first day of July, two thousand two, shall be deemed approved expenditures for debt service included in an assumed amortization for the project pursuant to subparagraph three of paragraph e of this subdivision.

k. Final cost report penalties. (1) All acts done and proceedings heretofore had and taken, or caused to be had and taken, by school districts and by all its officers or agents relating to or in connection with final building cost reports required to be filed with the commissioner for approved building projects for which a certificate of substantial completion was issued on or after April first, nineteen hundred ninety-five, and where a final cost report was not submitted by June thirtieth of the school year in which the certificate of substantial completion of the project was issued by the architect or engineer, or six months after issuance of such certificate, whichever was later, and all acts incidental thereto are hereby legalized, validated, ratified and confirmed, notwithstanding any failure to comply with the approval and filing provisions of the education law or any other law or any other statutory authority, rule or regulation, in relation to any omission, error, defect, irregularity or illegality in such proceedings had and taken.

(2) The commissioner is hereby directed to consider the approved costs of the aforementioned projects as valid and proper obligations of such school districts and shall not recover on or after July first, two thousand thirteen any penalty arising from the late filing of a final cost report, provided that any amounts already so recovered on or after July first, two thousand thirteen shall be deemed a payment of moneys due for prior years pursuant to paragraph c of subdivision five of section thirty-six hundred four of this part and shall be paid to the appropriate district pursuant to such provision, provided that:

(a) such school district submitted the late or missing final building cost report to the commissioner;

(b) such cost report is approved by the commissioner;

(c) all state funds expended by the school district, as documented in such cost report, were properly expended for such building project in accordance with the terms and conditions for such project as approved by the commissioner; and

(d) the failure to submit such report in a timely manner was an inadvertent administrative or ministerial oversight by the school district, and there is no evidence of any fraudulent or other improper intent by such district.

6-a. Additional apportionments of building aid for school districts educating pupils residing on Indian reservations. In addition to the apportionments made to a school district under the provisions of subdivision six of this section, the commissioner is hereby authorized to apportion to any school district, which the commissioner deems to be providing educational services for a significant number of pupils residing on an Indian reservation, an amount calculated by the commissioner to represent the actual per pupil cost within the cost allowance assigned to Indian pupils as the contribution of the state on behalf of pupils residing on an Indian reservation. Such apportionment shall be payable after approval by the commissioner of final plans for a construction project approved by the commissioner for such purpose. Any such apportionment shall be made upon such terms and conditions as the commissioner shall approve.

6-b. Building aid for joint facilities. a. Two or more school districts eligible for operating aid pursuant to this section, other than a city school district in a city with one hundred twenty-five thousand inhabitants or more, that enter into an agreement in accordance with section one hundred nineteen-o of the general municipal law and this subdivision, may receive building aid pursuant to this subdivision for approved expenditures for the construction or reconstruction of one or more single site joint facilities. To be eligible for such aid, the general contracts for the project shall have been awarded on or after July first, nineteen hundred ninety-three, and the project and joint agreement shall have been approved by the commissioner. For participating school districts in which the school budget is subject to voter approval, the joint agreement shall be subject to voter approval.

b. To be eligible for building aid for the joint facility, the joint agreement shall designate the board of education of the school district in which such single site joint facility will be located as the lead district, provided that where such facility will occupy adjoining sites in more than one participating district any district in which a part of the facility is situated may be designated as the lead district. Notwithstanding any other provision of law, the lead district shall be authorized to contract indebtedness for the purpose of the joint project

pursuant to the local finance law as if the entire project was conducted solely by the lead district. The joint agreement shall designate the district or districts that will operate, maintain and/or manage the joint facility. The lead district shall serve as fiscal agent for all participating districts for the purpose of claiming and receiving building aid pursuant to subdivision six of this section. The joint agreement shall include a lease agreement between the lead district and all other participating districts whereby all parties agree to lease the facility for a term not less than the period within which all bonds or notes issued to finance the project will mature. Participating districts shall not be eligible for an apportionment pursuant to any provision of this chapter for any lease expense incurred for the joint facility and such expense shall not be included in the approved operating expense of any such district, provided, however, that nothing shall prohibit the inclusion of a district's share of the net administrative, operation and maintenance costs of the joint project in the district's approved operating expense. The joint agreement shall provide for a credit of the state aid received by the lead district for the joint project against the expenses of such project and shall provide a method of allocating the net cost of the joint facility to the participating districts, distributing (i) the gross cost based on each district's share of the use of the facility, and (ii) the state aid based on each district's aid ratio and use-share of the aidable expense.

c. Upon approval of the joint agreement, the lead district shall be eligible for an apportionment pursuant to subdivision six of this section as if the joint project was conducted solely by such lead district; provided, however, that the building aid ratio used in computing such aid shall be the sum of the product for each of the participating districts of the district's building aid ratio selected pursuant to paragraph c of subdivision six of this section for aid payable in the current year multiplied by the district's share of the use of the facility.

d. Where the lead district reorganizes with some or all other districts participating in the joint agreement subsequent to approval of the joint agreement, such reorganized district shall be eligible for

reorganization incentive aid pursuant to subparagraph one of paragraph c as modified by paragraph i, both of subdivision fourteen of this section for expenditures for any debt service for indebtedness outstanding after the effective date of such reorganization that were incurred for the financing of construction of the joint facility so long as such facility continues to be used by such reorganized district, as if the joint facility had been constructed by the reorganized district subsequent to reorganization.

e. Notwithstanding the provisions of section thirty-six hundred nine-a of this article, aid for joint projects shall be paid in accordance with a schedule established by the commissioner and approved by the director of the budget.

6-c. a. Building aid for metal detectors, and safety devices for electrically operated partitions, room dividers and doors. In addition to the apportionments payable to a school district pursuant to subdivision six of this section, the commissioner is hereby authorized to apportion to any school district additional building aid pursuant to this subdivision for its approved expenditures in the base year for the purchase of stationary metal detectors, security cameras, safety devices for electrically operated partitions and room dividers required pursuant to section four hundred nine-f of this chapter, or other security devices approved by the commissioner that increase the safety of students and school personnel, provided, however, that funds apportioned to school districts pursuant to this section shall not supplant funds for existing district expenditures or for existing contractual obligations of the district for stationary metal detectors, security cameras, partition and room divider safety devices, or security devices. Portable or hand held metal detectors shall not be eligible for aid pursuant to this subdivision. Such additional aid shall equal the product of the building aid ratio computed for use in the current year pursuant to paragraph c of subdivision six of this section and the actual approved expenditures incurred in the base year pursuant to this subdivision, provided that the limitations on cost allowances prescribed by paragraph a of subdivision six of this section shall not apply. The commissioner shall annually prescribe a special cost allowance for metal

detectors, and security cameras, and the approved expenditures shall not exceed such cost allowance. The commissioner shall annually prescribe a special cost allowance for partition and room divider safety devices, and the approved expenditures shall not exceed such cost allowance.

b. For projects approved by the commissioner authorized to receive additional building aid pursuant to this subdivision for the purchase of stationary metal detectors, security cameras or other security devices approved by the commissioner that increase the safety of students and school personnel, provided that for purposes of this paragraph such other security devices shall be limited to electronic security systems and hardened doors, and provided that for projects approved by the commissioner on or after the first day of July two thousand thirteen such additional aid shall equal the product of (i) the building aid ratio computed for use in the current year pursuant to paragraph c of subdivision six of this section plus ten percentage points, except that in no case shall this amount exceed one hundred percent, and (ii) the actual approved expenditures incurred in the base year pursuant to this subdivision, provided that the limitations on cost allowances prescribed by paragraph a of subdivision six of this section shall not apply, and provided further that any projects aided under this paragraph must be included in a district's school safety plan. The commissioner shall annually prescribe a special cost allowance for metal detectors, and security cameras, and the approved expenditures shall not exceed such cost allowance.

6-e. Additional apportionment of building aid for building condition surveys of school buildings. In addition to the apportionments payable to a school district pursuant to subdivision six of this section, the commissioner is hereby authorized to apportion to any school district additional building aid in accordance with this subdivision for its approved expenses in the base year for building condition surveys of school buildings that are conducted pursuant to this subdivision and subdivision four of section thirty-six hundred forty-one of this article. The amount of such apportionment shall equal the product of the building aid ratio defined pursuant to paragraph c of subdivision six of this section and the actual approved expenses incurred by the district

in the base year for each school building so inspected, provided that the amount of such apportionment shall not exceed the building condition survey aid ceiling. For surveys conducted in the nineteen hundred ninety-eight--ninety-nine school year, the building condition aid ceiling shall be twenty cents gross per square foot of floor area. For surveys conducted in the nineteen hundred ninety-nine--two thousand school year and thereafter, the inspection aid ceiling shall be twenty cents gross per square foot of floor area, plus an amount computed by the commissioner in accordance with regulations adopted for such purpose, on the basis of an index number reflecting changes in the costs of labor and materials from July first, nineteen hundred ninety-eight.

6-f. Additional apportionment of building aid for certain projects. a. In addition to the apportionment payable to a school district pursuant to subdivision six of this section, the commissioner is hereby authorized to apportion to any school district additional building aid in the amount equal to the product of its approved expenditures in the base year for capital outlays from the district's general fund, capital fund or reserved funds that are incurred on or after July first, two thousand two for an eligible school construction project as defined in paragraph b of this subdivision, and the district's applicable building aid ratio as defined pursuant to paragraph c of subdivision six of this section. Approved expenditures for capital outlays for eligible school construction projects that are eligible for an apportionment pursuant to this subdivision shall not be eligible for aid pursuant to subdivision six of this section.

b. For the purposes of this subdivision, an "eligible school construction project" shall mean a school construction project that is entirely funded from capital outlays and:

(1) has a total project cost of one hundred thousand dollars or less; provided however, that for any district, no more than one project shall be eligible pursuant to this subparagraph for an apportionment within the same school year; and/or

(2) is a construction emergency project to remediate emergency situations which arise in public school buildings and threaten the health and/or safety of building occupants, as a result of the

unanticipated discovery of asbestos or other hazardous substances during construction work on a school or significant damage caused by a fire, snow storm, ice storm, excessive rain, high winds, flood or a similar catastrophic event which results in the necessity for immediate repair.

6-g. Charter schools facilities aid. a. The city school district of the city of New York, upon documenting that it has incurred total aggregate expenses of forty million dollars or more pursuant to subparagraph five of paragraph (e) of subdivision three of section twenty-eight hundred fifty-three of this chapter, shall be eligible for an apportionment pursuant to this subdivision for its annual approved expenditures for the lease of space for charter schools incurred in the base year in accordance with paragraph (e) of subdivision three of section twenty-eight hundred fifty-three of this chapter.

b. The apportionment shall equal the product of (1) the sum of:

for aid payable for expenses incurred pursuant to subparagraph five of paragraph (e) of subdivision three of section twenty-eight hundred fifty-three of this chapter where the charter school prevails on appeal, the annual approved expenses incurred by the city school district pursuant to such subparagraph five multiplied by

(2) six-tenths.

c. For purposes of this subdivision, the approved expenses attributable to a lease by a charter school of a privately owned site shall be the lesser of the actual rent paid under the lease or the maximum cost allowance established by the commissioner for leases aidable under subdivision six of this section.

d. Notwithstanding any provision of law to the contrary, amounts apportioned pursuant to this subdivision shall not be included in: (1) the allowable growth amount computed pursuant to paragraph dd of subdivision one of this section, (2) the preliminary growth amount computed pursuant to paragraph ff of subdivision one of this section, and (3) the allocable growth amount computed pursuant to paragraph gg of subdivision one of this section, and shall not be considered, and shall

not be available for interchange with, general support for public schools.

6-h. Building aid for testing and filtering of potable water systems for lead contamination. In addition to the apportionments payable to a school district pursuant to subdivision six of this section, the commissioner is hereby authorized to apportion to any school district additional building aid pursuant to this subdivision for its approved expenditures, otherwise ineligible for building aid, in the base year for the testing of potable water systems required pursuant to section eleven hundred ten of the public health law, provided that such expenses for testing of potable water systems are not reimbursable from another state or federal source. The commissioner is also authorized to apportion to any school district additional building aid pursuant to this subdivision for its approved expenditures, otherwise ineligible for building aid, in the base year for the installation of filters and/or other effective remedial measures for immediate remediation in cases where a finding of lead contamination is made pursuant to such section and verified by confirmatory sampling, provided that the cost of installation of such filters and/or other effective remedial measures shall be deemed an approved expenditure only if (i) such installation and/or other effective remedial measures have been approved or reviewed by a professional with expertise in the field of water quality and remediation and (ii) such cost is incurred prior to July first, two thousand nineteen. Such aid shall equal the product of the building aid ratio defined pursuant to paragraph c of subdivision six of this section and the actual approved expenditures incurred in the base year pursuant to this subdivision. Commencing in the two thousand nineteen--two thousand twenty school year and every year thereafter, additional building aid pursuant to this subdivision shall include approved expenses for testing of potable water systems for lead contamination pursuant to section eleven hundred ten of the public health law, provided that such expenses for testing of potable water systems are not reimbursable from another state or federal source.

6-i. Building aid and the New York state energy research and development authority P-12 schools: clean green schools initiative. 1.

For aid payable in the school years two thousand twenty-two--two thousand twenty-three and thereafter, notwithstanding any provision of law to the contrary, the apportionment to any district under subdivision six, six-a, six-b, six-c, six-e, six-f, or six-h of this section for capital outlays for school building projects for energy efficiency shall not exclude grants authorized pursuant to the New York state energy research and development authority P-12 schools: clean green schools initiative from aidable expenditures, provided that the sum of apportionments for these projects calculated pursuant to subdivision six, six-a, six-b, six-c, six-e, six-f, or six-h of this section and such grants shall not exceed the actual project expenditures.

2. The New York state energy research and development authority shall provide a list of energy efficiency grants awarded to each school district to the commissioner no later than one month prior to the end of each calendar year and each school year. This list shall include the capital construction project or projects funded by the grants, the award amounts of each individual project grant, the district receiving such grants, the schools receiving such grants, the date on which the grant was received, and any other information necessary for the calculation of aid pursuant to subdivision six, six-a, six-b, six-c, six-e, six-f, or six-h of this section.

7. Apportionment for pupil transportation. a. In addition to the foregoing apportionment, there shall be apportioned to any school district for pupil transportation, the lesser of ninety per centum or the state share of its approved transportation expense for the base year. The state share shall equal the sum of the transportation sparsity adjustment and the transportation aid ratio, but not less than six and one-half percent. The transportation aid ratio shall equal the greater of (i) the product of one and two hundred sixty-three thousandths multiplied by the state sharing ratio, (ii) an aid ratio computed by subtracting from one and one hundredth the product computed to three decimals without rounding obtained by multiplying the resident weighted average daily attendance wealth ratio by forty-six percent, where such aid ratio shall be expressed as a decimal carried to three places without rounding or (iii) excluding cities with a population of more

than one million, an aid ratio computed by subtracting from one and one hundredth the product computed to three decimal places without rounding obtained by multiplying the number computed to three decimals without rounding obtained when the quotient of actual valuation of a school district, as defined in paragraph c of subdivision one of this section, divided by the sum of the resident public school district enrollment, the resident nonpublic school district enrollment and the additional public school enrollment of the school district for the year prior to the base year is divided by the statewide average actual valuation per the sum of such total resident public school district enrollment, nonpublic school district enrollment and additional public school enrollment of all school districts eligible for an apportionment pursuant to this section except central high school districts as computed by the commissioner using the latest single year actual valuation computed under paragraph c of subdivision one of this section, by forty-six percent, where such ratio shall be expressed as a decimal carried to three decimal places without rounding. The computation of such statewide average shall include the actual valuation of all school districts eligible for an apportionment pursuant to this section except central high school districts. The transportation sparsity adjustment shall equal the quotient of: the positive remainder of twenty-one minus the district's public school enrollment for the year prior to the base year per square mile, divided by three hundred seventeen and eighty-eight hundredths. Approved transportation expense shall be the sum of the approved transportation operating expense and the approved transportation capital, debt service and lease expense of the district. Approved transportation expense shall not be aidable pursuant to section nineteen hundred fifty of this chapter.

b. (1) For the purposes of this apportionment, approved transportation operating expense shall be the actual expenditure incurred by a school district and approved by the commissioner (i) for those items of transportation operating expense allowable under subdivision one of section thirty-six hundred twenty-three-a of this article for regular aidable transportation of pupils as such terms are defined in sections thirty-six hundred twenty-one and thirty-six hundred twenty-two-a of this article, and (ii) for those items of transportation operating

expense allowable under subdivision one of section thirty-six hundred twenty-three-a of this article for the transportation required or authorized pursuant to article eighty-nine of this chapter, and (iii) for providing monitors on school buses for students with disabilities, and (iv) for transportation operating expenses allowable under section thirty-six hundred twenty-three-a of this article for the transportation of homeless children authorized by paragraph c of subdivision four of section thirty-two hundred nine of this chapter, provided that the total approved cost of such transportation shall not exceed the amount of the total cost of the most cost-effective mode of transportation.

(2) Notwithstanding any inconsistent provisions of this article, in computing the apportionment payable to a school district in a city with a population in excess of one million inhabitants pursuant to this subdivision, approved transportation expense for public service transportation shall not include any expenditures to the New York City Metropolitan Transportation Authority for public service transportation nor shall such expense be included in approved operating expense.

c. For the purposes of computing this apportionment for the two thousand five--two thousand six school year and thereafter, approved transportation capital, debt service, and lease expense shall be the amount computed based upon an assumed amortization determined pursuant to paragraph e of this subdivision for an expenditure incurred by a school district and approved by the commissioner for those items of transportation capital, debt service and lease expense allowable under subdivision two of section thirty-six hundred twenty-three-a of this article for: (i) the regular aidable transportation of pupils, as such terms are defined in sections thirty-six hundred twenty-one and thirty-six hundred twenty-two-a of this article, (ii) the transportation of children with disabilities pursuant to article eighty-nine of this chapter, and (iii) the transportation of homeless children pursuant to paragraph c of subdivision four of section thirty-two hundred nine of this chapter, provided that the total approved cost of such transportation shall not exceed the amount of the total cost of the most cost-effective mode of transportation. Approvable expenses for the purchase of school buses shall be limited to the actual purchase price, or the expense as if the bus were purchased under state contract,

whichever is less. If the commissioner determines that no comparable bus was available under state contract at the time of purchase, the approvable expenses shall be the actual purchase price or the state wide median price of such bus in the most recent base year in which such median price was established with an allowable year to year CPI increase as defined in subdivision fourteen of section three hundred five of this chapter; whichever is less. Such median shall be computed by the commissioner for the purposes of this subdivision.

d. In determining approved transportation operating expense for district-owned transportation and approved transportation capital, debt service and lease expense pursuant to paragraphs b, c and e of this subdivision and part two of this article, the commissioner shall make a deduction from the total transportation expense for the transportation of nonallowable pupils, and for that portion of the total annual mileage of district-owned school buses that is not aidable because it is not included in the total annual allowable mileage as defined in section thirty-six hundred twenty-one of this article, provided that such calculations shall be made pursuant to regulations of the commissioner, and further provided that such regulations shall provide for an exclusion of pupil miles for transportation provided on a space-available basis to pupils attending an approved universal prekindergarten program pursuant to section thirty-six hundred two-e of this article that does not result in additional transportation costs.

e. In determining approved transportation capital, debt service and lease expense for aid payable in the two thousand five--two thousand six school year and thereafter, the commissioner, after applying the provisions of paragraph c of this subdivision to such expense, shall establish an assumed amortization pursuant to this paragraph to determine the approved capital, debt service and lease expense of the school district that is aidable in the current year, whether or not the school district issues debt for such expenditures, subject to any deduction pursuant to paragraph d of this subdivision. Such assumed amortization shall be for a period of five years, and for the two thousand twenty-two--two thousand twenty-three school year and thereafter such assumed amortization for zero-emission school buses as

defined in section thirty-six hundred thirty-eight of this article and related costs pursuant to paragraph f of subdivision two of section thirty-six hundred twenty-three-a of this article shall be for a period of eight years, and shall commence twelve months after the school district enters into a purchase contract or lease of the school bus, charging station, hydrogen fueling station, or equipment, or a general contract for the construction, reconstruction, lease or purchase of a transportation storage facility or site in an amount less than ten thousand dollars. Such assumed amortization shall provide for equal semiannual payments of principal and interest based on an assumed interest rate established by the commissioner pursuant to this paragraph. By the first day of September of the current year commencing with the two thousand five--two thousand six school year, each school district shall provide to the commissioner in a format prescribed by the commissioner such information as the commissioner shall require for all capital debt incurred by such school district during the preceding school year for expenses allowable pursuant to subdivision two of section thirty-six hundred twenty-three-a of this article. Based on such reported amortizations and a methodology prescribed by the commissioner in regulations, the commissioner shall compute an assumed interest rate that shall equal the average of the interest rates applied to all such debt issued during the preceding school year. The assumed interest rate shall be the interest rate of each such school district applicable to the current year for the purposes of this paragraph and shall be expressed as a decimal to five places rounded to the nearest eighth of one-one hundredth.

8. a. Program approval requirements. Any school district receiving an additional apportionment pursuant to subdivision ten of this section for pupils in career education programs or a payment in lieu of such apportionment or having a public excess cost aid setaside pursuant to subdivision four of this section shall use the total funds attributable to such pupils for locally administered programs for such pupils in accordance with regulations issued by the commissioner. Such regulations shall provide for the use of such funds in the manner determined by the commissioner to be the most educationally advantageous for such pupils. The commissioner shall require the submission of such reports as are

necessary to assure accountability for the use of such funds. A district which spends any part of its total annual apportionment attributable to such pupils in an unauthorized manner in the base year shall have its current year apportionment reduced by the amount of such unauthorized expenditures in the base year.

b. District plans of service. Any school district receiving an additional apportionment pursuant to subdivision ten of this section for pupils in career education programs or a payment in lieu of such apportionment or having a public excess cost aid set aside pursuant to subdivision four of this section shall keep on file and make available for public inspection and review by the commissioner an acceptable plan of service describing the student outcomes expected from implementation of the proposed plan, provided that such plan may be incorporated into a school district's district-wide comprehensive plan. The plan of service of a school district receiving an additional apportionment pursuant to this section for pupils with disabilities shall also describe how such district intends to ensure that all instructional materials to be used in the schools of such district will be made available in a usable alternative format for each student with a disability and for each student who is a qualified individual with a disability, at the same time as such instructional materials are available to non-disabled students, provided that such plan may incorporate by reference the alternative format plans developed pursuant to subdivision twenty-nine-a of section sixteen hundred four, subdivision four-a of section seventeen hundred nine, subdivision seven-a of section twenty-five hundred three or subdivision seven-a of section twenty-five hundred fifty-four of this chapter. Such plans shall be in a form prescribed by the commissioner, and except as heretofore provided, shall have the content prescribed by the commissioner. The commissioner may, from time to time, require amendments of such plans as deemed to be necessary and appropriate to further the educational welfare of the pupils involved.

9. Aid for conversion to full day kindergarten. School districts may make available full day kindergarten programs for all children wishing to attend such programs.

a. For aid payable in the two thousand seven--two thousand eight school year and thereafter, school districts which provided any half-day kindergarten programs or had no kindergarten programs in the nineteen hundred ninety-six--ninety-seven school year and in the base year, and which have not received an apportionment pursuant to this paragraph in any prior school year, shall be eligible for aid equal to the product of the district's selected foundation aid calculated pursuant to subdivision four of this section multiplied by the positive difference resulting when the full day kindergarten enrollment of children attending programs in the district in the base year is subtracted from such enrollment in the current year.

b. Notwithstanding the provisions of paragraph a of this subdivision, school districts that have received an apportionment pursuant to this subdivision in a prior school year shall be eligible for an apportionment where the department grants a waiver upon cause satisfactory to the department, including but not limited to, satisfactory demonstration of significant economic hardship that would impact the school district's ability to provide full day kindergarten for all children wishing to attend such programs. No school district may be granted such a waiver more than once.

c. Notwithstanding the provisions of paragraph a of this subdivision, school districts receiving an apportionment pursuant to paragraph a of this subdivision in the two thousand eighteen--two thousand nineteen or two thousand nineteen--two thousand twenty school year shall be eligible for (A) an apportionment in the following school year equal to the product of sixty-five percent multiplied by the aid received by the district pursuant to paragraph a of this subdivision in the prior school year, and (B) an apportionment in the school year after the following year equal to the product of thirty-five percent multiplied by the aid received by the district pursuant to paragraph a of this subdivision in the year preceding the prior year.

10. Special services aid for large city school districts and other school districts which were not components of a board of cooperative educational services in the base year. a. The city school districts of

those cities having populations in excess of one hundred twenty-five thousand and any other school district which was not a component of a board of cooperative educational services in the base year shall be entitled to an apportionment under the provisions of this section.

b. (1) Aid for career education. There shall be apportioned to such city school districts and other school districts which were not components of a board of cooperative educational services in the base year for pupils in selected grades in attendance in career education programs as such programs are defined by the commissioner, subject for the purposes of this paragraph to the approval of the director of the budget, an amount for each such pupil to be computed by multiplying the career education aid ratio by three thousand nine hundred dollars for aid payable in the two thousand twenty-four--two thousand twenty-five school year and prior and four thousand one hundred dollars thereafter. Such aid will be payable for weighted pupils attending career education programs operated by the school district and for weighted pupils for whom such school district contracts with boards of cooperative educational services to attend career education programs operated by a board of cooperative educational services. Weighted pupils for the purposes of this paragraph shall mean the sum of the attendance of students in selected grades in career education sequences in trade, industrial, technical, agricultural or health programs plus the product of sixteen hundredths multiplied by the attendance of students in selected grades in career education sequences in business and marketing as defined by the commissioner in regulations. The career education aid ratio shall be computed by subtracting from one the product obtained by multiplying fifty-nine percent by the combined wealth ratio. This aid ratio shall be expressed as a decimal carried to three places without rounding, but not less than thirty-six percent. For purposes of this subparagraph, "selected grades" shall be grades ten through twelve for aid payable in the two thousand twenty-four--two thousand twenty-five school year and prior, and shall be grades nine through twelve for aid payable in the two thousand twenty-five--two thousand twenty-six school year and thereafter.

(2) Any school district that receives aid pursuant to this paragraph shall be required to use such amount to support career education

programs in the current year.

(3) A board of education which spends less than its local funds as defined by regulations of the commissioner for career education in the base year during the current year shall have its apportionment under this subdivision reduced in an amount equal to such deficiency in the current or a succeeding school year, provided however that the commissioner may waive such reduction upon determination that overall expenditures per pupil in support of career education programs were continued at a level equal to or greater than the level of such overall expenditures per pupil in the preceding school year.

c. Computer administration aid for large city school districts and any other school district which was not a component of a board of cooperative educational services in the base year. The city school districts of those cities having populations in excess of one hundred twenty-five thousand inhabitants and any other school district which was not a component of a board of cooperative educational services in the base year shall be eligible for an apportionment in accordance with the provisions of this subdivision. Such districts shall be entitled to an additional apportionment computed by multiplying the lesser of (1) expenses for approved computer services in the base year or (2) the maximum allowable expense equal to the product of sixty-two dollars and thirty cents and the enrollment of pupils attending the public schools of such district in the base year, by the computer expenses aid ratio. The computer expenses aid ratio shall be computed by subtracting from one the product obtained by multiplying fifty-one per centum by the combined wealth ratio. This aid ratio shall be expressed as a decimal carried to three places without rounding, but shall not be less than thirty per centum. Expenses for approved computer services in the base year up to the maximum allowable expense shall not be used to claim aid pursuant to any other provisions of this section.

d. Aid for academic improvement. There shall be apportioned to such city school districts and other school districts which were not components of a board of cooperative educational services in the base year, an amount per pupil for each pupil eligible for aid pursuant to paragraph b of this subdivision to be computed by multiplying the career

education aid ratio computed pursuant to such paragraph b of this subdivision by the sum of (1) one hundred dollars plus (2) the quotient of one thousand dollars divided by the lesser of one or the combined wealth ratio. Aid for academic improvement shall be unrestricted general aid available to support any academic programs of the school district.

e. Career education data collection. Beginning in the two thousand seventeen--two thousand eighteen school year the commissioner shall collect data from school districts receiving aid under this subdivision on the number of students in the base year that are in grade nine and enrolled in career education courses in trade/industrial education, technical education, agricultural education, health occupations education, business and marketing education, family and consumer science education, and technology education programs in a manner prescribed by the commissioner.

11. Employment Preparation Education Programs. a. School districts and boards of cooperative educational services (BOCES) providing approved programs shall be eligible for aid in accordance with the provisions of this subdivision for the attendance of persons twenty-one years of age or over who have not received a high school diploma or a high school equivalency diploma recognized by New York State who attend employment preparation education programs provided by such school districts or BOCES, which programs lead to a high school diploma or high school equivalency diploma as defined in regulations of the commissioner, even if such persons attend regular day school classes with permission of the board of education; provided that such programs are provided in accordance with a plan of service approved by the commissioner in accordance with the provisions of paragraph f of this subdivision. Such programs may operate between July first and June thirtieth of a school year. Whenever a person enrolls in a program approved pursuant to this subdivision offered by a BOCES or in a school district other than their district of residence, the program provider shall send a notice of such enrollment to the persons district of residence, and shall issue a new notice if such person moves from one district to another. In the event that the cost of a program approved and provided in accordance with the provisions of this subdivision exceeds all sources of funds, other than

tax levy revenues, which are available to defray such expenses, the school district or BOCES providing such program shall determine an excess cost per contact hour provided during the base year, and then shall determine the local share of such excess costs for each school district whose residents were served by such program by multiplying such base year hours by the excess cost per contact hour, and such local share shall be a charge against each such district, payable within forty-five days. Notwithstanding the provisions of section nineteen hundred fifty of this chapter, a BOCES shall be authorized to provide a program pursuant to this subdivision in the same manner as a school district.

a-1. Notwithstanding the provisions of paragraph a of this subdivision, for aid payable in the school years two thousand--two thousand one through two thousand nine--two thousand ten, and two thousand eleven--two thousand twelve through two thousand twenty-six--two thousand twenty-seven, the commissioner may set aside an amount not to exceed two million five hundred thousand dollars from the funds appropriated for purposes of this subdivision for the purpose of serving persons twenty-one years of age or older who have not been enrolled in any school for the preceding school year, including persons who have received a high school diploma or high school equivalency diploma but fail to demonstrate basic educational competencies as defined in regulation by the commissioner, when measured by accepted standardized tests, and who shall be eligible to attend employment preparation education programs operated pursuant to this subdivision.

b. Employment preparation education hours. For the purpose of computing an apportionment under the provisions of this subdivision, the employment preparation education hours shall be the total hours of instruction given by a teacher to all students enrolled in such approved programs between July first and June thirtieth of the current year. For nontraditional modes of instruction, the commissioner may establish methods of determining contact hours of instruction to be counted for state aid purposes in accordance with regulations adopted for such purpose.

c. Employment preparation education aid ceiling. The employment preparation education aid ceiling for the purposes of this subdivision shall be the statewide average expense per pupil, as computed pursuant to subdivision five of this section for aid payable in the current year, divided by one thousand. Such result shall be computed to two decimals without rounding.

d. Employment preparation education aid ratio. The employment preparation education aid ratio for the purposes of this subdivision shall be determined by subtracting from one the product of the pupil wealth ratio and forty per centum. The aid ratio shall be expressed as a decimal to three places without rounding but shall not be less than forty per centum. In the case of a BOCES, such aid ratio shall be determined by computing a pupil wealth ratio for the BOCES using the aggregate actual valuation and total wealth pupil units for all component districts of such BOCES, but shall not be less than the greater of forty per centum or the product of eighty-five per centum and the highest such aid ratio determined for a component school district of such BOCES.

e. Employment preparation education apportionment. In addition to any other aid payable under this section, the apportionment pursuant to this subdivision shall be the product obtained when the employment preparation education hours are multiplied by the aid per contact hour which shall equal the product of the employment preparation program aid ceiling and the employment preparation education aid ratio computed to two decimals, rounded, as calculated based on data on file with the commissioner on May fifteenth of the base year. Notwithstanding the provisions of section thirty-six hundred nine-a of this part, the payment of such apportionment shall be based upon reports required by the commissioner for the periods ending December thirty-first, and June thirtieth of each school year; payments for the first reporting period shall be made after April first, based on claims on file by March first, provided that the total of all such payments shall not exceed twenty-five percent of the amount for such school year, with the approved amount of such claims reduced on a pro rata basis if necessary; the remainder of any payments due for the first period plus any payments

due for the rest of the school year shall be paid after October first, based on claims on file by September fifteenth, provided that the total of such payments shall not exceed the total amount of ninety-six million dollars (\$96,000,000) for such school year, with the approved amount of such claims reduced on a pro rata basis if necessary, provided that the total of such payment for services provided to persons who received a high school diploma or a high school equivalency diploma recognized by New York state shall not exceed the total amount set aside for such purpose pursuant to paragraph a-one of this subdivision in any such school year, with the approved amount of such claims reduced on a pro rata basis if necessary; and aid paid pursuant to this paragraph shall not be included in the computation of the district expenditure need as defined in such section thirty-six hundred nine-a of this part. The employment preparation education apportionment for the city school district of the city of New York shall be computed only for the city as a whole.

f. Approved application. All school districts and BOCES desiring to operate an aidable program pursuant to this subdivision shall complete an application, including a budget by program component. Such application shall be in a form prescribed by the commissioner and shall be submitted not later than May fifteenth of each school year. Within forty-five days of such deadline, and upon evaluation of such applications, the commissioner shall notify school districts and BOCES of those portions of such application that will be aidable in the school year ahead after making a determination that approval of such application will assure maximum effectiveness, geographic availability and lack of duplication of such programs, support for educational initiatives, and compliance with required program and fiscal reporting requirements. No aid shall be payable pursuant to this subdivision unless the application is approved by the commissioner.

g. No school district may receive under the provisions of this subdivision an amount which when added to all other state and federal aid received by such school district for the purposes of this subdivision, including tuition paid to the school district for such program, exceeds the entire cost of such program in that year.

Notwithstanding any other provision of this section to the contrary, in the event that the total revenue received exceeds the entire cost of such program, any state aid payable to the district in the following year shall be reduced in the amount of such excess.

h. Attendance of students in such approved programs shall not be included in any other attendance counts of this section and shall not generate aid under any other provision of this section or under section nineteen hundred fifty of this chapter.

12. Academic enhancement aid. a. A school district that as of April first of the base year has been continuously identified as a district in need of improvement for at least five years shall, for the two thousand eight--two thousand nine school year, be entitled to an additional apportionment equal to the positive remainder, if any, of (a) the lesser of fifteen million dollars or the product of the total foundation aid base, as defined by paragraph j of subdivision one of this section, multiplied by ten percent (0.10), less (b) the positive remainder of (i) the sum of the total foundation aid apportioned pursuant to subdivision four of this section and the supplemental educational improvement grants apportioned pursuant to subdivision eight of section thirty-six hundred forty-one of this article, less (ii) the total foundation aid base.

b. For the two thousand nine--two thousand ten through two thousand fourteen--two thousand fifteen school years, each school district shall be entitled to an apportionment equal to the amount set forth for such school district as "EDUCATION GRANTS, ACADEMIC EN" under the heading "2008-09 BASE YEAR AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand nine--two thousand ten school year and entitled "SA0910", and such apportionment shall be deemed to satisfy the state obligation to provide an apportionment pursuant to subdivision eight of section thirty-six hundred forty-one of this article.

c. For the two thousand fifteen--two thousand sixteen year, each school district shall be entitled to an apportionment equal to the amount set forth for such school district as "ACADEMIC ENHANCEMENT"

under the heading "2014-15 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand fourteen--two thousand fifteen school year and entitled "SA141-5", and such apportionment shall be deemed to satisfy the state obligation to provide an apportionment pursuant to subdivision eight of section thirty-six hundred forty-one of this article.

d. For the two thousand sixteen--two thousand seventeen school year, each school district shall be entitled to an apportionment equal to the amount set forth for such school district as "ACADEMIC ENHANCEMENT" under the heading "2015-16 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand fifteen--two thousand sixteen school year and entitled "SA151-6", and such apportionment shall be deemed to satisfy the state obligation to provide an apportionment pursuant to subdivision eight of section thirty-six hundred forty-one of this article.

e. For the two thousand seventeen--two thousand eighteen school year, each school district shall be entitled to an apportionment equal to the amount set forth for such school district as "ACADEMIC ENHANCEMENT" under the heading "2016-17 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand sixteen--two thousand seventeen school year and entitled "SA161-7", and such apportionment shall be deemed to satisfy the state obligation to provide an apportionment pursuant to subdivision eight of section thirty-six hundred forty-one of this article.

f. For the two thousand eighteen--two thousand nineteen school year, each school district shall be entitled to an apportionment equal to the amount set forth for such school district as "ACADEMIC ENHANCEMENT" under the heading "2017-18 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand seventeen--two thousand eighteen school year and entitled "SA171-8", and such apportionment shall be deemed to satisfy the state obligation to provide an apportionment pursuant to subdivision eight of section thirty-six hundred forty-one of this article.

g. For the two thousand nineteen--two thousand twenty school year, each school district shall be entitled to an apportionment equal to the amount set forth for such school district as "ACADEMIC ENHANCEMENT" under the heading "2018-19 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand eighteen--two thousand nineteen school year and entitled "SA181-9", and such apportionment shall be deemed to satisfy the state obligation to provide an apportionment pursuant to subdivision eight of section thirty-six hundred forty-one of this article.

h. For the two thousand twenty--two thousand twenty-one school year, each school district shall be entitled to an apportionment equal to the amount set forth for such school district as "ACADEMIC ENHANCEMENT" under the heading "2019-20 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand nineteen--two thousand twenty school year and entitled "SA192-0", and such apportionment shall be deemed to satisfy the state obligation to provide an apportionment pursuant to subdivision eight of section thirty-six hundred forty-one of this article.

i. For the two thousand twenty-one--two thousand twenty-two school year through the two thousand twenty-six--two thousand twenty-seven school year, each school district shall be entitled to an apportionment equal to the amount set forth for such school district as "ACADEMIC ENHANCEMENT" under the heading "2020-21 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand twenty--two thousand twenty-one school year and entitled "SA202-1", and such apportionment shall be deemed to satisfy the state obligation to provide an apportionment pursuant to subdivision eight of section thirty-six hundred forty-one of this article.

13. Youth incarcerated in county correctional facilities apportionment. a. In addition to any other apportionment under this section, a school district shall be eligible for an apportionment for current year educational services provided between July first and June thirtieth to youth incarcerated in correctional facilities maintained by

a county or the city of New York or in a youth shelter, as defined in paragraph f of subdivision seven of section thirty-two hundred two of this chapter, pursuant to subdivision seven of section thirty-two hundred two of this chapter. Such apportionment shall not exceed the sum of the following: (i) for programs which operate between September first and June thirtieth, the product of the district's expense per pupil and the number of pupils in full-time equivalent attendance as defined in regulations of the commissioner multiplied by one hundred twenty-five per centum plus (ii) for programs which operate between July first and June thirtieth, the product of the district's expense per pupil and the number of pupils in full-time equivalent attendance, multiplied by one hundred fifty per centum. Such apportionment shall be in accordance with regulations promulgated by the commissioner and approved by the director of the budget and shall be the lesser of the amount computed pursuant to this paragraph or the actual amount expended by the district for such approved educational services and approved administrative costs as reported to the commissioner provided, however, that the minimum allocation in any school year for a school district providing educational services to such children shall be fifteen thousand dollars. The educational costs for these children shall not be otherwise aidable or reimbursable under any provision of law; provided, however, that a city school district which operates an academy or an alternative high school at such a facility, may elect to receive applicable aid pursuant to other provisions of this section in lieu of any aid under this subdivision.

b. Notwithstanding the provisions of section thirty-six hundred nine-a of this part, the payment of such apportionment shall be based on reports required by the commissioner for the periods ending November thirtieth, March thirty-first and June thirtieth of each school year. For the city school district of the city of New York, computations made pursuant to this subdivision shall be computed on a city-wide basis.

d. The commissioner shall adopt regulations to implement the provisions of this subdivision.

14. Limitations on the apportionment. The apportionment to any school

district during any school year shall be subject to the following provisions:

a. District subject to reorganization. (1) No apportionments pursuant to subdivision six of this section shall be paid to any school district which is scheduled for reorganization pursuant to the state plan for school district reorganization, unless there shall have been compliance with this paragraph.

(2) In order to obtain an apportionment under subdivision six of this section for a district scheduled for reorganization and not reorganized, such district shall file with the commissioner a formal written application therefor, (a) showing (i) inadequacy or obsolescence of present facilities, and (ii) that such construction for which such apportionment is sought would be capable of substantial educational use by the reorganized district in case the reorganization under the existing plan of reorganization is effected, and that it will provide more efficient and more economical educational facilities for such reorganized district in the best educational interests of the children in the reorganized school district or (b) showing that such district has adopted a resolution or resolutions in accordance with sections eighteen hundred one through eighteen hundred three of this chapter in favor of such reorganization and is being prevented from reorganizing by the action of another district which is part of the same plan of reorganization. The commissioner shall within ninety days grant such apportionment or deny such apportionment with leave to the district to petition for a formal hearing. Such hearing shall be held pursuant to the procedures provided in subdivision three of section three hundred fourteen of this chapter.

(3) (a) Within sixty days after such hearing is concluded and all papers in relation thereto are submitted, the commissioner shall render a preliminary finding recommending whether a change is warranted, setting forth his findings and conclusions which shall be based exclusively on the evidence presented at the hearing. The commissioner shall recommend the amendment or confirmation of the state plan in accordance with his preliminary finding by a report made by him and entered in his office. The commissioner shall serve a copy of such preliminary finding upon the clerk or in the event that there is no

clerk, the trustee or trustees of the school districts located in the affected area or areas. In the event that such districts do not agree with such preliminary findings, the school districts affected by the terms of such preliminary finding may within thirty days apply to the chancellor of the board of regents for the appointment of a committee of the regents to review the proposed amendment or confirmation of the state plan. In the event that an application to the chancellor is not made within thirty days for the appointment of a committee of the regents, the preliminary finding shall become an order without further action of the commissioner.

(b) Upon receipt of such application, the chancellor shall appoint a committee of three members of the regents, one of whom shall be a regent whose judicial district includes all or part of the areas affected. The committee of regents shall review the proposed amendment or confirmation of the state plan. In the event the committee is unable to resolve the differences between the commissioner and such school districts, it shall within sixty days from the date of the appointment of such committee, make an order reversing, affirming, or modifying, wholly or in part, such preliminary finding of the commissioner and amending or confirming the state plan setting forth the committee's findings and conclusions which shall be based exclusively on the evidence presented at the commissioner's hearing and any additional evidence presented at the committee's review. The committee shall have the discretion to permit additional evidence to be presented by any party. The commissioner shall serve a copy of such order upon the clerk or in the event there is no clerk, the trustee or trustees of the school districts located in the affected area or areas.

(c) Such order of the committee of the regents shall be binding and final and subject to review pursuant to article seventy-eight of the civil practice law and rules. The scope of review shall include the question whether the determination is on the entire record supported by substantial evidence.

(d) The commissioner shall establish and promulgate rules of practice and procedures in connection with such hearings, shall provide for the attendance of the hearing officer, regulate the course of the hearing, fix the time for filing of briefs and other documents, provide a hearing stenographer and for the making of a record as well as the making of a

full transcript of all proceedings at the hearing and shall at the request of any party, school district or interested person have prepared and furnish a copy of the transcript or any party thereof upon payment of the costs therefor.

(e) School districts designated in the established plan by an order of the committee of the regents shall be made parties by the petitioning district. Districts which may be affected by the proposed change may join or be joined in such proceeding by the commissioner or any party.

(4) Notwithstanding the provisions of subparagraphs one through three of this paragraph, any such district which has qualified for an apportionment for school building purposes, under laws in effect prior to the date this act takes effect, shall receive an apportionment under subdivision six of this section; and provided, further, that no new apportionment shall be paid and the commissioner shall not approve any new expenditures for school building purposes in any such district after such date, except where the commissioner has made a determination as herein provided.

(5) Nothing herein provided shall prevent a school district which has heretofore been denied an apportionment subsequent to July first, nineteen hundred sixty-two from making an application hereunder, except that any such apportionment which may be granted shall not be retroactive beyond July first, nineteen hundred sixty-two.

c. Incentive building aid for reorganized districts. (1) Notwithstanding the provisions of this section, whenever two or more school districts are scheduled for reorganization pursuant to section three hundred fourteen of this chapter and whenever after July first, nineteen hundred sixty-five all such school districts so scheduled do reorganize, and

(i) whenever such proposed reorganization includes at least two school districts, each of which maintains its own high school, or

(ii) where such proposed reorganization includes only one school district maintaining its own high school, whenever in such case such proposed reorganization, in addition to such school district maintaining its own high school, includes at least nine other school districts, or

(iii) whenever such proposed reorganization includes at least two central school districts, or

(iv) where such proposed reorganization includes at least one school district maintaining its own high school and, in addition thereto, includes at least one school district employing eight or more teachers, or

(v) where such proposed reorganization includes a city school district, and in addition thereto, includes at least seven other school districts, or

(vi) where such proposed reorganization includes at least two school districts employing eight or more teachers forming a central high school district pursuant to section nineteen hundred thirteen of this chapter, beginning with July first, nineteen hundred sixty-five or the first school year of operation as a reorganized district after such date, such reorganized school district shall be entitled to an additional apportionment of twenty-five per centum of the sum of: (A) its apportionment as provided in subdivision six of this section whenever such apportionment is computed on the basis of its approved base year expenditures for capital outlay from its general, capital, or a reserve fund incurred prior to July first, two thousand one, or on the basis of its approved base year expenditures for capital outlay from its general, capital or a reserve fund incurred in the two thousand one--two thousand two school year and computed pursuant to subdivision six of this section as if such expenditures were aidable under such subdivision, and current year approved expenditures for debt service for school building purposes and (B) its apportionment as provided in subdivision six of this section, the general contracts for which shall have been awarded on or after the date this act takes effect and prior to July first, two thousand ten, or prior to July first, two thousand twelve where such general contracts are for projects with complete final plans and specifications filed for approval with the commissioner prior to July first, two thousand ten, or within ten years from the effective date of reorganization, whichever is later as provided in subdivision six of this section, and which said sum shall be payable for and during the terms of any indebtedness created for the purpose of financing such construction or other facility as aforesaid, provided however, that in no event may the total apportionment under this paragraph, under subdivision twelve of section thirty-six hundred forty-one of this article, and under subdivisions six and six-f of this section for any

project exceed the product of (1) ninety-eight percent for a high need school district, as defined pursuant to guidelines of the commissioner for the two thousand five--two thousand six school year, for all school building projects approved by the voters of the school district or by the board of education of a city school district in a city with more than one hundred twenty-five thousand inhabitants, and/or the chancellor in a city school district in a city having a population of one million or more, on or after July first, two thousand five, or ninety-five per cent for any other school building project or school district, multiplied by (2) the sum of the base year approved expenditures for capital outlay for school building purposes from the general fund, capital fund or from a reserve fund, and current year approved expenditures for debt service for such purposes for such project.

(2) Notwithstanding any provisions of this paragraph and paragraph d of this subdivision to the contrary, the commissioner is hereby authorized, in addition to any other state aid apportionments to which such district may be entitled under the provisions of this chapter, to make the additional reorganization incentive aid payments provided by such paragraphs, in the amounts, and in the manner provided therein, to central school district number one of the towns of Brookhaven and Smithtown, Suffolk county, as if such newly reorganized district were included in the various categories of reorganization referred to in such paragraphs.

(4) In the event a school district is eligible for incentive building aid and again reorganizes pursuant to a new plan of reorganization established by the commissioner, and where such new reorganization shall again become eligible for incentive building aid, no project of such district shall be entitled to more than one such additional twenty-five percent apportionment. The latest date provided in this paragraph for the awarding of general contracts shall also apply to any school district subject to chapter five hundred eighty-eight of the laws of nineteen hundred sixty-six as amended, notwithstanding such date provided in such chapter.

d. Incentive operating aid for reorganized districts. Notwithstanding the provisions of paragraphs a through c of this subdivision, whenever two or more school districts are scheduled for reorganization pursuant

to section three hundred fourteen of this chapter, and whenever after July first, two thousand seven, all such school districts so scheduled do reorganize in accordance with the provisions of such section three hundred fourteen, as amended by chapter seven hundred forty-five of the laws of nineteen hundred sixty-five, and

(1) whenever such proposed reorganization includes at least two school districts, each of which maintains its own high school, or

(2) where such proposed reorganization includes only one school district maintaining its own high school, whenever in such case such proposed reorganization, in addition to such school district maintaining its own high school, includes at least nine other school districts, or

(3) whenever such proposed reorganization includes at least two central school districts, or

(4) where such proposed reorganization includes at least one school district maintaining its own high school and, in addition thereto, includes at least one school district employing eight or more teachers, or

(5) where such proposed reorganization includes a city school district, and in addition thereto, includes at least seven other school districts, or

(6) where such reorganization includes at least two school districts employing eight or more teachers forming a central high school district pursuant to section nineteen hundred thirteen of this chapter.

(7) such reorganized district shall be entitled to an apportionment equal to an additional percent of the apportionment computed in accordance with the provisions of paragraph d-1 of this subdivision; but in no case shall the sum of such apportionment under this paragraph plus the total operating aid base as defined in this subdivision be more than a total of ninety-five per centum of the year prior to the base year approved operating expense; for a period of five years beginning with the first school year of operation as a reorganized district such additional percent shall be forty percent; and thereafter such additional forty percent apportionment to such district shall be reduced by four percentage points each year, beginning with the sixth school year of operation as a reorganized district, and continuing until such additional forty percent apportionment is eliminated; provided, however, that the total apportionment to such reorganized district, beginning

with the first school year of operation as a reorganized district, and for a period of fifteen years thereafter, shall be not less than the sum of all apportionments computed in accordance with the provisions of this paragraph plus the apportionment computed in accordance with the provisions of paragraph d-1 of this subdivision that each component school district was entitled to receive and did receive during the last school year preceding such first year of operation. In the event a school district is eligible for incentive operating aid and again reorganizes pursuant to a new plan or reorganization established by the commissioner, and where such new reorganization is again eligible for incentive operating aid, the newly created school district shall be entitled to receive incentive operating aid pursuant to the provisions of this paragraph, based on all school districts included in any such reorganization, provided, however, that incentive operating aid payments due because of any such former reorganization shall cease.

d-1. For purposes of paragraph d of this subdivision, "total operating aid base" shall mean the apportionment computed for the 2006-07 school year, based on data on file with the commissioner as of the date upon which an electronic data file was created for the purposes of compliance with paragraph b of subdivision twenty-one of section three hundred five of this chapter on February fifteenth, provided further that for school districts which reorganize on or after July first, two thousand twenty-four, for purposes of paragraph d of this subdivision, "total operating aid base" shall mean the total foundation aid base, as defined pursuant to paragraph j of subdivision one of this section, calculated as of the effective date of the reorganization.

f. For school districts which reorganize on or after July first, nineteen hundred eighty-three, the percent increase in apportionment pursuant to paragraph c of this subdivision shall be thirty provided that such school districts meet all other requirements of the provisions of such paragraph c. All other requirements of paragraph c shall apply. School districts which receive an apportionment under this paragraph shall not be eligible for an apportionment under paragraph c or e of this subdivision.

g. Whenever a school district is dissolved and portions of such former district are added to more than one school district, each such school district to which territory is added shall in the first year only in which such district educates pupils from such former district be entitled to an additional apportionment under the provisions of this paragraph, which apportionment shall be computed in accordance with regulations of the commissioner under one of the following subparagraphs:

(1) the pupils received by each such district as a result of receiving such new territory shall be added to all of the pupil counts used to compute operating aid for such district, or

(2) if such receiving district is receiving aid under an option other than formula aid for such year, the additional aid shall be computed by dividing the operating aids base for such year by the pupil count used for computing formula operating aid such district might otherwise have received, and by multiplying such result by the number of additional pupils received from such dissolved district who are then residents of such receiving district.

j. For school districts which reorganize on or after July first, nineteen hundred ninety-two, the percent increase in apportionment pursuant to paragraph c of this subdivision shall be thirty provided that such school districts meet all other requirements of the provisions of such paragraph c. All other requirements of paragraph c shall apply. School districts which receive an apportionment under this paragraph shall not be eligible for an apportionment under paragraph c, e or f of this subdivision.

15. Voluntary interdistrict urban-suburban transfer program aid. a. A school district which accepts pupils from another school district in accordance with a voluntary interdistrict urban-suburban transfer program designed to reduce racial isolation which is approved by the commissioner in accordance with regulations adopted by him for such purpose shall be eligible for aid pursuant to this subdivision.

b. Definitions. (1) "Transfer pupil count" shall mean the public school district enrollment in the current year through such program.

(2) "Increase in aid" shall mean the product of thirty-six and one-half percent (0.365) and the positive remainder resulting when the total foundation aid base is subtracted from the current year total foundation aid as defined in subdivision four of this section.

(3) "Aid paid per pupil" shall mean the aid computed in the current year pursuant to subdivision four of this section divided by the total aidable foundation pupil units for total foundation aid, computed pursuant to paragraph g of subdivision two of this section.

(4) "Formula pupil margin" shall mean the increase in aid divided by aid paid per pupil.

(5) "Excess transfer pupils" shall mean the positive remainder resulting when the formula pupil margin is subtracted from the transfer pupil count.

(6) "Per pupil aid differential" shall mean the positive remainder resulting when the aid paid per pupil for such school district is subtracted from the aid paid per pupil for the transfer pupil's district of residence.

c. In addition to any other aid computed under this section, such school district shall be eligible to receive, for each excess transfer pupil, an amount equal to the selected foundation aid for such district computed pursuant to subdivision four of this section.

d. For the purposes of computing transportation aid pursuant to subdivision seven of this section, the approved cost of the transportation of pupils in a voluntary interdistrict transfer program approved by the commissioner shall be used in computing approved transportation expense.

e. In addition to any other aid computed under this section, such school district shall be eligible to receive an amount equal to the per pupil aid differential multiplied by the transfer pupil count.

16. High tax aid. Each school district shall be eligible to receive a high tax aid apportionment in the two thousand eight--two thousand nine school year, which shall equal the greater of (i) the sum of the tier 1 high tax aid apportionment, the tier 2 high tax aid apportionment and

the tier 3 high tax aid apportionment or (ii) the product of the apportionment received by the school district pursuant to this subdivision in the two thousand seven--two thousand eight school year, multiplied by the due-minimum factor, which shall equal, for districts with an alternate pupil wealth ratio computed pursuant to paragraph b of subdivision three of this section that is less than two, seventy percent (0.70), and for all other districts, fifty percent (0.50). Each school district shall be eligible to receive a high tax aid apportionment in the two thousand nine--two thousand ten through two thousand twelve--two thousand thirteen school years in the amount set forth for such school district as "HIGH TAX AID" under the heading "2008-09 BASE YEAR AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand nine--two thousand ten school year and entitled "SA0910". Each school district shall be eligible to receive a high tax aid apportionment in the two thousand thirteen--two thousand fourteen through two thousand twenty-six--two thousand twenty-seven school year equal to the greater of (1) the amount set forth for such school district as "HIGH TAX AID" under the heading "2008-09 BASE YEAR AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand nine--two thousand ten school year and entitled "SA0910" or (2) the amount set forth for such school district as "HIGH TAX AID" under the heading "2013-14 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget for the 2013-14 fiscal year and entitled "BT131-4".

a. Definitions. (1) "Residential real property tax levy" shall mean the school tax levy imposed on residential property, including condominium properties, in the year commencing in the calendar year two years prior to the calendar year in which the base year began. The final update of such data shall be reported by the commissioner of taxation and finance to the commissioner by February fifteenth of the base year. The commissioner of taxation and finance shall adopt regulations as appropriate to assure the appropriate collection, classification and reporting of such data for the purposes of paying state aid to the schools.

(2) "Adjusted gross income" shall mean the adjusted gross income of a

school district as used in computation of the district's alternate pupil wealth ratio pursuant to paragraph b of subdivision three of this section, provided, however, that for the computation of apportionments pursuant to this subdivision, the adjusted gross income of a central high school district shall not equal the sum of the adjusted gross income of each of its component school districts; and provided, further, that commencing in calendar year two thousand twenty-two, New York state lottery and video lottery gaming individual prizes in excess of one million dollars that when aggregated exceeds twenty-five percent of a district's adjusted gross income shall be excluded from a district's adjusted gross income for the year. The commissioner of taxation and finance shall determine the amount of this exclusion based on the annual report of New York state lottery and video lottery gaming individual prizes in excess of one million dollars produced by the gaming commission pursuant to paragraph three of subdivision c of section sixteen hundred four of the tax law.

(3) "Tax effort ratio" shall mean the quotient of the district's residential real property tax levy divided by the district's adjusted gross income computed to five decimals without rounding.

(4) "Tier 1 eligible school district" shall mean any school district in which (i) the income wealth index, as computed pursuant to paragraph d of subdivision three of this section, is less than two and one-half, and (ii) the expense per pupil, as computed pursuant to paragraph f of subdivision one of this section, is greater than the statewide average expense per pupil as computed pursuant to subdivision five of this section, and (iii) the tax effort ratio is greater than three and two-tenths percent (0.032). For the two thousand eight--two thousand nine school year, for the purpose of computing aid pursuant to this subdivision, the statewide average expense per pupil shall be ten thousand six hundred fifty dollars.

(5) "Tier 2 eligible school district" shall mean any school district in which the tax effort ratio is greater than five percent.

(6) "Tier 3 eligible school district" shall mean any school district in which (i) the quotient of (a) the actual valuation of the school district divided by its total wealth pupil units computed pursuant to subparagraph one of paragraph a of subdivision three of this section, divided by (b) the adjusted gross income of a school district divided by

its total wealth pupil units computed pursuant to subparagraph one of paragraph b of subdivision three of this section, is greater than four and sixty-two hundredths (4.62), (ii) the combined wealth ratio computed pursuant to subparagraph one of paragraph c of subdivision three of this section is less than six, and (iii) the regional cost index determined pursuant to subparagraph two of paragraph a of subdivision four of this section is greater than one and three-tenths (1.3).

b. Tier 1 high tax aid apportionment. For any tier 1 eligible school district, the tier 1 high tax aid apportionment shall be the greater of (1) the product of the public school district enrollment of the district in the base year, as computed pursuant to subparagraph two of paragraph n of subdivision one of this section, multiplied by the product of four hundred fifty dollars multiplied by the state sharing ratio, or (2) one hundred thousand dollars.

c. Tier 2 high tax aid apportionment. For any tier 2 eligible school district, the tier 2 high tax aid apportionment shall be the product of (i) the public school district enrollment of the district in the base year, as computed pursuant to subparagraph two of paragraph n of subdivision one of this section, multiplied by (ii) one hundred eighty-one thousandths (0.181) multiplied by (iii) the positive difference, if any, of the expense per pupil, as computed pursuant to paragraph f of subdivision one of this section, less ten thousand six hundred sixty dollars, multiplied by (iv) an aid ratio computed by subtracting from one the product obtained by multiplying the alternate pupil wealth ratio computed pursuant to subparagraph one of paragraph b of subdivision three of this section by sixty percent, provided, however, that such aid ratio shall not be less than zero nor greater than one, multiplied by (v) the regional cost index.

d. Tier 3 high tax aid apportionment. For any tier 3 eligible school district, the tier 3 high tax aid apportionment shall be the product of (i) the public school district enrollment of the district in the base year, as computed pursuant to subparagraph two of paragraph n of subdivision one of this section, multiplied by (ii) fifty-two dollars, multiplied by (iii) the regional cost index.

17. Gap elimination adjustment. a. Notwithstanding any other provision of law to the contrary, the commissioner shall reduce payments due to each district for the two thousand eleven--two thousand twelve school year and thereafter pursuant to section thirty-six hundred nine-a of this article by an amount equal to the gap elimination adjustment computed for such district, and such amount shall be deducted from moneys apportioned for the purposes of payments made pursuant to such section thirty-six hundred nine-a and if the reduction is greater than the sum of the amounts available for such deductions, the remainder of the reduction shall be withheld from payments scheduled to be made to the district pursuant to section thirty-six hundred nine-a for the following school year, and provided further that an amount equal to the amount of such deduction shall be deemed to have been paid to the district pursuant to this section for the school year in which such deduction is made. The commissioner shall compute such gap elimination adjustment and shall provide a schedule of such reduction in payments to the state comptroller, the director of the budget, the chair of the senate finance committee and the chair of the assembly ways and means committee.

b. The gap elimination adjustment for the two thousand eleven--two thousand twelve school year shall be computed as follows, based on an updated electronic data file containing actual and estimated data relating to apportionments due and owing during the current school year and projections of such apportionments for the following school year to school districts and boards of cooperative educational services from the general support for public schools, growth and boards of cooperative educational services appropriations produced pursuant to paragraph b of subdivision twenty-one of section three hundred five of this chapter on February fifteenth of the base year. The gap elimination adjustment for a district shall equal the lesser of the district's percentage reduction and its TGFE check, provided, however, that in the case of a district with a tax effort ratio greater than four percent (0.04) and a combined wealth ratio for total foundation aid computed pursuant to subparagraph two of paragraph c of subdivision three of this section that is less than one and five-tenths (1.5), the gap elimination adjustment for a

district shall equal the lesser of the percentage reduction, the TGFE check and the tax effort reduction, and further provided that in the case of a school district, other than a city school district of a city having a population in excess of one hundred twenty-five thousand, with (A) an administrative efficiency ratio of less than one and eight-tenths percent (0.018) and (B) an administrative expense per pupil of less than three hundred forty-eight dollars (\$348), the gap elimination adjustment shall be reduced by an amount equal to the administrative efficiency restoration, and further provided that, where applicable, the gap elimination adjustment shall be reduced by an amount equal to the sum of the needs-based restoration plus the low wealth-high tax effort restoration plus the enrollment adjustment award.

(i) The percentage reduction shall be the sum of (A) the product of the total aid for adjustment, multiplied by six and four-tenths percent (0.064), and (B) the product of four thousand four hundred dollars (\$4,400) multiplied by the reduction factor, multiplied by the public school district enrollment for the base year computed pursuant to subparagraph two of paragraph n of subdivision one of this section, provided, however, that such percentage reduction shall not be less than the product of nine and one-half percent (0.095) multiplied by such total aid for adjustment, and not more than the product of twenty-one and four-tenths percent (0.214) multiplied by such total aid for adjustment.

(ii) The tax effort reduction shall be the product of the total aid for adjustment, multiplied by the quotient of twenty-three percent (0.23) divided by the quotient of the tax effort ratio computed pursuant to subparagraph three of paragraph a of subdivision sixteen of this section divided by four and two hundred forty-seven thousandths percent (0.04247), provided, however, that such tax effort reduction shall not be less than the product of thirteen percent (0.13) multiplied by such total aid for adjustment, and not more than the product of twenty-three percent (0.23) multiplied by such total aid for adjustment.

(iii) The TGFE check shall be the product of the TGFE percentage and the total general fund expenditures of such district in the base year.

(iv) The administrative efficiency restoration shall be the product of seventy-five dollars (\$75), multiplied by the state sharing ratio, multiplied by the total aidable foundation pupil units computed pursuant

to paragraph g of subdivision two of this section for the purposes of computing total foundation aid.

(v) The needs-based restoration shall be the sum of (A) the product of the needs-based grant, multiplied by the public school district enrollment for the base year computed pursuant to subparagraph two of paragraph n of subdivision one of such section thirty-six hundred two of this part, plus (B) in the case of any district for which the quotient of the Limited English proficient count for the base year computed pursuant to paragraph o of subdivision one of this section divided by the public school district enrollment for the base year computed pursuant to subparagraph two of paragraph n of subdivision one of this section, exceeds thirteen percent (0.13), the product of the total aid for adjustment multiplied by seventy-five hundredths of a percent (0.0075).

(vi) The low wealth-high tax effort restoration shall be, for any school district with a tax effort ratio greater than six percent (0.06) and a combined wealth ratio for total foundation aid that is less than seven-tenths (0.7), the product of one hundred dollars (\$100.00) multiplied by the public school district enrollment for the base year computed pursuant to subparagraph two of paragraph n of subdivision one of this section.

(vii) The enrollment adjustment award shall be the product of five hundred dollars (\$500.00) multiplied by the enrollment increase for any eligible school district. An eligible school district shall be a school district (A) with a combined wealth ratio for total foundation aid less than three (3.0) and an enrollment increase greater than or equal to forty-five, where, (B) for such school district, either the enrollment increase is greater than one percent (0.01) of the public school district enrollment for the base year or the combined wealth ratio for total foundation aid is less than two (2.0). The enrollment increase shall be as the positive difference of the estimated public school district enrollment for the current year computed pursuant to subparagraph two of paragraph n of subdivision one of this section less the public school district enrollment for the base year computed pursuant to subparagraph two of paragraph n of subdivision one of this section.

(viii) For the purposes of such computation, (A) "total aid for

adjustment" shall mean the sum of the amounts set forth for each school district as "FOUNDATION AID", "FULL DAY K CONVERSION", "BOCES + SPECIAL SERVICES", "HIGH COST EXCESS COST", "PRIVATE EXCESS COST", "HARDWARE & TECHNOLOGY", "SOFTWARE, LIBRARY, TEXTBOOK", "TRANSPORTATION INCL SUMMER", "OPERATING REORG INCENTIVE", "CHARTER SCHOOL TRANSITIONAL", "ACADEMIC ENHANCEMENT", "HIGH TAX AID" AND "SUPPLEMENTAL PUB EXCESS COST" under the heading "2011-12 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget proposal for the two thousand eleven--two thousand twelve school year;

(B) "the state sharing ratio" shall mean the state sharing ratio computed for total foundation aid computed pursuant to paragraph g of subdivision three of this section, but not less than ten percent (0.10); and

(C) "reduction factor" shall mean the product of the positive remainder of one less the three-year average free and reduced price lunch percent computed pursuant to subparagraph (ii) of paragraph p of subdivision one of this section, multiplied by the combined wealth ratio for total foundation aid computed pursuant to subparagraph two of paragraph c of subdivision three of section thirty-six hundred two of this part; and

(D) "needs-based grant" shall mean, (1) in the case of a district determined to be a high need school district pursuant to clause (c) of subparagraph two of paragraph c of subdivision six of this section for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand seven--two thousand eight school year and entitled "SA0708", having a need-resource category of three or four, sixty-one dollars (\$61.00), and (2) in the case of a district determined to be an average need school district pursuant to clause (c) of subparagraph two of paragraph c of subdivision six of this section for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand seven--two thousand eight school year and entitled "SA0708", having a need-resource category of five, fifty-four dollars (\$54.00).

(E) "administrative efficiency ratio" shall mean the quotient of the sum of the expenditures related to the board of education, including expenditures for the board of education, the district clerk's office,

the district meeting, auditing service, the treasurer's office, the tax collector's office, legal services and the school census, plus expenditures for central administration, including expenditures for the chief school officer, the business office, the purchasing office, the personnel office, the records management officer, public information and services, fees for fiscal agents and undistributed indirect costs, divided by the total expenditures charged by a district to the general, debt service, and special aid funds, excluding transfers from the general fund to the debt service and special aid funds, based on expenditures reported by the district for the school year two years prior to the base year, based on data on file for an electronic data file used to produce the school aid computer listing produced by the commissioner in support of the executive budget request; and

(F) "administrative expense per pupil" shall mean the quotient of the sum of the expenditures related to the board of education, including expenditures for the board of education, the district clerk's office, the district meeting, auditing service, the treasurer's office, the tax collector's office, legal services and the school census, plus expenditures for central administration, including expenditures for the chief school officer, the business office, the purchasing office, the personnel office, the records management officer, public information and services, fees for fiscal agents and undistributed indirect costs, charged by a district to the general, debt service, and special aid funds, based on expenditures reported by the district for the school year two years prior to the base year, divided by the public school district enrollment for the base year computed pursuant to subparagraph two of paragraph n of subdivision one of this section based on data on file for an electronic data file used to produce the school aid computer listing produced by the commissioner in support of the executive budget request; and

(G) "TGFE percentage" shall mean,

(1) in the case of a district determined to be a high-need school district pursuant to clause (c) of subparagraph two of paragraph c of subdivision six of this section for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand seven--two thousand eight school year and entitled "SA0708",

(a) in the case of a city school district in a city with a population in excess of one million inhabitants, four and five hundred thirty-seven thousandths percent (0.04537),

(b) in the case of a city school district in a city with a population of more than two hundred fifty thousand inhabitants and less than one million inhabitants according to the two thousand federal census, four and one-tenth percent (0.041),

(c) in the case of a city school district in a city with a population of more than two hundred ten thousand inhabitants and less than two hundred fifty thousand inhabitants according to the two thousand federal census, four and thirteen hundredths percent (0.0413),

(d) in the case of a city school district in a city with a population of more than one hundred seventy thousand inhabitants and less than two hundred ten thousand inhabitants according to the two thousand federal census, five and ninety-seven hundredths percent (0.0597),

(e) in the case of a city school district in a city with a population of more than one hundred thousand inhabitants and less than one hundred seventy thousand inhabitants according to the two thousand federal census, five and fifty-three hundredths percent (0.0553),

(f) in the case of any other such school district which has a three-year average free and reduced price lunch percent greater than seventy-five percent (0.75) and which has an administrative efficiency ratio less than one and fifty-five hundredths percent (0.0155), four and nine hundredths percent (0.0409), and

(g) for all other such school districts, six and eight-tenths percent (0.068), or

(2) in the case of all other school districts, eleven percent (0.11).

d. The gap elimination adjustment restoration amount for the two thousand twelve--two thousand thirteen school year for a school district shall be computed based on data on file with the commissioner and in the database used by the commissioner to produce an updated electronic data file in support of the enacted budget for the two thousand twelve--two thousand thirteen state fiscal year, and shall equal the sum of (i) the greater of:

(A) the product of (1) the product of the extraordinary needs index multiplied by two hundred twenty-three dollars and eighty cents,

computed to two decimal places without rounding, multiplied by (2) the state sharing ratio computed pursuant to paragraph g of subdivision three of this section multiplied by (3) the public school district enrollment for the base year, calculated pursuant to subparagraph two of paragraph n of subdivision one of this section, where the extraordinary needs index shall be the quotient of the extraordinary needs percent for the district computed pursuant to paragraph w of subdivision one of this section divided by forty-eight hundredths; or

(B) for any district with a GEA/TGFE ratio greater than one, where the GEA/TGFE ratio shall be the quotient of the gap elimination adjustment for the two thousand eleven--two thousand twelve school year for the district divided by the total general fund expenditures of such district in the base year, divided by the quotient of the statewide total gap elimination adjustment for the two thousand eleven--two thousand twelve school year divided by total general fund expenditures in the base year, the product of (1) the product of the GEA/TGFE ratio multiplied by ninety dollars, computed to two decimal places without rounding, multiplied by (2) the state sharing ratio computed pursuant to paragraph g of subdivision three of this section multiplied by (3) the public school district enrollment for the base year, calculated pursuant to subparagraph two of paragraph n of subdivision one of this section; or

(C) the product of two and nine hundred fifty-six one-thousandths of a percent (0.02956) multiplied by the gap elimination adjustment for the two thousand eleven--two thousand twelve school year; or

(D) the product of (1) the positive difference, if any, of one and thirty-seven one-hundredths (1.37) minus the product of the combined wealth ratio computed pursuant to subparagraph one of paragraph c of subdivision three of this section multiplied by one and one-half (1.5), but not more than one, multiplied by (2) the public school district enrollment for the base year, calculated pursuant to subparagraph two of paragraph n of subdivision one of this section, multiplied by (3) four hundred seventy-three dollars and seventy cents; or

(E) for any district with a tax effort ratio computed pursuant to subparagraph three of paragraph a of subdivision sixteen of this section that is greater than four and four-tenths (4.4) and a combined wealth ratio computed pursuant to subparagraph one of paragraph c of subdivision three of this section that is less than one and one-half

(1.5), the product of (1) the state sharing ratio computed pursuant to paragraph g of subdivision three of this section multiplied by (2) the public school district enrollment for the base year, calculated pursuant to subparagraph two of paragraph n of subdivision one of this section, multiplied by (3) three hundred nine dollars and thirty cents; but shall be no greater than the product of twenty-five percent and the gap elimination adjustment for the two thousand eleven--two thousand twelve school year for the district, and (ii) the Limited English proficiency restoration which shall be apportioned to city school districts of cities with a population in excess of one hundred twenty-five thousand and less than one million. For any such city school district with a limited English proficiency ratio greater than or equal to four percent and less than five percent, the limited English proficiency restoration shall equal the product of the limited English proficiency restoration base multiplied by seven tenths. For any such city school district with a limited English proficiency ratio greater than or equal to five percent, the limited English proficiency restoration shall equal the product of the limited English proficiency restoration base multiplied by two and two tenths. For any such city school district with a limited English proficiency ratio less than four percent, the limited English proficiency restoration shall equal the product of the limited English proficiency restoration base multiplied by one and seventy-five hundredths.

(A) for the purposes of computations pursuant to this subparagraph (1) "limited English proficiency ratio" shall mean the quotient of (a) the product of the limited English proficiency count computed pursuant to paragraph o of subdivision one of this section multiplied by fifty percent, divided by (b) public school district enrollment for the base year computed pursuant to subparagraph two of paragraph n of subdivision one of this section;

(2) "limited English proficiency restoration base" shall mean the product of the amount set forth for such school district as "TOTAL" under the heading "2011-12 BASE YEAR AIDS" in the school aid computer listing produced by the commissioner in support of the enacted budget for the 2012-13 school year and entitled "SA121-3" multiplied by eleven hundredths of one percent.

(e) The gap elimination adjustment restoration amount for the two

thousand thirteen--two thousand fourteen school year for a school district shall be computed based on data on file with the commissioner and in the database used by the commissioner to produce an updated electronic data file in support of the enacted budget for the two thousand thirteen--two thousand fourteen state fiscal year end entitled "SA131-4" and shall equal the greater of one hundred thousand dollars (\$100,000) or the sum of:

(i) the "Tier A restoration" which shall mean the amount set forth for such school district as "GEA RESTORATION" under the heading "2013-14 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget request submitted for the two thousand thirteen--two thousand fourteen state fiscal year and entitled "BT131-4"; and

(ii) the "Tier B restoration" which shall mean for a district with (1) a combined wealth ratio of less than one and seven-tenths (1.7) and (2) an enrollment per square mile which shall be the quotient, computed to two decimals without rounding, of the public school enrollment of the school district on the date enrollment was counted in accordance with subdivision one of this section for the base year divided by the square miles of the district, as determined by the commissioner, of less than one hundred and seventy and (3) a designation as high need or average need pursuant to clause (c) of subparagraph two of paragraph c of subdivision six of this section for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand seven--two thousand eight school year and entitled "SA0708", or in the case of a reorganized district that had a predecessor district that was so designated and (4) a tier A restoration which equals less than twenty and seven-tenths percent (0.207) of the gap elimination adjustment for the base year, the positive difference if any, of the product of twenty and seven-tenths percent (0.207) multiplied by the gap elimination adjustment for the base year minus the tier A restoration; and

(iii) the "Tier C restoration" which shall mean for a district for which the sum of the tier A restoration and the tier B restoration is less than the product of the gap elimination adjustment for the base year multiplied by six percent (0.06), the positive difference of the product of the gap elimination adjustment for the base year multiplied

by six percent (0.06) minus the sum of the tier A restoration and the tier B restoration; and

(iv) the "Tier D restoration" which shall mean for school districts that were: (1) designated as low or average need pursuant to clause (c) of subparagraph two of paragraph c of subdivision six of this section for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand seven--two thousand eight school year and entitled "SA0708", or in the case of a reorganized district that had a predecessor district that was so designated and (2) designated as high need pursuant to the regulations of the commissioner in the most recently available study included in the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand thirteen--two thousand fourteen state fiscal year and entitled "SA131-4" known as the 2008 need resource capacity category code, the product of (a) the positive difference, if any, of the gap elimination adjustment for such district for the two thousand eleven--two thousand twelve school year minus the product of six and eight tenths percent (0.068) multiplied by the total general fund expenditures of such district for the two thousand ten--two thousand eleven school year, multiplied by (b) thirty-five hundredths (0.35); and

(v) the "Tier E restoration" which shall mean for districts with (1) a quotient of the positive difference of the gap elimination adjustment for the year prior to the base year minus the gap elimination adjustment for the base year divided by the gap elimination adjustment for the year prior to the base year is less than seven and five-tenths percent (0.075) and (2) a combined wealth ratio of less than one and one-tenth (1.10), the product of two and five-tenths percent (0.025) multiplied by the gap elimination adjustment for the base year; and

(vi) the "Tier F restoration" which shall mean for any district (1) designated as high need pursuant to clause (c) of subparagraph two of paragraph c of subdivision six of this section for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand seven--two thousand eight school year and entitled "SA0708", or in the case of a reorganized district that had a predecessor district that was so designated, with (2) a GEA/TGFE ratio greater than four and ninety-one hundredths percent (.0491), where the GEA/TGFE ratio shall be the quotient of the gap elimination adjustment

for the base year for the district divided by the total general fund expenditures of such district in the base year, the product of fifteen dollars (\$15.00), multiplied by the base year public school district enrollment, as computed pursuant to paragraph n of subdivision one of this section, but not less than one hundred thousand dollars (\$100,000); and

(vii) the "Tier G restoration" which shall mean for a city school district of a city having a population in excess of one hundred twenty-five thousand and less than one hundred and sixty thousand and for city school districts of cities with populations in excess of two hundred and five thousand and less than three hundred thousand, the product of ten dollars (\$10.00) multiplied by the base year public school district enrollment, as computed pursuant to paragraph n of subdivision one of this section and for a city school district of a city having a population in excess of one hundred sixty thousand and below two hundred thousand the product of eight dollars (\$8.00) multiplied by the base year public school district enrollment, as computed pursuant to paragraph n of subdivision one of this section and for a city school district of a city having a population of one million or more, the product of forty-two dollars and two cents (\$42.02), multiplied by the base year public school district enrollment, as computed pursuant to paragraph n of subdivision one of this section; and

(viii) the "Tier H restoration" which shall mean for districts other than for city school districts of cities having populations of one hundred and twenty-five thousand or more, the product of the positive difference of one and forty-three hundredths (1.43) minus such district's regional cost index pursuant to subdivision four of this section, multiplied by five, multiplied by the three-year average free and reduced price lunch percent, multiplied by one hundred dollars (\$100.00) multiplied by the base year public school district enrollment, as computed pursuant to paragraph n of subdivision one of this section; and

(ix) the "Tier I restoration" which shall mean for any district with a combined wealth ratio greater than one and one-tenth (1.1) and a three-year average free and reduced price lunch percent greater than six-tenths (0.6), the product of one hundred and fifty dollars (\$150.00) multiplied by the base year public school district enrollment, as

computed pursuant to paragraph n of subdivision one of this section; and

(x) the "Tier J restoration" which shall mean for a district with a combined wealth ratio less than one and one-tenths (1.1), the product of (a) two hundred dollars (\$200.00) multiplied by (b) the positive difference, if any, of the base year public school district enrollment less the public school district enrollment for the year four years prior to the base year, as computed pursuant to paragraph n of subdivision one of this section;

Provided further, notwithstanding any portion of this paragraph to the contrary, that a district's gap elimination adjustment restoration for the two thousand thirteen--two thousand fourteen school year shall not exceed the product of forty-three percent (0.43) and the gap elimination adjustment for the base year for the district.

(f) The gap elimination adjustment restoration amount for the two thousand fourteen--two thousand fifteen school year for a school district shall be computed based on data on file with the commissioner and in the database used by the commissioner to produce an updated electronic data file in support of the enacted budget for the two thousand fourteen--two thousand fifteen state fiscal year and entitled "SA141-5" and shall equal the greater of:

(i) the product of fourteen and thirteen hundredths percent (0.1413) multiplied by the gap elimination adjustment for the base year or;

(ii) the positive difference of (a) the product of twenty-nine percent (0.29) multiplied by the absolute value of the amount set forth for such school district as "GAP ELIMINATION ADJUSTMENT" under the heading "2011-12 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget request submitted for the two thousand eleven--two thousand twelve state fiscal year and entitled "BT111-2" minus (b) the positive difference of the absolute value of the amount set forth for such school district as "GAP ELIMINATION ADJUSTMENT" under the heading "2011-12 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget request submitted for the two thousand eleven--two thousand twelve state fiscal year and entitled "BT111-2" minus the gap elimination adjustment for the base year or;

(iii) seventy thousand dollars (\$70,000) or;

(iv) the sum of:

(A) the product of the FRPL restoration amount multiplied by the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section multiplied by the three-year average free and reduced price lunch percent, provided further, for the purposes of this paragraph the FRPL restoration amount shall equal (1) for a city school district of a city having a population in excess of one hundred twenty-five thousand and less than one million, five dollars (\$5.00) or (2) for a city school district of a city having a population in excess of one million, one hundred four dollars and forty cents (\$104.40) or (3) for all other school districts forty-three dollars (\$43.00); and

(B) for a school district with (1) a three-year average free and reduced price lunch percent greater than sixty-five percent (0.65) and (2) base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section greater than thirty-five hundred (3,500) and for which (3) the quotient of (a) the positive difference, if any, of the absolute value of the amount set forth for such school district as "GAP ELIMINATION ADJUSTMENT" under the heading "2011-12 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget request submitted for the two thousand eleven--two thousand twelve state fiscal year and entitled "BT111-2" minus the positive difference of the absolute value of the amount set forth for such school district as "GAP ELIMINATION ADJUSTMENT" under the heading "2014-15 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget request submitted for the two thousand fourteen--two thousand fifteen state fiscal year and entitled "BT141-5" divided by (b) the absolute value of the amount set forth for such school district as "GAP ELIMINATION ADJUSTMENT" under the heading "2011-12 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support to the executive budget request submitted for the two thousand eleven--two thousand twelve state fiscal year and entitled "BT111-2" is less than sixty percent (0.60), the product of one hundred and forty-three dollars (\$143.00) multiplied by the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section; and

(C) for a school district other than a city school district of a city having a population in excess of one million for which the quotient of (a) the positive difference, if any, of the limited English proficient count for the base year minus the limited English proficient count for the two thousand eight--two thousand nine school year divided by (b) the limited English proficient count for the two thousand eight--two thousand nine school year is greater than five percent (0.05), the product of one thousand five hundred dollars (\$1,500) multiplied by the positive difference, if any of the limited English proficient count for the base year minus the limited English proficient count for the two thousand eight--two thousand nine school year multiplied by such districts extraordinary needs percent as computed pursuant to paragraph w of subdivision one of this section; and

(D) for a school district for which the quotient of the number of persons aged five to seventeen within the school district, based on the most recent decennial census as tabulated by the National Center on Education Statistics, who were enrolled in public schools and whose families had incomes below the poverty level, divided by the total number of person aged five to seventeen within the school district, based on such decennial census, who were enrolled in public schools, computed to four decimals without rounding is greater than eighteen percent (0.18), the product of four hundred and ninety-five dollars (\$495) multiplied by the positive difference, if any of the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section minus the two thousand ten--two thousand eleven public school district enrollment, as computed pursuant to subparagraph two of paragraph n of subdivision one of this section; and

(E) for a school district for which (1) the quotient of the two thousand thirteen--two thousand fourteen gap elimination adjustment divided by the total general fund expenditures for such district for the base year exceeds five percent (0.05), the product of ninety dollars (\$90.00) multiplied by the base year public school district enrollment, as computed pursuant to paragraph n of subdivision one of this section; and

(F) for school districts for which the quotient of non public school district enrollment divided by the sum of the non public school district

enrollment and the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section is greater than twenty-five hundredths (0.25), the product of (1) the quotient of non public school district enrollment divided by the sum of the non public school district enrollment and the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section multiplied by (2) the extraordinary needs percent as computed pursuant to paragraph w of subdivision one of this section multiplied by (3) the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section multiplied by (4) three hundred and fifty dollars (\$350.00); and

(G) for school districts that: (1) were designated as average need pursuant to clause (c) of subparagraph two of paragraph c of subdivision six of this section for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand seven--two thousand eight school year and entitled "SA0708" and (2) a combined wealth ratio computed pursuant to subparagraph one of paragraph c of subdivision three of this section of less than one (1.0) or for a school district designated as high need urban-suburban pursuant to clause (c) of subparagraph two of paragraph c of subdivision six of this section for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand seven--two thousand eight school year and entitled "SA0708", the product of fifty-one dollars (\$51.00) multiplied by the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section; and

(H) for a school district designated as rural high need pursuant to clause (c) of subparagraph two of paragraph c of subdivision six of this section for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand seven--two thousand eight school year and entitled "SA0708", the product of two hundred dollars (\$200.00) multiplied by the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section; and

(I) for school districts that were designated as small city school districts or central school districts whose boundaries include a portion

of a small city for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand fourteen--two thousand fifteen school year and entitled "SA1415" the product of twenty-five dollars (\$25.00) multiplied by the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section and for school districts for which the quotient, computed to two decimals without rounding, of the public school enrollment of the school district on the date enrollment was counted in accordance with this subdivision for the base year divided by the square miles of the district, as determined by the commissioner is less than two hundred and fifty (250), the product of sixteen dollars (\$16.00) multiplied by the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section; and

(J) For a district for which (1) the quotient, computed to two decimals without rounding, of the public school enrollment of the school district on the date enrollment was counted in accordance with this subdivision for the base year divided by the square miles of the district, as determined by the commissioner is greater than eight hundred (800) and (2) the tax effort ratio, as defined in subdivision sixteen of this section is greater than four and (3) the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section is greater than the two thousand ten--two thousand eleven public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section, the product of two hundred and fifty dollars (\$250.00) multiplied by the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section, provided that such amount shall not exceed one million dollars (\$1,000,000); and

(K) For school districts that were: (1) designated as low or average need pursuant to clause (c) of subparagraph two of paragraph c of subdivision six of this section for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand seven--two thousand eight school year and entitled "SA0708", or in the case of a reorganized district that had a predecessor district that was so designated and (2) designated as high

need pursuant to the regulations of the commissioner in the most recently available study included in the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand thirteen--two thousand fourteen state fiscal year and entitled "SA131-4" known as the 2008 need resource capacity category code, the product of (a) the positive difference, if any, of the absolute value of the amount set forth for such school district as "GAP ELIMINATION ADJUSTMENT" under the heading "2011-12 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget request submitted for the two thousand eleven--two thousand twelve state fiscal year and entitled "BT111-2" minus the product of six and eight tenths percent (0.068) multiplied by the total general fund expenditures of such district for the two thousand ten--two thousand eleven school year, multiplied by (b) fifty-five hundredths (0.55); and

(L) the amount set forth for such school district as "GEA RESTORATION" under the heading "2014-15 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget request submitted for the two thousand fourteen--two thousand fifteen state fiscal year and entitled "BT141-5".

Provided further, notwithstanding any provision of this paragraph to the contrary, that a district's gap elimination adjustment restoration for the two thousand fourteen--two thousand fifteen school year shall not exceed the product of seventy percent (0.70) and the gap elimination adjustment for the base year for the district.

g. The gap elimination adjustment restoration amount for the two thousand fifteen--two thousand sixteen school year for a school district shall be computed based on data on file with the commissioner and in the database used by the commissioner to produce an updated electronic data file in support of the enacted budget for the two thousand fifteen--two thousand sixteen state fiscal year and entitled "SA151-6" and shall equal the sum of tiers one through four plus the sum of minimums A, B, and C.

(i) "Tier one" shall equal the product of thirty dollars (\$30.00) multiplied by the extraordinary needs count computed pursuant to

paragraph s of subdivision one of this section multiplied by the concentration factor, where the concentration factor shall be the sum of one plus the quotient arrived at when dividing (1) the difference of the extraordinary needs percent computed pursuant to paragraph w of subdivision one of this section less four-tenths (0.4) divided by (2) nine hundred two thousandths (0.902), provided, however, that such concentration factor shall not be less than one.

(ii) "Tier two" shall be the product, for districts with a change in enrollment of greater than two percent, of six hundred dollars (\$600.00), and for all other districts with a change in enrollment greater than zero but less than two percent, five hundred dollars (\$500.00) multiplied by the change in enrollment, where the change in enrollment shall be the positive difference, if any, of the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section for the base year less public school district enrollment for the two thousand thirteen--two thousand fourteen school year.

(iii) "Tier three" shall be the product of twenty-two dollars and fifty cents (\$22.50) multiplied by the free and reduced price lunch percent computed pursuant to paragraph p of subdivision one of this section multiplied by the base year public school district enrollment as computed pursuant to subparagraph two of paragraph n of subdivision one of this section for the base year.

(iv) "Tier four" shall be the product of three hundred dollars (\$300.00) multiplied by the limited English proficient count computed pursuant to paragraph o of subdivision one of this section multiplied by the extraordinary needs percent computed pursuant to paragraph w of subdivision one of this section multiplied by the sum of one and the LEP growth percent, where the LEP growth percent shall be the quotient arrived at by dividing the positive difference, if any, of the limited English proficient count for the base year less such count for the year prior to the base year divided by such count for the year prior to the base year.

(v) "Minimum A" shall be the minimum A percent multiplied by the gap elimination adjustment for the base year, where the minimum A percent shall be the greater of (1) for a city school district of a city having a population of one million or more twenty-nine and forty-five

hundredths percent (0.2945), or (2) for a city school district of a city having a population of one hundred twenty-five thousand or more but less than one million and a combined wealth ratio of less than five-tenths (0.5) eighty percent (0.80), or (3) for all other districts with a combined wealth ratio less than one and eight-tenths (1.8) thirty-five and six-tenths percent (0.356), or (4) for all other districts thirty percent (0.30).

(vi) "Minimum B" shall be for districts designated as average need pursuant to clause (c) of subparagraph two of paragraph c of subdivision six of this section for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand seven--two thousand eight school year and entitled "SA0708" and with a combined wealth ratio of less than seventy-eight hundredths (0.78), twenty-six and fifteen hundredths percent (0.2615) multiplied by the gap elimination adjustment for the base year.

(vii) "Minimum C" shall be for districts designated as high need pursuant to clause (c) of subparagraph two of paragraph c of subdivision six of this section for the school aid computer listing produced by the commissioner in support of the enacted budget for the two thousand seven--two thousand eight school year and entitled "SA0708", other than those city school districts of a city having a population of one hundred twenty-five thousand or more, forty-three percent (0.43) multiplied by the gap elimination adjustment for the base year.

(viii) Provided however, that no GEA restoration shall be more than the product of ninety-eight percent (0.98) multiplied by the gap elimination adjustment for the base year.

h. The gap elimination adjustment for the two thousand sixteen--two thousand seventeen school year and thereafter shall equal zero.

18. Allocable growth amount apportionment. Such amount shall be apportioned for a school year pursuant to a chapter of the laws of New York enacted for the state fiscal year in which such school year commences, and shall be allocated to purposes including but not limited to competitive grant awards made pursuant to subdivisions five and six of section thirty-six hundred forty-one of this article, the foundation aid phase-in amount or other foundation aid increase allocated pursuant

to subdivision four of this section and the gap elimination adjustment restoration amount apportioned pursuant to subdivision seventeen of this section. In the event that a chapter of the laws of New York enacted for the state fiscal year in which such school year commences is not enacted, the allocations in support of subdivisions five and six of section thirty-six hundred forty-one of this article shall equal the allocations in support of such awards in the base year, and the apportionments pursuant to subdivisions four and seventeen of this section for the current year shall equal the apportionments for such subdivisions four and seventeen for the base year.

19. Pandemic adjustment. a. Notwithstanding any other provision of law to the contrary, the commissioner shall reduce payments due to each district for the two thousand twenty--two thousand twenty-one school year pursuant to section thirty-six hundred nine-a of this part by an amount equal to the pandemic adjustment computed for such district, and provided further that an amount equal to the amount of such deduction shall be deemed to have been paid to the district pursuant to this section for the school year in which such deduction is made. The commissioner shall compute such pandemic adjustment in each electronic data file produced pursuant to subdivision twenty-one of section three hundred five of this chapter, based on the following information: (i) ninety-nine and one-half percent of the funds from the elementary and secondary emergency relief fund that are available for school districts pursuant to the Coronavirus Aid, Relief, and Economic Security Act of 2020, and (ii) the governor's emergency relief fund pursuant to such act, provided that a schedule of such amounts shall be approved by the director of the budget, and provided further the commissioner shall provide a schedule of such pandemic adjustment to the state comptroller, the director of the budget, the chair of the senate finance committee, and the chair of the assembly ways and means committee.

b. Notwithstanding any inconsistent provision of law to the contrary, where additional federal and state revenues are apportioned to school districts with a pandemic adjustment reduction pursuant to this subdivision, such additional federal and state revenues shall be apportioned to such school district in an amount equal to the pandemic

adjustment as computed herein, unless otherwise specified by federal law.

c. The positive value of the pandemic adjustment payment reduction shall not exceed the sum of moneys apportioned pursuant to sections seven hundred one, seven hundred eleven, seven hundred fifty-one, seven hundred fifty-three, thirty-six hundred nine-a, thirty-six hundred nine-b, thirty-six hundred nine-d, thirty-six hundred nine-f, and thirty-six hundred nine-h for the two thousand twenty--two thousand twenty-one school year for any school district.

20. Shared services aid for school districts which are not components of a board of cooperative educational services supervisory district, including large city school districts. Commencing with aid payable in the nineteen hundred ninety-eight--ninety-nine school year, school districts which are not components of a board of cooperative educational services supervisory district, including city school districts of those cities having populations in excess of one hundred twenty-five thousand inhabitants that participate in, or provide, shared services for the purpose of instructional support service as authorized by subdivision eight-c of section nineteen hundred fifty of this chapter shall be eligible for an additional apportionment in accordance with the provisions of this paragraph. Within the amount appropriated for such purpose, such districts shall be entitled to an additional apportionment for their expenses incurred in the base year from their participation in or provision of such shared services, in an amount equal to the amount that would be payable for such expenses if the services were aidable shared services under subdivision five of section nineteen hundred fifty of this chapter; provided that in computing such aid for such city school districts the tax rate shall be determined in the manner prescribed in subparagraph seven of paragraph a of subdivision thirty-one-a of this section. Such apportionment shall be paid in accordance with section thirty-six hundred nine-a of this chapter. In the event the appropriation for purposes of this subdivision in any year is insufficient to pay all claims received pursuant to this subdivision, the commissioner shall determine the percentage of the total claims submitted that is represented by each district's claim on file with the

commissioner at the time of creation of each data file or fiscal report required by subdivision twenty-one of section three hundred five of this chapter and shall pay such claims based on such prorated basis among all districts filing such claims until the appropriation is exhausted, provided that such prorated apportionment computed and payable as of September one of the school year immediately following the school year for which such aid is claimed shall be deemed final and not subject to change. For aid payable in the nineteen hundred ninety-eight--ninety-nine school year, the aid payable pursuant to this subdivision shall not exceed three million, five hundred thousand dollars (\$3,500,000); for the nineteen hundred ninety-nine--two thousand school year the aid payable pursuant to this subdivision shall not exceed ten million dollars (\$10,000,000); for the two thousand--two thousand one school year the aid payable pursuant to this subdivision shall not exceed fifteen million dollars (\$15,000,000); and for the two thousand one--two thousand two school year and thereafter the aid payable pursuant to this subdivision shall not exceed twenty-five million dollars (\$25,000,000).

26-a. Aid for instructional computer technology expenses. a. Commencing with aid payable in the nineteen hundred ninety-eight--ninety-nine school year, the commissioner is hereby authorized to apportion to any school district aid pursuant to this subdivision for its approved expenditures, in excess of base year aid received pursuant to subdivision twenty-six of this section, for the purchase, lease-purchase and/or installation of instructional computer technology equipment, including original purchase, lease-purchase and/or installation of hardware and vendor-installed software for deployment in classrooms or school libraries; or for the costs of an extended maintenance contract for instructional computer technology equipment or network systems for a term not to exceed the applicable period of probable usefulness, to the extent such costs would be allowable under a state contract; provided, however, no expenses eligible for aid pursuant to subdivision six of this section shall be aidable pursuant to this subdivision, and provided further, no expenses aided pursuant to this subdivision shall be eligible for aid pursuant to subdivision twenty-six of this section or section nineteen hundred fifty of this chapter.

b. Aid pursuant to this subdivision shall equal the product of the district's instructional computer technology aid ratio and approved base year expenditures for capital outlays and/or current year expenditures for debt service and/or current year expenditures for lease purchase for acquisition and installation of instructional computer technology equipment. Notwithstanding any other provision of law to the contrary, debt service expenses or obligations due under a lease-purchase agreement executed in a prior year for instructional computer technology equipment pursuant to this subdivision shall be ordinary contingent expenses.

c. The district's instructional computer technology aid ratio shall be the greater of (i) the district's building aid ratio selected for use in the current year pursuant to clause (b) of subparagraph two of paragraph c of subdivision six of this section; or (ii) the district's millage ratio equal to one minus the quotient expressed as a decimal to three places without rounding of eight mills divided by the tax rate of the local district computed upon the actual valuation of taxable property, as determined pursuant to subdivision one of this section, expressed in mills to the nearest tenth as determined by the commissioner, provided, however, that for a city school district in a city having a population in excess of one hundred twenty-five thousand inhabitants the tax rate shall be computed in the manner prescribed in subparagraph seven of paragraph a of subdivision thirty-one-a of this section, and provided that for a school district which is included within a central high school district or for a central high school district, such millage ratio shall equal one minus the quotient expressed as a decimal to three places without rounding of three mills divided by the tax rates, expressed in mills to the nearest tenth, of such districts, as determined by the commissioner; or (iii) thirty-six hundredths. For the purposes of this paragraph, the tax rate for the central high school district shall be the amount of tax raised by the common and union free school districts included within the central high school district for the support of the central high school district divided by the actual valuation of the central high school district. The tax rate for each common or union free school district shall be the amount raised for the

support of such common or union free school district, exclusive of the amount raised for the central high school district, divided by such actual valuation of such common or union free school district.

d. To be eligible for aid pursuant to this subdivision, school districts shall develop and maintain a plan for the use of the instructional computer technology equipment funded pursuant this section, which shall be in a form prescribed by the commissioner and shall include but shall not be limited to provision for maintenance and repair of equipment and the provision of staff development in the use of such technology. In addition, such plan may provide for the district's participation in the universal service discount program pursuant to the federal telecommunications act of nineteen hundred ninety-six, and the district's participation in the federal technology literacy challenge program, where such federal technology programs are available. In prescribing the format for such plans, the commissioner shall assure that to the extent possible, districts will be able to develop a single plan that meets the requirements of this subdivision and such federal technology programs. In addition, funds apportioned pursuant to this subdivision shall be used in a manner consistent with the district's long-range facilities plan and building-level, district-wide, and where applicable, regional instructional and technology plans.

e. Expenses for instructional computer technology equipment and software provided through a board of cooperative educational services pursuant to a multi-year contract entered pursuant to section nineteen hundred fifty of this chapter shall continue to be aided under subdivision five of section nineteen hundred fifty of this chapter for the duration of such contract, and shall be paid in accordance with applicable provisions of section nineteen hundred fifty of this chapter and section thirty-six hundred nine-d of this article.

f. In the event the appropriation for purposes of this subdivision in any year is insufficient to pay all claims received pursuant to this subdivision, the commissioner shall determine the percentage of the total claims submitted that is represented by each district's claim on file with the commissioner at the time of creation of each data file or

fiscal report required by subdivision twenty-one of section three hundred five of this chapter and shall pay such claims based on such prorated basis among all districts filing such claims until the appropriation is exhausted, provided that such prorated apportionment computed and payable as of September one of the school year immediately following the school year for which such aid is claimed shall be deemed final and not subject to change. For aid payable in the nineteen hundred ninety-eight--ninety-nine school year, the aid payable pursuant to this subdivision shall not exceed nine million dollars (\$9,000,000); for the nineteen hundred ninety-nine--two thousand school year the aid payable pursuant to this subdivision shall not exceed twenty-five million dollars (\$25,000,000); for the two thousand--two thousand one school year the aid payable pursuant to this subdivision shall not exceed fifty-seven million dollars (\$57,000,000); and for the two thousand one--two thousand two school year and thereafter the aid payable pursuant to this subdivision shall not exceed ninety-one million dollars (\$91,000,000).

41. Transitional aid for charter school payments. In addition to any other apportionment under this section, for the two thousand seven--two thousand eight school year and thereafter, a school district other than a city school district in a city having a population of one million or more shall be eligible for an apportionment in an amount equal to the greater of the sum of paragraphs (a), (b), and (c), or paragraph (e) of this subdivision.

(a) the product of (i) the product of eighty percent multiplied by the charter school basic tuition computed for such school district for the base year pursuant to section twenty-eight hundred fifty-six of this chapter, multiplied by (ii) the positive difference, if any, of the number of resident pupils enrolled in the charter school in the base year less the number of resident pupils enrolled in a charter school in the year prior to the base year, provided, however, that a school district shall be eligible for an apportionment pursuant to this paragraph only if the number of its resident pupils enrolled in charter schools in the base year exceeds two percent of the total resident public school district enrollment of such school district in the base year or the total general fund payments made by such district to charter

schools in the base year for resident pupils enrolled in charter schools exceeds two percent of total general fund expenditures of such district in the base year, plus

(b) the product of (i) the product of sixty percent multiplied by the charter school basic tuition computed for such school district for the base year pursuant to section twenty-eight hundred fifty-six of this chapter, multiplied by (ii) the positive difference, if any, of the number of resident pupils enrolled in the charter school in the year prior to the base year less the number of resident pupils enrolled in a charter school in the year two years prior to the base year, provided, however, that a school district shall be eligible for an apportionment pursuant to this paragraph only if the number of its resident pupils enrolled in charter schools in the year prior to the base year exceeds two percent of the total resident public school district enrollment of such school district in the year prior to the base year or the total general fund payments made by such district to charter schools in the year prior to the base year for resident pupils enrolled in charter schools exceeds two percent of the total general fund expenditures of such district in the year prior to the base year, plus

(c) the product of (i) the product of forty percent multiplied by the charter school basic tuition computed for such school district for the base year pursuant to section twenty-eight hundred fifty-six of this chapter, multiplied by (ii) the positive difference, if any, of the number of resident pupils enrolled in the charter school in the year two years prior to the base year less the number of resident pupils enrolled in a charter school in the year three years prior to the base year, provided, however, that a school district shall be eligible for an apportionment pursuant to this paragraph only if the number of its resident pupils enrolled in charter schools in the year two years prior to the base year exceeds two percent of the total resident public school district enrollment of such school district in the year two years prior to the base year or the total general fund payments made by such district to charter schools in the year two years prior to the base year for resident pupils enrolled in charter schools exceeds two percent of the total general fund expenditures of such district in the year two years prior to the base year.

(d) For purposes of this subdivision the number of pupils enrolled in

a charter school shall not include pupils enrolled in a charter school for which the charter was approved by a charter entity contained in paragraph a of subdivision three of section twenty-eight hundred fifty-one of this chapter.

(e) For school districts other than city school districts of cities having populations of one hundred twenty-five thousand or more as of the two thousand twenty decennial census, the product of eligible pupils multiplied by eight-tenths (0.8) and further multiplied by charter school basic tuition for the base year as defined pursuant to section twenty-eight hundred fifty-six of this chapter. For purposes of this paragraph, eligible pupils shall be equal to the positive difference, if any, of the number of resident pupils enrolled in a charter school in the base year less the product of two-tenths (0.2) multiplied by total resident public school district enrollment in the base year.