§ 3609-a. Moneys apportioned, when and how payable commencing July first, two thousand seven.

For aid payable in the two thousand seven--two thousand eight school year through the two thousand twenty-six--two thousand twenty-seven school year, "moneys apportioned" shall mean the lesser of (i) the sum of one hundred percent of the respective amount set forth for each school district as payable pursuant to this section in the school aid computer listing for the current year produced by the commissioner in support of the budget which includes the appropriation for the general support for public schools for the prescribed payments and individualized payments due prior to April first for the current year plus the apportionment payable during the current school year pursuant to subdivision six-a and subdivision fifteen of section thirty-six hundred two of this part minus any reductions to current year aids pursuant to subdivision seven of section thirty-six hundred four of this part or any deduction from apportionment payable pursuant to this chapter for collection of a school district basic contribution as defined in subdivision eight of section forty-four hundred one of this chapter, less any grants provided pursuant to subparagraph two-a of paragraph b of subdivision four of section ninety-two-c of the state finance law, less any grants provided pursuant to subdivision five of section ninety-seven-nnnn of the state finance law, less any grants provided pursuant to subdivision twelve of section thirty-six hundred forty-one of this article, or (ii) the apportionment calculated by the commissioner based on data on file at the time the payment is processed; provided however, that for the purposes of any payments made pursuant to this section prior to the first business day of June of the current year, moneys apportioned shall not include any aids payable pursuant to subdivisions six and fourteen, if applicable, of section thirty-six hundred two of this part as current year aid for debt service on bond anticipation notes and/or bonds first issued in the current year or any aids payable for full-day kindergarten for the current year pursuant to subdivision nine of section thirty-six hundred two of this part. The definitions of "base year" and "current year" as set forth in subdivision one of section thirty-six hundred two of this part shall apply to this section. For aid payable in the two thousand

twenty-six--two thousand twenty-seven school year, reference to such "school aid computer listing for the current year" shall mean the printouts entitled "SA262-7".

1. General support for public schools (GSPS) appropriation. The GSPS appropriation shall be used to support payments made pursuant to this section, plus apportionments made pursuant to section seven hundred one, seven hundred eleven, seven hundred fifty-one, seven hundred fifty-three, thirty-two hundred two, thirty-six hundred nine-b, thirty-six hundred forty-one and forty-four hundred five of this chapter, any other applicable allocations made pursuant to this chapter, but not paid pursuant to the schedule prescribed by this section or sections thirty-six hundred nine-b, thirty-six hundred nine-d or thirty-six hundred nine-f of this article; plus any unconsolidated law provisions which apply to programs funded from such appropriation; plus any sums paid out upon audit of the state comptroller as final adjustments of apportionments originally claimed and payable pursuant to this subdivision in prior school years; plus sums paid out as prior year adjustments, to the extent an allowance was included in such appropriation for such purpose. Any apportionments provided by this chapter shall be paid in accordance with this section unless specifically exempted.

a. Prescribed payments. (1) District payments to the teachers' retirement system. Of the moneys apportioned by the commissioner to school districts for the current year, after the payment of lottery aid in accordance with subparagraph two of this paragraph, an amount not to exceed one-third of the amount owed by such school district to the New York state teachers' retirement system for salaries paid in the base year or for other obligations pursuant to section five hundred twenty-one of this chapter shall be payable to such teachers' retirement system on behalf of the school district on or before the fifteenth day of each of the months of September, October and November, except that special payments due such teachers' retirement system shall be payable on or before the fifteenth day of October. Any underpayment resulting from data changes shall be payable from spring payments. Any portion of the payments due such teachers' retirement system that exceed the

remainder of the moneys to be apportioned to the school district shall be made directly by the school district to the system.

(2) Lottery apportionment. Of the estimated moneys to be apportioned by the commissioner to school districts for the current year, that portion payable pursuant to section ninety-two-c of the state finance law, exclusive of the minimum lottery grant provided for the purchase of textbooks pursuant to subparagraph one of paragraph b of subdivision four of section ninety-two-c of such law and the lottery grant provided pursuant to subparagraph two-a of paragraph b of subdivision four of section ninety-two-c of the state finance law, shall be payable on or before the last state business day of September.

(3) Lottery textbook apportionment. The minimum lottery grant provided for the purchase of textbooks pursuant to subparagraph one of paragraph b of subdivision four of section ninety-two-c of the state finance law, shall be payable on or before the last state business day of September.

(4) Fixed fall payments. Of the moneys apportioned remaining to be paid to school districts for the current year after deductions are made for the purpose of subparagraph one of this paragraph, districts shall be eligible to receive payments determined as follows: (i) on or before October fifteenth, an estimated twelve and one-half percent of such remaining amount minus the amount paid pursuant to subparagraph two of this paragraph; (ii) on or before November fifteenth, an estimated eighteen and seventy-five one hundredths percent of such remaining amount minus the sum of the amounts paid pursuant to clause (i) of this subparagraph and subparagraph two of this paragraph; and (iii) on or before December fifteenth, an estimated twenty-five percent of such remaining amount minus the sum of the amounts paid pursuant to clauses (i) and (ii) of this subparagraph and subparagraph two of this paragraph. Such amounts shall be payable only to the extent that reports due the commissioner have been filed.

(5) Remaining apportionment. The remaining moneys apportioned for the current year after deductions are made for the purposes of subparagraphs one, two and four of this paragraph, shall be payable pursuant to paragraph b of this subdivision to the extent that reports due the commissioner have been filed.

b. Individualized payments. (1) District expenditure need. To

determine the payments a district shall be eligible to receive under this paragraph, a district expenditure need shall be computed, based on estimated data on file with the commissioner as of December first, which shall equal the general fund expenditures for the base year (i) minus the sum of base year aids and grants recorded as revenue to such general fund but not payable pursuant to this section; (ii) minus the district's base year general fund expenditures to the New York state teachers' retirement system; (iii) minus that portion of the district's base year general fund expenditures for debt service eligible for an apportionment pursuant to subdivision six of section thirty-six hundred two of this chapter plus such general fund expenditures for debt service for the current year; and (iv) minus current year aid pursuant to subparagraphs two and four of paragraph a of this subdivision.

(2) Payment amounts. For remaining aid payments due prior to July, moneys apportioned shall be determined based on preliminary aid data on file with the commissioner on December first, provided that such commissioner shall recompute such amounts designated for the month of June based on aid data on file with the commissioner as of May first. (i) January amount. If the aid payable under this paragraph exceeds fifty percent of the expenditure need of the district, then such excess amount shall be designated for the month of January. (ii) February amount. If such aid, minus any aid payable pursuant to clause (i) of this subparagraph, exceeds forty percent of such expenditure need, then such excess amount shall be designated for the month of February. (iii) March amount. If such aid, minus any aid payable pursuant to clauses (i) and (ii) of this subparagraph, exceeds thirty percent of such expenditure need, then such excess amount shall be designated for the month of March. (iv) April amount. If such aid, minus any aid payable pursuant to clauses (i), (ii) and (iii) of this subparagraph, exceeds twenty percent of the expenditure need of the district, then such excess amount shall be designated for the month of April. (v) May amount. If such aid, minus any aid payable pursuant to clauses (i), (ii), (iii) and (iv) of this subparagraph, exceeds ten percent of such expenditure need, then such excess amount shall be designated for the month of May. (vi) June amount. Any moneys apportioned not designated pursuant to clauses (i), (ii), (iii), (iv) and (v) of this subparagraph shall be designated for the month of June.

(3) Payments. (i) Winter payments. The amounts designated for January, February and March pursuant to clauses (i), (ii) and (iii) of subparagraph two of this paragraph shall be paid on or before the last state business day of such months.

(ii) Sustaining advance payments. In order to sustain all advance payments made in previous school years pursuant to subparagraph five of this paragraph or the comparable provisions of section thirty-six hundred nine of this article, the commissioner shall establish a schedule to distribute the sustaining advance payment amount among school districts. Such sustaining advance payments due to school districts shall be, first, in the same proportion as such school district's share bears to the total moneys designated for payment in the month of April, second, as a share of the total moneys designated for May and last, if applicable, as a share of the total moneys designated for June to all such school districts pursuant to clauses (iv), (v), and (vi) of subparagraph two of this paragraph. The sustaining advance payment due shall be deducted first from a school district's designated amount for April, then from a school district's designated amount for May and finally from any moneys due in June. The commissioner shall transmit a schedule to the comptroller, the director of the budget and the chairs of the legislative fiscal committees displaying for each district, the sustaining advance payment due, the portion of such amount to be withheld pursuant to subparagraph four of this paragraph and the remainder, if any, to be paid to the school district on or before March thirty-first.

(iii) Determining final payment for the state fiscal year. Prior to transmitting the March payment to the state comptroller, based on current year, base year and prior school year state aid payments made or scheduled to be made from the general support for public schools appropriations for the state fiscal year ending March thirty-first, the commissioner shall determine the extent to which the amount designated for June pursuant to clause (vi) of subparagraph two of this paragraph, as adjusted in accordance with clause (ii) of this subparagraph, net of any disallowances, would need to be advanced and paid on or before March thirty-first in order to use the remainder of such appropriations, excluding amounts assigned to the department of health pursuant to subdivision one of section thirty-six hundred nine-b of this article, on

or before March thirty-first, or to the extent to which the amount designated for March would need to be proportionally reduced so as not to exceed such state fiscal year appropriations. The commissioner shall report the amount of money required to be advanced or deferred and the percent it represents of the June or March amounts, as the case may be, to the director of the budget, the chairperson of the senate finance committee and the chairperson of the assembly ways and means committee. To the extent that moneys are advanced or deferred pursuant to this paragraph, they shall be in the same proportion as each school district's share bears to the total of such June or March amount. Upon approval of the director of the budget, the commissioner shall transmit the schedule of any such partial June prepayments or such reduced March payments to the state comptroller. Any portion of the March payment deferred shall be added to the June payment; any portion of the June payment advanced shall be paid on or before March thirty-first.

(iv) April and May payments. Any amount designated for and remaining to be paid in April or May pursuant to clauses (iv) and (v) of subparagraph two of this paragraph minus any portion of such amounts advanced pursuant to clause (ii) of this subparagraph shall be paid on or before the last state business day of such months.

(v) June payment. The moneys apportioned to school districts and designated for June pursuant to clause (vi) of subparagraph two of this paragraph shall be paid on or before the last state business day of such month, to the extent that moneys are owed to school districts pursuant to this section for the current year, including claims for current year aid for debt service on bond anticipation notes aidable in June and/or new bonds and capital notes aidable in June pursuant to subdivisions six and fourteen, if applicable, of section thirty-six hundred two of this part and claims for current year aid for conversion to full day kindergarten, after taking into account any adjustments made in accordance with clauses (ii) and (iii) of this subparagraph, net of any disallowances.

(vi) Deferred July payment of certain claims for debt service on bond anticipation notes and on bonds or capital notes first issued in the current year. The moneys apportioned to school districts for claims for current year aid for debt service on bond anticipation notes aidable in July following the current year and/or new bonds and capital notes

aidable in July following the current year pursuant to subdivisions six and fourteen, if applicable, of section thirty-six hundred two of this part shall be paid on or before the last state business day of July immediately following the current school year, to the extent that moneys are owed to school districts pursuant to this section for the current year, net of any disallowances.

(vii) Deferred September payments. Any amounts payable to a school district pursuant to this section which exceeded one hundred percent of the respective amount set forth for such district as payable pursuant to this section in the school aid computer listing for the current school year shall be designated for payment for the month of September next following the close of the current school year. Such payments shall be made on or before the last state business day of the month of September, based on data on file as of August first.

(4) State share of medicaid reimbursements. For the purposes of this subparagraph, for aid payable in the two thousand ten--two thousand eleven school year, the first reporting period shall run from May first of the base year through January thirty-first of the current year, and the second reporting period shall run from February first of the current year through March thirty-first of the current year. For aid payable in the two thousand eleven--two thousand twelve school year and thereafter, the first reporting period shall run from April first of the base year through December thirty-first of the current year, and the second reporting period shall run from January first of the current year through March thirty-first of the current year. Notwithstanding any inconsistent provisions of law to the contrary, the sustaining advance payment due any school district pursuant to clause (ii) of subparagraph three of this paragraph in March shall be reduced by fifty percent of any federal participation during the first reporting period pursuant to title XIX of the social security act, in special education programs provided pursuant to article eighty-nine of this chapter for services provided on or before June thirtieth, two thousand nine; the June payment due any school district pursuant to clause (v) of subparagraph three of this paragraph shall be reduced by fifty percent of any federal participation during the second reporting period for services provided on or before June thirtieth, two thousand nine. Not later than ten days after the end of the first reporting period ending on January

thirty-first, two thousand eleven, not later than forty-one days after each first reporting period thereafter and not later than forty days after the end of each second reporting period, the commissioner of health, as the authorized fiscal agent of the state education department, shall certify to the commissioner and the director of the budget the total amount of such federal moneys paid to a school district for such services during such reporting period. Following each cycle payment, the commissioner of health shall report to the commissioner the aggregate amount of such federal medicaid payments to each school district. The commissioner shall recoup such amounts first, to the extent possible, from the specified payment, then by withholding any other moneys due the school district and finally by direct billing to any school district still owing moneys to the state. All moneys withheld or paid to the state on account of this paragraph shall be credited by the comptroller to the local assistance account for general support for public schools.

(5) Advance payments. To the extent that any moneys payable pursuant to clauses (iv) and (v) of subparagraph two of this paragraph, are paid in advance of April first, such moneys shall be paid in accordance with chapter two hundred twenty of the laws of nineteen hundred ninety, as amended, and in the same proportion as such school district's share bears to the total moneys, payable to all such school districts pursuant to such clauses (iv) and (v) provided however, that any moneys so advanced shall be deducted first from a school district's payment due in April, then from any moneys due in May and finally from any remaining moneys due in June.

(6) Apportionments to the city school district of the city of New York under the provisions of this paragraph shall be computed and paid on a city-wide basis.

c. Deficit reduction assessment for two thousand nine--two thousand ten. Notwithstanding any other provision of law, the commissioner shall reduce payments due to each district pursuant to this section by an amount equal to the amounts set forth for each school district as "DEFICIT REDUCTION ASSESSMENT" in the school aid computer listing produced by the commissioner in support of the executive budget request for the two thousand nine--two thousand ten school year and entitled

"BT112-1", and such amount shall be deducted from moneys apportioned for the purposes of payments made pursuant to section thirty-six hundred nine-a of the education law and provided further that the amount of such reduction 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 provide a schedule of such reductions 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.

d. Supplemental deficit reduction assessment for the two thousand nine--two thousand ten school year. (1) Notwithstanding any other provision of law to the contrary, the commissioner shall reduce payments due to each district for the two thousand nine--two thousand ten school year pursuant to this section by an amount equal to the supplemental deficit reduction assessment computed for such district, and such amount shall be deducted from moneys apportioned for the purposes of payments made pursuant to this section 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 this section for the two thousand ten--two thousand eleven 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 supplemental deficit reduction assessment 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.

(2) The supplemental deficit reduction assessment shall be computed as the product of thirty-five and sixty-two one-hundredths of a percent (0.3562) multiplied by the absolute value of the deficit reduction assessment established pursuant to paragraph c of this subdivision.

2. a. Such moneys shall be payable to the treasurer of each city school district, and the treasurer of each union free school district and of each central school district and of each other school district,

if there be a treasurer, otherwise to the collector or other disbursing officer of such district, who shall apply for and receive the same as soon as payable.

b. In the case of city school districts of cities with one hundred twenty-five thousand inhabitants or more, any payment which pursuant to this section is required to be made to the treasurer of the city school district, shall be made to the city treasurer or chamberlain.

3. Except as otherwise provided by law, payment to a school district pursuant to this section shall be general receipts of the district and may be used for any lawful purpose of the district provided, however that any payments for debt service for school building purposes on debt which has been excluded in ascertaining the power of the school district to contract indebtedness shall be used solely for the purpose of payment of the interest on and amortization of or payment of such indebtedness.