S T A T E O F N E W Y O R K

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 2706

 2011-2012 Regular Sessions

 I N S E N A T E

 January 28, 2011

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 Introduced by Sen. SKELOS -- (at request of the Governor) -- read twice

 and ordered printed, and when printed to be committed to the Committee

 on Finance

 AN ACT to amend the general municipal law, the education law and the

 municipal home rule law, in relation to establishing limitations upon

 school district and local government tax levies; and to repeal certain

 provisions of the education law relating thereto

 THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-

 BLY, DO ENACT AS FOLLOWS:

 1 Section 1. The general municipal law is amended by adding a new

 2 section 3-c to read as follows:

 3 S 3-C. LIMITATION UPON REAL PROPERTY TAX LEVIES BY LOCAL GOVERNMENTS.

 4 1. UNLESS OTHERWISE PROVIDED BY LAW, THE AMOUNT OF REAL PROPERTY TAXES

 5 THAT MAY BE LEVIED BY OR ON BEHALF OF ANY LOCAL GOVERNMENT, OTHER THAN

 6 THE CITY OF NEW YORK AND THE COUNTIES CONTAINED THEREIN, SHALL NOT

 7 EXCEED THE TAX LEVY LIMITATION ESTABLISHED PURSUANT TO THIS SECTION.

 8 2. WHEN USED IN THIS SECTION:

 9 (A) "ALLOWABLE LEVY GROWTH FACTOR" SHALL BE THE LESSER OF: (I) ONE AND

 10 TWO ONE-HUNDREDTHS; OR (II) THE SUM OF ONE PLUS THE INFLATION FACTOR;

 11 PROVIDED, HOWEVER, THAT IN NO CASE SHALL THE LEVY GROWTH FACTOR BE LESS

 12 THAN ONE.

 13 (B) "APPROVED CAPITAL EXPENDITURES" MEANS THE EXPENDITURES ASSOCIATED

 14 WITH CAPITAL PROJECTS THAT HAVE BEEN APPROVED BY THE QUALIFIED VOTERS OF

 15 THE LOCAL GOVERNMENT.

 16 (C) "AVAILABLE CARRYOVER" MEANS THE SUM OF THE AMOUNT BY WHICH THE TAX

 17 LEVY FOR THE PRIOR FISCAL YEAR WAS BELOW THE TAX LEVY LIMIT FOR SUCH

 18 FISCAL YEAR, IF ANY, BUT NO MORE THAN ONE AND ONE-HALF PERCENT OF THE

 19 TAX LEVY LIMIT FOR SUCH FISCAL YEAR.

 20 (D) "CAPITAL TAX LEVY" MEANS THE TAX LEVY NECESSARY TO SUPPORT CAPITAL

 21 EXPENDITURES, IF ANY.

 EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets

 [ ] is old law to be omitted.

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 S. 2706 2

 1 (E) "COMING FISCAL YEAR" MEANS THE FISCAL YEAR OF THE LOCAL GOVERNMENT

 2 FOR WHICH A TAX LEVY LIMITATION SHALL BE DETERMINED PURSUANT TO THIS

 3 SECTION.

 4 (F) "INFLATION FACTOR" MEANS THE QUOTIENT OF: (I) THE AVERAGE OF THE

 5 NATIONAL CONSUMER PRICE INDEXES DETERMINED BY THE UNITED STATES DEPART-

 6 MENT OF LABOR FOR THE TWELVE-MONTH PERIOD ENDING SIX MONTHS PRIOR TO THE

 7 START OF THE COMING FISCAL YEAR MINUS THE AVERAGE OF THE NATIONAL

 8 CONSUMER PRICE INDEXES DETERMINED BY THE UNITED STATES DEPARTMENT OF

 9 LABOR FOR THE TWELVE-MONTH PERIOD ENDING SIX MONTHS PRIOR TO THE START

 10 OF THE PRIOR FISCAL YEAR, DIVIDED BY: (II) THE AVERAGE OF THE NATIONAL

 11 CONSUMER PRICE INDEXES DETERMINED BY THE UNITED STATES DEPARTMENT OF

 12 LABOR FOR THE TWELVE-MONTH PERIOD ENDING SIX MONTHS PRIOR TO THE START

 13 OF THE PRIOR FISCAL YEAR, WITH THE RESULT EXPRESSED AS A DECIMAL TO FOUR

 14 PLACES.

 15 (G) "LOCAL GOVERNMENT" MEANS A COUNTY, CITY, TOWN, VILLAGE, FIRE

 16 DISTRICT, OR SPECIAL DISTRICT INCLUDING BUT NOT LIMITED TO A DISTRICT

 17 CREATED PURSUANT TO ARTICLES TWELVE, TWELVE-A, TWELVE-C OR THIRTEEN OF

 18 THE TOWN LAW, ARTICLES FIVE-A, FIVE-B OR FIVE-D OF THE COUNTY LAW, CHAP-

 19 TER FIVE HUNDRED SIXTEEN OF THE LAWS OF NINETEEN HUNDRED TWENTY-EIGHT,

 20 OR CHAPTER TWO HUNDRED SEVENTY-THREE OF THE LAWS OF NINETEEN HUNDRED

 21 THIRTY-NINE, BUT SHALL NOT INCLUDE THE CITY OF NEW YORK OR THE COUNTIES

 22 CONTAINED THEREIN.

 23 (H) "PRIOR FISCAL YEAR" MEANS THE FISCAL YEAR OF THE LOCAL GOVERNMENT

 24 IMMEDIATELY PRECEDING THE COMING FISCAL YEAR.

 25 (I) "TAX LEVY LIMITATION" MEANS THE AMOUNT OF TAXES A LOCAL GOVERNMENT

 26 IS AUTHORIZED TO LEVY PURSUANT TO THIS SECTION, PROVIDED, HOWEVER, THAT

 27 THE TAX LEVY LIMIT SHALL NOT INCLUDE THE LOCAL GOVERNMENT'S APPROVED

 28 CAPITAL TAX LEVY, IF ANY.

 29 3. (A) SUBJECT TO THE PROVISIONS OF SUBDIVISION FIVE OF THIS SECTION,

 30 BEGINNING WITH THE FISCAL YEAR THAT BEGINS IN TWO THOUSAND TWELVE, NO

 31 LOCAL GOVERNMENT SHALL ADOPT A BUDGET THAT REQUIRES A TAX LEVY THAT IS

 32 GREATER THAN THE TAX LEVY LIMITATION FOR THE COMING FISCAL YEAR.

 33 (B) THE STATE COMPTROLLER SHALL CALCULATE THE TAX LEVY LIMITATION FOR

 34 EACH LOCAL GOVERNMENT BY THE ONE HUNDRED TWENTIETH DAY PRECEDING THE

 35 COMMENCEMENT OF EACH LOCAL GOVERNMENT'S FISCAL YEAR, AND SHALL NOTIFY

 36 EACH LOCAL GOVERNMENT OF THE TAX LEVY LIMITATION SO DETERMINED.

 37 (C) THE TAX LEVY LIMITATION APPLICABLE TO THE COMING FISCAL YEAR SHALL

 38 BE DETERMINED AS FOLLOWS:

 39 (I) ASCERTAIN THE TOTAL AMOUNT OF TAXES LEVIED FOR THE PRIOR FISCAL

 40 YEAR.

 41 (II) ADD ANY PAYMENTS IN LIEU OF TAXES THAT WERE RECEIVABLE IN THE

 42 PRIOR FISCAL YEAR.

 43 (III) SUBTRACT THE APPROVED CAPITAL TAX LEVY FOR THE PRIOR FISCAL

 44 YEAR, IF ANY.

 45 (IV) SUBTRACT THE LEVY ATTRIBUTABLE TO A LARGE LEGAL SETTLEMENT OF A

 46 TORT ACTION EXCLUDED FROM THE LEVY LIMITATION IN THE PRIOR FISCAL YEAR,

 47 IF ANY.

 48 (V) MULTIPLY THE RESULT BY THE ALLOWABLE LEVY GROWTH FACTOR.

 49 (VI) SUBTRACT ANY PAYMENTS IN LIEU OF TAXES RECEIVABLE IN THE COMING

 50 FISCAL YEAR.

 51 (VII) ADD THE AVAILABLE CARRYOVER, IF ANY.

 52 (D) IN THE EVENT THE GOVERNING BODY OF A LOCAL GOVERNMENT HAS APPROVED

 53 A LEGAL SETTLEMENT OF A TORT ACTION AGAINST THE GOVERNMENT, THE ANNUAL

 54 COSTS OF WHICH EXCEED TEN PERCENT OF THE PROPERTY TAXES LEVIED BY THE

 55 LOCAL GOVERNMENT IN THE PRIOR FISCAL YEAR, THE STATE COMPTROLLER, UPON

 56 APPLICATION BY THE LOCAL GOVERNMENT, MAY ADJUST THE TAX LEVY LIMITATION

 S. 2706 3

 1 FOR THE COMING FISCAL YEAR APPLICABLE TO SUCH LOCAL GOVERNMENT, BY

 2 ADDING THE ANNUAL COSTS OF SUCH SETTLEMENT TO THE TAX LEVY LIMITATION.

 3 (E) THE STATE COMPTROLLER SHALL DETERMINE THE PORTION OF THE TAX LEVY

 4 OF EACH COUNTY THAT IS ATTRIBUTABLE TO ANY INCREASE OR DECREASE OVER THE

 5 PRIOR YEAR IN THE COST OF THE COUNTY SHARE OF DIRECT CASH ASSISTANCE TO

 6 PERSONS ELIGIBLE FOR THE FEDERAL-STATE-LOCAL TEMPORARY ASSISTANCE TO

 7 NEEDY FAMILIES PROGRAM OR THE STATE-LOCAL SAFETY NET ASSISTANCE PROGRAM

 8 AND SHALL ADJUST THE TAX LEVY LIMITATION FOR SUCH COUNTY TO REFLECT SUCH

 9 CHANGE.

 10 (F) WHENEVER THE RESPONSIBILITY AND ASSOCIATED COST OF A LOCAL GOVERN-

 11 MENT ACTIVITY IS TRANSFERRED TO ANOTHER LOCAL GOVERNMENT, THE STATE

 12 COMPTROLLER SHALL DETERMINE THE COSTS AND SAVINGS ON THE AFFECTED LOCAL

 13 GOVERNMENTS ATTRIBUTABLE TO SUCH TRANSFER FOR THE FIRST FISCAL YEAR

 14 FOLLOWING THE TRANSFER, AND ADJUST THE TAX LEVY LIMITATIONS OF SUCH

 15 LOCAL GOVERNMENTS ACCORDINGLY.

 16 4. A LOCAL GOVERNMENT MAY ADOPT A BUDGET THAT REQUIRES A TAX LEVY THAT

 17 IS GREATER THAN THE TAX LEVY LIMITATION FOR THE COMING FISCAL YEAR ONLY

 18 IF THE GOVERNING BODY OF SUCH LOCAL GOVERNMENT FIRST ENACTS, BY A

 19 TWO-THIRDS VOTE OF THE TOTAL VOTING POWER OF SUCH BODY, A LOCAL LAW TO

 20 OVERRIDE SUCH LIMITATION FOR SUCH COMING FISCAL YEAR ONLY, OR IN THE

 21 CASE OF A DISTRICT OR FIRE DISTRICT, A RESOLUTION TO OVERRIDE SUCH LIMI-

 22 TATION FOR SUCH COMING FISCAL YEAR ONLY.

 23 5. (A) WHEN TWO OR MORE LOCAL GOVERNMENTS CONSOLIDATE, THE STATE COMP-

 24 TROLLER SHALL DETERMINE THE TAX LEVY LIMITATION CONSOLIDATED LOCAL

 25 GOVERNMENT FOR THE FIRST FISCAL YEAR FOLLOWING THE CONSOLIDATION BASED

 26 ON THE RESPECTIVE TAX LEVY LIMITATIONS OF THE COMPONENT LOCAL GOVERN-

 27 MENTS THAT FORMED SUCH CONSOLIDATED LOCAL GOVERNMENT FROM THE LAST

 28 FISCAL YEAR PRIOR TO THE CONSOLIDATION.

 29 (B) WHEN A LOCAL GOVERNMENT DISSOLVES, THE STATE COMPTROLLER SHALL

 30 DETERMINE THE TAX LEVY LIMITATION FOR THE LOCAL GOVERNMENT THAT ASSUMES

 31 THE DEBTS, LIABILITIES, AND OBLIGATIONS OF SUCH DISSOLVED LOCAL GOVERN-

 32 MENT FOR THE FIRST FISCAL YEAR FOLLOWING THE DISSOLUTION BASED ON THE

 33 RESPECTIVE TAX LEVY LIMITATIONS OF SUCH DISSOLVED LOCAL GOVERNMENT AND

 34 SUCH LOCAL GOVERNMENT THAT ASSUMES THE DEBTS, LIABILITIES, AND OBLI-

 35 GATIONS OF SUCH DISSOLVED LOCAL GOVERNMENT FROM THE LAST FISCAL YEAR

 36 PRIOR TO THE DISSOLUTION.

 37 (C) THE TAX LIMITATION ESTABLISHED BY THIS SECTION SHALL NOT APPLY TO

 38 THE FIRST FISCAL YEAR AFTER A LOCAL GOVERNMENT IS NEWLY ESTABLISHED OR

 39 CONSTITUTED THROUGH A PROCESS OTHER THAN CONSOLIDATION OR DISSOLUTION.

 40 6. IN THE EVENT A LOCAL GOVERNMENT'S ACTUAL TAX LEVY FOR A GIVEN

 41 FISCAL YEAR EXCEEDS THE MAXIMUM ALLOWABLE LEVY AS ESTABLISHED PURSUANT

 42 TO THIS SECTION DUE TO CLERICAL OR TECHNICAL ERRORS, THE LOCAL GOVERN-

 43 MENT SHALL PLACE THE EXCESS AMOUNT OF THE LEVY IN RESERVE IN ACCORDANCE

 44 WITH SUCH REQUIREMENTS AS THE STATE COMPTROLLER MAY PRESCRIBE, AND SHALL

 45 USE SUCH FUNDS AND ANY INTEREST EARNED THEREON TO OFFSET THE TAX LEVY

 46 FOR THE ENSUING FISCAL YEAR.

 47 S 2. The education law is amended by adding a new section 2023-a to

 48 read as follows:

 49 S 2023-A. LIMITATIONS UPON SCHOOL DISTRICT TAX LEVIES. 1. GENERALLY.

 50 UNLESS OTHERWISE PROVIDED BY LAW, THE AMOUNT OF TAXES THAT MAY BE LEVIED

 51 BY OR ON BEHALF OF ANY SCHOOL DISTRICT, OTHER THAN A CITY SCHOOL

 52 DISTRICT OF A CITY WITH ONE HUNDRED TWENTY-FIVE THOUSAND INHABITANTS OR

 53 MORE, SHALL NOT EXCEED THE TAX LEVY LIMITATIONS ESTABLISHED PURSUANT TO

 54 THIS SECTION. IT SHALL BE THE RESPONSIBILITY OF THE COMMISSIONER TO

 55 ANNUALLY DETERMINE THE TAX LEVY LIMIT OF EACH SCHOOL DISTRICT IN ACCORD-

 56 ANCE WITH THE PROVISIONS OF THIS SECTION.

 S. 2706 4

 1 2. DEFINITIONS. AS USED IN THIS SECTION:

 2 A. "ALLOWABLE LEVY GROWTH FACTOR" SHALL BE THE LESSER OF: (I) ONE AND

 3 TWO ONE-HUNDREDTHS; OR (II) THE SUM OF ONE PLUS THE INFLATION FACTOR;

 4 PROVIDED, HOWEVER, THAT IN NO CASE SHALL THE LEVY GROWTH FACTOR BE LESS

 5 THAN ONE.

 6 B. "AVAILABLE CARRYOVER" MEANS THE SUM OF THE AMOUNTS BY WHICH THE TAX

 7 LEVY FOR THE PRIOR SCHOOL YEAR WAS BELOW THE APPLICABLE TAX LEVY LIMIT

 8 FOR SUCH SCHOOL YEAR, IF ANY, BUT NO MORE THAN ONE AND ONE-HALF PERCENT

 9 OF THE TAX LEVY LIMIT FOR SUCH SCHOOL YEAR.

 10 C. "CAPITAL LOCAL EXPENDITURES" MEANS THE TAXES ASSOCIATED WITH BUDG-

 11 ETED EXPENDITURES RESULTING FROM THE CONSTRUCTION, ACQUISITION, RECON-

 12 STRUCTION, REHABILITATION OR IMPROVEMENT OF SCHOOL BUILDINGS, INCLUDING

 13 DEBT SERVICE AND LEASE EXPENDITURES, SUBJECT TO THE APPROVAL OF THE

 14 QUALIFIED VOTERS WHERE REQUIRED BY LAW.

 15 D. "CAPITAL TAX LEVY" MEANS THE TAX LEVY NECESSARY TO SUPPORT CAPITAL

 16 LOCAL EXPENDITURES, IF ANY.

 17 E. "COMING SCHOOL YEAR" MEANS THE SCHOOL YEAR FOR WHICH TAX LEVY

 18 LIMITS ARE BEING DETERMINED PURSUANT TO THIS SECTION.

 19 F. "INFLATION FACTOR" MEANS THE QUOTIENT OF: (I) THE AVERAGE OF THE

 20 NATIONAL CONSUMER PRICE INDEXES DETERMINED BY THE UNITED STATES DEPART-

 21 MENT OF LABOR FOR THE TWELVE-MONTH PERIOD PRECEDING JANUARY FIRST OF THE

 22 CURRENT YEAR MINUS THE AVERAGE OF THE NATIONAL CONSUMER PRICE INDEXES

 23 DETERMINED BY THE UNITED STATES DEPARTMENT OF LABOR FOR THE TWELVE-MONTH

 24 PERIOD PRECEDING JANUARY FIRST OF THE PRIOR YEAR, DIVIDED BY: (II) THE

 25 AVERAGE OF THE NATIONAL CONSUMER PRICE INDEXES DETERMINED BY THE UNITED

 26 STATES DEPARTMENT OF LABOR FOR THE TWELVE-MONTH PERIOD PRECEDING JANUARY

 27 FIRST OF THE PRIOR YEAR, WITH THE RESULT EXPRESSED AS A DECIMAL TO FOUR

 28 PLACES.

 29 G. "PRIOR SCHOOL YEAR" MEANS THE SCHOOL YEAR IMMEDIATELY PRECEDING THE

 30 COMING SCHOOL YEAR.

 31 H. "SCHOOL DISTRICT" MEANS A COMMON SCHOOL DISTRICT, UNION FREE SCHOOL

 32 DISTRICT, CENTRAL SCHOOL DISTRICT, CENTRAL HIGH SCHOOL DISTRICT OR A

 33 CITY SCHOOL DISTRICT IN A CITY WITH LESS THAN ONE HUNDRED TWENTY-FIVE

 34 THOUSAND INHABITANTS.

 35 I. "TAX LEVY BASE" MEANS THE AMOUNT OF TAXES A SCHOOL DISTRICT WOULD

 36 BE AUTHORIZED TO LEVY WITHOUT THE ADDITION OF ANY AVAILABLE CARRYOVER

 37 AMOUNT.

 38 J. "TAX LEVY LIMIT" MEANS THE AMOUNT OF TAXES A SCHOOL DISTRICT IS

 39 AUTHORIZED TO LEVY PURSUANT TO THIS SECTION, PROVIDED, HOWEVER, THAT THE

 40 TAX LEVY LIMIT SHALL NOT INCLUDE THE DISTRICT'S CAPITAL TAX LEVY, IF

 41 ANY.

 42 3. COMPUTATION OF TAX LEVY LIMITS. A. THE TAX LEVY BASE FOR EACH

 43 SCHOOL YEAR SHALL BE DETERMINED AS FOLLOWS:

 44 (1) ASCERTAIN THE TOTAL AMOUNT OF TAXES LEVIED FOR THE PRIOR SCHOOL

 45 YEAR.

 46 (2) ADD ANY PAYMENTS IN LIEU OF TAXES THAT WERE RECEIVABLE IN THE

 47 PRIOR SCHOOL YEAR.

 48 (3) SUBTRACT THE CAPITAL TAX LEVY FOR THE PRIOR SCHOOL YEAR, IF ANY.

 49 (4) MULTIPLY THE RESULT BY THE ALLOWABLE LEVY GROWTH FACTOR.

 50 (5) SUBTRACT ANY PAYMENTS IN LIEU OF TAXES RECEIVABLE IN THE COMING

 51 FISCAL YEAR.

 52 B. THE TAX LEVY LIMIT FOR THE COMING SCHOOL YEAR SHALL BE THE SUM OF

 53 THE TAX LEVY BASE AND THE AVAILABLE CARRYOVER, IF ANY. NO LATER THAN

 54 MARCH FIRST OF EACH YEAR, THE COMMISSIONER SHALL CALCULATE THE TAX LEVY

 55 LIMIT FOR EACH SCHOOL DISTRICT FOR THE COMING SCHOOL YEAR, AND SHALL

 S. 2706 5

 1 NOTIFY EACH SCHOOL DISTRICT OF THE ALLOWABLE LEVY GROWTH FACTOR, THE

 2 DISTRICT'S TAX LEVY BASE AND THE DISTRICT'S TAX LEVY LIMIT.

 3 4. REORGANIZED SCHOOL DISTRICTS. WHEN TWO OR MORE SCHOOL DISTRICTS

 4 REORGANIZE, THE COMMISSIONER SHALL DETERMINE THE TAX LEVY LIMIT FOR THE

 5 REORGANIZED SCHOOL DISTRICT FOR THE FIRST SCHOOL YEAR FOLLOWING THE

 6 REORGANIZATION BASED ON THE RESPECTIVE TAX LEVY LIMITS OF THE SCHOOL

 7 DISTRICTS THAT FORMED THE REORGANIZED DISTRICT FROM THE LAST SCHOOL YEAR

 8 IN WHICH THEY WERE SEPARATE DISTRICTS, PROVIDED THAT IN THE EVENT OF

 9 FORMATION OF A NEW CENTRAL HIGH SCHOOL DISTRICT, THE TAX LEVY LIMITS FOR

 10 THE NEW CENTRAL HIGH SCHOOL DISTRICT AND ITS COMPONENT SCHOOL DISTRICTS

 11 SHALL BE DETERMINED IN ACCORDANCE WITH A METHODOLOGY PRESCRIBED BY THE

 12 COMMISSIONER.

 13 5. ERRONEOUS LEVIES. IN THE EVENT A SCHOOL DISTRICT'S ACTUAL TAX LEVY

 14 FOR A GIVEN SCHOOL YEAR EXCEEDS THE MAXIMUM ALLOWABLE LEVY AS ESTAB-

 15 LISHED PURSUANT TO THIS SECTION DUE TO CLERICAL OR TECHNICAL ERRORS, THE

 16 SCHOOL DISTRICT SHALL PLACE THE EXCESS AMOUNT OF THE LEVY IN RESERVE IN

 17 ACCORDANCE WITH SUCH REQUIREMENTS AS THE STATE COMPTROLLER MAY

 18 PRESCRIBE, AND SHALL USE SUCH FUNDS AND ANY INTEREST EARNED THEREON TO

 19 OFFSET THE TAX LEVY FOR THE ENSUING SCHOOL YEAR.

 20 S 3. The education law is amended by adding a new section 2023-b to

 21 read as follows:

 22 S 2023-B. VOTER APPROVAL OF TAX LEVY LIMITATIONS. 1. THE TAX LEVY FOR

 23 ANY SCHOOL DISTRICT SUBJECT TO THE TAX LEVY LIMITATIONS ESTABLISHED BY

 24 SECTION TWO THOUSAND TWENTY-THREE-A OF THIS ARTICLE SHALL BE APPROVED BY

 25 THE QUALIFIED VOTERS OF THE SCHOOL DISTRICT AS PROVIDED IN THIS SECTION.

 26 AS USED IN THIS SECTION, THE TERM "TAX LEVY PROPOSITION" MEANS A PROPO-

 27 SITION TO AUTHORIZE A TAX LEVY SUFFICIENT TO SUPPORT THE PROPOSED SCHOOL

 28 DISTRICT BUDGET, EXCLUDING ANY PROPOSED CAPITAL TAX LEVY.

 29 2. A. THE TRUSTEE, TRUSTEES OR BOARD OF EDUCATION OF A SCHOOL DISTRICT

 30 SHALL PRESENT AT THE ANNUAL MEETING AND ELECTION A TAX LEVY PROPOSITION

 31 IN SUBSTANTIALLY THE FOLLOWING FORM: "SHALL THE SCHOOL DISTRICT BE

 32 AUTHORIZED TO IMPOSE A TAX LEVY FOR THE SCHOOL YEAR, EXCLUDING ANY CAPI-

 33 TAL TAX LEVY, OF \_\_\_\_\_\_ WHEN THE STATUTORY TAX LEVY LIMIT FOR THAT

 34 SCHOOL YEAR IS \_\_\_\_\_\_?"

 35 B. EXCEPT AS OTHERWISE PROVIDED IN SECTION TWO THOUSAND TWENTY-THREE-A

 36 OF THIS ARTICLE, IF THE PROPOSED TAX LEVY DOES NOT EXCEED THE TAX LEVY

 37 LIMIT DETERMINED PURSUANT TO SECTION TWO THOUSAND TWENTY-THREE-A OF THIS

 38 ARTICLE, THEN THE PROPOSITION SHALL BE APPROVED IF OVER FIFTY PERCENT OF

 39 THE VOTES CAST THEREON ARE IN THE AFFIRMATIVE. IF THE PROPOSED TAX LEVY

 40 EXCEEDS THE TAX LEVY LIMIT DETERMINED PURSUANT TO SECTION TWO THOUSAND

 41 TWENTY-THREE-A OF THIS ARTICLE, THEN THE PROPOSITION SHALL BE APPROVED

 42 IF OVER SIXTY PERCENT OF THE VOTES CAST THEREON ARE IN THE AFFIRMATIVE.

 43 C. IF THE TAX LEVY PROPOSITION IS APPROVED BY THE QUALIFIED VOTERS,

 44 THE TAX LEVY LIMIT IMPOSED THEREBY SHALL BE DEEMED TO BE THE TAX LEVY

 45 LIMIT FOR THE SCHOOL DISTRICT FOR THE COMING SCHOOL YEAR, AND THE TRUS-

 46 TEES OR BOARD OF EDUCATION SHALL ADOPT A BUDGET THAT COMPLIES WITH SUCH

 47 TAX LEVY LIMIT. IF THE TAX LEVY PROPOSITION IS NOT APPROVED BY THE

 48 QUALIFIED VOTERS, THEN THE TRUSTEES OR BOARD OF EDUCATION SHALL PRESENT

 49 ON THE THIRD TUESDAY OF JUNE A TAX LEVY PROPOSITION IN ACCORDANCE WITH

 50 PARAGRAPHS A AND B OF THIS SUBDIVISION. IF, HOWEVER, THE TAX LEVY

 51 PROPOSITION IS THEN NOT APPROVED BY THE QUALIFIED VOTERS, THEN THE TRUS-

 52 TEES OR BOARD OF EDUCATION SHALL ADOPT A BUDGET THAT REQUIRES A TAX LEVY

 53 NO GREATER THAN THAT FOR THE PRIOR SCHOOL YEAR.

 54 S 4. Subdivisions 1 and 3 of section 416 of the education law, subdi-

 55 vision 1 as amended by chapter 687 of the laws of 1949 and subdivision 3

 S. 2706 6

 1 as amended by chapter 171 of the laws of 1996, are amended to read as

 2 follows:

 3 1. A majority of the voters of any school district, present and voting

 4 at any annual or special district meeting, duly convened, may authorize

 5 such acts and vote such taxes as they shall deem expedient for making

 6 additions, alterations, repairs or improvements, to the sites or build-

 7 ings belonging to the district, or for altering and equipping for

 8 library use any former schoolhouse belonging to the district, or for the

 9 purchase of other sites or buildings, or for a change of sites, or for

 10 the purchase of land and buildings for agricultural, athletic, play-

 11 ground or social center purposes, or for the erection of new buildings,

 12 or for building a bus garage, or for [buying apparatus, implements, or

 13 fixtures, or for paying the wages of teachers, and the necessary

 14 expenses of the school, or for the purpose of paying any judgment, or

 15 for] the payment or refunding of an outstanding bonded indebtedness[, or

 16 for such other purpose relating to the support and welfare of the school

 17 as they may, by resolution, approve].

 18 3. No addition to or change of site or purchase of a new site or tax

 19 for the purchase of any new site or structure, or for grading or improv-

 20 ing a school site, or for the purchase of an addition to the site of any

 21 schoolhouse, or for the purchase of lands and buildings for agricul-

 22 tural, athletic, playground or social center purposes, or for building

 23 any new schoolhouse or for the erection of an addition to any school-

 24 house already built, or for the payment or refunding of an outstanding

 25 bonded indebtedness, shall be voted at any such meeting in a union free

 26 school district or a city school district [which conducts annual budget

 27 votes in accordance with article forty-one of this chapter pursuant to

 28 section twenty-six hundred one-a of this chapter] IN A CITY WITH LESS

 29 THAN ONE HUNDRED TWENTY-FIVE THOUSAND INHABITANTS, unless a notice by

 30 the board of education stating that such tax will be proposed, and spec-

 31 ifying the object thereof and the amount to be expended therefor, shall

 32 have been given in the manner provided herein for the notice of an annu-

 33 al meeting. In a common school district the notice of a special meeting

 34 to authorize any of the improvements enumerated in this section shall be

 35 given as provided in [section two thousand six] THIS CHAPTER. The board

 36 of education of a union free school district or a city school district

 37 [which conducts annual budget votes in accordance with article forty-one

 38 of this chapter pursuant to section twenty-six hundred one-a of this

 39 chapter] IN A CITY WITH LESS THAN ONE HUNDRED TWENTY-FIVE THOUSAND

 40 INHABITANTS, may determine that the vote upon any question to be submit-

 41 ted at a special meeting as provided in this section shall be by ballot,

 42 in which case it shall state in the notice of such special meeting the

 43 hours during which the polls shall be kept open. Printed ballots may be

 44 prepared by the board in advance of the meeting and the proposition or

 45 propositions called for in the notice of the meeting may be submitted in

 46 substantially the same manner as propositions to be voted upon at a

 47 general election.

 48 S 5. Subdivisions 14, 15, 18 and 24 of section 1604 of the education

 49 law, subdivision 14 and 18 as amended by chapter 654 of the laws of

 50 1953, are amended to read as follows:

 51 14. To keep each of the schoolhouses under their charge, and its

 52 furniture, school apparatus and appurtenances, in necessary and proper

 53 repair, and make the same reasonably comfortable for use[, but shall not

 54 expend therefor without vote of the district an amount to exceed one

 55 hundred dollars in any one year].

 S. 2706 7

 1 15. To make any repairs and abate any nuisances, pursuant to the

 2 direction of the district superintendent as herein provided, and provide

 3 fuel, stoves or other heating apparatus, pails, brooms and other imple-

 4 ments necessary to keep the schoolhouses and the schoolrooms clean, and

 5 make them reasonably comfortable for use[, when no provision has been

 6 made therefor by a vote of the district, or the sum voted by the

 7 district for said purposes shall have proved insufficient].

 8 18. To [expend in the] purchase [of] a dictionary, books, reprod-

 9 uctions of standard works of art, maps, globes or other school appara-

 10 tus, including implements, apparatus and supplies for instruction in

 11 agriculture, or for conducting athletic playgrounds and social center

 12 activities[, a sum not exceeding fifty dollars in any one year, without

 13 a vote of the district].

 14 24. To furnish lighting facilities, janitorial care and supervision

 15 for highway underpasses [when authorized to do so by vote of a district

 16 meeting under the provisions of subdivision twenty of section two thou-

 17 sand fifteen of this chapter].

 18 S 6. Section 1608 of the education law, as amended by section 5 of

 19 part A of chapter 436 of the laws of 1997, subdivisions 2 and 4 as

 20 amended by chapter 640 of the laws of 2008, subdivision 7 as amended by

 21 section 4 of part H of chapter 83 of the laws of 2002 and paragraph a of

 22 subdivision 7 as amended by chapter 238 of the laws of 2007, is amended

 23 to read as follows:

 24 S 1608. Estimated expenses for ensuing year. 1. It shall be the duty

 25 of the trustees of each common school district to present at the annual

 26 budget hearing a detailed statement in writing of the amount of money

 27 which will be required for the ensuing year for school purposes, speci-

 28 fying the several purposes and the amount for each. The amount for each

 29 purpose estimated necessary for payments to boards of cooperative educa-

 30 tional services shall be shown in full, with no deduction of estimated

 31 state aid. The amount of state aid provided and its percentage relation-

 32 ship to the total expenditures shall also be shown. This section shall

 33 not be construed to prevent the trustees from presenting such statement

 34 at a budget hearing held not less than seven nor more than fourteen days

 35 prior to a special meeting called for the purpose, nor from presenting a

 36 supplementary and amended statement or estimate at any time.

 37 2. Such statement shall be completed at least seven days before the

 38 budget hearing at which it is to be presented and copies thereof shall

 39 be prepared and made available, upon request and at the school district

 40 offices, at any public library or free association library within the

 41 district and on the school district's internet website, if one exists,

 42 to residents within the district during the period of fourteen days

 43 immediately preceding the annual meeting [and election or special

 44 district meeting at which the budget vote will occur] and at such meet-

 45 ing or hearing. The board shall also as a part of the notice required by

 46 section two thousand three of this chapter give notice of the date, time

 47 and place of the budget hearing and that a copy of such statement may be

 48 obtained by any resident in the district at each schoolhouse in the

 49 district in which school is maintained during certain designated hours

 50 on each day other than a Saturday, Sunday or holiday during the fourteen

 51 days immediately preceding such meeting. The board shall include notice

 52 of the availability of such statement at least once during the school

 53 year in any district-wide mailing distributed.

 54 3. Commencing with the proposed budget for the nineteen hundred nine-

 55 ty-seven--ninety-eight school year, such proposed budget shall be in

 56 plain language and shall be consistent with regulations promulgated by

 S. 2706 8

 1 the commissioner pursuant to subdivision twenty-six of section three

 2 hundred five of this chapter. Categorization of and format for revenue,

 3 including payments in lieu of taxes, property tax refunds from certior-

 4 ari proceedings, expenditure, transfer, and fund balance information and

 5 changes in such data from the prior year and, in the case of [a resub-

 6 mitted or] AN amended budget, changes in such information from the prior

 7 year's submitted budget, shall be complete and accurate and set forth in

 8 such a manner as to best promote public comprehension and readability.

 9 4. Commencing with the proposed budget for the nineteen hundred nine-

 10 ty-eight--ninety-nine school year, such proposed budget shall be

 11 presented in three components: a program component, a capital component

 12 and an administrative component which shall be separately delineated in

 13 accordance with regulations of the commissioner after consultation with

 14 local school district officials. The administrative component shall

 15 include, but need not be limited to, office and central administrative

 16 expenses, traveling expenses and all compensation, salaries and benefits

 17 of all school administrators and supervisors, including business admin-

 18 istrators, superintendents of schools and deputy, assistant, associate

 19 or other superintendents under all existing employment contracts or

 20 collective bargaining agreements, any and all expenditures associated

 21 with the operation of the office of trustee or board of trustees, the

 22 office of the superintendent of schools, general administration, the

 23 school business office, consulting costs not directly related to direct

 24 student services and programs, planning and all other administrative

 25 activities. The program component shall include, but need not be limited

 26 to, all program expenditures of the school district, including the sala-

 27 ries and benefits of teachers and any school administrators or supervi-

 28 sors who spend a majority of their time performing teaching duties, and

 29 all transportation operating expenses. The capital component shall

 30 include, but need not be limited to, all transportation capital, debt

 31 service, and lease expenditures; costs resulting from judgments in tax

 32 certiorari proceedings or the payment of awards from court judgments,

 33 administrative orders or settled or compromised claims; and all facili-

 34 ties costs of the school district, including facilities lease expendi-

 35 tures, the annual debt service and total debt for all facilities

 36 financed by bonds and notes of the school district, and the costs of

 37 construction, acquisition, reconstruction, rehabilitation or improvement

 38 of school buildings, provided that such budget shall include a rental,

 39 operations and maintenance section that includes base rent costs, total

 40 rent costs, operation and maintenance charges, cost per square foot for

 41 each facility leased by the school district, and any and all expendi-

 42 tures associated with custodial salaries and benefits, service

 43 contracts, supplies, utilities, and maintenance and repairs of school

 44 facilities. [For the purposes of the development of a budget for the

 45 nineteen hundred ninety-eight--ninety-nine school year, the trustee or

 46 board of trustees shall separate the district's program, capital and

 47 administrative costs for the nineteen hundred ninety-seven--ninety-eight

 48 school year in the manner as if the budget for such year had been

 49 presented in three components.]

 50 5. The trustee or board of trustees shall append to the statement of

 51 estimated expenditures a detailed statement of the total compensation to

 52 be paid to the superintendent of schools, and any assistant or associate

 53 superintendents of schools in the ensuing school year, including a

 54 delineation of the salary, annualized cost of benefits and any in-kind

 55 or other form of remuneration. The trustees shall also append a list of

 56 all other school administrators and supervisors, if any, whose annual

 S. 2706 9

 1 salary will be eighty-five thousand dollars or more in the ensuing

 2 school year, with the title of their positions and annual salary identi-

 3 fied; provided however, that the commissioner may adjust such salary

 4 level to reflect increases in administrative salaries after June thirti-

 5 eth, nineteen hundred ninety-eight. The trustees shall submit a copy of

 6 such list and statement, in a form prescribed by the commissioner, of

 7 compensation to the commissioner within five days after their prepara-

 8 tion. The commissioner shall compile such data, together with the data

 9 submitted pursuant to subdivision three of section seventeen hundred

 10 sixteen of this chapter, into a single statewide compilation, which

 11 shall be made available to the governor, the legislature, and other

 12 interested parties upon request.

 13 6. Each year, the board of education shall prepare a school district

 14 report card, pursuant to regulations of the commissioner, and shall make

 15 it publicly available by transmitting it to local newspapers of general

 16 circulation, appending it to copies of the proposed budget made publicly

 17 available as required by law, making it available for distribution at

 18 the annual meeting, and otherwise disseminating it as required by the

 19 commissioner. Such report card shall include measures of the academic

 20 performance of the school district, on a school by school basis, and

 21 measures of the fiscal performance of the district, as prescribed by the

 22 commissioner. Pursuant to regulations of the commissioner, the report

 23 card shall also compare these measures to statewide averages for all

 24 public schools, and statewide averages for public schools of comparable

 25 wealth and need, developed by the commissioner. Such report card shall

 26 include, at a minimum, any information on the school district regarding

 27 pupil performance and expenditure per pupil required to be included in

 28 the annual report by the regents to the governor and the legislature

 29 pursuant to section two hundred fifteen-a of this chapter; and any other

 30 information required by the commissioner. School districts (i) identi-

 31 fied as having fifteen percent or more of their students in special

 32 education, or (ii) which have fifty percent or more of their students

 33 with disabilities in special education programs or services sixty

 34 percent or more of the school day in a general education building, or

 35 (iii) which have eight percent or more of their students with disabili-

 36 ties in special education programs in public or private separate educa-

 37 tional settings shall indicate on their school district report card

 38 their respective percentages as defined in this [subparagraph] PARAGRAPH

 39 and [subparagraphs] PARAGRAPHS (i) and (ii) of this [paragraph] SUBDIVI-

 40 SION as compared to the statewide average.

 41 7. a. Each year, commencing with the proposed budget for the two thou-

 42 sand--two thousand one school year, the trustee or board of trustees

 43 shall prepare a property tax report card, pursuant to regulations of the

 44 commissioner, and shall make it publicly available by transmitting it to

 45 local newspapers of general circulation, appending it to copies of the

 46 proposed budget made publicly available as required by law, making it

 47 available for distribution at the annual [meeting] BUDGET HEARING, and

 48 otherwise disseminating it as required by the commissioner. Such report

 49 card shall include: (i) the amount of total spending and total estimated

 50 school tax levy that would result from adoption of the proposed budget

 51 and the percentage increase or decrease in total spending and total

 52 school tax levy from the school district budget for the preceding school

 53 year; and (ii) THE DISTRICT'S TAX LEVY LIMIT AND TAX LEVY BASE DETER-

 54 MINED PURSUANT TO SECTION TWO THOUSAND TWENTY-THREE-A OF THIS TITLE, THE

 55 TAX LEVY PROPOSED BY THE DISTRICT, THE PROPOSED CAPITAL TAX LEVY, IF

 56 ANY; AND (III) the projected enrollment growth for the school year for

 S. 2706 10

 1 which the budget is prepared, and the percentage change in enrollment

 2 from the previous year; and [(iii)] (IV) the percentage increase in the

 3 consumer price index, as defined in paragraph c of this subdivision; and

 4 [(iv)] (V) the projected amount of the unappropriated unreserved fund

 5 balance that will be retained if the proposed budget is adopted, the

 6 projected amount of the reserved fund balance, the projected amount of

 7 the appropriated fund balance, the percentage of the proposed budget

 8 that the unappropriated unreserved fund balance represents, the actual

 9 unappropriated unreserved fund balance retained in the school district

 10 budget for the preceding school year, and the percentage of the school

 11 district budget for the preceding school year that the actual unappro-

 12 priated unreserved fund balance represents.

 13 b. A copy of the property tax report card prepared for the annual

 14 [district meeting] BUDGET HEARING shall be submitted to the department

 15 in the manner prescribed by the department by the end of the business

 16 day next following approval of the report card by the trustee or board

 17 of trustees, but no later than twenty-four days prior to the statewide

 18 uniform voting day. The department shall compile such data for all

 19 school districts [whose budgets are subject to a vote of the qualified

 20 voters] SUBJECT TO A TAX LEVY LIMITATION PURSUANT TO SECTION TWO THOU-

 21 SAND TWENTY-THREE-A OF THIS TITLE and shall make such compilation avail-

 22 able electronically at least ten days prior to the statewide uniform

 23 voting day.

 24 c. For purposes of this subdivision, "percentage increase in the

 25 consumer price index" shall mean the percentage that represents the

 26 product of one hundred and the quotient of: (i) the average of the

 27 national consumer price indexes determined by the United States depart-

 28 ment of labor for the twelve-month period preceding January first of the

 29 current year minus the average of the national consumer price indexes

 30 determined by the United States department of labor for the twelve-month

 31 period preceding January first of the prior year, divided by (ii) the

 32 average of the national consumer price indexes determined by the United

 33 States department of labor for the twelve-month period preceding January

 34 first of the prior year, with the result expressed as a decimal to two

 35 places.

 36 S 7. Subdivisions 22 and 28 of section 1709 of the education law

 37 subdivision 22 as amended by chapter 682 of the laws of 2002, are

 38 amended to read as follows:

 39 22. To provide, purchase, lease, furnish and maintain buildings or

 40 other suitable accommodations for the use of teachers or other employees

 41 of the district [when duly authorized by a meeting of the district]

 42 SUBJECT TO THE APPROVAL OF VOTERS WHERE OTHERWISE REQUIRED BY LAW, and

 43 to raise by tax upon the taxable property of the district and moneys

 44 necessary for such purposes; and also to provide, maintain and operate a

 45 cafeteria or restaurant service for the use of pupils and teachers while

 46 at school. Such cafeteria may be used by the community for school

 47 related functions and activities and to furnish meals to the elderly

 48 residents, sixty years of age or older, of the district. Such CAFETERIA

 49 OR RESTAURANT SERVICE AND SUCH utilization shall be subject to the

 50 approval of the board of education. Charges shall be sufficient to meet

 51 the direct cost of preparing and serving such meals, reducible by avail-

 52 able reimbursements.

 53 28. To furnish lighting facilities, janitorial care and supervision

 54 for highway underpasses [when authorized to do so by vote of a district

 55 meeting under the provisions of subdivision twenty of section two thou-

 56 sand fifteen of this chapter].

 S. 2706 11

 1 S 8. Section 1716 of the education law, as amended by section 7 of

 2 part A of chapter 436 of the laws of 1997, subdivisions 2 and 4 as

 3 amended by chapter 640 of the laws of 2008, subdivision 7 as amended by

 4 section 5 of part H of chapter 83 of the laws of 2002 and paragraph a of

 5 subdivision 7 as amended by chapter 238 of the laws of 2007, is amended

 6 to read as follows:

 7 S 1716. Estimated expenses for ensuing year. 1. It shall be the duty

 8 of the board of education of each district to present at the annual

 9 budget hearing a detailed statement in writing of the amount of money

 10 which will be required for the ensuing year for school purposes, speci-

 11 fying the several purposes and the amount for each. The amount for each

 12 purpose estimated necessary for payments to boards of cooperative educa-

 13 tional services shall be shown in full, with no deduction of estimated

 14 state aid. The amount of state aid provided and its percentage relation-

 15 ship to the total expenditures shall also be shown. This section shall

 16 not be construed to prevent the board from presenting such statement at

 17 a budget hearing held not less than seven nor more than fourteen days

 18 prior to a special meeting called for the purpose, nor from presenting a

 19 supplementary and amended statement or estimate at any time.

 20 2. Such statement shall be completed at least seven days before the

 21 budget hearing at which it is to be presented and copies thereof shall

 22 be prepared and made available, upon request and at the school district

 23 offices, at any public library or free association library within the

 24 district and on the school district's internet website, if one exists,

 25 to residents within the district during the period of fourteen days

 26 immediately preceding the annual meeting [and election or special

 27 district meeting at which the budget vote will occur] and at such meet-

 28 ing or hearing. The board shall also as a part of the notice required by

 29 section two thousand four of this chapter give notice of the date, time

 30 and place of the budget hearing and that a copy of such statement may be

 31 obtained by any resident in the district at each schoolhouse in the

 32 district in which school is maintained during certain designated hours

 33 on each day other than a Saturday, Sunday or holiday during the fourteen

 34 days immediately preceding such meeting. The board shall include notice

 35 of the availability of such statement at least once during the school

 36 year in any district-wide mailing distributed.

 37 3. Commencing with the proposed budget for the nineteen hundred nine-

 38 ty-seven--ninety-eight school year, such proposed budget shall be in

 39 plain language and shall be consistent with regulations promulgated by

 40 the commissioner pursuant to subdivision twenty-six of section three

 41 hundred five of this chapter. Categorization of and format for revenue,

 42 including payments in lieu of taxes, property tax refunds from certior-

 43 ari proceedings, expenditure, transfer, and fund balance information and

 44 changes in such data from the prior year and, in the case of [a resub-

 45 mitted or] AN amended budget, changes in such information from the prior

 46 year submitted budget, shall be complete and accurate and set forth in

 47 such a manner as to best promote public comprehension and readability.

 48 4. Commencing with the proposed budget for the nineteen hundred nine-

 49 ty-eight--ninety-nine school year, such proposed budget shall be

 50 presented in three components: a program component, a capital component

 51 and an administrative component which shall be separately delineated in

 52 accordance with regulations of the commissioner after consultation with

 53 local school district officials. The administrative component shall

 54 include, but need not be limited to, office and central administrative

 55 expenses, traveling expenses and all compensation, salaries and benefits

 56 of all school administrators and supervisors, including business admin-

 S. 2706 12

 1 istrators, superintendents of schools and deputy, assistant, associate

 2 or other superintendents under all existing employment contracts or

 3 collective bargaining agreements, any and all expenditures associated

 4 with the operation of the board of education, the office of the super-

 5 intendent of schools, general administration, the school business

 6 office, consulting costs not directly related to direct student services

 7 and programs, planning and all other administrative activities. The

 8 program component shall include, but need not be limited to, all program

 9 expenditures of the school district, including the salaries and benefits

 10 of teachers and any school administrators or supervisors who spend a

 11 majority of their time performing teaching duties, and all transporta-

 12 tion operating expenses. The capital component shall include, but need

 13 not be limited to, all transportation capital, debt service, and lease

 14 expenditures; costs resulting from judgments in tax certiorari

 15 proceedings or the payment of awards from court judgments, administra-

 16 tive orders or settled or compromised claims; and all facilities costs

 17 of the school district, including facilities lease expenditures, the

 18 annual debt service and total debt for all facilities financed by bonds

 19 and notes of the school district, and the costs of construction, acqui-

 20 sition, reconstruction, rehabilitation or improvement of school build-

 21 ings, provided that such budget shall include a rental, operations and

 22 maintenance section that includes base rent costs, total rent costs,

 23 operation and maintenance charges, cost per square foot for each facili-

 24 ty leased by the school district, and any and all expenditures associ-

 25 ated with custodial salaries and benefits, service contracts, supplies,

 26 utilities, and maintenance and repairs of school facilities. [For the

 27 purposes of the development of a budget for the nineteen hundred nine-

 28 ty-eight--ninety-nine school year, the board of education shall separate

 29 the district's program, capital and administrative costs for the nine-

 30 teen hundred ninety-seven--ninety-eight school year in the manner as if

 31 the budget for such year had been presented in three components.]

 32 5. The board of education shall append to the statement of estimated

 33 expenditures a detailed statement of the total compensation to be paid

 34 to the superintendent of schools, and any assistant or associate super-

 35 intendents of schools in the ensuing school year, including a deline-

 36 ation of the salary, annualized cost of benefits and any in-kind or

 37 other form of remuneration. The board shall also append a list of all

 38 other school administrators and supervisors, if any, whose annual salary

 39 will be eighty-five thousand dollars or more in the ensuing school year,

 40 with the title of their positions and annual salary identified; provided

 41 however, that the commissioner may adjust such salary level to reflect

 42 increases in administrative salaries after June thirtieth, nineteen

 43 hundred ninety-eight. The board of education shall submit a copy of such

 44 list and statement, in a form prescribed by the commissioner, of compen-

 45 sation to the commissioner within five days after their preparation. The

 46 commissioner shall compile such data, together with the data submitted

 47 pursuant to subdivision four of section sixteen hundred eight of this

 48 [chapter] TITLE, into a single statewide compilation, which shall be

 49 made available to the governor, the legislature, and other interested

 50 parties upon request.

 51 6. Each year, the board of education shall prepare a school district

 52 report card, pursuant to regulations of the commissioner, and shall make

 53 it publicly available by transmitting it to local newspapers of general

 54 circulation, appending it to copies of the proposed budget made publicly

 55 available as required by law, making it available for distribution at

 56 the annual meeting, and otherwise disseminating it as required by the

 S. 2706 13

 1 commissioner. Such report card shall include measures of the academic

 2 performance of the school district, on a school by school basis, and

 3 measures of the fiscal performance of the district, as prescribed by the

 4 commissioner. Pursuant to regulations of the commissioner, the report

 5 card shall also compare these measures to statewide averages for all

 6 public schools, and statewide averages for public schools of comparable

 7 wealth and need, developed by the commissioner. Such report card shall

 8 include, at a minimum, any information of the school district regarding

 9 pupil performance and expenditure per pupil required to be included in

 10 the annual report by the regents to the governor and the legislature

 11 pursuant to section two hundred fifteen-a of this chapter; and any other

 12 information required by the commissioner. School districts (i) identi-

 13 fied as having fifteen percent or more of their students in special

 14 education, or (ii) which have fifty percent or more of their students

 15 with disabilities in special education programs or services sixty

 16 percent or more of the school day in a general education building, or

 17 (iii) which have eight percent or more of their students with disabili-

 18 ties in special education programs in public or private separate educa-

 19 tional settings shall indicate on their school district report card

 20 their respective percentages as defined in this paragraph and paragraphs

 21 (i) and (ii) of this subdivision as compared to the statewide average.

 22 7. a. Each year, commencing with the proposed budget for the two thou-

 23 sand--two thousand one school year, the board of education shall prepare

 24 a property tax report card, pursuant to regulations of the commissioner,

 25 and shall make it publicly available by transmitting it to local newspa-

 26 pers of general circulation, appending it to copies of the proposed

 27 budget made publicly available as required by law, making it available

 28 for distribution at the annual [meeting] BUDGET HEARING, and otherwise

 29 disseminating it as required by the commissioner. Such report card shall

 30 include: (i) the amount of total spending and total estimated school tax

 31 levy that would result from adoption of the proposed budget and the

 32 percentage increase or decrease in total spending and total school tax

 33 levy from the school district budget for the preceding school year; and

 34 (ii) THE DISTRICT'S TAX LEVY LIMIT AND TAX LEVY BASE DETERMINED PURSUANT

 35 TO SECTION TWO THOUSAND TWENTY-THREE-A OF THIS TITLE, THE TAX LEVY

 36 PROPOSED BY THE DISTRICT, AND THE PROPOSED CAPITAL TAX LEVY, IF ANY; AND

 37 (III) the projected enrollment growth for the school year for which the

 38 budget is prepared, and the percentage change in enrollment from the

 39 previous year; and [(iii)] (IV) the percentage increase in the consumer

 40 price index, as defined in paragraph c of this subdivision; and [(iv)]

 41 (V) the projected amount of the unappropriated unreserved fund balance

 42 that will be retained if the proposed budget is adopted, the projected

 43 amount of the reserved fund balance, the projected amount of the appro-

 44 priated fund balance, the percentage of the proposed budget that the

 45 unappropriated unreserved fund balance represents, the actual unappro-

 46 priated unreserved fund balance retained in the school district budget

 47 for the preceding school year, and the percentage of the school district

 48 budget for the preceding school year that the actual unappropriated

 49 unreserved fund balance represents.

 50 b. A copy of the property tax report card prepared for the annual

 51 [district meeting] BUDGET HEARING shall be submitted to the department

 52 in the manner prescribed by the department by the end of the business

 53 day next following approval of the report card by the board of educa-

 54 tion, but no later than twenty-four days prior to the statewide uniform

 55 voting day. The department shall compile such data for all school

 56 districts [whose budgets are subject to a vote of the qualified voters]

 S. 2706 14

 1 SUBJECT TO A TAX LEVY LIMITATION PURSUANT TO SECTION TWO THOUSAND TWEN-

 2 TY-THREE-A OF THIS TITLE and shall make such compilation available elec-

 3 tronically at least ten days prior to the statewide uniform voting day.

 4 c. For purposes of this subdivision, "percentage increase in the

 5 consumer price index" shall mean the percentage that represents the

 6 product of one hundred and the quotient of: (i) the average of the

 7 national consumer price indexes determined by the United States depart-

 8 ment of labor for the twelve-month period preceding January first of the

 9 current year minus the average of the national consumer price indexes

 10 determined by the United States department of labor for the twelve-month

 11 period preceding January first of the prior year, divided by (ii) the

 12 average of the national consumer price indexes determined by the United

 13 States department of labor for the twelve-month period preceding January

 14 first of the prior year, with the result expressed as a decimal to two

 15 places.

 16 S 9. Section 1718 of the education law, as amended by chapter 774 of

 17 the laws of 1965 and subdivision 2 as amended by chapter 82 of the laws

 18 of 1995, is amended to read as follows:

 19 S 1718. Limitation upon expenditures. 1. No board of education shall

 20 incur a district liability in excess of the amount appropriated [by a

 21 district meeting] IN THE BUDGET APPROVED BY THE BOARD OF EDUCATION

 22 unless such board is specially authorized by law to incur such liabil-

 23 ity.

 24 2. Notwithstanding the provisions of subdivision one of this section,

 25 grants in aid received from the state and federal governments for

 26 specific purposes, other state AID OR grants in aid [identified by the

 27 commissioner] for general use [as specified by the board of education],

 28 other gifts which are required to be spent for particular objects or

 29 purposes and insurance proceeds received for the loss, theft, damage or

 30 destruction of real or personal property, when proposed to be used or

 31 applied to repair or replace such property, may be appropriated by

 32 resolution of the board of education at any time for such objects or

 33 purposes.

 34 S 10. Section 2005 of the education law, as amended by section 3 of

 35 part M of chapter 57 of the laws of 2005, is amended to read as follows:

 36 S 2005. Special meeting to transact business of annual meeting. When-

 37 ever the time for holding the annual meeting in a school district shall

 38 pass without such meeting being held, a special meeting[, to be held on

 39 the date specified for a school budget revote pursuant to subdivision

 40 three of section two thousand seven of this part,] shall thereafter be

 41 called by the trustees or by the clerk of such district for the purpose

 42 of transacting the business of the annual meeting; and if no such meet-

 43 ing be called by the trustees or the clerk within ten days after such

 44 time shall have passed, the district superintendent of the supervisory

 45 district in which said school district is situated or the commissioner

 46 [of education] may order any inhabitant of such district to give notice

 47 of such meeting in the manner provided in section two thousand one of

 48 this part, and the officers of the district shall make to such meeting

 49 the reports required to be made at the annual meeting, subject to the

 50 same penalty in case of neglect; and the officers elected at such meet-

 51 ing shall hold their respective offices only until the next annual meet-

 52 ing and until their successors are elected and shall have qualified.

 53 Notice of such annual meeting shall comply with the requirements of

 54 section two thousand three or section two thousand four of this part by

 55 publishing such notices once in each week within the two weeks next

 56 preceding such special meeting, the first publication to be at least

 S. 2706 15

 1 fourteen days before such meeting and any required posting to be four-

 2 teen days before the time of such meeting. [If the qualified voters at

 3 such special district meeting defeat the school district budget, the

 4 trustees or board of education shall adopt a contingency budget pursuant

 5 to section two thousand twenty-three of this part. Notwithstanding any

 6 other provision in law, the trustees or board of education following the

 7 adoption of a contingency budget may call a special district meeting for

 8 a second vote on the proposed budget pursuant to the requirements of

 9 subdivision three of section two thousand seven or subdivision three of

 10 section two thousand six of this chapter.]

 11 S 11. Subdivision 3 of section 2006 of the education law is REPEALED.

 12 S 12. Subdivision 3 of section 2007 of the education law, as amended

 13 by section 5 of part M of chapter 57 of the laws of 2005, is amended to

 14 read as follows:

 15 3. a. Notwithstanding the provisions of subdivisions one and two of

 16 this section, and of section two thousand four of this part, whenever

 17 the [voters of the district shall have defeated the budget of the

 18 district, in whole or in part, or whenever the] board of education shall

 19 have rejected all bids for a contract or contracts for public work,

 20 transportation or purchase[,] and [whenever in either such case the

 21 board of education shall deem] DEEMS it necessary and proper to call a

 22 special meeting to take appropriate action, the board of education shall

 23 be authorized to give the notices required by subdivision one of section

 24 two thousand four of this part by publishing such notices once in each

 25 week within the two weeks next preceding such special meeting, the first

 26 publication to be at least fourteen days before such meeting and any

 27 required posting to be fourteen days before the time of such meeting.

 28 b. [A school budget revote called pursuant to paragraph a of this

 29 subdivision shall be held on the third Tuesday of June, provided, howev-

 30 er that such budget revote shall be held on the second Tuesday in June

 31 if the commissioner at the request of a local school board certifies no

 32 later than March first that such vote would conflict with religious

 33 observances.

 34 c.] Notwithstanding the provisions of section two thousand fourteen of

 35 this part, where a school district shall have adopted personal registra-

 36 tion, the board of registration shall meet on such day or days as shall

 37 be fixed by the board of education, the last day of which, however,

 38 shall not be more than seven nor less than two days preceding any school

 39 district meeting notices for which shall have been given as provided in

 40 this subdivision.

 41 S 13. Section 2008 of the education law is amended by adding a new

 42 subdivision 3 to read as follows:

 43 3. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, IT

 44 SHALL NOT BE WITHIN THE POWER OF THE VOTERS OF A SCHOOL DISTRICT TO

 45 SUBMIT A PROPOSITION THAT REQUIRES THE EXPENDITURE OF MONEY, PROVIDED

 46 THAT THE VOTERS MAY SUBMIT A PROPOSITION TO CHANGE THE MILEAGE LIMITA-

 47 TIONS ON TRANSPORTATION PURSUANT TO SUBDIVISION NINETEEN OF SECTION TWO

 48 THOUSAND TWENTY-ONE OF THIS PART.

 49 S 14. Subdivisions 10, 11, 12, 15, 16, 17, 18, 20 and 21 of section

 50 2021 of the education law are REPEALED and subdivisions 8 and 19, such

 51 section as renumbered by chapter 801 of the laws of 1953, are amended to

 52 read as follows:

 53 8. To vote a tax upon the taxable property of the district, to

 54 purchase, lease and improve such sites or an addition to such sites and

 55 grounds for the purposes specified in [the preceding] subdivision SEVEN

 56 OF THIS SECTION, to hire or purchase rooms or buildings for school rooms

 S. 2706 16

 1 or schoolhouses, or to build schoolhouses[; to keep in repair and

 2 furnish the same with necessary fuel, furniture and appurtenances, and

 3 to purchase such implements, apparatus and supplies as may be necessary

 4 to provide instruction in agriculture and other subjects, and for the

 5 organization and conduct of athletic, playground and other social center

 6 work].

 7 19. To [provide, by tax or otherwise, for the conveyance of] DETERMINE

 8 WHETHER TRANSPORTATION SHOULD BE PROVIDED PURSUANT TO PARAGRAPH A OF

 9 SUBDIVISION ONE OF SECTION THIRTY-SIX HUNDRED THIRTY-FIVE OF THIS CHAP-

 10 TER TO pupils residing in [a] THE school district WHO ARE IN GRADES

 11 KINDERGARTEN THROUGH EIGHT AND LIVE LESS THAN TWO MILES FROM THE SCHOOL

 12 THEY LEGALLY ATTEND OR ARE IN GRADES NINE THROUGH TWELVE AND LIVE LESS

 13 THAN THREE MILES FROM SUCH SCHOOL OR TO PUPILS IN ANY GRADE WHO LIVE

 14 MORE THAN FIFTEEN MILES FROM THE SCHOOL THEY LEGALLY ATTEND, (a) to the

 15 elementary or high schools, or both, maintained in such district and/or

 16 (b) to the elementary or high schools, or both, in any city or district

 17 with which an education contract shall have been made, and/or (c) to the

 18 elementary or high schools, or both, other than public, situated within

 19 the district or an adjacent district or city, whenever such district

 20 shall have contracted with the school authorities of any city, or with

 21 another school district, for the education therein of the pupils resid-

 22 ing in such school district, or whenever in any school district pupils

 23 of school age shall reside so remote from the schoolhouse therein or the

 24 elementary or high school they legally attend, within or without the

 25 district, that they are practically deprived of school advantages during

 26 any portion of the school year.

 27 S 15. Section 2022 of the education law, as amended by section 23 of

 28 part A of chapter 436 of the laws of 1997, subdivisions 1 and 3 as

 29 amended by section 8 of part C of chapter 58 of the laws of 1998, subdi-

 30 vision 2-a as amended by section 3 of part A of chapter 60 of the laws

 31 of 2000, paragraph b of subdivision 2-a as amended by section 5 of part

 32 W of chapter 57 of the laws of 2008, subdivision 4 as amended by section

 33 7 of part M of chapter 57 of the laws of 2005 and subdivision 6 as added

 34 by chapter 61 of the laws of 2003, is amended to read as follows:

 35 S 2022. [Vote on] ADOPTION OF school district budgets [and on the];

 36 ANNUAL DISTRICT MEETING AND election of school district trustees and

 37 board of education members. 1. Notwithstanding any law, rule or regu-

 38 lation to the contrary, the ANNUAL DISTRICT MEETING AND election of

 39 trustees or members of the board of education, and the TAX LEVY PROPOSI-

 40 TION vote [upon the appropriation of the necessary funds to meet the

 41 estimated expenditures,] in any common school district, union free

 42 school district, central school district or central high school district

 43 shall be held [at the annual meeting and election] on the third Tuesday

 44 in May, provided, however, that such election shall be held on the

 45 second Tuesday in May if the commissioner at the request of a local

 46 school board certifies no later than March first that such election

 47 would conflict with religious observances. [When such election or vote

 48 is taken by recording the ayes and noes of the qualified voters attend-

 49 ing, a majority of the qualified voters present and voting, by a hand or

 50 voice vote, may determine to take up the question of voting the neces-

 51 sary funds to meet the estimated expenditures for a specific item sepa-

 52 rately, and the qualified voters present and voting may increase the

 53 amount of any estimated expenditures or reduce the same, except for

 54 teachers' salaries, and the ordinary contingent expenses of the

 55 schools.] The sole trustee, board of trustees or board of education of

 56 every common, union free, central or central high school district and

 S. 2706 17

 1 every city school district to which this article applies shall hold a

 2 budget hearing not less than seven nor more than fourteen days prior to

 3 the annual meeting and election [or special district meeting at which a

 4 school budget vote will occur], and shall prepare and present to the

 5 voters at such budget hearing a proposed school district budget for the

 6 ensuing school year. IF THE QUALIFIED VOTERS HAVE APPROVED A TAX LEVY

 7 PROPOSITION IN ACCORDANCE WITH SECTION TWO THOUSAND TWENTY-THREE-B OF

 8 THIS PART, SUCH TRUSTEES OR BOARD OF EDUCATION SHALL ADOPT A BUDGET THAT

 9 COMPLIES WITH SUCH PROPOSITION. IF NO TAX LEVY PROPOSITION HAS BEEN

 10 APPROVED BY THE QUALIFIED VOTERS, THEN THE TRUSTEES OR BOARD OF EDUCA-

 11 TION SHALL ADOPT A BUDGET THAT REQUIRES A TAX LEVY, EXCLUDING ANY CAPI-

 12 TAL TAX LEVY, THAT IS NO GREATER THAN THE TAX LEVY BASE DETERMINED

 13 PURSUANT TO SECTION TWO THOUSAND TWENTY-THREE-A OF THIS PART.

 14 2. [Except as provided in subdivision four of this section, nothing]

 15 NOTHING in this section shall preclude the trustees or board of educa-

 16 tion, in their discretion, from submitting additional items of expendi-

 17 ture to the voters for approval as separate propositions or the voters

 18 from submitting propositions pursuant to [section] SECTIONS two thousand

 19 eight and two thousand thirty-five of this [article] PART.

 20 2-a. Every common, union free, central, central high school district

 21 and city school district to which this article applies shall mail a

 22 school budget notice to all qualified voters of the school district

 23 after the date of the budget hearing, but no later than six days prior

 24 to the annual meeting and election [or special district meeting at which

 25 a school budget vote will occur]. The school budget notice shall compare

 26 the percentage increase or decrease in total spending under the proposed

 27 budget over total spending under the school district budget adopted for

 28 the current school year, with the percentage increase or decrease in the

 29 consumer price index, from January first of the prior school year to

 30 January first of the current school year, and shall also include [the

 31 information required by paragraphs a and b of this subdivision. The

 32 notice shall also set forth the date, time and place of the school budg-

 33 et vote, in the same manner as in the notice of annual meeting] THE

 34 DISTRICT'S TAX LEVY LIMIT AND TAX LEVY BASE DETERMINED PURSUANT TO

 35 SECTION TWO THOUSAND TWENTY-THREE-A OF THIS PART, THE TAX LEVY PROPOSED

 36 BY THE DISTRICT AND THE PROPOSED CAPITAL TAX LEVY, IF ANY. Such notice

 37 shall be in a form prescribed by the commissioner.

 38 [a. Commencing with the proposed budget for the two thousand one--two

 39 thousand two school year, such notice shall also include a description

 40 of how total spending and the tax levy resulting from the proposed budg-

 41 et would compare with a projected contingency budget adopted pursuant to

 42 section two thousand twenty-three of this article, assuming that such

 43 contingency budget is adopted on the same day as the vote on the

 44 proposed budget. Such comparison shall be in total and by component

 45 (program, capital and administrative), and shall include a statement of

 46 the assumptions made in estimating the projected contingency budget.

 47 b.] Commencing with the proposed budget for the two thousand eight--

 48 two thousand nine school year, such notice shall also include, in a

 49 format prescribed by the commissioner, an estimate of the tax savings

 50 that would be available to an eligible homeowner under the basic school

 51 tax relief (STAR) exemption authorized by section four hundred twenty-

 52 five of the real property tax law if the proposed budget were adopted.

 53 Such estimate shall be made in the manner prescribed by the commission-

 54 er, in consultation with the office of real property services.

 55 3. In all elections for trustees or members of boards of education or

 56 votes involving the expenditure of money, or authorizing the levy of

 S. 2706 18

 1 taxes, the vote thereon shall be by ballot, or, in school districts that

 2 prior to nineteen hundred ninety-eight conducted their vote at the annu-

 3 al meeting, may be ascertained by taking and recording the ayes and noes

 4 of such qualified voters attending and voting at such district meetings.

 5 4. [In the event that the original proposed budget is not approved by

 6 the voters, the sole trustee, trustees or board of education may adopt a

 7 final budget pursuant to subdivision five of this section or resubmit to

 8 the voters the original or a revised budget pursuant to subdivision

 9 three of section two thousand seven of this part. Upon one defeat of

 10 such resubmitted budget, the sole trustee, trustees or board of educa-

 11 tion shall adopt a final budget pursuant to subdivision five of this

 12 section.] Notwithstanding any other provision of law to the contrary,

 13 [the school district budget for any school year, or any part of such

 14 budget or] any propositions involving the expenditure of money for such

 15 school year shall not be submitted for a vote of the qualified voters

 16 more than twice.

 17 [5. If the qualified voters fail to approve the proposed school

 18 district budget upon resubmission or upon a determination not to resub-

 19 mit for a second vote pursuant to subdivision four of this section, the

 20 sole trustee, trustees or board of education, after applying thereto the

 21 public school moneys and other moneys received or to be received for

 22 that purpose, shall levy a tax for the sum necessary for teachers' sala-

 23 ries and other ordinary contingent expenses in accordance with the

 24 provisions of this subdivision and section two thousand twenty-three of

 25 this article.

 26 6. Notwithstanding the provisions of subdivision four of section eigh-

 27 teen hundred four and subdivision five of section nineteen hundred six

 28 of this title, subdivision one of section two thousand two of this arti-

 29 cle, subdivision one of this section, subdivision two of section twen-

 30 ty-six hundred one-a of this title and any other provision of law to the

 31 contrary, the annual district meeting and election of every common,

 32 union free, central and central high school district and the annual

 33 meeting of every city school district in a city having a population of

 34 less than one hundred twenty-five thousand inhabitants that is scheduled

 35 to be held on the third Tuesday of May, two thousand three is hereby

 36 adjourned until the first Tuesday in June, two thousand three. The trus-

 37 tees or board of education of each such school district shall provide

 38 notice of such adjourned meeting to the qualified voters in the manner

 39 prescribed for notice of the annual meeting, and such notice shall

 40 provide for an adjourned budget hearing. The adjourned district meeting

 41 or district meeting and election shall be deemed the annual meeting or

 42 annual meeting and election of the district for all purposes under this

 43 title and the date of the adjourned meeting shall be deemed the state-

 44 wide uniform voting day for all purposes under this title. Notwith-

 45 standing the provisions of subdivision seven of section sixteen hundred

 46 eight or subdivision seven of section seventeen hundred sixteen of this

 47 title or any other provision of law, rule or regulation to the contrary,

 48 in two thousand three the property tax report card shall be submitted to

 49 the department no later than twenty days prior to the date of the

 50 adjourned meeting and the department shall make its compilation avail-

 51 able electronically at least seven days prior to such date.]

 52 S 16. Section 2023 of the education law is REPEALED.

 53 S 17. Subdivision 2 of section 2035 of the education law, as amended

 54 by chapter 111 of the laws of 1979, is amended to read as follows:

 55 2. In common school districts the manner of making nominations or

 56 submitting propositions by anyone other than the trustees and in union

 S. 2706 19

 1 free school districts the manner of submitting propositions by anyone

 2 other than the board of education for the purpose of preparing ballots

 3 for the machine shall be prescribed by a rule previously adopted by the

 4 trustees or board of education; provided, however, that the petition,

 5 certificate, declaration, notice or other paper required by such rule,

 6 for the making of any such nomination or submission, except as to a

 7 question or proposition required by law to be stated in the published or

 8 posted notice of the meeting shall be filed with the trustees or board

 9 of education not later than thirty days before the meeting or election.

 10 Any nomination may be rejected by the trustees if the candidate is inel-

 11 igible for the office or has declared his unwillingness to serve; any

 12 proposition may be rejected by the trustees or board of education if the

 13 purpose of the proposition is not within the power of the voters, or

 14 where A PROPOSITION TO CHANGE THE MILEAGE LIMITATIONS ON TRANSPORTATION

 15 PURSUANT TO SUBDIVISION NINETEEN OF SECTION TWO THOUSAND TWENTY-ONE OF

 16 THIS PART WOULD REQUIRE the expenditure of ADDITIONAL moneys [is

 17 required by the proposition], if the proposition fails to include the

 18 necessary specific appropriation. Any such rule may be amended from

 19 time to time and may state that a reasonable minimum number of signa-

 20 tures shall be required for submission. The trustees or board of educa-

 21 tion shall cause such rule, and amendments from time to time, to be

 22 printed for general distribution in the district. Provided, however,

 23 that the provisions of any special law relating to nominations and

 24 elections in any union free school district shall continue to remain in

 25 force, and the manner of making nominations and the conduct of meetings

 26 and elections, shall conform to such special law.

 27 S 18. Paragraph a of subdivision 9 and paragraphs a and b of subdivi-

 28 sion 12 of section 2503 of the education law, as amended by chapter 171

 29 of the laws of 1996, are amended to read as follows:

 30 a. Shall promote the best interests of the schools and other activ-

 31 ities committed to its care, and shall authorize, or in its discretion

 32 conduct, and maintain such extra classroom activities, including the

 33 operation of cafeterias or restaurant service for use by pupils and

 34 teachers, as the board, from time to time, shall deem proper. Such

 35 cafeterias or restaurant service may be used by the community for school

 36 related functions and activities and to furnish meals to the elderly

 37 residents, sixty years of age or older, of the district. Such utiliza-

 38 tion AND THE OPERATION OF CAFETERIAS OR RESTAURANT SERVICE shall be

 39 subject to the approval of the board of education[, and shall be subject

 40 to voter approval unless the cafeteria or restaurant service was oper-

 41 ated during the preceding school year and requires no tax levy]. Charges

 42 shall be sufficient to meet the direct cost of preparing and serving

 43 such meals, reducible by available reimbursements.

 44 a. to and from schools within the school district for distances

 45 greater than two or three miles, as applicable, and to and from schools

 46 outside the district within the mileage limitations prescribed in para-

 47 graph a of subdivision one of section thirty-six hundred thirty-five of

 48 this chapter shall always be [an ordinary contingent expense] A CHARGE

 49 UPON THE SCHOOL DISTRICT, and

 50 b. for distances less than two or three miles, as applicable, or for

 51 greater than fifteen miles to and from schools outside the district

 52 shall be [an ordinary contingent expense] A CHARGE UPON THE SCHOOL

 53 DISTRICT if: (i) such transportation was provided during the preceding

 54 school year and the qualified voters have not passed a special proposi-

 55 tion constricting the mileage limitations for the current school year

 56 from those in effect in the prior year, or (ii) the qualified voters

 S. 2706 20

 1 have passed a special proposition expanding the mileage limitations in

 2 effect in the prior year.

 3 S 19. Section 2601-a of the education law, as added by chapter 171 of

 4 the laws of 1996, subdivision 2 as amended by section 6 and subdivision

 5 4 as amended by section 8 of part M of chapter 57 of the laws of 2005,

 6 subdivision 3 as amended by chapter 640 of the laws of 2008, subdivision

 7 5 as amended by section 29 of part A of chapter 436 of the laws of 1997,

 8 subdivision 6 as amended and subdivision 7 as added by chapter 474 of

 9 the laws of 1996, is amended to read as follows:

 10 S 2601-a. Procedures for [adoption of school budgets] ANNUAL AND

 11 SPECIAL DISTRICT MEETINGS in small city school districts. 1. The board

 12 of education of each city school district subject to this article [shall

 13 provide for the submission of a budget for approval of the voters pursu-

 14 ant to the provisions of this section.

 15 2. The board of education] shall ADOPT A SCHOOL DISTRICT BUDGET AND

 16 conduct all annual and special school district meetings for the purpose

 17 of [adopting a school district budget] VOTING ON PROPOSITIONS FOR THE

 18 EXPENDITURE OF MONEY, INCLUDING BUT NOT LIMITED TO VOTES PURSUANT TO

 19 SECTION FOUR HUNDRED SIXTEEN OF THIS CHAPTER, AND VOTING ON TAX LEVY

 20 PROPOSITIONS PURSUANT TO SECTION TWO THOUSAND TWENTY-THREE-B OF THIS

 21 TITLE, in the same manner as a union free school district in accordance

 22 with the provisions of article forty-one of this title, except as other-

 23 wise provided by this section. The annual meeting and election of each

 24 such city school district shall be held on the third Tuesday of May in

 25 each year, provided, however that such annual meeting and election shall

 26 be held on the second Tuesday in May if the commissioner at the request

 27 of a local school board certifies no later than March first that such

 28 election would conflict with religious observances[, and any school

 29 budget revote shall be held on the date and in the same manner specified

 30 in subdivision three of section two thousand seven of this title]. The

 31 provisions of this article, and where applicable subdivisions nine and

 32 nine-a of section twenty-five hundred two of this title, governing the

 33 qualification and registration of voters, and procedures for the nomi-

 34 nation and election of members of the board of education shall continue

 35 to apply, and shall govern the qualification and registration of voters

 36 and voting procedures with respect to the adoption of a school district

 37 budget.

 38 [3.] 2. The board of education shall prepare a proposed school

 39 district budget for the ensuing year in accordance with the provisions

 40 of section seventeen hundred sixteen of this chapter, including all

 41 provisions relating to required notices and appendices to the statement

 42 of expenditures. No board of education shall incur a school district

 43 liability except as authorized by the provisions of section seventeen

 44 hundred eighteen of this chapter. Such proposed budget shall be

 45 presented in three components: a program component, a capital component

 46 and an administrative component which shall be separately delineated in

 47 accordance with regulations of the commissioner after consultation with

 48 local school district officials. The administrative component shall

 49 include, but need not be limited to, office and central administrative

 50 expenses, traveling expenses and all compensation, salaries and benefits

 51 of all school administrators and supervisors, including business admin-

 52 istrators, superintendents of schools and deputy, assistant, associate

 53 or other superintendents under all existing employment contracts or

 54 collective bargaining agreements, any and all expenditures associated

 55 with the operation of the board of education, the office of the super-

 56 intendent of schools, general administration, the school business

 S. 2706 21

 1 office, consulting costs not directly related to direct student services

 2 and programs, planning and all other administrative activities. The

 3 program component shall include, but need not be limited to, all program

 4 expenditures of the school district, including the salaries and benefits

 5 of teachers and any school administrators or supervisors who spend a

 6 majority of their time performing teaching duties, and all transporta-

 7 tion operating expenses. The capital component shall include, but need

 8 not be limited to, all transportation capital, debt service, and lease

 9 expenditures; costs resulting from judgments in tax certiorari

 10 proceedings or the payment of awards from court judgments, administra-

 11 tive orders or settled or compromised claims; and all facilities costs

 12 of the school district, including facilities lease expenditures, the

 13 annual debt service and total debt for all facilities financed by bonds

 14 and notes of the school district, and the costs of construction, acqui-

 15 sition, reconstruction, rehabilitation or improvement of school build-

 16 ings, provided that such budget shall include a rental, operations and

 17 maintenance section that includes base rent costs, total rent costs,

 18 operation and maintenance charges, cost per square foot for each facili-

 19 ty leased by the school district, and any and all expenditures associ-

 20 ated with custodial salaries and benefits, service contracts, supplies,

 21 utilities, and maintenance and repairs of school facilities. [For the

 22 purposes of the development of a budget for the nineteen hundred nine-

 23 ty-seven--ninety-eight school year, the board of education shall sepa-

 24 rate its program, capital and administrative costs for the nineteen

 25 hundred ninety-six--ninety-seven school year in the manner as if the

 26 budget for such year had been presented in three components.] Except as

 27 provided in subdivision [four] THREE of this section, nothing in this

 28 section shall preclude the board, in its discretion, from submitting

 29 additional items of expenditure to the voters for approval as separate

 30 propositions or the voters from submitting propositions [pursuant] to

 31 THE EXTENT AUTHORIZED BY sections two thousand eight and two thousand

 32 thirty-five of this chapter.

 33 [4. In the event the qualified voters of the district reject the budg-

 34 et proposed pursuant to subdivision three of this section, the board may

 35 propose to the voters a revised budget pursuant to subdivision three of

 36 section two thousand seven of this title or may adopt a contingency

 37 budget pursuant to subdivision five of this section and subdivision five

 38 of section two thousand twenty-two of this title.] 3. The [school

 39 district budget for any school year, or any part of such budget or]

 40 BOARD OF EDUCATION SHALL NOT SUBMIT any propositions involving the

 41 expenditure of money for such school year [shall not be submitted] for a

 42 vote of the qualified voters more than twice. [In the event the quali-

 43 fied voters reject the resubmitted budget, the board shall adopt a

 44 contingency budget in accordance with subdivision five of this section

 45 and subdivision five of such section two thousand twenty-two of this

 46 title.

 47 5. If the qualified voters fail or refuse to vote the sum estimated to

 48 be necessary for teachers' salaries and other ordinary contingent

 49 expenses, the board shall adopt a contingency budget in accordance with

 50 this subdivision and shall levy a tax for that portion of such sum

 51 remaining after applying thereto the moneys received or to be received

 52 from state, federal or other sources, in the same manner as if the budg-

 53 et had been approved by the qualified voters; subject to the limitations

 54 imposed in subdivision four of section two thousand twenty-three of this

 55 chapter and this subdivision. The administrative component shall not

 56 comprise a greater percentage of the contingency budget exclusive of the

 S. 2706 22

 1 capital component than the lesser of (1) the percentage the administra-

 2 tive component had comprised in the prior year budget exclusive of the

 3 capital component; or (2) the percentage the administrative component

 4 had comprised in the last proposed defeated budget exclusive of the

 5 capital component. Such contingency budget shall include the sum deter-

 6 mined by the board to be necessary for:

 7 (a) teachers' salaries, including the salaries of all members of the

 8 teaching and supervising staff;

 9 (b) items of expense specifically authorized by statute to be incurred

 10 by the board of education, including, but not limited to, expenditures

 11 for transportation to and from regular school programs included as ordi-

 12 nary contingent expenses in subdivision twelve of section twenty-five

 13 hundred three of this chapter, expenditures for textbooks, required

 14 services for non-public school students, school health services, special

 15 education services, kindergarten and nursery school programs, and the

 16 district's share of the administrative costs and costs of services

 17 provided by a board of cooperative educational services;

 18 (c) items of expense for legal obligations of the district, including,

 19 but not limited to, contractual obligations, debt service, court orders

 20 or judgments, orders of administrative bodies or officers, and standards

 21 and requirements of the board of regents and the commissioner that have

 22 the force and effect of law;

 23 (d) the purchase of library books and other instructional materials

 24 associated with a library;

 25 (e) items of expense necessary to maintain the educational programs of

 26 the district, preserve the property of the district or protect the

 27 health and safety of students and staff, including, but not limited to,

 28 support services, pupil personnel services, the necessary salaries for

 29 the necessary number of non-teaching employees, necessary legal

 30 expenses, water and utility charges, instructional supplies for teach-

 31 ers' use, emergency repairs, temporary rental of essential classroom

 32 facilities, and expenditures necessary to advise school district voters

 33 concerning school matters; and

 34 (f) expenses incurred for interschool athletics, field trips and other

 35 extracurricular activities; and

 36 (g) any other item of expense determined by the commissioner to be an

 37 ordinary contingent expense in any school district.

 38 6. The commissioner shall determine appeals raising questions as to

 39 what items of expenditure are ordinary contingent expenses pursuant to

 40 subdivision five of this section in accordance with section two thousand

 41 twenty-four and three hundred ten of this chapter.

 42 7.] 4. Each year, the board of education shall prepare a school

 43 district report card, pursuant to regulations of the commissioner, and

 44 shall make it publicly available by transmitting it to local newspapers

 45 of general circulation, appending it to copies of the proposed budget

 46 made publicly available as required by law, making it available for

 47 distribution at the annual meeting, and otherwise disseminating it as

 48 required by the commissioner. Such report card shall include measures of

 49 the academic performance of the school district, on a school by school

 50 basis, and measures of the fiscal performance of the district, as

 51 prescribed by the commissioner. Pursuant to regulations of the commis-

 52 sioner, the report card shall also compare these measures to statewide

 53 averages for all public schools, and statewide averages for public

 54 schools of comparable wealth and need, developed by the commissioner.

 55 Such report card shall include, at a minimum, any information on the

 56 school district regarding pupil performance and expenditure per pupil

 S. 2706 23

 1 required to be included in the annual report by the regents to the

 2 governor and the legislature pursuant to section two hundred fifteen-a

 3 of this chapter; and any other information required by the commissioner.

 4 School districts (i) identified as having fifteen percent or more of

 5 their students in special education, or (ii) which have fifty percent or

 6 more of their students with disabilities in special education programs

 7 or services sixty percent or more of the school day in a general educa-

 8 tion building, or (iii) which have eight percent or more of their

 9 students with disabilities in special education programs in public or

 10 private separate educational settings shall indicate on their school

 11 district report card their respective percentages as defined in this

 12 paragraph and paragraphs (i) and (ii) of this subdivision as compared to

 13 the statewide average.

 14 S 20. Paragraph b-1 of subdivision 4 of section 3602 of the education

 15 law, as amended by section 13 of part A of chapter 57 of the laws of

 16 2009, is amended to read as follows:

 17 b-1. Notwithstanding any other provision of law to the contrary, for

 18 the two thousand seven--two thousand eight through two thousand thir-

 19 teen--two thousand fourteen school years, the additional amount payable

 20 to each school district pursuant to this subdivision in the current year

 21 as total foundation aid, after deducting the total foundation aid base,

 22 shall be deemed a state grant in aid identified by the commissioner for

 23 general use for purposes of [sections] SECTION seventeen hundred eigh-

 24 teen [and two thousand twenty-three] of this chapter.

 25 S 21. Subdivision 11 of section 3602-e of the education law, as

 26 amended by section 19 of part B of chapter 57 of the laws of 2007, is

 27 amended to read as follows:

 28 11. Notwithstanding the provisions of subdivision ten of this section,

 29 where the district serves fewer children during the current year than in

 30 the base year, the school district shall have its apportionment reduced

 31 in an amount proportional to such deficiency in the current year or in

 32 the succeeding school year, as determined by the commissioner, except

 33 such reduction shall not apply to school districts which have fully

 34 implemented a universal pre-kindergarten program by making such program

 35 available to all eligible children. [Expenses incurred by the school

 36 district in implementing a pre-kindergarten program plan pursuant to

 37 this subdivision shall be deemed ordinary contingent expenses.]

 38 S 22. Paragraphs a and b of subdivision 1 of section 3635 of the

 39 education law, paragraph a as amended by chapter 69 of the laws of 1992,

 40 paragraph b as amended by chapter 718 of the laws of 1990 and subpara-

 41 graph (i) of paragraph b as amended by chapter 571 of the laws of 1994,

 42 are amended to read as follows:

 43 a. Sufficient transportation facilities (including the operation and

 44 maintenance of motor vehicles) shall be provided by the school district

 45 for all the children residing within the school district to and from the

 46 school they legally attend, who are in need of such transportation

 47 because of the remoteness of the school to the child or for the

 48 promotion of the best interest of such children. Such transportation

 49 shall be provided for all children attending grades kindergarten through

 50 eight who live more than two miles from the school which they legally

 51 attend and for all children attending grades nine through twelve who

 52 live more than three miles from the school which they legally attend and

 53 shall be provided for each such child up to a distance of fifteen miles,

 54 the distances in each case being measured by the nearest available route

 55 from home to school. The cost of providing such transportation between

 56 two or three miles, as the case may be, and fifteen miles shall be

 S. 2706 24

 1 considered for the purposes of this chapter to be a charge upon the

 2 district [and an ordinary contingent expense of the district]. Transpor-

 3 tation for a lesser distance than two miles in the case of children

 4 attending grades kindergarten through eight or three miles in the case

 5 of children attending grades nine through twelve and for a greater

 6 distance than fifteen miles may be provided by the district WITH THE

 7 APPROVAL OF THE QUALIFIED VOTERS, and, if provided, shall be offered

 8 equally to all children in like circumstances residing in the district;

 9 provided, however, that this requirement shall not apply to transporta-

 10 tion offered pursuant to section thirty-six hundred thirty-five-b of

 11 this [article] PART.

 12 b. (i) School districts providing transportation to a nonpublic school

 13 for pupils living within a specified distance from such school shall

 14 designate one or more public schools as centralized pick-up points and

 15 shall provide transportation between such points and such nonpublic

 16 schools for students residing in the district who live too far from such

 17 nonpublic schools to qualify for transportation between home and school.

 18 The district shall not be responsible for the provision of transporta-

 19 tion for pupils between their home and such pick-up points. The

 20 district may provide school bus transportation to a pupil if the resi-

 21 dence of the pupil is located on an established route for the transpor-

 22 tation of pupils to the centralized pick-up point provided such trans-

 23 portation does not result in additional costs to the district. [The cost

 24 of providing transportation between such pick-up points and such nonpub-

 25 lic schools shall be an ordinary contingent expense.]

 26 (ii) A board of education may, at its discretion, provide transporta-

 27 tion for pupils residing within the district to a nonpublic school

 28 located more than fifteen miles from the home of any such pupil provided

 29 that such transportation has been provided to such nonpublic school

 30 pursuant to this subdivision in at least one of the immediately preced-

 31 ing three school years and such transportation is provided from one or

 32 more centralized pick-up points designated pursuant to this paragraph

 33 and that the distance from such pick-up points to the nonpublic school

 34 is not more than fifteen miles. The district shall not be responsible

 35 for the provision of transportation for pupils between [pupils] PUPILS'

 36 homes and such pick-up points. [The cost of providing transportation

 37 between such pick-up points and such nonpublic schools shall be an ordi-

 38 nary contingent expense.]

 39 S 23. Subdivision 10 of section 3635-b of the education law, as

 40 amended by chapter 422 of the laws of 2004, is amended to read as

 41 follows:

 42 10. The cost of providing transportation, pursuant to the provisions

 43 of this section, shall [be an ordinary contingent expense and shall] be

 44 included as an item of expense for purposes of determining the transpor-

 45 tation quota of such district.

 46 S 24. Subdivision 3-a of section 3651 of the education law is REPEALED

 47 and subdivisions 1, 3, 4 and 5, subdivision 1 as amended by chapter 504

 48 of the laws of 1949, subdivisions 3 and 4 as added by chapter 782 of the

 49 laws of 1948 and subdivision 5 as amended by chapter 976 of the laws of

 50 1963, are amended to read as follows:

 51 1. A reserve fund may be established by the school authorities of any

 52 school district, [provided, however, that no such fund shall be estab-

 53 lished (a) until approved by a majority vote of the qualified voters of

 54 the district voting on a proposition therefor submitted at a regular or

 55 special school district meeting, or in school districts which do not

 56 have such meetings, at an election called for such purpose, and (b)

 S. 2706 25

 1 unless the notice of such meeting or election shall have stated that a

 2 proposition to establish a reserve fund would be so submitted, the

 3 purpose of the fund, the ultimate amount thereof, its probable term and

 4 the source from which the funds would be obtained] AS DEFINED IN SUBDI-

 5 VISION TWELVE OF SECTION TWO OF THIS CHAPTER. Such reserve fund may be

 6 established for financing, in whole or in part, the cost of any object

 7 or purpose for which bonds may be issued by, or for the objects or

 8 purposes of, the school district pursuant to the local finance law. The

 9 [proposition] RESOLUTION OF THE SCHOOL AUTHORITIES ESTABLISHING THE

 10 RESERVE FUND shall specify the purpose for which the fund is estab-

 11 lished, the ultimate amount, the probable term and the source from which

 12 the funds are to be obtained. There shall be paid into any such fund an

 13 annual amount sufficient to meet the requirements of the proposition OR

 14 RESOLUTION. In addition, the [voters] SCHOOL AUTHORITIES may from time

 15 to time direct the [school authorities to pay] PAYMENT into such fund OF

 16 moneys derived from any other source.

 17 3. An expenditure shall be made from a reserve fund only by authori-

 18 zation of the [voters] SCHOOL AUTHORITIES and for the specific purpose

 19 specified in the proposition OR RESOLUTION WHICH ESTABLISHED THE RESERVE

 20 FUND.

 21 4. The [voters] SCHOOL AUTHORITIES may authorize the transfer of all

 22 or any part of any reserve fund to any other reserve fund established

 23 pursuant to this section.

 24 5. Whenever the [voters] SCHOOL AUTHORITIES shall determine that the

 25 original purpose for which a reserve fund has been established is no

 26 longer desirable, [the school authorities] THEY may liquidate the fund

 27 by first applying its proceeds to any outstanding bonded indebtedness

 28 and applying the balance, if any, to the annual tax levy, provided,

 29 however, that the amount so applied in any one year shall not be greater

 30 than the amount which will reduce the tax rate for school purposes below

 31 five mills on actual valuation; provided, however, that the school

 32 authorities in any school district having no outstanding bonded indebt-

 33 edness may, in any year in which no state aid is payable thereto under

 34 the provisions of this chapter, liquidate such fund by applying the

 35 balance thereof to the annual tax levy, regardless of the tax rate for

 36 school purposes[, subject to the approval of a majority of the qualified

 37 electors of the district voting on a proposition therefor submitted at a

 38 regular or special school district meeting, or in school districts which

 39 do not have such meetings, at an election called for such purpose].

 40 S 25. Paragraphs j and k of subdivision 2 of section 23 of the munici-

 41 pal home rule law are relettered k and l, and a new paragraph j is added

 42 to read as follows:

 43 J. OVERRIDES THE TAX LEVY LIMITATION APPLICABLE FOR THE COMING FISCAL

 44 YEAR IN ACCORDANCE WITH SECTION THREE-C OF THE GENERAL MUNICIPAL LAW.

 45 S 26. This act shall take effect immediately and shall first apply to

 46 the levy of taxes by school districts for the 2012-2013 school year and

 47 to school district meetings and elections held on and after such effec-

 48 tive date; provided, however, that sections eight, fifteen, twenty,

 49 twenty-one and twenty-two of this act shall take effect July 1, 2012;

 50 and provided further, that section one of this act shall first apply to

 51 the levy of taxes by local governments for the fiscal year that begins

 52 in 2012.