

VETO MESSAGE - No. 175

TO THE SENATE:

I am returning herewith, without my approval, the following bill:

Senate Bill Number 8515, entitled:

"AN ACT to adjust certain state aid payments to the Southern Cayuga central school district"

NOT APPROVED

This bill enables the Southern Cayuga Central School District (District) to repay, without interest, \$234,498 in excess State Aid over six years through reductions from annual State Aid payments. I am constrained to veto this bill since the District is statutorily eligible to repay excess State Aid over three years.

Absent special legislation, school districts are eligible to repay State Aid over a period of up to three years if: (1) the repayment is in excess of 1% of the District's total expenditures for the prior year; and (2) the District's reserve fund after the repayment would represent less than 5% of those expenditures. The District has met both these criteria and consequently, \$78,166 or one-third of the total amount of excess State Aid due, was recouped by the State in June 2008. Nevertheless, the District is claiming it is a hardship to repay \$234,498 in excess State Aid over three years without interest. This bill would require the \$78,166 that the State recouped in June 2008 to be returned to the District and the full \$234,498 would be repaid to the State in six annual, equal installments, without interest, beginning in June 2008 and ending in June 2013.

Since a statutory remedy exists enabling the District to repay \$234,498 in excess State Aid over three years without interest through reductions from annual State Aid payments, this special legislation is unnecessary.

The bill is disapproved.

(signed) DAVID A. PATERSON
