

DRAFT SPONSOR'S MEMO: Redesign the budget ballot so that any proposal beyond the capped levy amount is put forward as a separate proposition requiring a simple majority

BILL NUMBER:

TITLE OF BILL: AN ACT to amend the education law, in relation to limitations upon school district tax levies

PURPOSE OR GENERAL IDEA OF BILL: This bill redesigns the school district tax cap override system.

SUMMARY OF SPECIFIC PROVISIONS:

Section 1 of the bill would amend subdivision 6 of section 2023-a of the education law to require that any portion of a school district's proposed budget that exceeds the district's tax levy limit, not including applicable exclusions, shall be put forth as a separate proposition requiring majority approval.

Section 2 of the bill would amend subdivision 9 of section 2023-a of the education law to clarify that separate budget propositions that would exceed a district's tax levy limit, not including applicable exclusions, shall require majority support for approval.

Section 3 of the bill establishes the effective date.

JUSTIFICATION: The current tax cap system requires supermajority approval of at least 60% in order to pass a proposed budget that exceeds a district's tax cap. This is true no matter what the district's tax cap level is; positive, negative or flat. If a district's budget is not approved by the voters, it must adopt a contingency budget which comes with a zero growth tax levy and a series of restrictions on spending, including the purchase of busses, equipment and community use of school district facilities.

This places school districts in the difficult position of deciding between a budget proposal that meets that needs of its students but overrides their tax cap and a budget that is within their tax cap but might not include the programs and services the district's students need.

This two ballot override system is simple, reduces the contingency budget risk for school districts and provides voters with a more direct influence over the level of local funding for their district by allowing voters to decide between a budget that overrides the district's tax cap and one that is within the cap.

PRIOR LEGISLATIVE HISTORY: None

FISCAL IMPLICATIONS: None

EFFECTIVE DATE: This act shall take effect immediately.

DRAFT LEGISLATION: Redesign the budget ballot so that any proposal beyond the capped levy amount is put forward as a separate proposition requiring a simple majority

AN ACT to amend the education law, in relation to limitations upon school district tax levies

Section 1. Paragraphs a and b of subdivision 6 of section 2023-a of the education law, and subdivision 9 of section 2023-a of the education law, as added by section 2 of part A of chapter 97 of the laws of 2011, are amended to read as follows:

6. (a) Notwithstanding any other provision of law to the contrary, in the event the trustee, trustees or board of education of a school district that is subject to the provisions of this section proposes a budget that will require a tax levy that exceeds the tax levy limit for the corresponding school year, not including any levy necessary to support the expenditures pursuant to subparagraphs (i) through (iv) of paragraph i of subdivision two of this section, then ~~such budget shall be approved if sixty percent of the votes cast thereon are in the affirmative.~~ the portion of the proposed budget that would exceed the tax levy limit, not including any levy necessary to support the expenditures pursuant to subparagraphs (i) through (iv) of paragraph i of subdivision two of this section, shall be put forth as a separate proposition, requiring approval by a majority of the qualified voters present and voting.

(b) Where the trustee, trustees or board of education proposes a budget subject to the requirements of paragraph (a) of this subdivision, the ballot for the portion of such budget that exceeds the tax levy limit shall state the purpose of the additional expenditure and shall include the following statement in substantially the same form: "Adoption Approval of this budget expenditure requires a tax levy increase of _____ which exceeds the statutory tax levy increase limit of _____ for this school fiscal year and therefore exceeds the state tax cap and must be approved by ~~sixty percent~~ a majority of the qualified voters present and voting."

§ 2. Subdivision 9 of section 2023-a of the education law, and subdivision 9 of section 2023-a of the education law, as added by section 2 of part A of chapter 97 of the laws of 2011, are amended to read as follows:

9. Nothing in this section shall preclude the trustee, trustees, or board of education of a school district, in their discretion, from submitting additional items of expenditures to the voters for approval as separate propositions or the voters from submitting propositions pursuant to sections two thousand eight and two thousand thirty-five of this part; provided however, except in the case of a proposition submitted for any expenditure contained within subparagraphs (i) through (iv) of paragraph i of subdivision two of this section, if any proposition, or propositions collectively that are subject to a vote on the same date, would require an expenditure of money that would require a tax levy and would result in the tax levy limit being exceeded for the corresponding school year then such proposition shall be approved ~~if sixty percent of the votes cast thereon are in the affirmative.~~ pursuant to subdivision six of this section.

§ 3. This act shall take effect immediately, provided, however, that the amendments to section 2023-a of the education law made by section one and two of this act, respectively, shall not affect the repeal of such sections and shall be deemed repealed therewith.