TO THE SENATE:

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

Senate Bill Number 7730, entitled:

"AN ACT to amend the education law, in relation to the component school districts' share of the capital expenditures of a board of cooperative educational services"

NOT APPROVED

This bill would exempt payments made for capital expenses of Boards of Cooperative Educational Services (BOCES) by component school districts from the calculation of the annual property tax levy limit of the component school districts.

When the Property Tax Cap was passed, careful consideration was given to protect taxpayers from further significant increases. Put quite simply, this bill would run counter to those efforts by exempting BOCES capital expenses from the Property Tax Cap calculation, thus allowing school districts to collect more property tax revenues from local property owners than currently allowable. In 2015, I signed legislation authorizing the Commissioner of Taxation and Finance to adopt regulations that could provide for an adjustment to a local school district's levy limit based upon BOCES capital expenses where appropriate. To date, the Commissioner of Taxation and Finance has not determined such an adjustment to be appropriate.

Further, this bill would have an impact on costs to the state's education system and should therefore be addressed within the context of the annual budget negotiations. This bill would violate existing agreements that were previously negotiated with the Legislature during the budget negotiation process.

I vetoed a similar bill in 2017 for these same reasons as well as lack of direct voter input (Veto No. 209). Although the sponsors have sought to correct the issue of voter input, the current bill does not accomplish this either, as it merely codifies existing law regarding component district budget votes. For these reasons, I am constrained to veto this bill.

The bill is disapproved. (signed) ANDREW M. CUOMO