

SMART SCHOOLS BOND ACT OF 2014

This act shall be known and may be cited as the "smart schools bond act of 2014".

§ 2. Creation of a state debt. The creation of a state debt in an amount not exceeding in the aggregate two billion dollars (\$2,000,000,000) is hereby authorized to provide moneys for the single purpose of improving learning and opportunity for public and nonpublic school students of the state by funding capital projects to: acquire learning technology equipment or facilities including, but not limited to, interactive whiteboards, computer servers, and desktop, laptop and tablet computers; install high-speed broadband or wireless internet connectivity for schools and communities; construct, enhance, and modernize educational facilities to accommodate pre-kindergarten programs and provide instructional space to replace transportable class-room units; and install high-tech security features in school buildings and on school campuses.

The legislature may, by appropriate legislation and subject to such conditions as it may impose, make available out of the proceeds of the sale of bonds authorized in this act, moneys disbursed or to be disbursed for the cost of approved capital projects undertaken by, or on behalf of, school districts for such purposes.

§ 3. Bonds of the state. [OMITTED]

§ 4. Use of moneys received. The moneys received by the state from the sale of bonds sold pursuant to this act shall be expended pursuant to appropriations for capital projects related to design, planning, site acquisition, demolition, construction, reconstruction, rehabilitation, or acquisition and/or installation of equipment for the following types of projects: capital projects related to educational technology equipment or facilities including but not limited to interactive whiteboards; computer servers; desktop and laptop computers, and tablets; high-speed broadband or wireless internet connectivity for schools and communities; capital projects to construct, enhance or modernize educational facilities to accommodate pre-kindergarten programs and provide instructional space to replace transportable classroom units; and capital projects to install high-tech security features in school buildings and on school campuses.

PART C

Section 1. This act shall be known and may be cited as the "smart schools implementation act of 2014".

§ 2. Section 3641 of the education law is amended by adding a new subdivision 16 to read as follows:

Implementation of the smart schools bond act of 2014.

a. Definitions. The following terms, whenever used or referred to in this subdivision, unless the context indicates otherwise, shall have the following meanings:

(1) "Bonds" shall mean general obligation bonds issued pursuant to the "smart schools bond act of 2014" in accordance with article VII of the New York state constitution and article five of the state finance law.

(2) "Smart schools review board" shall mean a body comprised of the chancellor of the state university of New York, the director of the budget, and the commissioner, or their respective designees.

(3) "Smart schools investment plan" shall mean a document prepared by a school district setting forth the smart schools project or projects to be undertaken with such district's smart schools allocation.

(4) "Smart schools project" shall mean a capital project as set forth and defined in subparagraphs five, six, seven or eight of this paragraph.

(5) "Pre-kindergarten or transportable classroom unit (TCU) replacement project" shall mean a capital project which, as a primary purpose, expands the availability of adequate and appropriate instructional space for pre-kindergarten or provides for the expansion or construction of adequate and appropriate instructional space to replace TCUs.

(6) "Community connectivity project" shall mean a capital project which, as a primary purpose, expands high-speed broadband or wireless internet connectivity in the local community, including school buildings and campuses, for enhanced educational opportunity in the state.

(7) "Classroom technology project" shall mean a capital project to expand high-speed broadband or wireless internet connectivity solely for school buildings and campuses, or to acquire learning technology hardware for schools, classrooms, and student use, including but not limited to whiteboards, computer servers, desktop computers, laptop computers, and tablet computers.

(8) "School safety and security technology project" shall mean a capital project to install high-tech security features in school buildings and on school campuses, including but not limited to video surveillance, emergency notification systems and physical access controls, for enhanced educational opportunity in the state.

(9) "Selected school aid" shall mean the sum of the amounts set forth as "FOUNDATION AID", "FULL DAY K CONVERSION", "BOCES", "SPECIAL SERVICES", "HIGH COST EXCESS COST", "PRIVATE EXCESS COST", "HARDWARE & TECHNOLOGY", "SOFTWARE, LIBRARY, TEXTBOOK", "TRANSPORTATION INCL SUMMER", "OPERATING REORG INCENTIVE", "CHARTER SCHOOL TRANSITIONAL", "ACADEMIC ENHANCEMENT", "HIGH TAX AID", and "SUPPLEMENTAL PUB EXCESS COST" under the heading "2013-14 BASE YEAR AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget proposal for the two thousand fourteen-fifteen school year.

(10) "Smart schools allocation" shall mean, for each school district,

the product of (i) two billion dollars (\$2,000,000,000) multiplied by (ii) the quotient of such school district's selected school aid divided by the total selected school aid to all school districts.

b. Smart schools investment plans. (1) The smart schools review board shall issue guidelines setting forth required components and eligibility criteria for smart schools investment plans to be submitted by school districts. Such guidelines shall include but not be limited to: (i) a timeline for school district submission of smart schools investment plans; (ii) any requirements for the use of available state procurement options where applicable; (iii) any limitations on the amount of a district's smart schools allocation that may be used for assets with a short probable life; and (iv) the loan of smart schools classroom technology pursuant to section seven hundred fifty-five of this chapter.

(2) No school district shall be entitled to a smart schools grant until such district shall have submitted a smart schools investment plan to the smart schools review board and received such board's approval of such investment plan. In developing such investment plan, school districts shall consult with parents, teachers, students, community members and other stakeholders.

(3) The smart schools review board shall review all smart schools investment plans for compliance with all eligibility criteria and other requirements set forth in the guidelines. The smart schools review board may approve or reject such plans, or may return such plans to the school district for modifications. Upon approval, the smart schools project or projects described in the investment plan shall be eligible for smart schools grants. A smart schools project included in a school district's smart schools investment plan shall not require separate approval of the commissioner unless it is part of a school construction project required to be submitted for approval of the commissioner pursuant to section four hundred eight of this chapter and/or subdivision six of section thirty-six hundred two of this article. Any department, agency or public authority shall provide the smart schools review board with any information it requires to fulfill its duties pursuant to this subdivision.

(4) Any amendments or supplements to a smart schools investment plan shall be submitted to the smart schools review board for approval, and shall not take effect until such approval is granted.

c. Expenditure of money. (1) Smart schools grants. Each school district which has an approved smart schools investment plan including a smart schools project or projects shall be entitled to a grant or grants

for the smart schools project or projects included therein in an amount, whether in the aggregate or otherwise, not to exceed the smart schools allocation calculated for such school district. The amount of such allocation not expended, disbursed or encumbered for any school year shall be carried over for expenditure and disbursement to the next succeeding school year. Expenditures from the smart schools allocation shall not be eligible for aid under any other provision of this chapter.

(2) The amounts determined pursuant to this subdivision to be paid to school districts shall be certified by the commissioner in accordance with this subdivision. If, upon the option of a school district, a smart schools investment plan directs that an amount be transferred or suballocated to a department, agency, or public authority to be spent on behalf of the school district, such amounts shall be transferred or suballocated, consistent with such plan, upon the approval of the director of the budget. The amounts of money so certified or made available shall be paid by the comptroller in accordance with appropriations therefor, provided, however, that the payment schedule set forth in subdivision one of this section shall not apply to such payments. Such payment shall fulfill any obligation of the state or the commissioner to apportion funds pursuant to this subdivision, and whenever a school district has been apportioned more money pursuant to this subdivision than that to which it is entitled, the commissioner may deduct such amount from the next apportionment to be made to such school district.

- d. Consistency with federal tax law. All actions taken pursuant to this subdivision shall be reviewed for consistency with provisions of the federal internal revenue code and regulations thereunder, in accordance with procedures established in connection with the issuance of any tax exempt bonds pursuant to this subdivision, to preserve the tax exempt status of such bonds.
- e. Compliance with other law. Every recipient of funds to be made available pursuant to this subdivision shall comply with all applicable state, federal and local laws.

§ 3. The state finance law is amended by adding a new section 97-0000 to read as follows:

§ 97-0000. Smart schools bond fund. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of taxation and finance a special fund to be known as the "smart schools bond fund".

2. The state comptroller shall deposit into the smart schools bond fund all moneys received by the state from the sale of bonds and/or

notes for uses eligible pursuant to section four of the smart schools bond act of 2014.

3. Moneys in the smart schools bond fund, following appropriation by the legislature and allocation by the director of the budget, shall be available only for reimbursement of expenditures made from appropriations from the capital projects fund for the purpose of the smart schools bond fund, as set forth in the smart schools bond act of 2014.

4. No moneys received by the state from the sale of bonds and/or notes sold pursuant to the smart schools bond act of 2014 shall be expended for any project until funds therefor have been allocated pursuant to the provisions of this section and copies of the appropriate certificates of approval filed with the chair of the senate finance committee, the chair of the assembly ways and means committee and the state comptroller.

§ 4. The education law is amended by adding a new section 755 to read as follows:

§ 755. Loan of smart schools classroom technology. 1. In the several cities and school districts of the state, school authorities, as defined in subdivision twelve of section two of this chapter, shall have the power and duty, to the extent provided in this section, to loan, upon request of an individual or a group of individual pupils, to all pupils legally attending nonpublic elementary or secondary schools located in the school district, smart schools classroom technology acquired pursuant to subdivision sixteen of section thirty-six hundred forty-one of this chapter which is designated for use in any public elementary or secondary schools of the state or is approved by any school authorities. Such smart schools classroom technology made available to nonpublic students shall be limited to that allowable under both paragraph seven of subdivision sixteen of section thirty-six hundred forty-one of this chapter and section seven hundred fifty-four of this article. Such smart schools classroom technology is to be loaned free to such children, commencing with the two thousand fourteen--two thousand fifteen school year, subject to such rules and regulations as are or may be prescribed by the board of regents and such school authorities.

2. No school district shall be required to loan smart schools classroom technology in excess of the smart schools classroom technology acquired by such district pursuant to subdivision sixteen of section thirty-six hundred forty-one of this chapter. Such smart schools classroom technology shall be loaned on an equitable basis to children attending nonpublic schools in the district in the current year, provided that nothing in this article shall be construed to require a

school district to loan to children attending nonpublic schools, pursuant to this section, classroom technology purchased with local or federal funds or with state funds other than funds apportioned pursuant to subdivision sixteen of section three hundred sixty-four of this chapter, and provided further that no school district may loan smart schools classroom technology in an aggregate amount greater than two hundred fifty dollars multiplied by the nonpublic school enrollment in the base year, at time of enactment, as defined in subparagraph three of paragraph n of subdivision one of section thirty-six hundred two of this chapter. The payment of tuition under article eighty-nine of this chapter is deemed to be an equitable loan to children for whom such tuition is paid, and the provisions of this section shall not apply.

3. School authorities shall adopt regulations specifying the date by which requests for the purchase and loan of smart schools classroom technology must be received by the district. Notice of such date shall be given to all non-public schools in the school district. For the two thousand fourteen--two thousand fifteen school year, such date shall not be earlier than the first day of January of such school year, and for the two thousand fifteen--two thousand sixteen school year and thereafter, such date shall not be earlier than the first day of June of the school year prior to that for which such smart schools classroom technology is being requested, provided, however, that a parent or guardian of a child not attending a particular non-public school prior to January first or June first of the school year, as applicable, may submit a written request for smart schools classroom technology within thirty days after such child is enrolled in such non-public school. In no event, however, shall a request made later than the times otherwise provided pursuant to this subdivision be denied where a reasonable explanation is given for the delay in making the request.

§ 5. Section 61 of the state finance law is amended by adding a new subdivision 31 to read as follows:

SMART SCHOOLS PROJECTS

31. Thirty years. For the payment of smart schools projects, including but not limited to pre-kindergarten or transportable classroom unit replacement projects, community connectivity projects, and classroom technology projects, all as defined in subdivision sixteen of section thirty-six hundred forty-one of the education law and undertaken pursuant to a chapter of the laws of two thousand fourteen, enacting and constituting the smart schools bond act of 2014. Thirty years for pre-kindergarten projects or transportable classroom unit replacement

projects, twenty years for community connectivity projects, and eight years for classroom technology projects or school safety and security technology projects. Notwithstanding the foregoing, for the purposes of calculating annual debt service, the state comptroller shall apply a weighted average period of probable life of such smart schools projects, including with any other works or purposes to be financed with state debt. Weighted average period of probable life shall be determined by computing the sum of the products derived from multiplying the dollar value of the portion of the debt contracted for each work or purpose (or class of works or purposes) by the probable life of such work or purpose (or class of works or purposes) and dividing the resulting sum by the dollar value of the entire debt after taking into consideration any original issue premium or discount.

§ 6. If otherwise applicable, all work performed on a project authorized by this act shall be subject to article eight of the labor law and shall be subject to the enforcement of prevailing wage requirements by the department of labor.

§ 7. If any clause, sentence, paragraph, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

§ 8. This act shall take effect only in the event that section 1 of part B of a chapter of the laws of 2014, enacting the "smart schools bond act of 2014," is submitted to the people at the general election to be held in November 2014 and is approved by a majority of all votes cast for and against it at such election. Upon such approval, this act shall take effect immediately. Effective immediately, the addition, amendment, and/or repeal of any rule or regulation necessary for the implementation of the foregoing sections of this act are authorized and directed to be made and completed on or before such effective date.