



NEW YORK STATE SENATOR

Andrea Stewart-Cousins

Bill to Provide Budget Relief for School Districts Passes Senate

ANDREA STEWART-COUSINS June 24, 2011

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Allows Financing of Teacher Pension Costs; Yonkers will Save \$4.9 million

The New York State Senate passed legislation (S. 4067-A) today that would allow school districts throughout New York to finance their teacher pension costs, a process called "amortization". Under current law, school districts must pay contributions to the New York State Teacher Retirement System in one lump sum. This bill permits districts to issue bonds to cover these costs, which allows them to make payments over time and provides much-needed cash to struggling school districts.

Senator Andrea Stewart-Cousins (D/I/WF - 35th District) was a leading advocate for passage of this legislation. She says that this measure will put \$4.9 million back into the City of Yonkers' education budget.

"School districts have had to make painful choices over the past few years and this short term option will help these districts navigate through the difficult economy," said Senator Stewart-Cousins. "In Yonkers, rising pension costs, loss of Federal stimulus dollars, stagnant contributions from the City in years past and a \$6 million reduction in State aid this year has created a very serious fiscal crisis.

“This measure will provide immediate relief to Yonkers and other districts throughout Westchester and the State which help weather the storm,” concluded Senator Stewart-Cousins.

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