



LOWER HUDSON EDUCATION COALITION

450 Mamaroneck Ave, Harrison, NY 10528 • (914) 345-8737 • www.lhec.org • lhec@lhec.org

October 29, 2018

The Honorable Andrew M. Cuomo
Governor of New York State
NYS State Capitol Building
Albany, NY 12244

Re: S.7054, Murphy/ A.10753, Galef

Validates certain acts of the Hendrick Hudson central school district with regard to two capital improvement projects and provides for payment of state aid for such projects

Dear Governor Cuomo,

The Lower Hudson Education Coalition (LHEC) *supports* the above referenced legislation and urges your approval.

This legislation would allow the Hendrick Hudson Central School District to retain building aid for two capital improvement projects that is slated to be recaptured by the state due to the final cost reports not being filed in a timely manner because of an inadvertent administrative error. By signing this bill, the State Education Department would be allowed to treat the final cost reports as a valid obligation of the school district.

Withholding aid due to a clerical error is unfair to the school district, students and taxpayers. Particularly in light of the looming closure of Entergy's Indian Point Power Plant. Hendrick Hudson currently has a Payment in Lieu of Taxes (PILOT) agreement with Entergy which accounts for 30% of their total revenue. This presents a significant financial challenge for the district as they plan for the closure. This legislation would help provide them with necessary funds to offset the impact.

There is precedent for this type of forgiveness. Just this year, the Governor forgave a \$29.9 million building aid penalty for the North Syracuse Central School District. This penalty also stemmed out of an administrative error due to the late filing of paperwork. Additionally, the 2012-13 enacted budget provided transportation aid forgiveness for contracts that were denied by the State Education Department due to inadvertent, minor, technical, or clerical errors from the 2004-05 school year through the 2011-12 school year.

While North Syracuse Central School District's situation was unique due to the size of the penalty, this is an issue that school districts across the state face. When a school district makes an error relating to building aid, the district becomes ineligible for such aid even though the state has budgeted for the expense. These errors are generally minor in nature, such as miscommunication



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during a staff transition or a simple clerical error. While these errors may be minor, the amount of money school district could lose may not be.

For these reasons, LHEC supports this legislation and urges your immediate approval of this bill and your support for other school districts facing similar building aid penalties.

Sincerely,

Members of the Lower Hudson Education Collation

Cc: Senator Terrence Murphy
Assembly member Sandy Galef
Alphonso David
Dan Fuller
Terry Pratt
Jamie Frank
Superintendent Joseph E. Hochreiter