

6715--B

Cal. No. 317

2013-2014 Regular Sessions

I N A S S E M B L Y

April 17, 2013

Introduced by M. of A. NOLAN -- read once and referred to the Committee on Education -- reported and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- ordered to a third reading -- passed by Assembly and delivered to the Senate, recalled from the Senate, vote reconsidered, bill amended, ordered reprinted, retaining its place on the order of third reading

AN ACT to amend the education law, in relation to special act school districts

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivision 4 of section 4405 of the education law is  
2 amended by adding a new paragraph j to read as follows:  
3 J. (I) IF THE BOARD OF EDUCATION OF A SPECIAL ACT SCHOOL DISTRICT  
4 LISTED IN CHAPTER FIVE HUNDRED SIXTY-SIX OF THE LAWS OF NINETEEN HUNDRED  
5 SIXTY-SEVEN, AS AMENDED, SEEKS TO CLOSE A SPECIAL ACT SCHOOL DISTRICT,  
6 THE BOARD OF EDUCATION OF THE SPECIAL ACT SCHOOL DISTRICT SHALL PROVIDE  
7 WRITTEN NOTICE TO THE COMMISSIONER WITH A PLAN FOR CLOSURE OF THE SCHOOL  
8 AT LEAST NINETY DAYS PRIOR TO THE CLOSING DATE. SUCH PLAN SHALL INCLUDE  
9 PROVISION FOR THE SAFE AND ORDERLY TRANSFER OF EACH STUDENT WITH A DISA-  
10 BILITY WHO WAS PUBLICLY PLACED IN THE PROGRAM AND A DETAILED AND ITEM-  
11 IZED LIST OF ESTIMATED EXPENSES NECESSARY TO CLOSE DOWN THE SCHOOL AND  
12 A DETAILED AND ITEMIZED LIST OF ANY ESTIMATED REVENUES TO BE RECEIVED.  
13 (II) DURING THE CLOSE-DOWN PERIOD AND UNTIL ALL NECESSARY FINANCIAL  
14 OBLIGATIONS OF THE SCHOOL DISTRICT HAVE BEEN MET PURSUANT TO THIS PARA-  
15 GRAPH, THE COMMISSIONER SHALL REQUIRE THE BOARD OF EDUCATION OF THE  
16 SCHOOL DISTRICT TO PERIODICALLY SUBMIT, AS REQUIRED BY THE COMMISSIONER,  
17 FINANCIAL REPORTS AND FINANCIAL STATEMENTS, DETAILING ANY TUITION,  
18 AND/OR CLOSE-DOWN COSTS AND ANY REVENUES GENERATED. IN APPLYING THE  
19 REIMBURSEMENT METHODOLOGY TO ANY REMAINING TUITION COSTS AND ANY OTHER  
20 REASONABLE AND APPROPRIATE EXPENSES NEEDED TO CLOSE-DOWN THE SPECIAL ACT

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 SCHOOL DISTRICT, THE COMMISSIONER SHALL REJECT ANY CLOSE-DOWN COSTS THAT  
2 ARE UNNECESSARY OR UNREASONABLE TO CLOSE-DOWN THE SCHOOL, WHETHER OR NOT  
3 THE BOARD OF EDUCATION SUBMITS A CLOSE-DOWN PLAN.

4 S 2. Section 4403 of the education law is amended by adding a new  
5 subdivision 21 to read as follows:

6 21. (A) TO REQUIRE SPECIAL ACT SCHOOL DISTRICTS LISTED IN CHAPTER FIVE  
7 HUNDRED SIXTY-SIX OF THE LAWS OF NINETEEN HUNDRED SIXTY-SEVEN, AS  
8 AMENDED, TO PROVIDE, ON AN ANNUAL BASIS OR MORE FREQUENTLY, AS NEEDED,  
9 ENROLLMENT REPORTS, INCLUDING CURRENT AND PROJECTED ENROLLMENTS,  
10 PROPOSED BUDGETS AND ANY FINANCIAL INFORMATION THE COMMISSIONER DEEMS  
11 APPROPRIATE, WHICH SHALL INCLUDE, BUT NOT BE LIMITED TO, OUTSTANDING  
12 REVENUE ANTICIPATION NOTES AS DEFINED IN PARAGRAPH (A) OF SUBDIVISION  
13 ONE OF SECTION FIFTY-FIVE OF THE STATE FINANCE LAW, BALANCE OWED TO  
14 EMPLOYEE BENEFIT SYSTEMS, OUTSTANDING BONDS, LEASE COSTS, AND ANY OTHER  
15 DEBTS TO MONITOR THE FISCAL STABILITY OF SPECIAL ACT SCHOOL DISTRICTS.

16 (B) UPON RECEIVING THE INFORMATION IDENTIFIED IN PARAGRAPH (A) OF THIS  
17 SUBDIVISION, THE DEPARTMENT SHALL DETERMINE IF ANY SPECIAL ACT DISTRICT  
18 IS IN NEED OF FINANCIAL GUIDANCE AND ASSISTANCE UPON A COMPREHENSIVE  
19 REVIEW OF SUCH INFORMATION PROVIDED. UPON A DETERMINATION THAT A SPECIAL  
20 ACT DISTRICT IS IN NEED OF FINANCIAL GUIDANCE AND ASSISTANCE, THE  
21 DEPARTMENT SHALL, AS SOON AS PRACTICABLE, PROVIDE THE DISTRICT WITH  
22 SPECIFIC RECOMMENDATIONS TO IMPROVE THE SPECIAL ACT DISTRICT'S FINANCIAL  
23 STANDING IN THE SHORT AND LONG-TERM.

24 S 3. This act shall take effect immediately.