STATE OF NEW YORK

10762

IN ASSEMBLY

May 17, 2018

Introduced by M. of A. NOLAN -- read once and referred to the Committee on Education

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

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 4004 of the education law is amended by adding a new subdivision 5 to read as follows:

5. The board of education of a special act school district shall be authorized to establish a fiscal stabilization reserve fund. There may be paid into such fund an amount as may be provided pursuant to the requirements of paragraph k of subdivision four of section forty-four hundred five of this title.

§ 2. Subdivision 4 of section 4405 of the education law is amended by adding a new paragraph k to read as follows:

k. (i) The tuition methodology established pursuant to this subdivision for the two thousand seventeen--two thousand eighteen school year and annually thereafter shall authorize approved private residential or non-residential schools for the education of students with disabilities that are located within the state, and special act school districts, to retain funds in excess of their allowable and reimbursable costs incurred for services and programs provided to school-age students. The amount of funds that may be annually retained shall not exceed one percent of the school's or school district's total allowable and reimbursable costs for services and programs provided to school-age students for the school year from which the funds are to be retained; provided that the total accumulated balance that may be retained shall not exceed four percent of such total costs for such school year. Funds may be expended only pursuant to an authorization of the governing board of the school or school district, for a purpose expressly authorized as part of the approved tuition methodology for the year in which the funds are to be expended. The director of the budget, in consultation with the commissioner, shall establish the authorized uses for the expenditures of such funds as part of the approved tuition methodology. Any school or

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

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school district that retains funds pursuant to this paragraph shall be required to annually report a statement of the total balance of any such retained funds, the amount, if any, retained in the prior school year, an amount, if any, dispersed in the prior school year, and any additional information requested by the department as part of the financial reports that are required to be annually submitted to the department.

(ii) Notwithstanding any law to the contrary, a special act school district, as authorized under article eighty-one of this title, or an educational or residential facility, as authorized by chapter eight hundred fifty-three of the laws of nineteen hundred seventy-six, an educational institution as authorized under article eighty-five of this title, or a program authorized by this article, for aid payable for the two thousand eighteen--two thousand nineteen school year and thereafter, shall receive at minimum, the same percentage increase as that of general support for public schools as enacted in the state budget when compared to the enacted state budget in the base year.

§ 3. This act shall take effect immediately.