STATE OF NEW YORK

6514--A

2017-2018 Regular Sessions

IN ASSEMBLY

March 8, 2017

Introduced by M. of A. NOLAN, BRINDISI, SEAWRIGHT, THIELE -- (at request of the State Education Department) -- read once and referred to the Committee on Education -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the education law, in relation to establishing a fiscal stabilization reserve fund as part of the tuition reimbursement methodology for school age programs and providing an annual growth amount for the tuition reimbursement for school age programs operated by in-state approved private schools for the education of students with disabilities and special act school districts

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

Section 1. Paragraph c of subdivision 4 of section 4405 of the education law, as amended by chapter 82 of the laws of 1995, is amended to read as follows:

c. The director of the budget, in consultation with the commissioner [~~of education~~], the commissioner of social services, and any other state agency or other source the director may deem appropriate, shall approve reimbursement methodologies for tuition and for maintenance. Any modification in the approved reimbursement methodologies shall be subject to the approval of the director of the budget. [~~Notwithstanding any other provision of law, rule or regulation to the contrary, tuition rates established for the nineteen hundred ninety-five--ninety-six school year shall exclude the two percent cost of living adjustment authorized in rates established for the nineteen hundred ninety-four--ninety-five school year.~~] **Tuition rates approved for the two thousand seventeen--two thousand eighteen school year and thereafter for special services or programs provided to school-age students by approved private residential or non-residential schools for the education of students with disabilities that are located within the state, and by special act school districts shall grow by a percentage equal to the greater of: (i) the**

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

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average, rounded to three decimal places, of the quotients of the total personal income of taxpayers in the state for each state fiscal year in the three-year period finishing with the state fiscal year one year prior to the state fiscal year in which the base year commenced divided by the total personal income of taxpayers of the state for each immediately preceding state fiscal year, rounded to three decimal places minus one, (ii) a percentage recommended by the commissioner and approved by the director of the budget, or (iii) zero.

§ 2. 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.

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

k. The tuition methodology established pursuant to this subdivision for the two thousand seventeen--two thousand eighteen school year and 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 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.

§ 4. This act shall take effect immediately.