

STATE OF NEW YORK

3296

2021-2022 Regular Sessions

IN ASSEMBLY

January 22, 2021

Introduced by M. of A. EPSTEIN, GOTTFRIED, REYES, BARRON -- read once
and referred to the Committee on Higher Education

AN ACT to amend the education law, in relation to reporting and publishing of certain financial statements and statistical reports received by the commissioner of education

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

1 Section 1. The education law is amended by adding a new section 239-c
2 to read as follows:

3 § 239-c. For-profit higher education institutions; enhanced reporting.

4 1. As used in this section the term "for-profit institution of higher
5 education" means a school that:

6 (a) provides a program leading to an associates or baccalaureate
7 degree;

8 (b) is legally authorized in New York state to provide a program of
9 education beyond secondary education; and

10 (c) is neither a public or nonprofit institution.

11 2. For school fiscal years beginning on and after July first, two
12 thousand twenty-two, each for-profit institution of higher education
13 shall file annually an audited financial statement audited according to
14 generally accepted auditing standards by an independent certified public
15 accountant or an independent public accountant and statistical reports
16 certified by the owner or operator of the institution, as required by
17 the commissioner; provided, however, that the commissioner shall accept
18 a copy of a current financial statement previously filed by an institu-
19 tion with any other governmental agency in compliance with the
20 provisions of any federal or state laws, or rules or regulations if such
21 statement contains all of the information required under this section
22 and conforms to this section's requirements of auditing, review and
23 certification. Any required audit of the financial statement shall be

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

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1 paid for by the institution, and the results of such audit shall be
2 forwarded to the commissioner.

3 3. The commissioner may require audited statistical reports upon a
4 determination that a for-profit institution of higher education has
5 provided false or inaccurate certified statistical reports. The finan-
6 cial statements shall be based on the fiscal year of the institution and
7 shall also include an itemized account of tuition refunds due and owing
8 to past or presently enrolled students. Statistical reports shall
9 include, but not be limited to, enrollment, completion, average student
10 debt and placement data.

11 4. For school fiscal years beginning on and after July first, two
12 thousand twenty-two, the commissioner shall make publicly available and
13 publish on the website of the department all annual financial statements
14 and statistical reports received pursuant to this section within thirty
15 days of receipt by the commissioner of such statements and reports. The
16 department shall maintain and make publicly available such records on
17 its website for a period of no less than ten years.

18 § 2. Paragraph e of subdivision 4 of section 5001 of the education law
19 is amended by adding a new subparagraph (iv) to read as follows:

20 (iv) For school fiscal years beginning on and after July first, two
21 thousand twenty-two, the commissioner shall make publicly available and
22 publish on the website of the department all annual financial statements
23 and statistical reports received pursuant to this paragraph within thir-
24 ty days of receipt by the commissioner of such statements and reports.
25 The department shall maintain and make publicly available such records
26 on its website for a period of no less than ten years.

27 § 3. This act shall take effect immediately.