# STATE OF NEW YORK

10431--A

# IN ASSEMBLY

May 19, 2022

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Ashby, McDonald) -- read once and referred to the Committee on Higher Education -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend chapter 566 of the laws of 1967, relating to providing for the apportionment of funds to certain special act school districts, in relation to eliminating reference to union free school district number eight of the town of Canaan, Columbia county; to provide for the payment of the debts and obligations and the handling of records of the union free school district number eight in the town of Canaan, Columbia County; and to repeal chapter 486 of the laws of 1964, relating to establishing union free school district number eight of the town of Canaan in the county of Columbia

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

Section 1. Chapter 486 of the laws of 1964 relating to establishing union free school district number eight in the town of Canaan in the county of Columbia is REPEALED.

§ 2. Section 1 of chapter 566 of the laws of 1967, relating to providing for the apportionment of funds to certain special school districts, as amended by section 6 of chapter 446 of the laws of 2014, is amended to read as follows:

Section 1. Notwithstanding the provisions of section 3602 and 3602-b of the education law, and in lieu of any apportionments to which such school districts might otherwise be entitled under such sections or under any other provisions of law, the commissioner of education is hereby authorized to include the following school districts in the annual apportionment of public moneys and such apportionment shall be computed in accordance with the provisions of sections two, three and four of this act: union free school district number twenty-seven of the town of Dryden, Tompkins county; [~~union free school district number eight of the town of Canaan, Columbia county;~~] union free school districts numbers ten, eleven and twelve of the town of Greenburgh, Westchester county; union free school districts numbers three and four

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

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of the town of Mount Pleasant, Westchester county; union free school district number six, Blythedale, town of Mount Pleasant, Westchester county; and Randolph Children's Home union free school district of the town of Randolph, Cattaraugus county; West Park union free school district number two, town of Esopus, Ulster county; common school district number seven of the town of Oyster Bay, Nassau county; the Hopevale union free school district, town of Hamburg, Erie county; and union free school district number three, town of Riverhead, Suffolk county.

§ 3. Section 1 of chapter 566 of the laws of 1967, relating to providing for the apportionment of funds to certain special school districts, as amended by section 7 of chapter 446 of the laws of 2014, is amended to read as follows:

Section 1. Notwithstanding the provisions of section 3602 and 3602-b of the education law, and in lieu of any apportionments to which such school districts might otherwise be entitled under such sections or under any other provisions of law, the commissioner of education is hereby authorized to include the following school districts in the annual apportionment of public moneys and such apportionment shall be computed in accordance with the provisions of sections two, three and four of this act: union free school district number twenty-seven of the town of Dryden, Tompkins county; [~~union free school district number eight of the town of Canaan, Columbia county;~~] union free school districts numbers ten, eleven and twelve of the town of Greenburgh, Westchester county; union free school districts numbers three and four of the town of Mount Pleasant, Westchester county; union free school district number six, Blythedale, town of Mount Pleasant, Westchester county; and Randolph Children's Home union free school district of the town of Randolph, Cattaraugus county; West Park union free school district number two, town of Esopus, Ulster county; common school district number seven of the town of Oyster Bay, Nassau county; and union free school district number three, town of Riverhead, Suffolk county.

§ 4. Any funds remaining in the possession of the union free school district number eight in the town of Canaan in the county of Columbia, after all of its debts and obligations have been paid, shall be paid over to each social services district and school district having resident children served by the union free school district number eight in the town of Canaan in the county of Columbia in the 2019-2020 school year in the same proportion as the number of students placed by each such social services district or school district and served by the union free school district number eight in the town of Canaan in the county of Columbia in the 2019-2020 school year bears to the total number of students served by the union free school district number eight in the town of Canaan in the county of Columbia in the 2019-2020 school year. Though the union free school district number eight in the town of Canaan in the county of Columbia be dissolved, the board of cooperative educational services of the sole supervisory district of Rensselaer, Columbia, Greene Counties (Questar III BOCES) shall be authorized to act on behalf of the school district pursuant to section five of this act.

§ 5. Notwithstanding any other provision of law to the contrary, during any period in which there is no duly constituted board of education of the union free school district number eight of the town of Canaan, Columbia County, Questar III BOCES shall be authorized to take any actions on behalf of the school district that are reasonable and necessary to complete the closedown and dissolution of the district that

the board of education would have, including but not limited to, the power to enter into contracts, pay outstanding debts for reimbursable costs incurred for closedown of the school district under this section and subparagraph (i) of paragraph j of subdivision 4 of section 4405 of the education law, provided however that the Questar III BOCES shall not pay for outstanding debts using its own funds and shall not be liable for any outstanding debt or claims incurred by the union free school district number eight of the town of Canaan, Columbia County. The Questar III BOCES may sell school district property, if any, with approval of the commissioner, and bill for and receive any reimbursement due and owing for tuition pursuant to article 81 of the education law or any other provision of law for services rendered to students on or before the school district ceased operation on June 30, 2020 and reimbursement for closedown costs determined pursuant to this section and subparagraph (i) of paragraph j of subdivision 4 of section 4405 of the education law. The closedown rate shall reimburse Questar III BOCES for the actual documented cost to the Questar III BOCES of carrying out its duties under the provisions of this section and subparagraph (i) of paragraph j of subdivision 4 of section 4405 of the education law to closedown the school district. The Questar III BOCES shall review the business records of the school district, including any claims, invoices and bills submitted to the school district during any period in which there was no duly constituted board of education and shall audit any expenses or claims, based on invoices, bills or other documentation, that were not included in an audited financial statement or financial reports submitted to the department by the school district, to determine if such expenses or claims are duplicative of claims previously submitted for reimbursement and, if not, whether they are supported by documentation that would substantiate a claim that the expense was incurred by the school district or is otherwise an outstanding debt of the school district. Such audit may be conducted by the claims auditor of the BOCES or, with the approval of the commissioner, by an independent auditor retained by the BOCES. The BOCES shall report to the department any audited claims that were not included in an audited financial statement or financial report, together with the documentation supporting such claims. Reimbursement for costs incurred for closedown of the school district shall include only: (i) any allowable costs approved by the commissioner that were included in the audited financial statement and financial reports submitted by the school district in conformity with the financial reporting requirements; (ii) additional allowable costs incurred in the 2019-2020 school year or subsequently during the closedown period that are approved by the commissioner in accordance with the reimbursable cost manual in effect for the 2019-2020 school year and relate to claims that were audited by the Questar III BOCES pursuant to this section and subparagraph (i) of paragraph j of subdivision 4 of section 4405 of the education law and are based on supporting documentation that would substantiate a claim that the expense was incurred by the school district and not duplicative of claims previously reimbursed; and (iii) the actual documented cost to the Questar III BOCES of carrying out its duties under the provisions of this section and subparagraph (i) of paragraph j of subdivision 4 of section 4405 of the education law to closedown the school district, as approved by the commissioner based on documentation that such costs were necessary to carry out such duties, shall be included in a closedown rate payable by each school district or social services district responsible for tuition for students attending the special act school district in the 2019-2020 school year. Notwith-

standing any other provision of law, rule or regulation to the contrary, such closedown rate may be payable in three installments which shall be as equal as practicable, over three consecutive years after the closedown rate is established; provided that any reimbursement costs remaining due to Questar III BOCES for carrying out its administrative duties under this act and subparagraph (i) of paragraph j of subdivision 4 of section 4405 of the education law may be paid in the first installment. In such capacity, such board of cooperative educational services and its officers and employees shall be entitled to defense and indemnification by the state pursuant to section 18 of the public officers law. Services provided by the Questar III BOCES under this act and subparagraph (i) of paragraph j of subdivision 4 of section 4405 of the education law shall not result in any additional costs being imposed on component school districts, except those costs imposed on a component school district pursuant to a closedown rate calculated under this section.

§ 6. The records of union free school district number eight of the town of Canaan in the county of Columbia, shall be forwarded to the district superintendent of schools for the board of cooperative educational services for the sole supervisory district of Rensselaer, Columbia, Greene Counties for preservation. Notwithstanding any other provision of law to the contrary, such records shall be deemed to be records of the sole supervisory district of Rensselaer, Columbia, Greene Counties for purposes of the management and disposition of such records and any local government management grants issued pursuant to section 57.35 of the arts and cultural affairs law.

§ 7. The territory comprising the union free school district number eight of the town of Canaan, county of Columbia, shall revert to and become part of the New Lebanon central school district in the county of Columbia.

§ 8. This act shall take effect immediately; provided, however, that the amendments to section 1 of chapter 566 of the laws of 1967, made by section three of this act, shall take effect on the same date and in the same manner as section 5 of chapter 213 of the laws of 2011, as amended, takes effect.