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:

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

§ 239-c. For-profit higher education institutions; enhanced reporting. 1. As used in this section the term "for-profit institution of higher education" means a school that:

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

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

(c) is neither a public or nonprofit institution.

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

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

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

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

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

§ 3. This act shall take effect immediately.