STATE OF NEW YORK

8340

IN SENATE

February 15, 2022

Introduced by Sen. COONEY -- read twice and ordered printed, and when printed to be committed to the Committee on Disabilities

AN ACT to amend the education law, in relation to authorizing the retention of funds for special education programs for preschool children that are subject to tuition rate reconciliation

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

Section 1. Paragraph k of subdivision 4 of section 4405 of the education law, as added by section 37-f of part A of chapter 56 of the laws of 2021, is amended to read as follows:

k. The tuition methodology established pursuant to this subdivision for the two thousand twenty-one--two thousand twenty-two 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 **and programs approved pursuant to section forty-four hundred ten of this article that are subject to tuition rate reconciliation,** to retain funds in excess of their allowable and reimbursable costs incurred for services and programs provided to school-age **and preschool** students. The amount of funds that may be annually retained shall not exceed one percent of the school's [~~or~~]**,** school district's**, or programs subject to tuition rate reconciliation that are approved pursuant to section forty-four hundred ten of this article's** total allowable and reimbursable costs for services and programs provided to school-age **and preschool** 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; [~~and~~] provided further that such funds shall not be recoverable on reconciliation of tuition rates, and shall be separate from and in addition to any other authorization to retain surplus funds on reconciliation. Funds may be expended only pursuant to an authorization of the governing board of the school [~~or~~]**,** school district**, or program approved pursuant to section forty-four hundred ten of this article**, for a purpose expressly authorized as part of the approved tuition methodology for the year in

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

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which the funds are to be expended, provided that funds may be expended to pay prior year outstanding debts. Any school [~~or~~], school district, or program approved pursuant to section forty-four hundred ten of this article 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, the 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.

§ 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2022.