STATE OF NEW YORK

8086

2023-2024 Regular Sessions

IN ASSEMBLY

September 29, 2023

Introduced by M. of A. SEAWRIGHT -- read once and referred to the Committee on Education

AN ACT to amend the education law, in relation to permitting special education services and programs for preschool children with handicapping conditions to establish reserve funds

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

Section 1. Section 4405 of the education law is amended by adding a new subdivision 7 to read as follows:

7. For the two thousand twenty-three--two thousand twenty-four school year and thereafter, an institution subject to this article shall be authorized to retain funds in excess of their allowable and reimbursable costs incurred for services and programs to students appointed. The amount of funds that may be annually retained shall not exceed one percent of the institution's total allowable and reimbursable costs for services and programs provided to 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, such funds shall be carried forward as total reimbursable costs for purposes of calculating subsequent year prospective and reconciliation tuition rates and such funds 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 institution for a purpose expressly authorized as part of allowable costs for the year in which the funds are to be expended, provided that funds may be expended to pay prior year outstanding debts. Any institution that retains funds pursuant to this subdivision shall be required to annually report a statement of the total balance of such retained funds, the amount, if any, retained in the prior school year, the amount, if any,

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

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disbursed in the prior school year, and the financial reports that are required to be annually submitted to the department.

§ 2. This act shall take effect on the first of July next succeeding the date on which it shall have become a law.