

STATE OF NEW YORK

4512

2025-2026 Regular Sessions

IN ASSEMBLY

February 4, 2025

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

AN ACT to amend the education law and the public health law, in relation to the ability for school districts to implement telehealth school-based mental health clinics; to amend the state finance law, in relation to the student mental telehealth reimbursement fund; and to amend the racing, pari-mutuel wagering and breeding law, in relation to funding the student mental telehealth reimbursement fund

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

1 Section 1. Subparagraph (i) of paragraph (j) of subdivision 1 of
2 section 414 of the education law, as amended by chapter 672 of the laws
3 of 2019, is amended to read as follows:

4 (i) For the purposes of this subdivision, the term "licensed school-
5 based health, dental or mental health clinic" means a clinic that is
6 located in a school facility of a school district or board of cooper-
7 ative educational services, is operated by an entity other than the
8 school district or board of cooperative educational services and will
9 provide health, dental or mental health services during school hours
10 and/or non-school hours to school-age and preschool children, and that
11 is: (1) a health clinic approved under the provisions of chapter one
12 hundred ninety-eight of the laws of nineteen hundred seventy-eight; or
13 (2) another school-based health or dental clinic licensed by the depart-
14 ment of health pursuant to article twenty-eight of the public health
15 law; or (3) a school-based mental health clinic licensed or approved by
16 the office of mental health pursuant to article thirty-one of the mental
17 hygiene law; or (4) a school-based mental health clinic licensed by the
18 office for people with developmental disabilities pursuant to article
19 sixteen of the mental hygiene law; or (5) a school-based mental health
20 clinic licensed pursuant to the sections above that operates as a tele-

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

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1 health clinic as defined pursuant to section twenty-nine hundred nine-
2 ty-nine-cc of the public health law.

3 § 2. Section 2999-dd of the public health law is amended by adding a
4 new subdivision 3-a to read as follows:

5 3-a. The commissioner of education, in consultation with the commis-
6 sioner, the commissioner of mental health, and the commissioner of the
7 office of persons with developmental disabilities, shall develop minimum
8 qualifications for school districts to operate telehealth school-based
9 mental health clinics. Such qualifications shall be consistent with best
10 practices pursuant to school-based mental health clinics as currently
11 operated under existing law.

12 § 3. The state finance law is amended by adding a new section 99-ss to
13 read as follows:

14 § 99-ss. Student mental telehealth reimbursement fund. 1. There is
15 hereby established in the joint custody of the state comptroller and the
16 commissioner of taxation and finance a fund to be known as the student
17 mental telehealth reimbursement fund.

18 2. Such fund shall consist of all revenues generated pursuant to
19 subdivision eight of section thirteen hundred sixty-seven of the racing,
20 pari-mutuel wagering and breeding law and all other moneys credited or
21 transferred thereto from any other fund or source pursuant to law.

22 3. Moneys of the fund, following appropriation by the legislature
23 shall be made available to the state education department for the
24 purposes of providing reimbursement to school districts for the costs of
25 establishing and maintaining school-based mental health clinics that
26 operate as telehealth clinics pursuant to clause five of subparagraph
27 (i) of paragraph (j) of subdivision one of section four hundred fourteen
28 of the education law. Costs eligible for reimbursement shall include but
29 not be limited to: contract costs and fees associated with agreements
30 with telehealth providers; costs of services remitted to providers on a
31 case-by-case basis; costs associated with acquiring and maintaining
32 technological equipment necessary for telehealth services to be
33 rendered; and costs associated with establishing physical space neces-
34 sary for telehealth services to be rendered.

35 § 4. Subdivision 8 of section 1367 of the racing, pari-mutuel wagering
36 and breeding law, as added by section 3 of part Y of chapter 59 of the
37 laws of 2021, is amended to read as follows:

38 8. Notwithstanding section thirteen hundred fifty-one of this article,
39 mobile sports wagering gross gaming revenue and tax revenue shall be
40 excluded from sports wagering gross gaming revenue and tax revenue.
41 Mobile sports wagering tax revenue shall be separately maintained and
42 returned to the state for deposit into the state lottery fund for educa-
43 tion aid except as otherwise provided in this subdivision. Any interest
44 and penalties imposed by the commission relating to those taxes, all
45 penalties levied and collected by the commission, and the appropriate
46 funds, cash or prizes forfeited from sports wagering shall be deposited
47 into the state lottery fund for education. In the first fiscal year in
48 which mobile sports wagering licensees commence operations and accept
49 mobile sports wagers pursuant to this section, the commission shall pay
50 into the commercial gaming fund one percent of the state tax imposed on
51 mobile sports wagering by this section to be distributed for problem
52 gambling education and treatment purposes pursuant to paragraph a of
53 subdivision four of section ninety-seven-nnnn of the state finance law;
54 provided however, that such amount shall be equal to six million dollars
55 for each fiscal year thereafter. In the first fiscal year in which
56 mobile sports wagering licensees commence operations and accept mobile

1 sports wagers pursuant to this section, the commission shall pay one
2 percent of the state tax imposed on mobile sports wagering by this
3 section to the general fund, a program to be administered by the office
4 of children and family services for a statewide youth sports activities
5 and education grant program for the purpose of providing annual awards
6 to sports programs for underserved youth under the age of eighteen
7 years; provided however, that such amount shall be equal to five million
8 dollars for each fiscal year thereafter. The commission shall require at
9 least monthly deposits by a platform provider of any payments pursuant
10 to subdivision seven of this section, at such times, under such condi-
11 tions, and in such depositories as shall be prescribed by the state
12 comptroller. The deposits shall be deposited to the credit of the state
13 commercial gaming revenue fund. The commission shall require a monthly
14 report and reconciliation statement to be filed with it on or before the
15 tenth day of each month, with respect to gross revenues and deposits
16 received and made, respectively, during the preceding month. In each
17 fiscal year in which mobile sports licensees operate and accept mobile
18 sports wagers pursuant to this subdivision, the commission shall pay
19 five percent of the state tax imposed on mobile sports wagering by this
20 section to the student mental telehealth reimbursement fund established
21 pursuant to section ninety-nine-ss of the state finance law for the
22 purpose of providing annual awards to school districts administering
23 school-based mental health telehealth services.
24 § 5. This act shall take effect on the one hundred eightieth day after
25 it shall have become a law.