STATE OF NEW YORK

6622

2025-2026 Regular Sessions

IN SENATE

March 18, 2025

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

AN ACT to amend the education law, in relation to authorizing school districts to establish reserve funds for special services or programs

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

Section 1. Section 3651 of the education law is amended by adding two new subdivisions 1-c and 3-b to read as follows:

1-c. Notwithstanding the provisions of subdivision one of this section, any school district may establish a reserve fund for special services or programs upon approval by the board of education of such school district, and without any further approval being required by the qualified voters of such school district, provided, however, that the total of the monies held in such reserve fund shall not exceed ten percent of the monies held by such school district in a reserve fund established pursuant to subdivision one of this section. Such reserve fund may be established for funding, in whole or in part, the cost of any special services or programs established by such school district. Upon approval of the creation of such reserve fund, the board of education of shall determine the ultimate amount, the probable term, and the source from which the monies of such reserve fund are to be obtained. There shall be paid into such reserve fund an annual amount sufficient to meet the requirements of such board of education's determination. In addition, the board of education of such school district may from time to time direct the school authorities to pay into such reserve fund monies derived from any other source. Upon the creation of a reserve fund under this subdivision, the board of education of the school district may authorize a one-time removal of restrictions from any other protected reserves of such school district to initially fund such reserve fund. For the purposes of this subdivision, the term "special

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

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services or programs" shall have the same meaning as defined by section forty-four hundred one of this chapter.

3-b. Notwithstanding the provisions of subdivision three of this section, any school district which establishes a reserve fund in accordance with subdivision one-c of this section may make expenditures from such reserve fund for the purposes specified in such subdivision without authorization of the voters.

§ 2. This act shall take effect immediately.