§ 2558. Responsibility for certain temporary-resident infants and toddlers with disabilities. 1. Definitions. In addition to the definitions contained in section twenty-five hundred forty-one of this title, the following terms shall have the following meanings:

(a) "Foster child" shall mean a child in the care, custody or guardianship of a commissioner of a local social services district.

(b) "Homeless child" shall mean a child placed in a hotel, motel, shelter, or other temporary housing arrangement by a social services district because of the unavailability of permanent housing.

(c) "Municipality of current location" shall mean a municipality in which a child lives which is different from the municipality in which a child or such child's family lived at the time a social services district assumed responsibility for the placement of such child or family or at the time the child was admitted for care or treatment in a facility licensed or operated by another state agency.

(d) "Municipality of residence" shall mean the municipality in which a child or such child's family lived at the time the local social services district assumed responsibility or custody for such child or family or at the time the child was admitted for care or treatment in a facility licensed or operated by another state agency.

(e) "Child in residential care" shall mean an infant or toddler living in a residential facility licensed or operated by a state agency. For the purposes of subdivisions two, three and four of this section, a child in residential care shall be deemed to be a homeless child.

2. Evaluation and IFSP responsibility. The municipality of current location of a foster child or homeless child shall be responsible for the evaluation and IFSP procedures prescribed for an infant or toddler suspected of having a disability. The municipality of current location shall identify to the commissioner each eligible foster child or homeless child, and the municipality of current location of such child shall also transmit a copy of the IFSP and cost of service of such child to the municipality of residence.

3. Contract and payment responsibility. The municipality of current location shall be the municipality of record for an eligible foster child or homeless child for the purposes of this title, provided that

notwithstanding the provision of subdivision two of section twenty-five hundred fifty-seven of this title, the state shall reimburse one hundred percent of the approved costs paid by such municipality which shall be offset by the local contribution due pursuant to subdivision four of this section.

4. Local contribution. The municipality of residence shall be financially responsible for the local contribution in the amount of fifty percent of the amount expended provided, however, that in the discretion of the department and with the approval of the director of the division of the budget, in accordance with subdivision two of section twenty-five hundred fifty-seven of this title, the department may require that municipalities be financially responsible for a local contribution in an amount less than fifty percent of the amount expended. The commissioner shall certify to the comptroller the amount of the local contribution owed by each municipality to the state. The comptroller shall deduct the amount of such local contribution first from any moneys due the municipality pursuant to section twenty-five hundred fifty-six of this title and then from any other moneys due or to become due to the municipality.