

1 **2006 Fall Seminar**  
2 **Standing Committee on Children with Special Needs**  
3 **Resolution #01**

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5 **RESOLUTION CALLING FOR AN AMENDMENT TO STATE LAW TO LIMIT**  
6 **THE COUNTY FINANCIAL LIABILITY FOR THE 4410 PRESCHOOL**  
7 **SPECIAL EDUCATION PROGRAM**  
8

9 **WHEREAS**, section 4410 of the New York State Education Law, as adopted in  
10 1989, resulted in a significant fiscal commitment on the part of counties and the city of  
11 New York while restricting their fiscal oversight of the program in return for the  
12 counties' agreement to forego millions of dollars in state revenue sharing funds; and  
13

14 **WHEREAS**, changes to the program in 1989 assured counties a phased in state  
15 share of 75% of the preschool program, but later revoked this commitment as part of the  
16 1990 Deficit Reduction Package, reducing the state's share retroactively to 50% but not  
17 reinstating county revenue sharing, causing counties to cover sizable deficits in their own  
18 budgets for that fiscal year; and  
19

20 **WHEREAS**, in 1994-1995, the state committed to a phased-in local contribution  
21 of 69.5% over a two-year budget cycle, only to revert to a 59.5% share in the 1995-1996  
22 negotiated State Budget; and  
23

24 **WHEREAS**, the reimbursement methodology which governs the preschool  
25 program is a cost-based tuition reimbursement system that rewards high costs and  
26 increased spending, rather than encouraging quality service at the most reasonable cost;  
27 and  
28

29 **WHEREAS**, this methodology has proven to be unaccountable and precludes  
30 counties from actively managing or controlling costs that directly impact their budgets,  
31 while decisions made by school districts, under authority granted by the State Education  
32 Department (SED), have little bearing on their own bottom-line; and  
33

34 **WHEREAS**, as long as counties have unlimited fiscal liability for the program,  
35 the state will have no incentive to reform the program and design a reimbursement  
36 methodology that offers providers of service the timeliness, stability, and predictability of  
37 funding that they require, while ensuring that the children served receive the best quality  
38 services at the most value to the state's taxpayers:  
39

40 **NOW, THEREFORE, BE IT RESOLVED**, that the New York State  
41 Association of Counties (NYSAC) calls for an amendment to state law to limit the  
42 county financial liability for the 4410 preschool special education program; and  
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44 **BE IT FURTHER RESOLVED**, that NYSAC shall forward copies of this  
45 Resolution to the Governor, the New York State Legislature and all others deemed  
46 necessary and proper.