STATE OF NEW YORK

10006--B

IN ASSEMBLY

January 21, 2026

A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read once and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the education law, in relation to contracts for excellence, foundation aid, and to apportioning aid for universal prekindergarten; to amend the education law, in relation to the apportionment of moneys for school aid; to amend chapter 537 of the laws of 1976, relating to paid, free and reduced price breakfast for eligible pupils in certain school districts, in relation to purchases of food products from New York state farmers, growers, producers or processors; to amend chapter 756 of the laws of 1992 relating to funding a program for work force education conducted by the consortium for worker education in New York city, in relation to reimbursement for the 2026-2027 school year and the maximum contract hours, withholding a portion of employment preparation education aid, and the effectiveness thereof; to amend the education law, in relation to the use of apportionments for the EXCEL program; to amend part I of chapter 61 of the laws of 2006 amending the education law and the public authorities law relating to expanding our children's education and learning, in relation to the effectiveness thereof; to amend the education law, in relation to maximum class sizes for special classes for certain students with disabilities; to amend chapter 82 of the laws of 1995 amending the education law and other laws relating to state aid to school districts and the appropriation of funds for the support of government, in relation to the effectiveness thereof; providing for special apportionment for salary expenses; providing for special apportionment for public pension accruals; providing for set-asides from the state funds which certain districts are receiving from the total foundation aid; to amend chapter 121 of the laws of 1996 authorizing the Roosevelt union free school district to finance deficits by the issuance of serial bonds, in relation to an apportionment for salary expenses; providing for support of public libraries; and to repeal certain provisions of the education law relating to the statewide universal full-day prekindergarten program (Part A); to amend the

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

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education law, in relation to evidence-based mathematics instruction (Part B); to amend the education law, in relation to eligibility for the New York opportunity promise scholarship (Part C); intentionally omitted (Part D); to amend the education law, in relation to tuition rates of non-resident undergraduate and graduate students at the state university of New York and city university of New York (Part E); to amend the education law, in relation to early childhood educator eligibility for the masters-in-education teacher incentive scholarship program (Part F); to amend the state finance law, in relation to the New York state music grant fund (Part G); intentionally omitted (Part H); intentionally omitted (Part I); intentionally omitted (Part J); intentionally omitted (Part K); to amend the social services law, in relation to increasing the standards of monthly need for aged, blind and disabled persons living in the community (Part L); to utilize reserves in the mortgage insurance fund for various housing purposes (Part M); to amend the not-for-profit corporation law, in relation to the maximum number of land banks that can simultaneously exist in New York state (Part N); intentionally omitted (Part O); intentionally omitted (Part P); to amend the real property law, in relation to establishing the homeowner protection program (Part Q); to amend the state finance law, in relation to local share requirements associated with increasing the age of juvenile jurisdiction (Part R); to amend the social services law, in relation to implementing a cost estimation model for child care (Part S); to amend the social services law, in relation to prohibiting requiring parents or caretakers to earn a minimum wage to be eligible for child care assistance (Part T); to amend the social services law, in relation to assisting persons with medically diagnosed HIV infection; and repealing certain provisions of such law relating thereto (Part U); to amend the education law, in relation to increasing the income threshold for excelsior scholarship (Part V); to amend the education law, in relation to expanding eligibility for tuition assistance program awards (Part W); to amend the state finance law, in relation to requiring the governor to submit five-year capital plans for SUNY and CUNY senior colleges to the legislature as part of the annual budget (Part X); to amend the education law, in relation to tuition assistance program awards for graduate students (Part Y); to amend the education law, the public authorities law and the state finance law, in relation to the New York reinvests in student educational supports program (Part Z); and to amend the education law, in relation to the New York state district attorney and indigent legal services attorney loan forgiveness program (Part AA)

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

1 Section 1. This act enacts into law major components of legislation
2 necessary to implement the state education, labor, housing and family
3 assistance budget for the 2026-2027 state fiscal year. Each component is
4 wholly contained within a Part identified as Parts A through AA. The
5 effective date for each particular provision contained within such Part
6 is set forth in the last section of such Part. Any provision in any
7 section contained within a Part, including the effective date of the
8 Part, which makes a reference to a section "of this act", when used in
9 connection with that particular component, shall be deemed to mean and

refer to the corresponding section of the Part in which it is found. Section three of this act sets forth the general effective date of this act.

PART A

Section 1. Paragraph e of subdivision 1 of section 211-d of the education law, as amended by section 1 of part A of chapter 56 of the laws of 2025, is amended to read as follows:

e. Notwithstanding paragraphs a and b of this subdivision, a school district that submitted a contract for excellence for the two thousand eight--two thousand nine school year shall submit a contract for excellence for the two thousand nine--two thousand ten school year in conformity with the requirements of subparagraph (vi) of paragraph a of subdivision two of this section unless all schools in the district are identified as in good standing and provided further that, a school district that submitted a contract for excellence for the two thousand nine--two thousand ten school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand eleven--two thousand twelve school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the product of the amount approved by the commissioner in the contract for excellence for the two thousand nine--two thousand ten school year, multiplied by the district's gap elimination adjustment percentage and provided further that, a school district that submitted a contract for excellence for the two thousand eleven--two thousand twelve school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twelve--two thousand thirteen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand eleven--two thousand twelve school year and provided further that, a school district that submitted a contract for excellence for the two thousand twelve--two thousand thirteen school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand thirteen--two thousand fourteen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twelve--two thousand thirteen school year and provided further that, a school district that submitted a contract for excellence for the two thousand thirteen--two thousand fourteen school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand fourteen--two thousand fifteen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand thirteen--two thousand fourteen school year; and provided further that, a school district that submitted a contract for excellence for the two thousand fourteen--two thousand fifteen school year, unless all schools in the

district are identified as in good standing, shall submit a contract for excellence for the two thousand fifteen--two thousand sixteen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand fourteen--two thousand fifteen school year; and provided further that a school district that submitted a contract for excellence for the two thousand fifteen--two thousand sixteen school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand sixteen--two thousand seventeen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand fifteen--two thousand sixteen school year; and provided further that, a school district that submitted a contract for excellence for the two thousand sixteen--two thousand seventeen school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand seventeen--two thousand eighteen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand sixteen--two thousand seventeen school year; and provided further that a school district that submitted a contract for excellence for the two thousand seventeen--two thousand eighteen school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand eighteen--two thousand nineteen school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand seventeen--two thousand eighteen school year; and provided further that, a school district that submitted a contract for excellence for the two thousand eighteen--two thousand nineteen school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand nineteen--two thousand twenty school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand eighteen--two thousand nineteen school year; and provided further that, a school district that submitted a contract for excellence for the two thousand nineteen--two thousand twenty school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty--two thousand twenty-one school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand nineteen--two thousand twenty school year; and provided further that, a school district that submitted a contract for excellence for the two thousand twenty--two thousand twenty-one school year, unless all schools in the district are identified as

in good standing, shall submit a contract for excellence for the two thousand twenty-one--two thousand twenty-two school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty--two thousand twenty-one school year; and provided further that, a school district that submitted a contract for excellence for the two thousand twenty-one--two thousand twenty-two school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty-two--two thousand twenty-three school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty-one--two thousand twenty-two school year; and provided further that, a school district that submitted a contract for excellence for the two thousand twenty-two--two thousand twenty-three school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty-three--two thousand twenty-four school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty-two--two thousand twenty-three school year; and provided further that, a school district that submitted a contract for excellence for the two thousand twenty-three--two thousand twenty-four school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty-four--two thousand twenty-five school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty-three--two thousand twenty-four school year; and provided further that a school district that submitted a contract for excellence for the two thousand twenty-four--two thousand twenty-five school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty-five--two thousand twenty-six school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty-four--two thousand twenty-five school year; **and provided further that a school district that submitted a contract for excellence for the two thousand twenty-five--two thousand twenty-six school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty-six--two thousand twenty-seven school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty-five--two thousand twenty-six school year;** provided, however, that, in a city school district in a city having a population of one million or more, notwithstanding the requirements of

subparagraph (vi) of paragraph a of subdivision two of this section, the contract for excellence shall provide for the expenditure as set forth in subparagraph (v) of paragraph a of subdivision two of this section. For purposes of this paragraph, the "gap elimination adjustment percentage" shall be calculated as the sum of one minus the quotient of the sum of the school district's net gap elimination adjustment for two thousand ten--two thousand eleven computed pursuant to chapter fifty-three of the laws of two thousand ten, making appropriations for the support of government, plus the school district's gap elimination adjustment for two thousand eleven--two thousand twelve as computed pursuant to chapter fifty-three of the laws of two thousand eleven, making appropriations for the support of the local assistance budget, including support for general support for public schools, divided by the total aid for adjustment computed pursuant to chapter fifty-three of the laws of two thousand eleven, making appropriations for the local assistance budget, including support for general support for public schools. Provided, further, that such amount shall be expended to support and maintain allowable programs and activities approved in the two thousand nine--two thousand ten school year or to support new or expanded allowable programs and activities in the current year.

§ 2. Intentionally omitted.

§ 2-a. Subdivision 4 of section 3602 of the education law is amended by adding a new paragraph g to read as follows:

g. Foundation aid payable in the two thousand twenty-six--two thousand twenty-seven school year. Notwithstanding any provision of law to the contrary, foundation aid payable in the two thousand twenty-six--two thousand twenty-seven school year shall equal the greater of total foundation aid or the product of one and two hundredths (1.02) multiplied by the foundation aid base.

§ 2-b. Subdivision 1 of section 3602 of the education law is amended by adding a new paragraph kk to read as follows:

kk. "Homeless and foster count" shall mean the product of the three-year count of students experiencing homelessness multiplied by sixty-five hundredths (0.65) plus the product of the three-year count of foster students multiplied by sixty-five hundredths (0.65), where:

(1) "Students experiencing homelessness" shall be equal to the unduplicated count of students who lack a fixed, regular, and adequate nighttime residence, including a student who is sharing the housing of other persons due to a loss of housing, economic hardship, or similar reason; living in motels, hotels, trailer parks or camping grounds due to the lack of alternative adequate accommodations; abandoned in hospitals; or a migratory child, as defined by the commissioner, who qualifies as homeless under any of the above provisions; or has a primary nighttime location that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations including, but not limited to, shelters operated or approved by the state or local department of social services, and residential programs for runaway and homeless youth established pursuant to article nineteen-H of the executive law or a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings, including a car, park, public space, abandoned building, substandard housing, bus, train stations, or similar setting. Homeless students do not include children in foster care placements or who are receiving educational services pursuant to subdivision four, five, six, six-a, or seven of this section or pursuant to article eighty-one, eighty-five, eighty-seven, or eighty-eight of this chapter.

(2) The "three-year count of students experiencing homelessness" shall be equal to the quotient of (i) the unduplicated count of students experiencing homelessness for the school year prior to the base year, plus such number for the school year two years prior to the base year, plus such number for the school year three years prior to the base year; divided by (ii) three, rounded to four decimals.

(3) "Foster students" shall be equal to the unduplicated count of students in twenty-four-hour substitute care for children placed away from their parents and for whom the agency under title IV-E of the Social Security Act has placement and care responsibility. This includes, but is not limited to, placements in foster family homes, foster homes of relatives, group homes, emergency shelters, residential facilities, child care institutions, and pre-adoptive homes. A child is in foster care in accordance with this definition regardless of whether or not the foster care facility is licensed and payments are made by the state, tribal, or local agency for the care of the child, whether adoption subsidy payments are being made prior to the finalization of an adoption, or whether there is federal matching of any payments that are made.

(4) The "three-year count of foster students" shall be equal to the quotient of (i) the unduplicated count of foster students for the school year prior to the base year, plus such number for the school year two years prior to the base year, plus such number for the school year three years prior to the base year; divided by (ii) three, rounded to four decimals.

§ 2-c. Paragraph s of subdivision 1 of section 3602 of the education law, as amended by section 4-a of part A of chapter 56 of the laws of 2025, is amended to read as follows:

s. "Extraordinary needs count" shall mean the sum of the product of the English language learner count multiplied by the ELL weight, plus, the poverty count, the homeless and foster count, and the sparsity count, provided that the 'ELL weight' shall be five tenths (0.50) for the two thousand twenty-four--two thousand twenty-five school year and prior, [~~and~~] shall be equal to fifty-three hundredths (0.53) in the two thousand twenty-five--two thousand twenty-six school year, and six tenths (0.6) in the two thousand twenty-six--two thousand twenty-seven school year and thereafter.

§ 2-d. Subparagraph 3 of paragraph a of subdivision 4 of section 3602 of the education law, as amended by section 9-b of part CCC of chapter 59 of the laws of 2018, is amended to read as follows:

(3) The pupil need index shall equal the sum of one plus the extraordinary needs percent, provided, however, that the pupil need index shall not be less than one nor more than two until the two thousand twenty-six--two thousand twenty-seven school year. The extraordinary needs percent shall be calculated pursuant to paragraph w of subdivision one of this section.

§ 2-e. Subparagraph 1 of paragraph b of subdivision 10 of section 3602 of the education law, as amended by section 10-c of part A of chapter 56 of the laws of 2025, is amended to read as follows:

(1) Aid for career education. There shall be apportioned to such city school districts and other school districts which were not components of a board of cooperative educational services in the base year for pupils in selected grades in attendance in career education programs as such programs are defined by the commissioner, subject for the purposes of this paragraph to the approval of the director of the budget, an amount for each such pupil to be computed by multiplying the career education

aid ratio by three thousand nine hundred dollars for aid payable in the two thousand twenty-four--two thousand twenty-five school year and prior [~~and~~], four thousand one hundred dollars **for the two thousand twenty-six--two thousand twenty-seven school year, and four thousand three hundred dollars** thereafter. Such aid will be payable for weighted pupils attending career education programs operated by the school district and for weighted pupils for whom such school district contracts with boards of cooperative educational services to attend career education programs operated by a board of cooperative educational services. Weighted pupils for the purposes of this paragraph shall mean the sum of the attendance of students in selected grades in career education sequences in trade, industrial, technical, agricultural or health programs plus the product of sixteen hundredths multiplied by the attendance of students in selected grades in career education sequences in business and marketing as defined by the commissioner in regulations. The career education aid ratio shall be computed by subtracting from one the product obtained by multiplying fifty-nine percent by the combined wealth ratio. This aid ratio shall be expressed as a decimal carried to three places without rounding, but not less than thirty-six percent. For purposes of this subparagraph, "selected grades" shall be grades ten through twelve for aid payable in the two thousand twenty-four--two thousand twenty-five school year and prior, and shall be grades nine through twelve for aid payable in the two thousand twenty-five--two thousand twenty-six school year and thereafter.

§ 2-f. Subdivision 4 of section 3627 of the education law, as amended by section 12 of part A of chapter 56 of the laws of 2025, is amended to read as follows:

4. Notwithstanding any other provision of law to the contrary, any expenditures for transportation provided pursuant to this section in the two thousand thirteen--two thousand fourteen school year and thereafter and otherwise eligible for transportation aid pursuant to subdivision seven of section thirty-six hundred two of this article shall be considered approved transportation expenses eligible for transportation aid, provided further that for the two thousand thirteen--two thousand fourteen school year such aid shall be limited to eight million one hundred thousand dollars and for the two thousand fourteen--two thousand fifteen school year such aid shall be limited to the sum of twelve million six hundred thousand dollars plus the base amount and for the two thousand fifteen--two thousand sixteen school year through two thousand eighteen--two thousand nineteen school year such aid shall be limited to the sum of eighteen million eight hundred fifty thousand dollars plus the base amount and for the two thousand nineteen--two thousand twenty school year such aid shall be limited to the sum of nineteen million three hundred fifty thousand dollars plus the base amount and for the two thousand twenty--two thousand twenty-one school year such aid shall be limited to the sum of nineteen million eight hundred fifty thousand dollars plus the base amount and for the two thousand twenty-two--two thousand twenty-three school year such aid shall be limited to the sum of twenty-two million three hundred fifty thousand dollars plus the base amount and for the two thousand twenty-three--two thousand twenty-four school year such aid shall be limited to the sum of twenty-four million eight hundred fifty thousand dollars plus the base amount and for the two thousand twenty-four--two thousand twenty-five school year such aid shall be limited to the sum of twenty-nine million eight hundred fifty thousand dollars plus the base amount and for the two thousand twenty-five--two thousand twenty-six school year [~~and thereafter~~] such aid

shall be limited to the product of (i) the maximum amount of aid authorized by this subdivision for the base year, and (ii) the sum of one plus the product of (a) two and one-half multiplied by (b) the percentage increase in the consumer price index as defined in paragraph hh of subdivision one of section thirty-six hundred two of this article **and for the two thousand twenty-six--two thousand twenty-seven school year and thereafter such aid shall be limited to the product of: (i) the maximum amount of aid authorized by this subdivision for the base year; and (ii) the sum of one plus the product of (A) three and one-half multiplied by (B) the percentage increase in the consumer price index as defined in paragraph hh of subdivision one of section thirty-six hundred two of this article**. For purposes of this subdivision, "base amount" means the amount of transportation aid paid to the school district for expenditures incurred in the two thousand twelve--two thousand thirteen school year for transportation that would have been eligible for aid pursuant to this section had this section been in effect in such school year, except that subdivision six of this section shall be deemed not to have been in effect. And provided further that the school district shall continue to annually expend for the transportation described in subdivision one of this section at least the expenditures used for the base amount.

§ 3. Paragraph a of subdivision 6 of section 3602 of the education law is amended by adding a new subparagraph 13 to read as follows:

(13) (a) Renewable energy systems, as defined in subdivision one of section sixty-six-p of the public service law, shall be considered part of the cost allowance calculated by the commissioner pursuant to this subparagraph.

(b) Ground-mounted renewable energy systems shall be sited to minimize impacts on athletic fields, outdoor educational spaces, and natural areas serving the school.

(c) The portion of project costs attributable to system capacity that, when combined with other renewable energy projects, if any, exceeds one hundred ten percent of the building's baseline energy consumption shall not constitute an aidable expense. Baseline energy consumption shall be calculated using a methodology as determined by the commissioner, in consultation with the New York state energy research and development authority, which shall consider historic energy consumption.

§ 4. Paragraphs b and c of subdivision 1 of section 3602-e of the education law, as amended by section 19 of part B of chapter 57 of the laws of 2007, are amended and four new paragraphs c-1, f, g, and h are added to read as follows:

b. "Eligible agencies" shall mean a provider of child care and early education, a day care provider, early childhood program or center, **non-profit organization, charter school, library, museum,** or community-based organization, including but not limited to approved pre-school special education programs, head start, and nursery schools so long as the standards and qualifications set forth pursuant to subdivision twelve of this section have been met.

c. "Eligible **four-year-old** children" shall mean resident children who are four years of age on or before December first of the year in which they are enrolled or who will otherwise be first eligible to enter public school kindergarten commencing with the following school year.

c-1. "Eligible three-year-old children" shall mean resident children who are three years of age on or before December first of the year in which they are enrolled or who will otherwise be first eligible to enter

public school kindergarten commencing two years from the time of enrollment.

f. "Universal access proxy" shall mean the product of eighty-five percent multiplied by the positive difference, if any, between the sum of the public school enrollment and the nonpublic school enrollment of children attending full-day and half-day kindergarten programs in the district in the year prior to the base year less the number of resident children who attain the age of four before December first of the base year, who were served during such school year by a prekindergarten program approved pursuant to section forty-four hundred ten of this chapter, where such services are provided for more than four hours per day.

g. "Half-day program" shall mean a program which serves students for at least two and five-tenths hours but less than five hours per day.

h. "Full-day program" shall mean a program which serves students for at least five hours per day.

§ 5. Subdivisions 9, 10, 11, 18, 19, and 20 of section 3602-e of the education law are REPEALED and two new subdivisions 10 and 11 are added to read as follows:

10. Universal prekindergarten apportionment. School districts shall receive a universal prekindergarten apportionment, in the two thousand twenty-six--two thousand twenty-seven school year and thereafter, equal to the sum of the four-year-old apportionment and the three-year-old apportionment.

a. The four-year-old apportionment shall equal the lesser of (i) the product of aid per four-year-old prekindergarten pupil multiplied by four-year-old prekindergarten pupils served, or (ii) total actual grant expenditures incurred by the school district as approved by the commissioner.

(1) "Aid per four-year-old prekindergarten pupil" shall equal the greater of (A) the school district's selected foundation aid for the current year projection published as of May fifteenth of the prior school year, calculated pursuant to subdivision four of section thirty-six hundred two of this part, (B) ten thousand dollars, or (C) the amount set forth for such school district as "2025-26 4YO MAX UPK AID" on the school aid computer listing produced by the commissioner in support of the executive budget for the two thousand twenty-six--two thousand twenty-seven fiscal year and entitled "BT262-7" divided by the amount set forth as "2025-26 4YO MAX FTE" on such listing.

(2) "Four-year-old prekindergarten pupils served" shall mean the sum of (A) the unduplicated count of all eligible four-year-old children registered to receive educational services in a full-day program, as registered on the date that is specified by the commissioner as the enrollment reporting date for the school district, as reported to the commissioner plus (B) for the two thousand twenty-six--two thousand twenty-seven school year through the two thousand twenty-seven--two thousand twenty-eight school year, the product of five-tenths multiplied by the unduplicated count of eligible four-year-old children registered to receive educational services in a half-day program, as registered on such date and reported to the commissioner.

b. The three-year-old apportionment shall equal the lesser of (i) the product of aid per three-year-old prekindergarten pupil multiplied by three-year-old prekindergarten pupils served or (ii) total actual grant expenditures incurred by the school district as approved by the commissioner.

(1) "Aid per three-year-old prekindergarten pupil" shall equal the greater of (A) the school district's selected foundation aid for the current year projection published as of May fifteenth of the prior school year, calculated pursuant to subdivision four of section thirty-six hundred two of this part, (B) ten thousand dollars, or (C) the amount set forth for such school district as "2025-26 3YO MAX UPK AID" on the school aid computer listing produced by the commissioner in support of the executive budget for the two thousand twenty-six--two thousand twenty-seven fiscal year and entitled "BT262-7" divided by the amount set forth as "2025-26 3YO MAX FTE" on such listing, provided that for a city school district in a city having a population of one million or more, the "aid per three-year-old prekindergarten pupil" shall equal (C) as defined above.

(2) "Three-year-old students served" shall equal the sum of (i) the unduplicated count of eligible three-year-old children registered to receive educational services in a full-day program as registered on the date that is specified by the commissioner as the enrollment reporting date for the school district, as reported to the commissioner, plus (ii) the product of five-tenths multiplied by the unduplicated count of eligible three-year-old children registered to receive educational services in a half-day program, as registered on such date and reported to the commissioner, (iii) less the three-year-old overage penalty.

c. School districts shall receive up to fifty percent of the universal prekindergarten apportionment defined in this subdivision upon approval of the application submitted pursuant to subdivision five of this section, but not earlier than September first. School districts may be eligible for an additional twenty percent of such apportionment after April first of each school year upon completion of a request for funds on a form designated by the commissioner. The remainder of such apportionment shall be paid to each school district upon acceptance of a final expenditure report submitted on a form designated by the commissioner in the following school year.

11. No later than the two thousand twenty-eight--two thousand twenty-nine school year, all school districts shall serve in a full-day prekindergarten program all eligible four-year-old children whose parent or guardian applies to enroll such child in the district's universal prekindergarten program, whether such services are provided directly through the school district, a board of cooperative educational services, or collaborative efforts between the school district and an eligible agency or agencies.

§ 6. Intentionally omitted.

§ 7. Section 3602-ee of the education law is REPEALED.

§ 8. Paragraph i of subdivision 12 of section 3602 of the education law, as amended by section 13 of part A of chapter 56 of the laws of 2025, is amended to read as follows:

i. For the two thousand twenty-one--two thousand twenty-two school year through the two thousand [~~twenty-five~~] twenty-six--two thousand [~~twenty-six~~] twenty-seven school year, each school district shall be entitled to an apportionment equal to the amount set forth for such school district as "ACADEMIC ENHANCEMENT" under the heading "2020-21 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand twenty--two thousand twenty-one school year and entitled "SA202-1", and such apportionment shall be deemed to satisfy the state obligation to provide an apportionment pursuant to subdivision eight of section thirty-six hundred forty-one of this article.

§ 9. The opening paragraph of subdivision 16 of section 3602 of the education law, as amended by section 14 of part A of chapter 56 of the laws of 2025, is amended to read as follows:

Each school district shall be eligible to receive a high tax aid apportionment in the two thousand eight--two thousand nine school year, which shall equal the greater of (i) the sum of the tier 1 high tax aid apportionment, the tier 2 high tax aid apportionment and the tier 3 high tax aid apportionment or (ii) the product of the apportionment received by the school district pursuant to this subdivision in the two thousand seven--two thousand eight school year, multiplied by the due-minimum factor, which shall equal, for districts with an alternate pupil wealth ratio computed pursuant to paragraph b of subdivision three of this section that is less than two, seventy percent (0.70), and for all other districts, fifty percent (0.50). Each school district shall be eligible to receive a high tax aid apportionment in the two thousand nine--two thousand ten through two thousand twelve--two thousand thirteen school years in the amount set forth for such school district as "HIGH TAX AID" under the heading "2008-09 BASE YEAR AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand nine--two thousand ten school year and entitled "SA0910". Each school district shall be eligible to receive a high tax aid apportionment in the two thousand thirteen--two thousand fourteen through two thousand [~~twenty-five~~] twenty-six--two thousand [~~twenty-six~~] twenty-seven school year equal to the greater of (1) the amount set forth for such school district as "HIGH TAX AID" under the heading "2008-09 BASE YEAR AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand nine--two thousand ten school year and entitled "SA0910" or (2) the amount set forth for such school district as "HIGH TAX AID" under the heading "2013-14 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget for the 2013-14 fiscal year and entitled "BT131-4".

§ 10. Intentionally omitted.

§ 11. Intentionally omitted.

§ 12. Intentionally omitted.

§ 13. Intentionally omitted.

§ 13-a. The opening paragraph of section 3609-a of the education law, as amended by section 17 of part A of chapter 56 of the laws of 2025, is amended to read as follows:

For aid payable in the two thousand seven--two thousand eight school year through the two thousand [~~twenty-five~~] twenty-six--two thousand [~~twenty-six~~] twenty-seven school year, "moneys apportioned" shall mean the lesser of (i) the sum of one hundred percent of the respective amount set forth for each school district as payable pursuant to this section in the school aid computer listing for the current year produced by the commissioner in support of the budget which includes the appropriation for the general support for public schools for the prescribed payments and individualized payments due prior to April first for the current year plus the apportionment payable during the current school year pursuant to subdivision six-a and subdivision fifteen of section thirty-six hundred two of this part minus any reductions to current year aids pursuant to subdivision seven of section thirty-six hundred four of this part or any deduction from apportionment payable pursuant to this chapter for collection of a school district basic contribution as defined in subdivision eight of section forty-four hundred one of this chapter, less any grants provided pursuant to subparagraph two-a of

paragraph b of subdivision four of section ninety-two-c of the state finance law, less any grants provided pursuant to subdivision five of section ninety-seven-nnnn of the state finance law, less any grants provided pursuant to subdivision twelve of section thirty-six hundred forty-one of this article, **less any amounts required to be recovered pursuant to section thirty-six hundred fifteen of this part as a consequence of failure to maintain effort under federal law,** or (ii) the apportionment calculated by the commissioner based on data on file at the time the payment is processed; provided however, that for the purposes of any payments made pursuant to this section prior to the first business day of June of the current year, moneys apportioned shall not include any aids payable pursuant to subdivisions six and fourteen, if applicable, of section thirty-six hundred two of this part as current year aid for debt service on bond anticipation notes and/or bonds first issued in the current year or any aids payable for full-day kindergarten for the current year pursuant to subdivision nine of section thirty-six hundred two of this part. The definitions of "base year" and "current year" as set forth in subdivision one of section thirty-six hundred two of this part shall apply to this section. For aid payable in the two thousand [~~twenty-five~~] **twenty-six**--two thousand [~~twenty-six~~] **twenty-seven** school year, reference to such "school aid computer listing for the current year" shall mean the printouts entitled [~~"SA252-6"~~] **"SA262-7"**.

§ 13-b. The education law is amended by adding a new section 3615 to read as follows:

§ 3615. Recovery of funds as a consequence of failure to maintain effort under federal law. Notwithstanding any inconsistent provision of law to the contrary, in the event that the commissioner has determined a school district has failed to maintain its level of expenditures under federal law, including under the Individuals with Disabilities Education Act, 20 U.S.C. 1413 (a) (2) and the federal regulations promulgated thereunder, and the department is found liable in a recovery action under 20 U.S.C. 1234 (a) for such payment, the commissioner shall be authorized to recover such amount from such school district from a payment of general support for public schools pursuant to section thirty-six hundred-nine-a of this part. The amount of such recovery shall be deemed to have been paid to the school district as general support for public schools in the school year in which the recovery is made and shall not have any effect on the base year calculation for use in the subsequent school year.

§ 13-c. Subdivisions b and c of section 5 of chapter 537 of the laws of 1976, relating to paid, free and reduced price breakfast for eligible pupils in certain school districts, subdivision b as amended by section 32-a of part A of chapter 56 of the laws of 2024 and subdivision c as amended by section 22-b of part A of chapter 56 of the laws of 2022, are amended to read as follows:

b. Notwithstanding any monetary limitations with respect to school lunch programs contained in any law or regulation, for school lunch meals served in the school year commencing July 1, 2022 and each July 1 thereafter, a school food authority shall be eligible for a State subsidy equal to $0.1901 per free and paid school lunch meal, and $0.0519 per reduced-price lunch meal, for any school lunch meal served by such school food authority; provided that the school food authority certifies to the Department of Agriculture and Markets through the application submitted pursuant to subdivision c of this section that such food authority has purchased at least thirty percent of its total cost of food products for its school lunch service program from New York state

farmers, growers, producers or processors in the preceding school year. **Commencing July 1, 2026, and each July 1 thereafter, a school food authority shall be allowed to attribute moneys spent on purchases of food products from New York state farmers, growers, producers or processors made for its school breakfast or snack programs to the thirty percent of costs for school breakfast and lunch service programs.**

c. The Department of Agriculture and Markets in cooperation with the State Education Department, shall develop an application for school food authorities to seek an additional State subsidy pursuant to this section in a timeline and format prescribed by the commissioner of agriculture and markets. Such application shall include, but not be limited to, documentation demonstrating the school food authority's total food purchases for its school **breakfast, snack, and** lunch service program, and documentation demonstrating its total food purchases and percentages for such program**, permitted to be counted under this section,** from New York State farmers, growers, producers or processors in the preceding school year. The application shall also include an attestation from the school food authority's chief operating officer that it purchased at least thirty percent of its total cost of food products**, permitted to be counted under this section,** for its school **breakfast, snack, and** lunch service program from New York State farmers, growers, producers or processors in the preceding school year in order to meet the requirements for this additional State subsidy. School food authorities shall be required to annually apply for this subsidy. After reviewing school food authorities' completed applications for an additional State subsidy pursuant to this section, the Department of Agriculture and Markets shall certify to the State Education Department the school food authorities approved for such additional State subsidy and the State Education Department shall pay such additional State subsidy to such school food authorities.

§ 14. Subdivision b of section 2 of chapter 756 of the laws of 1992 relating to funding a program for work force education conducted by the consortium for worker education in New York city, as amended by section 18 of part A of chapter 56 of the laws of 2025, is amended to read as follows:

b. Reimbursement for programs approved in accordance with subdivision a of this section for the reimbursement for the 2018--2019 school year shall not exceed 59.4 percent of the lesser of such approvable costs per contact hour or fourteen dollars and ninety-five cents per contact hour, reimbursement for the 2019--2020 school year shall not exceed 57.7 percent of the lesser of such approvable costs per contact hour or fifteen dollars sixty cents per contact hour, reimbursement for the 2020--2021 school year shall not exceed 56.9 percent of the lesser of such approvable costs per contact hour or sixteen dollars and twenty-five cents per contact hour, reimbursement for the 2021--2022 school year shall not exceed 56.0 percent of the lesser of such approvable costs per contact hour or sixteen dollars and forty cents per contact hour, reimbursement for the 2022--2023 school year shall not exceed 55.7 percent of the lesser of such approvable costs per contact hour or sixteen dollars and sixty cents per contact hour, reimbursement for the 2023--2024 school year shall not exceed 54.7 percent of the lesser of such approvable costs per contact hour or seventeen dollars and seventy cents per contact hour, reimbursement for the 2024--2025 school year shall not exceed 56.6 percent of the lesser of such approvable costs per contact hour or eighteen dollars and seventy cents per contact hour, [~~and~~] reimbursement for the 2025--2026 school year shall not exceed 58.2

percent of the lesser of such approvable costs per contact hour or nineteen dollars and fifty-five cents per contact hour, **and reimbursement for the 2026--2027 school year shall not exceed 59.2 percent of the lesser of such approvable costs per contact hour or twenty dollars and forty cents per contact hour,** and where a contact hour represents sixty minutes of instruction services provided to an eligible adult. Notwithstanding any other provision of law to the contrary, for the 2018--2019 school year such contact hours shall not exceed one million four hundred sixty-three thousand nine hundred sixty-three (1,463,963); for the 2019--2020 school year such contact hours shall not exceed one million four hundred forty-four thousand four hundred forty-four (1,444,444); for the 2020--2021 school year such contact hours shall not exceed one million four hundred six thousand nine hundred twenty-six (1,406,926); for the 2021--2022 school year such contact hours shall not exceed one million four hundred sixteen thousand one hundred twenty-two (1,416,122); for the 2022--2023 school year such contact hours shall not exceed one million four hundred six thousand nine hundred twenty-six (1,406,926); for the 2023--2024 school year such contact hours shall not exceed one million three hundred forty-two thousand nine hundred seventy-five (1,342,975); for the 2024--2025 school year such contact hours shall not exceed one million two hundred twenty-eight thousand seven hundred thirty-three (1,228,733); [~~and~~] for the 2025--2026 school year such contact hours shall not exceed one million one hundred forty-three thousand three hundred fifty-nine (1,143,359)**; and for the 2026--2027 school year such contact hours shall not exceed one million seventy-six thousand one hundred fifty-nine (1,076,159)**. Notwithstanding any other provision of law to the contrary, the apportionment calculated for the city school district of the city of New York pursuant to subdivision 11 of section 3602 of the education law shall be computed as if such contact hours provided by the consortium for worker education, not to exceed the contact hours set forth herein, were eligible for aid in accordance with the provisions of such subdivision 11 of section 3602 of the education law.

§ 15. Intentionally omitted.

§ 15-a. Section 4 of chapter 756 of the laws of 1992 relating to funding a program for work force education conducted by the consortium for worker education in New York city is amended by adding a new subdivision ee to read as follows:

ee. The provisions of this subdivision shall not apply after the completion of payments for the 2026--2027 school year. Notwithstanding any inconsistent provisions of law, the commissioner of education shall withhold a portion of employment preparation education aid due to the city school district of the city of New York to support a portion of the costs of the work force education program. Such moneys shall be credited to the elementary and secondary education fund-local assistance account and shall not exceed thirteen million dollars ($13,000,000).

§ 15-b. Paragraph a-1 of subdivision 11 of section 3602 of the education law, as amended by section 20-a of part A of chapter 56 of the laws of 2025, is amended to read as follows:

a-1. Notwithstanding the provisions of paragraph a of this subdivision, for aid payable in the school years two thousand--two thousand one through two thousand nine--two thousand ten, and two thousand eleven--two thousand twelve through two thousand [~~twenty-five~~] **twenty-six**--two thousand [~~twenty-six~~] **twenty-seven and thereafter**, the commissioner may set aside an amount not to exceed two million five hundred thousand dollars from the funds appropriated for purposes of this subdivision for

the purpose of serving persons twenty-one years of age or older who have not been enrolled in any school for the preceding school year, including persons who have received a high school diploma or high school equivalency diploma but fail to demonstrate basic educational competencies as defined in regulation by the commissioner, when measured by accepted standardized tests, and who shall be eligible to attend employment preparation education programs operated pursuant to this subdivision.

§ 16. Section 6 of chapter 756 of the laws of 1992 relating to funding a program for work force education conducted by the consortium for worker education in New York city, as amended by section 20 of part A of chapter 56 of the laws of 2025, is amended to read as follows:

§ 6. This act shall take effect July 1, 1992, and shall be deemed repealed June 30, [~~2026~~] **2027**.

§ 17. Paragraph a of subdivision 14 of section 3641 of the education law, as added by section 2 of part I of chapter 61 of the laws of 2006, is amended to read as follows:

a. Establishment of the EXCEL program. There is hereby established the expanding our children's education and learning (EXCEL) program to provide project financing or assistance in the form of grants to eligible school districts, in addition to, or in lieu of, the apportionments made pursuant to subdivisions six, six-a, six-b, six-c, six-d, six-e, six-f and paragraph c of subdivision fourteen of section thirty-six hundred two of this article, and subdivisions ten and twelve of this section, for the costs of EXCEL school facility projects. An apportionment for any such project shall initially be available in the state fiscal year commencing April first, two thousand six. **Such apportionment shall be used to fund projects certified by the commissioner in accordance with subdivision six of section sixteen hundred eighty-nine-i of the public authorities law prior to December thirty-first, two thousand twenty-eight.** Notwithstanding any provision of law to the contrary, the dormitory authority of the state of New York shall be authorized to issue bonds or notes in an aggregate amount not to exceed two billion six hundred million dollars for purposes of the EXCEL program.

§ 18. Subparagraph 1 of paragraph b of subdivision 14 of section 3641 of the education law, as added by section 2 of part I of chapter 61 of the laws of 2006, is amended to read as follows:

(1) "EXCEL project". An EXCEL project **shall be certified by the commissioner prior to December thirty-first, two thousand twenty-eight and** shall include, but not be limited to, the acquisition, design, planning, construction, reconstruction, rehabilitation, preservation, development, improvement or modernization of an EXCEL school facility, where such project:

§ 19. Section 5 of part I of chapter 61 of the laws of 2006 amending the education law and the public authorities law relating to expanding our children's education and learning is amended to read as follows:

§ 5. This act shall take effect on the same date as a chapter of the laws of 2006 enacting into law major components of legislation which are necessary to implement the education, labor, and budget for the 2006-2007 state fiscal year, family assistance budget for the 2006-2007 state fiscal year, as proposed in legislative bill numbers S.6458-C and A.9558-B, takes effect**; provided, however, that sections two, three, and four of this act shall expire and be deemed repealed December 31, 2029**.

§ 20. Subdivision 6 of section 4402 of the education law, as amended by section 21 of part A of chapter 56 of the laws of 2025, is amended to read as follows:

6. Notwithstanding any other law, rule or regulation to the contrary, the board of education of a city school district with a population of one hundred twenty-five thousand or more inhabitants shall be permitted to establish maximum class sizes for special classes for certain students with disabilities in accordance with the provisions of this subdivision. For the purpose of obtaining relief from any adverse fiscal impact from under-utilization of special education resources due to low student attendance in special education classes at the middle and secondary level as determined by the commissioner, such boards of education shall, during the school years nineteen hundred ninety-five--ninety-six through June thirtieth, two thousand [~~twenty-six~~] **twenty-seven**, be authorized to increase class sizes in special classes containing students with disabilities whose age ranges are equivalent to those of students in middle and secondary schools as defined by the commissioner for purposes of this section by up to but not to exceed one and two tenths times the applicable maximum class size specified in regulations of the commissioner rounded up to the nearest whole number, provided that in a city school district having a population of one million or more, classes that have a maximum class size of fifteen may be increased by no more than one student and provided that the projected average class size shall not exceed the maximum specified in the applicable regulation, provided that such authorization shall terminate on June thirtieth, two thousand. Such authorization shall be granted upon filing of a notice by such a board of education with the commissioner stating the board's intention to increase such class sizes and a certification that the board will conduct a study of attendance problems at the secondary level and will implement a corrective action plan to increase the rate of attendance of students in such classes to at least the rate for students attending regular education classes in secondary schools of the district. Such corrective action plan shall be submitted for approval by the commissioner by a date during the school year in which such board increases class sizes as provided pursuant to this subdivision to be prescribed by the commissioner. Upon at least thirty days notice to the board of education, after conclusion of the school year in which such board increases class sizes as provided pursuant to this subdivision, the commissioner shall be authorized to terminate such authorization upon a finding that the board has failed to develop or implement an approved corrective action plan.

§ 21. Subdivisions 22 and 24 of section 140 of chapter 82 of the laws of 1995 amending the education law and other laws relating to state aid to school districts and the appropriation of funds for the support of government, as amended by section 22 of part A of chapter 56 of the laws of 2025, are amended to read as follows:

(22) sections one hundred twelve, one hundred thirteen, one hundred fourteen, one hundred fifteen and one hundred sixteen of this act shall take effect on July 1, 1995; provided, however, that section one hundred thirteen of this act shall remain in full force and effect until July 1, [~~2026~~] **2027** at which time it shall be deemed repealed;

(24) sections one hundred eighteen through one hundred thirty of this act shall be deemed to have been in full force and effect on and after July 1, 1995; provided further, however, that the amendments made pursuant to section one hundred twenty-four of this act shall be deemed to be repealed on and after July 1, [~~2026~~] **2027**;

§ 22. Special apportionment for salary expenses. 1. Notwithstanding any other provision of law, upon application to the commissioner of education, not sooner than the first day of the second full business

week of June 2027 and not later than the last day of the third full business week of June 2027, a school district eligible for an apportionment pursuant to section 3602 of the education law shall be eligible to receive an apportionment pursuant to this section, for the school year ending June 30, 2027, for salary expenses incurred between April 1 and June 30, 2026 and such apportionment shall not exceed the sum of (a) the deficit reduction assessment of 1990--1991 as determined by the commissioner of education, pursuant to paragraph f of subdivision 1 of section 3602 of the education law, as in effect through June 30, 1993, plus (b) 186 percent of such amount for a city school district in a city with a population in excess of 1,000,000 inhabitants, plus (c) 209 percent of such amount for a city school district in a city with a population of more than 195,000 inhabitants and less than 219,000 inhabitants according to the latest federal census, plus (d) the net gap elimination adjustment for 2010--2011, as determined by the commissioner of education pursuant to chapter 53 of the laws of 2010, plus (e) the gap elimination adjustment for 2011--2012 as determined by the commissioner of education pursuant to subdivision 17 of section 3602 of the education law, and provided further that such apportionment shall not exceed such salary expenses. Such application shall be made by a school district, after the board of education or trustees have adopted a resolution to do so and in the case of a city school district in a city with a population in excess of 125,000 inhabitants, with the approval of the mayor of such city.

2. The claim for an apportionment to be paid to a school district pursuant to subdivision 1 of this section shall be submitted to the commissioner of education on a form prescribed for such purpose, and shall be payable upon determination by such commissioner that the form has been submitted as prescribed. Such approved amounts shall be payable on the same day in September of the school year following the year in which application was made as funds provided pursuant to subparagraph 4 of paragraph b of subdivision 4 of section 92-c of the state finance law, on the audit and warrant of the state comptroller on vouchers certified or approved by the commissioner of education in the manner prescribed by law from moneys in the state lottery fund and from the general fund to the extent that the amount paid to a school district pursuant to this section exceeds the amount, if any, due such school district pursuant to subparagraph 2 of paragraph a of subdivision 1 of section 3609-a of the education law in the school year following the year in which application was made.

3. Notwithstanding the provisions of section 3609-a of the education law, an amount equal to the amount paid to a school district pursuant to subdivisions 1 and 2 of this section shall first be deducted from the following payments due the school district during the school year following the year in which application was made pursuant to subparagraphs 1, 2, 3, 4 and 5 of paragraph a of subdivision 1 of section 3609-a of the education law in the following order: the lottery apportionment payable pursuant to subparagraph 2 of such paragraph followed by the fixed fall payments payable pursuant to subparagraph 4 of such paragraph and then followed by the district's payments to the teachers' retirement system pursuant to subparagraph 1 of such paragraph, and any remainder to be deducted from the individualized payments due the district pursuant to paragraph b of such subdivision shall be deducted on a chronological basis starting with the earliest payment due the district.

§ 23. Special apportionment for public pension accruals. 1. Notwithstanding any other provision of law, upon application to the commissioner of education, not later than June 30, 2027, a school district eligible for an apportionment pursuant to section 3602 of the education law shall be eligible to receive an apportionment pursuant to this section, for the school year ending June 30, 2027 and such apportionment shall not exceed the additional accruals required to be made by school districts in the 2004--2005 and 2005--2006 school years associated with changes for such public pension liabilities. The amount of such additional accrual shall be certified to the commissioner of education by the president of the board of education or the trustees or, in the case of a city school district in a city with a population in excess of 125,000 inhabitants, the mayor of such city. Such application shall be made by a school district, after the board of education or trustees have adopted a resolution to do so and in the case of a city school district in a city with a population in excess of 125,000 inhabitants, with the approval of the mayor of such city.

2. The claim for an apportionment to be paid to a school district pursuant to subdivision one of this section shall be submitted to the commissioner of education on a form prescribed for such purpose, and shall be payable upon determination by such commissioner that the form has been submitted as prescribed. Such approved amounts shall be payable on the same day in September of the school year following the year in which application was made as funds provided pursuant to subparagraph 4 of paragraph b of subdivision 4 of section 92-c of the state finance law, on the audit and warrant of the state comptroller on vouchers certified or approved by the commissioner of education in the manner prescribed by law from moneys in the state lottery fund and from the general fund to the extent that the amount paid to a school district pursuant to this section exceeds the amount, if any, due such school district pursuant to subparagraph 2 of paragraph a of subdivision 1 of section 3609-a of the education law in the school year following the year in which application was made.

3. Notwithstanding the provisions of section 3609-a of the education law, an amount equal to the amount paid to a school district pursuant to subdivisions 1 and 2 of this section shall first be deducted from the following payments due the school district during the school year following the year in which application was made pursuant to subparagraphs 1, 2, 3, 4 and 5 of paragraph a of subdivision 1 of section 3609-a of the education law in the following order: the lottery apportionment payable pursuant to subparagraph 2 of such paragraph followed by the fixed fall payments payable pursuant to subparagraph 4 of such paragraph and then followed by the district's payments to the teachers' retirement system pursuant to subparagraph 1 of such paragraph, and any remainder to be deducted from the individualized payments due the district pursuant to paragraph b of such subdivision shall be deducted on a chronological basis starting with the earliest payment due the district.

§ 24. The amounts specified in this section shall be a set-aside from the state funds which each such district is receiving from the total foundation aid:

1. for the development, maintenance or expansion of magnet schools or magnet school programs for the 2026--2027 school year. For the city school district of the city of New York there shall be a set-aside of foundation aid equal to forty-eight million one hundred seventy-five thousand dollars ($48,175,000) including five hundred thousand dollars

($500,000) for the Andrew Jackson High School; for the Buffalo city school district, twenty-one million twenty-five thousand dollars ($21,025,000); for the Rochester city school district, fifteen million dollars ($15,000,000); for the Syracuse city school district, thirteen million dollars ($13,000,000); for the Yonkers city school district, forty-nine million five hundred thousand dollars ($49,500,000); for the Newburgh city school district, four million six hundred forty-five thousand dollars ($4,645,000); for the Poughkeepsie city school district, two million four hundred seventy-five thousand dollars ($2,475,000); for the Mount Vernon city school district, two million dollars ($2,000,000); for the New Rochelle city school district, one million four hundred ten thousand dollars ($1,410,000); for the Schenectady city school district, one million eight hundred thousand dollars ($1,800,000); for the Port Chester city school district, one million one hundred fifty thousand dollars ($1,150,000); for the White Plains city school district, nine hundred thousand dollars ($900,000); for the Niagara Falls city school district, six hundred thousand dollars ($600,000); for the Albany city school district, three million five hundred fifty thousand dollars ($3,550,000); for the Utica city school district, two million dollars ($2,000,000); for the Beacon city school district, five hundred sixty-six thousand dollars ($566,000); for the Middletown city school district, four hundred thousand dollars ($400,000); for the Freeport union free school district, four hundred thousand dollars ($400,000); for the Greenburgh central school district, three hundred thousand dollars ($300,000); for the Amsterdam city school district, eight hundred thousand dollars ($800,000); for the Peekskill city school district, two hundred thousand dollars ($200,000); and for the Hudson city school district, four hundred thousand dollars ($400,000).

2. Notwithstanding any inconsistent provision of law to the contrary, a school district setting aside such foundation aid pursuant to this section may use such set-aside funds for: (a) any instructional or instructional support costs associated with the operation of a magnet school; or (b) any instructional or instructional support costs associated with implementation of an alternative approach to promote diversity and/or enhancement of the instructional program and raising of standards in elementary and secondary schools of school districts having substantial concentrations of minority students.

3. The commissioner of education shall not be authorized to withhold foundation aid from a school district that used such funds in accordance with this paragraph, notwithstanding any inconsistency with a request for proposals issued by such commissioner for the purpose of attendance improvement and dropout prevention for the 2026--2027 school year, and for any city school district in a city having a population of more than one million, the set-aside for attendance improvement and dropout prevention shall equal the amount set aside in the base year. For the 2026--2027 school year, it is further provided that any city school district in a city having a population of more than one million shall allocate at least one-third of any increase from base year levels in funds set aside pursuant to the requirements of this section to community-based organizations. Any increase required pursuant to this section to community-based organizations must be in addition to allocations provided to community-based organizations in the base year.

4. For the purpose of teacher support for the 2026--2027 school year: for the city school district of the city of New York, sixty-two million seven hundred seven thousand dollars ($62,707,000); for the Buffalo city school district, one million seven hundred forty-one thousand dollars

($1,741,000); for the Rochester city school district, one million seventy-six thousand dollars ($1,076,000); for the Yonkers city school district, one million one hundred forty-seven thousand dollars ($1,147,000); and for the Syracuse city school district, eight hundred nine thousand dollars ($809,000). All funds made available to a school district pursuant to this section shall be distributed among teachers including prekindergarten teachers and teachers of adult vocational and academic subjects in accordance with this section and shall be in addition to salaries heretofore or hereafter negotiated or made available; provided, however, that all funds distributed pursuant to this section for the current year shall be deemed to incorporate all funds distributed pursuant to former subdivision 27 of section 3602 of the education law for prior years. In school districts where the teachers are represented by certified or recognized employee organizations, all salary increases funded pursuant to this section shall be determined by separate collective negotiations conducted pursuant to the provisions and procedures of article 14 of the civil service law, notwithstanding the existence of a negotiated agreement between a school district and a certified or recognized employee organization.

§ 24-a. Subdivision a of section 5 of chapter 121 of the laws of 1996 authorizing the Roosevelt union free school district to finance deficits by the issuance of serial bonds, as amended by section 24-a of part A of chapter 56 of the laws of 2025, is amended to read as follows:

a. Notwithstanding any other provisions of law, upon application to the commissioner of education submitted not sooner than April first and not later than June thirtieth of the applicable school year, the Roosevelt union free school district shall be eligible to receive an apportionment pursuant to this chapter for salary expenses, including related benefits, incurred between April first and June thirtieth of such school year. Such apportionment shall not exceed: for the 1996-97 school year through the [~~2025-26~~] **2026-27** school year, four million dollars ($4,000,000); for the [~~2026-27~~] **2027-28** school year, three million dollars ($3,000,000); for the [~~2027-28~~] **2028-29** school year, two million dollars ($2,000,000); for the [~~2028-29~~] **2029-30** school year, one million dollars ($1,000,000); and for the [~~2029-30~~] **2030-31** school year, zero dollars. Such annual application shall be made after the board of education has adopted a resolution to do so with the approval of the commissioner of education.

§ 25. Support of public libraries. The moneys appropriated for the support of public libraries by a chapter of the laws of 2026 enacting the aid to localities budget shall be apportioned for the 2026--2027 state fiscal year in accordance with the provisions of sections 271, 272, 273, 282, 284, and 285 of the education law as amended by the provisions of such chapter and the provisions of this section, provided that library construction aid pursuant to section 273-a of the education law shall not be payable from the appropriations for the support of public libraries and provided further that no library, library system or program, as defined by the commissioner of education, shall receive less total system or program aid than it received for the year 2001--2002 except as a result of a reduction adjustment necessary to conform to the appropriations for support of public libraries.

Notwithstanding any other provision of law to the contrary, the moneys appropriated for the support of public libraries for the year 2026--2027 by a chapter of the laws of 2026 enacting the aid to localities budget shall fulfill the state's obligation to provide such aid and, pursuant to a plan developed by the commissioner of education and approved by the

director of the budget, the aid payable to libraries and library systems pursuant to such appropriations shall be reduced proportionately to assure that the total amount of aid payable does not exceed the total appropriations for such purpose.

§ 26. Severability. The provisions of this act shall be severable, and if the application of any clause, sentence, paragraph, subdivision, section or part of this act to any person or circumstance shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not necessarily affect, impair or invalidate the application of any such clause, sentence, paragraph, subdivision, section, or part of this act or remainder thereof, as the case may be, to any other person or circumstance, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

§ 27. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2026; provided, however, that:

1. Sections one, four, five, seven, eight, nine, thirteen-a, thirteen-b, fifteen-b, twenty, twenty-four and twenty-four-a of this act shall take effect July 1, 2026;

2. The amendments to chapter 756 of the laws of 1992 made by sections fourteen and fifteen of this act shall not affect the repeal of such chapter and shall be deemed repealed therewith;

3. The amendments to subdivision 14 of section 3641 of the education law made by sections seventeen and eighteen of this act shall not affect the repeal of such subdivision and shall be deemed repealed therewith.

PART B

Section 1. The education law is amended by adding a new section 819 to read as follows:

§ 819. Evidence-based mathematics instruction. 1. (a) On or before January first, two thousand twenty-seven, the commissioner shall provide school districts with instructional best practices for numeracy, as defined by the commissioner, and the teaching of mathematics to students in kindergarten through grade five. Instructional best practices for numeracy and the teaching of mathematics shall be evidence-based. Such instructional best practices shall be periodically updated by the commissioner.

(b) Every school district shall annually review their curriculum and instructional practices in the subject of mathematics for students in kindergarten through grade five to ensure that they align with the mathematics instructional best practices provided by the commissioner, and that all early mathematics instructional practices and interventions are part of an aligned plan designed to improve student mathematics outcomes in kindergarten through grade five.

2. On or before September first, two thousand twenty-seven, each school district shall verify to the commissioner that its curriculum and instructional practices in the subject of mathematics in kindergarten through grade five align with all of the elements of the instructional best practices provided by the commissioner pursuant to this section.

§ 2. This act shall take effect immediately.

PART C

Section 1. Paragraphs (c), (d), and (e) of subdivision 1 and subdivision 2 of section 6311 of the education law, as added by section 1 of part F of chapter 56 of the laws of 2025, are amended to read as follows:

(c) is matriculated at a [~~community college of the state university of New York or the city university of New York, as defined in subdivision two of section sixty-three hundred one of this article or subdivision four of section sixty-two hundred two of this title, respectively,~~] **New York state public institution of higher education** in an approved program directly leading to an associate's degree in a high-demand field; provided that for the two thousand twenty-five -- two thousand twenty-six academic year, such fields shall include but not be limited to advanced manufacturing, technology, cybersecurity, engineering, artificial intelligence, nursing and allied health professions, green and renewable energy, and pathways to teaching in shortage areas, provided further that such fields may be updated annually thereafter by the department of labor no later than one hundred eighty days prior to the first start date of the fall term of such [~~community colleges~~] **New York state public institutions of higher education**, and provided further that the eligibility of such approved program established in the semester for which the applicant makes initial application shall continue;

(d) is eligible for the payment of tuition and fees at a rate no greater than that imposed for resident students in [~~community colleges~~] **the applicable New York state public institution of higher education**; and

(e) has not already obtained any postsecondary degree, provided that nothing in this paragraph shall be construed to prohibit the eligibility of a student who is already enrolled in an eligible associate degree program on the effective date of this section and who meets all the other eligibility requirements of this subdivision**, and provided further that nothing in this paragraph shall be construed to prohibit the eligibility of a student who, though having previously obtained a postsecondary degree, is enrolled in an approved program leading to an associate's degree in nursing**.

2. Amount. Within amounts appropriated therefor, and subject to availability of funds, awards shall be granted for the two thousand twenty-five -- two thousand twenty-six academic year and thereafter to applicants who are determined to be eligible to receive such awards. Such awards shall be calculated on a per term basis prior to the start of each term the applicant is successfully enrolled and shall not exceed the positive difference, if any, of (a) the sum of actual tuition, fees, books, and applicable supplies charged to the applicant and approved by the applicable [~~community college~~] **New York state public institution of higher education**, less (b) the sum of all payments received by the applicant from all sources of financial aid received by the applicant with the exception of aid received pursuant to federal work-study programs authorized under sections 1087-51 through 1087-58 of title 20 of the United States code and educational loans taken by the applicant or guardian.

§ 2. This act shall take effect immediately.

PART D

Intentionally Omitted

PART E

Section 1. Subparagraph 4-a-1 of paragraph h of subdivision 2 of section 355 of the education law, as added by section 1 of part B of chapter 56 of the laws of 2023, is amended to read as follows:

(4-a-1) Notwithstanding any law, rule, regulation or practice to the contrary and following the review and approval of the chancellor of the state university or [~~his or her~~] **such chancellor's** designee, the board of trustees may annually impose differential tuition rates on non-resident undergraduate and graduate rates of tuition for state-operated institutions [~~for a three year period~~] commencing with the two thousand twenty-three--two thousand twenty-four academic year and ending in the two thousand [~~twenty-five~~] **twenty-eight**--two thousand [~~twenty-six~~] **twenty-nine** academic year, provided that such rates are competitive with the rates of tuition charged by peer institutions and that the board of trustees annually provide the reason and methodology behind any rate increase to the governor, the temporary president of the senate, and the speaker of the assembly prior to the approval of such increases.

§ 2. Subparagraph (vi) of paragraph (a) of subdivision 7 of section 6206 of the education law, as added by section 2 of part B of chapter 56 of the laws of 2023, is amended to read as follows:

(vi) Notwithstanding any law, rule, regulation or practice to the contrary, commencing with the two thousand twenty-three--two thousand twenty-four academic year and ending in the two thousand [~~twenty-five~~] **twenty-six**--two thousand [~~twenty-six~~] **twenty-seven** academic year, following the review and approval of the chancellor of the city university or [~~his or her~~] **such chancellor's** designee, the city university of New York board of trustees shall be empowered to annually impose differential tuition rates on non-resident undergraduate and graduate rates of tuition for senior colleges, provided that such rates are competitive with the rates of tuition charged by peer institutions and that the board of trustees annually provide the reason and methodology behind any rate increase to the governor, the temporary president of the senate, and the speaker of the assembly prior to the approval of such increases.

§ 3. Subparagraph (ii) of paragraph (a) of subdivision 7 of section 6206 of the education law, as amended by section 3 of part B of chapter 56 of the laws of 2023, is amended to read as follows:

(ii) Notwithstanding any law, rule, regulation or practice to the contrary, commencing with the two thousand twenty-three--two thousand twenty-four academic year and ending in the two thousand [~~twenty-five~~] **twenty-six**--two thousand [~~twenty-six~~] **twenty-seven** academic year, following the review and approval of the chancellor of the city university or [~~his or her~~] **such chancellor's** designee, the city university of New York board of trustees shall be empowered to annually impose differential tuition rates on non-resident undergraduate and graduate rates of tuition for senior colleges, provided that such rates are competitive with the rates of tuition charged by peer institutions and that the board of trustees annually provide the reason and methodology behind any rate increase to the governor, the temporary president of the senate, and the speaker of the assembly prior to the approval of such increases.

§ 4. This act shall take effect immediately; provided, however, that the amendments to paragraph (a) of subdivision 7 of section 6206 of the education law made by section two of this act shall be subject to the expiration and reversion of such paragraph pursuant to section 16 of chapter 260 of the laws of 2011, as amended, when upon such date the provisions of section three of this act shall take effect.

PART F

Section 1. Subdivisions 1, 3 and 5 of section 669-f of the education law, subdivision 1 as amended by chapter 516 of the laws of 2025, and subdivisions 3 and 5 as added by section 1 of subpart A of part EE of chapter 56 of the laws of 2015, are amended to read as follows:

1. Eligibility. Students who are matriculated in an approved master's degree in education program at a New York state college, as defined in subdivision two of section six hundred one of this title, leading to a career as a teacher in public elementary [~~or~~], secondary, **or early childhood** education shall be eligible for an award under this section, provided the applicant: (a) earned an undergraduate degree from a college located in New York state; (b) was a New York state resident while earning such undergraduate degree; (c) achieved academic excellence as an undergraduate student, as defined by the corporation in regulation; (d) enrolls in full-time study in an approved master's degree in education program at a New York state college, as defined in subdivision two of section six hundred one of this title, leading to a career as a teacher in public elementary [~~or~~], secondary **or early childhood** education; (e) signs a contract with the corporation agreeing to teach in a classroom setting on a full-time basis for five years in a school located within New York state providing public elementary [~~or~~], secondary **or early childhood** education recognized by the board of regents or the university of the state of New York, including charter schools authorized pursuant to article fifty-six of this chapter; and (f) complies with the applicable provisions of this article and all requirements promulgated by the corporation for the administration of the program.

3. An award shall entitle the recipient to annual payments for not more than two academic years of full-time graduate study leading to certification as an elementary [~~or~~], secondary [~~classroom~~] **or early childhood** teacher.

5. The corporation shall convert to a student loan the full amount of the award granted pursuant to this section, plus interest, according to a schedule to be determined by the corporation if: (a) two years after the completion of the degree program and receipt of initial certification it is found that a recipient is [~~not~~] **neither** teaching in a public school located within New York state providing elementary or secondary education recognized by the board of regents or the university of the state of New York, including charter schools authorized pursuant to article fifty-six of this chapter**, nor employed by an eligible agency as defined by paragraph b of subdivision one of section thirty-six hundred two-e of this chapter**; (b) a recipient has [~~not~~] **neither** taught in a public school located within New York state providing elementary or secondary education recognized by the board of regents or the university of the state of New York, including charter schools authorized pursuant to article fifty-six of this chapter**, nor been employed by an eligible agency as defined by paragraph b of subdivision one of section thirty-six hundred two-e of this chapter**, for five of the seven years after the completion of the graduate degree program and receipt of initial certification; (c) a recipient fails to complete [~~his or her~~] **their** graduate degree program in education; (d) a recipient fails to receive or maintain [~~his or her~~] **their** teaching certificate or license in New York state for the required period; or (e) a recipient fails to respond to requests by the corporation for the status of [~~his or her~~] **their** academic or professional progress. The terms and conditions of this subdivi-

sion shall be deferred for any interruption in graduate study or employment as established by the rules and regulations of the corporation. Any obligation to comply with such provisions as outlined in this section shall be cancelled upon the death of the recipient. Notwithstanding any provisions of this subdivision to the contrary, the corporation is authorized to promulgate rules and regulations to provide for the waiver or suspension of any financial obligation which would involve extreme hardship.

§ 2. This act shall take effect July 1, 2026.

PART G

Section 1. Section 97-v of the state finance law, as added by chapter 851 of the laws of 1983 and subdivision 3 as amended by chapter 83 of the laws of 1995, is amended to read as follows:

§ 97-v. New York state [~~musical instrument revolving~~] music grant fund. 1. There is hereby established in the custody of the state comptroller and the commissioner of taxation and finance, a special fund to be known as the "New York state [~~musical instrument revolving~~] music grant fund".

2. The fund shall consist of all monies appropriated for its purpose, all monies transferred to such fund pursuant to law and all monies required by the provisions of this section or any other law to be paid into or credited to this fund, including all monies received by the fund or donated to it. The total of monies deposited as a result of appropriations from state funds into this fund shall not exceed the sum of five hundred thousand dollars. Monies in the fund shall be kept separate and shall not be commingled with any other monies otherwise appropriated or received except as hereby provided.

3. Monies of the fund, when allocated, shall be available to the New York state council on the arts for the purpose of providing assistance, excluding administrative costs, for [~~the loan, lease and purchase of musical instruments and other related property and equipment, as herein provided, by~~] grants to not-for-profit symphony orchestras and/or other not-for-profit musical entities incorporated in the state and organized for the purpose of the presentation of performing arts for the benefit of the public and which have been approved pursuant to guidelines established by the council. Such monies shall also be available for administrative costs of the council pursuant to approval by the director of the budget. [~~Notwithstanding any other inconsistent provisions of this chapter, should the council determine that there is a compelling need for the loan, lease or purchase of property or equipment other than musical instruments by not-for-profit symphony orchestras and/or other not-for-profit musical entities incorporated in the state and organized for the purpose of the presentation of performing arts for the benefit of the public, and upon approval of the director of the budget, the council may assist such organization in acquiring such equipment in accordance with guidelines established by the council. The council shall contract with one or more not-for-profit entities which shall distribute such monies, however, in no case shall monies of the fund be distributed nor shall a contract to distribute such monies be approved unless the fund shall have sufficient monies to effectuate all such approved distributions and contracts.~~

~~Purchases, leases and loans of musical instruments and other equipment shall not be approved or effected if such purchases, leases or loans are eligible for financing from any other state assistance program.~~]

4. [~~The state council on the arts shall establish guidelines necessary to administer the fund. Guidelines shall include, but not be limited to: qualifications and conditions for assistance, which may require public service performances, terms of lease or installment sale payments and finance charges on installment sales at rates of interest which, notwithstanding any other provision of law, shall not be less than three per cent per annum nor more than ten per cent per annum, provisions for insurance of the instrument or other equipment, provisions for necessary security agreement arrangements, and any other terms and conditions the council may require as necessary to properly effectuate the provisions of this section.~~

~~5. The not-for-profit entity of entities with whom the state council on the arts has contracted pursuant to subdivision three of this section shall enter into contractual arrangements with applicants approved by the council. All contracts must be approved by the state council on the arts and the comptroller prior to the distribution of any monies thereunder. Such contracts shall assure that the not-for-profit entity or entities retain title to the instrument or equipment until the provisions and intent of this section are satisfied.~~

~~6. Notwithstanding any other provisions of law, should a default in payment of monies for the purchase or lease of an instrument or other equipment occur, the council shall so notify the comptroller and the attorney general who shall take such steps as may be necessary. The not-for-profit entity or entities, after such notification is made, shall take steps to effect repossession regardless of whether any note, memorandum, instrument or other writing has been recorded or regardless of whether any other person has notice of such possessory rights to the instrument or equipment. Any contract between the not-for-profit agency or agencies and a not-for-profit symphony orchestra or other musical entity authorized by this article, shall assure the right and provide guarantees for such repossession. Subsequent to the taking of possession of the instrument or equipment, the comptroller or not-for-profit agency or agencies may offer the same for sale at public auction to the highest bidder pursuant to guidelines established by the comptroller.~~

~~7. The comptroller is authorized to deduct the difference between the purchaser's or lessee's outstanding obligation at the time of the auction provided for in subdivision five of this section, and the amount realized from that auction, after deductions for all necessary and proper costs of the auction are made, from any other grant or other assistance approved by the council on the arts for that purchaser. The difference deducted by the comptroller and the net amount realized from the auction shall be deposited in the New York state musical instrument revolving fund.~~

~~8.~~] Nothing contained herein shall prevent the council from receiving grants, gifts or bequests for the purposes of the fund as defined in this section and depositing them into the fund according to law.

[~~9. The state council on the arts shall provide by September first of each year, to the governor, the temporary president of the senate, the speaker of the assembly, the chairman of the senate finance committee and the chairman of the assembly ways and means committee, a report containing guidelines and amendments established by the state council on the arts and a complete financial statement including, but not limited to, monies allocated, collected, transferred or otherwise paid or credited to the fund. A projected schedule of disbursements, receipts and needs of the fund for the next fiscal year shall be included in each report. In addition, any amendments to the guidelines shall be provided~~

~~to the above listed individuals within thirty days of their establishment by the state council on the arts.~~

~~10.~~] 5. No monies shall be payable from this fund, except on the audit and warrant of the comptroller on vouchers certified and submitted by the [~~chairman of the~~] state council on the arts.

§ 2. This act shall take effect immediately.

PART H

Intentionally Omitted

PART I

Intentionally Omitted

PART J

Intentionally Omitted

PART K

Intentionally Omitted

PART L

Section 1. Paragraphs (a), (b), (c) and (d) of subdivision 1 of section 131-o of the social services law, as amended by section 1 of part R of chapter 56 of the laws of 2025, are amended to read as follows:

(a) in the case of each individual receiving family care, an amount equal to at least [~~$186.00~~] $191.00 for each month beginning on or after January first, two thousand [~~twenty-five~~] twenty-six.

(b) in the case of each individual receiving residential care, an amount equal to at least [~~$213.00~~] $219.00 for each month beginning on or after January first, two thousand [~~twenty-five~~] twenty-six.

(c) in the case of each individual receiving enhanced residential care, an amount equal to at least [~~$255.00~~] $262.00 for each month beginning on or after January first, two thousand [~~twenty-five~~] twenty-six.

(d) for the period commencing January first, two thousand [~~twenty-six~~] twenty-seven, the monthly personal needs allowance shall be an amount equal to the sum of the amounts set forth in subparagraphs one and two of this paragraph:

(1) the amounts specified in paragraphs (a), (b) and (c) of this subdivision; and

(2) the amount in subparagraph one of this paragraph, multiplied by the percentage of any federal supplemental security income cost of living adjustment which becomes effective on or after January first, two thousand [~~twenty-six~~] twenty-seven, but prior to June thirtieth, two thousand [~~twenty-six~~] twenty-seven, rounded to the nearest whole dollar.

§ 2. Paragraphs (a), (b), (c), (d), (e) and (f) of subdivision 2 of section 209 of the social services law, as amended by section 2 of part R of chapter 56 of the laws of 2025, are amended to read as follows:

(a) On and after January first, two thousand [~~twenty-five~~] **twenty-six**, for an eligible individual living alone, [~~$1,054.00~~] **$1,081.00**; and for an eligible couple living alone, [~~$1,554.00~~] **$1,595.00**.

(b) On and after January first, two thousand [~~twenty-five~~] **twenty-six**, for an eligible individual living with others with or without in-kind income, [~~$990.00~~] **$1,017.00**; and for an eligible couple living with others with or without in-kind income, [~~$1,496.00~~] **$1,537.00**.

(c) On and after January first, two thousand [~~twenty-five~~] **twenty-six**, (i) for an eligible individual receiving family care, [~~$1,233.48~~] **$1,260.48** if such individual is receiving such care in the city of New York or the county of Nassau, Suffolk, Westchester or Rockland; and (ii) for an eligible couple receiving family care in the city of New York or the county of Nassau, Suffolk, Westchester or Rockland, two times the amount set forth in subparagraph (i) of this paragraph; or (iii) for an eligible individual receiving such care in any other county in the state, [~~$1,195.48~~] **$1,222.48**; and (iv) for an eligible couple receiving such care in any other county in the state, two times the amount set forth in subparagraph (iii) of this paragraph.

(d) On and after January first, two thousand [~~twenty-five~~] **twenty-six**, (i) for an eligible individual receiving residential care, [~~$1,402.00~~] **$1,429.00** if such individual is receiving such care in the city of New York or the county of Nassau, Suffolk, Westchester or Rockland; and (ii) for an eligible couple receiving residential care in the city of New York or the county of Nassau, Suffolk, Westchester or Rockland, two times the amount set forth in subparagraph (i) of this paragraph; or (iii) for an eligible individual receiving such care in any other county in the state, [~~$1,372.00~~] **$1,399.00**; and (iv) for an eligible couple receiving such care in any other county in the state, two times the amount set forth in subparagraph (iii) of this paragraph.

(e) On and after January first, two thousand [~~twenty-five~~] **twenty-six**, (i) for an eligible individual receiving enhanced residential care, [~~$1,661.00~~] **$1,688.00**; and (ii) for an eligible couple receiving enhanced residential care, two times the amount set forth in subparagraph (i) of this paragraph.

(f) The amounts set forth in paragraphs (a) through (e) of this subdivision shall be increased to reflect any increases in federal supplemental security income benefits for individuals or couples which become effective on or after January first, two thousand [~~twenty-six~~] **twenty-seven** but prior to June thirtieth, two thousand [~~twenty-six~~] **twenty-seven**.

§ 3. This act shall take effect December 31, 2026.

PART M

Section 1. Notwithstanding any other provision of law, the housing trust fund corporation may provide, for purposes of the neighborhood preservation program, a sum not to exceed $20,680,000 for the fiscal year ending March 31, 2027. Within this total amount, $275,000 shall be used for the purpose of entering into a contract with the neighborhood preservation coalition to provide technical assistance and services to companies funded pursuant to article 16 of the private housing finance law. Notwithstanding any other provision of law, and subject to the approval of the New York state director of the budget, the board of

directors of the state of New York mortgage agency shall authorize the transfer to the housing trust fund corporation, for the purposes of reimbursing any costs associated with neighborhood preservation program contracts authorized by this section, a total sum not to exceed $20,680,000, such transfer to be made from (i) the special account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law, in an amount not to exceed the actual excess balance in the special account of the mortgage insurance fund, as determined and certified by the state of New York mortgage agency for the fiscal year 2025-2026 in accordance with section 2429-b of the public authorities law, if any, and/or (ii) provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating (as determined by the state of New York mortgage agency) required to accomplish the purposes of such account, the project pool insurance account of the mortgage insurance fund, such transfer to be made as soon as practicable but no later than June 30, 2026.

§ 2. Notwithstanding any other provision of law, the housing trust fund corporation may provide, for purposes of the rural preservation program, a sum not to exceed $8,570,000 for the fiscal year ending March 31, 2027. Within this total amount, $250,000 shall be used for the purpose of entering into a contract with the rural preservation coalition to provide technical assistance and services to companies funded pursuant to article 17 of the private housing finance law. Notwithstanding any other provision of law, and subject to the approval of the New York state director of the budget, the board of directors of the state of New York mortgage agency shall authorize the transfer to the housing trust fund corporation, for the purposes of reimbursing any costs associated with rural preservation program contracts authorized by this section, a total sum not to exceed $8,570,000, such transfer to be made from (i) the special account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law, in an amount not to exceed the actual excess balance in the special account of the mortgage insurance fund, as determined and certified by the state of New York mortgage agency for the fiscal year 2025-2026 in accordance with section 2429-b of the public authorities law, if any, and/or (ii) provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating (as determined by the state of New York mortgage agency) required to accomplish the purposes of such account, the project pool insurance account of the mortgage insurance fund, such transfer to be made as soon as practicable but no later than June 30, 2026.

§ 3. Notwithstanding any other provision of law, the housing trust fund corporation may provide, for purposes of the rural rental assistance program pursuant to article 17-A of the private housing finance law, a sum not to exceed $25,382,000 for the fiscal year ending March 31, 2027. Notwithstanding any other provision of law, and subject to the approval of the New York state director of the budget, the board of directors of the state of New York mortgage agency shall authorize the transfer to the housing trust fund corporation, for the purposes of reimbursing any costs associated with rural rental assistance program contracts authorized by this section, a total sum not to exceed $25,382,000, such transfer to be made from (i) the special account of the mortgage insurance fund created pursuant to section 2429-b of the

public authorities law, in an amount not to exceed the actual excess balance in the special account of the mortgage insurance fund, as determined and certified by the state of New York mortgage agency for the fiscal year 2025-2026 in accordance with section 2429-b of the public authorities law, if any, and/or (ii) provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating, as determined by the state of New York mortgage agency, required to accomplish the purposes of such account, the project pool insurance account of the mortgage insurance fund, such transfer shall be made as soon as practicable but no later than June 30, 2026.

§ 4. Notwithstanding any other provision of law, the homeless housing and assistance corporation may provide, for purposes of the New York state supportive housing program, the solutions to end homelessness program or the operational support for AIDS housing program, or to qualified grantees under such programs, in accordance with the requirements of such programs, a sum not to exceed $74,181,000 for the fiscal year ending March 31, 2027. The homeless housing and assistance corporation may enter into an agreement with the office of temporary and disability assistance to administer such sum in accordance with the requirements of such programs. Notwithstanding any other provision of law, and subject to the approval of the New York state director of the budget, the board of directors of the state of New York mortgage agency shall authorize the transfer to the homeless housing and assistance corporation, a total sum not to exceed $74,181,000, such transfer to be made from (i) the special account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law, in an amount not to exceed the actual excess balance in the special account of the mortgage insurance fund, as determined and certified by the state of New York mortgage agency for the fiscal year 2025-2026 in accordance with section 2429-b of the public authorities law, if any, and/or (ii) provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating as determined by the state of New York mortgage agency, required to accomplish the purposes of such account, the project pool insurance account of the mortgage insurance fund, such transfer shall be made as soon as practicable but no later than March 31, 2027.

§ 5. This act shall take effect immediately.

PART N

Section 1. Paragraph (g) of section 1603 of the not-for-profit corporation law, as amended by chapter 508 of the laws of 2018, is amended to read as follows:

(g) Nothing in this article shall be construed to authorize the existence of more than [~~thirty-five~~] **forty-five** land banks located in the state at one time, provided further that each foreclosing governmental unit or units proposing to create a land bank shall submit such local law, ordinance or resolution as required by paragraph (a) of this section, to the urban development corporation, for its review and approval. The creation of a land bank shall be conditioned upon approval of the urban development corporation.

§ 2. This act shall take effect immediately.

PART O

Intentionally Omitted

PART P

Intentionally Omitted

PART Q

Section 1. The real property law is amended by adding a new section 265-c to read as follows:

§ 265-c. Homeowner protection program. 1. (a) Within one year of the effective date of this section, the department of law shall establish the homeowner protection program to ensure the availability of free housing counseling and legal services to homeowners for the purposes of mitigating threats to homeownership including, but not limited to, homeownership retention, home preservation, estate planning, as a tool for preventing theft of real property and other scams targeted to homeowners, preventing avoidable foreclosures and displacement, preserving home equity, preserving homeownership, especially in communities of color, and for any other purposes related to preserving homeownership. Such program shall be funded by annual appropriation.

(b) The department of law shall provide grants to eligible not-for-profit housing counseling organizations and legal services organizations to provide services under the program. Such services shall include, but not be limited to, assistance with loss mitigation and loan and workout applications and negotiations; assistance in applying for assistance programs for homeowners; assistance with resolving property tax, utility and building code violation debts and liens; representation in mortgage and tax and utility lien foreclosure litigation, limited scope representation at settlement conferences pursuant to rule thirty-four hundred eight of the civil practice law and rules; assistance to unrepresented litigants with answers and motions in judicial foreclosure proceedings and brief advice; assistance to homeowners victimized by deed fraud, distressed property consultant, partition and other scammers; and redress of predatory and discriminatory lending, abusive mortgage servicing, and property flipping, including affirmative litigation and administrative complaints with federal, state and local fair housing agencies; and for whatever other purpose deemed necessary by the department of law to preserve homeownership.

2. (a) The department of law shall establish criteria for selection of grant applications, review applications and make awards, and exercise and perform such other functions as are related to the purposes of this section.

(b) The department of law shall make one-year grants, within the amounts appropriated for that purpose, to not-for-profit housing counseling organizations serving homeowners at risk of losing their homes, and legal services organizations, to provide counseling services and legal representation of persons who reside in the state of New York who are facing threats to homeownership.

(c) The department of law shall make one-year grants, within the amounts appropriated for that purpose, to ensure that housing counseling and legal services are available free of charge to homeowners in every

county of the state and to ensure that the statutory mandates of sections thirteen hundred three and thirteen hundred four of the real property actions and proceedings law and rule thirty-four hundred eight of the civil practice law and rules are fulfilled.

(d) The department of law shall make one-year grants, within the amounts appropriated for that purpose, to ensure adequate training, technical assistance and support is provided to the not-for-profit housing counseling and legal services organizations providing services under this section, and to ensure the management of grants and supportive services including, but not limited to, toll-free hotlines, dedicated outreach, technical expertise and other assistance is made available to the organizations providing services.

3. Each not-for-profit housing counseling organization and legal services organization receiving a grant under this section shall at a minimum report to the attorney general no later than sixty days after the end of each one-year grant. Such report shall include an accounting of the funds received by the grant and the services provided.

§ 2. This act shall take effect immediately.

PART R

Section 1. Section 54-m of the state finance law, as added by section 104 of part WWW of chapter 59 of the laws of 2017, is amended to read as follows:

§ 54-m. Local share requirements associated with increasing the age of juvenile jurisdiction above fifteen years of age. Notwithstanding any other provision of law to the contrary, counties and the city of New York shall not be required to contribute a local share of eligible expenditures that would not have been incurred absent the provisions of [~~a chapter~~] part WWW of chapter 59 of the laws of two thousand seventeen that added this section [~~unless the most recent budget adopted by a county that is subject to the provisions of section three-c of the general municipal law exceeded the tax levy limit prescribed in such section or the local government is not subject to the provisions of section three-c of the general municipal law; provided, however, that the state budget director shall be authorized to waive any local share of expenditures associated with a chapter of the laws of two thousand seventeen that increased the age of juvenile jurisdiction above fifteen years of age, upon a showing of financial hardship by a county or the city of New York upon application in the form and manner prescribed by the division of the budget. In evaluating an application for a financial hardship waiver, the budget director shall consider the incremental cost to the locality related to increasing the age of juvenile jurisdiction, changes in state or federal aid payments, and other extraordinary costs, including the occurrence of a disaster as defined in paragraph a of subdivision two of section twenty of the executive law, repair and maintenance of infrastructure, annual growth in tax receipts, including personal income, business and other taxes, prepayment of debt service and other expenses, or such other factors that the director may determine~~].

§ 2. This act shall take effect April 1, 2026.

PART S

Section 1. Section 410-x of the social services law is amended by adding a new subdivision 5-a to read as follows:

5-a. (a) For each group for which the office of children and family services determines a separate payment rate pursuant to subdivision four of this section, and at the same frequency, such office shall utilize a cost estimation model to determine the actual cost providers incur when providing child care. The cost estimation model shall identify and take into account cost drivers including but not limited to employee salary and benefits, enrollment levels, facility costs and compliance with statutory and regulatory requirements. Where a quality rating system or any quality indicators are being utilized, the cost estimation model shall also take into account the cost of providing services at each level of quality.

(b) In developing such model the office of children and family services shall consult with stakeholders including, but not limited to, representatives of child care resource and referral agencies, child care providers and any state advisory council established pursuant to 42 U.S.C.S. § 9831 et. seq., as amended. The cost estimation model shall be statistically valid, using complete and current data and rigorous collection methods.

§ 2. Section 410-z of the social services law, as added by section 52 of part B of chapter 436 of the laws of 1997, is amended to read as follows:

§ 410-z. Reporting requirements. 1. Each social services district shall collect and submit to the [~~department~~] office of children and family services, in such form and at such times as specified by the [~~department~~] office of children and family services, such data and information regarding child care assistance provided under the block grant as the [~~department~~] office of children and family services may need to comply with federal reporting requirements.

2. The office of children and family services shall prepare a report detailing the actual cost providers incur when providing child care in each setting, as determined by the cost estimation model established in paragraph (a) of subdivision five-a of section four hundred ten-x of this title. The report shall detail cost data for each setting, age group, care provided to children with special needs, and any other grouping for which a separate cost estimation is conducted. Such data shall include:

(a) the level of quality care as determined by a quality rating system or any quality indicators utilized by the state;

(b) a description of the major cost drivers for providing care; and

(c) a comparison of the costs of child care for each grouping to the market rate determined by the office of children and family services pursuant to subdivision four of section four hundred ten-x of this title.

The report shall be submitted to the governor, the speaker of the assembly and the temporary president of the senate by June first, two thousand twenty-seven. The office of children and family services shall post the information contained in the report on its website.

§ 3. Section 410-z of the social services law, as added by chapter 32 of the laws of 2026, is amended to read as follows:

§ 410-z. Reporting requirements. 1. Each social services district shall collect and submit to the office of children and family services, in such form and at such times as specified by the office of children and family services, such data and information regarding child care assistance provided under the block grant as the office of children and family services may need to comply with federal reporting requirements.

2. The office of children and family services shall prepare a report detailing the actual cost providers incur when providing child care in each setting, as determined by the cost estimation model established in paragraph (a) of subdivision five-a of section four hundred ten-x of this title. The report shall detail cost data for each setting, age group, care provided to children with special needs, and any other grouping for which a separate cost estimation is conducted. Such data shall include:

(a) the level of quality care as determined by a quality rating system or any quality indicators utilized by the state;

(b) a description of the major cost drivers for providing care; and

(c) a comparison of the costs of child care for each grouping to the market rate determined by the office of children and family services pursuant to subdivision four of section four hundred ten-x of this title.

The report shall be submitted to the governor, the speaker of the assembly and the temporary president of the senate by June first, two thousand twenty-seven. The office of children and family services shall post the information contained in the report on its website.

§ 4. This act shall take effect immediately; provided, however, that if chapter 32 of the laws of 2026 shall not have taken effect on or before such date then section three of this act shall take effect on the same date and in the same manner as such chapter of the laws of 2026, takes effect.

PART T

Section 1. Section 410-w of the social services law is amended by adding a new subdivision 11 to read as follows:

11. Notwithstanding any other provision of law, rule or regulation to the contrary, there shall be no minimum earnings requirement for parents and caretakers who are otherwise eligible for child care assistance pursuant to this section to receive such assistance.

§ 2. This act shall take effect immediately.

PART U

Section 1. Subdivision 14 of section 131-a of the social services law, as amended by section 1 of part ZZ of chapter 59 of the laws of 2018, is amended to read as follows:

14. In determining the [~~need for~~] amount of aid provided pursuant to public assistance programs, each person living with medically diagnosed HIV infection [~~as defined by the AIDS institute of the department of health~~] in social services districts with a population over five million who is receiving [~~services through such district's administrative unit providing HIV/AIDS services,~~] public assistance and has earned and/or unearned income, shall not be required to pay more than thirty percent of [~~his or her~~] such person's monthly earned and/or unearned income toward the cost of rent that such person has a direct obligation to pay; this provision shall not apply to the amount of payment obligations for room and board arrangements attributable to the provision of goods and services other than living space.

§ 2. Subdivision 15 of section 131-a of the social services law, as added by section 2 of part ZZ of chapter 59 of the laws of 2018, is amended to read as follows:

15. In determining the [~~need for~~] **amount of** aid provided pursuant to public assistance programs, each public assistance recipient living with medically diagnosed HIV infection [~~as defined by the AIDS institute of the department of health~~] in social services districts with a population of five million or fewer, at local option [~~and in accordance with a plan approved by the office of temporary and disability assistance, may~~] **shall:**

(a) not be required to pay more than thirty percent of [~~his or her~~] **such person's** monthly earned and/or unearned income toward the cost of rent that such person has a direct obligation to pay; this provision shall not apply to **the amount of payment obligations for** room and board arrangements[~~.~~] **attributable to the provisions of goods and services other than living spaces; and**

(b) be provided access to emergency shelter, transportation, or nutrition payments which the district determines are necessary to establish or maintain independent living arrangements among persons living with medically diagnosed HIV infection who are homeless or facing homelessness and for whom no viable and less costly alternative to housing is available, including HIV emergency shelter allowance payments in excess of those promulgated by the office of temporary and disability assistance but not exceeding an amount reasonably approximate to one hundred ten percent of fair market rent as determined by the federal department of housing and urban development.

§ 3. Section 131 of the social services law is amended by adding two new subdivisions 21 and 22 to read as follows:

21. When necessary, each local social services district shall assist persons with medically diagnosed HIV infection by (i) helping to secure the required documentation to determine eligibility for assistance, (ii) arranging for required face-to-face interviews to be conducted during home visits or at other appropriate sites, and (iii) providing referrals for services as well as other resources and materials as described in subdivision twenty-two of this section.

22. The office, in consultation with the department of health, shall create, maintain, and periodically update information on the office's website regarding resources and services throughout the state, including the location of such services, which shall include but not be limited to, community based supports, employment opportunities, and medical professionals specialized in assisting such persons with medically diagnosed HIV infection to be utilized by the local social services districts. Such information shall also be made available on the office's website.

§ 4. Paragraphs f and (g) of subdivision 1 of section 153 of the social services law, paragraph f as amended by chapter 81 of the laws of 1995 and paragraph (g) as amended by chapter 471 of the laws of 1980, are amended and a new paragraph h is added to read as follows:

f. the full amount expended by any district, city, town or Indian tribe for the costs, including the costs of administration of public assistance and care to eligible needy Indians and members of their families residing on any Indian reservation in this state, after first deducting therefrom any federal funds properly received or to be received on account thereof[~~.~~]**;**

[~~(g)~~] **g.** fifty per centum of the amount expended for substance abuse services pursuant to this chapter, after first deducting therefrom any federal funds properly received or to be received on account thereof. In the event funds appropriated for such services are insufficient to provide full reimbursement of the total of the amounts claimed by all

social services districts pursuant to this section then reimbursement shall be in such proportion as each claim bears to such total[~~.~~]**; and**

h. notwithstanding any inconsistent provision of law, one hundred per centum of safety net or family assistance expenditures, in social services districts with a population of five million or fewer, for HIV emergency shelter allowance payments in excess of those promulgated by the office of temporary and disability assistance but not exceeding an amount reasonably approximate to one hundred ten percent of fair market rent as determined by the federal department of housing and urban development, and for transportation or nutrition payments, which the district determines are necessary to establish or maintain independent living arrangements among persons living with medically diagnosed HIV infection and who are homeless or facing homelessness and for whom no viable and less costly alternative to housing is available, after first deducting therefrom any federal funds properly received or to be received on account thereof.

§ 5. This act shall take effect on the ninetieth day after it shall have become a law.

PART V

Section 1. Subdivision 1 of section 669-h of the education law, as amended by section 1 of part T of chapter 56 of the laws of 2018, is amended to read as follows:

1. Eligibility. An excelsior scholarship award shall be made to an applicant who: (a) is matriculated in an approved program leading to an undergraduate degree at a New York state public institution of higher education; (b) if enrolled in (i) a public institution of higher education prior to application, has completed at least thirty combined credits per year following the student's start date, or its equivalent, applicable to [~~his or her~~] **the applicant's** program or programs of study or (ii) an institution of higher education prior to application, has completed at least thirty combined credits per year following the student's start date, or its equivalent, applicable to [~~his or her~~] **the applicant's** program or programs of study and which were accepted upon transfer to a public institution of higher education; (c) enrolls in at least twelve credits per semester and completes at least thirty combined credits per year following the student's start date, or its equivalent, applicable to [~~his or her~~] **the applicant's** program or programs of study except in limited circumstances as prescribed by the corporation in regulation. Notwithstanding, in the student's last semester, the student may take at least one course needed to meet [~~his or her~~] **the applicant's** graduation requirements and enroll in and complete at least twelve credit hours or its equivalent. For students who are disabled as defined by the Americans With Disabilities Act of 1990, 42 USC 12101, the corporation shall prescribe rules and regulations that allow applicants who are disabled to be eligible for an award pursuant to this section based on modified criteria; (d) has an adjusted gross income for the qualifying year, as such terms are defined in this subdivision, equal to or less than: (i) one hundred thousand dollars for recipients receiving an award in the two thousand seventeen--two thousand eighteen academic year; (ii) one hundred ten thousand dollars for recipients receiving an award in the two thousand eighteen--two thousand nineteen academic year; [~~and~~] (iii) one hundred twenty-five thousand dollars for recipients receiving an award in the two thousand nineteen--two thousand twenty academic year [~~and thereafter~~] **through the two thousand twenty-**

five--two thousand twenty-six academic year; and (iv) one hundred fifty thousand dollars for recipients receiving an award in the two thousand twenty-six--two thousand twenty-seven academic year and thereafter; and (e) complies with the applicable provisions of this article and all requirements promulgated by the corporation for the administration of the program. Adjusted gross income shall be the total of the combined adjusted gross income of the applicant and the applicant's parents or the applicant and the applicant's spouse, if married. Qualifying year shall be the adjusted gross income as reported on the federal income tax return, or as otherwise obtained by the corporation, for the calendar year coinciding with the tax year established by the U.S. department of education to qualify applicants for federal student financial aid programs authorized by Title IV of the Higher Education Act of nineteen hundred sixty-five, as amended, for the school year in which application for assistance is made. Provided, however, if an applicant demonstrates to the corporation that there has been a change in such applicant's adjusted gross income in the year(s) subsequent to the qualifying year which would qualify such applicant for an award, the corporation shall review and make a determination as to whether such applicant meets the requirement set forth in paragraph (d) of this subdivision based on such year. Provided, further that such change was caused by the death, permanent and total physical or mental disability, divorce, or separation by judicial decree or pursuant to an agreement of separation which is filed with a court of competent jurisdiction of any person whose income was required to be used to compute the applicant's total adjusted gross income.

§ 2. This act shall take effect immediately and shall apply to academic year 2026-2027 and thereafter.

PART W

Section 1. Subparagraphs (ii) and (iii) of paragraph a of subdivision 3 of section 667 of the education law, as amended by section 1 of part X of chapter 56 of the laws of 2024, are amended to read as follows:

(ii) Except for students as noted in subparagraph (iii) of this paragraph, the base amount as determined from subparagraph (i) of this paragraph, shall be reduced in relation to income as follows:

Amount of income	Schedule of reduction of base amount
(A) Less than [~~seven~~] **thirty** thousand dollars	None
(B) [~~Seven~~] **Thirty** thousand dollars or more, but [~~less~~] **not more** than [~~eleven~~] **one hundred fifty** thousand dollars	[~~Seven~~] **Ten** per centum of excess over [~~seven~~] **thirty** thousand dollars
[~~(C) Eleven thousand dollars or more, but less than eighteen thousand dollars~~	~~Two hundred eighty dollars plus ten per centum of excess over eleven thousand dollars~~
~~(D) Eighteen thousand dollars or more, but not more than one hundred twenty-five thousand dollars~~	~~Nine hundred eighty dollars plus twelve per centum of excess over eighteen thousand dollars~~]

(iii) (A) For students who have been granted exclusion of parental income and were single with no dependent for income tax purposes during the tax year next preceding the academic year for which application is made, the base amount, as determined in subparagraph (i) of this paragraph, shall be reduced in relation to income as follows:

Amount of income	Schedule of reduction of base amount
[~~(1) Less than three thousand~~ ~~dollars~~]	None
[~~(2) Three thousand dollars or more, but not~~] **Not** more than thirty thousand dollars	~~Thirty-one per centum of~~ [~~amount in excess of three~~] [~~thousand dollars~~]

(B) For those students who have been granted exclusion of parental income who have a spouse but no other dependent, for income tax purposes during the tax year next preceding the academic year for which application is made, the base amount, as determined in subparagraph (i) of this paragraph, shall be reduced in relation to income as follows:

Amount of income	Schedule of reduction of base amount
(1) Less than [~~seven~~] **thirty** thousand dollars	None
(2) [~~Seven~~] **Thirty** thousand dollars or more, but [~~less~~] **not more** than [~~eleven~~] **sixty** thousand dollars	[~~Seven~~] **Twenty** per centum of excess over [~~seven~~] **thirty** thousand dollars
[~~(3) Eleven thousand dollars or more, but less than eighteen thousand dollars~~	~~Two hundred eighty dollars plus ten per centum of excess over eleven thousand dollars~~
~~(4) Eighteen thousand dollars or more, but not more than sixty thousand dollars~~	~~Nine hundred eighty dollars plus twelve per centum of excess over eighteen thousand dollars~~]

§ 2. This act shall take effect immediately and shall apply to academic years 2026-2027 and thereafter.

PART X

Section 1. Section 22-c of the state finance law is amended by adding a new subdivision 7 to read as follows:

7. On or before April first, two thousand twenty-seven and by April first of every fifth fiscal year thereafter, the governor shall submit to the legislature as part of the annual executive budget, five-year capital plans for the state university of New York state-operated campuses and city university of New York senior colleges. Such plans shall provide for the annual appropriation of capital funds to cover one hundred percent of the annual critical maintenance needs identified by each university system and may include funds for new infrastructure or

other major capital initiatives, provided that such funding for new infrastructure or other major capital initiatives shall not count toward meeting the overall critical maintenance requirement. In the event that such plan is unable to fund one hundred percent of the critical maintenance needs due to the limitation imposed by article five-B of this chapter, the director of the budget shall develop five-year capital plans whereby the implementation of each capital plan would annually reduce the overall facility condition index for each university system. For the purposes of this subdivision, "facility condition index" shall mean an industry benchmark that measures the ratio of deferred maintenance dollars to replacement dollars for the purposes of analyzing the effect of investing in facility improvements. The apportionment of capital appropriations to each state-operated campus or senior college shall be based on a methodology to be developed by the director of the budget, in consultation with the state university of New York and city university of New York.

§ 2. This act shall take effect immediately.

PART Y

Section 1. The opening paragraph of subparagraph 1 of paragraph b of subdivision 3 of section 663 of the education law, as amended by section 5 of part J of chapter 58 of the laws of 2011, is amended to read as follows:

The applicant is a student who was married on or before December thirty-first of the calendar year prior to the beginning of the academic year for which application is made or is an undergraduate student who has reached the age of twenty-two on or before June thirtieth prior to the academic year for which application is made or is a graduate student, and who, during the calendar year next preceding the semester, quarter or term of attendance for which application is made and at all times subsequent thereto up to and including the entire period for which application is made:

§ 2. The education law is amended by adding a new section 667-b to read as follows:

§ 667-b. Tuition assistance program awards for graduate students. 1. Recipient qualifications. Tuition assistance program awards are available for all graduate students who are enrolled in approved programs and who demonstrate the ability to complete such courses, in accordance with standards established by the commissioner; provided, however, that no award shall exceed one hundred percent of the amount of tuition charged.

2. Duration. No graduate student shall be eligible for more than four academic years of study; provided, however, that no graduate student shall be eligible for more than one degree program at the master's, first professional or doctorate level. No student shall be eligible for a total of more than the equivalent of eight years of combined undergraduate and graduate study, pursuant to this section and section six hundred sixty-seven of this part. A graduate student enrolled in an approved two or four-year program of study approved by the commissioner who must transfer to another institution as a result of permanent college closure shall be eligible for up to two additional semesters, or their equivalent, to the extent credits necessary to complete the graduate student's program of study were deemed non-transferable from the closed institution or were deemed not applicable to such student's program of study by the new institution.

3. Tuition assistance program awards. a. Amount. The president shall make awards to graduate students enrolled in degree-granting institutions or registered not-for-profit business schools qualified for tax exemption under § 501(c)(3) of the internal revenue code for federal income tax purposes in the following amounts:

(i) For each year of study, assistance shall be provided as computed on the basis of the amount which is the lesser of the following:

(A) (1) In the case of graduate students who have not been granted an exclusion of parental income, who have qualified as an orphan, foster child, or ward of the court for the purposes of federal student financial aid programs authorized by Title IV of the Higher Education Act of 1965, as amended, or had a dependent for income tax purposes during the tax year next preceding the academic year for which application is made, except for those graduate students who have been granted exclusion of parental income who have a spouse but no other dependent five thousand six hundred sixty-five dollars.

(2) In the case of graduate students receiving awards pursuant to subparagraph (iii) of this paragraph and those graduate students who have been granted exclusion of parental income who have a spouse but no other dependent (a) three thousand five hundred twenty-five dollars, or (b) one hundred percent of the amount of tuition (exclusive of educational fees) charged.

(ii) Except for graduate students as noted in subparagraph (iii) of this paragraph, the base amount as determined from subparagraph (i) of this paragraph, shall be reduced in relation to income as follows:

Amount of income	Schedule of reduction of base amount
(A) Less than seven thousand dollars	None
(B) Seven thousand dollars or more, but less than eleven thousand dollars	Seven per centum of excess over seven thousand dollars
(C) Eleven thousand dollars or more, but less than eighteen thousand dollars	Two hundred eighty dollars plus ten per centum of excess over eleven thousand dollars
(D) Eighteen thousand dollars or more, but not more than one hundred twenty-five thousand dollars	Nine hundred eighty dollars plus twelve per centum of excess over eighteen thousand dollars

(iii) (A) For graduate students who have been granted exclusion of parental income and were single with no dependent for income tax purposes during the tax year next preceding the academic year for which application is made, the base amount, as determined in subparagraph (i) of this paragraph, shall be reduced in relation to income as follows:

Amount of income	Schedule of reduction of base amount
(1) Less than three thousand dollars	None
(2) Three thousand dollars or more, but not more than thirty thousand dollars	Thirty-one per centum of amount in excess of three thousand dollars

(B) For those graduate students who have been granted exclusion of parental income who have a spouse but no other dependent, for income tax purposes during the tax year next preceding the academic year for which application is made, the base amount, as determined in subparagraph (i) of this paragraph, shall be reduced in relation to income as follows:

Amount of income	Schedule of reduction of base amount
(1) Less than seven	None

thousand dollars

(2) Seven thousand dollars or more, but less than eleven thousand dollars	Seven per centum of excess over seven thousand dollars
(3) Eleven thousand dollars or more, but less than eighteen thousand dollars	Two hundred eighty dollars plus ten per centum of excess over eleven thousand dollars
(4) Eighteen thousand dollars or more, but not more than sixty thousand dollars	Nine hundred eighty dollars plus twelve per centum of excess over eighteen thousand dollars

(iv) If the amount of reduction is not a whole dollar, it shall be reduced to the next lowest whole dollar. In the case of any graduate student who has received four or more payments pursuant to any and all awards provided for in this subdivision, the base amount shall be reduced by an additional one hundred dollars.

(v) The award shall be the net amount of the base amount determined pursuant to subparagraph (i) of this paragraph reduced pursuant to subparagraph (ii) or (iii) of this paragraph but the award shall not be reduced below one thousand dollars.

§ 3. This act shall take effect immediately and shall apply to academic year 2026-2027 and thereafter.

PART Z

Section 1. Part V of article 14 of the education law is REPEALED and a new part V is added to read as follows:

PART V

NEW YORK REINVESTS IN STUDENT EDUCATIONAL SUPPORTS PROGRAM

Section 690. Definitions.
691. Powers and duties.
692. Education loans; special requirements.
693. Repayment of loans.
694. Sale of education loans.
694-a. Miscellaneous.
694-b. Reporting.

§ 690. Definitions. As used in this part, the following terms shall have the following meanings unless otherwise specified:

1. "Education loan" shall mean any loan that is made under this program to finance or refinance higher education expenses at an eligible college.

2. "Eligible borrower" or "borrower" shall mean (a) a student who is a resident of New York state attending, or accepted for enrollment at, an eligible college, or (b) the parent, legal guardian, or sponsor, as defined by the corporation in regulation, of a student attending, or accepted for enrollment at, an eligible college who is a resident of New York state, and who obtains an education loan from a lending institution to pay for or finance higher education expenses under this program.

3. "Eligible college" shall mean a post-secondary institution, located within New York state, eligible for funds under Title IV of the Higher Education Act of nineteen hundred sixty-five, as amended, or successor statute offering a two-year, four-year, graduate or professional degree granting or certificate program.

4. "Eligible co-signer" shall mean a parent, legal guardian or otherwise credit worthy individual over twenty-one years of age who satisfies applicable credit criteria approved by the corporation and is a resident of New York state.

5. "Higher education expenses" shall mean the cost of attendance at an eligible college and shall include tuition and fees, books, room and board, and other educationally related expenses, as determined by the corporation.

6. "Holder" shall mean, with respect to an education loan: (a) a lender; (b) a public benefit corporation authorized to finance the purchase or making of education loans pursuant to the public authorities law; or (c) any assignee of such lender or public benefit corporation.

7. "Lending institution" or "lender" shall mean any entity that itself or through an affiliate originates education loans, other than an entity authorized to finance the purchase or making of education loans through the issuance of bonds pursuant to the public authorities law.

8. "Program" shall mean the New York reinvests in student educational supports program established by this part.

9. "Student" shall mean any individual who is enrolled at least half-time, as defined by the commissioner, in a two-year, four-year, graduate or professional degree granting or certificate program at an eligible college.

§ 691. Powers and duties. In furtherance of the purposes set forth in this part, the corporation shall have the following additional powers and duties:

1. To market, originate, disburse, service, collect, administer, guarantee, secure, finance, and purchase education loans not in default status made under this program or contract for these services.

2. To purchase defaulted education loans made under this program.

3. To establish and maintain one or more default reserve funds and accounts within such funds, in accordance with the terms of this program.

4. To develop and administer or contract to administer one or more financial literacy programs.

5. To provide or contract to provide default aversion services.

6. To establish criteria for eligible colleges, lenders, and other entities such as, but not limited to, servicers, and to enter into participation agreements with any such eligible colleges, lenders, and other entities and any entity authorized to finance the purchase or making of education loans through the issuance of bonds pursuant to the public authorities law, and any subsequent purchaser of education loans made under this program.

7. To establish criteria for all lender underwriting, education loan purchases, servicing and default insurance payments.

8. To establish criteria for the distribution of education loans made under this program.

9. To audit lenders, servicers, holders, and eligible colleges for program compliance.

10. To adopt rules and regulations to implement this program.

§ 692. Education loans; special requirements. In any year in which fixed rate education loans are to be acquired using the proceeds of bonds issued by the state of New York mortgage agency or other public benefit corporation authorized to issue bonds for the purposes of this program, preference shall be given to education loans made to eligible borrowers for the benefit of students who demonstrate financial need based on such student's family gross income and to education loans made to eligible borrowers for the benefit of students accepted or enrolled in a graduate or professional degree granting program, pursuant to rules and regulations promulgated by the corporation after consultation with

the state of New York mortgage agency or other public benefit corporation authorized to issue bonds for the purposes of this program.

1. Terms and conditions. (a) Eligible borrowers shall apply for education loans under this program on forms prescribed by the corporation.

(b) Except as may be provided by regulation, a student for whom an education loan is made shall be required to first apply for and exhaust: (i) their maximum eligibility of loans under the Federal Direct Student Loan Program (FDSLP), excluding PLUS loans; (ii) any other federal student aid, other than HEAL loans and other aid permitted by the corporation to be excluded; (iii) any state student aid; and (iv) any other student aid as prescribed by the corporation before being eligible for any education loan under this program.

(c) Borrowers shall successfully complete a financial literacy course as prescribed by the corporation.

(d) Student borrowers must apply for education loans under this program with an eligible co-signer.

(e) A borrower, or co-signer, who is in default on an education loan made under this program, the Williams D. Ford Program, or has failed to comply with the terms and conditions of any award under this article and has failed to satisfactorily cure such default or non-compliance as prescribed by applicable law or regulation shall be ineligible to receive a loan under this program, and shall further be ineligible for any other state student aid while in default on an education loan made under this program.

(f) Participating eligible colleges, lending institutions, and other participants in this program shall be required to enter into a participation agreement with the corporation and comply with all reporting and processing requirements and procedures as established by the corporation. These participation agreements shall contain such other specific terms and conditions of the program as shall be determined by the corporation.

2. Citizenship. A borrower must be: (a) a citizen of the United States; or

(b) a noncitizen lawfully admitted for permanent residence in the United States; or

(c) an individual of a class of refugees paroled by the attorney general of the United States under their parole authority pertaining to the admission of noncitizens to the United States.

3. Loan limits. Education loans made under this program shall have annual and cumulative loan limits as approved from time to time by the corporation, subject to the approval of the state of New York mortgage agency, or other public benefit corporation authorized to issue bonds under the public authorities law for purposes of this program, with respect to loans that are expected to be financed by such entity.

4. Interest rates. The interest rate of loans made under this program shall be established in a manner that shall be approved at least annually by the corporation, subject to the approval of the state of New York mortgage agency, or other subject to public benefit corporation authorized to issue bonds under the public authorities law for purposes of this program, with respect to loans that are expected to be financed by such entity.

5. Default fee. A percentage of the education loan shall be paid as a default fee, by or on behalf of the borrower or the lender, in an amount to be established at least annually by the corporation subject to the approval of the state of New York mortgage agency, or other public benefit corporation authorized to issue bonds under the public authorities

law for purposes of this program, with respect to loans that are expected to be financed by such entity. The default fee established by the corporation, subject to the approval of the state of New York mortgage agency, or other public benefit corporation authorized to issue bonds under the public authorities law for purposes of this program, with respect to education loans that are expected to be financed by such entity, shall be a percentage of the principal amount of such loans, as determined by the corporation, that, together with other amounts on deposit in the applicable default reserve fund, shall not exceed an amount sufficient to ensure that the balance of such funds satisfies the obligations of such default reserve fund and permits such loans to be financed. This fee may be considered part of the cost of attendance for the purpose of calculating the loan amount for this program and shall be transmitted to the corporation in accordance with rules or regulations promulgated by the corporation. The corporation shall deposit these funds into a designated account within the New York reinvests in student educational supports program variable rate default reserve fund, the New York reinvests in student educational supports program fixed rate default reserve fund, or the state of New York mortgage agency New York reinvests in student educational supports program default reserve fund, as applicable.

6. Consolidation. Education loans made pursuant to this program may be eligible for consolidation upon the terms and conditions established by the corporation. Any person consolidating education loans under this program shall be considered a borrower for purposes of this part.

7. Default reserve funds. (a) One or more default reserve funds shall be established in the custody of the comptroller pursuant to sections seventy-eight-a and seventy-eight-b of the state finance law. One or more default reserve funds shall be established in the custody of the state of New York mortgage agency pursuant to subdivision six of section two thousand four hundred five-a of the public authorities law. These funds shall be used by the corporation to pay default claims to participating lenders and holders of education loans made pursuant to this program.

(b) The corporation shall promptly deposit or transfer into the New York reinvests in student educational supports program variable rate default reserve fund created by section seventy-eight-a of the state finance law, the New York reinvests in student educational supports program fixed rate default reserve fund created by section seventy-eight-b of the state finance law or the state of New York mortgage agency New York reinvests in student educational supports program default reserve fund created by subdivision six of section two thousand four hundred five-a of the public authorities law, with respect to education loans, described in such provisions, any moneys received in connection with this program other than payments of principal and interest of education loans that are not in default status, including, but not limited to: (i) default fees; (ii) fees received from eligible colleges; (iii) funds received for the repayment of defaulted education loans, the unpaid principal, capitalized and unpaid accrued interest of which have been paid from the funds, including without limitation all such amounts received through the operation of voluntary collection activities, administrative wage garnishment or credit of tax overpayments less any amounts received for collection fees assessed by the corporation; (iv) contractual penalties and subsidy fees; (v) any amount that may be appropriated to the corporation; (vi) any amount received by the corpo-

ration or any agent from any other source for deposit therein; and (vii) interest and investment income earned by the funds.

8. Lender due diligence. Participating lenders shall be required to perform all due diligence requirements as prescribed by the corporation and incorporated into the participation agreement and into regulations promulgated by the corporation.

9. Eligible college requirements. (a) Participating eligible colleges shall be required to certify loan eligibility upon forms prescribed by the corporation and incorporated into the participation agreement and pursuant to regulations promulgated by the corporation.

(b) Participating eligible colleges shall be required to contribute a one percent fee prescribed by the corporation, subject to the approval of the state of New York mortgage agency, or other public benefit corporation authorized to issue bonds under the public authorities law for purposes of this program, with respect to loans that are expected to be financed by such entity, based upon the loan dollar volume or have the contribution made on its behalf, pursuant to the terms of the participation agreement. This fee shall be deposited into a designated account within the New York reinvests in student educational supports program variable rate default reserve fund, the New York reinvests in student educational supports program fixed rate default reserve fund, or the state of New York mortgage agency New York reinvests in student educational supports program default reserve fund, as described in subdivision seven of this section as applicable. This fee, or any other college fee, shall not be assessed to the student or eligible borrower in connection with this program.

§ 693. Repayment of loans. 1. Terms of repayment. The terms of repayment of education loans made under this program shall be established in rules and regulations promulgated by the corporation subject to the approval of the state of New York mortgage agency or other public benefit corporation authorized to issue bonds under the public authorities law for purposes of this program with respect to loans that are expected to be financed by such entity.

2. Grace period. The terms of any grace period for education loans made under this program shall be established in rules and regulations promulgated by the corporation subject to the approval of the state of New York mortgage agency or other public benefit corporation authorized to issue bonds under the public authorities law for purposes of this program with respect to loans that are expected to be financed by such entity. Notwithstanding, the grace period established shall be no less than six months.

3. Forbearance and deferments. Education loans made under this program shall be eligible for in-school and military deferments pursuant to rules and regulations promulgated by the corporation, or pursuant to such additional deferments and/or forbearance as offered by an eligible lender, in each case, subject to the approval of the state of New York mortgage agency, or other authorized public benefit corporation authorized to issue bonds under the public authorities law for purposes of this program, with respect to loans that are expected to be financed by such entity. Upon the assignment of a defaulted education loan made under this program for collection as described in subdivision five of this section, the borrower shall no longer be eligible for any forbearance or deferments while such loan remains in default.

4. Delinquency. A borrower shall be considered delinquent on an education loan under this program after thirty days of non-payment. The holder shall notify the corporation promptly after the first day of delin-

quency and the corporation shall undertake actions to return the borrower to repayment pursuant to rules and regulations established by the corporation. Such actions shall include, but not be limited to, attempts at: (a) locating and contacting the borrower and/or co-signer, as applicable, regarding the delinquent status of their loan; (b) explaining the account history and clarifying any discrepancies; (c) counseling the borrower and/or co-signer, as applicable, regarding all available repayment options, inducing deferments, and any public assistance available to them; (d) providing the borrower and/or co-signer, as applicable, with documentation in connection with their loan or loans; (e) informing the borrower and/or co-signer, as applicable, of the consequences of default; and (f) any other assistance that would prevent a default by a borrower.

5. Default. (a) Any education loan under this program that is delinquent for one hundred eighty days shall be deemed in default. Upon default, the holder shall file a claim with the corporation and, if applicable, the state of New York mortgage agency, for payment from the New York education loan program variable rate default reserve fund, the New York education loan program fixed rate default reserve fund, or the state of New York mortgage agency New York education loan program default reserve fund, as described in subdivision seven of section six hundred ninety-two of this part, as applicable, pursuant to regulations promulgated by the corporation. Upon receipt of a claim, the corporation shall notify the borrower that their loan is being assigned to the corporation for collection. The lender, or holder shall be paid one hundred percent of the outstanding principal, and of the capitalized and unpaid accrued interest. Upon such payment, this amount shall be the principal owed by the borrower.

(b) All collection payments received by the corporation from a borrower, or on behalf of borrowers, in default on loans made under this program, except collection fees shall be deposited into a designated account within the New York reinvests in student educational supports program variable rate default reserve fund, New York reinvests in student educational supports program fixed rate default reserve fund, or the state of New York mortgage agency New York reinvests in student educational supports program default reserve fund, as applicable.

6. Collection fee. The corporation shall assess a collection fee, in an amount to be determined by the corporation at least annually, on all defaulted education loans under this program. This fee shall be retained by the corporation for the administration of the program. The aggregate annual revenue generated by such fee shall not exceed the actual costs incurred by the corporation, in the preceding year, in collecting a defaulted loan under this program on which the corporation has paid a claim. Any amounts in excess of actual cost shall be used to reduce the fee charged in the subsequent year.

7. Administrative wage garnishment. (a) Notwithstanding any provision of law to the contrary, the corporation shall be entitled to garnish the disposable pay of an individual to collect the amount owed by the individual, if such individual fails to make required voluntary payments under a repayment agreement with the corporation, provided that:

(i) The amount deducted for any pay period does not exceed fifteen percent of disposable pay. However, the amount deducted for any period may exceed fifteen percent with the written consent of the individual;

(ii) Prior to garnishment the individual shall have been given thirty days written notice to the individual's last known address advising such individual of the nature of the obligation, amount of the loan obli-

gation, the corporation's intent to garnish and an explanation of the individual's rights under this section including the right to inspect and copy records relating to the debt;

(iii) The individual shall have been given an opportunity within the aforementioned thirty days to enter into a written repayment agreement with the corporation to avoid garnishment of wages; and

(iv) The individual shall have been provided an opportunity for a hearing pursuant to the requirements of paragraph (f) of this subdivision.

(b) The individual's employer shall pay to the corporation amounts as directed in the withholding order and shall be liable for failure to comply with said order. The corporation may sue an employer in a court of competent jurisdiction to recover from such employer the amount the employer fails to withhold from the individual's wages following receipt of the order of withholding with interest thereon plus attorneys' fees and costs;

(c) The notice of withholding served upon the employer shall contain only such information as is necessary for the employer to comply with the withholding order.

(d) No amount may be deducted from the wages of an individual who has been involuntarily separated from employment and has not been continuously employed for twelve months. An individual must prove that separation from employment was involuntary. Separation due to incarceration shall not qualify as involuntary separation.

(e) An employer may not discharge from employment, take disciplinary action against or refuse to employ an individual by reason of the fact that such individual's wages are subject to an order of withholding. Such individual may take action against said employer in a court of competent jurisdiction for reinstatement, back pay or such further relief as may be just and necessary.

(f) A hearing as described in subparagraph (iv) of paragraph (a) of this subdivision shall be provided prior to an order of withholding if the individual submits a written request for a hearing on or before the fifteenth day following the notice described in subparagraph (ii) of paragraph (a) of this subdivision in accordance with procedures set forth by the corporation. If an individual fails to submit a written request in the time frame provided, the corporation shall still provide a hearing upon receipt of a written request, but such hearing need not be provided prior to an order of withholding being issued to the employer. The hearing shall not be conducted by a party under the supervision or control of the corporation except that nothing shall prohibit the corporation from appointing an administrative law judge. A hearing decision shall be issued no later than sixty days after the filing of the petition requesting the hearing.

(g) For purposes of this section "disposable pay" shall mean that part of the compensation of any individual from an employer remaining after deduction of amounts required to be withheld by law.

(h) All funds received through administrative wage garnishment shall be deposited into a designated account within the New York reinvests in student educational supports program variable rate default reserve fund, the New York reinvests in student educational supports program fixed rate default reserve fund, or the state of New York mortgage agency New York reinvests in student educational supports program default reserve fund, as applicable.

8. New York state tax offset. The corporation shall be entitled to receive credits of New York state tax overpayments pursuant to section

one hundred seventy-one-d and paragraph three of subsection (e) of section six hundred ninety-seven of the tax law with respect to defaulted education loans under this program. All funds, or credits, received through such tax offsets shall be deposited into a designated account within the New York reinvests in student educational supports program variable rate default reserve fund, the New York reinvests in student educational supports program fixed rate default reserve fund, or the state of New York mortgage agency New York reinvests in student educational supports program default reserve fund, as applicable.

9. Data share. The corporation shall be entitled to receive data from the New York state department of taxation and finance pursuant to section one hundred seventy-one-a and paragraph three of subsection (e) of section six hundred ninety-seven of the tax law with respect to defaulted education loans under this program.

10. Statute of limitation. Notwithstanding any provision of law to the contrary, there shall be no statute of limitations to bring suit or otherwise collect an education loan under this program. Judgments in favor of the corporation under this program shall not expire and there shall be no statute of limitations upon which to enforce or collect said judgment.

11. Capacity of minors. Any person otherwise qualifying for an education loan under this program shall not be disqualified by reason of being under the age of eighteen years and for the purposes of applying for, receiving and repaying such a loan, any such person shall be deemed to have full legal capacity to act. The corporation, in collecting education loans under this program, shall not be subject to a defense raised by any borrower based on a claim of infancy.

12. Usury. Notwithstanding any provision of law to the contrary the rate or amount of interest or fees payable on education loans made under this program shall not exceed twenty-five per centum per annum or its equivalent rate for a longer or shorter period.

13. Death and disability discharge. Upon the death of a student, for the funding of whose higher education expenses an education loan was made, the education loan made under this program shall be deemed discharged. If such a student becomes totally and permanently disabled, the education loan under this program shall be deemed discharged. A total or permanent disability shall mean a condition of an individual who is unable to work and earn money because of an injury or illness that is expected to continue indefinitely or result in death. The holder of such discharged education loans shall be paid the outstanding principal, capitalized and unpaid accrued interest due from the New York reinvests in student educational supports program variable rate default reserve fund, New York reinvests in student educational supports program fixed rate default reserve fund, or the state of New York mortgage agency New York reinvests in student educational supports program default reserve fund, as applicable.

14. Bankruptcy. Education loans under this program shall be considered non-dischargeable pursuant to section 523(a)(8) of the U.S. Bankruptcy Code.

15. Security interest. Notwithstanding any other provision of law, other than section one thousand six hundred eighty-two and section two thousand four hundred five-a of the public authorities law, a security interest in education loans shall be perfected only by the filing of a financing statement in the manner provided under section 9-310 of the uniform commercial code, and shall attach and be assigned priority in the manner provided under the uniform commercial code with respect to

security interests perfected by such a filing, and a description of collateral consisting of education loans in any financing statement shall be conclusively deemed to be legally sufficient if it refers to records identifying such loans retained by the corporation, provided that any such security interest shall be subject to any applicable lien under section two thousand four hundred five-a of the public authorities law. The owner of any education loan shall advise the corporation of any sale or assignment of such loan at the time and in the manner required by the corporation.

16. Agreements. Notwithstanding any other provision of law, any eligible public college or public career education institution is hereby authorized to enter into one or more agreements with the corporation and any entity authorized to finance education loans pursuant to the public authorities law providing for the participation of such college or career education institution in the program and to perform or contract the performance of its obligations under any such agreement. Such obligations may include without limitation the payment obligations described in this title.

§ 694. Sale of education loans. 1. The corporation and holders shall be authorized to enter into one or more agreements for the sale of education loans made pursuant to this program.

2. Education loan purchases may be financed (a) by bonds issued by the state of New York mortgage agency, or other entity authorized to issue bonds for such purpose pursuant to the public authorities law, in an amount approved by the director of the division of the budget; or (b) by other non-state sources in amounts established pursuant to an agreement with the corporation.

3. The corporation shall establish the criteria and terms upon which lenders may sell education loans subject to the approval of the state of New York mortgage agency or any other entity authorized to issue bonds under this program with respect to loans that are expected to be financed by such entity.

§ 694-a. Miscellaneous. 1. No education loan shall be deemed subject to section one hundred eight of the banking law, to article nine of the banking law or to any other provisions of law governing the qualifications to make loans or the terms or conditions of loans described in this part, including, without limitation, the interest rates, fees and charges applicable thereto. Neither the corporation nor any entity authorized to finance education loans pursuant to the public authorities law shall be subject to any licensing requirements in connection with its education lending activities. No entity shall be considered a lender for purposes of any other provision of law solely as a result of its interest in an education loan made under this part.

2. Funds may be appropriated to the corporation and/or the state of New York mortgage agency, or other entity authorized to issue bonds under this program, for the administration of this program.

3. Interest paid on education loans made under this program shall be allowed as a deduction in computing the net taxable income of any such person for purposes of any income or franchise tax imposed by the state or any political subdivision thereof.

4. Any agreement of an entity authorized to issue bonds under the public authorities law for purposes of this program to acquire education loans from a lender shall be subject to the availability to such entity of funding for such purpose upon terms and conditions approved by such entity and shall not require the expenditure by such entity of funds from any source other than amounts obtained through the issuance of

bonds or notes, including earnings thereon, and any appropriations thereof.

5. The corporation, the state of New York mortgage agency, any lender, and any public benefit corporation authorized to issue bonds under the public authorities law for the purposes of this program shall not be subject to title five of article five of the general obligations law with respect to education loans and such education loans shall not be subject to such title.

6. To the extent that the provisions of this part are inconsistent with the provisions of any other part of this article, the provisions of this part shall be controlling.

§ 694-b. Reporting. The corporation, after consultation with the state of New York mortgage agency, and any other public benefit corporation that shall have issued bonds under the public authorities law for purposes of this program, with respect to loans that have been financed by or that are expected to be financed by such entity, shall report annually with respect to education loans made under this program for the prior academic year to the governor, the temporary president of the senate, the speaker of the assembly, the director of the division of the budget, the senate finance committee, the assembly ways and means committee and the standing committees of the legislature having jurisdiction of higher education on the number and characteristics of students who received fixed rate and/or variable rate loans under this program, including, but not limited to, the interest rate charged, the default and collection fees established, the grace period established if other than six months, the number of students who received loans that demonstrated financial need pursuant to section six hundred ninety-two of this part, the income established by the corporation pursuant to section six hundred ninety-two of this part, the number of students who received fixed rate loans, the number of students who received variable rate loans, the number of default claims received by the corporation, the number of borrowers subject to administrative wage garnishment, and a list of the lenders and holders, if known, who have provided variable rate loans. Such annual report shall be submitted by the first day of December following the close of the academic year for which such education loans were made.

§ 2. Subdivision 2 of section 653 of the education law, as amended by section 2 of part J of chapter 57 of the laws of 2009, is amended to read as follows:

2. a. To submit to the governor, the temporary president of the senate, the speaker of the assembly, the senate finance committee, the assembly ways and means committee and the standing committees of the legislature having jurisdiction of higher education, at such times as the director of the budget may prescribe a student aid and loan budget request for the following state fiscal year. The budget request shall include, but not be limited to estimates of the number and characteristics of students eligible for aid and loans, other than education loans made under the New York [~~higher education loan~~] reinvests in student educational supports program pursuant to part V of this article which budget request shall be developed by the president after consultation with the board of regents in order to implement the student financial aid and loan programs, other than education loans made under the New York [~~higher education loan~~] reinvests in student educational supports program pursuant to part V of this article provided for in this article. Notwithstanding, the budget request shall also include an estimate of the amounts needed for state operations within the New York

[~~higher education loan program~~] reinvests in student educational supports program account for purposes of the New York [~~higher education loan program~~] reinvests in student educational supports program established pursuant to part V of this article. A copy of the budget request shall be transmitted to the commissioner for his information. The budget request submitted by the board shall be subject to approval annually as part of the executive budget.

b. At the time and in the format prescribed by the Director of the Budget, the Board shall submit to the Division of the Budget an administrative and operating budget request. This budget request shall be subject to approval annually as part of the executive budget.

c. In order further to assure the payment by the corporation to lending institutions for defaulted loans, other than education loans made under the New York [~~higher education loan~~] reinvests in student educational supports program pursuant to part V of this article in the respective amounts as guaranteed by the corporation pursuant to contract, there shall be annually apportioned and paid to the corporation such estimated amount, if any, as shall be certified by the board to the governor and director of the budget as necessary to provide for the payment of all such defaults for the next ensuing state fiscal year. The board shall, as part of its annual budget request, make and deliver to the governor and director of the budget, its certificate stating the estimated amount, if any, required to pay such defaults for the ensuing state fiscal year, if any, and said sums shall be apportioned and paid to the corporation during such fiscal year.

§ 3. Section 656 of the education law, as amended by section 3 of part J of chapter 57 of the laws of 2009, is amended to read as follows:

§ 656. Contributions to corporation; tax deduction thereof. Notwithstanding the provisions of any general or special law all domestic corporations or associations organized for the purpose of carrying on business in this state, and any person, are hereby authorized to make contributions to the New York state higher education services corporation or to the New York [~~higher education loan~~] reinvests in student educational supports program variable rate default reserve fund, the New York [~~higher education loan~~] reinvests in student educational supports program fixed rate default reserve fund, or the state of New York mortgage agency [~~higher education loan~~] New York reinvests in student educational supports program default reserve fund, as applicable and such contributions shall be allowed as deductions in computing the net taxable income of any such person, corporation or association for purposes of any income or franchise tax imposed by the state or any political subdivision thereof.

§ 4. Subdivision 2 of section 657 of the education law, as amended by section 4 of part J of chapter 57 of the laws of 2009, is amended to read as follows:

2. The state of New York does hereby pledge to and agree with the holders of the bonds, notes, or other obligations of the corporation pursuant to this article, or of the state of New York mortgage agency authorized in section two thousand four hundred six of the public authorities law for the corporate purposes authorized in section two thousand four hundred five-a of the public authorities law, or of any other state entity authorized to issue bonds or notes under the New York [~~education loan~~] reinvests in student educational supports program codified in part V of this article that are issued for such purpose, and with the holders of such education loans, that the provisions of law applicable to the New York [~~education loan~~] reinvests in student educa-

tional supports program variable rate default reserve fund, the New York education loan program fixed rate default reserve fund, or the state of New York mortgage agency [~~New York education loan~~] **New York reinvests in student educational supports** program default reserve fund, as applicable, and to the powers of the corporation to receive and deposit in each such fund the applicable amounts described therein shall not be amended in a manner adversely affecting the interests of such holders without adequate provision being made to protect such interests and that the corporation shall not be required to pay any taxes or assessments upon any of its property or upon its activities pursuant to the provisions of this article, or upon any moneys, funds, revenues or other income held or received by the corporation, and that the obligations and notes of the corporation and the income therefrom shall at all times be exempt from taxation, except for estate and gift taxes and taxes on transfers. Each of the corporation, the state of New York mortgage agency and any such other public benefit corporation, is authorized to include this pledge and agreement of the state in any agreements with the holders of such bonds and with the holders of such education loans.

§ 5. Section 2405-a of the public authorities law, as added by section 9 of part J of chapter 57 of the laws of 2009, is amended to read as follows:

§ 2405-a. Education loans. (1) For purposes of this section, the following words and terms shall have the following meaning unless the context shall indicate another or different meaning or intent:

(a) "Corporation" shall mean the New York state higher education services corporation.

(b) "Education Loan" shall mean: (i) a New York [~~higher education loan~~] **reinvests in student educational supports** program loan made pursuant to part [~~v~~] **V** of article fourteen of the education law; or (ii) a loan under Part B of Title IV of the Higher Education Act of nineteen hundred sixty-five, as amended, including but not limited to a loan described in subdivision ten of section twenty-four hundred two of this part; provided, that the borrower shall be required to apply the net proceeds of such loans to pay the student's costs of post-secondary education or to repay one or more such loans incurred for such purpose.

(2) In addition to the powers of the agency pursuant to the other sections of this title, the agency shall have power:

(a) To enter into one or more agreements with the corporation and to perform or contract for the performance of its obligations under any such agreement;

(b) To make and contract to make and to acquire and contract to acquire education loans and to enter into advance commitments for the purchase of said education loans;

(c) Subject to any agreement with bondholders or noteholders, to invest moneys of the agency not required for immediate use, including proceeds from the sale of any bonds or notes, in education loans;

(d) To make and execute contracts for the marketing, origination, servicing, collection, administration, guarantee, securing, and financing of education loans originated or acquired by the agency pursuant to this title, and to pay the reasonable value of services rendered to the agency pursuant to those contracts;

(e) Subject to any agreement with bondholders or noteholders, to renegotiate or refinance any education loan that has been acquired by the agency or which the agency has committed to purchase that is in default; to waive any default or consent to the modification of the terms or any such education loan; to forgive all or part of any indebtedness; and to

commence any action or proceeding to protect or enforce any right conferred upon it with respect to any such education loan by law, loan agreement, contract or other agreement;

(f) To prescribe standards and criteria for the origination of education loans to be eligible for acquisition by the agency and for education loans purchased by the agency;

(g) Subject to any agreement with bondholders or noteholders, to sell any education loans made or acquired by the agency at public or private sale and at such price or prices and on such terms as the agency shall determine;

(h) To establish, revise from time to time, charge and collect such premiums or fees in connection with education loans and its participation in the New York [~~higher education loan~~] **reinvests in student educational supports** program as the agency shall determine; and

(i) Subject to any agreement with bondholders or noteholders, to invest moneys pledged to secure bonds issued for the corporate purposes authorized by this section not required for immediate use in investments authorized for investment of state funds under section ninety-eight or ninety-eight-a of the state finance law.

(3) The agency shall have the power and is hereby authorized from time to time to issue its bonds and notes pursuant to section two thousand four hundred six of this title for the corporate purposes authorized by this section, including without limitation for the purposes of financing and refinancing education loans and of refunding any bonds or notes issued for such purpose.

(4) Each lender or service provider who makes a representation or warranty to the agency with respect to an education loan shall be liable to the agency for any damages suffered by the agency by reason of the untruth of such representation or the breach of such warranty and, in the event that any representation shall prove to be untrue when made or in the event of any breach of warranty, such person shall, at the option of the agency, repurchase the education loan for the price provided in the applicable financing agreement, as the agency may determine.

(5) It is the intent of the legislature that any pledge by the agency of education loans or of earnings, revenues or other moneys receivable from any source, including without limitation default payments by the New York [~~higher education loan~~] **reinvests in student educational supports** program variable rate default reserve fund, the New York [~~higher education loan~~] **reinvests in student educational supports** program fixed rate default reserve fund, or the state of New York mortgage agency New York [~~higher education loan~~] **reinvests in student educational supports** program default reserve fund, as applicable, with respect to education loans financed by the agency, shall be valid and binding from the time when the pledge is made. The education loans, earnings, revenues or other moneys so pledged and thereafter received by the agency or its agent, including without limitation the higher education services corporation or any education loan servicer, shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the agency or its agent, including without limitation the higher education services corporation or any education loan servicer, irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be recorded.

(6) The state of New York mortgage agency New York [~~higher education loan~~] **reinvests in student educational supports** program default reserve fund. (a) There is hereby created and established in the sole custody of the state of New York mortgage agency a special fund to be known as the state of New York mortgage agency New York [~~higher education loan~~] **reinvests in student educational supports** program default reserve fund which shall be for the exclusive benefit of the holders of education loans that the agency has acquired, or agreed to acquire, under the New York [~~higher education loan~~] **reinvests in student educational supports** program, codified in part V of article fourteen of the education law.

(b) Amounts held in this fund shall not be, or be deemed, funds of the state or funds under the management of the state, the agency, or the corporation. The obligations of such fund shall not be, or be deemed, the debts or obligations of the state and the state shall not be, or be deemed, in any way obligated to: any holder of any such education loan; any holder of bonds issued pursuant to section two thousand four hundred six of this part for the corporate purposes authorized in section two thousand five-a of this article; any fiduciary or provider of any credit facility, liquidity facility or interest rate exchange agreement with respect to such bonds; or any other creditor of this fund.

(c) Such fund shall consist of: (i) all moneys received by the higher education services corporation pursuant to paragraph (b) of subdivision seven of section six hundred ninety-two of the education law, in connection with education loans that the agency has acquired or agreed to acquire under the New York [~~higher education loan~~] **reinvests in student educational supports** program education loans; (ii) any transfers from the New York [~~higher education loan~~] **reinvests in student educational supports** program variable rate default reserve fund created by section seventy-eight-a of the state finance law or from the New York [~~higher education loan~~] **reinvests in student educational supports** program fixed rate default reserve fund created by section seventy-eight-b of the state finance law; and (iii) any appropriation payment or transfer to the agency for such purpose.

(d) The agency shall establish accounts within the fund and priorities of payment from such accounts and shall invest the fund in investments authorized for investment of state funds under section ninety-eight or ninety-eight-a of the state finance law.

(e) This fund, including all sub-accounts thereof, shall be segregated from all other funds kept by the agency and shall not be used for any other purpose beyond those set forth in part V of article fourteen of the education law or in this section. The agency shall utilize monies in the fund solely to pay the outstanding principal, capitalized and unpaid accrued interest on defaulted education loans described in paragraph a of this subdivision.

(f) Nothing contained in this section shall prevent the agency, or the corporation, from receiving grants, gifts or bequests for the purposes of this fund and depositing them into the fund according to law, rules, or regulations.

(g) The agency shall make payments from the monies in this fund in amounts and at times required pursuant to part V of article fourteen of the education law.

§ 6. Section 78-a of the state finance law, as added by section 11 of part J of chapter 57 of the laws of 2009, is amended to read as follows:

§ 78-a. New York [~~higher education loan~~] **reinvests in student educational supports** program variable rate default reserve fund. 1. There is hereby created and established in the sole custody of the state comp-

troller a special fund to be known as the New York [~~higher education loan~~] reinvests in student educational supports program variable rate default reserve fund which shall be for the exclusive benefit of the holders of variable rate education loans originated pursuant to the New York [~~higher education loan~~] reinvests in student educational supports program codified in part V of article fourteen of the education law, other than variable rate education loans described in subdivision six of section two thousand four hundred five-a of the public authorities law.

2. Amounts held in this fund shall not be, or be deemed, funds of the state or funds under the management of the state or the higher education services corporation. The obligations of the fund shall not be, or be deemed, the debts or obligations of the state and the state shall not be, or be deemed, in any way obligated to: any holder of any such education loan; any holder of bonds issued pursuant to the public authorities law for the purposes of the New York [~~higher education loan~~] reinvests in student educational supports program; any fiduciary or provider of any credit facility, liquidity facility or interest rate exchange agreement with respect to such bonds; or any other creditor of this fund.

3. Such fund shall consist of all moneys received by the higher education services corporation pursuant to paragraph (b) of subdivision seven of section six hundred ninety-two of the education law, in connection with variable rate education loans made under part V of article fourteen of the education law, other than variable rate education loans described in subdivision six of section two thousand four hundred five-a of the public authorities law. The state comptroller, at the request of the higher education services corporation, shall establish accounts within the fund and priorities of payment from such accounts and shall invest the fund in compliance with applicable state laws concerning the investment of public funds. Moneys in the fund shall be segregated from all other funds kept by the state comptroller and shall not be used for any other purpose beyond those set forth in part V of article fourteen of the education law or in this section.

4. The state comptroller shall make payments from the fund in amounts and at times required by the higher education services corporation pursuant to part V of article fourteen of the education law. Notwithstanding subdivision one of this section, upon certification by the State of New York mortgage agency that a variable rate education loan described in subdivision three of this section has been acquired by the agency or has become subject to the agreement of the agency to acquire such education loan, the state comptroller shall make transfers from the monies in the variable rate New York [~~higher education loan~~] reinvests in student educational supports program default reserve fund to the corporation for deposit into the state of New York mortgage agency New York [~~higher education loan~~] reinvests in student educational supports program default reserve fund created by subdivision six of section two thousand four hundred five-a of the public authorities law in amounts certified by the agency and the corporation as properly allocable to such education loan.

§ 7. Section 78-b of the state finance law, as added by section 12 of part J of chapter 57 of the laws of 2009, is amended to read as follows:

§ 78-b. New York [~~higher education loan~~] reinvests in student educational supports program fixed rate default reserve fund. 1. There is hereby created and established in the sole custody of the state comptroller a special fund to be known as the New York [~~higher education loan~~] reinvests in student educational supports program fixed rate default reserve fund which shall be for the exclusive benefit of the

holders of fixed rate education loans originated pursuant to the New York [~~higher education loan~~] **reinvests in student educational supports** program codified in part V of article fourteen of the education law, other than fixed rate education loans described in subdivision six of section two thousand four hundred five-a of the public authorities law.

2. Amounts held in this fund shall not be, or be deemed, funds of the state or funds under the management of the state or the higher education services corporation. The obligations of the fund shall not be, or be deemed, the debts or obligations of the state and the state shall not be, or be deemed, in any way obligated to: any holder of any such education loan; any holder of bonds issued pursuant to the public authorities law for the purposes of the New York [~~higher education loan~~] **reinvests in student educational supports** program; any fiduciary or provider of any credit facility, liquidity facility or interest rate exchange agreement with respect to such bonds; or any other creditor of this fund.

3. Such fund shall consist of all moneys received by the higher education services corporation pursuant to paragraph (b) of subdivision seven of section six hundred ninety-two of the education law, in connection with fixed rate education loans, other than fixed rate education loans described in subdivision six of section two thousand four hundred five-a of the public authorities law. The state comptroller, at the request of the higher education services corporation, shall establish accounts within the fund and priorities of payment from such accounts and shall invest the fund in compliance with applicable state laws concerning the investment of public funds. Moneys in the fund shall be segregated from all other funds kept by the state comptroller and shall not be used for any other purpose beyond those set forth in part V of article fourteen of the education law or in this section.

4. The state comptroller shall make payments from the fund in amounts and at times required by the higher education services corporation pursuant to part V of article fourteen of the education law. Notwithstanding subdivision one of this section, upon certification by the state of New York mortgage agency that a fixed rate education loan described in subdivision three of this section has been acquired by the agency or has become subject to the agreement of the agency to acquire such education loan, the state comptroller shall make transfers from the monies in the fixed rate New York [~~higher education loan~~] **reinvests in student educational supports** program default reserve fund to the corporation for deposit into the state of New York mortgage agency New York [~~higher education loan~~] **reinvests in student educational supports** program default reserve fund created by subdivision six of section two thousand four hundred five-a of the public authorities law in amounts certified by the agency and the corporation as properly allocable to such education loan.

§ 8. Section 1679-c of the public authorities law, as added by section 13 of part J of chapter 57 of the laws of 2009, is amended to read as follows:

§ 1679-c. The New York [~~higher education loan~~] **reinvests in student educational supports** program. 1. For purposes of this section, the following words and terms shall have the following meaning unless the context shall indicate another or different meaning or intent:

(a) "Corporation" shall mean the New York state higher education services corporation.

(b) "Education loan" shall mean a loan made under the New York [~~higher education loan~~] **reinvests in student educational supports** program established pursuant to part [~~v~~] **V** of article fourteen of the education law.

2. In addition to the powers of the authority pursuant to the other sections of this title, the authority shall have power:

(a) To enter into one or more agreements with the corporation, which agreement may provide for the securing of education loans in accordance with part V of article fourteen of the education law, and to perform or contract for the performance of its obligations under any such agreement;

(b) To make and contract to make and to acquire and contract to acquire education loans and to enter into advance commitments for the purchase of said education loans;

(c) Subject to any agreement with bondholders or noteholders, to invest moneys of the authority not required for immediate use, including proceeds from the sale of any bonds or notes, in education loans;

(d) To service and execute contracts for the servicing of education loans acquired by the authority pursuant to this title, and to pay the reasonable value of services rendered to the authority pursuant to those contracts;

(e) To prescribe standards and criteria for education loans purchases, insofar as such standards and criteria are not inconsistent with the applicable agreement with the corporation;

(f) Subject to any agreement with bondholders or noteholders, to sell any education loans made or acquired by the authority at public or private sale and at such price or prices and on such terms as the authority shall determine; and

(g) To establish, revise from time to time, charge and collect such premiums or fees in connection with education loans and its participation in the New York [~~higher education loan~~] **reinvests in student educational supports** program as the authority shall determine.

3. The authority shall have the power and is hereby authorized from time to time to issue bonds and notes, including without limitation for the purposes of financing and refinancing education loans and of refunding any bonds or notes issued for such purpose pursuant to part V of article fourteen of the education law.

§ 9. This act shall take effect July 1, 2027.

PART AA

Section 1. Paragraph b of subdivision 2 of section 679-e of the education law, as amended by section 1 of part VV of chapter 56 of the laws of 2009, is amended to read as follows:

b. "Eligible period" means the [~~six-year~~] **eight-year** period after completion of the [~~third~~] **second** year and before the commencement of the [~~tenth~~] **eleventh** year of employment as an eligible attorney. For purposes of this section, all periods of time during which an admitted attorney was employed as an eligible attorney and all periods of time during which a law school graduate awaiting admission to the New York state bar was employed by a prosecuting [~~or~~] **agency,** criminal defense agency**, or non-profit indigent civil legal services corporation** as permitted by section four hundred eighty-four of the judiciary law shall be combined.

§ 2. Paragraph d of subdivision 2 of section 679-e of the education law, as amended by section 1 of part VV of chapter 56 of the laws of 2009, is amended to read as follows:

d. "Year of qualified service" means the twelve month period measured from the anniversary of the attorney's employment as an eligible attorney, or as a law school graduate awaiting admission to the New York

state bar employed by a prosecuting [~~or~~] **agency,** criminal defense agency**, or non-profit indigent civil legal services corporation** as permitted by section four hundred eighty-four of the judiciary law, adjusted for any interruption in employment. Any period of temporary leave from service taken by an eligible attorney shall not be considered in the calculation of qualified service. However, the period of temporary leave shall be considered an interruption in employment and the calculation of the time period of qualified service shall recommence when the eligible attorney returns to full time service.

§ 3. Paragraph a of subdivision 3 of section 679-e of the education law, as amended by section 1 of part VV of chapter 56 of the laws of 2009, is amended to read as follows:

a. An eligible attorney may apply for reimbursement after the completion of each year of qualified service provided however that reimbursement to each eligible attorney shall not exceed [~~three thousand four hundred~~] **eight thousand** dollars, per qualifying year, subject to appropriations available therefor. The president may establish: (i) an application deadline and (ii) a method of selecting recipients if in any given year there are insufficient funds to cover the needs of all the applicants. Awards shall be within the amounts appropriated for such purpose and based on availability of funds.

§ 4. Paragraph b of subdivision 3 of section 679-e of the education law, as amended by section 1 of part VV of chapter 56 of the laws of 2009, is amended to read as follows:

b. An eligible attorney may apply after the completion of the [~~fourth~~] **second** year of qualified service, and annually thereafter after the completion of the [~~fifth~~] **third** through [~~ninth~~] **eleventh** year of qualified service, and may seek a student loan expense grant for only the previous year of qualified service within the time periods prescribed by the president. An eligible attorney may receive student loan expense grants for no more than [~~six~~] **eight** years of qualified service within an eligible period.

§ 5. This act shall take effect April 1, 2027. Nothing in this act shall be implemented in a manner that diminishes the current award or status of eligible attorneys currently participating in the program.

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 3. This act shall take effect immediately provided, however, that the applicable effective date of Parts A through AA of this act shall be as specifically set forth in the last section of such Parts.