

STATE OF NEW YORK

S. 9006--C

A. 10006--C

SENATE - ASSEMBLY

January 21, 2026

IN SENATE -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

IN ASSEMBLY -- 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 -- 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, the homeless and foster count, renewable energy projects, zero-emission school buses, and to apportioning aid for universal prekindergarten; to amend chapter 91 of the laws of 2002 amending the education law and other laws relating to reorganization of the New York city school construction authority, board of education and community boards, in relation to the effectiveness thereof; to amend chapter 345 of the laws of 2009 amending the education law and other laws relating to the New York city board of education, chancellor, community councils, and community superintendents, in relation to the effectiveness thereof; to amend the education law, in relation to the apportionment of moneys for school aid; 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

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

LBD12672-05-6

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; 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 the effectiveness thereof; providing for set-asides from the state funds which certain districts are receiving from the total foundation aid; 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 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); to amend part N of chapter 56 of the laws of 2020 amending the social services law relating to restructuring financing for residential school placements, in relation to the effectiveness thereof (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); to amend the real property tax law, in relation to authorizing a tax abatement for alterations and improvements to multiple dwellings for purposes of preserving habitability in affordable housing (Part O); to amend the penal law, in relation to the aggravated harassment of a rent regulated tenant (Part P); to amend the executive law, in relation to renumbering the disparate impact standard for housing and employment in the human rights law (Part Q); and to amend the real property tax law, in relation to eligible multiple dwellings under the affordable New York housing program (Part R)

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 R. 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

1 Part, which makes a reference to a section "of this act", when used in
2 connection with that particular component, shall be deemed to mean and
3 refer to the corresponding section of the Part in which it is found.
4 Section three of this act sets forth the general effective date of this
5 act.

6 PART A

7 Section 1. Paragraph e of subdivision 1 of section 211-d of the educa-
8 tion law, as amended by section 1 of part A of chapter 56 of the laws of
9 2025, is amended to read as follows:
10 e. Notwithstanding paragraphs a and b of this subdivision, a school
11 district that submitted a contract for excellence for the two thousand
12 eight--two thousand nine school year shall submit a contract for excel-
13 lence for the two thousand nine--two thousand ten school year in
14 conformity with the requirements of subparagraph (vi) of paragraph a of
15 subdivision two of this section unless all schools in the district are
16 identified as in good standing and provided further that, a school
17 district that submitted a contract for excellence for the two thousand
18 nine--two thousand ten school year, unless all schools in the district
19 are identified as in good standing, shall submit a contract for excel-
20 lence for the two thousand eleven--two thousand twelve school year which
21 shall, notwithstanding the requirements of subparagraph (vi) of para-
22 graph a of subdivision two of this section, provide for the expenditure
23 of an amount which shall be not less than the product of the amount
24 approved by the commissioner in the contract for excellence for the two
25 thousand nine--two thousand ten school year, multiplied by the
26 district's gap elimination adjustment percentage and provided further
27 that, a school district that submitted a contract for excellence for the
28 two thousand eleven--two thousand twelve school year, unless all schools
29 in the district are identified as in good standing, shall submit a
30 contract for excellence for the two thousand twelve--two thousand thir-
31 teen school year which shall, notwithstanding the requirements
32 subparagraph (vi) of paragraph a of subdivision two of this section,
33 provide for the expenditure of an amount which shall be not less than
34 the amount approved by the commissioner in the contract for excellence
35 for the two thousand eleven--two thousand twelve school year and
36 provided further that, a school district that submitted a contract for
37 excellence for the two thousand twelve--two thousand thirteen school
38 year, unless all schools in the district are identified as in good
39 standing, shall submit a contract for excellence for the two thousand
40 thirteen--two thousand fourteen school year which shall, notwithstanding
41 the requirements of subparagraph (vi) of paragraph a of subdivision two
42 of this section, provide for the expenditure of an amount which shall be
43 not less than the amount approved by the commissioner in the contract
44 for excellence for the two thousand twelve--two thousand thirteen school
45 year and provided further that, a school district that submitted a
46 contract for excellence for the two thousand thirteen--two thousand
47 fourteen school year, unless all schools in the district are identified
48 as in good standing, shall submit a contract for excellence for the two
49 thousand fourteen--two thousand fifteen school year which shall,
50 notwithstanding the requirements of subparagraph (vi) of paragraph a of
51 subdivision two of this section, provide for the expenditure of an
52 amount which shall be not less than the amount approved by the commis-
53 sioner in the contract for excellence for the two thousand thirteen--two
54 thousand fourteen school year; and provided further that, a school

1 district that submitted a contract for excellence for the two thousand
2 fourteen--two thousand fifteen school year, unless all schools in the
3 district are identified as in good standing, shall submit a contract for
4 excellence for the two thousand fifteen--two thousand sixteen school
5 year which shall, notwithstanding the requirements of subparagraph (vi)
6 of paragraph a of subdivision two of this section, provide for the
7 expenditure of an amount which shall be not less than the amount
8 approved by the commissioner in the contract for excellence for the two
9 thousand fourteen--two thousand fifteen school year; and provided
10 further that a school district that submitted a contract for excellence
11 for the two thousand fifteen--two thousand sixteen school year, unless
12 all schools in the district are identified as in good standing, shall
13 submit a contract for excellence for the two thousand sixteen--two thou-
14 sand seventeen school year which shall, notwithstanding the requirements
15 of subparagraph (vi) of paragraph a of subdivision two of this section,
16 provide for the expenditure of an amount which shall be not less than
17 the amount approved by the commissioner in the contract for excellence
18 for the two thousand fifteen--two thousand sixteen school year; and
19 provided further that, a school district that submitted a contract for
20 excellence for the two thousand sixteen--two thousand seventeen school
21 year, unless all schools in the district are identified as in good
22 standing, shall submit a contract for excellence for the two thousand
23 seventeen--two thousand eighteen school year which shall, notwithstand-
24 ing the requirements of subparagraph (vi) of paragraph a of subdivision
25 two of this section, provide for the expenditure of an amount which
26 shall be not less than the amount approved by the commissioner in the
27 contract for excellence for the two thousand sixteen--two thousand
28 seventeen school year; and provided further that a school district that
29 submitted a contract for excellence for the two thousand seventeen--two
30 thousand eighteen school year, unless all schools in the district are
31 identified as in good standing, shall submit a contract for excellence
32 for the two thousand eighteen--two thousand nineteen school year which
33 shall, notwithstanding the requirements of subparagraph (vi) of para-
34 graph a of subdivision two of this section, provide for the expenditure
35 of an amount which shall be not less than the amount approved by the
36 commissioner in the contract for excellence for the two thousand seven-
37 teen--two thousand eighteen school year; and provided further that, a
38 school district that submitted a contract for excellence for the two
39 thousand eighteen--two thousand nineteen school year, unless all schools
40 in the district are identified as in good standing, shall submit a
41 contract for excellence for the two thousand nineteen--two thousand
42 twenty school year which shall, notwithstanding the requirements of
43 subparagraph (vi) of paragraph a of subdivision two of this section,
44 provide for the expenditure of an amount which shall be not less than
45 the amount approved by the commissioner in the contract for excellence
46 for the two thousand eighteen--two thousand nineteen school year; and
47 provided further that, a school district that submitted a contract for
48 excellence for the two thousand nineteen--two thousand twenty school
49 year, unless all schools in the district are identified as in good
50 standing, shall submit a contract for excellence for the two thousand
51 twenty--two thousand twenty-one school year which shall, notwithstanding
52 the requirements of subparagraph (vi) of paragraph a of subdivision two
53 of this section, provide for the expenditure of an amount which shall be
54 not less than the amount approved by the commissioner in the contract
55 for excellence for the two thousand nineteen--two thousand twenty school
56 year; and provided further that, a school district that submitted a

1 contract for excellence for the two thousand twenty--two thousand twen-
2 ty-one school year, unless all schools in the district are identified as
3 in good standing, shall submit a contract for excellence for the two
4 thousand twenty-one--two thousand twenty-two school year which shall,
5 notwithstanding the requirements of subparagraph (vi) of paragraph a of
6 subdivision two of this section, provide for the expenditure of an
7 amount which shall be not less than the amount approved by the commis-
8 sioner in the contract for excellence for the two thousand twenty--two
9 thousand twenty-one school year; and provided further that, a school
10 district that submitted a contract for excellence for the two thousand
11 twenty-one--two thousand twenty-two school year, unless all schools in
12 the district are identified as in good standing, shall submit a contract
13 for excellence for the two thousand twenty-two--two thousand twenty-
14 three school year which shall, notwithstanding the requirements of
15 subparagraph (vi) of paragraph a of subdivision two of this section,
16 provide for the expenditure of an amount which shall be not less than
17 the amount approved by the commissioner in the contract for excellence
18 for the two thousand twenty-one--two thousand twenty-two school year;
19 and provided further that, a school district that submitted a contract
20 for excellence for the two thousand twenty-two--two thousand twenty-
21 three school year, unless all schools in the district are identified as
22 in good standing, shall submit a contract for excellence for the two
23 thousand twenty-three--two thousand twenty-four school year which shall,
24 notwithstanding the requirements of subparagraph (vi) of paragraph a of
25 subdivision two of this section, provide for the expenditure of an
26 amount which shall be not less than the amount approved by the commis-
27 sioner in the contract for excellence for the two thousand twenty-two--
28 two thousand twenty-three school year; and provided further that, a
29 school district that submitted a contract for excellence for the two
30 thousand twenty-three--two thousand twenty-four school year, unless all
31 schools in the district are identified as in good standing, shall submit
32 a contract for excellence for the two thousand twenty-four--two thousand
33 twenty-five school year which shall, notwithstanding the requirements of
34 subparagraph (vi) of paragraph a of subdivision two of this section,
35 provide for the expenditure of an amount which shall be not less than
36 the amount approved by the commissioner in the contract for excellence
37 for the two thousand twenty-three--two thousand twenty-four school year;
38 and provided further that a school district that submitted a contract
39 for excellence for the two thousand twenty-four--two thousand twenty-
40 five school year, unless all schools in the district are identified as
41 in good standing, shall submit a contract for excellence for the two
42 thousand twenty-five--two thousand twenty-six school year which shall,
43 notwithstanding the requirements of subparagraph (vi) of paragraph a of
44 subdivision two of this section, provide for the expenditure of an
45 amount which shall be not less than the amount approved by the commis-
46 sioner in the contract for excellence for the two thousand twenty-four-
47 -two thousand twenty-five school year; and provided further that a
48 school district that submitted a contract for excellence for the two
49 thousand twenty-five--two thousand twenty-six school year, unless all
50 schools in the district are identified as in good standing, shall submit
51 a contract for excellence for the two thousand twenty-six--two thousand
52 twenty-seven school year which shall, notwithstanding the requirements
53 of subparagraph (vi) of paragraph a of subdivision two of this section,
54 provide for the expenditure of an amount which shall be not less than
55 the amount approved by the commissioner in the contract for excellence
56 for the two thousand twenty-five--two thousand twenty-six school year;

1 provided, however, that, in a city school district in a city having a
2 population of one million or more, notwithstanding the requirements of
3 subparagraph (vi) of paragraph a of subdivision two of this section, the
4 contract for excellence shall provide for the expenditure as set forth
5 in subparagraph (v) of paragraph a of subdivision two of this section.
6 For purposes of this paragraph, the "gap elimination adjustment percent-
7 age" shall be calculated as the sum of one minus the quotient of the sum
8 of the school district's net gap elimination adjustment for two thousand
9 ten--two thousand eleven computed pursuant to chapter fifty-three of the
10 laws of two thousand ten, making appropriations for the support of
11 government, plus the school district's gap elimination adjustment for
12 two thousand eleven--two thousand twelve as computed pursuant to chapter
13 fifty-three of the laws of two thousand eleven, making appropriations
14 for the support of the local assistance budget, including support for
15 general support for public schools, divided by the total aid for adjust-
16 ment computed pursuant to chapter fifty-three of the laws of two thou-
17 sand eleven, making appropriations for the local assistance budget,
18 including support for general support for public schools. Provided,
19 further, that such amount shall be expended to support and maintain
20 allowable programs and activities approved in the two thousand nine--two
21 thousand ten school year or to support new or expanded allowable
22 programs and activities in the current year.

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

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

31 § 2-a. Subdivision 1 of section 3602 of the education law is amended
32 by adding a new paragraph kk to read as follows:

33 kk. "Homeless and foster count" shall mean the sum of (i) the product
34 of twelve hundredths (0.12) multiplied by the three-year average of
35 students experiencing homelessness plus (ii) the product of twelve
36 hundredths (0.12) multiplied by the three-year average of foster
37 students, where:

38 (1) "students experiencing homelessness" shall be equal to the undu-
39 plicated count of students who lack a fixed, regular, and adequate
40 nighttime residence, including a student who is sharing the housing of
41 other persons due to a loss of housing, economic hardship, or similar
42 reason; living in motels, hotels, trailer parks or camping grounds due
43 to the lack of alternative adequate accommodations; abandoned in hospi-
44 tals; or a migratory child, as defined by the commissioner, who quali-
45 fies as homeless under any of the above provisions; or has a primary
46 nighttime location that is a supervised publicly or privately operated
47 shelter designed to provide temporary living accommodations including,
48 but not limited to, shelters operated or approved by the state or local
49 department of social services, and residential programs for runaway and
50 homeless youth established pursuant to article nineteen-H of the execu-
51 tive law or a public or private place not designed for, or ordinarily
52 used as, a regular sleeping accommodation for human beings, including a
53 car, park, public space, abandoned building, substandard housing, bus,
54 train station, or similar setting. Homeless students does not include
55 children in foster care placements or who are receiving educational
56 services pursuant to subdivision four, five, six, six-a, or seven of

section thirty-two hundred two of this chapter or pursuant to article eighty-one, eighty-five, eighty-seven or eighty-eight of this chapter;

(2) the "three-year average 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 the nearest whole number;

(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 shall include, 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; and

(4) the "three-year average 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 the nearest whole number.

§ 2-b. 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 (i) the product of the English language learner count multiplied by the ELL weight, [plus,] (ii) the poverty count [and], (iii) the homeless and foster count, plus (iv) 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.

§ 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 projects shall be considered part of the cost allowances calculated by the commissioner pursuant to this subparagraph.

(b) For the purposes of determining eligible cost allowances pursuant to this subparagraph, renewable energy projects shall include: (i) solar photovoltaic or thermal systems, whether ground-mounted or roof-mounted; (ii) geothermal systems; and (iii) other systems, as defined in subdivision one of section sixty-six-p of the public service law, which may be considered appropriate by the commissioner and the New York state energy research and development authority. Renewable energy projects may not include capital expenses allowable under subdivision seven of this section.

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

(d) 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.

§ 3-a. The opening paragraph of paragraph (a) of subdivision 2 and the opening paragraph of subdivision 3 of section 3638 of the education law, as added by section 1 of subpart A of part B of chapter 56 of the laws of 2022, are amended to read as follows:

No later than July first, two thousand [~~twenty-seven~~] thirty-two, every school district shall:

No later than July first, two thousand [~~thirty-five~~] forty, every school district shall:

§ 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 three new subdivisions 10, 11, and 18 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

1 to the sum of the four-year-old apportionment and the three-year-old
2 apportionment.

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

8 (1) "Aid per four-year-old prekindergarten pupil" shall equal the
9 greater of (A) the school district's selected foundation aid for the
10 current year projection as of the final electronic data file prepared by
11 the commissioner pursuant to paragraph b of subdivision twenty-one of
12 section three hundred five of this chapter prior to July first of the
13 current year, calculated pursuant to subdivision four of section thir-
14 ty-six hundred two of this part, (B) ten thousand dollars, or (C) the
15 amount set forth for such school district as "2025-26 4YO MAX UPK AID"
16 on the school aid computer listing produced by the commissioner in
17 support of the executive budget for the two thousand twenty-six--two
18 thousand twenty-seven fiscal year and entitled "BT262-7" divided by the
19 amount set forth as "2025-26 4YO MAX FTE" on such listing.

20 (2) "Four-year-old prekindergarten pupils served" shall mean the sum
21 of (i) the unduplicated count of all eligible four-year-old children
22 registered to receive educational services in a full-day program, as
23 registered on the date prior to November first that is specified by the
24 commissioner as the enrollment reporting date for the school district,
25 as reported to the commissioner plus (ii) for the two thousand twenty-
26 six--two thousand twenty-seven school year through the two thousand
27 twenty-seven--two thousand twenty-eight school year, the product of five
28 tenths multiplied by the unduplicated count of eligible four-year-old
29 children registered to receive educational services in a half-day
30 program, as registered on such date and reported to the commissioner.

31 b. The three-year-old apportionment shall equal the lesser of (i) the
32 product of the three-year-old maximum apportionment and the three-year-
33 old maintenance of effort percentage or (ii) total actual grant expendi-
34 tures incurred by the school district as approved by the commissioner.

35 (1) "Three-year-old maximum apportionment" shall equal the greater of
36 the three-year-old maximum apportionment from the base year or the
37 amount set forth for such school district as "2025-26 3YO MAX UPK AID"
38 on the school aid computer listing produced by the commissioner in
39 support of the executive budget for the two thousand twenty-six--two
40 thousand twenty-seven fiscal year and entitled "BT262-7."

41 (2) "Three-year-old maintenance of effort percentage" shall equal the
42 quotient of three-year-old students served divided by the maximum eligi-
43 ble three-year-old students, but shall not exceed one hundred percent.

44 (A) "Three-year-old students served" shall equal the sum of (i) the
45 unduplicated count of eligible three-year-old children registered to
46 receive educational services in a full-day program as registered on the
47 date prior to November first that is specified by the commissioner as
48 the enrollment reporting date for the school district, as reported to
49 the commissioner, plus (ii) the product of five-tenths multiplied by the
50 unduplicated count of eligible three-year-old children registered to
51 receive educational services in a half-day program, as registered on
52 such date and reported to the commissioner, (iii) less the three-year-
53 old overage penalty.

54 (I) "Three-year-old overage penalty" shall equal, for districts with
55 thirty percent fewer three-year-old students served in full-day programs
56 in the current year than the maximum eligible three-year-old full-day

1 students, due to the conversion of the maximum eligible three-year-old
2 full-day students to three-year-old students served in half-day programs
3 in the current year, the difference of the product of seven-tenths
4 multiplied by the maximum eligible three-year-old full-day students,
5 rounded down to the nearest whole number, less the number of three-year-
6 old students served in full-day programs in the current year.

7 (II) School districts may apply to the commissioner for a hardship
8 waiver that would allow a district to convert more than thirty percent
9 of three-year-old students served in full-day programs in the current
10 year to three-year-old students served in half-day programs in the
11 current year. Such waiver shall be granted upon a demonstration by the
12 school district that due to a significant change in the resources avail-
13 able to the school district and absent such hardship waiver, the school
14 district would be unable to serve such pupils in prekindergarten
15 programs, without causing significant disruption to other district
16 programming. If a hardship waiver is granted, the three-year-old overage
17 penalty shall be zero for the current school year. No school district
18 shall be eligible for a waiver in three or more consecutive school
19 years.

20 (B) "Maximum eligible three-year-old students" shall equal the greater
21 of the amount set forth for such school district as "2025-26 3YO MAX UPK
22 FTE" on the school aid computer listing produced by the commissioner in
23 support of the executive budget for the two thousand twenty-six--two
24 thousand twenty-seven fiscal year and entitled "BT262-7" or the sum of
25 (i) the maximum eligible three-year-old students in full-day programs in
26 the base year plus (ii) the product of five-tenths multiplied by the
27 maximum eligible three-year-old students in half-day programs in the
28 base year.

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

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

47 18. Notwithstanding paragraph (a) of subdivision one of section twenty-
48 eight hundred fifty-four of this chapter and paragraph (c) of subdivi-
49 sion two of section twenty-eight hundred fifty-four of this chapter,
50 charter schools shall be eligible to participate in universal prekinde-
51 rgarten programs under this section as eligible agencies, provided that
52 all such monitoring, programmatic review and operational requirements
53 under this section shall be the responsibility of the charter entity and
54 shall be consistent with the requirements under article fifty-six of
55 this chapter. The provisions of paragraph (b) of subdivision two of
56 section twenty-eight hundred fifty-four of this chapter shall apply to

the admission of prekindergarten students. The limitations on the employment of uncertified teachers under paragraph (a-1) of subdivision three of section twenty-eight hundred fifty-four of this chapter shall apply to all teachers from prekindergarten through grade twelve.

§ 6. For the 2026-2027 school year, notwithstanding any inconsistent provision of law, for purposes of section 3602-e of the education law, for a city school district in a city having a population of one million or more the maximum eligible three-year-old students shall equal 31,561 and the three-year-old maximum apportionment shall equal the product of the maximum eligible three-year-old students multiplied by the quotient of 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 2026-27 fiscal year and entitled "BT262-7" divided by the amount set forth as "2025-26 3YO MAX FTE" on such listing.

§ 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

1 support of the budget for the two thousand nine--two thousand ten school
2 year and entitled "SA0910" or (2) the amount set forth for such school
3 district as "HIGH TAX AID" under the heading "2013-14 ESTIMATED AIDS" in
4 the school aid computer listing produced by the commissioner in support
5 of the executive budget for the 2013-14 fiscal year and entitled
6 "BT131-4".

7 § 10. Section 34 of chapter 91 of the laws of 2002 amending the educa-
8 tion law and other laws relating to reorganization of the New York city
9 school construction authority, board of education and community boards,
10 as amended by section 6 of part ZZ of chapter 56 of the laws of 2024, is
11 amended to read as follows:

12 § 34. This act shall take effect July 1, 2002; provided, that sections
13 one through twenty, twenty-four, and twenty-six through thirty of this
14 act shall expire and be deemed repealed June 30, [~~2026~~] 2028 provided,
15 further that subdivision 5-a of section 2576 of the education law, as
16 added by section five of this act, shall not expire therewith, and
17 provided, further, that notwithstanding any provision of article 5 of
18 the general construction law, on June 30, [~~2026~~] 2028 the provisions of
19 subdivisions 3, 5, and 8, paragraph b of subdivision 13, subdivision 14,
20 paragraphs b, d, and e of subdivision 15, and subdivisions 17 and 21 of
21 section 2554 of the education law as repealed by section three of this
22 act, subdivision 1 of section 2590-b of the education law as repealed by
23 section six of this act, paragraph (a) of subdivision 2 of section
24 2590-b of the education law as repealed by section seven of this act,
25 section 2590-c of the education law as repealed by section eight of this
26 act, paragraph c of subdivision 2 of section 2590-d of the education law
27 as repealed by section twenty-six of this act, subdivision 1 of section
28 2590-e of the education law as repealed by section twenty-seven of this
29 act, subdivision 28 of section 2590-h of the education law as repealed
30 by section twenty-eight of this act, subdivision 30 of section 2590-h of
31 the education law as repealed by section twenty-nine of this act, subdi-
32 vision 30-a of section 2590-h of the education law as repealed by
33 section thirty of this act shall be revived and be read as such
34 provisions existed in law on the date immediately preceding the effec-
35 tive date of this act; provided, however, that sections seven and eight
36 of this act shall take effect on November 30, 2003; provided further
37 that the amendments to subdivision 25 of section 2554 of the education
38 law made by section two of this act shall be subject to the expiration
39 and reversion of such subdivision pursuant to section 12 of chapter 147
40 of the laws of 2001, as amended, when upon such date the provisions of
41 section four of this act shall take effect.

42 § 11. Subdivision 12 of section 17 of chapter 345 of the laws of 2009
43 amending the education law and other laws relating to the New York city
44 board of education, chancellor, community councils, and community super-
45 intendents, as amended by section 7 of part ZZ of chapter 56 of the laws
46 of 2024, is amended to read as follows:

47 12. any provision in sections one, two, three, four, five, six, seven,
48 eight, nine, ten and eleven of this act not otherwise set to expire
49 pursuant to section 34 of chapter 91 of the laws of 2002, as amended, or
50 section 17 of chapter 123 of the laws of 2003, as amended, shall expire
51 and be deemed repealed June 30, [~~2026~~] 2028.

52 § 12. Intentionally omitted.

53 § 12-a. Paragraph b of subdivision 21 of section 305 of the education
54 law, as amended by section 61 of part YYY of chapter 59 of the laws of
55 2017, is amended to read as follows:

b. The commissioner shall periodically prepare an updated electronic data file containing actual and estimated data relating to apportionments due and owing during the current school year and projections of such apportionments for the following school year to school districts and boards of cooperative educational services from the general support for public schools, growth and boards of cooperative educational services appropriations on the following dates: November fifteenth, or such alternative date as may be requested by the director of the budget for the purpose of preparation of the executive budget; February fifteenth, or such alternative date as may be jointly requested by the chair of the senate finance committee and the chair of the assembly ways and means committee; and May fifteenth, or such alternative date as may be jointly requested by the director of the budget, the chair of the senate finance committee, and the chair of the assembly ways and means committee. For the purposes of using estimated data for projections of apportionments for the following school year, when no specific apportionment has yet been made for such school year, but such apportionment has a history of annual reauthorization, the commissioner shall estimate the apportionment at the same level as the preceding school year, subject to the annual approval of the director of the budget, the chairperson of the senate finance committee and the chairperson of the assembly ways and means committee.

§ 13. 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, 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

1 definitions of "base year" and "current year" as set forth in subdivi-
2 sion one of section thirty-six hundred two of this part shall apply to
3 this section. For aid payable in the two thousand [~~twenty-five~~] twenty-
4 six--two thousand [~~twenty-six~~] twenty-seven school year, reference to
5 such "school aid computer listing for the current year" shall mean the
6 printouts entitled [~~"SA252-6"~~] "SA262-7".

7 § 14. Subdivision b of section 2 of chapter 756 of the laws of 1992
8 relating to funding a program for work force education conducted by the
9 consortium for worker education in New York city, as amended by section
10 18 of part A of chapter 56 of the laws of 2025, is amended to read as
11 follows:

12 b. Reimbursement for programs approved in accordance with subdivision
13 a of this section for the reimbursement for the 2018--2019 school year
14 shall not exceed 59.4 percent of the lesser of such approvable costs per
15 contact hour or fourteen dollars and ninety-five cents per contact hour,
16 reimbursement for the 2019--2020 school year shall not exceed 57.7
17 percent of the lesser of such approvable costs per contact hour or
18 fifteen dollars sixty cents per contact hour, reimbursement for the
19 2020--2021 school year shall not exceed 56.9 percent of the lesser of
20 such approvable costs per contact hour or sixteen dollars and twenty-
21 five cents per contact hour, reimbursement for the 2021--2022 school
22 year shall not exceed 56.0 percent of the lesser of such approvable
23 costs per contact hour or sixteen dollars and forty cents per contact
24 hour, reimbursement for the 2022--2023 school year shall not exceed 55.7
25 percent of the lesser of such approvable costs per contact hour or
26 sixteen dollars and sixty cents per contact hour, reimbursement for the
27 2023--2024 school year shall not exceed 54.7 percent of the lesser of
28 such approvable costs per contact hour or seventeen dollars and seventy
29 cents per contact hour, reimbursement for the 2024--2025 school year
30 shall not exceed 56.6 percent of the lesser of such approvable costs per
31 contact hour or eighteen dollars and seventy cents per contact hour,
32 [~~and~~] reimbursement for the 2025--2026 school year shall not exceed 58.2
33 percent of the lesser of such approvable costs per contact hour or nine-
34 teen dollars and fifty-five cents per contact hour, and reimbursement
35 for the 2026--2027 school year shall not exceed 59.2 percent of the
36 lesser of such approvable costs per contact hour or twenty dollars and
37 forty cents per contact hour, and where a contact hour represents sixty
38 minutes of instruction services provided to an eligible adult. Notwith-
39 standing any other provision of law to the contrary, for the 2018--2019
40 school year such contact hours shall not exceed one million four hundred
41 sixty-three thousand nine hundred sixty-three (1,463,963); for the
42 2019--2020 school year such contact hours shall not exceed one million
43 four hundred forty-four thousand four hundred forty-four (1,444,444);
44 for the 2020--2021 school year such contact hours shall not exceed one
45 million four hundred six thousand nine hundred twenty-six (1,406,926);
46 for the 2021--2022 school year such contact hours shall not exceed one
47 million four hundred sixteen thousand one hundred twenty-two
48 (1,416,122); for the 2022--2023 school year such contact hours shall not
49 exceed one million four hundred six thousand nine hundred twenty-six
50 (1,406,926); for the 2023--2024 school year such contact hours shall not
51 exceed one million three hundred forty-two thousand nine hundred seven-
52 ty-five (1,342,975); for the 2024--2025 school year such contact hours
53 shall not exceed one million two hundred twenty-eight thousand seven
54 hundred thirty-three (1,228,733); [~~and~~] for the 2025--2026 school year
55 such contact hours shall not exceed one million one hundred forty-three
56 thousand three hundred fifty-nine (1,143,359); and for the 2026--2027

1 school year such contact hours shall not exceed one million seventy-sev-
2 en thousand fifty (1,077,050). Notwithstanding any other provision of
3 law to the contrary, the apportionment calculated for the city school
4 district of the city of New York pursuant to subdivision 11 of section
5 3602 of the education law shall be computed as if such contact hours
6 provided by the consortium for worker education, not to exceed the
7 contact hours set forth herein, were eligible for aid in accordance with
8 the provisions of such subdivision 11 of section 3602 of the education
9 law.

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

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

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

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

28 § 16-a. Paragraph a-1 of subdivision 11 of section 3602 of the educa-
29 tion law, as amended by section 20-a of part A of chapter 56 of the laws
30 of 2025, is amended to read as follows:

31 a-1. Notwithstanding the provisions of paragraph a of this subdivi-
32 sion, for aid payable in the school years two thousand--two thousand one
33 through two thousand nine--two thousand ten, and two thousand eleven--
34 two thousand twelve through two thousand [~~twenty-five~~] twenty-six--two
35 thousand [~~twenty-six~~] twenty-seven, the commissioner may set aside an
36 amount not to exceed two million five hundred thousand dollars from the
37 funds appropriated for purposes of this subdivision for the purpose of
38 serving persons twenty-one years of age or older who have not been
39 enrolled in any school for the preceding school year, including persons
40 who have received a high school diploma or high school equivalency
41 diploma but fail to demonstrate basic educational competencies as
42 defined in regulation by the commissioner, when measured by accepted
43 standardized tests, and who shall be eligible to attend employment prep-
44 aration education programs operated pursuant to this subdivision.

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

48 a. Establishment of the EXCEL program. There is hereby established the
49 expanding our children's education and learning (EXCEL) program to
50 provide project financing or assistance in the form of grants to eligi-
51 ble school districts, in addition to, or in lieu of, the apportionments
52 made pursuant to subdivisions six, six-a, six-b, six-c, six-d, six-e,
53 six-f and paragraph c of subdivision fourteen of section thirty-six
54 hundred two of this article, and subdivisions ten and twelve of this
55 section, for the costs of EXCEL school facility projects. An apportion-
56 ment for any such project shall initially be available in the state

1 fiscal year commencing April first, two thousand six. Such apportion-
2 ment shall be used to fund projects certified by the commissioner in
3 accordance with subdivision six of section sixteen hundred eighty-nine-i
4 of the public authorities law prior to December thirty-first, two thou-
5 sand twenty-eight. Notwithstanding any provision of law to the contrary,
6 the dormitory authority of the state of New York shall be authorized to
7 issue bonds or notes in an aggregate amount not to exceed two billion
8 six hundred million dollars for purposes of the EXCEL program.

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

12 (1) "EXCEL project". An EXCEL project shall be certified by the
13 commissioner prior to December thirty-first, two thousand twenty-eight
14 and shall include, but not be limited to, the acquisition, design, plan-
15 ning, construction, reconstruction, rehabilitation, preservation, devel-
16 opment, improvement or modernization of an EXCEL school facility, where
17 such project:

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

21 § 5. This act shall take effect on the same date as a chapter of the
22 laws of 2006 enacting into law major components of legislation which are
23 necessary to implement the education, labor, and budget for the
24 2006-2007 state fiscal year, family assistance budget for the 2006-2007
25 state fiscal year, as proposed in legislative bill numbers S.6458-C and
26 A.9558-B, takes effect; provided, however, that sections two, three, and
27 four of this act shall expire and be deemed repealed on December 31,
28 2029.

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

32 6. Notwithstanding any other law, rule or regulation to the contrary,
33 the board of education of a city school district with a population of
34 one hundred twenty-five thousand or more inhabitants shall be permitted
35 to establish maximum class sizes for special classes for certain
36 students with disabilities in accordance with the provisions of this
37 subdivision. For the purpose of obtaining relief from any adverse fiscal
38 impact from under-utilization of special education resources due to low
39 student attendance in special education classes at the middle and
40 secondary level as determined by the commissioner, such boards of educa-
41 tion shall, during the school years nineteen hundred ninety-five--nine-
42 ty-six through June thirtieth, two thousand [~~twenty-six~~] twenty-seven,
43 be authorized to increase class sizes in special classes containing
44 students with disabilities whose age ranges are equivalent to those of
45 students in middle and secondary schools as defined by the commissioner
46 for purposes of this section by up to but not to exceed one and two
47 tenths times the applicable maximum class size specified in regulations
48 of the commissioner rounded up to the nearest whole number, provided
49 that in a city school district having a population of one million or
50 more, classes that have a maximum class size of fifteen may be increased
51 by no more than one student and provided that the projected average
52 class size shall not exceed the maximum specified in the applicable
53 regulation, provided that such authorization shall terminate on June
54 thirtieth, two thousand. Such authorization shall be granted upon filing
55 of a notice by such a board of education with the commissioner stating
56 the board's intention to increase such class sizes and a certification

1 that the board will conduct a study of attendance problems at the
2 secondary level and will implement a corrective action plan to increase
3 the rate of attendance of students in such classes to at least the rate
4 for students attending regular education classes in secondary schools of
5 the district. Such corrective action plan shall be submitted for
6 approval by the commissioner by a date during the school year in which
7 such board increases class sizes as provided pursuant to this subdivi-
8 sion to be prescribed by the commissioner. Upon at least thirty days
9 notice to the board of education, after conclusion of the school year in
10 which such board increases class sizes as provided pursuant to this
11 subdivision, the commissioner shall be authorized to terminate such
12 authorization upon a finding that the board has failed to develop or
13 implement an approved corrective action plan.

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

19 (22) sections one hundred twelve, one hundred thirteen, one hundred
20 fourteen, one hundred fifteen and one hundred sixteen of this act shall
21 take effect on July 1, 1995; provided, however, that section one hundred
22 thirteen of this act shall remain in full force and effect until July 1,
23 [~~2026~~] 2027 at which time it shall be deemed repealed;

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

29 § 22. Special apportionment for salary expenses. 1. Notwithstanding
30 any other provision of law, upon application to the commissioner of
31 education, not sooner than the first day of the second full business
32 week of June 2027 and not later than the last day of the third full
33 business week of June 2027, a school district eligible for an appor-
34 tionment pursuant to section 3602 of the education law shall be eligible to
35 receive an apportionment pursuant to this section, for the school year
36 ending June 30, 2027, for salary expenses incurred between April 1 and
37 June 30, 2026 and such apportionment shall not exceed the sum of (a) the
38 deficit reduction assessment of 1990--1991 as determined by the commis-
39 sioner of education, pursuant to paragraph f of subdivision 1 of section
40 3602 of the education law, as in effect through June 30, 1993, plus (b)
41 186 percent of such amount for a city school district in a city with a
42 population in excess of 1,000,000 inhabitants, plus (c) 209 percent of
43 such amount for a city school district in a city with a population of
44 more than 195,000 inhabitants and less than 219,000 inhabitants accord-
45 ing to the latest federal census, plus (d) the net gap elimination
46 adjustment for 2010--2011, as determined by the commissioner of educa-
47 tion pursuant to chapter 53 of the laws of 2010, plus (e) the gap elimi-
48 nation adjustment for 2011--2012 as determined by the commissioner of
49 education pursuant to subdivision 17 of section 3602 of the education
50 law, and provided further that such apportionment shall not exceed such
51 salary expenses. Such application shall be made by a school district,
52 after the board of education or trustees have adopted a resolution to do
53 so and in the case of a city school district in a city with a population
54 in excess of 125,000 inhabitants, with the approval of the mayor of such
55 city.

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

17 3. Notwithstanding the provisions of section 3609-a of the education
18 law, an amount equal to the amount paid to a school district pursuant to
19 subdivisions 1 and 2 of this section shall first be deducted from the
20 following payments due the school district during the school year
21 following the year in which application was made pursuant to subpara-
22 graphs 1, 2, 3, 4 and 5 of paragraph a of subdivision 1 of section
23 3609-a of the education law in the following order: the lottery appor-
24 tionment payable pursuant to subparagraph 2 of such paragraph followed
25 by the fixed fall payments payable pursuant to subparagraph 4 of such
26 paragraph and then followed by the district's payments to the teachers'
27 retirement system pursuant to subparagraph 1 of such paragraph, and any
28 remainder to be deducted from the individualized payments due the
29 district pursuant to paragraph b of such subdivision shall be deducted
30 on a chronological basis starting with the earliest payment due the
31 district.

32 § 23. Special apportionment for public pension accruals. 1. Notwith-
33 standing any other provision of law, upon application to the commission-
34 er of education, not later than June 30, 2027, a school district eligi-
35 ble for an apportionment pursuant to section 3602 of the education law
36 shall be eligible to receive an apportionment pursuant to this section,
37 for the school year ending June 30, 2027 and such apportionment shall
38 not exceed the additional accruals required to be made by school
39 districts in the 2004--2005 and 2005--2006 school years associated with
40 changes for such public pension liabilities. The amount of such addi-
41 tional accrual shall be certified to the commissioner of education by
42 the president of the board of education or the trustees or, in the case
43 of a city school district in a city with a population in excess of
44 125,000 inhabitants, the mayor of such city. Such application shall be
45 made by a school district, after the board of education or trustees have
46 adopted a resolution to do so and in the case of a city school district
47 in a city with a population in excess of 125,000 inhabitants, with the
48 approval of the mayor of such city.

49 2. The claim for an apportionment to be paid to a school district
50 pursuant to subdivision one of this section shall be submitted to the
51 commissioner of education on a form prescribed for such purpose, and
52 shall be payable upon determination by such commissioner that the form
53 has been submitted as prescribed. Such approved amounts shall be payable
54 on the same day in September of the school year following the year in
55 which application was made as funds provided pursuant to subparagraph 4
56 of paragraph b of subdivision 4 of section 92-c of the state finance

1 law, on the audit and warrant of the state comptroller on vouchers
2 certified or approved by the commissioner of education in the manner
3 prescribed by law from moneys in the state lottery fund and from the
4 general fund to the extent that the amount paid to a school district
5 pursuant to this section exceeds the amount, if any, due such school
6 district pursuant to subparagraph 2 of paragraph a of subdivision 1 of
7 section 3609-a of the education law in the school year following the
8 year in which application was made.

9 3. Notwithstanding the provisions of section 3609-a of the education
10 law, an amount equal to the amount paid to a school district pursuant to
11 subdivisions 1 and 2 of this section shall first be deducted from the
12 following payments due the school district during the school year
13 following the year in which application was made pursuant to subpara-
14 graphs 1, 2, 3, 4 and 5 of paragraph a of subdivision 1 of section
15 3609-a of the education law in the following order: the lottery appor-
16 tionment payable pursuant to subparagraph 2 of such paragraph followed
17 by the fixed fall payments payable pursuant to subparagraph 4 of such
18 paragraph and then followed by the district's payments to the teachers'
19 retirement system pursuant to subparagraph 1 of such paragraph, and any
20 remainder to be deducted from the individualized payments due the
21 district pursuant to paragraph b of such subdivision shall be deducted
22 on a chronological basis starting with the earliest payment due the
23 district.

24 § 23-a. Subdivision a of section 5 of chapter 121 of the laws of 1996
25 authorizing the Roosevelt union free school district to finance deficits
26 by the issuance of serial bonds, as amended by section 24-a of part A of
27 chapter 56 of the laws of 2025, is amended to read as follows:

28 a. Notwithstanding any other provisions of law, upon application to
29 the commissioner of education submitted not sooner than April first and
30 not later than June thirtieth of the applicable school year, the Roose-
31 velt union free school district shall be eligible to receive an appor-
32 tionment pursuant to this chapter for salary expenses, including related
33 benefits, incurred between April first and June thirtieth of such school
34 year. Such apportionment shall not exceed: for the 1996-97 school year
35 through the [~~2025-26~~] 2026-27 school year, four million dollars
36 (\$4,000,000); for the [~~2026-27~~] 2027-28 school year, three million
37 dollars (\$3,000,000); for the [~~2027-28~~] 2028-29 school year, two million
38 dollars (\$2,000,000); for the [~~2028-29~~] 2029-30 school year, one million
39 dollars (\$1,000,000); and for the [~~2029-30~~] 2030-31 school year, zero
40 dollars. Such annual application shall be made after the board of
41 education has adopted a resolution to do so with the approval of the
42 commissioner of education.

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

46 1. for the development, maintenance or expansion of magnet schools or
47 magnet school programs for the 2026--2027 school year. For the city
48 school district of the city of New York there shall be a set-aside of
49 foundation aid equal to forty-eight million one hundred seventy-five
50 thousand dollars (\$48,175,000) including five hundred thousand dollars
51 (\$500,000) for the Andrew Jackson High School; for the Buffalo city
52 school district, twenty-one million twenty-five thousand dollars
53 (\$21,025,000); for the Rochester city school district, fifteen million
54 dollars (\$15,000,000); for the Syracuse city school district, thirteen
55 million dollars (\$13,000,000); for the Yonkers city school district,
56 forty-nine million five hundred thousand dollars (\$49,500,000); for the

1 Newburgh city school district, four million six hundred forty-five thou-
2 sand dollars (\$4,645,000); for the Poughkeepsie city school district,
3 two million four hundred seventy-five thousand dollars (\$2,475,000); for
4 the Mount Vernon city school district, two million dollars (\$2,000,000);
5 for the New Rochelle city school district, one million four hundred ten
6 thousand dollars (\$1,410,000); for the Schenectady city school district,
7 one million eight hundred thousand dollars (\$1,800,000); for the Port
8 Chester city school district, one million one hundred fifty thousand
9 dollars (\$1,150,000); for the White Plains city school district, nine
10 hundred thousand dollars (\$900,000); for the Niagara Falls city school
11 district, six hundred thousand dollars (\$600,000); for the Albany city
12 school district, three million five hundred fifty thousand dollars
13 (\$3,550,000); for the Utica city school district, two million dollars
14 (\$2,000,000); for the Beacon city school district, five hundred sixty-
15 six thousand dollars (\$566,000); for the Middletown city school
16 district, four hundred thousand dollars (\$400,000); for the Freeport
17 union free school district, four hundred thousand dollars (\$400,000);
18 for the Greenburgh central school district, three hundred thousand
19 dollars (\$300,000); for the Amsterdam city school district, eight
20 hundred thousand dollars (\$800,000); for the Peekskill city school
21 district, two hundred thousand dollars (\$200,000); and for the Hudson
22 city school district, four hundred thousand dollars (\$400,000).

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

32 3. The commissioner of education shall not be authorized to withhold
33 foundation aid from a school district that used such funds in accordance
34 with this paragraph, notwithstanding any inconsistency with a request
35 for proposals issued by such commissioner for the purpose of attendance
36 improvement and dropout prevention for the 2026--2027 school year, and
37 for any city school district in a city having a population of more than
38 one million, the set-aside for attendance improvement and dropout
39 prevention shall equal the amount set aside in the base year. For the
40 2026--2027 school year, it is further provided that any city school
41 district in a city having a population of more than one million shall
42 allocate at least one-third of any increase from base year levels in
43 funds set aside pursuant to the requirements of this section to communi-
44 ty-based organizations. Any increase required pursuant to this section
45 to community-based organizations must be in addition to allocations
46 provided to community-based organizations in the base year.

47 4. For the purpose of teacher support for the 2026--2027 school year:
48 for the city school district of the city of New York, sixty-two million
49 seven hundred seven thousand dollars (\$62,707,000); for the Buffalo city
50 school district, one million seven hundred forty-one thousand dollars
51 (\$1,741,000); for the Rochester city school district, one million seven-
52 ty-six thousand dollars (\$1,076,000); for the Yonkers city school
53 district, one million one hundred forty-seven thousand dollars
54 (\$1,147,000); and for the Syracuse city school district, eight hundred
55 nine thousand dollars (\$809,000). All funds made available to a school
56 district pursuant to this section shall be distributed among teachers

1 including prekindergarten teachers and teachers of adult vocational and
2 academic subjects in accordance with this section and shall be in addi-
3 tion to salaries heretofore or hereafter negotiated or made available;
4 provided, however, that all funds distributed pursuant to this section
5 for the current year shall be deemed to incorporate all funds distrib-
6 uted pursuant to former subdivision 27 of section 3602 of the education
7 law for prior years. In school districts where the teachers are repres-
8 ented by certified or recognized employee organizations, all salary
9 increases funded pursuant to this section shall be determined by sepa-
10 rate collective negotiations conducted pursuant to the provisions and
11 procedures of article 14 of the civil service law, notwithstanding the
12 existence of a negotiated agreement between a school district and a
13 certified or recognized employee organization.

14 § 25. Support of public libraries. The moneys appropriated for the
15 support of public libraries by a chapter of the laws of 2026 enacting
16 the aid to localities budget shall be apportioned for the 2026--2027
17 state fiscal year in accordance with the provisions of sections 271,
18 272, 273, 282, 284, and 285 of the education law as amended by the
19 provisions of such chapter and the provisions of this section, provided
20 that library construction aid pursuant to section 273-a of the education
21 law shall not be payable from the appropriations for the support of
22 public libraries and provided further that no library, library system or
23 program, as defined by the commissioner of education, shall receive less
24 total system or program aid than it received for the year 2001--2002
25 except as a result of a reduction adjustment necessary to conform to the
26 appropriations for support of public libraries.

27 Notwithstanding any other provision of law to the contrary, the moneys
28 appropriated for the support of public libraries for the year 2026--2027
29 by a chapter of the laws of 2026 enacting the aid to localities budget
30 shall fulfill the state's obligation to provide such aid and, pursuant
31 to a plan developed by the commissioner of education and approved by the
32 director of the budget, the aid payable to libraries and library systems
33 pursuant to such appropriations shall be reduced proportionately to
34 assure that the total amount of aid payable does not exceed the total
35 appropriations for such purpose.

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

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

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

53 2. Section three of this act shall take effect immediately, and shall
54 apply to all projects approved by the commissioner of education on or
55 after such effective date;

3. 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; and

4. 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-eight--two thousand ~~[twenty-six]~~ twenty-nine 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-eight--two thousand ~~[twenty-six]~~ twenty-nine 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

1 teach in a classroom setting on a full-time basis for five years in a
2 school located within New York state providing public elementary ~~[or]~~,
3 secondary or early childhood education recognized by the board of
4 regents or the university of the state of New York, including charter
5 schools authorized pursuant to article fifty-six of this chapter; and
6 (f) complies with the applicable provisions of this article and all
7 requirements promulgated by the corporation for the administration of
8 the program.

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

13 5. The corporation shall convert to a student loan the full amount of
14 the award granted pursuant to this section, plus interest, according to
15 a schedule to be determined by the corporation if: (a) two years after
16 the completion of the degree program and receipt of initial certifi-
17 cation it is found that a recipient is ~~[not]~~ neither teaching in a
18 public school located within New York state providing elementary or
19 secondary education recognized by the board of regents or the university
20 of the state of New York, including charter schools authorized pursuant
21 to article fifty-six of this chapter, nor employed by an eligible agency
22 as defined by paragraph b of subdivision one of section thirty-six
23 hundred two-e of this chapter; (b) a recipient has ~~[not]~~ neither taught
24 in a public school located within New York state providing elementary or
25 secondary education recognized by the board of regents or the university
26 of the state of New York, including charter schools authorized pursuant
27 to article fifty-six of this chapter, nor been employed by an eligible
28 agency as defined by paragraph b of subdivision one of section thirty-
29 six hundred two-e of this chapter, for five of the seven years after the
30 completion of the graduate degree program and receipt of initial certifi-
31 cation; (c) a recipient fails to complete ~~[his or her]~~ their graduate
32 degree program in education; (d) a recipient fails to receive or main-
33 tain ~~[his or her]~~ their teaching certificate or license in New York
34 state for the required period; or (e) a recipient fails to respond to
35 requests by the corporation for the status of ~~[his or her]~~ their academ-
36 ic or professional progress. The terms and conditions of this subdivi-
37 sion shall be deferred for any interruption in graduate study or employ-
38 ment as established by the rules and regulations of the corporation. Any
39 obligation to comply with such provisions as outlined in this section
40 shall be cancelled upon the death of the recipient. Notwithstanding any
41 provisions of this subdivision to the contrary, the corporation is
42 authorized to promulgate rules and regulations to provide for the waiver
43 or suspension of any financial obligation which would involve extreme
44 hardship.

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

46 PART G

47 Section 1. Section 97-v of the state finance law, as added by chapter
48 851 of the laws of 1983 and subdivision 3 as amended by chapter 83 of
49 the laws of 1995, is amended to read as follows:

50 § 97-v. New York state ~~[musical instrument revolving]~~ music grant
51 fund. 1. There is hereby established in the custody of the state comp-
52 troller and the commissioner of taxation and finance, a special fund to
53 be known as the "New York state ~~[musical instrument revolving]~~ music
54 grant fund".

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

10 3. Monies of the fund, when allocated, shall be available to the New
11 York state council on the arts for the purpose of providing assistance,
12 excluding administrative costs, for ~~[the loan, lease and purchase of~~
13 ~~musical instruments and other related property and equipment, as herein~~
14 ~~provided, by]~~ grants to not-for-profit symphony orchestras and/or other
15 not-for-profit musical entities incorporated in the state and organized
16 for the purpose of the presentation of performing arts for the benefit
17 of the public, which purpose may include musical education in school
18 districts and boards of cooperative educational services, and which have
19 been approved pursuant to guidelines established by the council. Such
20 monies shall also be available for administrative costs of the council
21 pursuant to approval by the director of the budget. ~~[Notwithstanding any~~
22 ~~other inconsistent provisions of this chapter, should the council deter-~~
23 ~~mine that there is a compelling need for the loan, lease or purchase of~~
24 ~~property or equipment other than musical instruments by not-for-profit~~
25 ~~symphony orchestras and/or other not-for-profit musical entities incor-~~
26 ~~porated in the state and organized for the purpose of the presentation~~
27 ~~of performing arts for the benefit of the public, and upon approval of~~
28 ~~the director of the budget, the council may assist such organization in~~
29 ~~acquiring such equipment in accordance with guidelines established by~~
30 ~~the council. The council shall contract with one or more not-for-profit~~
31 ~~entities which shall distribute such monies, however, in no case shall~~
32 ~~monies of the fund be distributed nor shall a contract to distribute~~
33 ~~such monies be approved unless the fund shall have sufficient monies to~~
34 ~~effectuate all such approved distributions and contracts.~~

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

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

49 5. ~~The not-for-profit entity of entities with whom the state council~~
50 ~~on the arts has contracted pursuant to subdivision three of this section~~
51 ~~shall enter into contractual arrangements with applicants approved by~~
52 ~~the council. All contracts must be approved by the state council on the~~
53 ~~arts and the comptroller prior to the distribution of any monies there-~~
54 ~~under. Such contracts shall assure that the not-for-profit entity or~~
55 ~~entities retain title to the instrument or equipment until the~~
56 ~~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

Section 1. Section 3 of part N of chapter 56 of the laws of 2020, amending the social services law relating to restructuring financing for residential school placements, as amended by section 1 of part 0 of chapter 56 of the laws of 2025, is amended to read as follows:

§ 3. This act shall take effect immediately and shall expire and be deemed repealed April 1, ~~2026~~ 2027; provided however that the amendments to subdivision 10 of section 153 of the social services law made by section one of this act, shall not affect the expiration of such subdivision and shall be deemed to expire therewith.

§ 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after April 1, 2026.

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, ~~[\$900.00]~~ \$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 ~~\$1,260.48~~ if such individual is receiving such care in the city of New
2 York or the county of Nassau, Suffolk, Westchester or Rockland; and (ii)
3 for an eligible couple receiving family care in the city of New York or
4 the county of Nassau, Suffolk, Westchester or Rockland, two times the
5 amount set forth in subparagraph (i) of this paragraph; or (iii) for an
6 eligible individual receiving such care in any other county in the
7 state, [~~\$1,195.48~~] ~~\$1,222.48~~; and (iv) for an eligible couple receiving
8 such care in any other county in the state, two times the amount set
9 forth in subparagraph (iii) of this paragraph.

10 (d) On and after January first, two thousand [~~twenty-five~~] ~~twenty-six~~,
11 (i) for an eligible individual receiving residential care, [~~\$1,402.00~~]
12 ~~\$1,429.00~~ if such individual is receiving such care in the city of New
13 York or the county of Nassau, Suffolk, Westchester or Rockland; and (ii)
14 for an eligible couple receiving residential care in the city of New
15 York or the county of Nassau, Suffolk, Westchester or Rockland, two
16 times the amount set forth in subparagraph (i) of this paragraph; or
17 (iii) for an eligible individual receiving such care in any other county
18 in the state, [~~\$1,372.00~~] ~~\$1,399.00~~; and (iv) for an eligible couple
19 receiving such care in any other county in the state, two times the
20 amount set forth in subparagraph (iii) of this paragraph.

21 (e) On and after January first, two thousand [~~twenty-five~~] ~~twenty-six~~,
22 (i) for an eligible individual receiving enhanced residential care,
23 [~~\$1,661.00~~] ~~\$1,688.00~~; and (ii) for an eligible couple receiving
24 enhanced residential care, two times the amount set forth in subpara-
25 graph (i) of this paragraph.

26 (f) The amounts set forth in paragraphs (a) through (e) of this subdi-
27 vision shall be increased to reflect any increases in federal supple-
28 mental security income benefits for individuals or couples which become
29 effective on or after January first, two thousand [~~twenty-six~~] ~~twenty-~~
30 ~~seven~~ but prior to June thirtieth, two thousand [~~twenty-six~~] ~~twenty-sev-~~
31 ~~en~~.

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

33 PART M

34 Section 1. Notwithstanding any other provision of law, the housing
35 trust fund corporation may provide, for purposes of the neighborhood
36 preservation program, a sum not to exceed \$18,800,000 for the fiscal
37 year ending March 31, 2027. Within this total amount, \$250,000 shall be
38 used for the purpose of entering into a contract with the neighborhood
39 preservation coalition to provide technical assistance and services to
40 companies funded pursuant to article 16 of the private housing finance
41 law. Notwithstanding any other provision of law, and subject to the
42 approval of the New York state director of the budget, the board of
43 directors of the state of New York mortgage agency shall authorize the
44 transfer to the housing trust fund corporation, for the purposes of
45 reimbursing any costs associated with neighborhood preservation program
46 contracts authorized by this section, a total sum not to exceed
47 \$18,800,000, such transfer to be made from (i) the special account of
48 the mortgage insurance fund created pursuant to section 2429-b of the
49 public authorities law, in an amount not to exceed the actual excess
50 balance in the special account of the mortgage insurance fund, as deter-
51 mined and certified by the state of New York mortgage agency for the
52 fiscal year 2025-2026 in accordance with section 2429-b of the public
53 authorities law, if any, and/or (ii) provided that the reserves in the
54 project pool insurance account of the mortgage insurance fund created

1 pursuant to section 2429-b of the public authorities law are sufficient
2 to attain and maintain the credit rating (as determined by the state of
3 New York mortgage agency) required to accomplish the purposes of such
4 account, the project pool insurance account of the mortgage insurance
5 fund, such transfer to be made as soon as practicable but no later than
6 June 30, 2026.

7 § 2. Notwithstanding any other provision of law, the housing trust
8 fund corporation may provide, for purposes of the rural preservation
9 program, a sum not to exceed \$8,570,000 for the fiscal year ending March
10 31, 2027. Within this total amount, \$250,000 shall be used for the
11 purpose of entering into a contract with the rural housing coalition to
12 provide technical assistance and services to companies funded pursuant
13 to article 17 of the private housing finance law. Notwithstanding any
14 other provision of law, and subject to the approval of the New York
15 state director of the budget, the board of directors of the state of New
16 York mortgage agency shall authorize the transfer to the housing trust
17 fund corporation, for the purposes of reimbursing any costs associated
18 with rural preservation program contracts authorized by this section, a
19 total sum not to exceed \$8,570,000, such transfer to be made from (i)
20 the special account of the mortgage insurance fund created pursuant to
21 section 2429-b of the public authorities law, in an amount not to exceed
22 the actual excess balance in the special account of the mortgage insur-
23 ance fund, as determined and certified by the state of New York mortgage
24 agency for the fiscal year 2025-2026 in accordance with section 2429-b
25 of the public authorities law, if any, and/or (ii) provided that the
26 reserves in the project pool insurance account of the mortgage insurance
27 fund created pursuant to section 2429-b of the public authorities law
28 are sufficient to attain and maintain the credit rating (as determined
29 by the state of New York mortgage agency) required to accomplish the
30 purposes of such account, the project pool insurance account of the
31 mortgage insurance fund, such transfer to be made as soon as practicable
32 but no later than June 30, 2026.

33 § 3. Notwithstanding any other provision of law, the housing trust
34 fund corporation may provide, for purposes of the rural rental assist-
35 ance program pursuant to article 17-A of the private housing finance
36 law, a sum not to exceed \$25,382,000 for the fiscal year ending March
37 31, 2027. Notwithstanding any other provision of law, and subject to
38 the approval of the New York state director of the budget, the board of
39 directors of the state of New York mortgage agency shall authorize the
40 transfer to the housing trust fund corporation, for the purposes of
41 reimbursing any costs associated with rural rental assistance program
42 contracts authorized by this section, a total sum not to exceed
43 \$25,382,000, such transfer to be made from (i) the special account of
44 the mortgage insurance fund created pursuant to section 2429-b of the
45 public authorities law, in an amount not to exceed the actual excess
46 balance in the special account of the mortgage insurance fund, as deter-
47 mined and certified by the state of New York mortgage agency for the
48 fiscal year 2025-2026 in accordance with section 2429-b of the public
49 authorities law, if any, and/or (ii) provided that the reserves in the
50 project pool insurance account of the mortgage insurance fund created
51 pursuant to section 2429-b of the public authorities law are sufficient
52 to attain and maintain the credit rating, as determined by the state of
53 New York mortgage agency, required to accomplish the purposes of such
54 account, the project pool insurance account of the mortgage insurance
55 fund, such transfer shall be made as soon as practicable but no later
56 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

Section 1. Section 489 of the real property tax law is amended by adding a new subdivision 22 to read as follows:

22. (a) Definitions. For the purposes of this subdivision:

(1) "Area median income" shall mean the income limits as defined annually by the United States department of housing and urban development for the New York city area.

(2) "Certificate of eligibility and reasonable cost" shall mean a document issued by the local housing agency that establishes that a property is eligible for rehabilitation program benefits and sets forth

1 the certified reasonable cost of the eligible construction for which
2 such benefits shall be received.

3 (3) "Certified reasonable cost schedule" shall mean a table providing
4 maximum dollar limits for specified alterations and improvements, estab-
5 lished, and updated at least every two years, by the local housing agen-
6 cy.

7 (4) "Checklist" shall mean a document that the local housing agency
8 issues requesting additional information or documentation that is neces-
9 sary for further assessment of an application for a certificate of
10 eligibility and reasonable cost where such application contained all
11 information and documentation required at the initial filing.

12 (5) "Commencement date" shall mean, with respect to eligible
13 construction, the date on which any physical operation undertaken for
14 the purpose of performing such eligible construction lawfully begins.

15 (6) "Completion date" shall mean, with respect to eligible
16 construction, the date on which:

17 (A) every physical operation undertaken for the purpose of all eligi-
18 ble construction has concluded; and

19 (B) all such eligible construction has been completed to a reasonable
20 and customary standard that renders such eligible construction capable
21 of use for the purpose for which such eligible construction was
22 intended.

23 (7) "Dwelling unit" shall mean any residential accommodation in a
24 class A multiple dwelling that:

25 (A) is arranged, designed, used or intended for use by one or more
26 persons living together and maintaining a common household;

27 (B) contains at least one room; and

28 (C) contains within such accommodation lawful sanitary and kitchen
29 facilities reserved for its occupants.

30 (8) "Eligible building" shall mean an eligible rental building, an
31 eligible homeownership building, or an eligible regulated homeownership
32 building, provided that such building contains three or more dwelling
33 units.

34 (9) "Eligible construction" shall mean alterations or improvements to
35 an eligible building that:

36 (A) are specifically identified on the certified reasonable cost sche-
37 dule;

38 (B) meet the minimum scope of work threshold;

39 (C) have a completion date that is on or after June thirtieth, two
40 thousand twenty-six and prior to June thirtieth, two thousand thirty-six
41 that is not more than thirty months after their commencement date; and

42 (D) are not attributable to any increased cubic content in such eligi-
43 ble building.

44 (10) "Eligible homeownership building" shall mean an existing building
45 that:

46 (A) is a class A multiple dwelling operated as condominium or cooper-
47 ative housing;

48 (B) is not operating in whole or in part as a hotel; and

49 (C) has an average assessed valuation, including the valuation of the
50 land, that as of the commencement date does not exceed the homeownership
51 average assessed valuation limitation.

52 (11) "Eligible regulated homeownership building" shall mean an exist-
53 ing building that is a class A multiple dwelling owned and operated by
54 either:

1 (A) a mutual company that continues to be organized and operated as a
2 mutual company and that has entered into and recorded a mutual company
3 regulatory agreement; or

4 (B) a mutual redevelopment company that continues to be organized and
5 operated as a mutual redevelopment company and that has entered into and
6 recorded a mutual redevelopment company regulatory agreement.

7 (12) "Eligible rental building" shall mean an existing building that:

8 (A) is a class A multiple dwelling in which all of the dwelling units
9 are operated as rental housing;

10 (B) is not operating in whole or in part as a hotel; and

11 (C) satisfies one of the following conditions:

12 (i) not less than fifty percent of the dwelling units in such building
13 are qualifying rental units;

14 (ii) such building is owned and operated by a limited-profit housing
15 company; or

16 (iii) such building is the recipient of substantial governmental
17 assistance.

18 (13) "Existing building" shall mean an enclosed structure which:

19 (A) is permanently affixed to the land;

20 (B) has one or more floors and a roof;

21 (C) is bounded by walls;

22 (D) has at least one principal entrance utilized for day-to-day pedes-
23 trian ingress and egress;

24 (E) has a certificate of occupancy or equivalent document that is in
25 effect prior to the commencement date; and

26 (F) exclusive of the land, has an assessed valuation of more than one
27 thousand dollars for the fiscal year immediately preceding the commence-
28 ment date.

29 (14) "Homeownership average assessed valuation limitation" shall mean
30 an average assessed valuation of sixty thousand dollars per dwelling
31 unit, adjusted annually to reflect any increase in the consumer price
32 index for all urban consumers for all items as published by the United
33 States bureau of labor statistics for the region in which the eligible
34 building is located, as established for the most recent preceding calen-
35 dar year. The local housing agency shall publish the average assessed
36 valuation limit, as adjusted pursuant to this subparagraph, on its
37 website one year after the effective date of such local law authorizing
38 an abatement pursuant to this subdivision, and annually thereafter.

39 (15) "Limited-profit housing company" shall have the same meaning as
40 "company" as defined in section twelve of the private housing finance
41 law.

42 (16) "Market rental unit" shall mean a dwelling unit in an eligible
43 rental building other than a qualifying rental unit.

44 (17) "Marketing band" shall mean maximum rent amounts ranging from
45 twenty percent of eighty percent of the area median income, adjusted for
46 family size, to thirty percent of eighty percent of the area median
47 income, adjusted for family size.

48 (18) "Minimum scope of work threshold" shall mean a total amount of
49 certified reasonable cost established by rules and regulations of the
50 local housing agency, provided that such amount shall be no less than
51 one thousand five hundred dollars for each dwelling unit in existence on
52 the completion date.

53 (19) "Multiple dwelling" shall have the meaning as such term is
54 defined in section four of the multiple dwelling law.

55 (20) "Mutual company" shall have the meaning as such term is defined
56 in section twelve of the private housing finance law.

1 (21) "Mutual company regulatory agreement" shall mean a binding and
2 irrevocable agreement between a mutual company and the commissioner of
3 housing, the mutual company supervising agency, the New York city hous-
4 ing development corporation, or the New York state housing finance agen-
5 cy prohibiting the dissolution or reconstitution of such mutual company
6 pursuant to section thirty-five of the private housing finance law for
7 not less than fifteen years from the commencement of rehabilitation
8 program benefits for the existing building owned and operated by such
9 mutual company.

10 (22) "Mutual company supervising agency" shall have the same meaning,
11 with respect to any mutual company, as "supervising agency" as defined
12 in section two of the private housing finance law.

13 (23) "Mutual redevelopment company" shall have the same meaning as
14 "mutual company" when applied to a redevelopment company as defined in
15 section one hundred two of the private housing finance law.

16 (24) "Mutual redevelopment company regulatory agreement" shall mean a
17 binding and irrevocable agreement between a mutual redevelopment company
18 and the commissioner of housing, the redevelopment company supervising
19 agency, the New York city housing development corporation, or the New
20 York state housing finance agency prohibiting the dissolution or recon-
21 stitution of such mutual redevelopment company pursuant to section one
22 hundred twenty-three of the private housing finance law until the earli-
23 er of:

24 (A) fifteen years from the commencement of rehabilitation program
25 benefits for the existing building owned and operated by such mutual
26 redevelopment company; or

27 (B) the expiration of any tax exemption granted to such mutual rede-
28 velopment company pursuant to section one hundred twenty-five of the
29 private housing finance law.

30 (25) "Qualifying rent" shall mean the maximum rent within the market-
31 ing band that is allowed for a qualifying rental unit as such rent is
32 established by the local housing agency.

33 (26) "Qualifying rental unit" shall mean a dwelling unit in an eligi-
34 ble rental building that, as of the filing of an application for a
35 certificate of eligibility and reasonable cost, has a rent at or below
36 the qualifying rent.

37 (27) "Redevelopment company" shall have the same meaning as such term
38 is defined in section one hundred two of the private housing finance
39 law.

40 (28) "Redevelopment company supervising agency" shall have the same
41 meaning, with respect to any redevelopment company, as "supervising
42 agency" as defined in section one hundred two of the private housing
43 finance law.

44 (29) "Rehabilitation program benefits" shall mean abatement of real
45 property taxes pursuant to this subdivision.

46 (30) "Rent regulation" shall mean, collectively, the emergency housing
47 rent control law, any local law enacted pursuant to the local emergency
48 housing rent control act, the rent stabilization law of nineteen hundred
49 sixty-nine, the rent stabilization code, and the emergency tenant
50 protection act of nineteen seventy-four, all as in effect as of the
51 effective date of this subdivision, or as any such statute is amended
52 thereafter, together with any successor statutes or regulations address-
53 ing substantially the same subject matter.

54 (31) "Restriction period" shall mean, notwithstanding any termination
55 or revocation of rehabilitation program benefits prior to such period,
56 fifteen years from the initial receipt of rehabilitation program bene-

1 fits, or such additional period of time as may be imposed pursuant to
2 clause (A) of subparagraph five of paragraph (e) of this subdivision.

3 (32) "Substantial governmental assistance" shall mean grants, loans,
4 or subsidies from any federal, state, or local government agency or
5 instrumentality in furtherance of a program for the development of
6 affordable housing approved by the local housing agency, provided that
7 such grants, loans, or subsidies are provided in accordance with a regu-
8 latory agreement entered into with such agency or instrumentality that
9 is in effect as of the filing date of the application for a certificate
10 of eligibility and reasonable cost.

11 (33) "Substantial interest" shall mean an ownership interest of ten
12 percent or more.

13 (b) Abatement. Notwithstanding the provisions of any other subdivision
14 of this section or of any general, special, or local law to the contra-
15 ry, a city with a population of one million persons or more, acting
16 through its local legislative body, is hereby authorized and empowered
17 to adopt a local law authorizing an abatement of real property taxes
18 pursuant to this subdivision on an eligible building in which eligible
19 construction has been completed by an aggregate amount that shall not
20 exceed one hundred percent of the total certified reasonable cost of
21 such construction, as determined under rules and regulations of the
22 local housing agency, provided that:

23 (1) Such abatement shall not be effective for more than twenty years;

24 (2) The annual abatement of real property taxes on such eligible
25 building shall not exceed eight and one-third percent of the total
26 certified reasonable cost of such eligible construction;

27 (3) The annual abatement of real property taxes on such eligible
28 building in any consecutive twelve-month period shall in no event exceed
29 the amount of real property taxes payable in such twelve-month period
30 for such building, provided, however, that such abatement shall not
31 exceed fifty percent of the amount of real property taxes payable in
32 such twelve-month period for any of the following:

33 (A) an eligible rental building owned by a limited-profit housing
34 company or a redevelopment company;

35 (B) an eligible homeownership building; and

36 (C) an eligible regulated homeownership building; and

37 (4) Notwithstanding subparagraphs two and three of this paragraph, for
38 an application for rehabilitation program benefits that has been
39 approved, an amount equivalent to and not exceeding the filing fee paid
40 pursuant to subparagraph three of paragraph (d) of this subdivision
41 shall be included in addition to the aggregate amount abated under this
42 paragraph.

43 (5) Such abatement shall become effective beginning with the first
44 quarterly tax bill immediately following the date of issuance of the
45 certificate of eligibility and reasonable cost.

46 (c) Rulemaking. Each agency or department to which functions are
47 assigned by this subdivision may adopt and promulgate rules and regu-
48 lations for the effectuation of the purpose of this subdivision.

49 (d) Application. (1) An application for a certificate of eligibility
50 and reasonable cost pursuant to this subdivision shall be made after the
51 completion date and on or before the later of (A) four months from the
52 effective date of such local law authorizing an abatement pursuant to
53 this subdivision; or (B) four months from such completion date.

54 (2) Such application shall include evidence of eligibility for reha-
55 bilitation program benefits and evidence of reasonable cost as shall be

1 satisfactory to the local housing agency including, but not limited to,
2 evidence showing the cost of eligible construction.

3 (3) The local housing agency shall require a non-refundable filing fee
4 that shall be paid upon the filing of an application for a certificate
5 of eligibility and reasonable cost. Such fee shall be seventy-five
6 dollars for each dwelling unit in excess of six dwelling units in the
7 eligible building that is the subject of such application, but no more
8 than twenty thousand dollars for each application. The filing fee per
9 each dwelling unit and maximum collectible application fee shall be
10 adjusted annually to reflect any increase in the consumer price index
11 for all urban consumers for all items as published by the United States
12 bureau of labor statistics for the region in which the eligible building
13 is located, as established for the most recent preceding calendar year.

14 (4) Any application that is filed pursuant to this paragraph that is
15 missing any of the information and documentation required at initial
16 filing by any rules and regulations of the local housing agency shall be
17 denied, provided that a new application for the same eligible
18 construction, together with a new non-refundable filing fee, may be
19 filed within fifteen days of the date of issuance of such denial. If
20 such second application is also missing any such required information
21 and documentation, it shall be denied and no further applications for
22 the same eligible construction shall be permitted.

23 (5) The failure of an applicant to respond to any checklist within
24 thirty days of the date of its issuance by the local housing agency
25 shall result in denial of such application, and no further applications
26 for the same eligible construction shall be permitted. The local housing
27 agency shall issue not more than three checklists per application. An
28 application for a certificate of eligibility and reasonable cost shall
29 be denied when the local housing agency does not have a sufficient basis
30 to issue a certificate of eligibility and reasonable cost after the
31 timely response of an applicant to the third checklist concerning such
32 application. After the local housing agency has denied an application
33 for the reason described in the preceding sentence, such agency shall
34 permit no further applications for the same eligible construction.

35 (6) An application for a certificate of eligibility and reasonable
36 cost shall also include an affidavit of no harassment.

37 (A) Such affidavit shall set forth the following information:

38 (i) the name of every owner of record and owner of a substantial
39 interest in the eligible building or entity owning the eligible building
40 or sponsoring the eligible construction; and

41 (ii) a statement that none of such persons had, within the five years
42 prior to the completion date, been found to have harassed or unlawfully
43 evicted tenants by judgment or determination of a court or agency,
44 including a non-governmental agency having appropriate legal jurisdic-
45 tion under the penal law, any state or local law regulating rents, or
46 any state or local law relating to harassment of tenants or unlawful
47 eviction.

48 (B) No eligible building shall be eligible for an abatement pursuant
49 to paragraph (b) of this subdivision where:

50 (i) any affidavit required under this subparagraph has not been filed;
51 or

52 (ii) any such affidavit contains a willful misrepresentation or omis-
53 sion of any material fact; or

54 (iii) any owner of record or owner of a substantial interest in the
55 eligible building or entity owning the eligible building or sponsoring
56 the eligible construction has been found, by judgment or determination

1 of a court or agency, including a non-governmental agency having appro-
2 priate legal jurisdiction under the penal law, any state or local law
3 regulating rents, or any state or local law relating to harassment of
4 tenants or unlawful eviction, to have, within the five years prior to
5 the completion date, harassed or unlawfully evicted tenants, until and
6 unless the finding is reversed on appeal.

7 (C) Notwithstanding the provisions of any general, special, or local
8 law to the contrary, the corporation counsel or other legal represen-
9 tative of a city having a population of one million or more or the
10 district attorney of any county located in a city with a population of
11 one million or more, may institute an action or proceeding in any court
12 of competent jurisdiction that may be appropriate or necessary to deter-
13 mine whether any owner of record or owner of a substantial interest in
14 the eligible building or entity owning the eligible building or sponsor-
15 ing the eligible construction has harassed or unlawfully evicted tenants
16 as described in this subparagraph.

17 (7) Notwithstanding the provisions of any general, special, or local
18 law to the contrary, the local housing agency may require by rules and
19 regulations that an application for a certificate of eligibility and
20 reasonable cost be filed electronically.

21 (8) The local housing agency may require an applicant to demonstrate
22 compliance with the housing maintenance code. If hazardous or immedi-
23 ately hazardous violations exist, the local housing agency may require the
24 applicant to remediate such violations and may impose a penalty in an
25 amount set forth in rules and regulations if the applicant fails to
26 clear the violation.

27 (e) Additional requirements for an eligible rental building other than
28 one owned and operated by a limited-profit housing company. In addition
29 to all other conditions of eligibility for rehabilitation program bene-
30 fits set forth in this subdivision, an eligible rental building, other
31 than one owned and operated by a limited-profit housing company, shall
32 also comply with all provisions of this paragraph. Notwithstanding the
33 foregoing, an eligible rental building that is the recipient of substan-
34 tial governmental assistance shall not be required to comply with the
35 provisions of subparagraph two of this paragraph.

36 (1) Notwithstanding any provision of rent regulation to the contrary,
37 any market rental unit within such eligible rental building subject to
38 rent regulation as of the filing date of the application for a certif-
39 icate of eligibility and reasonable cost and any qualifying rental unit
40 within such eligible rental building shall be subject to rent regulation
41 until such unit first becomes vacant after the expiration of the
42 restriction period at which time such unit, unless it would be subject
43 to rent regulation for reasons other than the provisions of this subdivi-
44 sion, shall be deregulated, provided, however, that during the
45 restriction period, no exemption or exclusion from any requirement of
46 rent regulation shall apply to such dwelling units.

47 (2) Additional requirements for an eligible rental building that is
48 not a recipient of substantial governmental assistance.

49 (A) Not less than fifty percent of the dwelling units in such eligible
50 rental building shall be designated as qualifying rental units.

51 (B) The owner of such eligible rental building shall ensure that no
52 qualifying rental unit is held off the market for a period that is long-
53 er than reasonably necessary.

54 (C) The owner of such eligible rental building shall waive the
55 collection of any major capital improvement rent increase granted by the
56 New York state division of housing and community renewal pursuant to

rent regulation that is attributable to eligible construction for which such eligible rental building receives rehabilitation program benefits, and shall file a declaration with the New York state division of housing and community renewal providing such waiver. The local housing agency shall not require an owner to file such waiver until the application for rehabilitation program benefits has been approved.

(D) A qualifying rental unit shall not be rented on a temporary, transient or short-term basis. Every lease and renewal thereof for a qualifying rental unit shall be for a term of one or two years, at the option of the tenant, and shall include a notice in at least twelve-point type informing such tenant of their rights pursuant to this subdivision, including an explanation of the restrictions on rent increases that may be imposed on such qualifying rental unit.

(E) The local housing agency may establish by rules and regulations such requirements as the local housing agency deems necessary or appropriate for designating qualifying rental units, including, but not limited to, designating the unit mix and distribution requirements of such qualifying rental units in an eligible building.

(3) The owner of such eligible rental building shall not engage in or cause any harassment of the tenants of such eligible rental building or unlawfully evict any such tenants during the restriction period.

(4) No dwelling units within such eligible rental building shall be converted to cooperative or condominium ownership during the restriction period.

(5) Any non-compliance of an eligible rental building with the provisions of this paragraph shall permit the local housing agency to take the following action:

(A) extend the restriction period;

(B) increase the number of qualifying rental units in such eligible rental building;

(C) impose a penalty of not more than the product of one thousand dollars per instance of non-compliance and the number of dwelling units contained in such eligible rental building; and

(D) terminate or revoke any rehabilitation program benefits in accordance with paragraph (p) of this subdivision.

(f) Compliance with applicable law. Rehabilitation program benefits shall not be allowed for any eligible building unless and until such eligible building complies with all applicable provisions of law. Rehabilitation program benefits shall not be allowed if the local housing agency determines that eligible construction was not carried out in conformity with all applicable provisions of law.

(g) Tenant notification. Notwithstanding any provision of this section to the contrary, no rehabilitation program benefits shall be granted for any eligible construction with a commencement date on or after the effective date of such local law authorizing an abatement pursuant to this subdivision unless the applicant provides to tenants, if any, of such eligible building not more than one hundred eighty days nor less than thirty days prior to the commencement date, notice of the following information:

(1) The proposed work;

(2) The identity and contact information of the eligible building's representative; and

(3) The tenants' rights under applicable law with respect to such work; provided that, in the case of a loan program supervised by the local housing agency, such agency may provide the required notice to the tenants.

1 (h) Notice of intent. An applicant for rehabilitation program benefits
2 for any eligible construction with a commencement date on or after the
3 effective date of such local law authorizing an abatement pursuant to
4 this subdivision shall file with the local housing agency a form
5 supplied by such agency which:

6 (1) States an intention to file for rehabilitation program benefits;

7 (2) Describes the work for which rehabilitation program benefits will
8 be claimed;

9 (3) Estimates the cost of such work which will be eligible for reha-
10 bilitation program benefits; and

11 (4) Provides proof of the notice required under paragraph (g) of this
12 subdivision. Such form shall be filed prior to the commencement date. If
13 the scope of such work or the estimated cost thereof changes materially,
14 such applicant shall file a revised notice of intent. An applicant who
15 fails to comply with the requirements of this paragraph shall be subject
16 to a penalty not to exceed one hundred percent of the filing fee other-
17 wise payable pursuant to subparagraph three of paragraph (d) of this
18 subdivision.

19 (i) Implementation of rehabilitation program benefits. Upon issuance
20 of a certificate of eligibility and reasonable cost and payment of
21 outstanding fees, the local housing agency shall be authorized to trans-
22 mit such certificate of eligibility and reasonable cost to the local
23 agency responsible for real property tax assessment. Upon receipt of a
24 certificate of eligibility and reasonable cost, the local agency respon-
25 sible for real property tax assessment shall certify the amount of taxes
26 to be abated pursuant to paragraph (b) of this subdivision and pursuant
27 to such certificate of eligibility and reasonable cost provided by the
28 local housing agency.

29 (j) Outstanding taxes and charges. Rehabilitation program benefits
30 shall not be allowed for an eligible building in either of the following
31 cases:

32 (1) there are outstanding real estate taxes or water and sewer charges
33 or payments in lieu of taxes that are due and owing as of the last day
34 of the tax period preceding the date of the receipt of the certificate
35 of eligibility and reasonable cost by the local agency responsible for
36 real property tax assessment; or

37 (2) real estate taxes or water and sewer charges due at any time
38 during the authorized term of such benefits remain unpaid for one year
39 after the same are due and payable.

40 (k) Additional limitations on eligibility. (1) Rehabilitation program
41 benefits shall not be allowed for any eligible building receiving tax
42 exemption or abatement concurrently for rehabilitation or new
43 construction under any other provision of state or local law or ordi-
44 nance, with the exception of any eligible construction to an eligible
45 building receiving a tax exemption or abatement under the provisions of
46 the private housing finance law;

47 (2) Rehabilitation program benefits shall not be allowed for any item
48 of eligible construction in an eligible building if such eligible build-
49 ing is receiving tax exemption or abatement for the same or a similar
50 item of eligible construction as of the December thirty-first preceding
51 the date of application for a certificate of eligibility and reasonable
52 cost for such rehabilitation program benefits;

53 (3) Where the eligible construction includes or benefits a portion of
54 an eligible building that is not occupied for dwelling purposes, the
55 assessed valuation of such eligible building and the cost of the eligi-
56 ble construction shall be apportioned so that rehabilitation program

1 benefits shall not be provided for eligible construction made for other
2 than dwelling purposes; and

3 (4) Rehabilitation program benefits shall not be applied to abate the
4 taxes upon the land portion of real property, which shall continue to be
5 taxed based upon the assessed valuation of the land and the applicable
6 tax rate at the time such taxes are levied.

7 (l) Re-inspection penalty. If the local housing agency cannot verify
8 the eligible construction claimed by an applicant upon the first
9 inspection by the local housing agency of the eligible building, such
10 applicant shall be required to pay ten times the actual cost of any
11 additional inspection needed to verify such eligible construction.

12 (m) Strict liability for inaccurate applications. If the local housing
13 agency determines that an application for a certificate of eligibility
14 and reasonable cost contains a material misstatement of fact or omission
15 of fact, the local housing agency may reject such application and bar
16 the submission of any other application pursuant to this subdivision
17 with respect to such eligible building for a period not to exceed three
18 years. An applicant shall not be relieved from liability under this
19 paragraph because it submitted its application under a mistaken belief
20 of fact. Furthermore, any person or entity that files more than six
21 applications containing such a material misstatement of fact or omission
22 of fact within any twelve-month period shall be barred from submitting
23 any new application for rehabilitation program benefits on behalf of any
24 eligible building for a period not to exceed five years.

25 (n) False statements. Any person who shall knowingly and willfully
26 make any false statement or omission as to any material matter in any
27 application for a certificate of eligibility and reasonable cost shall
28 be guilty of an offense punishable by a fine of not more than five
29 hundred dollars, or imprisonment for not more than ninety days, or both.

30 (o) Investigatory authority. The local housing agency may require such
31 certifications and consents necessary to access records, including other
32 tax records, as may be deemed appropriate to enforce the eligibility
33 requirements of this subdivision. For purposes of determining and certi-
34 fying eligibility for rehabilitation program benefits and the reasonable
35 cost of any eligible construction, the local housing agency shall be
36 authorized to:

37 (1) administer oaths to and take the testimony of any person, includ-
38 ing, but not limited to, the owner of such eligible building;

39 (2) issue subpoenas requiring the attendance of such persons and the
40 production of any bills, books, papers or other documents as it may deem
41 necessary;

42 (3) make preliminary estimates of the maximum reasonable cost of such
43 eligible construction;

44 (4) establish maximum allowable costs of specified units, fixtures or
45 work in such eligible construction;

46 (5) require the submission of plans and specifications of such eligi-
47 ble construction before the commencement thereof;

48 (6) require physical access to inspect the eligible building; and

49 (7) on an annual basis, require the submission of leases for any
50 dwelling unit in a building granted a certificate of eligibility and
51 reasonable cost.

52 (p) Termination or revocation. Failure to comply with the provisions
53 of this subdivision, any rules and regulations promulgated thereunder,
54 or any mutual company regulatory agreement or mutual redevelopment
55 company regulatory agreement entered into thereunder, may result in
56 termination or revocation of any rehabilitation program benefits retro-

1 active to the commencement thereof. Such termination or revocation shall
2 not exempt such eligible building from continued compliance with the
3 requirements of this subdivision, such rules and regulations, and such
4 mutual company regulatory agreement or mutual redevelopment company
5 regulatory agreement.

6 (q) Criminal liability for unauthorized uses. In the event that any
7 recipient of rehabilitation program benefits uses any dwelling unit in
8 such eligible building in violation of the requirements of any rules and
9 regulations promulgated pursuant to this subdivision, such recipient
10 shall be guilty of an unclassified misdemeanor punishable by a fine in
11 an amount equivalent to double the value of the gain of such recipient
12 from such unlawful use or imprisonment for not more than ninety days, or
13 both.

14 (r) Private right of action. Any prospective, present, or former
15 tenant of an eligible rental building may sue to enforce the require-
16 ments and prohibitions of this subdivision, or any rules and regulations
17 promulgated thereunder, in the supreme court of New York. Any such indi-
18 vidual harmed by reason of a violation of such requirements and prohibi-
19 tions may sue therefor in the supreme court of New York on behalf of
20 themselves, and shall recover threefold the damages sustained and the
21 cost of the suit, including a reasonable attorney's fee. The local hous-
22 ing agency may use any court decision under this paragraph that is
23 adverse to the owner of an eligible building as the basis for further
24 enforcement action. Notwithstanding any other provision of law, an
25 action by a tenant of an eligible rental building under this paragraph
26 shall be commenced within six years from the date of the latest
27 violation.

28 (s) Appointment of receiver. (1) Appointment. In addition to the reme-
29 dies for non-compliance provided for in subparagraph five of paragraph
30 (e) of this subdivision, the local housing agency may make application
31 for the appointment of a receiver in accordance with the procedures
32 contained in applicable rules and regulations of the local housing agen-
33 cy; provided, however, that the local housing agency shall not make such
34 application with respect to any eligible homeownership building or
35 eligible regulated homeownership building. Any receiver appointed pursu-
36 ant to this paragraph shall be authorized, in addition to any other
37 powers conferred by law, to effect compliance with the provisions of
38 this subdivision and rules and regulations of the local housing agency.
39 Any expenditures incurred by the receiver to effect such compliance
40 shall constitute a debt of the owner and a lien upon the property, and
41 upon the rents and income thereof, in accordance with the procedures
42 contained in such rules and regulations. The local housing agency in its
43 discretion may provide funds to be expended by the receiver, and such
44 funds shall constitute a debt recoverable from the owner in accordance
45 with applicable local laws or ordinances.

46 (2) Power to order corrections of violations. Whenever the local hous-
47 ing agency determines that any violation of the provisions of this
48 subdivision, any rules and regulations promulgated thereunder, or any
49 mutual company regulatory agreement or mutual redevelopment company
50 regulatory agreement entered into thereunder, has occurred, such agency
51 may order the owner of the eligible rental building or other responsible
52 party to correct such violation. An order issued pursuant to this
53 subparagraph shall state the violations involved and the corrective
54 action to be taken, and shall specify a time for compliance, which shall
55 be not less than twenty-one days from the date of service of the order,
56 except that where a condition dangerous to human life and safety or

1 detrimental to health exists or is threatened, a shorter period for
2 compliance may be specified.

3 (3) Grounds for appointment of receiver. Upon failure of an eligible
4 rental building to comply with an order to correct issued pursuant to
5 subparagraph two of this paragraph within the specified time therein,
6 the local housing agency may apply for the appointment of a receiver to
7 correct such violations.

8 (4) Notice to owner, mortgagees, and lienors. (A) If the local housing
9 agency intends to seek the appointment of a receiver pursuant to this
10 paragraph, it shall serve upon the owner, along with the order author-
11 ized pursuant to subparagraph two of this paragraph, a notice stating
12 that in the event the violations covered by the order are not corrected
13 in the manner and within the time specified therein, such agency may
14 apply for the appointment of a receiver of the rents, issues, and
15 profits of the property with rights superior to those of the owner and
16 any mortgagee or lienor.

17 (B) Within five days after service of the order and notice upon the
18 owner, the local housing agency shall serve a copy of the order and
19 notice upon every mortgagee and lienor of record, personally or by
20 registered or certified mail, at the address set forth in the recorded
21 mortgage or lien. If no address appears therein, a copy shall be sent by
22 registered mail to the person at whose request the instrument was
23 recorded.

24 (C) The local housing agency shall file a copy of the notice and order
25 in the office of the county clerk in which mechanics liens affecting the
26 eligible rental building would be filed.

27 (5) Order to show cause. (A) The local housing agency, upon failure of
28 the owner to comply with an order issued pursuant to subparagraph two of
29 this paragraph within the time provided therein, may thereafter apply to
30 a court of competent jurisdiction in the county where the eligible
31 rental building is located for an order directing the owner and any
32 mortgagees or lienors of record to show cause why the commissioner of
33 the local housing agency should not be appointed receiver of the rents,
34 issues, and profits of the eligible rental building and why the receiver
35 should not correct such violation and obtain a lien in favor of the
36 local housing agency against the eligible rental building having the
37 priority provided in article eight of subchapter five of chapter two of
38 title twenty-seven of the administrative code of the city of New York to
39 secure repayment of the costs incurred by the receiver in removing such
40 conditions. Such application shall contain:

41 (i) Proof by affidavit that an order of the local housing agency has
42 been issued, served on the owner, mortgagees, and lienors, and filed, in
43 accordance with subparagraph four of this paragraph;

44 (ii) A statement that a violation continued to exist in such eligible
45 rental building after the time provided in the order for correction of
46 the condition, and a description of the eligible rental building and
47 violations involved; and

48 (iii) A brief description of the nature of the actions required to
49 correct the violations and an estimate as to the cost thereof.

50 (B) The order to show cause shall be returnable not less than five
51 days after service is completed.

52 (C) A copy of the order to show cause, and the papers on which it is
53 based, shall be served on the owner, mortgagees of record, and lienors.
54 If any such persons cannot with due diligence be served personally with-
55 in the city of New York within the time fixed in the order, then service
56 may be made by posting a copy of the order in a conspicuous place on the

1 eligible rental building, and by sending a copy thereof by registered
2 mail to the owner at the last address, if any, registered by such owner
3 with the local housing agency, or to such owner's last address, if any,
4 known to the local housing agency, or, in the case of a mortgagee or
5 lienor, to the address set forth in the recorded mortgage or lien, and
6 by publication in a newspaper of general circulation in the county where
7 such eligible rental building is located. Service shall be deemed
8 complete on filing proof thereof in the office of the clerk of the court
9 in which application for such order is made.

10 (6) Proceedings on return of order to show cause. (A) On the return of
11 the order to show cause, determination thereof shall have precedence
12 over every other business of the court unless the court shall find that
13 some other pending proceeding, having a similar statutory preference,
14 has priority.

15 (B) If the court finds that the facts stated in the application
16 warrant the granting thereof, then it shall appoint the commissioner of
17 the local housing agency receiver of the rents, issues, and profits of
18 the eligible rental building.

19 (C) Notwithstanding clause (B) of this subparagraph, if, after deter-
20 mination of the issue, the owner, or any mortgagee or lienor or other
21 person having an interest in the eligible rental building, shall apply
22 to the court to be permitted to correct the violations set forth in the
23 local housing agency's application and shall (i) demonstrate the ability
24 to promptly undertake the actions required; and (ii) post security for
25 the performance thereof within the time, and in the amount and manner,
26 deemed necessary by the court, then the court may, in lieu of appointing
27 a receiver, issue an order permitting such person to perform the actions
28 within a time fixed by the court. If at the time fixed in the order the
29 actions have not been satisfactorily done, the court shall appoint such
30 receiver. If after the granting of an order permitting a person to
31 perform the actions but before the time fixed by the court for the
32 completion thereof it shall appear to the local housing agency that the
33 person permitted to do the same is not proceeding with due diligence,
34 then such agency may apply to the court, on notice to those persons who
35 have appeared in the proceeding, for a hearing to determine whether a
36 receiver shall be appointed immediately. On the failure of any person to
37 complete the corrective actions in accordance with the provisions of an
38 order under this clause, such agency, or any receiver thereafter
39 appointed, shall be reimbursed for costs incurred by such agency or
40 receiver in correcting the violation and other charges pursuant to this
41 clause out of the security posted by such person.

42 (7) Powers and duties of receiver. (A) A receiver appointed pursuant
43 to this paragraph shall have all of the powers and duties of a receiver
44 appointed in an action to foreclose a mortgage on real property, togeth-
45 er with such additional powers and duties as granted and imposed by this
46 subparagraph. Such receiver shall not be required to file any bond.

47 (B) The receiver shall with all reasonable speed remove violations in
48 the eligible rental building. Such receiver shall have the power to let
49 contracts or incur expenses therefor in accordance with the provisions
50 of law applicable to contracts for public works except that advertise-
51 ment shall not be required for each such contract. Notwithstanding any
52 provision of law, the receiver may let contracts or incur expenses for
53 individual items without the procurement of competitive bids where the
54 total amount of any such individual item does not exceed two thousand
55 five hundred dollars.

1 (C) The receiver shall collect the accrued and accruing rents, issues,
2 and profits of the eligible rental building and apply the same to the
3 cost of the corrective actions authorized in clause (B) of this subpara-
4 graph, to the payment of expenses reasonably necessary to the proper
5 operation and management of the eligible rental building, including
6 insurance and the fees of the managing agent, and the necessary expenses
7 of their office as receiver, the repayment of all moneys advanced to the
8 receiver by the local housing agency to cover the costs incurred by the
9 receiver and interest thereon; and then, if there be a surplus, to
10 unpaid taxes, assessments, water rents, sewer rents, and penalties and
11 interest thereon, and then to sums due to mortgagees or lienors. If the
12 income of the eligible rental building shall be insufficient to cover
13 the cost of the repairs and improvements or the expenses reasonably
14 necessary to the proper operation and management of such eligible rental
15 building and other necessary expenses of the receiver, the local housing
16 agency shall advance to the receiver any sums required to cover such
17 cost and expense and thereupon shall have a lien against such eligible
18 rental building having the priority provided in article eight of
19 subchapter five of chapter two of title twenty-seven of the administra-
20 tive code of the city of New York for any such sums so advanced with
21 interest thereon.

22 (D) The receiver shall be entitled to the same fees, commissions, and
23 necessary expenses as receivers in actions to foreclose mortgages. Such
24 fees and commissions shall be paid into the fund created pursuant to
25 section 27-2111 of the administrative code of the city of New York. The
26 receiver shall be liable only in such receiver's official capacity for
27 injury to person and property by reason of conditions of the eligible
28 rental building in a case where an owner would have been liable; such
29 receiver shall not have any liability in such receiver's personal capac-
30 ity. The personnel and facilities of the local housing agency and the
31 corporation counsel or other legal representative of a city having a
32 population of one million or more shall be availed of by the receiver
33 for the purpose of carrying out such receiver's duties, and the costs of
34 such services shall be deemed a necessary expense of the receiver.

35 (8) Discharge of receiver. The receiver shall be discharged upon
36 rendering a full and complete accounting to the court when the actions
37 authorized by this paragraph are completed and the cost thereof and all
38 other costs authorized by this paragraph have been paid or reimbursed
39 from the rents and income of the eligible rental building and the
40 surplus money, if any, has been paid over to the owner or the mortgagee
41 or lienor as the court may direct. However, at any time, the receiver
42 may be discharged upon filing their account as receiver without affect-
43 ing the right of the local housing agency to its lien. Upon the
44 completion of the repairs and improvements, the owner, the mortgagee, or
45 any lienor may apply for the discharge of the receiver upon payment to
46 the receiver of all moneys expended by such receiver therefor and all
47 other costs authorized by subparagraph seven of this paragraph which
48 have not been paid or reimbursed from the rents and income of such
49 eligible rental building.

50 (9) Recovery of expenses of receivership; lien of receiver. (A) The
51 expenditures made by the receiver pursuant to subparagraph seven of this
52 paragraph shall, to the extent that they are not recovered from the
53 rents and income of the eligible rental building collected by the
54 receiver, constitute a debt of the owner and a lien upon such building
55 and lot, and upon the rents and income thereof. Except as otherwise
56 provided in this subparagraph, the provisions of article eight of

1 subchapter five of chapter two of title twenty-seven of the administra-
2 tive code of the city of New York shall govern the effect and enforce-
3 ment of such debt and lien; references therein to the department of
4 housing preservation and development shall, for purposes of this arti-
5 cle, be deemed to refer to the receiver and, after such receiver's
6 discharge, the department of housing preservation and development.

7 (B) Failure to serve a copy of the order and notice required in the
8 manner specified by subparagraph four of this paragraph, or failure to
9 serve any mortgagee or lienor with a copy of the order to show cause as
10 required by clause (C) of subparagraph five of this paragraph, shall not
11 affect the validity of the proceeding or the appointment of a receiver,
12 but the rights of the local housing agency or of the receiver shall not
13 in such event be superior to the rights of any mortgagee or lienor who
14 has not been served as provided therein.

15 (C) Any mortgagee or lienor who at such mortgagee or lienor's expense
16 corrects the violations to the satisfaction of the court pursuant to the
17 provisions of clause (C) of subparagraph six of this paragraph shall
18 have and be entitled to enforce a lien equivalent to the lien granted to
19 the receiver in favor of the local housing agency by this subparagraph.
20 Any mortgagee or lienor who, following the appointment of a receiver by
21 the court, shall reimburse the receiver and the local housing agency for
22 all costs and charges as provided by this paragraph shall be entitled to
23 an assignment of the lien granted to the receiver in favor of the local
24 housing agency.

25 (10) Obligations of owner not affected. Nothing contained in this
26 paragraph shall be deemed to relieve the owner of any civil or criminal
27 liability incurred or any duty imposed by law by reason of acts or omis-
28 sions of the owner prior to the appointment of a receiver; nor shall
29 anything contained in this paragraph be construed to suspend during the
30 receivership any obligation of the owner for the payment of taxes or
31 other operating and maintenance expenses of the eligible rental building
32 nor of the owner or any other person for the payment of mortgages or
33 liens.

34 (t) Reporting. No later than two years after the effective date of
35 such local law authorizing an abatement pursuant to this subdivision,
36 and annually thereafter, the local housing agency, in consultation with
37 the department of finance, shall submit to the mayor and the speaker of
38 the council and post on its website a report on the actions by the local
39 housing agency in the preceding fiscal year related to rehabilitation
40 program benefits. Such report shall include, but not be limited to:

41 (1) The total amount of the rehabilitation program benefits approved
42 for each eligible building, the number of eligible buildings in each
43 community district, neighborhood tabulation area, council district, New
44 York state assembly district, and New York state senate district, the
45 building classification, in accordance with section three hundred two of
46 the New York city building code, of each such eligible building, the
47 number of dwelling units in each such eligible building, and the number
48 of qualifying rental units in each such eligible building; and

49 (2) The number of eligible buildings whose rehabilitation program
50 benefits were terminated or revoked and the number of eligible buildings
51 against which actions were taken, pursuant to clauses (A), (B) and (C)
52 of subparagraph five of paragraph (e) of this subdivision, to address
53 noncompliance with the provisions of such subdivision, and the street
54 address of each such eligible building.

55 (u) Updates to the certified reasonable cost schedule. When updating
56 the certified reasonable cost schedule, the local housing agency shall

consider the factors such agency deems relevant, such as the requirements imposed on eligible buildings by local law, including, but not limited to, articles three hundred two, three hundred twenty and three hundred twenty-one of chapter three of title twenty-eight of the administrative code of the city of New York, and the effects of inflation on such costs since the prior date the certified reasonable cost schedule was updated. The local housing agency shall publish the certified reasonable cost schedule on its website.

§ 2. This act shall take effect immediately.

PART P

Section 1. The opening paragraph of subdivision 2 of section 241.05 of the penal law, as added by chapter 573 of the laws of 2019, is amended to read as follows:

With intent to induce two or more rent regulated tenants occupying different housing accommodations in one residential building, or two rent regulated tenants occupying different housing accommodations in two separate residential buildings, to vacate such housing accommodations, such owner intentionally engages in a systematic ongoing course of conduct that:

§ 2. The penal law is amended by adding a new section 241.07 to read as follows:

§ 241.07 Aggravated harassment of a rent regulated tenant.

An owner is guilty of aggravated harassment of a rent regulated tenant when:

1. With intent to induce three or more rent regulated tenants occupying different housing accommodations in two or more residential buildings to vacate such housing accommodations, such owner intentionally engages in a systematic ongoing course of conduct that:

(a) impairs the habitability of such housing accommodations; or

(b) creates or maintains a condition which endangers the safety or health of one or more of the dwellings' rent regulated tenants; or

(c) is reasonably likely to interfere with or disturb, and does interfere with or disturb, the comfort, repose, peace or quiet of one or more of such rent regulated tenants in their use and occupancy of such housing accommodation including, but not limited to, the interruption or discontinuance of essential services.

2. Such owner commits the crime of harassment of a rent regulated tenant in the first degree as defined in section 241.05 of this article and has previously been convicted within the preceding five years of such crime.

The good faith commencement and pursuit of a lawful eviction action by an owner against a rent regulated tenant in a court of competent jurisdiction shall not, by itself, constitute a "systematic ongoing course of conduct" in violation of paragraph (c) of subdivision one of this section.

Aggravated harassment of a rent regulated tenant is a class D felony.

§ 3. Section 241.00 of the penal law is amended by adding a new subdivision 4 to read as follows:

4. "Residential building" shall mean a structure built upon an identifiable borough-block-lot or section-block-lot number that contains multiple dwelling units, at least one of which is subject to the regulations and control of residential rents and evictions pursuant to the emergency housing rent control law, the local emergency housing rent control act, the emergency tenant protection act of nineteen seventy-

four, the New York city rent and rehabilitation law or the New York city rent stabilization law of nineteen hundred sixty-nine. The definition of "residential building" as used in this subdivision shall be applicable only to the provisions of this article and shall not be applicable to any other provision of law.

§ 4. This act shall take effect immediately.

PART Q

Section 1. Subdivision 5-a of section 296 of the executive law, as added by chapter 706 of the laws of 2025, is renumbered subdivision 5-b.

§ 2. This act shall take effect immediately.

PART R

Section 1. Subparagraph (xxviii) of paragraph (a) of subdivision 16 of section 421-a of the real property tax law, as amended by section 1 of part T of chapter 56 of the laws of 2024, is amended to read as follows:

(xxviii) "Eligible multiple dwelling" shall mean either (1) a multiple dwelling or homeownership project containing six or more dwelling units created through new construction or eligible conversion for which the commencement date is after December thirty-first, two thousand fifteen and on or before June fifteenth, two thousand twenty-two, and for which the completion date is on or before June fifteenth, two thousand twenty-six, or (2) a multiple dwelling or homeownership project containing six or more dwelling units created through new construction or eligible conversion which complies with affordability option A, affordability option B, affordability option D, affordability option E or affordability option F, and for which the commencement date is after December thirty-first, two thousand fifteen and on or before June fifteenth, two thousand twenty-two, and for which the completion date is on or before June fifteenth, two thousand thirty-one, provided that the owner of such multiple dwelling or homeownership project submits a letter of intent on a form to be promulgated by the New York city department of housing preservation and development, to such department, within ninety days of the date that such department promulgates such form. The New York city department of housing preservation and development shall promulgate such form no later than sixty days from the effective date of the chapter of the laws of 2024 which amended this subparagraph. For the purposes of this subparagraph, the term "letter of intent" means documentation certifying that the owner of such multiple dwelling or homeownership project outlined in this subparagraph intends to apply for the benefits described in this section upon the construction completion date. The New York city department of housing preservation and development shall prescribe, and make available to the public, a "letter of intent form" by which owners may use to submit such letter of intent outlined in this subparagraph. The New York city department of housing preservation and development shall make information relating to letters of intent and corresponding projects available to the public, or (3) (A) is located on a parcel of land which was part of a tract of land for which a special permit for a large scale general development as defined in the zoning resolution of the city of New York was approved via the uniform land use review procedure pursuant to sections one hundred ninety-seven-c and one hundred ninety-seven-d of the New York city charter on or before June fifteenth, two thousand twenty-two, and such tract contains a multiple dwelling for which the commencement date is after December thirty-first,

1 two thousand fifteen and on or before June fifteenth, two thousand twen-
2 ty-two; and (B) complies with affordability option A, affordability
3 option B, affordability option D, affordability option E or affordabili-
4 ty option F.

5 § 2. This act shall take effect immediately.

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

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