# STATE OF NEW YORK

S. 8306 A. 8806

# SENATE - ASSEMBLY

January 17, 2024

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

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

AN ACT to amend the education law, in relation to contracts for excellence; to amend the education law, in relation to foundation aid; to amend the education law, in relation to allowable transportation expenses; to amend the education law, in relation to transportation aid and the Clean Water, Clean Air, and Green Jobs Environmental Bond Act of 2022; to amend the education law, in relation to academic enhancement aid; to amend the education law, in relation to high tax aid; to amend the education law, in relation to universal prekindergarten and the Statewide universal full-day pre-kindergarten program; to amend the education law, in relation to implementation of the smart schools bond act of 2014; to amend the education law, in relation to special apportionments and grants-in-aid to school districts; 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 extending 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 state aid adjustments; to amend the education law, in relation to extending certain provisions of the teachers of tomorrow teacher recruitment and retention program; 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; 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

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

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reimbursement for the 2023-2024 school year withholding a portion of employment preparation education aid and in relation to the effectiveness thereof; to amend the education law, in relation to the financing of charter schools; to amend part A of chapter 56 of the laws of 2023 directing the education department to conduct a comprehensive study of alternative tuition rate-setting methodologies for approved providers operating school-age and preschool programs receiving state funding, in relation to extending the date for the submission of such recommendations; to amend chapter 169 of the laws of 1994, relating to certain provisions related to the 1994-95 state operations, aid to localities, capital projects and debt service budgets, in relation to the effectiveness thereof; to amend chapter 97 of the laws of 2011, amending the education law relating to census reporting, in relation to the effectiveness thereof; providing for special apportionment for salary expenses; providing for special apportionment for public pension accruals; providing for set-asides from the state funds which certain districts are receiving from the total foundation aid; and providing for support of public libraries; to repeal certain provisions of the education law relating to phase-in foundation increase; and to repeal certain provisions of the education law relating to foundation aid (Part A); to amend the education law, in relation to establishing evidence-based reading instructional best practices for students attending prekindergarten through grade three (Part B); to amend the education law, in relation to directing the commissioner of education to require the completion of a FAFSA or a waiver of such requirement and requires school districts issue annual reports on students completing the FAFSA and the waiver (Part C); to amend the education law, in relation to eligibility for unrestricted aid to independent colleges and universities (Part D); to amend the education law, in relation to ensuring informational coordination between state educational agencies (Part E); to amend chapter 260 of the laws of 2011 amending the education law and the New York state urban development corporation act relating to establishing components of the NY-SUNY 2020 challenge grant program, in relation to the effectiveness thereof (Part F); 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 G); 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 H); to amend the family court act and the domestic relations law, in relation to establishment and modification of child support orders (Part I); to amend the labor law, in relation to nursing employees' right to express breast milk (Part J); to amend the labor law, in relation to limiting liquidated damages in certain frequency of pay violations (Part K); to amend the labor law, in relation to civil penalties for violations of certain provisions for the payment of wages (Part L); to amend chapter 25 of the laws of 2020, relating to providing requirements for sick leave and the provision of certain employee benefits when such employee is subject to a mandatory or precautionary order of quarantine or isolation due to COVID-19, in relation to providing for the expiration and repeal of such provisions (Part M); to utilize reserves in the mortgage insurance fund for various housing purposes (Part N); to amend the criminal procedure law and the penal law, in relation to the crime of deed theft; to amend the real property actions and proceedings law, in relation to the partition of heirs' property; and to amend the real

property law, in relation to allowing transfer on death deeds (Part O); relating to the conveyance and use of real property owned and maintained by the State University of New York at Farmingdale (Subpart A); relating to the conveyance and use of real property owned and maintained by the State University of New York at Stony Brook (Subpart B); and relating to the conveyance and use of real property owned and maintained by the New York State Department of Transportation (Subpart C) (Part P); to amend the multiple dwelling law, in relation to authorizing a city of one million or more to remove the cap on the floor area ratio of certain dwellings (Part Q); to amend the labor law and the real property tax law, in relation to the exemption from real property taxation of certain multiple dwellings in a city having a population of one million or more (Part R); to amend the multiple dwelling law, in relation to establishing a program to address the legalization of specified basement and cellar dwelling units and the conversion of other specified basement and cellar dwelling units in a city with a population of one million or more (Part S); to amend the real property tax law, in relation to eligible multiple dwellings under the affordable New York housing program (Part T); and to amend the real property tax law and the labor law, in relation to enacting the affordable neighborhoods for New Yorkers tax incentive (Part U)

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

Section 1. This act enacts into law major components of legislation necessary to implement the state education, labor, housing and family assistance budget for the 2024-2025 state fiscal year. Each component is wholly contained within a Part identified as Parts A through U. The effective date for each particular provision contained within such Part is set forth in the last section of such Part. Any provision in any section contained within a Part, including the effective date of the Part, which makes a reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Part in which it is found. Section three of this act sets forth the general effective date of this act.

PART A

Section 1. Paragraph e of subdivision 1 of section 211-d of the education law, as amended by section 1 of part A of chapter 56 of the laws of 2023, is amended to read as follows:

e. Notwithstanding paragraphs a and b of this subdivision, a school district that submitted a contract for excellence for the two thousand eight--two thousand nine school year shall submit a contract for excellence for the two thousand nine--two thousand ten school year in conformity with the requirements of subparagraph (vi) of paragraph a of subdivision two of this section unless all schools in the district are identified as in good standing and provided further that, a school district that submitted a contract for excellence for the two thousand nine--two thousand ten school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand eleven--two thousand twelve school year which shall, notwithstanding the requirements of subparagraph (vi) of para-

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

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

notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty-two--two thousand twenty-three school year; **and provided further that, a school district that submitted a contract for excellence for the two thousand twenty-three--two thousand twenty-four school year, unless all schools in the district are identified as in good standing, shall submit a contract for excellence for the two thousand twenty-four--two thousand twenty-five school year which shall, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, provide for the expenditure of an amount which shall be not less than the amount approved by the commissioner in the contract for excellence for the two thousand twenty-three--two thousand twenty-four school year;** provided, however, that, in a city school district in a city having a population of one million or more, notwithstanding the requirements of subparagraph (vi) of paragraph a of subdivision two of this section, the contract for excellence shall provide for the expenditure as set forth in subparagraph (v) of paragraph a of subdivision two of this section. For purposes of this paragraph, the "gap elimination adjustment percentage" shall be calculated as the sum of one minus the quotient of the sum of the school district's net gap elimination adjustment for two thousand ten--two thousand eleven computed pursuant to chapter fifty-three of the laws of two thousand ten, making appropriations for the support of government, plus the school district's gap elimination adjustment for two thousand eleven--two thousand twelve as computed pursuant to chapter fifty-three of the laws of two thousand eleven, making appropriations for the support of the local assistance budget, including support for general support for public schools, divided by the total aid for adjustment computed pursuant to chapter fifty-three of the laws of two thousand eleven, making appropriations for the local assistance budget, including support for general support for public schools. Provided, further, that such amount shall be expended to support and maintain allowable programs and activities approved in the two thousand nine--two thousand ten school year or to support new or expanded allowable programs and activities in the current year.

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

In addition to any other apportionment pursuant to this chapter, a school district, other than a special act school district as defined in subdivision eight of section four thousand one of this chapter, shall be eligible for total foundation aid equal to the **sum of the transition adjustment plus the** product of total aidable foundation pupil units multiplied by the district's selected foundation aid, which shall be the greater of five hundred dollars ($500) or foundation formula aid[~~, provided, however that for the two thousand seven--two thousand eight through two thousand eight--two thousand nine school years, no school district shall receive total foundation aid in excess of the sum of the total foundation aid base for aid payable in the two thousand seven--two thousand eight school year computed pursuant to subparagraph (i) of paragraph j of subdivision one of this section, plus the phase-in foundation increase computed pursuant to paragraph b of this subdivision, and provided further that for the two thousand twelve--two thousand thirteen school year, no school district shall receive total foundation aid in excess of the sum of the total foundation aid base for aid paya-~~

~~ble in the two thousand eleven--two thousand twelve school year computed pursuant to subparagraph (ii) of paragraph j of subdivision one of this section, plus the phase-in foundation increase computed pursuant to paragraph b of this subdivision, and provided further that for the two thousand thirteen--two thousand fourteen school year and thereafter, no school district shall receive total foundation aid in excess of the sum of the total foundation aid base computed pursuant to subparagraph (ii) of paragraph j of subdivision one of this section, plus the phase-in foundation increase computed pursuant to paragraph b of this subdivision, and provided further that for the two thousand sixteen--two thousand seventeen school year, no eligible school districts shall receive total foundation aid in excess of the sum of the total foundation aid base computed pursuant to subparagraph (ii) of paragraph j of subdivision one of this section plus the sum of (A) the phase-in foundation increase, (B) the executive foundation increase with a minimum increase pursuant to paragraph b-2 of this subdivision, and (C) an amount equal to "COMMUNITY SCHOOLS AID" in the computer listing produced by the commissioner in support of the executive budget request for the two thousand sixteen--two thousand seventeen school year and entitled "BT161-7", where (1) "eligible school district" shall be defined as a district with (a) an unrestricted aid increase of less than seven percent (0.07) and (b) a three year average free and reduced price lunch percent greater than fifteen percent (0.15), and (2) "unrestricted aid increase" shall mean the quotient arrived at when dividing (a) the sum of the executive foundation aid increase plus the gap elimination adjustment for the base year, by (b) the difference of foundation aid for the base year less the gap elimination adjustment for the base year, and (3) "executive foundation increase" shall mean the difference of (a) the amounts set forth for each school district as "FOUNDATION AID" under the heading "2016-17 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget request for the two thousand sixteen--two thousand seventeen school year and entitled "BT161-7" less (b) the amounts set forth for each school district as "FOUNDATION AID" under the heading "2015-16 BASE YEAR AIDS" in such computer listing and provided further that total foundation aid shall not be less than the product of the total foundation aid base computed pursuant to paragraph j of subdivision one of this section and the due-minimum percent which shall be, for the two thousand twelve--two thousand thirteen school year, one hundred and six-tenths percent (1.006) and for the two thousand thirteen--two thousand fourteen school year for city school districts of those cities having populations in excess of one hundred twenty-five thousand and less than one million inhabitants one hundred and one and one hundred and seventy-six thousandths percent (1.01176), and for all other districts one hundred and three-tenths percent (1.003), and for the two thousand fourteen--two thousand fifteen school year one hundred and eighty-five hundredths percent (1.0085), and for the two thousand fifteen--two thousand sixteen school year, one hundred thirty-seven hundredths percent (1.0037), subject to allocation pursuant to the provisions of subdivision eighteen of this section and any provisions of a chapter of the laws of New York as described therein, nor more than the product of such total foundation aid base and one hundred fifteen percent for any school year other than the two thousand seventeen--two thousand eighteen school year, provided, however, that for the two thousand sixteen--two thousand seventeen school year such maximum shall be no more than the sum of (i) the product of such total foundation aid base and one hundred fifteen percent~~

~~plus (ii) the executive foundation increase and plus (iii) "COMMUNITY SCHOOLS AID" in the computer listing produced by the commissioner in support of the executive budget request for the two thousand sixteen--two thousand seventeen school year and entitled "BT161-7" and provided further that for the two thousand nine--two thousand ten through two thousand eleven--two thousand twelve school years, each school district shall receive total foundation aid in an amount equal to the amount apportioned to such school district for the two thousand eight--two thousand nine school year pursuant to this subdivision~~]. Total aidable foundation pupil units shall be calculated pursuant to paragraph g of subdivision two of this section. For the purposes of calculating aid pursuant to this subdivision, aid for the city school district of the city of New York shall be calculated on a citywide basis.

§ 3. Subparagraphs 1 and 4 of paragraph a of subdivision 4 of section 3602 of the education law, as amended by section 9-b of part CCC of chapter 59 of the laws of 2018, are amended to read as follows:

(1) The foundation amount shall reflect the average per pupil cost of general education instruction in successful school districts, as determined by a statistical analysis of the costs of special education and general education in successful school districts, provided that the foundation amount shall be adjusted annually to reflect the **eight-year average of the** percentage increase in the consumer price index as defined by paragraph hh of subdivision one of this section[~~, provided that for the two thousand eight--two thousand nine school year, for the purpose of such adjustment, the percentage increase in the consumer price index shall be deemed to be two and nine-tenths percent (0.029), and provided further that the foundation amount for the two thousand seven--two thousand eight school year shall be five thousand two hundred fifty-eight dollars, and provided further that for the two thousand seven--two thousand eight through two thousand seventeen--two thousand eighteen school years, the foundation amount shall be further adjusted by the phase-in foundation percent established pursuant to paragraph b of this subdivision~~] **for the ten most recent calendar years excluding the highest and lowest values**.

(4) The expected minimum local contribution shall equal the lesser of (i) the product of (A) the quotient arrived at when the selected actual valuation is divided by total wealth foundation pupil units, multiplied by (B) the product of the local tax factor, multiplied by the income wealth index, or (ii) the product of (A) the product of the foundation amount, the regional cost index, and the pupil need index, multiplied by (B) the positive difference, if any, of one minus the state sharing ratio for total foundation aid. The local tax factor shall be established by May first of each year by determining the product, computed to four decimal places without rounding, of ninety percent multiplied by the quotient of the sum of the statewide average tax rate as computed by the commissioner for the current year in accordance with the provisions of paragraph e of subdivision one of section thirty-six hundred nine-e of this part plus the statewide average tax rate computed by the commissioner for the base year in accordance with such provisions plus the statewide average tax rate computed by the commissioner for the year prior to the base year in accordance with such provisions, divided by three[~~, provided however that for the two thousand seven--two thousand eight school year, such local tax factor shall be sixteen thousandths (0.016), and provided further that for the two thousand eight--two thousand nine school year, such local tax factor shall be one hundred fifty-four ten thousandths (0.0154)~~]. The income wealth index shall be

calculated pursuant to paragraph d of subdivision three of this section, provided, however, that for the purposes of computing the expected minimum local contribution the income wealth index shall not be less than sixty-five percent (0.65) and shall not be more than two hundred percent (2.0) [~~and provided however that such income wealth index shall not be more than ninety-five percent (0.95) for the two thousand eight--two thousand nine school year, and provided further that such income wealth index shall not be less than zero for the two thousand thirteen--two thousand fourteen school year~~]. The selected actual valuation shall be calculated pursuant to paragraph c of subdivision one of this section. Total wealth foundation pupil units shall be calculated pursuant to paragraph h of subdivision two of this section.

§ 4. Paragraph b of subdivision 4 of section 3602 of the education law is REPEALED and a new paragraph b is added to read as follows:

**b. Transition adjustment. The transition adjustment shall equal the product of (1) the state sharing ratio for total foundation aid for the two thousand twenty-four--two thousand twenty-five school year as defined in paragraph g of subdivision three of this section, but not less than five tenths (0.5), multiplied by (2) the positive difference, if any, of (i) the total amount a district was eligible to receive in the two thousand twenty-three--two thousand twenty-four school year pursuant to this subdivision less (ii) the product of total aidable foundation pupil units multiplied by the district's selected foundation aid for the two thousand twenty-four--two thousand twenty-five school year computed pursuant to this subdivision, as set forth on the computer listing produced by the commissioner in support of the executive budget request for the two thousand twenty-four--two thousand twenty-five school year and entitled "BT242-5".**

§ 5. Paragraph d of subdivision 4 of section 3602 of the education law, as amended by section 6 of part YYY of chapter 59 of the laws of 2019, is amended to read as follows:

d. For the two thousand fourteen--two thousand fifteen through two thousand [~~twenty-three~~] **twenty-eight**--two thousand [~~twenty-four~~] **twenty-nine** school years a city school district of a city having a population of one million or more may use amounts apportioned pursuant to this subdivision for afterschool programs.

§ 6. Paragraphs b-2, b-3, b-4, f, g, h, i and j of subdivision 4 of section 3602 of the education law are REPEALED.

§ 7. Paragraph k of subdivision 4 of section 3602 of the education law is REPEALED.

§ 8. The undesignated closing paragraph of subdivision 3 of section 3602 of the education law, as added by section 13 of part B of chapter 57 of the laws of 2007, is amended to read as follows:

Such result shall be expressed as a decimal carried to three places without rounding, but shall not be greater than ninety hundredths nor less than zero**, provided, however, that for the purpose of computing the state sharing ratio for total foundation aid in the two thousand twenty-four--two thousand twenty-five school year and thereafter, such result shall not be greater than ninety-one hundredths**.

§ 9. Intentionally omitted.

§ 10. Paragraph j of subdivision 1 of section 3602 of the education law is amended by adding a new subparagraph (iii) to read as follows:

**(iii) The total foundation aid base for aid payable in the two thousand seven--two thousand eight school year and thereafter, and for aid calculations for subsequent school years based on aid payable in such school years, shall be deemed final and not subject to change on or**

after July first of the school year following the last school year in which the commissioner may last accept and certify for payment any additional claim for such school year pursuant to paragraph a of subdivision five of section thirty-six hundred four of this part.

§ 11. Subparagraphs 2 and 3 of paragraph b of subdivision 6-f of section 3602 of the education law, as added by section 19 of part H of chapter 83 of the laws of 2002, are amended to read as follows:

(2) is a construction emergency project to remediate emergency situations which arise in public school buildings and threaten the health and/or safety of building occupants, as a result of the unanticipated discovery of asbestos or other hazardous substances during construction work on a school or significant damage caused by a fire, snow storm, ice storm, excessive rain, high winds, flood or a similar catastrophic event which results in the necessity for immediate repair[~~; and/or~~

~~(3) if bonded pursuant to paragraph j of subdivision six of this section, would cause a city school district in a city having a population of less than one hundred twenty-five thousand inhabitants to exceed ninety-five percent of its constitutional debt limit provided, however, that any debt issued pursuant to paragraph c of section 104.00 of the local finance law shall not be included in such calculation~~].

§ 12. The opening paragraph of subdivision 2 of section 3623-a of education law, as added by section 86 of chapter 474 of the laws of 1996, is amended to read as follows:

Allowable transportation capital, debt service and lease expense shall include base year expenditures [~~for:~~] as described in this subdivision, net of revenue received with the express purpose of funding such expenditures as prescribed by the commissioner, except as provided in paragraph d of subdivision three of this section.

§ 13. Subdivision 3 of section 3623-a of the education law is amended by adding added a new paragraph d to read as follows:

d. (1) For aid payable in the two thousand twenty-four--two thousand twenty-five school year and thereafter, notwithstanding any provision of law to the contrary, approved transportation capital, debt service, and lease expenses for apportionments to school districts under subdivision seven of section thirty-six hundred two of this article shall include the final value of any vouchers paid on behalf of a school district, payments, and grants authorized pursuant to section 58-0701 of the environmental conservation law for costs associated with the purchase of or conversion to zero-emission school buses and supporting infrastructure.

(2) In the case of allowable expenses for transportation capital, debt service, or leases which are related to costs associated with the purchase of or conversion to zero-emission school buses and supporting infrastructure and which are supported in whole or in part by vouchers, payments, or grants authorized under section 58-0701 of the environmental conservation law, such allowable expenses at the time in which the expense is claimed for aid shall not exceed the sum of (i) the product of the transportation aid ratio calculated pursuant to subdivision seven of section thirty-six hundred two of this article multiplied by allowable expenses, plus (ii) the final value of any such vouchers paid on behalf of a school district, payments, and grants authorized under section 58-0701 of the environmental conservation law.

(3) The entity authorized to provide state assistance payments or grants pursuant to subdivision two of section 58-0703 of the environmental conservation law shall provide to the commissioner a list of grants awarded and payments to each school district or vouchers paid on behalf of a school district for the purchase of or conversion to zero-

emission school buses and supporting infrastructure no later than one month prior to the end of each calendar year and each school year. This list shall include the type and number of zero-emission school buses to be funded by these payments or grants, the supporting infrastructure to be funded by these payments or grants, the award amounts of each payment or grant, the direct recipient of each payment or grant, the district receiving such payment or grant or that benefitted from such voucher, the date on which the payment or grant was received, and any other information necessary for the calculation of aid pursuant to subdivision seven of section thirty-six hundred two of this article.

§ 14. Paragraph i of subdivision 12 of section 3602 of the education law, as amended by section 10 of part A of chapter 56 of the laws of 2023, is amended to read as follows:

i. For the two thousand twenty-one--two thousand twenty-two school year through the two thousand [~~twenty-three~~] twenty-four--two thousand [~~twenty-four~~] twenty-five 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.

§ 15. The opening paragraph of subdivision 16 of section 3602 of the education law, as amended by section 11 of part A of chapter 56 of the laws of 2023, 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-three~~] twenty-four--two thousand [~~twenty-four~~] twenty-five school year equal to the greater of (1) the amount set forth for such school district as "HIGH TAX AID" under the heading "2008-09 BASE YEAR AIDS" in the school aid computer listing produced by the commissioner in support of the budget for the two thousand nine--two thousand ten school year and entitled "SA0910" or (2) the amount set forth for such school district as "HIGH TAX AID" under the heading "2013-14 ESTIMATED AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget for the 2013-14 fiscal year and entitled "BT131-4".

§ 16. Paragraph d of subdivision 10 of section 3602-e of the education law, as amended by section 23-c of part A of chapter 56 of the laws of 2021, is amended to read as follows:

d. Notwithstanding any other provision of this section, apportionments under this section greater than the amounts provided in the two thousand sixteen--two thousand seventeen school year shall only be used to supplement and not supplant current local expenditures of [~~state or~~] local funds on prekindergarten programs and the number of eligible full-day four-year-old prekindergarten pupils and eligible full-day three-year-old prekindergarten pupils in such programs from such sources. Current local expenditures shall include any local expenditures of [~~state or~~] local funds used to supplement or extend services provided directly or via contract to eligible children enrolled in a universal prekindergarten program pursuant to this section.

§ 17. Subdivision 13 of section 3602-ee of the education law, as added by section 1 of part CC of chapter 56 of the laws of 2014, is amended to read as follows:

13. Apportionments under this section shall only be used to supplement and not supplant current local expenditures of federal[~~, state~~] or local funds on pre-kindergarten programs and the number of slots in such programs from such sources. Current local expenditures shall include any local expenditures of federal[~~, state~~] or local funds used to supplement or extend services provided directly or via contract to eligible children enrolled in a universal pre-kindergarten program pursuant to section thirty-six hundred two-e of this part.

§ 18. Subdivision 16 of section 3602-ee of the education law, as amended by section 16 of part A of chapter 56 of the laws of 2023, is amended to read as follows:

16. The authority of the department to administer the universal full-day pre-kindergarten program shall expire June thirtieth, two thousand [~~twenty-four~~] twenty-five; provided that the program shall continue and remain in full effect.

§ 19. Paragraphs a and b of subdivision 16 of section 3641 of the education law, as added by section 2 of part C of chapter 56 of the laws of 2014, subparagraph 3 of paragraph b as amended by section 3 of part YYY of chapter 59 of the laws of 2017, are amended to read as follows:

a. Definitions. The following terms, whenever used or referred to in this subdivision, unless the context indicates otherwise, shall have the following meanings:

(1) "Bonds" shall mean general obligation bonds issued pursuant to the "smart schools bond act of 2014" in accordance with article VII of the New York state constitution and article five of the state finance law.

[~~(2) "Smart schools review board" shall mean a body comprised of the chancellor of the state university of New York, the director of the budget, and the commissioner, or their respective designees.~~

~~(3)~~] (2) "Smart schools investment plan" shall mean a document prepared by a school district setting forth the smart schools project or projects to be undertaken with such district's smart schools allocation.

[~~(4)~~] (3) "Smart schools project" shall mean a capital project as set forth and defined in subparagraphs four, five, six[~~,~~] or seven [~~or eight~~] of this paragraph.

[~~(5)~~] (4) "Pre-kindergarten or transportable classroom unit (TCU) replacement project" shall mean a capital project which, as a primary purpose, expands the availability of adequate and appropriate instructional space for pre-kindergarten or provides for the expansion or

construction of adequate and appropriate instructional space to replace TCUs.

[~~(6)~~] **(5)** "Community connectivity project" shall mean a capital project which, as a primary purpose, expands high-speed broadband or wireless internet connectivity in the local community, including school buildings and campuses, for enhanced educational opportunity in the state.

[~~(7)~~] **(6)** "Classroom technology project" shall mean a capital project to expand high-speed broadband or wireless internet connectivity solely for school buildings and campuses, or to acquire learning technology hardware for schools, classrooms, and student use, including but not limited to whiteboards, computer servers, desktop computers, laptop computers, and tablet computers.

[~~(8)~~] **(7)** "School safety and security technology project" shall mean a capital project to install high-tech security features in school buildings and on school campuses, including but not limited to video surveillance, emergency notification systems and physical access controls, for enhanced educational opportunity in the state.

[~~(9)~~] **(8)** "Selected school aid" shall mean the sum of the amounts set forth as "FOUNDATION AID", "FULL DAY K CONVERSION", "BOCES", "SPECIAL SERVICES", "HIGH COST EXCESS COST", "PRIVATE EXCESS COST", "HARDWARE & TECHNOLOGY", "SOFTWARE, LIBRARY, TEXTBOOK", "TRANSPORTATION INCL SUMMER", "OPERATING REORG INCENTIVE", "CHARTER SCHOOL TRANSITIONAL", "ACADEMIC ENHANCEMENT", "HIGH TAX AID", and "SUPPLEMENTAL PUB EXCESS COST" under the heading "2013-14 BASE YEAR AIDS" in the school aid computer listing produced by the commissioner in support of the executive budget proposal for the two thousand fourteen-fifteen school year.

[~~(10)~~] **(9)** "Smart schools allocation" shall mean, for each school district, the product of (i) two billion dollars ($2,000,000,000) multiplied by (ii) the quotient of such school district's selected school aid divided by the total selected school aid to all school districts.

b. Smart schools investment plans. (1) [~~The smart schools review board~~] **Subject to the approval of the director of the budget, the commissioner** shall issue guidelines setting forth required components and eligibility criteria for smart schools investment plans to be submitted by school districts. Such guidelines shall include but not be limited to: (i) a timeline for school district submission of smart schools investment plans; (ii) any requirements for the use of available state procurement options where applicable; (iii) any limitations on the amount of a district's smart schools allocation that may be used for assets with a short probable life; and (iv) the loan of smart schools classroom technology pursuant to section seven hundred fifty-five of this chapter.

(2) No school district shall be entitled to a smart schools grant until such district shall have submitted a smart schools investment plan to the [~~smart schools review board~~] **department** and received [~~such board's~~] **the commissioner's** approval of such investment plan. In developing such investment plan, school districts shall consult with parents, teachers, students, community members and other stakeholders.

(3) The [~~smart schools review board~~] **commissioner** shall review all smart schools investment plans for compliance with all eligibility criteria and other requirements set forth in the guidelines. The [~~smart schools review board~~] **commissioner** may approve or reject such plans, or may return such plans to the school district for modifications; provided that notwithstanding any inconsistent provision of law, the [~~smart schools review board~~] **commissioner** shall approve no such plan first

submitted to the department on or after April fifteenth, two thousand seventeen, unless such plan calculates the amount of classroom technology to be loaned to students attending nonpublic schools pursuant to section seven hundred fifty-five of this chapter in a manner that includes the amount budgeted by the school district for servers, wireless access points and other portable connectivity devices to be acquired as part of a school connectivity project. Upon approval, the smart schools project or projects described in the investment plan shall be eligible for smart schools grants. A smart schools project included in a school district's smart schools investment plan shall not require separate approval of the commissioner unless it is part of a school construction project required to be submitted for approval of the commissioner pursuant to section four hundred eight of this chapter and/or subdivision six of section thirty-six hundred two of this article. Any department, agency or public authority shall provide the [~~smart schools review board~~] **department** with any information it requires to fulfill its duties pursuant to this subdivision.

(4) Any amendments or supplements to a smart schools investment plan shall be submitted to the [~~smart schools review board~~] **department** for approval, and shall not take effect until such approval is granted.

§ 20. Section 34 of 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, as amended by chapter 364 of the laws of 2022, is amended to read as follows:

§ 34. This act shall take effect July 1, 2002; provided, that sections one through twenty, twenty-four, and twenty-six through thirty of this act shall expire and be deemed repealed June 30, [~~2024~~] **2028** provided, further, that notwithstanding any provision of article 5 of the general construction law, on June 30, [~~2024~~] **2028** the provisions of subdivisions 3, 5, and 8, paragraph b of subdivision 13, subdivision 14, paragraphs b, d, and e of subdivision 15, and subdivisions 17 and 21 of section 2554 of the education law as repealed by section three of this act, subdivision 1 of section 2590-b of the education law as repealed by section six of this act, paragraph (a) of subdivision 2 of section 2590-b of the education law as repealed by section seven of this act, section 2590-c of the education law as repealed by section eight of this act, paragraph c of subdivision 2 of section 2590-d of the education law as repealed by section twenty-six of this act, subdivision 1 of section 2590-e of the education law as repealed by section twenty-seven of this act, subdivision 28 of section 2590-h of the education law as repealed by section twenty-eight of this act, subdivision 30 of section 2590-h of the education law as repealed by section twenty-nine of this act, subdivision 30-a of section 2590-h of the education law as repealed by section thirty of this act shall be revived and be read as such provisions existed in law on the date immediately preceding the effective date of this act; provided, however, that sections seven and eight of this act shall take effect on November 30, 2003; provided further that the amendments to subdivision 25 of section 2554 of the education law made by section two of this act shall be subject to the expiration and reversion of such subdivision pursuant to section 12 of chapter 147 of the laws of 2001, as amended, when upon such date the provisions of section four of this act shall take effect.

§ 21. Subdivision 12 of section 17 of 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 super-

intendents, as amended by chapter 364 of the laws of 2022, is amended to read as follows:

12. any provision in sections one, two, three, four, five, six, seven, eight, nine, ten and eleven of this act not otherwise set to expire pursuant to section 34 of chapter 91 of the laws of 2002, as amended, or section 17 of chapter 123 of the laws of 2003, as amended, shall expire and be deemed repealed June 30, [~~2024~~] **2028**.

§ 22. Paragraph a of subdivision 5 of section 3604 of the education law, as amended by chapter 161 of the laws of 2005, is amended to read as follows:

a. State aid adjustments. All errors or omissions in the apportionment shall be corrected by the commissioner. Whenever a school district has been apportioned less money than that to which it is entitled, the commissioner may allot to such district the balance to which it is entitled. Whenever a school district has been apportioned more money than that to which it is entitled, the commissioner may, by an order, direct such moneys to be paid back to the state to be credited to the general fund local assistance account for state aid to the schools, or may deduct such amount from the next apportionment to be made to said district, provided, however, that, upon notification of excess payments of aid for which a recovery must be made by the state through deduction of future aid payments, a school district may request that such excess payments be recovered by deducting such excess payments from the payments due to such school district and payable in the month of June in (i) the school year in which such notification was received and (ii) the two succeeding school years, provided further that there shall be no interest penalty assessed against such district or collected by the state. Such request shall be made to the commissioner in such form as the commissioner shall prescribe, and shall be based on documentation that the total amount to be recovered is in excess of one percent of the district's total general fund expenditures for the preceding school year. The amount to be deducted in the first year shall be the greater of (i) the sum of the amount of such excess payments that is recognized as a liability due to other governments by the district for the preceding school year and the positive remainder of the district's unreserved fund balance at the close of the preceding school year less the product of the district's total general fund expenditures for the preceding school year multiplied by five percent, or (ii) one-third of such excess payments. The amount to be recovered in the second year shall equal the lesser of the remaining amount of such excess payments to be recovered or one-third of such excess payments, and the remaining amount of such excess payments shall be recovered in the third year. Provided further that, notwithstanding any other provisions of this subdivision, any pending payment of moneys due to such district as a prior year adjustment payable pursuant to paragraph c of this subdivision for aid claims that had been previously paid as current year aid payments in excess of the amount to which the district is entitled and for which recovery of excess payments is to be made pursuant to this paragraph, shall be reduced at the time of actual payment by any remaining unrecovered balance of such excess payments, and the remaining scheduled deductions of such excess payments pursuant to this paragraph shall be reduced by the commissioner to reflect the amount so recovered. [~~The commissioner shall certify no payment to a school district based on a claim submitted later than three years after the close of the school year in which such payment was first to be made. For claims for which payment is first to be made in the nineteen hundred ninety-six--ninety-seven school year,~~

~~the commissioner shall certify no payment to a school district based on a claim submitted later than two years after the close of such school year.~~] For claims for which payment is first to be made [~~in the nineteen hundred ninety-seven--ninety-eight school year and thereafter~~] prior to the two thousand twenty-three--two thousand twenty-four school year, the commissioner shall certify no payment to a school district based on a claim submitted later than one year after the close of such school year. For claims for which payment is first to be made in the two thousand twenty-three--two thousand twenty-four school year and thereafter, the commissioner shall certify no payment to a school district based on a claim submitted later than the first of November of such school year. Provided, however, no payments shall be barred or reduced where such payment is required as a result of a final audit of the state. [~~It is further provided that, until June thirtieth, nineteen hundred ninety-six, the commissioner may grant a waiver from the provisions of this section for any school district if it is in the best educational interests of the district pursuant to guidelines developed by the commissioner and approved by the director of the budget.~~] It is further provided that for any apportionments provided pursuant to sections seven hundred one, seven hundred eleven, seven hundred fifty-one, seven hundred fifty-three, nineteen hundred fifty, thirty-six hundred two, thirty-six hundred two-b, thirty-six hundred two-c, thirty-six hundred two-e and forty-four hundred five of this chapter for the two thousand twenty-three--two thousand twenty-four and two thousand twenty-four--two thousand twenty-five school years, the commissioner shall certify no payment to a school district, other than payments pursuant to subdivisions six-a, eleven, thirteen and fifteen of section thirty-six hundred two of this part, in excess of the payment computed based on an electronic data file used to produce the school aid computer listing produced by the commissioner in support of the executive budget request submitted for the two thousand twenty-four--two thousand twenty-five state fiscal year and entitled "BT242-5", and further provided that for any apportionments provided pursuant to sections seven hundred one, seven hundred eleven, seven hundred fifty-one, seven hundred fifty-three, nineteen hundred fifty, thirty-six hundred two, thirty-six hundred two-b, thirty-six hundred two-c, thirty-six hundred two-e and forty-four hundred five of this chapter for the two thousand twenty-five--two thousand twenty-six school year and thereafter, the commissioner shall certify no payment to a school district, other than payments pursuant to subdivisions six-a, eleven, thirteen and fifteen of section thirty-six hundred two of this part, in excess of the payment computed based on an electronic data file used to produce the school aid computer listing produced by the commissioner in support of the executive budget request submitted for the state fiscal year in which the school year commences.

§ 23. The opening paragraph of section 3609-a of the education law, as amended by section 18 of part A of chapter 56 of the laws of 2023, is amended to read as follows:

For aid payable in the two thousand seven--two thousand eight school year through the two thousand twenty-three--two thousand twenty-four 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 definitions of "base year" and "current year" as set forth in subdivision one of section thirty-six hundred two of this part shall apply to this section. [~~For aid payable in the two thousand twenty-three--two thousand twenty-four school year, reference to such "school aid computer listing for the current year" shall mean the printouts entitled "SA232-4".~~] For aid payable in the two thousand twenty-four--two thousand twenty-five school year and thereafter, "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 executive budget request 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 subdivisions six-a and 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 subdivisions six 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. For aid payable in the two thousand twenty-four--two thousand twenty-five school year, reference to such "school aid computer listing for the current year" shall mean the printouts entitled "BT242-5".**

§ 24. Paragraph b of subdivision 2 of section 3612 of the education law, as amended by section 22 of part YYY of chapter 59 of the laws of 2019, is amended to read as follows:

b. Such grants shall be awarded to school districts, within the limits of funds appropriated therefor, through a competitive process that takes into consideration the magnitude of any shortage of teachers in the school district, the number of teachers employed in the school district who hold temporary licenses to teach in the public schools of the state, the number of provisionally certified teachers, the fiscal capacity and geographic sparsity of the district, the number of new teachers the school district intends to hire in the coming school year and the number of summer in the city student internships proposed by an eligible school district, if applicable. Grants provided pursuant to this section shall be used only for the purposes enumerated in this section. Notwithstanding any other provision of law to the contrary, a city school district in a city having a population of one million or more inhabitants receiving a grant pursuant to this section may use no more than eighty percent of such grant funds for any recruitment, retention and certification costs associated with transitional certification of teacher candidates for the school years two thousand one--two thousand two through two thousand [~~twenty-three~~] **twenty-eight**--two thousand [~~twenty-four~~] **twenty-nine**.

§ 25. Subdivision 6 of section 4402 of the education law, as amended by section 23 of part YYY of chapter 59 of the laws of 2019, is amended to read as follows:

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

the rate of attendance of students in such classes to at least the rate for students attending regular education classes in secondary schools of the district. Such corrective action plan shall be submitted for approval by the commissioner by a date during the school year in which such board increases class sizes as provided pursuant to this subdivision to be prescribed by the commissioner. Upon at least thirty days notice to the board of education, after conclusion of the school year in which such board increases class sizes as provided pursuant to this subdivision, the commissioner shall be authorized to terminate such authorization upon a finding that the board has failed to develop or implement an approved corrective action plan.

§ 26. Subdivisions 22 and 24 of section 140 of chapter 82 of the laws of 1995, amending the education law and other laws relating to state aid to school districts and the appropriation of funds for the support of government, as amended by section 38 of part YYY of chapter 59 of the laws of 2019, are amended to read as follows:

(22) sections one hundred twelve, one hundred thirteen, one hundred fourteen, one hundred fifteen and one hundred sixteen of this act shall take effect on July 1, 1995; provided, however, that section one hundred thirteen of this act shall remain in full force and effect until July 1, [~~2024~~] **2029** at which time it shall be deemed repealed;

(24) sections one hundred eighteen through one hundred thirty of this act shall be deemed to have been in full force and effect on and after July 1, 1995; provided further, however, that the amendments made pursuant to section one hundred twenty-four of this act shall be deemed to be repealed on and after July 1, [~~2024~~] **2029**;

§ 27. Subdivision b of section 2 of chapter 756 of the laws of 1992, relating to funding a program for work force education conducted by the consortium for worker education in New York city, as amended by section 20 of part A of chapter 56 of the laws of 2023, is amended to read as follows:

b. Reimbursement for programs approved in accordance with subdivision a of this section for the reimbursement for the 2018--2019 school year shall not exceed 59.4 percent of the lesser of such approvable costs per contact hour or fourteen dollars and ninety-five cents per contact hour, reimbursement for the 2019--2020 school year shall not exceed 57.7 percent of the lesser of such approvable costs per contact hour or fifteen dollars sixty cents per contact hour, reimbursement for the 2020--2021 school year shall not exceed 56.9 percent of the lesser of such approvable costs per contact hour or sixteen dollars and twenty-five cents per contact hour, reimbursement for the 2021--2022 school year shall not exceed 56.0 percent of the lesser of such approvable costs per contact hour or sixteen dollars and forty cents per contact hour, reimbursement for the 2022--2023 school year shall not exceed 55.7 percent of the lesser of such approvable costs per contact hour or sixteen dollars and sixty cents per contact hour, [~~and~~] reimbursement for the 2023--2024 school year shall not exceed 54.7 percent of the lesser of such approvable costs per contact hour or seventeen dollars and seventy cents per contact hour, **and reimbursement for the 2024--2025 school year shall not exceed 56.6 percent of the lesser of such approvable costs per contact hour or nineteen dollars and ten cents per contact hour,** and where a contact hour represents sixty minutes of instruction services provided to an eligible adult. Notwithstanding any other provision of law to the contrary, for the 2018--2019 school year such contact hours shall not exceed one million four hundred sixty-three thousand nine hundred sixty-three (1,463,963); for the 2019--2020 school

year such contact hours shall not exceed one million four hundred forty-four thousand four hundred forty-four (1,444,444); for the 2020--2021 school year such contact hours shall not exceed one million four hundred six thousand nine hundred twenty-six (1,406,926); for the 2021--2022 school year such contact hours shall not exceed one million four hundred sixteen thousand one hundred twenty-two (1,416,122); for the 2022--2023 school year such contact hours shall not exceed one million four hundred six thousand nine hundred twenty-six (1,406,926); [~~and~~] for the 2023--2024 school year such contact hours shall not exceed one million three hundred forty-two thousand nine hundred seventy-five (1,342,975)**; and for the 2024--2025 school year such contact hours shall not exceed one million sixty-three thousand eight hundred twenty-nine (1,063,829)**. Notwithstanding any other provision of law to the contrary, the apportionment calculated for the city school district of the city of New York pursuant to subdivision 11 of section 3602 of the education law shall be computed as if such contact hours provided by the consortium for worker education, not to exceed the contact hours set forth herein, were eligible for aid in accordance with the provisions of such subdivision 11 of section 3602 of the education law.

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

**cc. The provisions of this subdivision shall not apply after the completion of payments for the 2024-25 school year. Notwithstanding any inconsistent provisions of law, the commissioner of education shall withhold a portion of employment preparation education aid due to the city school district of the city of New York to support a portion of the costs of the work force education program. Such moneys shall be credited to the elementary and secondary education fund-local assistance account and shall not exceed eleven million five hundred thousand dollars ($11,500,000).**

§ 29. Section 6 of chapter 756 of the laws of 1992, relating to funding a program for work force education conducted by the consortium for worker education in New York city, as amended by section 22 of part A of chapter 56 of the laws of 2023, is amended to read as follows:

§ 6. This act shall take effect July 1, 1992, and shall be deemed repealed June 30, [~~2024~~] **2025**.

§ 30. Paragraph (d) of subdivision 1 of section 2856 of the education law, as amended by section 36-c of part A of chapter 56 of the laws of 2021, is amended to read as follows:

(d) School districts shall be eligible for an annual apportionment equal to the amount of the supplemental basic tuition for the charter school in the base year for the expenses incurred in the two thousand fourteen--two thousand fifteen, two thousand fifteen--two thousand sixteen, two thousand sixteen--two thousand seventeen school years and thereafter. Provided that for expenses incurred in the two thousand twenty--two thousand twenty-one school year, for a city school district in a city having a population of one million or more, the annual apportionment shall be reduced by thirty-five million dollars ($35,000,000) upon certification by the director of the budget of the availability of a grant in the same amount from the elementary and secondary school emergency relief funds provided through the American rescue plan act of 2021 **(P.L. 117-2)**. **Provided further that for expenses incurred in the two thousand twenty-three--two thousand twenty-four school year, for a city school district in a city having a population of one million or**

more, the annual apportionment shall be reduced by thirty-five million dollars ($35,000,000) upon certification by the director of the budget of the availability of a grant in the same amount from the elementary and secondary school emergency relief funds provided through the American rescue plan act of 2021 (P.L. 117-2).

§ 31. Paragraph (c) of subdivision 1 of section 2856 of the education law, as amended by section 36-d of part A of chapter 56 of the laws of 2021, is amended to read as follows:

(c) School districts shall be eligible for an annual apportionment equal to the amount of the supplemental basic tuition for the charter school in the base year for the expenses incurred in the two thousand fourteen--two thousand fifteen, two thousand fifteen--two thousand sixteen, two thousand sixteen--two thousand seventeen school years and thereafter. Provided that for expenses incurred in the two thousand twenty--two thousand twenty-one school year, for a city school district in a city having a population of one million or more, the annual apportionment shall be reduced by thirty-five million dollars ($35,000,000) upon certification by the director of the budget of the availability of a grant in the same amount from the elementary and secondary school emergency relief funds provided through the American rescue plan act of 2021 (P.L. 117-2). Provided further that for expenses incurred in the two thousand twenty-three--two thousand twenty-four school year, for a city school district in a city having a population of one million or more, the annual apportionment shall be reduced by thirty-five million dollars ($35,000,000) upon certification by the director of the budget of the availability of a grant in the same amount from the elementary and secondary school emergency relief funds provided through the American rescue plan act of 2021 (P.L. 117-2).

§ 32. Subdivision 3 of section 27 of part A of chapter 56 of the laws of 2023 directing the education department to conduct a comprehensive study of alternative tuition rate-setting methodologies for approved providers operating school-age and preschool programs receiving state funding, is amended to read as follows:

3. The state education department shall present its recommendations and analysis to the governor, the director of the division of the budget, the temporary president of the senate, the speaker of the assembly, the chairperson of the senate finance committee, and the chairperson of the assembly ways and means committee no later than July 1, [~~2025~~] 2027. Adoption of any alternative rate-setting methodologies shall be subject to the approval of the director of the division of the budget.

§ 33. Subdivision 1 of section 167 of chapter 169 of the laws of 1994, relating to certain provisions related to the 1994-95 state operations, aid to localities, capital projects and debt service budgets, as amended by section 23 of part A of chapter 56 of the laws of 2022, is amended to read as follows:

1. Sections one through seventy of this act shall be deemed to have been in full force and effect as of April 1, 1994 provided, however, that sections one, two, twenty-four, twenty-five and twenty-seven through seventy of this act shall expire and be deemed repealed on March 31, 2000; provided, however, that section twenty of this act shall apply only to hearings commenced prior to September 1, 1994, and provided further that section twenty-six of this act shall expire and be deemed repealed on March 31, 1997; and provided further that sections four through fourteen, sixteen, and eighteen, nineteen and twenty-one through twenty-one-a of this act shall expire and be deemed repealed on March 31, 1997; and provided further that sections three, fifteen, seventeen,

twenty, twenty-two and twenty-three of this act shall expire and be deemed repealed on March 31, [~~2024~~] 2029.

§ 34. Section 26 of subpart F of part C of chapter 97 of the laws of 2011 amending the education law relating to census reporting, as amended by section 46 of part YYY of chapter 59 of the laws of 2019, is amended to read as follows:

§ 26. This act shall take effect immediately provided, however, that the provisions of section three of this act shall expire June 30, [~~2024~~] 2029 when upon such date the provisions of such section shall be deemed repealed; provided, further that the provisions of sections eight, eleven, twelve, thirteen and twenty of this act shall expire July 1, 2014 when upon such date the provisions of such sections shall be deemed repealed.

§ 35. Special apportionment for salary expenses. 1. Notwithstanding any other provision of law, upon application to the commissioner of education, not sooner than the first day of the second full business week of June 2025 and not later than the last day of the third full business week of June 2025, a school district eligible for an apportionment pursuant to section 3602 of the education law shall be eligible to receive an apportionment pursuant to this section, for the school year ending June 30, 2025, for salary expenses incurred between April 1 and June 30, 2024 and such apportionment shall not exceed the sum of (a) the deficit reduction assessment of 1990--1991 as determined by the commissioner of education, pursuant to paragraph f of subdivision 1 of section 3602 of the education law, as in effect through June 30, 1993, plus (b) 186 percent of such amount for a city school district in a city with a population in excess of 1,000,000 inhabitants, plus (c) 209 percent of such amount for a city school district in a city with a population of more than 195,000 inhabitants and less than 219,000 inhabitants according to the latest federal census, plus (d) the net gap elimination adjustment for 2010--2011, as determined by the commissioner of education pursuant to chapter 53 of the laws of 2010, plus (e) the gap elimination adjustment for 2011--2012 as determined by the commissioner of education pursuant to subdivision 17 of section 3602 of the education law, and provided further that such apportionment shall not exceed such salary expenses. Such application shall be made by a school district, after the board of education or trustees have adopted a resolution to do so and in the case of a city school district in a city with a population in excess of 125,000 inhabitants, with the approval of the mayor of such city.

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

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

§ 36. Special apportionment for public pension accruals. 1. Notwithstanding any other provision of law, upon application to the commissioner of education, not later than June 30, 2025, a school district eligible for an apportionment pursuant to section 3602 of the education law shall be eligible to receive an apportionment pursuant to this section, for the school year ending June 30, 2025 and such apportionment shall not exceed the additional accruals required to be made by school districts in the 2004--2005 and 2005--2006 school years associated with changes for such public pension liabilities. The amount of such additional accrual shall be certified to the commissioner of education by the president of the board of education or the trustees or, in the case of a city school district in a city with a population in excess of 125,000 inhabitants, the mayor of such city. Such application shall be made by a school district, after the board of education or trustees have adopted a resolution to do so and in the case of a city school district in a city with a population in excess of 125,000 inhabitants, with the approval of the mayor of such city.

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

3. Notwithstanding the provisions of section 3609-a of the education law, an amount equal to the amount paid to a school district pursuant to subdivisions one and two of this section shall first be deducted from the following payments due the school district during the school year following the year in which application was made pursuant to subparagraphs (1), (2), (3), (4) and (5) of paragraph a of subdivision 1 of section 3609-a of the education law in the following order: the lottery apportionment payable pursuant to subparagraph (2) of such paragraph

followed by the fixed fall payments payable pursuant to subparagraph (4) of such paragraph and then followed by the district's payments to the teachers' retirement system pursuant to subparagraph (1) of such paragraph, and any remainder to be deducted from the individualized payments due the district pursuant to paragraph b of such subdivision shall be deducted on a chronological basis starting with the earliest payment due the district.

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

1. for the development, maintenance or expansion of magnet schools or magnet school programs for the 2024--2025 school year. For the city school district of the city of New York there shall be a set-aside of foundation aid equal to forty-eight million one hundred seventy-five thousand dollars ($48,175,000) including five hundred thousand dollars ($500,000) for the Andrew Jackson High School; for the Buffalo city school district, twenty-one million twenty-five thousand dollars ($21,025,000); for the Rochester city school district, fifteen million dollars ($15,000,000); for the Syracuse city school district, thirteen million dollars ($13,000,000); for the Yonkers city school district, forty-nine million five hundred thousand dollars ($49,500,000); for the Newburgh city school district, four million six hundred forty-five thousand dollars ($4,645,000); for the Poughkeepsie city school district, two million four hundred seventy-five thousand dollars ($2,475,000); for the Mount Vernon city school district, two million dollars ($2,000,000); for the New Rochelle city school district, one million four hundred ten thousand dollars ($1,410,000); for the Schenectady city school district, one million eight hundred thousand dollars ($1,800,000); for the Port Chester city school district, one million one hundred fifty thousand dollars ($1,150,000); for the White Plains city school district, nine hundred thousand dollars ($900,000); for the Niagara Falls city school district, six hundred thousand dollars ($600,000); for the Albany city school district, three million five hundred fifty thousand dollars ($3,550,000); for the Utica city school district, two million dollars ($2,000,000); for the Beacon city school district, five hundred sixty-six thousand dollars ($566,000); for the Middletown city school district, four hundred thousand dollars ($400,000); for the Freeport union free school district, four hundred thousand dollars ($400,000); for the Greenburgh central school district, three hundred thousand dollars ($300,000); for the Amsterdam city school district, eight hundred thousand dollars ($800,000); for the Peekskill city school district, two hundred thousand dollars ($200,000); and for the Hudson city school district, four hundred thousand dollars ($400,000).

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

3. The commissioner of education shall not be authorized to withhold foundation aid from a school district that used such funds in accordance with this paragraph, notwithstanding any inconsistency with a request for proposals issued by such commissioner for the purpose of attendance

improvement and dropout prevention for the 2024--2025 school year, and for any city school district in a city having a population of more than one million, the set-aside for attendance improvement and dropout prevention shall equal the amount set aside in the base year. For the 2024--2025 school year, it is further provided that any city school district in a city having a population of more than one million shall allocate at least one-third of any increase from base year levels in funds set aside pursuant to the requirements of this section to community-based organizations. Any increase required pursuant to this section to community-based organizations must be in addition to allocations provided to community-based organizations in the base year.

4. For the purpose of teacher support for the 2024--2025 school year: for the city school district of the city of New York, sixty-two million seven hundred seven thousand dollars ($62,707,000); for the Buffalo city school district, one million seven hundred forty-one thousand dollars ($1,741,000); for the Rochester city school district, one million seventy-six thousand dollars ($1,076,000); for the Yonkers city school district, one million one hundred forty-seven thousand dollars ($1,147,000); and for the Syracuse city school district, eight hundred nine thousand dollars ($809,000). All funds made available to a school district pursuant to this section shall be distributed among teachers including prekindergarten teachers and teachers of adult vocational and academic subjects in accordance with this section and shall be in addition to salaries heretofore or hereafter negotiated or made available; provided, however, that all funds distributed pursuant to this section for the current year shall be deemed to incorporate all funds distributed pursuant to former subdivision 27 of section 3602 of the education law for prior years. In school districts where the teachers are represented by certified or recognized employee organizations, all salary increases funded pursuant to this section shall be determined by separate collective negotiations conducted pursuant to the provisions and procedures of article 14 of the civil service law, notwithstanding the existence of a negotiated agreement between a school district and a certified or recognized employee organization.

§ 38. Support of public libraries. The moneys appropriated for the support of public libraries by a chapter of the laws of 2024 enacting the aid to localities budget shall be apportioned for the 2024--2025 state fiscal year in accordance with the provisions of sections 271, 272, 273, 282, 284, and 285 of the education law as amended by the provisions of such chapter and the provisions of this section, provided that library construction aid pursuant to section 273-a of the education law shall not be payable from the appropriations for the support of public libraries and provided further that no library, library system or program, as defined by the commissioner of education, shall receive less total system or program aid than it received for the year 2001--2002 except as a result of a reduction adjustment necessary to conform to the appropriations for support of public libraries.

Notwithstanding any other provision of law to the contrary the moneys appropriated for the support of public libraries for the year 2024--2025 by a chapter of the laws of 2024 enacting the aid to localities budget shall fulfill the state's obligation to provide such aid and, pursuant to a plan developed by the commissioner of education and approved by the director of the budget, the aid payable to libraries and library systems pursuant to such appropriations shall be reduced proportionately to assure that the total amount of aid payable does not exceed the total appropriations for such purpose.

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

§ 40. This act shall take effect immediately, and shall be deemed to have been in full force and effect on and after April 1, 2024, provided, however, that:

1. sections one, two, three, four, five, six, eight, ten, twelve, thirteen, fourteen, fifteen, sixteen, seventeen, eighteen, twenty-three, twenty-four, twenty-five, twenty-nine and thirty-seven of this act shall take effect July 1, 2024;

2. section seven of this act shall take effect July 1, 2025;

3. the amendments to chapter 756 of the laws of 1992, relating to funding a program for work force education conducted by a consortium for worker education in New York City made by sections twenty-seven and twenty-eight of this act shall not affect the repeal of such chapter and shall be deemed repealed therewith; and

4. the amendments to paragraph (d) of subdivision 1 of section 2856 of the education law made by section thirty of this act shall be subject to the expiration and reversion of such subdivision pursuant to subdivision d of section 27 of chapter 378 of the laws of 2007, as amended, when upon such date the provisions of section thirty-one of this act shall take effect.

PART B

Section 1. The education law is amended by adding a new section 818 to read as follows:

**§ 818. Evidence-based and scientifically based reading instruction. 1. (a) On or before July first, two thousand twenty-four, the commissioner shall provide school districts with the instructional best practices for the teaching of reading to students in prekindergarten through grade three. Instructional best practices for the teaching of reading shall be evidence-based and scientifically based, focusing on reading competency in the areas of phonemic awareness, phonics, vocabulary development, reading fluency, comprehension, including background knowledge, oral language and writing, oral skill development, and align with the culturally responsive-sustaining (CR-S) framework. Such instructional best practices shall be periodically updated by the commissioner where appropriate.**

**(b) All school districts in the state shall annually review their curriculum and instructional practices in the subject of reading for students in prekindergarten through grade three to ensure that they align with the reading instructional best practices issued by the commissioner, and that all early reading instructional practices and interventions are part of an aligned plan designed to improve student reading outcomes in prekindergarten through grade three.**

**2. For purposes of this section, the following terms shall have the following meanings:**

(a) "Culturally responsive-sustaining (CR-S) framework" means a framework that promotes learning environments that affirm racial, linguistic, and cultural identities; engages students with rigorous, supportive instruction; develops their abilities to connect across lines of difference; elevates historically marginalized voices; and empowers students as agents of social change.

(b) "Evidence-based and scientifically based" means an interdisciplinary body of research that describes how reading and writing skills and competencies develop from prekindergarten through secondary education and provides evidence-based guidance to inform curriculum and pedagogy.

(c) "Phonemic awareness" means the ability to notice, think about and manipulate individual sounds in spoken syllables and words.

(d) "Comprehension" means a function of word recognition skills and language comprehension skills and shall include having sufficient background information and vocabulary for the reader to understand the words in front of them. It also includes the active process that requires intentional thinking, during which meaning is constructed through interactions between the text and the reader. Comprehension skills are taught explicitly by demonstrating, explaining, modeling and implementing specific cognitive strategies to help beginning readers derive meaning through intentional, problem-solving thinking processes.

(e) "Reading fluency" means the ability to read words, phrases, and sentences accurately, at an appropriate speed, and with expression.

(f) "Vocabulary development" means the process of acquiring new words and includes improving all areas of communication, including listening, speaking, reading, and writing, which is directly related to school achievement and is a strong predictor for reading success.

3. On or before September first, two thousand twenty-five, and on or before September first of each year thereafter, all school districts in the state shall certify to the commissioner that their curriculum and instructional strategies and teacher professional development in the subject of reading in prekindergarten through grade three align with all of the elements of the instructional best practices issued by the commissioner pursuant to this section.

4. Compliance with this section shall be subject to review by the commissioner pursuant to section three hundred ten of this title and by article seventy-eight of the civil practice law and rules.

§ 2. This act shall take effect immediately.

PART C

Section 1. Section 305 of the education law is amended by adding a new subdivision 61 to read as follows:

61. a. Notwithstanding any provision of law to the contrary, the commissioner shall require each school district to obtain documentation reflecting one of the following from the parent or guardian of each student or, if the student is eighteen years of age or older or legally emancipated, such student, during the school year in which the student is a senior enrolled in such school district: (1) certification of completion and submission of either the free application for federal student aid (FAFSA) for such student or, if applicable, the Jose Peralta New York State DREAM Act application; or (2) completion of a waiver form promulgated by the department, to be filed with the student's school district indicating that the parent or guardian or, if the student is eighteen years of age or older or legally emancipated, the student, understands what the FAFSA is and has chosen not to file an application

pursuant to the provisions of subparagraph one of this paragraph. For purposes of subparagraph one of this paragraph, the required certification shall not designate which type of application was submitted by the parent, guardian, or student.

b. On and after July first, two thousand twenty-five, each school district shall annually report to the department the following data for all seniors enrolled in such school district, aggregated by high school: (1) the total number of students certified to have submitted either the free application for federal student aid (FAFSA) or, if applicable, the Jose Peralta New York State DREAM Act application; (2) the number of students who completed a waiver pursuant to paragraph a of this subdivision; and (3) the total number of seniors enrolled.

c. The commissioner shall promulgate rules and regulations necessary to implement this subdivision, including requiring each school district to give notice, no less than four times during each school year, with an explanation to each high school senior of the state-sponsored scholarships, financial aid and assistance available to students attending college or post-secondary education, and to provide access and/or referrals to support or assistance necessary for completion of the FAFSA.

§ 2. This act shall take effect on the first of July next succeeding the date on which it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.

PART D

Section 1. The opening paragraph of paragraph (a) of subdivision 2 of section 6401 of the education law, as amended by chapter 717 of the laws of 1981, is amended to read as follows:

Notwithstanding the provisions of any other law, in order to qualify for state aid apportionments pursuant to this section, any institution of higher education must meet either the requirements set forth in subparagraphs (i) through [~~(v)~~] (vi) of this paragraph or, in the alternative, the requirements set forth in paragraph (b) of this subdivision:

§ 2. Paragraph (a) of subdivision 2 of section 6401 of the education law is amended by adding a new subparagraph (vi) to read as follows:

(vi) The institution must have total endowment assets of less than seven hundred fifty million dollars ($750,000,000), based on the most recent academic year data collected in the Integrated Postsecondary Education Data System, as required under Title IV of the Higher Education Act of 1965, as amended, and reported by the Department of Education's National Center for Education Statistics.

§ 3. Paragraph (b) of subdivision 2 of section 6401 of the education law is amended by adding a new subparagraph (vi) to read as follows:

(vi) The sponsoring college must have total endowment assets of less than seven hundred fifty million dollars ($750,000,000), based on the most recent academic year data collected in the Integrated Postsecondary Education Data System, as required under Title IV of the Higher Education Act of 1965, as amended, and reported by the Department of Education's National Center for Education Statistics.

§ 4. Subdivision 3 of section 6401 of the education law, as amended by chapter 361 of the laws of 2014, is amended to read as follows:

3. Degree awards. The amount of such annual apportionment to each institution meeting the requirements of subdivision two of this section shall be computed by multiplying by not to exceed six hundred dollars

the number of earned associate degrees, by not to exceed one thousand five hundred dollars the number of earned bachelor's degrees, by not to exceed nine hundred fifty dollars the number of earned master's degrees, and by not to exceed four thousand five hundred fifty dollars the number of earned doctorate degrees, conferred by such institution during the twelve-month period next preceding the annual period for which such apportionment is made, provided that there shall be excluded from any such computation the number of degrees earned by students with respect to whom state aid other than that established by this section or section sixty-four hundred one-a of this article is granted directly to the institution, and provided further that, except as otherwise provided in this subdivision, the amount apportioned for an associate degree shall be awarded only to two year institutions qualifying under subdivision two of this section. The regents shall promulgate rules defining and classifying professional degrees for the purposes of this section. Institutions qualifying for state aid pursuant to the provisions of paragraph (b) of subdivision two of this section shall, for purposes of this subdivision, be deemed to be the institutions which confer degrees. For purposes of this subdivision, a two-year institution which has received authority to confer bachelor degrees shall continue to be considered a two-year institution until such time as it has actually begun to confer the bachelor's degree. Thereafter, notwithstanding any other provision of law to the contrary, an institution which was formerly a two-year institution for the purposes of this section and which was granted authority by the regents to confer bachelor degrees, (a) such authority having been granted after the first day of June, nineteen hundred ninety-three, but before the first day of July, nineteen hundred ninety-three, (b) such authority having been granted after the first day of May, two thousand five, but before the first day of June, two thousand five, (c) such authority having been granted after the first day of April, two thousand nine, but before the first day of May, two thousand nine, or (d) such authority having been granted after the first day of December, two thousand nine, but before the first day of January, two thousand ten, may elect to continue to receive awards for earned associate degrees. Should such institution so elect, it shall not be eligible during the time of such election to receive awards for earned bachelor's degrees. **Notwithstanding the preceding provisions of this subdivision, in the event that the total amount of such annual apportionments to all institutions meeting the requirements of subdivision two of this section would otherwise exceed the total amount appropriated for unrestricted aid to independent colleges and universities, the annual apportionment to each such institution shall be reduced proportionally.**

§ 5. This act shall take effect July 1, 2024.

PART E

Section 1. Paragraph d of subdivision 7 of section 2-d of the education law, as added by section 1 of subpart L of part AA of chapter 56 of the laws of 2014, is amended to read as follows:

d. Nothing in this section shall limit the administrative use of student data or teacher or principal data by a person acting exclusively in the person's capacity as an employee of an educational agency or of the state or any of its political subdivisions, any court or the federal government that is otherwise required by law. **Nothing in this section shall limit the sharing of student data with the New York state higher education services corporation, the state university of New York, or the**

city university of New York for educational purposes pursuant to the provisions of the family educational rights and privacy act, 20 U.S.C. section 1232g.

§ 2. Section 655 of the education law is amended by adding a new subdivision 9-a to read as follows:

9-a. To provide to any state educational authority such assistance and data as the president deems necessary for purposes of financial aid program evaluation.

§ 3. This act shall take effect immediately.

PART F

Section 1. Section 16 of chapter 260 of the laws of 2011 amending the education law and the New York state urban development corporation act relating to establishing components of the NY-SUNY 2020 challenge grant program, as amended by section 4 of part DD of chapter 56 of the laws of 2021, is amended to read as follows:

§ 16. This act shall take effect July 1, 2011; provided [~~that sections one, two, three, four, five, six, eight, nine, ten, eleven, twelve and thirteen of this act shall expire 13 years after such effective date when upon such date the provisions of this act shall be deemed repealed; and provided further~~] that sections fourteen and fifteen of this act shall expire 5 years after such effective date when upon such date [~~the~~] such provisions [~~of this act~~] shall be deemed repealed.

§ 2. This act shall take effect immediately.

PART G

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 V of chapter 56 of the laws of 2023, is amended to read as follows:

§ 3. This act shall take effect immediately [~~and shall expire and be deemed repealed April 1, 2024~~]; 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, 2024.

PART H

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 Z of chapter 56 of the laws of 2023, are amended to read as follows:

(a) in the case of each individual receiving family care, an amount equal to at least [~~$175.00~~] $181.00 for each month beginning on or after January first, two thousand [~~twenty-three~~] twenty-four.

(b) in the case of each individual receiving residential care, an amount equal to at least [~~$202.00~~] $208.00 for each month beginning on or after January first, two thousand [~~twenty-three~~] twenty-four.

(c) in the case of each individual receiving enhanced residential care, an amount equal to at least [~~$241.00~~] $249.00 for each month beginning on or after January first, two thousand [~~twenty-three~~] twenty-four.

(d) for the period commencing January first, two thousand [~~twenty-four~~] twenty-five, 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-four~~] twenty-five, but prior to June thirtieth, two thousand [~~twenty-four~~] twenty-five, 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 Z of chapter 56 of the laws of 2023, are amended to read as follows:

(a) On and after January first, two thousand [~~twenty-three~~] twenty-four, for an eligible individual living alone, [~~$1,001.00~~] $1,030.00; and for an eligible couple living alone, [~~$1,475.00~~] $1,519.00.

(b) On and after January first, two thousand [~~twenty-three~~] twenty-four, for an eligible individual living with others with or without in-kind income, [~~$937.00~~] $966.00; and for an eligible couple living with others with or without in-kind income, [~~$1,417.00~~] $1,461.00.

(c) On and after January first, two thousand [~~twenty-three~~] twenty-four, (i) for an eligible individual receiving family care, [~~$1,180.48~~] $1,209.48 if he or she is receiving such care in the city of New York or the county of Nassau, Suffolk, Westchester or Rockland; and (ii) for an eligible couple receiving family care in the city of New York or the county of Nassau, Suffolk, Westchester or Rockland, two times the amount set forth in subparagraph (i) of this paragraph; or (iii) for an eligible individual receiving such care in any other county in the state, [~~$1,142.48~~] $1,171.48; and (iv) for an eligible couple receiving such care in any other county in the state, two times the amount set forth in subparagraph (iii) of this paragraph.

(d) On and after January first, two thousand [~~twenty-three~~] twenty-four, (i) for an eligible individual receiving residential care, [~~$1,349.00~~] $1,378.00 if he or she is receiving such care in the city of New York or the county of Nassau, Suffolk, Westchester or Rockland; and (ii) for an eligible couple receiving residential care in the city of New York or the county of Nassau, Suffolk, Westchester or Rockland, two times the amount set forth in subparagraph (i) of this paragraph; or (iii) for an eligible individual receiving such care in any other county in the state, [~~$1,319.00~~] $1,348.00; and (iv) for an eligible couple receiving such care in any other county in the state, two times the amount set forth in subparagraph (iii) of this paragraph.

(e) On and after January first, two thousand [~~twenty-three~~] twenty-four, (i) for an eligible individual receiving enhanced residential care, [~~$1,608.00~~] $1,637.00; and (ii) for an eligible couple receiving enhanced residential care, two times the amount set forth in subparagraph (i) of this paragraph.

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

§ 3. This act shall take effect December 31, 2024.

PART I

Section 1. Clause (iv) of subparagraph 5 of paragraph (b) of subdivision 1 of section 413 of the family court act, as amended by chapter 567 of the laws of 1989, is amended to read as follows:

(iv) at the discretion of the court, the court may attribute or impute income from[~~,~~] such other resources as may be available to the parent, including, but not limited to:

(A) non-income producing assets,

(B) meals, lodging, memberships, automobiles or other perquisites that are provided as part of compensation for employment to the extent that such perquisites constitute expenditures for personal use, or which expenditures directly or [~~indirecly~~] **indirectly** confer personal economic benefits,

(C) fringe benefits provided as part of compensation for employment, and

(D) money, goods, or services provided by relatives and friends;

**In determining the amount of income that may be attributed or imputed, the court shall consider the specific circumstances of the parent, to the extent known, including such factors as the parent's assets, residence, employment and earning history, job skills, educational attainment, literacy, age, health, criminal record and other employment barriers, record of seeking work, the local job market, the availability of employers willing to hire the parent, prevailing earnings level in the local community, and other relevant background factors such as the age, number, needs, and care of the children covered by the child support order. Attribution or imputation of income shall be accompanied by specific written findings identifying the basis or bases for such determination utilizing factors required or permitted to be considered pursuant to this clause;**

§ 2. Clause (iv) of subparagraph 5 of paragraph (b) of subdivision 1-b of section 240 of the domestic relations law, as added by chapter 567 of the laws of 1989, is amended to read as follows:

(iv) at the discretion of the court, the court may attribute or impute income from[~~,~~] such other resources as may be available to the parent, including, but not limited to:

(A) non-income producing assets,

(B) meals, lodging, memberships, automobiles or other perquisites that are provided as part of compensation for employment to the extent that such perquisites constitute expenditures for personal use, or which expenditures directly or [~~indirecly~~] **indirectly** confer personal economic benefits,

(C) fringe benefits provided as part of compensation for employment, and

(D) money, goods, or services provided by relatives and friends;

**In determining the amount of income that may be attributed or imputed, the court shall consider the specific circumstances of the parent, to the extent known, including such factors as the parent's assets, residence, employment and earning history, job skills, educational attainment, literacy, age, health, criminal record and other employment barriers, record of seeking work, the local job market, the availability of employers willing to hire the parent, prevailing earnings level in the local community, and other relevant background factors such as the age, number, needs, and care of the children covered by the child support order. Attribution or imputation of income shall be accompanied by specific written findings identifying the basis or bases for such deter-**

mination utilizing factors required or permitted to be considered pursuant to this clause;

§ 3. Paragraph (k) of subdivision 1 of section 413 of the family court act, as amended by chapter 567 of the laws of 1989, is amended to read as follows:

(k) When a party has defaulted and/or the court is otherwise presented with insufficient evidence to determine gross income, [~~the court shall order child support based upon the needs or standard of living of the child, whichever is greater~~] the support obligation shall be based on available information about the specific circumstances of the parent, in accordance with clause (iv) of subparagraph five of paragraph (b) of this subdivision. Such order may be retroactively modified upward, without a showing of change in circumstances.

§ 4. Paragraph (k) of subdivision 1-b of section 240 of the domestic relations law, as added by chapter 567 of the laws of 1989, is amended to read as follows:

(k) When a party has defaulted and/or the court is otherwise presented with insufficient evidence to determine gross income, [~~the court shall order child support based upon the needs or standard of living of the child, whichever is greater~~] the support obligation shall be based on available information about the specific circumstances of the parent, in accordance with clause (iv) of subparagraph five of paragraph (b) of this subdivision. Such order may be retroactively modified upward, without a showing of change in circumstances.

§ 5. Clause (v) of subparagraph 5 of paragraph (b) of subdivision 1 of section 413 of the family court act, as amended by chapter 313 of the laws of 2019, is amended to read as follows:

(v) an amount imputed as income based upon the parent's former resources or income, if the court determines that a parent has reduced resources or income in order to reduce or avoid the parent's obligation for child support; provided that incarceration shall not be considered voluntary unemployment[~~, unless such incarceration is the result of non-payment of a child support order, or an offense against the custodial parent or child who is the subject of the order or judgment~~];

§ 6. Clause (v) of subparagraph 5 of paragraph (b) of subdivision 1-b of section 240 of the domestic relations law, as amended by chapter 313 of the laws of 2019, is amended to read as follows:

(v) an amount imputed as income based upon the parent's former resources or income, if the court determines that a parent has reduced resources or income in order to reduce or avoid the parent's obligation for child support; provided that incarceration shall not be considered voluntary unemployment[~~, unless such incarceration is the result of non-payment of a child support order, or an offense against the custodial parent or child who is the subject of the order or judgment~~];

§ 7. Paragraph (a) of subdivision 3 of section 451 of the family court act, as amended by chapter 313 of the laws of 2019, is amended to read as follows:

(a) The court may modify an order of child support, including an order incorporating without merging an agreement or stipulation of the parties, upon a showing of a substantial change in circumstances. Incarceration shall not be considered voluntary unemployment and shall not be a bar to finding a substantial change in circumstances [~~provided such incarceration is not the result of non-payment of a child support order, or an offense against the custodial parent or child who is the subject of the order or judgment~~].

§ 8. Clause (i) of subparagraph 2 of paragraph b of subdivision 9 of part B of section 236 of the domestic relations law, as amended by chapter 313 of the laws of 2019, is amended to read as follows:

(i) The court may modify an order of child support, including an order incorporating without merging an agreement or stipulation of the parties, upon a showing of a substantial change in circumstances. Incarceration shall not be considered voluntary unemployment and shall not be a bar to finding a substantial change in circumstances [~~provided such incarceration is not the result of non-payment of a child support order, or an offense against the custodial parent or child who is the subject of the order or judgment~~].

§ 9. This act shall take effect immediately, and shall apply to any action or proceeding pending upon or commenced on or after such effective date.

PART J

Section 1. Subdivision 1 of section 206-c of the labor law, as amended by chapter 672 of the laws of 2022, is amended to read as follows:

1. An employer shall provide [~~reasonable unpaid~~] **paid** break time [~~or~~] **for up to twenty minutes, and** permit an employee to use **existing** paid break time or meal time **for time in excess of twenty minutes,** to allow an employee to express breast milk for her nursing child each time such employee has reasonable need to express breast milk for up to three years following child birth. No employer shall discriminate in any way against an employee who chooses to express breast milk in the work place.

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

PART K

Section 1. Subdivision 1-a of section 198 of the labor law, as amended by chapter 362 of the laws of 2015, is amended to read as follows:

1-a. On behalf of any employee paid less than the wage to which he or she is entitled under the provisions of this article, the commissioner may bring any legal action necessary, including administrative action, to collect such claim and as part of such legal action, in addition to any other remedies and penalties otherwise available under this article, the commissioner shall assess against the employer the full amount of any such underpayment, and an additional amount as liquidated damages, unless the employer proves a good faith basis for believing that its underpayment of wages was in compliance with the law. Liquidated damages shall be calculated by the commissioner as no more than one hundred percent of the total amount of wages found to be due, except such liquidated damages may be up to three hundred percent of the total amount of the wages found to be due for a willful violation of section one hundred ninety-four of this article. In any action instituted in the courts upon a wage claim by an employee or the commissioner in which the employee prevails, the court shall allow such employee to recover the full amount of any underpayment, all reasonable attorney's fees, prejudgment interest as required under the civil practice law and rules, and, unless the employer proves a good faith basis to believe that its underpayment of wages was in compliance with the law, an additional amount as liquidated damages equal to one hundred percent of the total amount of the wages found to be due, except such liquidated damages may be up to three

hundred percent of the total amount of the wages found to be due for a willful violation of section one hundred ninety-four of this article. **Notwithstanding the provisions of this subdivision, liquidated damages shall not be applicable to violations of paragraph a of subdivision one of section one hundred ninety-one of this article where the employee was paid in accordance with the agreed terms of employment, but not less frequently than semi-monthly.**

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

PART L

Section 1. Subdivision 3 of section 218 of the labor law, as amended by chapter 2 of the laws of 2015, is amended to read as follows:

3. **(a)** Provided that no proceeding for administrative or judicial review as provided in this chapter shall then be pending and the time for initiation of such proceeding shall have expired, the commissioner may file with the county clerk of the county where the employer resides or has a place of business the order of the commissioner, or the decision of the industrial board of appeals containing the amount found to be due including the civil penalty, if any, and at the commissioner's discretion, an additional fifteen percent damages upon any outstanding monies owed. [~~At~~] **Notwithstanding any provision to the contrary, in execution of any order or decision filed by the commissioner pursuant to this section, the commissioner shall have all the powers conferred upon sheriffs by article twenty-five of the civil practice law and rules, but they shall be entitled to no fee or compensation in excess of the actual expenses paid in the performance of such duty. Additionally, at** the request of an employee, the commissioner shall assign, without consideration or liability, that portion of the filed order that constitutes wages, wage supplements, interest on wages or wage supplements, or liquidated damages due that employee, to that employee and may file an assignment or order in that amount in the name of that employee with the county clerk of the county where the employer resides or has a place of business. The filing of such assignment, order or decision shall have the full force and effect of a judgment duly docketed in the office of such clerk. The assignment[~~, order or decision~~] may be enforced [~~by and in the name of the commissioner, or~~] by the employee[~~,~~] in the same manner, and with like effect, as that prescribed by the civil practice law and rules for the enforcement of a money judgment.

**(b) In addition and as an alternative to any other remedy provided by this section and provided that no proceeding for administrative or judicial review as provided in this chapter shall then be pending and the time for initiation of such proceeding shall have expired, the commissioner may issue a warrant under their official seal, directed to the sheriff of any county, commanding them to levy upon and sell the real and personal property which may be found within their county of an employer who has defaulted in the payment of any sum determined to be due from such employer for the payment of such sum together with interest, penalties, and the cost of executing the warrant, and to return such warrant to the commissioner and to pay into the fund the money collected by virtue thereof within sixty days after the receipt of such warrant. The sheriff shall, within five days after the receipt of the warrant, file with the clerk of the county a copy thereof, and thereupon such clerk shall enter in the judgment docket the name of the employer mentioned in the warrant and the amount of the contribution, interest,**

and penalties for which the warrant is issued and the date when such copy is filed. Thereupon the amount of such warrant so docketed shall become a lien upon the title to and interest in real property and chattels of the employer against whom the warrant is issued in the same manner as a judgment duly docketed in the office of such clerk. The sheriff shall then proceed upon the warrant in the same manner, and with like effect, as that provided by law in respect to executions issued against property upon judgments of a court of record, and for their services in executing the warrant they shall be entitled to the same fees, which they may collect in the same manner.

(c) In the discretion of the commissioner, a warrant of like terms, force, and effect may be issued and directed to any officer or employee of the department of labor who may file a copy of such warrant with the clerk of any county in the state, and thereupon each such clerk shall docket it and it shall become a lien in the same manner and with the same force and effect as hereinbefore provided with respect to a warrant issued and directed to and filed by a sheriff; and in the execution thereof such officer or employee shall have all the powers conferred by law upon sheriffs, but they shall be entitled to no fee or compensation in excess of the actual expenses paid in the performance of such duty. If a warrant is returned not satisfied in full, the commissioner shall have the same remedies to enforce the amount thereof as if the commissioner had recovered judgment for the same.

§ 2. Subdivision 3 of section 219 of the labor law, as amended by chapter 2 of the laws of 2015, is amended to read as follows:

3. (a) Provided that no proceeding for administrative or judicial review as provided in this chapter shall then be pending and the time for initiation of such proceeding shall have expired, the commissioner may file with the county clerk of the county where the employer resides or has a place of business the order of the commissioner or the decision of the industrial board of appeals containing the amount found to be due, including, at the commissioner's discretion, an additional fifteen percent damages upon any outstanding monies owed. [~~At~~] Notwithstanding any provision to the contrary, in execution of any order or decision filed by the commissioner pursuant to this section, the commissioner shall have all the powers conferred upon sheriffs by article twenty-five of the civil practice law and rules, but they shall be entitled to no fee or compensation in excess of the actual expenses paid in the performance of such duty. Additionally, at the request of an employee, the commissioner shall assign, without consideration or liability, that portion of the filed order that constitutes wages, wage supplements, interest on wages or wage supplements, or liquidated damages due the employee, to that employee and may file an assignment or order in that amount in the name of such employee with the county clerk of the county where the employer resides or has a place of business. The filing of such assignment, order or decision shall have the full force and effect of a judgment duly docketed in the office of such clerk. The assignment[~~, order or decision~~] may be enforced [~~by and in the name of the commissioner, or~~] by the employee[~~,~~] in the same manner, and with like effect, as that prescribed by the civil practice law and rules for the enforcement of a money judgment.

(b) In addition and as an alternative to any other remedy provided by this section and provided that no proceeding for administrative or judicial review as provided in this chapter shall then be pending and the time for initiation of such proceeding shall have expired, the commissioner may issue a warrant under their official seal, directed to the

sheriff of any county, commanding them to levy upon and sell the real and personal property which may be found within their county of an employer who has defaulted in the payment of any sum determined to be due from such employer for the payment of such sum together with interest, penalties, and the cost of executing the warrant, and to return such warrant to the commissioner and to pay into the fund the money collected by virtue thereof within sixty days after the receipt of such warrant. The sheriff shall, within five days after the receipt of the warrant, file with the clerk of the county a copy thereof, and thereupon such clerk shall enter in the judgment docket the name of the employer mentioned in the warrant and the amount of the contribution, interest, and penalties for which the warrant is issued and the date when such copy is filed. Thereupon the amount of such warrant so docketed shall become a lien upon the title to and interest in real property and chattels real of the employer against whom the warrant is issued in the same manner as a judgment duly docketed in the office of such clerk. The sheriff shall then proceed upon the warrant in the same manner, and with like effect, as that provided by law in respect to executions issued against property upon judgments of a court of record, and for their services in executing the warrant they shall be entitled to the same fees, which they may collect in the same manner.

(c) In the discretion of the commissioner, a warrant of like terms, force, and effect may be issued and directed to any officer or employee of the department of labor who may file a copy of such warrant with the clerk of any county in the state, and thereupon each such clerk shall docket it and it shall become a lien in the same manner and with the same force and effect as hereinbefore provided with respect to a warrant issued and directed to and filed by a sheriff; and in the execution thereof such officer or employee shall have all the powers conferred by law upon sheriffs, but they shall be entitled to no fee or compensation in excess of the actual expenses paid in the performance of such duty. If a warrant is returned not satisfied in full, the commissioner shall have the same remedies to enforce the amount thereof as if the commissioner had recovered judgment for the same.

§ 3. This act shall take effect immediately.

PART M

Section 1. Section 2 of chapter 25 of the laws of 2020, relating to providing requirements for sick leave and the provision of certain employee benefits when such employee is subject to a mandatory or precautionary order of quarantine or isolation due to COVID-19, is amended to read as follows:

§ 2. This act shall take effect immediately and shall expire and be deemed repealed July 31, 2024.

§ 2. This act shall take effect immediately.

PART N

Section 1. Notwithstanding any other provision of law, the housing trust fund corporation may provide, for purposes of the neighborhood preservation program, a sum not to exceed $12,830,000 for the fiscal year ending March 31, 2025. Notwithstanding any other provision of law, and subject to the approval of the New York state director of the budget, the board of directors of the state of New York mortgage agency shall authorize the transfer to the housing trust fund corporation, for

the purposes of reimbursing any costs associated with neighborhood preservation program contracts authorized by this section, a total sum not to exceed $12,830,000, 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 2023-2024 in accordance with section 2429-b of the public authorities law, if any, and/or (ii) provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating (as determined by the state of New York mortgage agency) required to accomplish the purposes of such account, the project pool insurance account of the mortgage insurance fund, such transfer to be made as soon as practicable but no later than June 30, 2024.

§ 2. Notwithstanding any other provision of law, the housing trust fund corporation may provide, for purposes of the rural preservation program, a sum not to exceed $5,360,000 for the fiscal year ending March 31, 2025. Notwithstanding any other provision of law, and subject to the approval of the New York state director of the budget, the board of directors of the state of New York mortgage agency shall authorize the transfer to the housing trust fund corporation, for the purposes of reimbursing any costs associated with rural preservation program contracts authorized by this section, a total sum not to exceed $5,360,000, 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 2023-2024 in accordance with section 2429-b of the public authorities law, if any, and/or (ii) provided that the reserves in the project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating (as determined by the state of New York mortgage agency) required to accomplish the purposes of such account, the project pool insurance account of the mortgage insurance fund, such transfer to be made as soon as practicable but no later than June 30, 2024.

§ 3. Notwithstanding any other provision of law, the housing trust fund corporation may provide, for purposes of the rural rental assistance program pursuant to article 17-A of the private housing finance law, a sum not to exceed $23,180,000 for the fiscal year ending March 31, 2025. Notwithstanding any other provision of law, and subject to the approval of the New York state director of the budget, the board of directors of the state of New York mortgage agency shall authorize the transfer to the housing trust fund corporation, for the purposes of reimbursing any costs associated with rural rental assistance program contracts authorized by this section, a total sum not to exceed $23,180,000, 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 2023-2024 in accordance with section 2429-b of the public authorities law, if any, and/or (ii) provided that the reserves in the

project pool insurance account of the mortgage insurance fund created pursuant to section 2429-b of the public authorities law are sufficient to attain and maintain the credit rating, as determined by the state of New York mortgage agency, required to accomplish the purposes of such account, the project pool insurance account of the mortgage insurance fund, such transfer shall be made as soon as practicable but no later than June 30, 2024.

§ 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 $53,580,000 for the fiscal year ending March 31, 2025. 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 $53,580,000, 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 2023-2024 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, 2025.

§ 5. This act shall take effect immediately.

## PART O

Section 1. Short title. This act shall be known and may be cited as the "heirs property protection and deed theft prevention act of 2024".

§ 2. Subdivision 3 of section 30.10 of the criminal procedure law is amended by adding a new paragraph (h) to read as follows:

**(h) A prosecution for any felony related to a deed theft or where there is fraud in connection with a transaction involving real property must be commenced within eight years after the commission of the crime.**

§ 3. The penal law is amended by adding a new article 162 to read as follows:

**ARTICLE 162**

**RESIDENTIAL AND COMMERCIAL DEED THEFT**

**Section 162.00 Definitions.**
**162.05 Deed theft in the third degree.**
**162.10 Deed theft in the second degree.**
**162.15 Deed theft in the first degree.**
**162.20 Aggravated deed theft.**

**§ 162.00 Definitions.**

For the purposes of this article, the following terms shall have the following meanings:

(1) "Deed theft" is committed by a person who:

(a) intentionally alters, falsifies, forges, or misrepresents property documents such as a residential or commercial deed or title, with the intent to deceive, defraud or unlawfully transfer or encumber the ownership rights of a residential or commercial property; or

(b) with intent to defraud, misrepresents themselves as the owner or authorized representative of residential or commercial real property to induce others to rely on such false information in order to obtain ownership or possession of such real property; or

(c) with intent to defraud, takes, obtains, steals, or transfers title or ownership of real property by fraud, forgery, larceny, or any other fraudulent or deceptive practice.

(2) "Residential real property" or any derivative word thereof shall have the same meaning as defined in subdivision three of section 187.00 of this part.

(3) "Commercial real property" or any derivative word thereof shall have the same meaning as defined in paragraph (a) of subdivision six of section four hundred eighty-nine-aaaa of the real property tax law.

(4) "Mixed-use property" shall have the same meaning as defined in subdivision twenty-two of section four hundred eighty-nine-aaaa of the real property tax law.

(5) "Incompetent" shall have the same meaning as defined in section 1-2.9 of the estates, powers and trusts law.

(6) "Incapacitated person" shall mean a person who, because of mental disability as defined in subdivision three of section 1.03 of the mental hygiene law or mental deficiency, is unable to care for their own property and/or personal needs, and is likely to suffer harm because such person is unable to understand and appreciate the nature and consequences of not being able to care for their property and/or personal needs.

§ 162.05 Deed theft in the third degree.

A person is guilty of deed theft in the third degree when such person commits deed theft of one commercial real property.

Deed theft in the third degree is a class D felony.

§ 162.10 Deed theft in the second degree.

A person is guilty of deed theft in the second degree when such person commits deed theft of: (1) one residential real property; or (2) one commercial mixed-use property with at least one residential unit; or (3) three or more commercial properties.

Deed theft in the second degree is a class C felony.

§ 162.15 Deed theft in the first degree.

A person is guilty of deed theft in the first degree when such person:

(1) commits deed theft of a residential property that is occupied as a home by at least one person; or (2) commits deed theft of a residential property that involves a home that is owned or occupied by an elderly person or an incompetent, or an incapacitated person, or physically disabled person.

Deed theft in the first degree is a class B felony.

§ 162.20 Aggravated deed theft.

A person is guilty of aggravated deed theft when such person commits deed theft of three or more residential properties.

Aggravated deed theft is a class B felony.

§ 4. Subdivision 3 of section 187.00 of the penal law, as amended by chapter 507 of the laws of 2009, is amended to read as follows:

3. "Residential real property" means real property **that is used or occupied, or intended to be used or occupied, wholly or partly, as the home or residence of one or more persons, including real property that is** improved by a one-to-four family dwelling, or a residential unit in a building including units owned as condominiums or on a cooperative basis, used or occupied, or intended to be used or occupied, wholly or partly, as the home or residence of one or more persons, but shall not refer to unimproved real property upon which such dwellings are to be constructed.

§ 5. Section 993 of the real property actions and proceedings law is amended by adding a new subdivision 12 to read as follows:

**12. Prohibition on initiation of a partition action. No partition action related to an heirs property may be initiated by a co-tenant who did not inherit their share or shares from a relative or by a co-tenant who is not a relative of a co-tenant who inherited their share or shares of the heirs property from a relative.**

§ 6. Section 993 of the real property actions and proceedings law is amended by adding a new subdivision 13 to read as follows:

**13. Right of first refusal. (a) When a co-tenant receives a bona fide offer to purchase a share or shares of an heirs property and the co-tenant intends to accept or respond with a counteroffer, the co-tenants who inherited their share or shares of the property, or the co-tenants who are relatives to those co-tenants who inherited their share or shares of the property shall have the right to purchase such shares for the identical price, terms, and conditions of the offer or counteroffer.**

**(b) It shall be the duty of the non-co-tenant who made the initial offer for the share or shares of the property as well as the co-tenant who received the offer to exercise all due diligence to identify all of the other co-tenants to the property and notify such co-tenants of the pending offer. Notice shall be made in the same manner as set forth in section three hundred eight of the civil practice law and rules. The other co-tenants shall have ninety days from the date they are notified of the offer to match such offer.**

**(c) In the event that the other co-tenants are not notified of the offer and the sale is completed, and the offeror did not exercise the required due diligence to notify the other co-tenants of the heirs property, the other co-tenants shall have the right to purchase the shares from the non-relative co-tenant for the price paid by such non-relative co-tenant, plus any applicable interest at a rate of two percent per annum. Such right shall expire ninety days after the other co-tenants to the heirs property are made aware of the sale.**

§ 7. The real property law is amended by adding a new section 424 to read as follows:

**§ 424. Transfer on death deed. 1. Definitions. For the purposes of this section the following terms shall have the following meanings:**

**(a) "Beneficiary" means a person who receives property in a transfer on death deed.**

**(b) "Designated beneficiary" means a person designated to receive property in a transfer on death deed.**

**(c) "Joint owner" means an individual who owns property concurrently with one or more other individuals with a right of survivorship. The term includes a joint tenant, owner of community property with a right of survivorship and tenant by the entirety. The term does not include a tenant in common or owner of community property without a right of survivorship.**

(d) "Person" includes a natural person, an association, board, any corporation, whether municipal, stock or non-stock, court, governmental agency, authority or subdivision, partnership or other firm and the state.

(e) "Property" means an interest in real property located in this state which is transferable on the death of the owner.

(f) "Transfer on death deed" means a deed authorized under this section.

(g) "Transferor" means an individual who makes a transfer on death deed.

2. Nonexclusivity. This section does not affect any method of transferring property otherwise permitted under the law of this state.

3. Transfer on death deed authorized. An individual may transfer property to one or more beneficiaries effective at the transferor's death by a transfer on death deed.

4. Transfer on death deed revocable. A transfer on death deed is revocable even if the deed or another instrument contains a contrary provision.

5. Transfer on death deed nontestamentary. A transfer on death deed is nontestamentary.

6. Capacity of transferor. The capacity required to make or revoke a transfer on death deed is the same as the capacity required to make a will.

7. Requirements. A transfer on death deed:

(a) except as otherwise provided in this subdivision, shall contain the essential elements and formalities of a properly recordable inter vivos deed;

(b) shall state that the transfer to the designated beneficiary is to occur at the transferor's death;

(c) shall be signed by two witnesses who were present at the same time and who witnessed the signing of the transfer on death deed;

(d) shall be acknowledged before a notary public; and

(e) shall be recorded before the transferor's death in the public records in the county clerk's office of the county where the property is located in the same manner as any other type of deed.

8. Notice, delivery, acceptance, consideration not required. A transfer on death deed shall be effective without:

(a) notice or delivery to or acceptance by the designated beneficiary during the transferor's life; or

(b) consideration.

9. Revocation by instrument authorized; revocation by act not permitted.

(a) Subject to paragraph (b) of this subdivision, an instrument shall be effective to revoke a recorded transfer on death deed, or any part of it, only if the instrument:

(1) is one of the following:

(A) a transfer on death deed that revokes the deed or part of the deed expressly or by inconsistency;

(B) an instrument of revocation that expressly revokes the deed or part of the deed; or

(C) an inter vivos deed that expressly revokes the transfer on death deed or part of the deed; and

(2) is acknowledged by the transferor after the acknowledgment of the deed being revoked and recorded before the transferor's death in the public records in the county clerk's office of the county where the deed is recorded.

(b) If a transfer on death deed is made by more than one transferor:

(1) revocation by a transferor shall not affect the deed as to the interest of another transferor; and

(2) a deed of joint owners shall only be revoked if it is revoked by all of the living joint owners.

(c) After a transfer on death deed is recorded, it shall not be revoked by a revocatory act on the deed.

(d) This section shall not limit the effect of an inter vivos transfer of the property.

10. Effect of transfer on death deed during transferor's life. During a transferor's life, a transfer on death deed shall not:

(a) affect an interest or right of the transferor or any other owner, including the right to transfer or encumber the property;

(b) affect an interest or right of a transferee, even if the transferee has actual or constructive notice of the deed;

(c) affect an interest or right of a secured or unsecured creditor or future creditor of the transferor, even if the creditor has actual or constructive notice of the deed;

(d) affect the transferor's or designated beneficiary's eligibility for any form of public assistance;

(e) create a legal or equitable interest in favor of the designated beneficiary; or

(f) subject the property to claims or process of a creditor of the designated beneficiary.

11. Effect of transfer on death deed at transferor's death. (a) Except as otherwise provided in the transfer on death deed, in this section or in any other section of law which effects nonprobate transfers, on the death of the transferor, the following rules apply to property that is the subject of a transfer on death deed and owned by the transferor at death:

(1) Subject to subparagraph two of this paragraph, the interest in the property shall be transferred to the designated beneficiary in accordance with the deed.

(2) The interest of a designated beneficiary is contingent on the designated beneficiary surviving the transferor. The interest of a designated beneficiary that fails to survive the transferor lapses.

(3) Subject to subparagraph four of this paragraph, concurrent interests shall be transferred to the beneficiaries in equal and undivided shares with no right of survivorship.

(4) If the transferor has identified two or more designated beneficiaries to receive concurrent interests in the property, the share of one which lapses or fails for any reason shall be transferred to the other, or to the others in proportion to the interest of each in the remaining part of the property held concurrently.

(b) Subject to this chapter, a beneficiary takes the property subject to all conveyances, encumbrances, assignments, contracts, mortgages, liens, and other interests to which the property is subject at the transferor's death. For purposes of this paragraph and this chapter, the recording of the transfer on death deed shall be deemed to have occurred at the transferor's death.

(c) If a transferor is a joint owner and is survived by one or more other joint owners, the property that is the subject of a transfer on death deed shall belong to the surviving joint owner or owners with right of survivorship.

(d) If a transferor is a joint owner and is the last surviving joint owner, the transfer on death deed shall be effective.

(e) A transfer on death deed transfers property without covenant or warranty of title even if the deed contains a contrary provision.

12. Applicability of invalidating and revocatory principles. (a) Nothing in this section shall limit the application of principles of fraud, undue influence, duress, mistake, or other invalidating cause to a transfer of property.

(b) Divorce, annulment or declaration of nullity, or dissolution of marriage, shall have the same effect on a transfer on death deed as outlined in section 5-1.4 of the estates, powers and trusts law.

13. Renunciation. A beneficiary may renounce all or part of the beneficiary's interest in the same manner as if the interest was transferred in a will.

14. Liability for creditor claims and statutory allowances. (a) To the extent the transferor's probate estate is insufficient to satisfy an allowed claim against the estate or a statutory allowance to a surviving spouse or child, the estate may enforce the liability against property transferred at the transferor's death by a transfer on death deed.

(b) If more than one property is transferred by one or more transfer on death deeds, the liability under paragraph (a) of this subdivision is apportioned among the properties in proportion to their net values at the transferor's death.

(c) A proceeding to enforce the liability under this section must be commenced no later than eighteen months after the transferor's death.

15. Form of transfer on death deed. The following form may be used to create a transfer on death deed. The other subdivisions of this section shall govern the effect of this, or any other instrument used to create a transfer on death deed:

(front of form)

**REVOCABLE TRANSFER ON DEATH DEED**

**NOTICE TO OWNER**

You should carefully read all information on the other side of this form. You may want to consult a lawyer before using this form.

This form must be recorded before your death, or it will not be effective.

**IDENTIFYING INFORMATION**

Owner or Owners Making This Deed:

_____

Printed name Mailing address

_____

Printed name Mailing address

Legal description of the property:

_____

**PRIMARY BENEFICIARY**
**I designate the following beneficiary if the beneficiary survives me.**

_____
**Printed name Mailing address, if available**

**ALTERNATE BENEFICIARY - Optional**
**If my primary beneficiary does not survive me, I designate the following alternate beneficiary if that beneficiary survives me.**

_____
**Printed name Mailing address, if available**

**TRANSFER ON DEATH**
**At my death, I transfer my interest in the described property to the beneficiaries as designated above. Before my death, I have the right to revoke this deed.**

**SIGNATURE OF OWNER OR OWNERS MAKING THIS DEED**

_____
**Signature Date**

_____
**Signature Date**

**SIGNATURE OF WITNESSES**

_____
**Signature Date**

_____
**Signature Date**

_____

NOTARY ACKNOWLEDGMENT
(insert notary acknowledgment for deed here)

(back of form)
COMMON QUESTIONS ABOUT THE USE OF THIS FORM

What does the Transfer on Death (TOD) deed do?

When you die, this deed transfers the described property, subject to any liens or mortgages (or other encumbrances) on the property at your death. Probate is not required. The TOD deed has no effect until you die. You can revoke it at any time. You are also free to transfer the property to someone else during your lifetime. If you do not own any interest in the property when you die, this deed will have no effect.

How do I make a TOD deed?

Complete this form. Have it acknowledged before a notary public. Record the form in each county where any part of the property is located. The form has no effect unless it is acknowledged and recorded before your death.

Is the "legal description" of the property necessary?

Yes.

How do I find the "legal description" of the property?

This information may be on the deed you received when you became an owner of the property. This information may also be available in the county clerk's office of the county where the property is located. If you are not absolutely sure, consult a lawyer.

Can I change my mind before I record the TOD deed?

Yes. If you have not yet recorded the deed and want to change your mind, simply tear up or otherwise destroy the deed.

How do I "record" the TOD deed?

Take the completed and acknowledged form to the county clerk's office of the county where the property is located. Follow the instructions given by the county clerk to make the form part of the official property records. If the property is in more than one county, you should record the deed in each county.

Can I later revoke the TOD deed if I change my mind?

Yes. You can revoke the TOD deed. No one, including the beneficiaries, can prevent you from revoking the deed.

How do I revoke the TOD deed after it is recorded?

There are three ways to revoke a recorded TOD deed:

(1) Complete and acknowledge a revocation form and record it in each county where the property is located.

(2) Complete and acknowledge a new TOD deed that disposes of the same property and record it in each county where the property is located.

(3) Transfer the property to someone else during your lifetime by a recorded deed that expressly revokes the TOD deed. You may not revoke the TOD deed by will.

I am being pressured to complete this form. What should I do?

Do not complete this form under pressure. Seek help from a trusted family member, friend, or lawyer.

Do I need to tell the beneficiaries about the TOD deed?

No, but it is recommended. Secrecy can cause later complications and might make it easier for others to commit fraud.

I have other questions about this form. What should I do?

This form is designed to fit some but not all situations. If you have other questions, you are encouraged to consult a lawyer.

16. Form of revocation. The following form may be used to create an instrument of revocation under this section. The other subdivisions of this section shall govern the effect of this, or any other instrument used to revoke a transfer on death deed.

(front of form)
REVOCATION OF TRANSFER ON DEATH DEED

NOTICE TO OWNER
This revocation must be recorded before you die, or it will not be effective. This revocation is effective only as to the interests in the property of owners who sign this revocation.

IDENTIFYING INFORMATION
Owner or Owners of Property Making This Revocation:

_____
Printed name Mailing address

_____
Printed name Mailing address

Legal description of the property:

_____

**REVOCATION**
**I revoke all my previous transfers of this property by transfer on death deed.**

**SIGNATURE OF OWNER OR OWNERS MAKING THIS REVOCATION**

_____
**Signature Date**

_____
**Signature Date**

**SIGNATURE OF WITNESSES**

_____
**Signature Date**

_____
**Signature Date**

**NOTARY ACKNOWLEDGMENT**
**(insert notary acknowledgment here)**

**(back of form)**

**COMMON QUESTIONS ABOUT THE USE OF THIS FORM**

**How do I use this form to revoke a Transfer on Death (TOD) deed?**

**Complete this form. Have it acknowledged before a notary public. Record the form in the public records in the county clerk's office of the county where the property is located. The form must be acknowledged and recorded before your death, or it has no effect.**

**How do I find the "legal description" of the property?**

**This information may be on the TOD deed. It may also be available in the county clerk's office of the county where the property is located. If you are not absolutely sure, consult a lawyer.**

**How do I "record" the form?**

**Take the completed and acknowledged form to the county clerk's office of the county where the property is located. Follow the instructions given by the county clerk to make the form part of the official property records. If the property is located in more than one county, you should record the form in each of those counties.**

**I am being pressured to complete this form. What should I do?**

**Do not complete this form under pressure. Seek help from a trusted family member, friend, or lawyer.**

**I have other questions about this form. What should I do?**
**This form is designed to fit some but not all situations. If you have other questions, consult a lawyer.**

§ 8. This act shall take effect on the ninetieth day after it shall have become a law, provided that section 424 of the real property law, as added by section seven of this act, shall apply to any transfer on death deed made before, on, or after the effective date of this act by a transferor dying on or after the effective date of this act.

PART P

Section 1. This Part enacts into law components of legislation relating to the conveyance and use of real property owned and maintained by the state university of New York and the New York state department of transportation. Each component is wholly contained within a Subpart identified as Subparts A through C. The effective date for each particular provision contained within such Subpart is set forth in the last section of such Subpart. Any provision in any section contained within a Subpart, including the effective date of the Subpart, which makes reference to a section "of this act", when used in connection with that particular component, shall be deemed to mean and refer to the corresponding section of the Subpart in which it is found. Section three of this Part sets forth the general effective date of this Part.

SUBPART A

Section 1. Legislative findings. The legislature finds that the state university of New York at Farmingdale ("Farmingdale") seeks to use approximately 8.7 acres of vacant land on Farmingdale's campus to build multi-purpose facilities to support housing needs and supporting amenities, fulfilling a necessary and vital public purpose. The legislature further finds that granting the trustees of the State University of New York ("Trustees") the authority and power to lease and otherwise contract to make available grounds and facilities of the Farmingdale campus will ensure such land is utilized for the benefit of Farmingdale, the surrounding community, and the general public.

§ 2. Notwithstanding any other law to the contrary, the Trustees are authorized and empowered, without any public bidding, to lease and otherwise contract to make available to Farmingdale state development corporation, a not-for-profit corporation (the "ground lessee"), a portion of the lands of Farmingdale generally described in this act for the purpose of developing, constructing, maintaining and operating multi-purpose facilities to support housing needs and supporting amenities. Such lease or contract shall be for a period not exceeding ninety-nine years without any fee simple conveyance and otherwise upon terms

and conditions determined by such trustees, subject to the approval of the director of the division of the budget, the attorney general and the state comptroller. In the event that the real property that is the subject of such lease or contract shall cease to be used for the purpose described in this act, such lease or contract shall immediately terminate and the real property and any improvements thereon shall revert to the state university of New York. Any lease or contract entered into pursuant to this act shall provide that the real property that is the subject of such lease or contract and any improvements thereon shall revert to the state university of New York on the expiration of such contract or lease. Any and all proceeds related to the leases authorized by this act shall be used for the benefit of the Farmingdale campus and the allocation of such proceeds shall be subject to approval by the Trustees.

§ 3. Any contract or lease entered into pursuant to this act shall be deemed to be a state contract for purposes of article 15-A of the executive law, and any contractor, subcontractor, lessee or sublessee entering into such contract or lease for the construction, demolition, reconstruction, excavation, rehabilitation, repair, renovation, alteration or improvement authorized pursuant to this act shall be deemed a state agency for the purposes of article 15-A of the executive law and subject to the provisions of such article.

§ 4. Notwithstanding any general, special or local law or judicial decision to the contrary, all work performed on a project authorized by this act where all or any portion thereof involves a lease or agreement for construction, demolition, reconstruction, excavation, rehabilitation, repair, renovation, alteration or improvement shall be subject to and performed in accordance with the provisions of article 8 of the labor law to the same extent and in the same manner as a contract of the state.

§ 5. Without limiting the determination of the terms and conditions of such contracts or leases, such terms and conditions may provide for leasing, subleasing, construction, reconstruction, rehabilitation, improvement, operation and management of and provision of services and assistance and the granting of licenses, easements and other arrangements with regard to such grounds and facilities by Farmingdale state development corporation, and parties contracting with Farmingdale state development corporation, and in connection with such activities, the obtaining of funding or financing, whether public or private, unsecured or secured, including, but not limited to, secured by leasehold mortgages and assignments of rents and leases, by Farmingdale state development corporation and parties contracting with Farmingdale state development corporation for the purposes of completing the project described in this act.

§ 6. Such lease shall include an indemnity provision whereby the lessee or sublessee promises to indemnify, hold harmless and defend the lessor against all claims, suits, actions, and liability to all persons on the leased premises, including tenant, tenant's agents, contractors, subcontractors, employees, customers, guests, licensees, invitees and members of the public, for damage to any such person's property, whether real or personal, or for personal injuries arising out of tenant's use or occupation of the demised premises.

§ 7. Any contracts entered into pursuant to this act between the ground lessee and parties contracting with the ground lessee shall be awarded by a competitive process.

§ 8. The property authorized by this act to be leased to Farmingdale state development corporation is generally described as that parcel of real property with improvements thereon consisting of a total of 8.7 acres situated on the campus of the State University of New York at Farmingdale, subject to all existing easements and restrictions of record. The description in this section of the parcel to be made available pursuant to this act is not meant to be a legal description, but is intended only to identify the parcel:

The property is situated at the southwest corner of NYS Route 110 and Melville Road. The eastern boundary runs north/south along the western side of NYS Route 110 with approximately 450 feet of frontage. The northern boundary runs along Melville Road for just over 1,000 feet.

§ 9. The state university of New York shall not lease lands described in this act unless any such lease shall be executed within 5 years of the effective date of this act.

§ 10. Insofar as the provisions of this act are inconsistent with the provisions of any law, general, special or local, the provisions of this act shall be controlling.

§ 11. This act shall take effect immediately.

SUBPART B

Section 1. Legislative findings. The legislature finds that the state university of New York at Stony Brook ("Stony Brook") seeks to use approximately 10 acres of underutilized land on Stony Brook's Southampton campus to build multi-purpose facilities to support housing needs and supporting amenities, fulfilling a necessary and vital public purpose. The legislature further finds that granting the trustees of the State University of New York ("Trustees") the authority and power to lease and otherwise contract to make available grounds and facilities of Stony Brook's campus will ensure such land is utilized for the benefit of Stony Brook, the surrounding community, and the general public.

§ 2. Notwithstanding any other law to the contrary, the Trustees are authorized and empowered, without any public bidding, to lease and otherwise contract to make available to a ground lessee a portion of the lands of Stony Brook generally described in this act for the purpose of developing, constructing, maintaining and operating multi-purpose facilities to support housing needs and supporting amenities. Such lease or contract shall be for a period not exceeding ninety-nine years without any fee simple conveyance and otherwise upon terms and conditions determined by such trustees, subject to the approval of the director of the division of the budget, the attorney general and the state comptroller. In the event that the real property that is the subject of such lease or contract shall cease to be used for the purpose described in this act, such lease or contract shall immediately terminate and the real property and any improvements thereon shall revert to the state university of New York. Any lease or contract entered into pursuant to this act shall provide that the real property that is the subject of such lease or contract and any improvements thereon shall revert to the state university of New York on the expiration of such contract or lease. Any and all proceeds related to the leases authorized by this act shall be used for the benefit of the Stony Brook campus and the allocation of such proceeds shall be subject to approval by the Trustees.

§ 3. Any contract or lease entered into pursuant to this act shall be deemed to be a state contract for purposes of article 15-A of the executive law, and any contractor, subcontractor, lessee or sublessee enter-

ing into such contract or lease for the construction, demolition, reconstruction, excavation, rehabilitation, repair, renovation, alteration or improvement authorized pursuant to this act shall be deemed a state agency for the purposes of article 15-A of the executive law and subject to the provisions of such article.

§ 4. Notwithstanding any general, special or local law or judicial decision to the contrary, all work performed on a project authorized by this act where all or any portion thereof involves a lease or agreement for construction, demolition, reconstruction, excavation, rehabilitation, repair, renovation, alteration or improvement shall be subject to and performed in accordance with the provisions of article 8 of the labor law to the same extent and in the same manner as a contract of the state.

§ 5. Without limiting the determination of the terms and conditions of such contracts or leases, such terms and conditions may provide for leasing, subleasing, construction, reconstruction, rehabilitation, improvement, operation and management of and provision of services and assistance and the granting of licenses, easements and other arrangements with regard to such grounds and facilities by the ground lessee, and parties contracting with the ground lessee, and in connection with such activities, the obtaining of funding or financing, whether public or private, unsecured or secured, including, but not limited to, secured by leasehold mortgages and assignments of rents and leases, by the ground lessee and parties contracting with the ground lessee for the purposes of completing the project described in this act.

§ 6. Such lease shall include an indemnity provision whereby the lessee or sublessee promises to indemnify, hold harmless and defend the lessor against all claims, suits, actions, and liability to all persons on the leased premises, including tenant, tenant's agents, contractors, subcontractors, employees, customers, guests, licensees, invitees and members of the public, for damage to any such person's property, whether real or personal, or for personal injuries arising out of tenant's use or occupation of the demised premises.

§ 7. Any contracts entered into pursuant to this act between the ground lessee and parties contracting with the ground lessee shall be awarded by a competitive process.

§ 8. The property authorized by this act to be leased to the ground lessee is generally described as approximately 10 acres of land situated on the Southampton campus of the state university of New York at Stony Brook, subject to all existing easements and restrictions of record.

§ 9. The state university of New York shall not lease lands described in this act unless any such lease shall be executed within 5 years of the effective date of this act.

§ 10. Insofar as the provisions of this act are inconsistent with the provisions of any law, general, special or local, the provisions of this act shall be controlling.

§ 11. This act shall take effect immediately.

SUBPART C

Section 1. Notwithstanding the provisions of section 400 of the transportation law, or any other provision of law to the contrary, the commissioner of transportation is hereby authorized and empowered to transfer and convey certain state-owned real property, as described in section two of this act, upon such terms and conditions as the commissioner may deem appropriate.

§ 2. The lands authorized by this act to be conveyed consist of two parcels of land in the town of Babylon, Suffolk county, constituting tax map numbers 0100-050.00-01.00-003.000 and 0100-050.00-01.00-002.000, and generally described as approximately twelve and one-half acres of land located north of Conklin Street and east of Route 110.

§ 3. The description in section two of this act of the lands to be conveyed is not intended to be a legal description and is intended only to identify the premises to be conveyed.

§ 4. This act shall take effect immediately.

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

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

## PART Q

Section 1. Subdivision 3 of section 26 of the multiple dwelling law, as amended by chapter 748 of the laws of 1961, is amended to read as follows:

3. Floor area ratio (FAR). [~~The~~] **Except as otherwise provided in and determined under a zoning law, ordinance, or resolution of a city with a population of one million or more, or after consultation with local officials, as provided in a general project plan of the New York state urban development corporation, the** floor area ratio (FAR) of any dwelling or dwellings on a lot shall not exceed 12.0, except that a fireproof class B dwelling in which six or more passenger elevators are maintained and operated in any city having a local zoning law, ordinance or resolution restricting districts in such city to residential use, may be erected in accordance with the provisions of such zoning law, ordinance or resolution, if such class B dwelling is erected in a district no part of which is restricted by such zoning law, ordinance or resolution to residential uses.

§ 2. This act shall take effect immediately.

## PART R

Section 1. Paragraphs c and d of subdivision 2 of section 224-a of the labor law, as added by section 1 of part FFF of chapter 58 of the laws of 2020, are amended and a new paragraph e is added to read as follows:

c. Money loaned by the public entity that is to be repaid on a contingent basis; [~~or~~]

d. Credits that are applied by the public entity against repayment of obligations to the public entity[~~.~~]**; or**

**e. Benefits under section four hundred sixty-seven-m of the real property tax law.**

§ 2. The real property tax law is amended by adding a new section 467-m to read as follows:

§ 467-m. Exemption from local real property taxation of certain multiple dwellings in a city having a population of one million or more. 1. Definitions. For purposes of this section, the following terms shall have the following meanings:

a. "Affordable housing from commercial conversions tax incentive benefits" hereinafter referred to as "AHCC program benefits", shall mean the exemption from real property taxation authorized pursuant to this section.

b. "Affordability requirement" shall mean that within any eligible multiple dwelling: (i) not less than twenty percent of the dwelling units are affordable housing units; (ii) not less than five percent of the dwelling units are affordable housing forty percent units; (iii) the weighted average of all income bands for all of the affordable housing units does not exceed eighty percent of the area median income, adjusted for family size; (iv) there are no more than three income bands for all of the affordable housing units; and (v) no income band for affordable housing units exceeds one hundred percent of the area median income, adjusted for family size.

c. "Affordable housing forty percent unit" shall mean a dwelling unit that: (i) is situated within the eligible multiple dwelling for which AHCC program benefits are granted; and (ii) upon initial rental and upon each subsequent rental following a vacancy during the restriction period, is affordable to and restricted to occupancy by individuals or families whose household income does not exceed forty percent of the area median income, adjusted for family size, at the time that such household initially occupies such dwelling unit.

d. "Affordable housing unit" shall mean, collectively and individually: (i) an affordable housing forty percent unit; and (ii) any other unit that meets the affordability requirement upon initial rental and upon each subsequent rental following a vacancy during the restriction period, and is affordable to and restricted to occupancy by individuals or families whose household income does not exceed the income bands established in conjunction with such affordability requirement.

e. "Agency" shall mean the New York city department of housing preservation and development.

f. "Application" shall mean an application for AHCC program benefits.

g. "Building service employee" shall mean any person who is regularly employed at, and performs work in connection with the care or maintenance of, an eligible multiple dwelling, including, but not limited to, a watchman, guard, doorman, building cleaner, porter, handyman, janitor, gardener, groundskeeper, elevator operator and starter, and window cleaner, but not including persons regularly scheduled to work fewer than eight hours per week at such eligible multiple dwelling.

h. "Commencement date" shall mean the date upon which the actual construction of the eligible conversion lawfully begins in good faith.

i. "Completion date" shall mean the date upon which the local department of buildings issues the first temporary or permanent certificate of occupancy covering all residential areas of an eligible multiple dwelling.

j. "Construction period" shall mean, with respect to any eligible multiple dwelling, a period: (i) beginning on the later of the commencement date or three years before the completion date; and (ii) ending on the day preceding the completion date.

k. "Dwelling" or "dwellings" shall have the same meaning as set forth in subdivision four of section four of the multiple dwelling law.

l. "Eligible conversion" shall mean the conversion of a non-residential building, except a hotel or other class B multiple dwelling, to an eligible multiple dwelling.

m. "Eligible multiple dwelling" shall mean a multiple dwelling which was subject to an eligible conversion in which: (i) all dwelling units included in any application are operated as rental housing; (ii) six or more dwelling units have been created through an eligible conversion; (iii) the commencement date is after December thirty-first, two thousand twenty-two and on or before December thirty-first, two thousand thirty-three; and (iv) the completion date is on or before December thirty-first, two thousand thirty-nine.

n. "Fiscal officer" shall mean the comptroller or other analogous officer in a city having a population of one million or more.

o. "Floor area" shall mean the horizontal areas of the several floors, or any portion thereof, of a dwelling or dwellings, and accessory structures on a lot measured from the exterior faces of exterior walls, or from the center line of party walls.

p. "Income band" shall mean a percentage of the area median income, adjusted for family size, that is a multiple of ten percent.

q. "Manhattan prime development area" shall mean any tax lot now existing or hereafter created which is located entirely south of 96th street in the borough of Manhattan.

r. "Market unit" shall mean a dwelling unit in an eligible multiple dwelling other than an affordable housing unit.

s. "Marketing band" shall mean maximum rent amounts ranging from twenty percent to thirty percent of the area median income or income band, respectively, that is applicable to a specific affordable housing unit.

t. "Multiple dwelling" shall have the same meaning as set forth in subdivision seven of section four of the multiple dwelling law.

u. "Non-residential building" shall mean a structure or portion of a structure, except a hotel or other class B multiple dwelling, having at least one floor, a roof and at least three walls enclosing all or most of the space used in connection with the structure or portion of the structure, which has a certificate of occupancy for commercial, manufacturing or other non-residential use for not less than ninety percent of the aggregate floor area of such structure or portion of such structure, or other proof of such non-residential use as is acceptable to the agency.

v. "Non-residential tax lot" shall mean a tax lot that does not contain any dwelling units.

w. "Rent stabilization" shall mean, collectively, the rent stabilization law of nineteen hundred sixty-nine, the rent stabilization code, and the emergency tenant protection act of nineteen seventy-four, all as in effect as of the effective date of this section or as amended thereafter, together with any successor statutes or regulations addressing substantially the same subject matter.

x. "Residential tax lot" shall mean a tax lot that contains dwelling units.

y. "Restriction period" shall mean a period commencing on the completion date and extending in perpetuity, notwithstanding any earlier termination or revocation of AHCC program benefits.

2. Benefit. In cities having a population of one million or more, notwithstanding the provisions of any other general, special or local law to the contrary, a new eligible multiple dwelling, except a hotel, that complies with the provisions of this section shall be exempt from real property taxation, other than assessments for local improvements,

in the amounts and for the periods which shall be set forth in regulations promulgated by the division of housing and community renewal, in consultation with the agency, provided that such eligible multiple dwelling is used or held out for use for dwelling purposes.

3. Tax payments. In addition to any other amounts payable pursuant to this section, the owner of any eligible multiple dwelling receiving AHCC program benefits shall pay, in each tax year in which such AHCC program benefits are in effect, all assessments for local improvements.

4. Limitation on benefits for non-residential space. If the aggregate floor area of commercial, community facility and accessory use space in an eligible multiple dwelling exceeds twelve percent of the aggregate floor area in such eligible multiple dwelling, any AHCC program benefits shall be reduced by a percentage equal to such excess. If an eligible multiple dwelling contains multiple tax lots, the tax arising out of such reduction in AHCC program benefits shall first be apportioned pro rata among any non-residential tax lots. After any such non-residential tax lots are fully taxable, the remainder of the tax arising out of such reduction in AHCC program benefits, if any, shall be apportioned pro rata among the remaining residential tax lots. For the purposes of this section, accessory use space shall not include home occupation space or accessory parking space located not more than twenty-three feet above the curb level.

5. Application of benefit. Based on the certification of the agency certifying eligibility for AHCC program benefits, the department of finance shall determine the amount of the exemption pursuant to subdivisions two and four of this section and shall apply the exemption to the assessed value of the eligible multiple dwelling.

6. Affordability requirements. An eligible multiple dwelling shall comply with the affordability requirement defined in paragraph b of subdivision one of this section during the restriction period. An eligible multiple dwelling shall also comply with the following requirements during the restriction period:

a. All affordable housing units in an eligible multiple dwelling shall share the same common entrances and common areas as rental market rate units in such eligible multiple dwelling and shall not be isolated to a specific floor or area of an eligible multiple dwelling. Common entrances shall mean any means of ingress or egress regularly used by any resident of a rental dwelling unit in the eligible multiple dwelling.

b. Unless preempted by the requirements of a federal, state or local housing program, either: (i) the affordable housing units in an eligible multiple dwelling shall have a unit mix proportional to the rental market units; or (ii) at least fifty percent of the affordable housing units in an eligible multiple dwelling shall have two or more bedrooms and no more than twenty-five percent of the affordable housing units shall have less than one bedroom.

c. Notwithstanding any provision of rent stabilization to the contrary: (i) all affordable housing units shall remain fully subject to rent stabilization during the restriction period; and (ii) any affordable housing unit occupied by a tenant that has been approved by the agency prior to the agency's denial of an eligible multiple dwelling's application for AHCC program benefits shall remain subject to rent stabilization until such tenant vacates such affordable housing unit.

d. All rent stabilization registrations required to be filed shall contain a designation that specifically identifies affordable housing units created pursuant to this section as "AHCC program affordable hous-

ing units" and shall contain an explanation of the requirements that apply to all such affordable housing units.

e. Failure to comply with the provisions of this subdivision that require the creation, maintenance, rent stabilization compliance, and occupancy of affordable housing units shall result in revocation of AHCC program benefits.

f. Nothing in this section shall: (i) prohibit the occupancy of an affordable housing unit by individuals or families whose income at any time is less than the maximum percentage of the area median income or income band, as applicable, adjusted for family size, specified for such affordable housing unit pursuant to this section; or (ii) prohibit the owner of an eligible multiple dwelling from requiring, upon initial rental or upon any rental following a vacancy, the occupancy of any affordable housing unit by such lower income individuals or families.

g. Following issuance of a temporary certificate of occupancy and upon each vacancy thereafter, an affordable housing unit shall promptly be offered for rental by individuals or families whose income does not exceed the maximum percentage of the area median income or income band, as applicable, adjusted for family size, specified for such affordable housing unit pursuant to this section and who intend to occupy such affordable housing unit as their primary residence. An affordable housing unit shall not be: (i) rented to a corporation, partnership or other entity; or (ii) held off the market for a period longer than is reasonably necessary to perform repairs needed to make such affordable housing unit available for occupancy.

h. An affordable housing unit shall not be rented on a temporary, transient or short-term basis. Every lease and renewal thereof for an affordable housing unit shall be for a term of one or two years, at the option of the tenant.

i. An affordable housing unit shall not be converted to cooperative or condominium ownership.

j. The agency may establish by rule such requirements as the agency deems necessary or appropriate for: (i) the marketing of affordable housing units, both upon initial occupancy and upon any vacancy; (ii) monitoring compliance with the provisions of this subdivision; (iii) the establishment of marketing bands for affordable housing units; and (iv) specifying the legal instrument by which the marketing, affordability, rent stabilization, permitted rent, and any other requirement associated with this benefit will be recorded and enforced. Such requirements may include, but need not be limited to, retaining a monitor approved by the agency and paid for by the owner of the eligible multiple dwelling.

k. Notwithstanding any provision of this section to the contrary, a market unit shall not be subject to rent stabilization unless, in the absence of AHCC program benefits, the unit would be subject to rent stabilization.

7. Building service employees. a. For the purposes of this subdivision, "applicant" shall mean an applicant for AHCC program benefits, any successor to such applicant, or any employer of building service employees for such applicant including, but not limited to, a property management company or contractor.

b. All building service employees employed by the applicant at the eligible multiple dwelling shall receive the applicable prevailing wage for the duration of the benefit period, regardless of whether such benefits provided pursuant to this section are revoked or terminated.

c. The fiscal officer shall have the power to enforce the provisions of this subdivision. In enforcing such provisions, the fiscal officer

shall have the power: (i) to investigate or cause an investigation to be made to determine the prevailing wages for building service employees, and in making such investigation, the fiscal officer may utilize wage and fringe benefit data from various sources, including, but not limited to, data and determinations of federal, state or other governmental agencies; provided, however, that the provision of a dwelling unit shall not be considered wages or a fringe benefit; (ii) to institute and conduct inspections at the site of the work or elsewhere; (iii) to examine the books, documents and records pertaining to the wages paid to, and the hours of work performed by, building service employees; (iv) to hold hearings and, in connection therewith, to issue subpoenas, the enforcement of which shall be regulated by the civil practice law and rules, administer oaths and examine witnesses; (v) to make a classification by craft, trade or other generally recognized occupational category of the building service employees and to determine whether such work has been performed by the building service employees in such classification; (vi) to require the applicant to file with the fiscal officer a record of the wages actually paid by such applicant to the building service employees and of their hours of work; (vii) to delegate any of the foregoing powers to his or her deputy or other authorized representative; (viii) to promulgate rules as he or she shall consider necessary for the proper execution of the duties, responsibilities and powers conferred upon him or her by the provisions of this subdivision; and (ix) to prescribe appropriate sanctions for failure to comply with the provisions of this subdivision. For each violation of paragraph b of this subdivision, the fiscal officer may require the payment of (A) back wages and fringe benefits; (B) liquidated damages up to three times the amount of the back wages and fringe benefits for willful violations; and/or (C) reasonable attorneys' fees. If the fiscal officer finds that the applicant has failed to comply with the provisions of this subdivision, he or she shall present evidence of such non-compliance to the agency.

d. Paragraph b of this subdivision shall not be applicable to: (i) an eligible multiple dwelling containing less than thirty dwelling units; or (ii) an eligible multiple dwelling whose eligible conversion is carried out with the substantial assistance of grants, loans or subsidies provided by a federal, state or local governmental agency or instrumentality pursuant to a program for the development of affordable housing.

e. The applicant shall submit a sworn affidavit with its application certifying that it shall comply with the requirements of this subdivision or is exempt in accordance with paragraph d of this subdivision. Upon the agency's approval of such application, the applicant who is not exempt in accordance with paragraph d of this subdivision shall submit annually a sworn affidavit to the fiscal officer certifying that it shall comply with the requirements of this subdivision.

8. Concurrent exemptions or abatements. An eligible multiple dwelling receiving AHCC program benefits shall not receive any exemption from or abatement of real property taxation under any other law.

9. Voluntary renunciation or termination. Notwithstanding the provisions of any general, special or local law to the contrary, an owner shall not be entitled to voluntarily renounce or terminate AHCC program benefits unless the agency authorizes such renunciation or termination in connection with the commencement of a tax exemption pursuant to the private housing finance law or section four hundred twenty-c of this title.

10. Termination or revocation. The agency may terminate or revoke AHCC program benefits for noncompliance with this section. All of the affordable housing units shall remain subject to rent stabilization and all other requirements of this section for the duration of the restriction period, regardless of whether such benefits have been terminated or revoked.

11. Powers cumulative. The enforcement provisions of this section shall not be exclusive, and are in addition to any other rights, remedies or enforcement powers set forth in any other law or available at law or in equity.

12. Multiple tax lots. If an eligible multiple dwelling contains multiple tax lots, an application may be submitted with respect to one or more of such tax lots. The agency shall determine eligibility for AHCC program benefits based upon the tax lots included in such application and benefits for each such eligible multiple dwelling shall be based upon the completion date of each such multiple dwelling.

13. Applications. a. The application with respect to any eligible multiple dwelling shall be filed with the agency no earlier than the completion date and not later than one year after the completion date of such eligible multiple dwelling.

b. Notwithstanding the provisions of any general, special, or local law to the contrary, the agency may require by rule that applications be filed electronically.

c. The agency may rely on certification by an architect or engineer submitted by an applicant in connection with the filing of an application. A false certification by such architect or engineer shall be deemed to be professional misconduct pursuant to section sixty-five hundred nine of the education law. Any architect or engineer found guilty of such misconduct under the procedures prescribed in section sixty-five hundred ten of the education law shall be subject to the penalties prescribed in section sixty-five hundred eleven of the education law and shall thereafter be ineligible to submit a certification pursuant to this section.

d. Such application shall also certify that all taxes, water charges, and sewer rents currently due and owing on the property which is the subject of the application have been paid or are currently being paid in timely installments pursuant to a written agreement with the department of finance or other appropriate agency.

14. Filing fee. The agency may require a filing fee of no less than three thousand dollars per dwelling unit in connection with any application, except that the agency may promulgate rules:

a. imposing a lesser fee for an eligible multiple dwelling whose eligible conversion is carried out with the substantial assistance of grants, loans or subsidies provided by a federal, state or local governmental agency or instrumentality pursuant to a program for the development of affordable housing; and

b. requiring a portion of the filing fee to be paid upon the submission of the information the agency requires in advance of approving the commencement of the marketing process for such eligible conversion.

15. Rules. Except as provided in subdivision seven of this section, the agency shall have the sole authority to enforce the provisions of this section and may promulgate rules to carry out the provisions of this section.

16. Penalties for violations of affordability requirements. a. On or after the expiration date of the benefit provided pursuant to this

section, the agency may impose, after notice and an opportunity to be heard, a penalty for any violation by an eligible multiple dwelling of the affordability requirements of subdivision six of this section.

b. A penalty imposed under this subdivision shall be computed as a percentage of the capitalized value of all AHCC program benefits on the eligible multiple dwelling, calculated as of the first year that benefits were granted, not to exceed one thousand percent. The agency shall establish a schedule and method of calculation of such penalties pursuant to subdivision fifteen of this section.

c. A penalty imposed under this subdivision shall be imposed against the owner of the eligible multiple dwelling at the time the violation occurred, even if such owner no longer owns such eligible multiple dwelling at the time of the agency's determination.

d. A person or entity who fails to pay a penalty imposed pursuant to this subdivision shall be guilty of a misdemeanor punishable by imprisonment not to exceed six months.

§ 3. This act shall take effect immediately.

PART S

Section 1. The multiple dwelling law is amended by adding a new article 7-D to read as follows:

ARTICLE 7-D

LEGALIZATION AND CONVERSION OF BASEMENT AND CELLAR DWELLING UNITS

Section 288. Definitions.

289. Basement and cellar local laws and regulations.

290. Tenant protections in inhabited basement dwelling units and inhabited cellar dwelling units.

§ 288. Definitions. As used in this article, the following terms shall have the following meanings:

1. The term "inhabited basement dwelling unit" means a basement unlawfully occupied as a residence by one or more tenants on or prior to the effective date of this article;

2. The term "inhabited cellar dwelling unit" means a cellar unlawfully occupied as a residence by one or more tenants on or prior to the effective date of this article;

3. The term "rented" means leased, let, or hired out, with or without a written agreement; and

4. The term "tenant" means an individual to whom an inhabited basement dwelling unit is rented.

§ 289. Basement and cellar local laws and regulations. 1. Notwithstanding any other provision of state or local law to the contrary, in a city with a population of one million or more, the local legislative body may, by local law, establish a program to address, provided that health and safety are protected, (a) the legalization of specified inhabited basement dwelling units and inhabited cellar dwelling units in existence prior to the effective date of this article through conversion to legal dwelling units, or (b) the conversion of other specified basement and cellar dwelling units in existence prior to the effective date of this article to legal dwelling units. The local law authorized by this section, and any rules or regulations promulgated thereunder, shall not be subject to environmental review, including environmental review conducted pursuant to article eight of the environmental conservation law and any state and local regulations promulgated thereunder.

2. The program established by such local law may provide to an owner who converts an inhabited basement dwelling unit or inhabited cellar

dwelling unit in accordance with a local law authorized by this article or who otherwise abates the illegal occupancy of an inhabited basement dwelling unit or inhabited cellar dwelling unit, (a) freedom from any civil or administrative liability, citations, fines, penalties, judgments or any other determinations of or prosecution for civil violations of this chapter, other state law or local law or rules, and the zoning resolution of such city, and (b) relief from any outstanding civil judgments issued in connection with any such violation of such laws, rules or zoning resolution issued before the effective date of this article. Provided that such local law shall require that all applications for conversions be filed by a date certain subsequent to the effective date of this article, provided further that such date shall not exceed five years after the effective date of this article.

3. Such local law may provide that any provision of this chapter or local law, rule or regulation, shall not be applicable to provide for the alterations necessary for the conversion of a specified inhabited basement dwelling unit or inhabited cellar dwelling unit or other specified basement or cellar dwelling unit in existence prior to the effective date into a lawful dwelling unit. Any amendment of the zoning resolution necessary to enact such program shall be subject to a public hearing at the planning commission of such locality, and approval by such commission and the legislative body of such local government, provided, however, that it shall not require environmental review, including environmental review conducted pursuant to article eight of the environmental conservation law and any state and local regulations promulgated thereunder, or any additional land use review.

§ 290. Tenant protections in inhabited basement dwelling units and inhabited cellar dwelling units. 1. The program authorized by this article shall require an application to make alterations to legalize an inhabited basement dwelling unit or inhabited cellar dwelling unit be accompanied by a certification indicating whether such unit was rented to a tenant on the effective date of this article, notwithstanding whether the occupancy of such unit was authorized by law. A city may not use such certification as the basis for an enforcement action for illegal occupancy of such unit, provided that nothing contained in this article shall be construed to limit such city from issuing a vacate order for hazardous or unsafe conditions.

2. The local law authorized by this article shall provide that a tenant in occupancy at the time of the effective date of this article, who is evicted or otherwise removed from such unit as a result of an alteration necessary to bring an inhabited basement dwelling unit or inhabited cellar dwelling unit into compliance with the standards established by the local law authorized by this article, shall have a right of first refusal to return to such unit as a tenant upon its first lawful occupancy as a legal dwelling unit, notwithstanding whether the occupancy at the time of the effective date of this article was authorized by law. Such local law shall specify how to determine priority when multiple tenants may claim such right.

3. A tenant unlawfully denied a right of first refusal to return to a legal dwelling unit, as provided pursuant to the local law authorized by this article, shall have a cause of action in any court of competent jurisdiction for compensatory damages or declaratory and injunctive relief as the court deems necessary in the interests of justice, provided that such compensatory relief shall not exceed the annual rental charges for such legal dwelling unit.

§ 2. This act shall take effect immediately.

PART T

Section 1. Subparagraph (xxviii) of paragraph (a) of subdivision 16 of section 421-a of the real property tax law, as amended by section 3 of part TTT of chapter 59 of the laws of 2017, is amended to read as follows:

(xxviii) "Eligible multiple dwelling" shall mean 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~~] **thirty-one**.

§ 2. This act shall take effect immediately.

PART U

Section 1. The real property tax law is amended by adding a new section 485-x to read as follows:

**§ 485-x. Affordable neighborhoods for New Yorkers tax incentive. 1. Definitions. For purposes of this section:**

**(a) "Affordable neighborhoods for New Yorkers tax incentive benefits (hereinafter referred to as "ANNY Program benefits")" shall mean the exemption from real property taxation pursuant to this section.**

**(b) "Affordable homeownership program" shall only apply to a homeownership project, of which a prescribed percent of the units shall, upon initial sale immediately subsequent to the completion date and upon each subsequent sale for forty years immediately subsequent to the completion date, be affordable to individuals or families whose household income does not exceed a prescribed percent of the area median income, adjusted for family size, and where each owner of any such unit shall agree, in writing, to maintain such unit as their primary residence for no less than five years from the acquisition of such unit, and such project is subject to a regulatory agreement with a city or state agency. The prescribed percentage of the units and the prescribed percentage of the area median income shall be set forth in regulations promulgated by the agency in accordance with the goals and factors set forth in subdivision eight of this section.**

**(c) "Affordability percentage" shall mean a fraction, the numerator of which is the number of affordable housing units in an eligible site and the denominator of which is the total number of dwelling units in such eligible site.**

**(d) "Affordable housing unit" shall mean a dwelling unit that: (i) is situated within the eligible site for which ANNY Program benefits are granted; and (ii) upon initial rental and upon each subsequent rental following a vacancy during the applicable restriction period, is affordable to and restricted to occupancy by a household whose income does not exceed a prescribed percentage of the area median income, adjusted for family size, at the time that such household initially occupies such dwelling unit. The prescribed area median income percentages shall be set forth in regulations promulgated by the agency in accordance with the goals and factors set forth in subdivision eight of this section.**

**(e) "Agency" shall mean the department of housing preservation and development.**

**(f) "Application" shall mean an application for ANNY Program benefits.**

(g) "Average hourly wage" shall mean the amount equal to the aggregate amount of all wages and all employee benefits paid to, or on behalf of, construction workers for construction work divided by the aggregate number of hours of construction work.

(h) "Brooklyn prime development area" shall mean any tax lots now existing or hereafter created which are located entirely within the borough of Brooklyn and as set forth pursuant to a memorandum of understanding entered into pursuant to subdivision twenty-two of this section.

(i) "Building service employee" shall mean any person who is regularly employed at, and performs work in connection with the care or maintenance of, an eligible site, including, but not limited to, a watchman, guard, doorman, building cleaner, porter, handyman, janitor, gardener, groundskeeper, elevator operator and starter, and window cleaner, but not including persons regularly scheduled to work fewer than eight hours per week at the eligible site.

(j) "Commencement date" shall mean, with respect to any eligible multiple dwelling, the date upon which excavation and construction of initial footings and foundations lawfully begins in good faith or, for an eligible conversion, the date upon which the actual construction of the conversion, alteration or improvement of the pre-existing building or structure lawfully begins in good faith.

(k) "Completion date" shall mean, with respect to any eligible multiple dwelling, the date upon which the local department of buildings issues the first temporary or permanent certificate of occupancy covering all residential areas of an eligible multiple dwelling.

(l) "Construction period" shall mean, with respect to any eligible multiple dwelling, a period: (i) beginning on the later of the commencement date of such eligible multiple dwelling or three years before the completion date of such eligible multiple dwelling; and (ii) ending on the day preceding the completion date of such eligible multiple dwelling.

(m) "Construction work" shall mean the provision of labor performed on an eligible site between the commencement date and the completion date, whereby materials and constituent parts are combined to initially form, make or build an eligible multiple dwelling, including without limitation, painting, or providing of material, articles, supplies or equipment in the eligible multiple dwelling, but excluding security personnel and work related to the fit-out of commercial spaces.

(n) "Construction workers" shall mean all persons performing construction work who (i) are paid on an hourly basis and (ii) are not in a management or executive role or position.

(o) "Contractor certified payroll report" shall mean an original payroll report submitted by a contractor or sub-contractor to the independent monitor setting forth to the best of the contractor's or sub-contractor's knowledge, the total number of hours of construction work performed by construction workers, and the amount of wages and employee benefits paid to construction workers for construction work.

(p) "Eligible conversion" shall mean the conversion, alteration or improvement of a pre-existing building or structure resulting in a multiple dwelling in which no more than forty-nine percent of the floor area consists of such pre-existing building or structure.

(q) "Eligible multiple dwelling" shall mean 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 within five years subsequent to the date on which the memo-

randum of understanding is entered into pursuant to subdivision twenty-two of this section, and for which the completion date is within nine years subsequent to the date on which a memorandum of understanding is entered into pursuant to subdivision twenty-two of this section.

(r) "Eligible site" shall mean either: (i) a tax lot containing an eligible multiple dwelling; or (ii) a zoning lot containing two or more eligible multiple dwellings that are part of a single application.

(s) "Employee benefits" shall mean all supplemental compensation paid by the employer, on behalf of construction workers, other than wages, including, without limitation, any premiums or contributions made into plans or funds that provide health, welfare, non-occupational disability coverage, retirement, vacation benefits, holiday pay, life insurance and apprenticeship training. The value of any employee benefits received shall be determined based on the prorated hourly cost to the employer of the employee benefits received by construction workers.

(t) "Fiscal officer" shall mean the comptroller or other analogous officer in a city having a population of one million or more.

(u) "Floor area" shall mean the horizontal areas of the several floors, or any portion thereof, of a dwelling or dwellings, and accessory structures on a lot measured from the exterior faces of exterior walls, or from the center line of party walls.

(v) "Four percent tax credits" shall mean federal low-income housing tax credits computed in accordance with clause (ii) of subparagraph (B) of paragraph (1) of subsection (b) of section forty-two of the internal revenue code of nineteen hundred eighty-six, as amended.

(w) "Forty-year benefit" shall mean: (i) for the construction period, a one hundred percent exemption from real property taxation, other than assessments for local improvements; and (ii) for the first forty years of the restriction period, a one hundred percent exemption from real property taxation, other than assessments for local improvements.

(x) "Homeownership project" shall mean a multiple dwelling operated as condominium or cooperative housing.

(y) "Homeownership project restriction period" shall mean a period commencing on the completion date and expiring on the fortieth anniversary of the completion date, notwithstanding any earlier termination or revocation of ANNY Program benefits.

(z) "Independent monitor" shall mean an accountant licensed and in good standing pursuant to article one hundred forty-nine of the education law.

(aa) "Job action" shall mean any delay, interruption or interference with the construction work caused by the actions of any labor organization or concerted action of any employees at the eligible site, including without limitation, strikes, sympathy strikes, work stoppages, walk outs, slowdowns, picketing, bannering, hand billing, demonstrations, sickouts, refusals to cross a picket line, refusals to handle struck business, and use of the rat or other inflatable balloons or similar displays.

(bb) "Large rental project" shall mean an eligible site consisting of thirty or more residential dwelling units in which all dwelling units included in any application are operated as rental housing.

(cc) "Large rental project restriction period" shall mean a period commencing on the completion date and extending in perpetuity, notwithstanding any earlier termination or revocation of ANNY Program benefits.

(dd) "Manhattan prime development area" shall mean any tax lots, now existing or hereafter created, located entirely in the borough of

Manhattan and as set forth pursuant to the memorandum of understanding entered into pursuant to subdivision twenty-two of this section.

(ee) "Market unit" shall mean a dwelling unit in an eligible multiple dwelling other than an affordable housing unit.

(ff) "Multiple dwelling" shall have the same meaning set forth in subdivision seven of section four of the multiple dwelling law.

(gg) "Non-residential tax lot" shall mean a tax lot that does not contain any dwelling units.

(hh) "Prime development area" shall mean the Manhattan prime development area, the Brooklyn prime development area and the Queens prime development area.

(ii) "Project-wide certified payroll report" shall mean a certified payroll report submitted by the independent monitor to the fiscal officer based on each contractor certified payroll report which sets forth the total number of hours of construction work performed by construction workers, the amount of wages and employee benefits paid to construction workers for construction work and the average hourly wage.

(jj) "Queens prime development area" shall mean any tax lots now existing or hereafter created which are located entirely within the borough of Queens and as set forth pursuant to a memorandum of understanding entered into pursuant to subdivision twenty-two of this section.

(kk) "Rent stabilization" shall mean, collectively, the rent stabilization law of nineteen hundred sixty-nine, the rent stabilization code, and the emergency tenant protection act of nineteen seventy-four, all as in effect as of the effective date of the chapter of the laws of two thousand twenty-four that added this section or as amended thereafter, together with any successor statutes or regulations addressing substantially the same subject matter.

(ll) "Rental project" shall mean, collectively, large rental project and small rental project.

(mm) "Residential tax lot" shall mean a tax lot that contains dwelling units.

(nn) "Small rental project" shall mean an eligible site consisting of less than thirty residential dwelling units in which all dwelling units included in any application are operated as rental housing.

(oo) "Small rental project restriction period" shall mean a period commencing on the completion date and expiring on the thirty-fifth anniversary of the completion date, notwithstanding any earlier termination or revocation of ANNY Project benefits.

(pp) "Tax exempt bond proceeds" shall mean the proceeds of an exempt facility bond, as defined in paragraph seven of subsection (a) of section one hundred forty-two of the internal revenue code of nineteen hundred eighty-six, as amended, the interest upon which is exempt from taxation under section one hundred three of the internal revenue code of nineteen hundred eighty-six, as amended.

(qq) "Third-party fund administrator" shall be a person or entity that receives funds pursuant to subdivision three of this section and oversees and manages the disbursal of such funds to construction workers. The third-party fund administrator shall be a person or entity approved by the fiscal officer and recommended by one, or more, representative or representatives of the largest trade association of residential real estate developers, either for profit or not-for-profit, in New York city and one, or more, representative or representatives of the largest trade labor association representing building and construction workers, with membership in New York city. The third-party fund administrator shall

be appointed for a term of three years, provided, however, that the administrator in place at the end of a three-year term shall continue to serve beyond the end of the term until a replacement administrator is appointed. The fiscal officer, after providing notice and after meeting with the third-party fund administrator, may remove such administrator for cause upon a fiscal officer determination that the administrator has been ineffective at overseeing or managing the disbursal of funds to the construction workers. The third-party fund administrator shall, at the request of the fiscal officer, submit reports to the fiscal officer.

(rr) "Thirty-five year benefit" shall mean: (i) for the construction period, a one hundred percent exemption from real property taxation, other than assessments for local improvements; (ii) for the first twenty-five years of the small rental project restriction period or the large rental project restriction period, as applicable, a one hundred percent exemption from real property taxation, other than assessments for local improvements; and (iii) for the final ten years of the small rental project restriction period or for the next ten years of the large rental project restriction period, as applicable, an exemption from real property taxation, other than assessments for local improvements, equal to the affordability percentage.

(ss) "Wages" shall mean all compensation, remuneration or payments of any kind paid to, or on behalf of, construction workers, including, without limitation, any hourly compensation paid directly to the construction worker, together with employee benefits, such as health, welfare, non-occupational disability coverage, retirement, vacation benefits, holiday pay, life insurance and apprenticeship training, and payroll taxes, including, to the extent permissible by law, all amounts paid for New York state unemployment insurance, New York state disability insurance, metropolitan commuter transportation mobility tax, federal unemployment insurance and pursuant to the federal insurance contributions act or any other payroll tax that is paid by the employer.

2. Benefit. In cities having a population of one million or more, notwithstanding the provisions of any general, special or local law to the contrary, new eligible multiple dwellings, except hotels, that comply with the provisions of this section shall be exempt from real property taxation, other than assessments for local improvements, in the amounts and for the periods specified in this section. A rental project that meets all of the requirements of this section shall receive a thirty-five year benefit and a homeownership project that meets all of the requirements of this section shall receive a forty-year benefit.

3. Rental projects. In addition to all other requirements set forth in this section, rental projects containing more than the number of rental units set forth by the memorandum of understanding entered into pursuant to subdivision twenty-two of this section that are located within the prime development area shall comply with the requirements set forth in this subdivision. For purposes of this subdivision, "contractor" shall mean any entity which by agreement with another party, including subcontractors, undertakes to perform construction work at an eligible site and "applicant" shall mean an applicant for ANNY Program benefits and any successor thereto.

(a) The minimum average hourly wage paid to construction workers on an eligible site within the Manhattan prime development area shall be no less than the amount set by the memorandum of understanding entered into pursuant to subdivision twenty-two of this section, and shall increase pursuant to a schedule set forth by such memorandum.

(b) The minimum average hourly wage paid to construction workers on an eligible site within the Brooklyn prime development area or the Queens prime development area shall be no less than the amount set by the memorandum of understanding entered into pursuant to subdivision twenty-two of this section, and shall increase pursuant to a schedule set forth by such memorandum.

(c) The requirements of paragraphs (a) and (b) of this subdivision shall not be applicable to:

(i) an eligible multiple dwelling in which at least fifty percent of the dwelling units upon initial rental and upon each subsequent rental following a vacancy during the large rental project restriction period, are affordable to and restricted to occupancy by individuals or families whose household income does not exceed ninety percent of the area median income, adjusted for family size, at the time that such household initially occupies such dwelling unit; or

(ii) any eligible dwelling that meets exemption criteria set forth in a memorandum of understanding entered into pursuant to subdivision twenty-two of this section.

(d) The applicant shall contract with an independent monitor. Such independent monitor shall submit to the fiscal officer within one year of the completion date, a project-wide certified payroll report. In the event such project-wide certified payroll report is not submitted to the fiscal officer within the requisite time, the applicant shall be subject to a fine of one thousand dollars per week, or any portion thereof; provided that the maximum fine shall be seventy-five thousand dollars. In the event that the wage paid is less than the average hourly wage set pursuant to paragraph (a) or (b) of this subdivision as applicable, the project-wide certified payroll report shall also set forth the amount of such deficiency.

(e) The contractor certified payroll report shall be submitted by each contractor and sub-contractor no later than ninety days after the completion of construction work by such contractor or sub-contractor. In the event that a contractor or sub-contractor fails or refuses to submit the contractor certified payroll report within the time prescribed in this paragraph, the independent monitor shall notify the fiscal officer and the fiscal officer shall be authorized to fine such contractor or sub-contractor in an amount set forth by the memorandum of understanding entered into pursuant to subdivision twenty-two of this section, provided that the maximum fine shall not exceed an amount set forth in such memorandum.

(f) In the event that the project-wide certified payroll report shows that the wage paid as required by paragraph (a) or (b) of this subdivision, as applicable, was not paid, if the wage paid is within fifteen percent of the average hourly wage required pursuant to paragraph (a) or (b) of this subdivision, as applicable, then no later than one hundred twenty days from the date of submission of such project-wide certified payroll report, the applicant shall pay to the third-party fund administrator an amount equal to the amount of the deficiency set forth in the project-wide certified payroll report. The third-party fund administrator shall distribute such payment to the construction workers who performed construction work on such eligible site. Prior to making such repayment, the third-party fund administrator shall submit to the fiscal officer a plan subject to the fiscal officer's approval setting forth the manner in which the third-party fund administrator will reach the required average hourly wage within one hundred fifty days of receiving the payment from the applicant and how any remaining funds will be

disbursed in the event that the third-party fund administrator cannot distribute the funds to the construction workers within one year of receiving fiscal officer approval. In the event that the applicant fails to make such payment within the time period prescribed in this paragraph, the applicant shall be subject to a fine not to exceed the amount set by the memorandum of understanding entered into pursuant to subdivision twenty-two of this section, provided that the maximum fine shall not exceed the amount set by the memorandum of understanding entered into pursuant to subdivision twenty-two of this section. If the wage paid is more than fifteen percent below the construction wage required pursuant to paragraph (a) or (b) of this subdivision, as applicable, then no later than one hundred twenty days from the date of submission of such project-wide certified payroll report, the applicant shall pay to the third-party fund administrator an amount equal to the amount of the deficiency set forth in the project-wide payroll report. The third-party fund administrator shall distribute such payment to the construction workers who performed construction work on such eligible site. Prior to making such repayment, the third-party fund administrator shall submit to the fiscal officer a plan subject to the fiscal officer's approval setting forth the manner in which the third-party fund administrator will reach the required average hourly wage within one hundred fifty days of receiving the payment from the applicant and how any remaining funds will be disbursed in the event that the third-party fund administrator cannot distribute the funds to the construction workers within one year of receiving fiscal officer approval. In addition, the fiscal officer shall impose a penalty on the applicant in an amount equal to twenty-five percent of the amount of the deficiency, provided, however, that the fiscal officer shall not impose such penalty where the eligible multiple dwelling has been the subject of a job action which results in a work delay. In the event that the applicant fails to make such payment within the time period prescribed in this paragraph, the applicant shall be subject to a fine not to exceed the amount set by the memorandum of understanding entered into pursuant to subdivision twenty-two of this section, provided that the maximum fine shall not exceed the amount set by the memorandum of understanding entered into pursuant subdivision twenty-two of this section. Notwithstanding any provision of this subdivision, the applicant shall not be liable in any respect whatsoever for any payments, fines or penalties related to or resulting from contractor fraud, mistake, or negligence or for fraudulent or inaccurate contractor certified payroll reports or for fraudulent or inaccurate project-wide certified payroll reports, provided, however, that payment to the third-party fund administrator in the amount set forth in the project-wide certified payroll report as described in this paragraph shall still be made by the contractor or sub-contractor in the event of underpayment resulting from or caused by the contractor or sub-contractor, and that the applicant will be liable for underpayment to the third-party fund administrator unless the fiscal officer determines, in its sole discretion, that the underpayment was the result of, or caused by, contractor fraud, mistake or negligence and/or for fraudulent or inaccurate contractor certified payroll reports and/or project-wide certified payroll reports. The applicant shall otherwise not be liable in any way whatsoever once the payment to the third-party fund administrator has been made in the amount set forth in the project-wide certified payroll report. Other than the underpayment, which must be paid to the third-party fund administrator, all fines and penalties set forth in

this subdivision imposed by the fiscal officer shall be paid to the agency and used by the agency to provide affordable housing.

(g) Nothing in this subdivision shall be construed to confer a private right of action to enforce the provisions of this subdivision, provided, however, that this sentence shall not be construed as a waiver of any existing rights of construction workers or their representatives related to wage and benefit collection, wage theft or other labor protections or rights and provided, further, that nothing in this subdivision relieves any obligations pursuant to a collective bargaining agreement.

(h) The fiscal officer shall have the sole authority to determine and enforce any liability for underpayment owing to the third-party fund administrator from the applicant and/or the contractor, as a result of contractor fraud, mistake or negligence and/or for fraudulent or inaccurate contractor certified payroll reports and/or project-wide certified payroll reports, as set forth in paragraph (e) of this subdivision. The fiscal officer shall expeditiously conduct an investigation and hearing at the New York city office of administrative trials and hearings, shall determine the issues raised thereon and shall make and file an order in his or her office stating such determination and forthwith serve a copy of such order, either personally or by mail, together with notice of filing, upon the parties to such proceedings. The fiscal officer in such an investigation shall be deemed to be acting in a judicial capacity and shall have the right to issue subpoenas, administer oaths and examine witnesses. The enforcement of a subpoena issued under this paragraph shall be regulated by the civil practice law and rules. The filing of such order shall have the full force and effect of a judgment duly docketed in the office of the county clerk. The order may be enforced by and in the name of the fiscal officer in the same manner, and with like effect, as that prescribed by the civil practice law and rules for the enforcement of a money judgment.

4. In addition to all other requirements set forth in this section, an eligible site must, over the course of the design and construction of such eligible site, make all reasonable efforts to spend on contracts with minority and women owned business enterprises at least twenty-five percent of the total applicable costs, as such enterprises and costs are defined in rules of the agency. Such rules shall set forth required measures with respect to contracts for design and construction that are comparable, to the extent practicable, to the measures used by agencies of the city of New York to enhance minority and women owned business enterprise participation in agency contracts pursuant to applicable law, including section 6-129 of the administrative code of the city of New York.

5. Tax payments. In addition to any other amounts payable pursuant to this section, the owner of any eligible site receiving ANNY Program benefits shall pay, in each tax year in which such ANNY Program benefits are in effect, real property taxes and assessments as follows:

(a) with respect to each eligible multiple dwelling constructed on such eligible site, real property taxes on the assessed valuation of such land and any improvements thereon in effect during the tax year prior to the commencement date of such eligible multiple dwelling, without regard to any exemption from or abatement of real property taxation in effect during such tax year, which real property taxes shall be calculated using the tax rate in effect at the time such taxes are due; and

(b) all assessments for local improvements.

6. Limitation on benefits for non-residential space. If the aggregate floor area of commercial, community facility and accessory use space in an eligible site, other than parking which is located not more than twenty-three feet above the curb level, exceeds twelve percent of the aggregate floor area in such eligible site, any ANNY Program benefits shall be reduced by a percentage equal to such excess. If an eligible site contains multiple tax lots, the tax arising out of such reduction in ANNY Program benefits shall first be apportioned pro rata among any non-residential tax lots. After any such non-residential tax lots are fully taxable, the remainder of the tax arising out of such reduction in ANNY Program benefits, if any, shall be apportioned pro rata among the remaining residential tax lots.

7. Calculation of benefit. Based on the certification of the agency certifying the applicant's eligibility for ANNY Program benefits, the assessors shall certify to the collecting officer the amount of taxes to be exempted.

8. Affordability requirements. A rental project shall maintain an affordability percentage at or above the minimum affordability percentage set forth in regulations promulgated by the agency. The affordable dwelling units within a rental project shall comply with the area median income affordability level or levels set forth pursuant to regulations promulgated by the agency. In setting the affordability percentage and the area median income levels, the agency shall consider the following goals and factors: the production of financially viable, high quality and safe housing, particularly in well-resourced areas with high land acquisition costs, that meet the needs of low and moderate income households and individuals.

(a) All rental dwelling units in an eligible multiple dwelling shall share the same common entrances and common areas as market rate units in such eligible multiple dwelling and shall not be isolated to a specific floor or area of an eligible multiple dwelling. Common entrances shall mean any area regularly used by any resident of a rental dwelling unit in the eligible multiple dwelling for ingress and egress from such eligible multiple dwelling.

(b) Unless preempted by the requirements of a federal, state or local housing program, either (i) the affordable housing units in an eligible multiple dwelling shall have a unit mix proportional to the market units, or (ii) at least fifty percent of the affordable housing units in an eligible multiple dwelling shall have two or more bedrooms and no more than twenty-five percent of the affordable housing units shall have less than one bedroom.

(c) Notwithstanding any provision of rent stabilization to the contrary, all affordable housing units shall remain fully subject to rent stabilization both during and subsequent to the small building restriction period or the large building restriction period, as applicable.

(d) All rent stabilization registrations required to be filed shall contain a designation that specifically identifies affordable housing units created pursuant to this section as "ANNY Program affordable housing units" and shall contain an explanation of the requirements that apply to all such affordable housing units.

(e) Failure to comply with the provisions of this subdivision that require the creation, maintenance, rent stabilization compliance and occupancy of affordable housing units or for purposes of a homeownership project the failure to comply with the affordable homeownership project

requirements shall result in revocation of any ANNY Program benefits for the period of such non-compliance.

(f) Nothing in this section shall (i) prohibit the occupancy of an affordable housing unit by individuals or families whose income at any time is less than the maximum percentage of the area median income, adjusted for family size, specified for such affordable housing unit pursuant to this section, or (ii) prohibit the owner of an eligible site from requiring, upon initial rental or upon any rental following a vacancy, the occupancy of any affordable housing unit by such lower income individuals or families.

(g) Following issuance of a temporary certificate of occupancy and upon each vacancy thereafter, an affordable housing unit shall promptly be offered for rental by individuals or families whose income does not exceed the maximum percentage of the area median income, adjusted for family size, specified for such affordable housing unit pursuant to this section and who intend to occupy such affordable housing unit as their primary residence. An affordable housing unit shall not be (i) rented to a corporation, partnership or other entity, or (ii) held off the market for a period longer than is reasonably necessary to perform repairs needed to make such affordable housing unit available for occupancy.

(h) An affordable housing unit shall not be rented on a temporary, transient or short-term basis. Every lease and renewal thereof for an affordable housing unit shall be for a term of one or two years, at the option of the tenant.

(i) An affordable housing rental unit shall not be converted to cooperative or condominium ownership.

(j) The agency may establish by rule such requirements as the agency deems necessary or appropriate for (i) the marketing of affordable housing units, both upon initial occupancy and upon any vacancy, (ii) monitoring compliance with the provisions of this subdivision, and (iii) the marketing and monitoring of any homeownership project that is granted an exemption pursuant to this subdivision. Such requirements may include, but need not be limited to, retaining a monitor approved by the agency and paid for by the owner.

(k) Notwithstanding any provision of this section to the contrary, a market unit shall not be subject to rent stabilization unless, in the absence of ANNY Program benefits, the unit would be subject to rent stabilization.

9. Building service employees. (a) For the purposes of this subdivision, "applicant" shall mean an applicant for ANNY Program benefits, any successor to such applicant, or any employer of building service employees for such applicant, including, but not limited to, a property management company or contractor.

(b) All building service employees employed by the applicant at the eligible site shall receive the applicable prevailing wage for the duration of the applicable benefit period, regardless of whether such benefits are revoked or terminated.

(c) The fiscal officer shall have the power to enforce the provisions of this subdivision. In enforcing such provisions, the fiscal officer shall have the power:

(i) to investigate or cause an investigation to be made to determine the prevailing wages for building service employees; in making such investigation, the fiscal officer may utilize wage and fringe benefit data from various sources, including, but not limited to, data and determinations of federal, state or other governmental agencies,

provided, however, that the provision of a dwelling unit shall not be considered wages or a fringe benefit;

(ii) to institute and conduct inspections at the site of the work or elsewhere;

(iii) to examine the books, documents and records pertaining to the wages paid to, and the hours of work performed by, building service employees;

(iv) to hold hearings and, in connection therewith, to issue subpoenas, administer oaths and examine witnesses; the enforcement of a subpoena issued under this subdivision shall be regulated by the civil practice law and rules;

(v) to make a classification by craft, trade or other generally recognized occupational category of the building service employees and to determine whether such work has been performed by the building service employees in such classification;

(vi) to require the applicant to file with the fiscal officer a record of the wages actually paid by such applicant to the building service employees and of their hours of work;

(vii) to delegate any of the foregoing powers to his or her deputy or other authorized representative;

(viii) to promulgate rules as he or she shall consider necessary for the proper execution of the duties, responsibilities and powers conferred upon him or her by the provisions of this paragraph; and

(ix) to prescribe appropriate sanctions for failure to comply with the provisions of this subdivision. For each violation of paragraph (b) of this subdivision, the fiscal officer may require the payment of: (A) back wages and fringe benefits; (B) liquidated damages up to three times the amount of the back wages and fringe benefits for willful violations; and/or (C) reasonable attorney's fees. If the fiscal officer finds that the applicant has failed to comply with the provisions of this subparagraph, he or she shall present evidence of such non-compliance to the agency.

(d) Paragraph (b) of this subdivision shall not be applicable to:

(i) an eligible multiple dwelling containing less than thirty dwelling units; or

(ii) an eligible multiple dwelling in which all of the dwelling units are affordable housing units and not less than fifty percent of such affordable housing units, upon initial rental and upon each subsequent rental following a vacancy are affordable to and restricted to occupancy by individuals or families whose household income does not exceed ninety percent of the area median income, adjusted for family size, at the time that such household initially occupies such dwelling unit.

(e) The applicant shall submit a sworn affidavit with its application, and annually thereafter, certifying that it shall comply with the requirements of this subdivision.

(f) The agency shall annually publish a list of all eligible sites subject to the requirements of this paragraph and the affidavits required pursuant to paragraph (e) of this subdivision.

10. Replacement ratio. If the land on which an eligible site is located contained any dwelling units three years prior to the commencement date of the first eligible multiple dwelling thereon, then such eligible multiple dwelling or dwellings built thereon shall contain at least one affordable housing unit for each dwelling unit that existed on such date and was thereafter demolished, removed or reconfigured.

11. Concurrent exemptions or abatements. An eligible multiple dwelling receiving ANNY Program benefits shall not receive any exemption from or abatement of real property taxation under any other law.

12. Voluntary renunciation or termination. Notwithstanding the provisions of any general, special or local law to the contrary, an owner shall not be entitled to voluntarily renounce or terminate ANNY Program benefits unless the agency authorizes such renunciation or termination in connection with the commencement of a new tax exemption pursuant to either the private housing finance law or section four hundred twenty-c of this title.

13. Termination or revocation. The agency may terminate or revoke ANNY Program benefits for noncompliance with this section; provided, however, that the agency shall not terminate or revoke ANNY Program benefits for a failure to comply with subdivision three of this section. If an applicant has committed three violations of the requirements of paragraph b of subdivision nine of this section within a five-year period, the agency may revoke any benefits under this section. For purposes of this subdivision, a "violation" of paragraph b of subdivision nine of this section shall be deemed a finding by the fiscal officer that the applicant has failed to comply with paragraph b of subdivision nine of this section and has failed to cure the deficiency within three months of such finding. Provided, however, that after a second such violation, the applicant shall be notified that any further violation may result in the revocation of benefits under this section and that the fiscal officer shall publish on its website a list of all applicants with two violations as defined in this paragraph. If ANNY Program benefits are terminated or revoked for noncompliance with this section: (a) all of the affordable housing units shall remain subject to rent stabilization and all other requirements of this section for the applicable restriction period, and any additional period expressly provided in this section, as if the ANNY Program benefits had not been terminated or revoked; or (b) for a homeownership project, such project shall continue to comply with affordability requirements set forth in this section and all other requirements of this section for the restriction period and any additional period expressly provided in this section, as if the ANNY Program benefits had not been terminated or revoked.

14. Powers cumulative. The enforcement provisions of this section shall not be exclusive, and are in addition to any other rights, remedies, or enforcement powers set forth in any other law or available at law or in equity.

15. Multiple tax lots. If an eligible site contains multiple tax lots, an application may be submitted with respect to one or more of such tax lots. The agency shall determine eligibility for ANNY Program benefits based upon the tax lots included in such application and benefits for each multiple dwelling shall be based upon the completion date of such multiple dwelling.

16. Applications. (a) The application with respect to any eligible multiple dwelling shall be filed with the agency not later than one year after the completion date of such eligible multiple dwelling.

(b) Notwithstanding the provisions of any general, special or local law to the contrary, the agency may require by rule that applications be filed electronically.

(c) The agency may rely on certification by an architect or engineer submitted by an applicant in connection with the filing of an application. A false certification by such architect or engineer shall be deemed to be professional misconduct pursuant to section sixty-five

hundred nine of the education law. Any licensee found guilty of such misconduct under the procedures prescribed in section sixty-five hundred ten of the education law shall be subject to the penalties prescribed in section sixty-five hundred eleven of the education law and shall thereafter be ineligible to submit a certification pursuant to this section.

(d) The agency shall not require that the applicant demonstrate compliance with the requirements of subdivision three of this section as a condition to approval of the application.

17. Filing fee. The agency may require a filing fee of three thousand dollars per dwelling unit in connection with any application. However, the agency may promulgate rules imposing a lesser fee for eligible sites containing eligible multiple dwellings constructed with the substantial assistance of grants, loans or subsidies provided by a federal, state or local governmental agency or instrumentality pursuant to a program for the development of affordable housing.

18. Rules. Except as provided in subdivisions three and nine of this section, the agency shall have the sole authority to enforce the provisions of this section and may promulgate rules to carry out the provisions of this section.

19. Election. Notwithstanding anything in this section to the contrary, a small rental project, large rental project or homeownership project with a commencement date on or before June fifteenth, two thousand twenty-two that has not received benefits pursuant to section four hundred twenty-one-a of this title prior to the effective date of the chapter of the laws of two thousand twenty-four that added this section may elect to comply with this section and receive ANNY Program benefits pursuant to this section.

20. Reporting. On or before June thirtieth of each year, the commissioner of the New York city department of housing preservation and development shall issue a report to the governor, the temporary president of the senate and the speaker of the assembly setting forth the number of total projects and units created by this section by year, level of affordability, and community board, the cost of the ANNY Program, and other such factors as the commissioner of the New York city department of housing preservation and development deems appropriate. The New York city department of housing preservation and development may request and shall receive cooperation and assistance from all departments, divisions, boards, bureaus, commissions, public benefit corporations or agencies of the state of New York, the city of New York or any other political subdivisions thereof, or any entity receiving benefits pursuant to this section.

21. Penalties for violations of large rental project affordability requirements. (a) On and after the expiration date of the thirty-five year benefit for a large rental project, the agency may impose, after notice and an opportunity to be heard, a fine for any violation of the affordability requirements established pursuant to subdivision eight of this section by such large rental project. The agency shall establish a schedule and method of calculation of such fines pursuant to subdivision seventeen of this section.

(b) A fine under this subdivision may be imposed against the owner of the eligible site containing such large rental project at the time the violation occurred, even if such owner no longer owns such eligible site. A failure to pay such fine may result in a lien and such other remedies as may be available pursuant to applicable law and regulation.

22. The provisions of subdivisions one through twenty-one of this section shall take effect only upon the conditions that on or before

January first, two thousand twenty-five: (a) a memorandum of understanding is executed by one, or more, representatives of the largest trade association of residential real estate developers, either for profit or not-for-profit, in New York city as well as one, or more, representatives of the largest trade labor association representing building and construction workers, with membership in New York city, and (b) notice of such full execution is delivered to the legislative bill drafting commission. Such memorandum of understanding shall include provisions regarding wages or wage supplements for construction workers on buildings over fifteen units where such buildings enjoy the benefits of this section; provided, however, that such memorandum shall also address issues including those related to the (i) number of units, (ii) application of a wage schedule to different size projects, (iii) wage schedules for various geographic locations in New York city, and (iv) a schedule of fines for non-compliance with the wage requirements set forth in this section. The terms and conditions of the memorandum of understanding shall apply to all projects with more than fifteen units that receive benefits under this section after the memorandum of understanding is executed. Notwithstanding the foregoing, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.

§ 2. Paragraphs f and g of subdivision 3 of section 224-a of the labor law, as added by section 1 of part FFF of chapter 58 of the laws of 2020, are amended and a new paragraph h is added to read as follows:

f. funds provided pursuant to subdivision three of section twenty-eight hundred fifty-three of the education law; [~~and~~]

g. any other public monies, credits, savings or loans, determined by the public subsidy board created in section two hundred twenty-four-c of this article as exempt from this definition[~~.~~]; and

h. benefits under section four hundred eighty-five-x of the real property tax law.

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

§ 4. This act shall take effect immediately; provided, however, that the department of housing preservation and development shall notify the legislative bill drafting commission upon the occurrence of the execution of the memorandum of understanding provided for in subdivision twenty-two of section 485-x of the real property tax law as added by section one of this act in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effectuating the provisions of section 44 of the legislative law and section 70-b of the public officers law.

§ 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section

or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

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