STATE OF NEW YORK

8951

2025-2026 Regular Sessions

IN ASSEMBLY

July 16, 2025

Introduced by M. of A. JENSEN -- read once and referred to the Committee on Higher Education

AN ACT to amend the education law, in relation to exempting the income of dependent applicants for certain awards

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

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

1. Eligibility. An excelsior scholarship award shall be made to an applicant who: (a) is matriculated in an approved program leading to an undergraduate degree at a New York state public institution of higher education; (b) if enrolled in (i) a public institution of higher education prior to application, has completed at least thirty combined credits per year following the student's start date, or its equivalent, applicable to [~~his or her~~] **their** program or programs of study or (ii) an institution of higher education prior to application, has completed at least thirty combined credits per year following the student's start date, or its equivalent, applicable to [~~his or her~~] **their** program or programs of study and which were accepted upon transfer to a public institution of higher education; (c) enrolls in at least twelve credits per semester and completes at least thirty combined credits per year following the student's start date, or its equivalent, applicable to [~~his or her~~] **their** program or programs of study except in limited circumstances as prescribed by the corporation in regulation. Notwithstanding, in the student's last semester, the student may take at least one course needed to meet [~~his or her~~] **their** graduation requirements and enroll in and complete at least twelve credit hours or its equivalent. For students who are disabled as defined by the Americans With Disabilities Act of 1990, 42 USC 12101, the corporation shall prescribe rules and regulations that allow applicants who are disabled to be eligible

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

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for an award pursuant to this section based on modified criteria; (d) has an adjusted gross income for the qualifying year, as such terms are defined in this subdivision, equal to or less than: (i) one hundred thousand dollars for recipients receiving an award in the two thousand seventeen--two thousand eighteen academic year; (ii) one hundred ten thousand dollars for recipients receiving an award in the two thousand eighteen--two thousand nineteen academic year; and (iii) one hundred twenty-five thousand dollars for recipients receiving an award in the two thousand nineteen--two thousand twenty academic year and thereafter; and (e) complies with the applicable provisions of this article and all requirements promulgated by the corporation for the administration of the program. Adjusted gross income shall be the total of the combined adjusted gross income of the applicant and the applicant's parents or the applicant and the applicant's spouse, if married. **The income of an applicant shall not be included in the total adjusted gross income if the applicant is considered a dependent.** Qualifying year shall be the adjusted gross income as reported on the federal income tax return, or as otherwise obtained by the corporation, for the calendar year coinciding with the tax year established by the U.S. department of education to qualify applicants for federal student financial aid programs authorized by Title IV of the Higher Education Act of nineteen hundred sixty-five, as amended, for the school year in which application for assistance is made. Provided, however, if an applicant demonstrates to the corporation that there has been a change in such applicant's adjusted gross income in the year(s) subsequent to the qualifying year which would qualify such applicant for an award, the corporation shall review and make a determination as to whether such applicant meets the requirement set forth in paragraph (d) of this subdivision based on such year. Provided, further that such change was caused by the death, permanent and total physical or mental disability, divorce, or separation by judicial decree or pursuant to an agreement of separation which is filed with a court of competent jurisdiction of any person whose income was required to be used to compute the applicant's total adjusted gross income.

§ 2. Subdivision 1 of section 663 of the education law, as amended by section 1 of part R of chapter 54 of the laws of 2016, is amended to read as follows:

1. Income defined. Except as otherwise provided in this section, "income" shall be the total of the combined net taxable income and income from pensions of New York state, local governments, the federal government and any private employer of the applicant, the applicant's spouse, and the applicant's parents, including any pension and annuity income excluded for purposes of taxation pursuant to paragraph three-a of subsection (c) of section six hundred twelve of the tax law, as reported in New York state income tax returns for the calendar year coinciding with the tax year established by the U.S. department of education to qualify applicants for federal student financial aid programs authorized by title IV of the Higher Education Act of 1965, as amended, for the school year in which application for assistance is made, except that any amount received by an applicant as a scholarship at an educational institution or as a fellowship grant, including the value of contributed services and accommodations, shall not be included within the definition of "income" for the purposes of this article. The term "parent" shall include birth parents, stepparents, adoptive parents and the spouse of an adoptive parent. Income, if not a whole dollar amount, shall be assumed to be equal to the next lowest whole dollar amount. Any change in the status of an applicant with regard to the

persons responsible for the applicant's support occurring after the beginning of any semester shall not be considered to change the applicant's award for that semester. **The income of an applicant shall not be included in the total income if the applicant is considered a dependent.**

§ 3. Subparagraph (iii) of paragraph a, subparagraphs (ii) and (iii) of paragraph b and the opening paragraph of paragraph c of subdivision 3 of section 667 of the education law, subparagraph (iii) of paragraph a as amended by section 1 of part X of chapter 56 of the laws of 2024, subparagraph (ii) of paragraph b as amended by section 2 of part DD of chapter 56 of the laws of 2021, subparagraph (iii) of paragraph b as amended by chapter 309 of the laws of 1996, and the opening paragraph of paragraph c as added by chapter 83 of the laws of 1995 and relettered by section 2 of part J of chapter 58 of the laws of 2011, are amended and paragraph b is amended by adding a new subparagraph (vi) to read as follows:

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

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

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

Amount of income	Schedule of reduction of base amount
(1) Less than seven thousand dollars	None
(2) Seven thousand dollars or more, but less than eleven	Seven per centum of excess over seven thousand dollars

thousand dollars	
(3) Eleven thousand dollars or more, but less than eighteen thousand dollars	Two hundred eighty dollars plus ten per centum of excess over eleven thousand dollars
(4) Eighteen thousand dollars or more, but not more than [~~sixty~~] one hundred twenty-five thousand dollars	Nine hundred eighty dollars plus twelve per centum of excess over eighteen thousand dollars

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

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

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

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

(vi) The income of students who have not been granted exclusion of parental income and are single with no dependent shall not be included in the amount of income when determining a reduction to the base amount of the student's award.

In no [~~even shall~~] event shall any award:

§ 4. This act shall take effect immediately.