

STATE OF NEW YORK

10006--B

IN ASSEMBLY

January 21, 2026

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

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

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

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

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

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

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

4 PART A

5 Section 1. Paragraph e of subdivision 1 of section 211-d of the educa-
6 tion law, as amended by section 1 of part A of chapter 56 of the laws of
7 2025, is amended to read as follows:

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

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

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

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

21 § 2. Intentionally omitted.

22 § 2-a. Subdivision 4 of section 3602 of the education law is amended
23 by adding a new paragraph g to read as follows:

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

30 § 2-b. Subdivision 1 of section 3602 of the education law is amended
31 by adding a new paragraph kk to read as follows:

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

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

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

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

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

26 § 2-c. Paragraph s of subdivision 1 of section 3602 of the education
27 law, as amended by section 4-a of part A of chapter 56 of the laws of
28 2025, is amended to read as follows:

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

38 § 2-d. Subparagraph 3 of paragraph a of subdivision 4 of section 3602
39 of the education law, as amended by section 9-b of part CCC of chapter
40 59 of the laws of 2018, is amended to read as follows:

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

47 § 2-e. Subparagraph 1 of paragraph b of subdivision 10 of section 3602
48 of the education law, as amended by section 10-c of part A of chapter 56
49 of the laws of 2025, is amended to read as follows:

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

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

25 § 2-f. Subdivision 4 of section 3627 of the education law, as amended
26 by section 12 of part A of chapter 56 of the laws of 2025, is amended
27 to read as follows:

28 4. Notwithstanding any other provision of law to the contrary, any
29 expenditures for transportation provided pursuant to this section in the
30 two thousand thirteen--two thousand fourteen school year and thereafter
31 and otherwise eligible for transportation aid pursuant to subdivision
32 seven of section thirty-six hundred two of this article shall be consid-
33 ered approved transportation expenses eligible for transportation aid,
34 provided further that for the two thousand thirteen--two thousand four-
35 teen school year such aid shall be limited to eight million one hundred
36 thousand dollars and for the two thousand fourteen--two thousand fifteen
37 school year such aid shall be limited to the sum of twelve million six
38 hundred thousand dollars plus the base amount and for the two thousand
39 fifteen--two thousand sixteen school year through two thousand eigh-
40 teen--two thousand nineteen school year such aid shall be limited to the
41 sum of eighteen million eight hundred fifty thousand dollars plus the
42 base amount and for the two thousand nineteen--two thousand twenty
43 school year such aid shall be limited to the sum of nineteen million
44 three hundred fifty thousand dollars plus the base amount and for the
45 two thousand twenty--two thousand twenty-one school year such aid shall
46 be limited to the sum of nineteen million eight hundred fifty thousand
47 dollars plus the base amount and for the two thousand twenty-two--two
48 thousand twenty-three school year such aid shall be limited to the sum
49 of twenty-two million three hundred fifty thousand dollars plus the base
50 amount and for the two thousand twenty-three--two thousand twenty-four
51 school year such aid shall be limited to the sum of twenty-four million
52 eight hundred fifty thousand dollars plus the base amount and for the
53 two thousand twenty-four--two thousand twenty-five school year such aid
54 shall be limited to the sum of twenty-nine million eight hundred fifty
55 thousand dollars plus the base amount and for the two thousand twenty-
56 five--two thousand twenty-six school year [~~and thereafter~~] such aid

1 shall be limited to the product of (i) the maximum amount of aid author-
2 ized by this subdivision for the base year, and (ii) the sum of one plus
3 the product of (a) two and one-half multiplied by (b) the percentage
4 increase in the consumer price index as defined in paragraph hh of
5 subdivision one of section thirty-six hundred two of this article and
6 for the two thousand twenty-six--two thousand twenty-seven school year
7 and thereafter such aid shall be limited to the product of: (i) the
8 maximum amount of aid authorized by this subdivision for the base year;
9 and (ii) the sum of one plus the product of (A) three and one-half
10 multiplied by (B) the percentage increase in the consumer price index
11 as defined in paragraph hh of subdivision one of section thirty-six
12 hundred two of this article. For purposes of this subdivision, "base
13 amount" means the amount of transportation aid paid to the school
14 district for expenditures incurred in the two thousand twelve--two thou-
15 sand thirteen school year for transportation that would have been eligi-
16 ble for aid pursuant to this section had this section been in effect in
17 such school year, except that subdivision six of this section shall be
18 deemed not to have been in effect. And provided further that the school
19 district shall continue to annually expend for the transportation
20 described in subdivision one of this section at least the expenditures
21 used for the base amount.

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

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

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

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

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

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

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

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

1 public school kindergarten commencing two years from the time of enroll-
2 ment.

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

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

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

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

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

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

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

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

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

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

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

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

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

41 § 6. Intentionally omitted.

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

43 § 8. Paragraph i of subdivision 12 of section 3602 of the education
44 law, as amended by section 13 of part A of chapter 56 of the laws of
45 2025, is amended to read as follows:

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

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

4 Each school district shall be eligible to receive a high tax aid
5 apportionment in the two thousand eight--two thousand nine school year,
6 which shall equal the greater of (i) the sum of the tier 1 high tax aid
7 apportionment, the tier 2 high tax aid apportionment and the tier 3 high
8 tax aid apportionment or (ii) the product of the apportionment received
9 by the school district pursuant to this subdivision in the two thousand
10 seven--two thousand eight school year, multiplied by the due-minimum
11 factor, which shall equal, for districts with an alternate pupil wealth
12 ratio computed pursuant to paragraph b of subdivision three of this
13 section that is less than two, seventy percent (0.70), and for all other
14 districts, fifty percent (0.50). Each school district shall be eligible
15 to receive a high tax aid apportionment in the two thousand nine--two
16 thousand ten through two thousand twelve--two thousand thirteen school
17 years in the amount set forth for such school district as "HIGH TAX AID"
18 under the heading "2008-09 BASE YEAR AIDS" in the school aid computer
19 listing produced by the commissioner in support of the budget for the
20 two thousand nine--two thousand ten school year and entitled "SA0910".
21 Each school district shall be eligible to receive a high tax aid appor-
22 tionment in the two thousand thirteen--two thousand fourteen through two
23 thousand [~~twenty-five~~] twenty-six--two thousand [~~twenty-six~~] twenty-sev-
24 en school year equal to the greater of (1) the amount set forth for such
25 school district as "HIGH TAX AID" under the heading "2008-09 BASE YEAR
26 AIDS" in the school aid computer listing produced by the commissioner in
27 support of the budget for the two thousand nine--two thousand ten school
28 year and entitled "SA0910" or (2) the amount set forth for such school
29 district as "HIGH TAX AID" under the heading "2013-14 ESTIMATED AIDS" in
30 the school aid computer listing produced by the commissioner in support
31 of the executive budget for the 2013-14 fiscal year and entitled
32 "BT131-4".

33 § 10. Intentionally omitted.

34 § 11. Intentionally omitted.

35 § 12. Intentionally omitted.

36 § 13. Intentionally omitted.

37 § 13-a. The opening paragraph of section 3609-a of the education law,
38 as amended by section 17 of part A of chapter 56 of the laws of 2025, is
39 amended to read as follows:

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

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

23 § 13-b. The education law is amended by adding a new section 3615 to
24 read as follows:

25 § 3615. Recovery of funds as a consequence of failure to maintain
26 effort under federal law. Notwithstanding any inconsistent provision of
27 law to the contrary, in the event that the commissioner has determined a
28 school district has failed to maintain its level of expenditures under
29 federal law, including under the Individuals with Disabilities Education
30 Act, 20 U.S.C. 1413 (a) (2) and the federal regulations promulgated
31 thereunder, and the department is found liable in a recovery action
32 under 20 U.S.C. 1234 (a) for such payment, the commissioner shall be
33 authorized to recover such amount from such school district from a
34 payment of general support for public schools pursuant to section thir-
35 ty-six hundred-nine-a of this part. The amount of such recovery shall be
36 deemed to have been paid to the school district as general support for
37 public schools in the school year in which the recovery is made and
38 shall not have any effect on the base year calculation for use in the
39 subsequent school year.

40 § 13-c. Subdivisions b and c of section 5 of chapter 537 of the laws
41 of 1976, relating to paid, free and reduced price breakfast for eligible
42 pupils in certain school districts, subdivision b as amended by section
43 32-a of part A of chapter 56 of the laws of 2024 and subdivision c as
44 amended by section 22-b of part A of chapter 56 of the laws of 2022, are
45 amended to read as follows:

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

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

7 c. The Department of Agriculture and Markets in cooperation with the
8 State Education Department, shall develop an application for school food
9 authorities to seek an additional State subsidy pursuant to this section
10 in a timeline and format prescribed by the commissioner of agriculture
11 and markets. Such application shall include, but not be limited to,
12 documentation demonstrating the school food authority's total food
13 purchases for its school breakfast, snack, and lunch service program,
14 and documentation demonstrating its total food purchases and percentages
15 for such program, permitted to be counted under this section, from New
16 York State farmers, growers, producers or processors in the preceding
17 school year. The application shall also include an attestation from the
18 school food authority's chief operating officer that it purchased at
19 least thirty percent of its total cost of food products, permitted to be
20 counted under this section, for its school breakfast, snack, and lunch
21 service program from New York State farmers, growers, producers or
22 processors in the preceding school year in order to meet the require-
23 ments for this additional State subsidy. School food authorities shall
24 be required to annually apply for this subsidy. After reviewing school
25 food authorities' completed applications for an additional State subsidy
26 pursuant to this section, the Department of Agriculture and Markets
27 shall certify to the State Education Department the school food authori-
28 ties approved for such additional State subsidy and the State Education
29 Department shall pay such additional State subsidy to such school food
30 authorities.

31 § 14. Subdivision b of section 2 of chapter 756 of the laws of 1992
32 relating to funding a program for work force education conducted by the
33 consortium for worker education in New York city, as amended by section
34 18 of part A of chapter 56 of the laws of 2025, is amended to read as
35 follows:

36 b. Reimbursement for programs approved in accordance with subdivision
37 a of this section for the reimbursement for the 2018--2019 school year
38 shall not exceed 59.4 percent of the lesser of such approvable costs per
39 contact hour or fourteen dollars and ninety-five cents per contact hour,
40 reimbursement for the 2019--2020 school year shall not exceed 57.7
41 percent of the lesser of such approvable costs per contact hour or
42 fifteen dollars sixty cents per contact hour, reimbursement for the
43 2020--2021 school year shall not exceed 56.9 percent of the lesser of
44 such approvable costs per contact hour or sixteen dollars and twenty-
45 five cents per contact hour, reimbursement for the 2021--2022 school
46 year shall not exceed 56.0 percent of the lesser of such approvable
47 costs per contact hour or sixteen dollars and forty cents per contact
48 hour, reimbursement for the 2022--2023 school year shall not exceed 55.7
49 percent of the lesser of such approvable costs per contact hour or
50 sixteen dollars and sixty cents per contact hour, reimbursement for the
51 2023--2024 school year shall not exceed 54.7 percent of the lesser of
52 such approvable costs per contact hour or seventeen dollars and seventy
53 cents per contact hour, reimbursement for the 2024--2025 school year
54 shall not exceed 56.6 percent of the lesser of such approvable costs per
55 contact hour or eighteen dollars and seventy cents per contact hour,
56 [~~and~~] reimbursement for the 2025--2026 school year shall not exceed 58.2

1 percent of the lesser of such approvable costs per contact hour or nine-
2 teen dollars and fifty-five cents per contact hour, and reimbursement
3 for the 2026--2027 school year shall not exceed 59.2 percent of the
4 lesser of such approvable costs per contact hour or twenty dollars and
5 forty cents per contact hour, and where a contact hour represents sixty
6 minutes of instruction services provided to an eligible adult. Notwith-
7 standing any other provision of law to the contrary, for the 2018--2019
8 school year such contact hours shall not exceed one million four hundred
9 sixty-three thousand nine hundred sixty-three (1,463,963); for the
10 2019--2020 school year such contact hours shall not exceed one million
11 four hundred forty-four thousand four hundred forty-four (1,444,444);
12 for the 2020--2021 school year such contact hours shall not exceed one
13 million four hundred six thousand nine hundred twenty-six (1,406,926);
14 for the 2021--2022 school year such contact hours shall not exceed one
15 million four hundred sixteen thousand one hundred twenty-two
16 (1,416,122); for the 2022--2023 school year such contact hours shall not
17 exceed one million four hundred six thousand nine hundred twenty-six
18 (1,406,926); for the 2023--2024 school year such contact hours shall not
19 exceed one million three hundred forty-two thousand nine hundred seven-
20 ty-five (1,342,975); for the 2024--2025 school year such contact hours
21 shall not exceed one million two hundred twenty-eight thousand seven
22 hundred thirty-three (1,228,733); [~~and~~] for the 2025--2026 school year
23 such contact hours shall not exceed one million one hundred forty-three
24 thousand three hundred fifty-nine (1,143,359); and for the 2026--2027
25 school year such contact hours shall not exceed one million seventy-six
26 thousand one hundred fifty-nine (1,076,159). Notwithstanding any other
27 provision of law to the contrary, the apportionment calculated for the
28 city school district of the city of New York pursuant to subdivision 11
29 of section 3602 of the education law shall be computed as if such
30 contact hours provided by the consortium for worker education, not to
31 exceed the contact hours set forth herein, were eligible for aid in
32 accordance with the provisions of such subdivision 11 of section 3602 of
33 the education law.

34 § 15. Intentionally omitted.

35 § 15-a. Section 4 of chapter 756 of the laws of 1992 relating to fund-
36 ing a program for work force education conducted by the consortium for
37 worker education in New York city is amended by adding a new subdivision
38 ee to read as follows:

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

47 § 15-b. Paragraph a-1 of subdivision 11 of section 3602 of the educa-
48 tion law, as amended by section 20-a of part A of chapter 56 of the laws
49 of 2025, is amended to read as follows:

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

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

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

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

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

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

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

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

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

46 § 5. This act shall take effect on the same date as a chapter of the
47 laws of 2006 enacting into law major components of legislation which are
48 necessary to implement the education, labor, and budget for the
49 2006-2007 state fiscal year, family assistance budget for the 2006-2007
50 state fiscal year, as proposed in legislative bill numbers S.6458-C and
51 A.9558-B, takes effect; provided, however, that sections two, three, and
52 four of this act shall expire and be deemed repealed December 31, 2029.

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

1 6. Notwithstanding any other law, rule or regulation to the contrary,
2 the board of education of a city school district with a population of
3 one hundred twenty-five thousand or more inhabitants shall be permitted
4 to establish maximum class sizes for special classes for certain
5 students with disabilities in accordance with the provisions of this
6 subdivision. For the purpose of obtaining relief from any adverse fiscal
7 impact from under-utilization of special education resources due to low
8 student attendance in special education classes at the middle and
9 secondary level as determined by the commissioner, such boards of educa-
10 tion shall, during the school years nineteen hundred ninety-five--nine-
11 ty-six through June thirtieth, two thousand [~~twenty-six~~] twenty-seven,
12 be authorized to increase class sizes in special classes containing
13 students with disabilities whose age ranges are equivalent to those of
14 students in middle and secondary schools as defined by the commissioner
15 for purposes of this section by up to but not to exceed one and two
16 tenths times the applicable maximum class size specified in regulations
17 of the commissioner rounded up to the nearest whole number, provided
18 that in a city school district having a population of one million or
19 more, classes that have a maximum class size of fifteen may be increased
20 by no more than one student and provided that the projected average
21 class size shall not exceed the maximum specified in the applicable
22 regulation, provided that such authorization shall terminate on June
23 thirtieth, two thousand. Such authorization shall be granted upon filing
24 of a notice by such a board of education with the commissioner stating
25 the board's intention to increase such class sizes and a certification
26 that the board will conduct a study of attendance problems at the
27 secondary level and will implement a corrective action plan to increase
28 the rate of attendance of students in such classes to at least the rate
29 for students attending regular education classes in secondary schools of
30 the district. Such corrective action plan shall be submitted for
31 approval by the commissioner by a date during the school year in which
32 such board increases class sizes as provided pursuant to this subdivi-
33 sion to be prescribed by the commissioner. Upon at least thirty days
34 notice to the board of education, after conclusion of the school year in
35 which such board increases class sizes as provided pursuant to this
36 subdivision, the commissioner shall be authorized to terminate such
37 authorization upon a finding that the board has failed to develop or
38 implement an approved corrective action plan.

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

44 (22) sections one hundred twelve, one hundred thirteen, one hundred
45 fourteen, one hundred fifteen and one hundred sixteen of this act shall
46 take effect on July 1, 1995; provided, however, that section one hundred
47 thirteen of this act shall remain in full force and effect until July 1,
48 [~~2026~~] 2027 at which time it shall be deemed repealed;

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

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

1 week of June 2027 and not later than the last day of the third full
2 business week of June 2027, a school district eligible for an apportion-
3 ment pursuant to section 3602 of the education law shall be eligible to
4 receive an apportionment pursuant to this section, for the school year
5 ending June 30, 2027, for salary expenses incurred between April 1 and
6 June 30, 2026 and such apportionment shall not exceed the sum of (a) the
7 deficit reduction assessment of 1990--1991 as determined by the commis-
8 sioner of education, pursuant to paragraph f of subdivision 1 of section
9 3602 of the education law, as in effect through June 30, 1993, plus (b)
10 186 percent of such amount for a city school district in a city with a
11 population in excess of 1,000,000 inhabitants, plus (c) 209 percent of
12 such amount for a city school district in a city with a population of
13 more than 195,000 inhabitants and less than 219,000 inhabitants accord-
14 ing to the latest federal census, plus (d) the net gap elimination
15 adjustment for 2010--2011, as determined by the commissioner of educa-
16 tion pursuant to chapter 53 of the laws of 2010, plus (e) the gap elimi-
17 nation adjustment for 2011--2012 as determined by the commissioner of
18 education pursuant to subdivision 17 of section 3602 of the education
19 law, and provided further that such apportionment shall not exceed such
20 salary expenses. Such application shall be made by a school district,
21 after the board of education or trustees have adopted a resolution to do
22 so and in the case of a city school district in a city with a population
23 in excess of 125,000 inhabitants, with the approval of the mayor of such
24 city.

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

41 3. Notwithstanding the provisions of section 3609-a of the education
42 law, an amount equal to the amount paid to a school district pursuant to
43 subdivisions 1 and 2 of this section shall first be deducted from the
44 following payments due the school district during the school year
45 following the year in which application was made pursuant to subpara-
46 graphs 1, 2, 3, 4 and 5 of paragraph a of subdivision 1 of section
47 3609-a of the education law in the following order: the lottery appor-
48 tionment payable pursuant to subparagraph 2 of such paragraph followed
49 by the fixed fall payments payable pursuant to subparagraph 4 of such
50 paragraph and then followed by the district's payments to the teachers'
51 retirement system pursuant to subparagraph 1 of such paragraph, and any
52 remainder to be deducted from the individualized payments due the
53 district pursuant to paragraph b of such subdivision shall be deducted
54 on a chronological basis starting with the earliest payment due the
55 district.

1 § 23. Special apportionment for public pension accruals. 1. Notwith-
2 standing any other provision of law, upon application to the commission-
3 er of education, not later than June 30, 2027, a school district eligi-
4 ble for an apportionment pursuant to section 3602 of the education law
5 shall be eligible to receive an apportionment pursuant to this section,
6 for the school year ending June 30, 2027 and such apportionment shall
7 not exceed the additional accruals required to be made by school
8 districts in the 2004--2005 and 2005--2006 school years associated with
9 changes for such public pension liabilities. The amount of such addi-
10 tional accrual shall be certified to the commissioner of education by
11 the president of the board of education or the trustees or, in the case
12 of a city school district in a city with a population in excess of
13 125,000 inhabitants, the mayor of such city. Such application shall be
14 made by a school district, after the board of education or trustees have
15 adopted a resolution to do so and in the case of a city school district
16 in a city with a population in excess of 125,000 inhabitants, with the
17 approval of the mayor of such city.

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

34 3. Notwithstanding the provisions of section 3609-a of the education
35 law, an amount equal to the amount paid to a school district pursuant to
36 subdivisions 1 and 2 of this section shall first be deducted from the
37 following payments due the school district during the school year
38 following the year in which application was made pursuant to subpara-
39 graphs 1, 2, 3, 4 and 5 of paragraph a of subdivision 1 of section
40 3609-a of the education law in the following order: the lottery appor-
41 tionment payable pursuant to subparagraph 2 of such paragraph followed
42 by the fixed fall payments payable pursuant to subparagraph 4 of such
43 paragraph and then followed by the district's payments to the teachers'
44 retirement system pursuant to subparagraph 1 of such paragraph, and any
45 remainder to be deducted from the individualized payments due the
46 district pursuant to paragraph b of such subdivision shall be deducted
47 on a chronological basis starting with the earliest payment due the
48 district.

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

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

1 (\$500,000) for the Andrew Jackson High School; for the Buffalo city
2 school district, twenty-one million twenty-five thousand dollars
3 (\$21,025,000); for the Rochester city school district, fifteen million
4 dollars (\$15,000,000); for the Syracuse city school district, thirteen
5 million dollars (\$13,000,000); for the Yonkers city school district,
6 forty-nine million five hundred thousand dollars (\$49,500,000); for the
7 Newburgh city school district, four million six hundred forty-five thou-
8 sand dollars (\$4,645,000); for the Poughkeepsie city school district,
9 two million four hundred seventy-five thousand dollars (\$2,475,000); for
10 the Mount Vernon city school district, two million dollars (\$2,000,000);
11 for the New Rochelle city school district, one million four hundred ten
12 thousand dollars (\$1,410,000); for the Schenectady city school district,
13 one million eight hundred thousand dollars (\$1,800,000); for the Port
14 Chester city school district, one million one hundred fifty thousand
15 dollars (\$1,150,000); for the White Plains city school district, nine
16 hundred thousand dollars (\$900,000); for the Niagara Falls city school
17 district, six hundred thousand dollars (\$600,000); for the Albany city
18 school district, three million five hundred fifty thousand dollars
19 (\$3,550,000); for the Utica city school district, two million dollars
20 (\$2,000,000); for the Beacon city school district, five hundred sixty-
21 six thousand dollars (\$566,000); for the Middletown city school
22 district, four hundred thousand dollars (\$400,000); for the Freeport
23 union free school district, four hundred thousand dollars (\$400,000);
24 for the Greenburgh central school district, three hundred thousand
25 dollars (\$300,000); for the Amsterdam city school district, eight
26 hundred thousand dollars (\$800,000); for the Peekskill city school
27 district, two hundred thousand dollars (\$200,000); and for the Hudson
28 city school district, four hundred thousand dollars (\$400,000).

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

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

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

1 (\$1,741,000); for the Rochester city school district, one million seven-
2 ty-six thousand dollars (\$1,076,000); for the Yonkers city school
3 district, one million one hundred forty-seven thousand dollars
4 (\$1,147,000); and for the Syracuse city school district, eight hundred
5 nine thousand dollars (\$809,000). All funds made available to a school
6 district pursuant to this section shall be distributed among teachers
7 including prekindergarten teachers and teachers of adult vocational and
8 academic subjects in accordance with this section and shall be in addi-
9 tion to salaries heretofore or hereafter negotiated or made available;
10 provided, however, that all funds distributed pursuant to this section
11 for the current year shall be deemed to incorporate all funds distrib-
12 uted pursuant to former subdivision 27 of section 3602 of the education
13 law for prior years. In school districts where the teachers are repres-
14 ented by certified or recognized employee organizations, all salary
15 increases funded pursuant to this section shall be determined by sepa-
16 rate collective negotiations conducted pursuant to the provisions and
17 procedures of article 14 of the civil service law, notwithstanding the
18 existence of a negotiated agreement between a school district and a
19 certified or recognized employee organization.

20 § 24-a. Subdivision a of section 5 of chapter 121 of the laws of 1996
21 authorizing the Roosevelt union free school district to finance deficits
22 by the issuance of serial bonds, as amended by section 24-a of part A of
23 chapter 56 of the laws of 2025, is amended to read as follows:

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

39 § 25. Support of public libraries. The moneys appropriated for the
40 support of public libraries by a chapter of the laws of 2026 enacting
41 the aid to localities budget shall be apportioned for the 2026--2027
42 state fiscal year in accordance with the provisions of sections 271,
43 272, 273, 282, 284, and 285 of the education law as amended by the
44 provisions of such chapter and the provisions of this section, provided
45 that library construction aid pursuant to section 273-a of the education
46 law shall not be payable from the appropriations for the support of
47 public libraries and provided further that no library, library system or
48 program, as defined by the commissioner of education, shall receive less
49 total system or program aid than it received for the year 2001--2002
50 except as a result of a reduction adjustment necessary to conform to the
51 appropriations for support of public libraries.

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

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

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

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

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

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

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

28 PART B

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

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

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

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

51 § 2. This act shall take effect immediately.

52 PART C

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

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

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

26 (e) has not already obtained any postsecondary degree, provided that
27 nothing in this paragraph shall be construed to prohibit the eligibility
28 of a student who is already enrolled in an eligible associate degree
29 program on the effective date of this section and who meets all the
30 other eligibility requirements of this subdivision, and provided further
31 that nothing in this paragraph shall be construed to prohibit the eligi-
32 bility of a student who, though having previously obtained a postsecon-
33 dary degree, is enrolled in an approved program leading to an associ-
34 ate's degree in nursing.

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

50 § 2. This act shall take effect immediately.

51 PART D

52 Intentionally Omitted

1

PART E

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

5 (4-a-1) Notwithstanding any law, rule, regulation or practice to the
6 contrary and following the review and approval of the chancellor of the
7 state university or [~~his or her~~] such chancellor's designee, the board
8 of trustees may annually impose differential tuition rates on non-resi-
9 dent undergraduate and graduate rates of tuition for state-operated
10 institutions [~~for a three year period~~] commencing with the two thousand
11 twenty-three--two thousand twenty-four academic year and ending in the
12 two thousand [~~twenty-five~~] twenty-eight--two thousand [~~twenty-six~~] twen-
13 ty-nine academic year, provided that such rates are competitive with the
14 rates of tuition charged by peer institutions and that the board of
15 trustees annually provide the reason and methodology behind any rate
16 increase to the governor, the temporary president of the senate, and the
17 speaker of the assembly prior to the approval of such increases.

18 § 2. Subparagraph (vi) of paragraph (a) of subdivision 7 of section
19 6206 of the education law, as added by section 2 of part B of chapter 56
20 of the laws of 2023, is amended to read as follows:

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

34 § 3. Subparagraph (ii) of paragraph (a) of subdivision 7 of section
35 6206 of the education law, as amended by section 3 of part B of chapter
36 56 of the laws of 2023, is amended to read as follows:

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

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

1

PART F

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

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

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

32 5. The corporation shall convert to a student loan the full amount of
33 the award granted pursuant to this section, plus interest, according to
34 a schedule to be determined by the corporation if: (a) two years after
35 the completion of the degree program and receipt of initial certif-
36 ication it is found that a recipient is ~~[not]~~ neither teaching in a
37 public school located within New York state providing elementary or
38 secondary education recognized by the board of regents or the university
39 of the state of New York, including charter schools authorized pursuant
40 to article fifty-six of this chapter, nor employed by an eligible agency
41 as defined by paragraph b of subdivision one of section thirty-six
42 hundred two-e of this chapter; (b) a recipient has ~~[not]~~ neither taught
43 in a public school located within New York state providing elementary or
44 secondary education recognized by the board of regents or the university
45 of the state of New York, including charter schools authorized pursuant
46 to article fifty-six of this chapter, nor been employed by an eligible
47 agency as defined by paragraph b of subdivision one of section thirty-
48 six hundred two-e of this chapter, for five of the seven years after the
49 completion of the graduate degree program and receipt of initial certif-
50 ication; (c) a recipient fails to complete ~~[his or her]~~ their graduate
51 degree program in education; (d) a recipient fails to receive or main-
52 tain ~~[his or her]~~ their teaching certificate or license in New York
53 state for the required period; or (e) a recipient fails to respond to
54 requests by the corporation for the status of ~~[his or her]~~ their academ-
55 ic or professional progress. The terms and conditions of this subdivi-

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

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

10

PART G

11 Section 1. Section 97-v of the state finance law, as added by chapter
12 851 of the laws of 1983 and subdivision 3 as amended by chapter 83 of
13 the laws of 1995, is amended to read as follows:

14 § 97-v. New York state [~~musical instrument revolving~~] music grant
15 fund. 1. There is hereby established in the custody of the state comp-
16 troller and the commissioner of taxation and finance, a special fund to
17 be known as the "New York state [~~musical instrument revolving~~] music
18 grant fund".

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

28 3. Monies of the fund, when allocated, shall be available to the New
29 York state council on the arts for the purpose of providing assistance,
30 excluding administrative costs, for [~~the loan, lease and purchase of~~
31 ~~musical instruments and other related property and equipment, as herein~~
32 ~~provided, by~~] grants to not-for-profit symphony orchestras and/or other
33 not-for-profit musical entities incorporated in the state and organized
34 for the purpose of the presentation of performing arts for the benefit
35 of the public and which have been approved pursuant to guidelines estab-
36 lished by the council. Such monies shall also be available for adminis-
37 trative costs of the council pursuant to approval by the director of the
38 budget. [~~Notwithstanding any other inconsistent provisions of this chap-~~
39 ~~ter, should the council determine that there is a compelling need for~~
40 ~~the loan, lease or purchase of property or equipment other than musical~~
41 ~~instruments by not for profit symphony orchestras and/or other not for~~
42 ~~profit musical entities incorporated in the state and organized for the~~
43 ~~purpose of the presentation of performing arts for the benefit of the~~
44 ~~public, and upon approval of the director of the budget, the council may~~
45 ~~assist such organization in acquiring such equipment in accordance with~~
46 ~~guidelines established by the council. The council shall contract with~~
47 ~~one or more not for profit entities which shall distribute such monies,~~
48 ~~however, in no case shall monies of the fund be distributed nor shall a~~
49 ~~contract to distribute such monies be approved unless the fund shall~~
50 ~~have sufficient monies to effectuate all such approved distributions and~~
51 ~~contracts.~~

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

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

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

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

35 7. ~~The comptroller is authorized to deduct the difference between the~~
36 ~~purchaser's or lessee's outstanding obligation at the time of the~~
37 ~~auction provided for in subdivision five of this section, and the amount~~
38 ~~realized from that auction, after deductions for all necessary and prop-~~
39 ~~er costs of the auction are made, from any other grant or other assist-~~
40 ~~ance approved by the council on the arts for that purchaser. The differ-~~
41 ~~ence deducted by the comptroller and the net amount realized from the~~
42 ~~auction shall be deposited in the New York state musical instrument~~
43 ~~revolving fund.~~

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

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

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

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

§ 2. This act shall take effect immediately.

PART H

Intentionally Omitted

PART I

Intentionally Omitted

PART J

Intentionally Omitted

PART K

Intentionally Omitted

PART L

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

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

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

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

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

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

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

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

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

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

11 (c) On and after January first, two thousand [~~twenty-five~~] twenty-six,
 12 (i) for an eligible individual receiving family care, [~~\$1,233.48~~]
 13 \$1,260.48 if such individual is receiving such care in the city of New
 14 York or the county of Nassau, Suffolk, Westchester or Rockland; and (ii)
 15 for an eligible couple receiving family care in the city of New York or
 16 the county of Nassau, Suffolk, Westchester or Rockland, two times the
 17 amount set forth in subparagraph (i) of this paragraph; or (iii) for an
 18 eligible individual receiving such care in any other county in the
 19 state, [~~\$1,195.48~~] \$1,222.48; and (iv) for an eligible couple receiving
 20 such care in any other county in the state, two times the amount set
 21 forth in subparagraph (iii) of this paragraph.

22 (d) On and after January first, two thousand [~~twenty-five~~] twenty-six,
 23 (i) for an eligible individual receiving residential care, [~~\$1,402.00~~]
 24 \$1,429.00 if such individual is receiving such care in the city of New
 25 York or the county of Nassau, Suffolk, Westchester or Rockland; and (ii)
 26 for an eligible couple receiving residential care in the city of New
 27 York or the county of Nassau, Suffolk, Westchester or Rockland, two
 28 times the amount set forth in subparagraph (i) of this paragraph; or
 29 (iii) for an eligible individual receiving such care in any other county
 30 in the state, [~~\$1,372.00~~] \$1,399.00; and (iv) for an eligible couple
 31 receiving such care in any other county in the state, two times the
 32 amount set forth in subparagraph (iii) of this paragraph.

33 (e) On and after January first, two thousand [~~twenty-five~~] twenty-six,
 34 (i) for an eligible individual receiving enhanced residential care,
 35 [~~\$1,661.00~~] \$1,688.00; and (ii) for an eligible couple receiving
 36 enhanced residential care, two times the amount set forth in subpara-
 37 graph (i) of this paragraph.

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

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

45 PART M

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

1 directors of the state of New York mortgage agency shall authorize the
2 transfer to the housing trust fund corporation, for the purposes of
3 reimbursing any costs associated with neighborhood preservation program
4 contracts authorized by this section, a total sum not to exceed
5 \$20,680,000, such transfer to be made from (i) the special account of
6 the mortgage insurance fund created pursuant to section 2429-b of the
7 public authorities law, in an amount not to exceed the actual excess
8 balance in the special account of the mortgage insurance fund, as deter-
9 mined and certified by the state of New York mortgage agency for the
10 fiscal year 2025-2026 in accordance with section 2429-b of the public
11 authorities law, if any, and/or (ii) provided that the reserves in the
12 project pool insurance account of the mortgage insurance fund created
13 pursuant to section 2429-b of the public authorities law are sufficient
14 to attain and maintain the credit rating (as determined by the state of
15 New York mortgage agency) required to accomplish the purposes of such
16 account, the project pool insurance account of the mortgage insurance
17 fund, such transfer to be made as soon as practicable but no later than
18 June 30, 2026.

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

45 § 3. Notwithstanding any other provision of law, the housing trust
46 fund corporation may provide, for purposes of the rural rental assist-
47 ance program pursuant to article 17-A of the private housing finance
48 law, a sum not to exceed \$25,382,000 for the fiscal year ending March
49 31, 2027. Notwithstanding any other provision of law, and subject to
50 the approval of the New York state director of the budget, the board of
51 directors of the state of New York mortgage agency shall authorize the
52 transfer to the housing trust fund corporation, for the purposes of
53 reimbursing any costs associated with rural rental assistance program
54 contracts authorized by this section, a total sum not to exceed
55 \$25,382,000, such transfer to be made from (i) the special account of
56 the mortgage insurance fund created pursuant to section 2429-b of the

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

13 § 4. Notwithstanding any other provision of law, the homeless housing
14 and assistance corporation may provide, for purposes of the New York
15 state supportive housing program, the solutions to end homelessness
16 program or the operational support for AIDS housing program, or to qual-
17 ified grantees under such programs, in accordance with the requirements
18 of such programs, a sum not to exceed \$74,181,000 for the fiscal year
19 ending March 31, 2027. The homeless housing and assistance corporation
20 may enter into an agreement with the office of temporary and disability
21 assistance to administer such sum in accordance with the requirements of
22 such programs. Notwithstanding any other provision of law, and subject
23 to the approval of the New York state director of the budget, the board
24 of directors of the state of New York mortgage agency shall authorize
25 the transfer to the homeless housing and assistance corporation, a total
26 sum not to exceed \$74,181,000, such transfer to be made from (i) the
27 special account of the mortgage insurance fund created pursuant to
28 section 2429-b of the public authorities law, in an amount not to exceed
29 the actual excess balance in the special account of the mortgage insur-
30 ance fund, as determined and certified by the state of New York mortgage
31 agency for the fiscal year 2025-2026 in accordance with section 2429-b
32 of the public authorities law, if any, and/or (ii) provided that the
33 reserves in the project pool insurance account of the mortgage insurance
34 fund created pursuant to section 2429-b of the public authorities law
35 are sufficient to attain and maintain the credit rating as determined by
36 the state of New York mortgage agency, required to accomplish the
37 purposes of such account, the project pool insurance account of the
38 mortgage insurance fund, such transfer shall be made as soon as practi-
39 cable but no later than March 31, 2027.

40 § 5. This act shall take effect immediately.

41

PART N

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

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

53 § 2. This act shall take effect immediately.

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PART O

Intentionally Omitted

PART P

Intentionally Omitted

PART Q

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

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

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

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

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

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

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

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

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

18 § 2. This act shall take effect immediately.

19 PART R

20 Section 1. Section 54-m of the state finance law, as added by section
21 104 of part WWW of chapter 59 of the laws of 2017, is amended to read as
22 follows:

23 § 54-m. Local share requirements associated with increasing the age of
24 juvenile jurisdiction above fifteen years of age. Notwithstanding any
25 other provision of law to the contrary, counties and the city of New
26 York shall not be required to contribute a local share of eligible
27 expenditures that would not have been incurred absent the provisions of
28 [~~a chapter~~ part WWW of chapter 59 of the laws of two thousand seventeen
29 that added this section [~~unless the most recent budget adopted by a~~
30 ~~county that is subject to the provisions of section three-e of the~~
31 ~~general municipal law exceeded the tax levy limit prescribed in such~~
32 ~~section or the local government is not subject to the provisions of~~
33 ~~section three-e of the general municipal law, provided, however, that~~
34 ~~the state budget director shall be authorized to waive any local share~~
35 ~~of expenditures associated with a chapter of the laws of two thousand~~
36 ~~seventeen that increased the age of juvenile jurisdiction above fifteen~~
37 ~~years of age, upon a showing of financial hardship by a county or the~~
38 ~~city of New York upon application in the form and manner prescribed by~~
39 ~~the division of the budget. In evaluating an application for a financial~~
40 ~~hardship waiver, the budget director shall consider the incremental cost~~
41 ~~to the locality related to increasing the age of juvenile jurisdiction,~~
42 ~~changes in state or federal aid payments, and other extraordinary costs,~~
43 ~~including the occurrence of a disaster as defined in paragraph a of~~
44 ~~subdivision two of section twenty of the executive law, repair and main-~~
45 ~~tenance of infrastructure, annual growth in tax receipts, including~~
46 ~~personal income, business and other taxes, prepayment of debt service~~
47 ~~and other expenses, or such other factors that the director may deter-~~
48 ~~mine].~~

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

50 PART S

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

1 5-a. (a) For each group for which the office of children and family
2 services determines a separate payment rate pursuant to subdivision four
3 of this section, and at the same frequency, such office shall utilize a
4 cost estimation model to determine the actual cost providers incur when
5 providing child care. The cost estimation model shall identify and take
6 into account cost drivers including but not limited to employee salary
7 and benefits, enrollment levels, facility costs and compliance with
8 statutory and regulatory requirements. Where a quality rating system or
9 any quality indicators are being utilized, the cost estimation model
10 shall also take into account the cost of providing services at each
11 level of quality.

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

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

22 § 410-z. Reporting requirements. 1. Each social services district
23 shall collect and submit to the [department] office of children and
24 family services, in such form and at such times as specified by the
25 [department] office of children and family services, such data and
26 information regarding child care assistance provided under the block
27 grant as the [department] office of children and family services may
28 need to comply with federal reporting requirements.

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

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

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

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

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

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

50 § 410-z. Reporting requirements. 1. Each social services district
51 shall collect and submit to the office of children and family services,
52 in such form and at such times as specified by the office of children
53 and family services, such data and information regarding child care
54 assistance provided under the block grant as the office of children and
55 family services may need to comply with federal reporting requirements.

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

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

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

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

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

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

25 PART T

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

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

32 § 2. This act shall take effect immediately.

33 PART U

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

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

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

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

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

14 (b) be provided access to emergency shelter, transportation, or nutri-
 15 tion payments which the district determines are necessary to establish
 16 or maintain independent living arrangements among persons living with
 17 medically diagnosed HIV infection who are homeless or facing homeles-
 18 ness and for whom no viable and less costly alternative to housing is
 19 available, including HIV emergency shelter allowance payments in excess
 20 of those promulgated by the office of temporary and disability assist-
 21 ance but not exceeding an amount reasonably approximate to one hundred
 22 ten percent of fair market rent as determined by the federal department
 23 of housing and urban development.

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

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

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

42 § 4. Paragraphs f and (g) of subdivision 1 of section 153 of the
 43 social services law, paragraph f as amended by chapter 81 of the laws of
 44 1995 and paragraph (g) as amended by chapter 471 of the laws of 1980,
 45 are amended and a new paragraph h is added to read as follows:

46 f. the full amount expended by any district, city, town or Indian
 47 tribe for the costs, including the costs of administration of public
 48 assistance and care to eligible needy Indians and members of their fami-
 49 lies residing on any Indian reservation in this state, after first
 50 deducting therefrom any federal funds properly received or to be
 51 received on account thereof[+];

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

1 social services districts pursuant to this section then reimbursement
2 shall be in such proportion as each claim bears to such total[-]; and

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

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

19 PART V

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

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

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

27 § 2. This act shall take effect immediately and shall apply to academ-
 28 ic year 2026-2027 and thereafter.

29 PART W

30 Section 1. Subparagraphs (ii) and (iii) of paragraph a of subdivision
 31 3 of section 667 of the education law, as amended by section 1 of part X
 32 of chapter 56 of the laws of 2024, are amended to read as follows:

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

36 Amount of income	37 Schedule of reduction of base amount
38 (A) Less than [seven] <u>thirty</u> 39 thousand dollars	None
40 (B) [Seven] <u>Thirty</u> 41 thousand dollars or 42 more, but [less] <u>not more</u> 43 than [eleven] 44 <u>one hundred fifty</u> 45 thousand dollars	[Seven] <u>Ten</u> per centum of excess over [seven] <u>thirty</u> thousand dollars
46 [(C) Eleven thousand dollars or Two hundred eighty dollars 47 more, but less than eighteen plus ten per centum of excess 48 thousand dollars over eleven thousand dollars	
49 (D) Eighteen thousand dollars or Nine hundred eighty dollars 50 more, but not more than one plus twelve per centum of 51 hundred twenty-five excess over eighteen 52 thousand dollars thousand dollars]	

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

6	Amount of income	Schedule of reduction
7		of base amount
8	[(1) Less than three thousand]	None
9	[dollars]	
10	[(2) Three thousand dollars or	Thirty one per centum of
11	more, but not] Not	[amount in excess of three]
12	more than thirty	[thousand dollars]
13	thousand dollars	

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

19	Amount of income	Schedule of reduction
20		of base amount
21	(1) Less than [seven] <u>thirty</u>	None
22	thousand dollars	
23	(2) [Seven] <u>Thirty</u>	[Seven] <u>Twenty</u>
24	thousand dollars or	per centum of excess
25	more, but [less] <u>not</u>	over [seven]
26	<u>more</u> than	<u>thirty</u>
27	[eleven] <u>sixty</u>	thousand dollars
28	thousand dollars	
29	[(3) Eleven thousand dollars or	Two hundred eighty dollars
30	more, but less than eighteen	plus ten per centum of excess
31	thousand dollars	over eleven thousand dollars
32	(4) Eighteen thousand dollars or	Nine hundred eighty dollars
33	more, but not more than sixty	plus twelve per centum of
34	thousand dollars	excess over eighteen
35		thousand dollars]

36 § 2. This act shall take effect immediately and shall apply to academ-
37 ic years 2026-2027 and thereafter.

38 PART X

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

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

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

17 § 2. This act shall take effect immediately.

18 PART Y

19 Section 1. The opening paragraph of subparagraph 1 of paragraph b of
20 subdivision 3 of section 663 of the education law, as amended by section
21 5 of part J of chapter 58 of the laws of 2011, is amended to read as
22 follows:

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

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

34 § 667-b. Tuition assistance program awards for graduate students. 1.
35 Recipient qualifications. Tuition assistance program awards are avail-
36 able for all graduate students who are enrolled in approved programs and
37 who demonstrate the ability to complete such courses, in accordance with
38 standards established by the commissioner; provided, however, that no
39 award shall exceed one hundred percent of the amount of tuition charged.

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

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

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

8 (A) (1) In the case of graduate students who have not been granted an
9 exclusion of parental income, who have qualified as an orphan, foster
10 child, or ward of the court for the purposes of federal student finan-
11 cial aid programs authorized by Title IV of the Higher Education Act of
12 1965, as amended, or had a dependent for income tax purposes during the
13 tax year next preceding the academic year for which application is made,
14 except for those graduate students who have been granted exclusion of
15 parental income who have a spouse but no other dependent five thousand
16 six hundred sixty-five dollars.

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

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

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

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

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

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

<u>Amount of income</u>	<u>Schedule of reduction of base amount</u>
<u>(1) Less than seven</u>	<u>None</u>

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

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

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

20 § 3. This act shall take effect immediately and shall apply to academ-
 21 ic year 2026-2027 and thereafter.

22 PART Z

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

25 PART V

26 NEW YORK REINVESTS IN STUDENT EDUCATIONAL SUPPORTS PROGRAM

27 Section 690. Definitions.

- 28 691. Powers and duties.
- 29 692. Education loans; special requirements.
- 30 693. Repayment of loans.
- 31 694. Sale of education loans.
- 32 694-a. Miscellaneous.
- 33 694-b. Reporting.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 the state of New York mortgage agency or other public benefit corpo-
2 ration authorized to issue bonds for the purposes of this program.

3 1. Terms and conditions. (a) Eligible borrowers shall apply for educa-
4 tion loans under this program on forms prescribed by the corporation.

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

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

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

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

25 (f) Participating eligible colleges, lending institutions, and other
26 participants in this program shall be required to enter into a partic-
27 ipation agreement with the corporation and comply with all reporting and
28 processing requirements and procedures as established by the corpo-
29 ration. These participation agreements shall contain such other specific
30 terms and conditions of the program as shall be determined by the corpo-
31 ration.

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

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

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

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

45 4. Interest rates. The interest rate of loans made under this program
46 shall be established in a manner that shall be approved at least annual-
47 ly by the corporation, subject to the approval of the state of New York
48 mortgage agency, or other subject to public benefit corporation author-
49 ized to issue bonds under the public authorities law for purposes of
50 this program, with respect to loans that are expected to be financed by
51 such entity.

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

1 law for purposes of this program, with respect to loans that are
2 expected to be financed by such entity. The default fee established by
3 the corporation, subject to the approval of the state of New York mort-
4 gage agency, or other public benefit corporation authorized to issue
5 bonds under the public authorities law for purposes of this program,
6 with respect to education loans that are expected to be financed by such
7 entity, shall be a percentage of the principal amount of such loans, as
8 determined by the corporation, that, together with other amounts on
9 deposit in the applicable default reserve fund, shall not exceed an
10 amount sufficient to ensure that the balance of such funds satisfies the
11 obligations of such default reserve fund and permits such loans to be
12 financed. This fee may be considered part of the cost of attendance for
13 the purpose of calculating the loan amount for this program and shall be
14 transmitted to the corporation in accordance with rules or regulations
15 promulgated by the corporation. The corporation shall deposit these
16 funds into a designated account within the New York reinvests in student
17 educational supports program variable rate default reserve fund, the New
18 York reinvests in student educational supports program fixed rate
19 default reserve fund, or the state of New York mortgage agency New York
20 reinvests in student educational supports program default reserve fund,
21 as applicable.

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

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

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

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

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

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

11 (b) Participating eligible colleges shall be required to contribute a
12 one percent fee prescribed by the corporation, subject to the approval
13 of the state of New York mortgage agency, or other public benefit corpo-
14 ration authorized to issue bonds under the public authorities law for
15 purposes of this program, with respect to loans that are expected to be
16 financed by such entity, based upon the loan dollar volume or have the
17 contribution made on its behalf, pursuant to the terms of the partic-
18 ipation agreement. This fee shall be deposited into a designated account
19 within the New York reinvests in student educational supports program
20 variable rate default reserve fund, the New York reinvests in student
21 educational supports program fixed rate default reserve fund, or the
22 state of New York mortgage agency New York reinvests in student educa-
23 tional supports program default reserve fund, as described in subdivi-
24 sion seven of this section as applicable. This fee, or any other college
25 fee, shall not be assessed to the student or eligible borrower in
26 connection with this program.

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

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

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

54 4. Delinquency. A borrower shall be considered delinquent on an educa-
55 tion loan under this program after thirty days of non-payment. The hold-
56 er shall notify the corporation promptly after the first day of delin-

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

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

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

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

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

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

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

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

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

7 (iv) The individual shall have been provided an opportunity for a
8 hearing pursuant to the requirements of paragraph (f) of this subdivi-
9 sion.

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

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

20 (d) No amount may be deducted from the wages of an individual who has
21 been involuntarily separated from employment and has not been contin-
22 uously employed for twelve months. An individual must prove that sepa-
23 ration from employment was involuntary. Separation due to incarceration
24 shall not qualify as involuntary separation.

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

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

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

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

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

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

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

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

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

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

32 13. Death and disability discharge. Upon the death of a student, for
33 the funding of whose higher education expenses an education loan was
34 made, the education loan made under this program shall be deemed
35 discharged. If such a student becomes totally and permanently disabled,
36 the education loan under this program shall be deemed discharged. A
37 total or permanent disability shall mean a condition of an individual
38 who is unable to work and earn money because of an injury or illness
39 that is expected to continue indefinitely or result in death. The holder
40 of such discharged education loans shall be paid the outstanding princi-
41 pal, capitalized and unpaid accrued interest due from the New York rein-
42 vests in student educational supports program variable rate default
43 reserve fund, New York reinvests in student educational supports program
44 fixed rate default reserve fund, or the state of New York mortgage agen-
45 cy New York reinvests in student educational supports program default
46 reserve fund, as applicable.

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

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

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

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

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

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

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

33 § 694-a. Miscellaneous. 1. No education loan shall be deemed subject
34 to section one hundred eight of the banking law, to article nine of the
35 banking law or to any other provisions of law governing the qualifica-
36 tions to make loans or the terms or conditions of loans described in
37 this part, including, without limitation, the interest rates, fees and
38 charges applicable thereto. Neither the corporation nor any entity
39 authorized to finance education loans pursuant to the public authorities
40 law shall be subject to any licensing requirements in connection with
41 its education lending activities. No entity shall be considered a lender
42 for purposes of any other provision of law solely as a result of its
43 interest in an education loan made under this part.

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

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

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

1 bonds or notes, including earnings thereon, and any appropriations ther-
2 eof.

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

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

12 § 694-b. Reporting. The corporation, after consultation with the state
13 of New York mortgage agency, and any other public benefit corporation
14 that shall have issued bonds under the public authorities law for
15 purposes of this program, with respect to loans that have been financed
16 by or that are expected to be financed by such entity, shall report
17 annually with respect to education loans made under this program for the
18 prior academic year to the governor, the temporary president of the
19 senate, the speaker of the assembly, the director of the division of the
20 budget, the senate finance committee, the assembly ways and means
21 committee and the standing committees of the legislature having juris-
22 isdiction of higher education on the number and characteristics of
23 students who received fixed rate and/or variable rate loans under this
24 program, including, but not limited to, the interest rate charged, the
25 default and collection fees established, the grace period established if
26 other than six months, the number of students who received loans that
27 demonstrated financial need pursuant to section six hundred ninety-two
28 of this part, the income established by the corporation pursuant to
29 section six hundred ninety-two of this part, the number of students who
30 received fixed rate loans, the number of students who received variable
31 rate loans, the number of default claims received by the corporation,
32 the number of borrowers subject to administrative wage garnishment, and
33 a list of the lenders and holders, if known, who have provided variable
34 rate loans. Such annual report shall be submitted by the first day of
35 December following the close of the academic year for which such educa-
36 tion loans were made.

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

40 2. a. To submit to the governor, the temporary president of the
41 senate, the speaker of the assembly, the senate finance committee, the
42 assembly ways and means committee and the standing committees of the
43 legislature having jurisdiction of higher education, at such times as
44 the director of the budget may prescribe a student aid and loan budget
45 request for the following state fiscal year. The budget request shall
46 include, but not be limited to estimates of the number and character-
47 istics of students eligible for aid and loans, other than education
48 loans made under the New York [~~higher education loan~~] reinvests in
49 student educational supports program pursuant to part V of this article
50 which budget request shall be developed by the president after consulta-
51 tion with the board of regents in order to implement the student finan-
52 cial aid and loan programs, other than education loans made under the
53 New York [~~higher education loan~~] reinvests in student educational
54 supports program pursuant to part V of this article provided for in this
55 article. Notwithstanding, the budget request shall also include an
56 estimate of the amounts needed for state operations within the New York

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

8 b. At the time and in the format prescribed by the Director of the
9 Budget, the Board shall submit to the Division of the Budget an adminis-
10 trative and operating budget request. This budget request shall be
11 subject to approval annually as part of the executive budget.

12 c. In order further to assure the payment by the corporation to lend-
13 ing institutions for defaulted loans, other than education loans made
14 under the New York [~~higher education loan~~] reinvests in student educa-
15 tional supports program pursuant to part V of this article in the
16 respective amounts as guaranteed by the corporation pursuant to
17 contract, there shall be annually apportioned and paid to the corpo-
18 ration such estimated amount, if any, as shall be certified by the board
19 to the governor and director of the budget as necessary to provide for
20 the payment of all such defaults for the next ensuing state fiscal year.
21 The board shall, as part of its annual budget request, make and deliver
22 to the governor and director of the budget, its certificate stating the
23 estimated amount, if any, required to pay such defaults for the ensuing
24 state fiscal year, if any, and said sums shall be apportioned and paid
25 to the corporation during such fiscal year.

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

28 § 656. Contributions to corporation; tax deduction thereof. Notwith-
29 standing the provisions of any general or special law all domestic
30 corporations or associations organized for the purpose of carrying on
31 business in this state, and any person, are hereby authorized to make
32 contributions to the New York state higher education services corpo-
33 ration or to the New York [~~higher education loan~~] reinvests in student
34 educational supports program variable rate default reserve fund, the New
35 York [~~higher education loan~~] reinvests in student educational supports
36 program fixed rate default reserve fund, or the state of New York mort-
37 gage agency [~~higher education loan~~] New York reinvests in student educa-
38 tional supports program default reserve fund, as applicable and such
39 contributions shall be allowed as deductions in computing the net taxa-
40 ble income of any such person, corporation or association for purposes
41 of any income or franchise tax imposed by the state or any political
42 subdivision thereof.

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

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

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

19 § 5. Section 2405-a of the public authorities law, as added by section
20 9 of part J of chapter 57 of the laws of 2009, is amended to read as
21 follows:

22 § 2405-a. Education loans. (1) For purposes of this section, the
23 following words and terms shall have the following meaning unless the
24 context shall indicate another or different meaning or intent:

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

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

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

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

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

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

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

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

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

4 (f) To prescribe standards and criteria for the origination of educa-
5 tion loans to be eligible for acquisition by the agency and for educa-
6 tion loans purchased by the agency;

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

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

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

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

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

34 (5) It is the intent of the legislature that any pledge by the agency
35 of education loans or of earnings, revenues or other moneys receivable
36 from any source, including without limitation default payments by the
37 New York [~~higher education loan~~] reinvests in student educational
38 supports program variable rate default reserve fund, the New York [~~high-~~
39 ~~er education loan~~] reinvests in student educational supports program
40 fixed rate default reserve fund, or the state of New York mortgage agen-
41 cy New York [~~higher education loan~~] reinvests in student educational
42 supports program default reserve fund, as applicable, with respect to
43 education loans financed by the agency, shall be valid and binding from
44 the time when the pledge is made. The education loans, earnings, reven-
45 ues or other moneys so pledged and thereafter received by the agency or
46 its agent, including without limitation the higher education services
47 corporation or any education loan servicer, shall immediately be subject
48 to the lien of such pledge without any physical delivery thereof or
49 further act, and the lien of any such pledge shall be valid and binding
50 as against all parties having claims of any kind in tort, contract or
51 otherwise against the agency or its agent, including without limitation
52 the higher education services corporation or any education loan servi-
53 cer, irrespective of whether such parties have notice thereof. Neither
54 the resolution nor any other instrument by which a pledge is created
55 need be recorded.

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

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

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

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

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

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

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

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

54 § 78-a. New York [~~higher education loan~~] reinvests in student educa-
55 tional supports program variable rate default reserve fund. 1. There is
56 hereby created and established in the sole custody of the state comp-

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

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

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

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

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

51 § 78-b. New York [~~higher education loan~~] reinvests in student educa-
52 tional supports program fixed rate default reserve fund. 1. There is
53 hereby created and established in the sole custody of the state comp-
54 troller a special fund to be known as the New York [~~higher education~~
55 ~~loan~~] reinvests in student educational supports program fixed rate
56 default reserve fund which shall be for the exclusive benefit of the

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

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

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

29 4. The state comptroller shall make payments from the fund in amounts
30 and at times required by the higher education services corporation
31 pursuant to part V of article fourteen of the education law. Notwith-
32 standing subdivision one of this section, upon certification by the
33 state of New York mortgage agency that a fixed rate education loan
34 described in subdivision three of this section has been acquired by the
35 agency or has become subject to the agreement of the agency to acquire
36 such education loan, the state comptroller shall make transfers from the
37 monies in the fixed rate New York [~~higher education loan~~] reinvests in
38 student educational supports program default reserve fund to the corpo-
39 ration for deposit into the state of New York mortgage agency New York
40 [~~higher education loan~~] reinvests in student educational supports
41 program default reserve fund created by subdivision six of section two
42 thousand four hundred five-a of the public authorities law in amounts
43 certified by the agency and the corporation as properly allocable to
44 such education loan.

45 § 8. Section 1679-c of the public authorities law, as added by section
46 13 of part J of chapter 57 of the laws of 2009, is amended to read as
47 follows:

48 § 1679-c. The New York [~~higher education loan~~] reinvests in student
49 educational supports program. 1. For purposes of this section, the
50 following words and terms shall have the following meaning unless the
51 context shall indicate another or different meaning or intent:

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

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

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

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

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

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

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

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

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

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

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

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

PART AA

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

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

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

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

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

10 § 3. Paragraph a of subdivision 3 of section 679-e of the education
11 law, as amended by section 1 of part VV of chapter 56 of the laws of
12 2009, is amended to read as follows:

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

22 § 4. Paragraph b of subdivision 3 of section 679-e of the education
23 law, as amended by section 1 of part VV of chapter 56 of the laws of
24 2009, is amended to read as follows:

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

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

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

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