

STATE OF NEW YORK

8951

2025-2026 Regular Sessions

IN ASSEMBLY

July 16, 2025

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

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

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

1 Section 1. Subdivision 1 of section 669-h of the education law, as
2 amended by section 1 of part T of chapter 56 of the laws of 2018, is
3 amended to read as follows:
4 1. Eligibility. An excelsior scholarship award shall be made to an
5 applicant who: (a) is matriculated in an approved program leading to an
6 undergraduate degree at a New York state public institution of higher
7 education; (b) if enrolled in (i) a public institution of higher educa-
8 tion prior to application, has completed at least thirty combined cred-
9 its per year following the student's start date, or its equivalent,
10 applicable to [~~his or her~~ **their**] program or programs of study or (ii) an
11 institution of higher education prior to application, has completed at
12 least thirty combined credits per year following the student's start
13 date, or its equivalent, applicable to [~~his or her~~ **their**] program or
14 programs of study and which were accepted upon transfer to a public
15 institution of higher education; (c) enrolls in at least twelve credits
16 per semester and completes at least thirty combined credits per year
17 following the student's start date, or its equivalent, applicable to
18 [~~his or her~~ **their**] program or programs of study except in limited
19 circumstances as prescribed by the corporation in regulation. Notwith-
20 standing, in the student's last semester, the student may take at least
21 one course needed to meet [~~his or her~~ **their**] graduation requirements and
22 enroll in and complete at least twelve credit hours or its equivalent.
23 For students who are disabled as defined by the Americans With Disabili-
24 ties Act of 1990, 42 USC 12101, the corporation shall prescribe rules
25 and regulations that allow applicants who are disabled to be eligible

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

LBD00404-01-5

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

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

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

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

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

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

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

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

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

1	thousand dollars	
2	(3) Eleven thousand dollars or	Two hundred eighty dollars
3	more, but less than eighteen	plus ten per centum of excess
4	thousand dollars	over eleven thousand dollars
5	(4) Eighteen thousand dollars or	Nine hundred eighty dollars
6	more, but not more than [sixty]	plus twelve per centum of
7	<u>one hundred twenty-five</u>	excess over eighteen
8	thousand dollars	thousand dollars

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

12	Amount of income	Schedule of reduction
13		of base amount
14	(A) Less than seven thousand	None
15	dollars	
16	(B) Seven thousand dollars or	Seven per centum of the excess
17	more, but less than eleven	over seven thousand dollars
18	thousand dollars	
19	<u>(C) Eleven thousand dollars or</u>	<u>Two hundred eighty dollars</u>
20	<u>more, but less than eighteen</u>	<u>plus ten per centum of excess</u>
21	<u>thousand dollars</u>	<u>over eleven thousand dollars</u>
22	<u>(D) Eighteen thousand dollars or</u>	<u>Nine hundred eighty dollars</u>
23	<u>more, but not more than one</u>	<u>plus twelve per centum of</u>
24	<u>hundred twenty-five</u>	<u>excess over eighteen</u>
25	<u>thousand dollars</u>	<u>thousand dollars</u>

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

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

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

5 In no [~~even shall~~] event shall any award:
6 § 4. This act shall take effect immediately.