

STATE OF NEW YORK

9523

IN ASSEMBLY

March 16, 2022

Introduced by M. of A. EPSTEIN -- read once and referred to the Committee on Labor

AN ACT to amend the labor law, in relation to certification of employment with public service employers for purposes of the federal public service loan forgiveness program; and to amend the tax law, in relation to excluding from gross income certain student loan forgiveness awards

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

1 Section 1. The labor law is amended by adding a new article 34 to read
2 as follows:

ARTICLE 34

CERTIFICATION OF PUBLIC SERVICE EMPLOYMENT

Section 1000. Definitions.

1001. Hours worked and full-time employment.

1002. Certifying employment.

§ 1000. Definitions. For purposes of this article:

9 1. "Certifying employment" means either completing the employer
10 sections of the public service loan forgiveness form or sharing data
11 directly with the U.S. department of education that corresponds to the
12 information required for the public service loan forgiveness form.

13 2. "Employee" means someone who works for a public service employer,
14 regardless of whether the public service employer considers that work to
15 be full-time or part-time, contingent, or contracted.

16 3. "Full-time" for the purpose of certifying employment only means
17 working at least thirty hours per week or at least thirty hours per week
18 throughout a contractual or employment period of at least eight months
19 in a twelve-month period, such as elementary and secondary school teach-
20 ers.

21 4. "Public service employer" means any state, county, city or other
22 local government employer, including any office, department, independent
23 agency, school district, public college or university system, public
24 library system, authority, or other body, including the legislature and
25 the judiciary. This term shall also mean any employer that has received

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

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1 designation as a tax-exempt organization pursuant to section 501(c)(3)
2 of the U.S. Internal Revenue Code. This term does not include a federal
3 or tribal nation government organization, agency, or entity.

4 5. "Public service loan forgiveness form" means the form used by the
5 U.S. department of education to certify an individual's employment at a
6 public service organization and determine eligibility for the purposes
7 of the public service loan forgiveness program.

8 6. "Public service loan forgiveness program" means the federal loan
9 forgiveness program established pursuant to 20 U.S.C. 1087e(m) and
10 administered pursuant to 34 C.F.R 685.219, as of the effective date of
11 this article.

12 § 1001. Hours worked and full-time employment. The following shall
13 apply for the purposes of certifying employment for the purposes of the
14 public service loan forgiveness program only and shall have no other
15 applicability for public service employers and their employees.

16 1. For faculty or teacher employees, a public service employer shall
17 credit 3.35 hours worked for each hour of lecture or classroom time.
18 This subdivision does not supersede any greater adjustment factor estab-
19 lished by a collective bargaining agreement or employer policy in recog-
20 nition of additional work associated with lecture or classroom time for
21 the purpose of the public service loan forgiveness program.

22 2. When determining whether an employee is considered "full-time," as
23 that term is defined in this article, for the purpose of certifying
24 employment for the public service loan forgiveness program only, a
25 public service employer shall not treat any adjusted total hours worked
26 pursuant to subdivision one of this section differently from hours
27 worked without an adjustment factor.

28 3. For the purpose of certifying employment only, a public service
29 employer shall consider as "full-time" any employee who satisfies the
30 definition of "full-time" provided in this article.

31 § 1002. Certifying employment. 1. Should the U.S. department of educa-
32 tion permit public service employers to certify employment for past or
33 present individual employees or groups of employees directly with the
34 U.S. department of education or its agents, notwithstanding other
35 provisions of law, a public service employer shall be permitted to send
36 to the U.S. department of education or its agents the information
37 necessary for employment certification.

38 2. If a public service employer does not directly certify employment
39 with the U.S. department of education pursuant to subdivision one of
40 this section, the public service employer shall annually provide notice
41 of renewal and a copy of the public service loan forgiveness form with
42 the employer information and employment certification sections of the
43 form already completed to:

44 a. an employee who requests a public service loan forgiveness form;
45 b. any current employee for whom the public service employer has
46 previously certified employment; and
47 c. an employee who is ending his or her work with the public service
48 employer.

49 The partially completed form should reflect employment for the prior
50 calendar year, and may reflect longer periods of employment, as neces-
51 sary.

52 3. A public service employer shall not unreasonably delay in certify-
53 ing employment.

54 4. Nothing in this section shall prevent a public service employer
55 from seeking permission from its employees prior to certifying their
56 employment.

1 § 2. Subsection (c) of section 612 of the tax law is amended by adding
2 a new paragraph 46 to read as follows:

3 (46) The amount of any student loan forgiveness award made pursuant to
4 the federal Higher Education Act of 1965.

5 § 3. This act shall take effect immediately; provided that:

6 a. public service employers shall be required to comply with paragraph
7 a of subdivision 2 of section 1002 of the labor law as added by this act
8 no later than sixty days after such effective date; and

9 b. public service employers shall be required to comply with paragraph
10 b of subdivision 2 of section 1002 of the labor law as added by this act
11 no later than January 1, 2023.