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I N S E N A T E

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SEWARD, VOLKER -- read twice and ordered printed, and when printed to
be committed to the Committee on Higher Education

AN ACT to amend the education law, in relation to financial aid disclosure

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. The education law is amended by adding a new article 14-B
2 to read as follows:

3 ARTICLE 14-B

4 FINANCIAL AID DISCLOSURE ACT

5 SECTION 698. SHORT TITLE.

6 698-A. DEFINITIONS.

7 698-B. DISCLOSURE OF FINANCIAL AID POLICY.

8 S 698. SHORT TITLE. THIS ARTICLE SHALL BE KNOWN AS THE "FINANCIAL AID
9 DISCLOSURE ACT."

10 S 698-A. DEFINITIONS. AS USED IN THIS ARTICLE, THE FOLLOWING TERMS
11 SHALL HAVE THE FOLLOWING MEANINGS UNLESS OTHERWISE SPECIFIED:

12 1. "INSTITUTION OF HIGHER EDUCATION" SHALL HAVE THE SAME MEANING AS
13 DEFINED IN ARTICLE FOURTEEN-A OF THIS CHAPTER.

14 2. "STUDENT" MEANS ANY INDIVIDUAL OR GROUP OF INDIVIDUALS RESPONSIBLE
15 FOR PAYING THE COST OF AN ENROLLED STUDENT'S HIGHER EDUCATION, INCLUDING
16 BUT NOT LIMITED TO A STUDENT AND HIS OR HER FAMILY.

17 3. "FINANCIAL AID AWARD" MEANS ANY SCHOLARSHIP, GRANT, LOAN OR OTHER
18 FINANCIAL AID COMPENSATION AWARDED TO A STUDENT BY OR ADMINISTERED
19 THROUGH AN INSTITUTION OF HIGHER EDUCATION WITH THE PURPOSE OF DECREAS-
20 ING THE STUDENT'S COST OF ATTENDANCE AT AN INSTITUTION OF HIGHER EDUCA-
21 TION.

22 4. "OUTSIDE FINANCIAL AID AWARD" MEANS ANY SCHOLARSHIP, GRANT, AWARD
23 OR OTHER TYPE OF FINANCIAL ASSISTANCE AWARDED TO A STUDENT BY OR ADMIN-
24 ISTERED THROUGH STATE OR NATIONAL GOVERNMENT OR A PRIVATE INDIVIDUAL OR

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

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1 COMPANY FOR THE PURPOSE OF DECREASING THE STUDENT'S COST OF ATTENDANCE
2 AT AN INSTITUTION OF HIGHER EDUCATION.

3 5. "FINANCIAL AID PUBLICATION" MEANS ANY CATALOG, HAND BOOK, PROSPEC-
4 TUS, PAMPHLET, BULLETIN OR OTHER WRITTEN MATERIAL, SUPPLIED BY AN INSTI-
5 TUTION OF HIGHER EDUCATION THAT CONTAINS, EITHER EXCLUSIVELY OR ALONG
6 WITH OTHER MATERIAL, CONSIDERABLE INFORMATION REGARDING THE INSTITUTION
7 OF HIGHER EDUCATION'S FINANCIAL AID POLICIES.

8 6. "FINANCIAL AID AWARD STATEMENT" MEANS THE STATEMENT PROVIDED BY THE
9 INSTITUTION OF HIGHER EDUCATION AND DISTRIBUTED TO A STUDENT ACCEPTED
10 FOR ENROLLMENT AT SUCH INSTITUTION OF HIGHER EDUCATION THAT IDENTIFIES
11 THE SPECIFIC AMOUNT OF THE PROPOSED INDIVIDUAL'S FINANCIAL AID AWARD
12 FROM THE INSTITUTION OF HIGHER EDUCATION.

13 7. "FINANCIAL AID AWARD AGREEMENT" MEANS THE ACTUAL FORM UTILIZED BY
14 THE INSTITUTION OF HIGHER EDUCATION AND THE STUDENT IN ORDER TO FINALIZE
15 THE FINANCIAL AID AGREEMENT.

16 S 698-B. DISCLOSURE OF FINANCIAL AID POLICY. ALL FINANCIAL AID PUBLI-
17 CATIONS, AWARD STATEMENTS AND AWARD AGREEMENTS SHALL DISCLOSE THE INSTI-
18 TUTION OF HIGHER EDUCATION'S FINANCIAL AID POLICY REGARDING:

19 1. ANY CHANGES TO THE CONTRIBUTION THE INSTITUTION OF HIGHER EDUCATION
20 MAY MAKE IN ITS AWARD DUE TO THE STUDENT'S USAGE OF OUTSIDE FINANCIAL
21 AID AWARDS, SCHOLARSHIPS, GRANTS, AWARDS OR OTHER TYPES OF FINANCIAL
22 ASSISTANCE AWARDED TO A STUDENT BY OR ADMINISTERED THROUGH THE STATE OR
23 FEDERAL GOVERNMENT OR A PRIVATE INDIVIDUAL OR COMPANY FOR THE PURPOSES
24 OF DECREASING THE STUDENT'S COST OF ATTENDING COLLEGE;

25 2. ANY ANNUAL ADJUSTMENT OF AN AWARD DUE TO CHANGES IN THE RESOURCES
26 OF THE STUDENT OR THOSE OF THE INSTITUTION OF HIGHER EDUCATION OR FOR
27 ANY OTHER REASON; AND

28 3. IN WHAT SEQUENCE THE COMPONENTS OF A FINANCIAL AID AWARD WILL BE
29 INCREASED OR DECREASED WHEN A TOTAL AWARD IS ADJUSTED, AND HOW THE
30 INCREASE OR DECREASE WILL BE DISTRIBUTED BETWEEN COMPONENTS.

31 S 2. The education law is amended by adding a new section 209-b to
32 read as follows:

33 S 209-B. ENFORCEMENT RELATING TO FINANCIAL AID DISCLOSURE. THE REGENTS
34 SHALL, BY RULE OR REGULATION, ESTABLISH GUIDELINES FOR AND CARRY OUT THE
35 ENFORCEMENT OF THE PROVISIONS OF ARTICLE FOURTEEN-B OF THIS CHAPTER AND
36 SHALL PROVIDE NOTICE TO ALL INSTITUTIONS OF HIGHER EDUCATION OF ANY SUCH
37 RULE OR REGULATION ADOPTED FOR SUCH PURPOSES.

38 S 3. This act shall take effect on the first of July next succeeding
39 the date on which it shall have become a law provided, however, that the
40 adoption, amendment and/or repeal of any rule or regulation necessary
41 for the timely implementation of the provisions of this act is author-
42 ized and directed to be completed on or before such effective date.