

8218

2013-2014 Regular Sessions

I N A S S E M B L Y

October 24, 2013

Introduced by M. of A. SEPULVEDA, ROSA, ROBERTS, ABINANTI -- read once
and referred to the Committee on Higher Education

AN ACT in relation to authorizing the commission of a study by the board
of regents of the state university of New York of feasible alternative
methods of funding a college education at public four-year insti-
tutions of higher learning in New York state

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

1 Section 1. The Legislature recognizes that post-secondary education
2 has expanded opportunities for New Yorkers to qualify for high-quality
3 jobs and entry into the middle class, providing clear benefits to this
4 state's economy.
5 Regrettably, public investment in higher education in this state has
6 decreased over the past decade, resulting in substantial increases in
7 annual tuition, fees and room and board imposed by public four-year and
8 two-year institutions of higher education in the state. These increases
9 have out-paced increases in the average family income in the state,
10 forcing students to incur larger amounts of debt in order to afford to
11 attend college. The average student loan debt of students graduating
12 from public four-year institutions of higher education in New York now
13 exceeds \$25,000.
14 Such high levels of student debt are damaging not only to the individ-
15 ual student's ability to succeed financially but also will have grave
16 consequences for the future economy of this state.
17 The Legislature finds that it must halt the decrease in the state's
18 support for public education and, over time, must increase its contrib-
19 ution to the funding of higher education. It also finds that the state
20 must immediately seek another approach to financing the students' share
21 of the cost of public higher education in this state that will not
22 result in students graduating from New York's public colleges and
23 universities burdened with debt.

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

LBD11731-01-3

1 S 2. The board of regents of the state university of New York shall
2 consider the creation of a proposed pilot program called "Pay Forward,
3 Pay Back".

4 1. The pilot program would:

5 (a) Replace the current system of charging students tuition and fees
6 for enrollment at public institutions of higher education; and

7 (b) Identify one or more public institutions of higher education to
8 participate in the pilot program.

9 2. If the board of regents determines that a pilot program is
10 warranted, the commission shall submit a proposed pilot program to the
11 2015 regular session of the legislature for approval.

12 3. The proposed pilot program shall:

13 (a) Allow students who are residents of this state, as defined by the
14 institution, and who qualify for admission to the institution to enroll
15 in the institution without paying tuition or fees;

16 (b) Provide that, in lieu of paying tuition or fees, students must
17 sign binding contracts to pay to the state of New York or the institu-
18 tion a certain percentage of the student's annual adjusted gross income
19 upon graduation from the institution for a specified number of years;

20 (c) Specify the number of years and the percentage of annual adjusted
21 gross income for contracts at each participating institution and base
22 the specifications on research to date; and

23 (d) Establish an immediate funding source for the first 15 to 20 years
24 of the pilot program and include the establishment of a revolving fund
25 to deposit payments made under the pilot program.

26 4. The pilot program may vary by institution depending on:

27 (a) The total cost of education at the institution.

28 (b) The portion of the cost that is paid by the state of New York.

29 (c) The number of years specified in the contract.

30 (d) The percentage of annual adjusted gross income specified in the
31 contract.

32 S 3. 1. The board of regents of the state university of New York shall
33 conduct a study on whether public universities in the state can success-
34 fully implement a tuition freeze that will guarantee that incoming
35 undergraduate students have the same tuition rate for four years. The
36 study must include an analysis of:

37 (a) The 'Western Tuition Promise' offered by Western Oregon Universi-
38 ty;

39 (b) The 'Finish in Four' program proposed in Florida; and

40 (c) Ways of mitigating the financial strain that the adoption of a
41 tuition freeze would place on a university's finances.

42 2. The board of regents shall submit a report on the study described
43 in subdivision one of this section to the committees relating to higher
44 education during the 2014 regular session of the legislature.

45 S 4. This act shall take effect immediately.