STATE OF NEW YORK

S. 6420 A. 8562

SENATE-ASSEMBLY

January 22, 2014

IN SENATE -- Introduced by Sen. LAVALLE -- read twice and ordered printed, and when printed to be committed to the Committee on Higher Education

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

AN ACT in relation to enacting the "pay it forward, pay it back program"

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

Section 1. This act shall be known and may be cited as the "pay it forward, pay it back program".

S 2. 1. The board of trustees of the state university shall implement a program to permit any student who has been admitted to certain state-operated institutions of the state university to attend without the payment of tuition if such student fulfills the requirements of such program pursuant to the provisions of this act. Such trustees shall identify two four-year institutions of the state university and two community colleges to participate in the "pay it forward, pay it back program".

2. Such trustees shall provide an application process and administer the program according to the following criteria:

(a) A student shall have been a resident of New York state for a period of one year prior to application.

(b) A student shall be required to sign a contract to pay the institution a certain percentage of the student's annual adjusted gross income for a specified number of years. The trustees shall determine such percentage and number of years based on the institution.

(c) Students shall be required to complete their degree program within a minimum period of time to be set by the trustees which shall be no less than two years and no more than four years.

(d) If a student or former student fails to fulfill any of the requirements set forth in this subdivision, the trustees shall convert to a student loan the full amount of the tuition which would have been paid by such student, as determined by the trustees, plus interest,

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

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according to a schedule to be determined by the trustees. Such repayment may also be required if a recipient fails to respond to requests for information necessary to determine continued eligibility or for administration of the program.

(e) Any student who elects to participate in the program under this act shall be required to apply for federal Pell grant funding and tuition assistance program funding. Funds awarded under either or both such programs shall be applied towards the cost of tuition prior to an award under this subparagraph.

(f) Students shall be responsible for all other costs including housing, fees and other non-tuition related charges.

S 3. The board of trustees of the state university shall establish an immediate funding source for the "pay it forward, pay it back program" and include the establishment of a revolving fund to deposit payments made under such program.

S 4. This act shall take effect on the first of July next succeeding the date on which it shall have become a law; provided, however, that effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized and directed to be made and completed on or before such effective date.