

8057

2015-2016 Regular Sessions

I N A S S E M B L Y

June 5, 2015

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

AN ACT to amend the education law, in relation to requiring institutions of higher education to maintain and report information on students withdrawing from such institutions because of credit card debt, and to provide new students a course of instruction on the implications of establishing a bad credit rating, and authorizing such institutions to regulate the on campus activities of credit card issuers; and providing for the repeal of certain provisions upon expiration thereof

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

- 1 Section 1. Section 6430 of the education law is amended by adding two
2 new subdivisions 7 and 8 to read as follows:
3 7. A. THE TRUSTEES OR OTHER GOVERNING BODY OF EVERY INSTITUTION OF
4 HIGHER EDUCATION IN THIS STATE SHALL ADOPT AND IMPLEMENT RULES AND REGU-
5 LATIONS REQUIRING THAT EVERY STUDENT WHO WITHDRAWS FROM SUCH INSTITU-
6 TION, FOR A REASON OTHER THAN DEATH OR GRADUATION, BE INTERVIEWED TO
7 DETERMINE WHETHER SUCH WITHDRAWAL WAS CAUSED BY CREDIT CARD DEBT
8 INCURRED BY THE STUDENT. SUCH RULES AND REGULATIONS SHALL REQUIRE THE
9 MAINTENANCE OF RECORDS OF THOSE STUDENTS WITHDRAWING AS THE RESULT OF
10 CREDIT CARD DEBT.
11 B. EACH SUCH INSTITUTION SHALL ANNUALLY SUBMIT A REPORT, ON OR BEFORE
12 THE FIFTEENTH DAY OF OCTOBER, TO THE GOVERNOR, TEMPORARY PRESIDENT OF
13 THE SENATE AND SPEAKER OF THE ASSEMBLY ON THE NUMBER OF STUDENTS WHO
14 HAVE WITHDRAWN FROM THE INSTITUTION DURING THE IMMEDIATELY PRECEDING
15 ACADEMIC YEAR.
16 C. THE TRUSTEES OR OTHER GOVERNING BODY OF EVERY INSTITUTION OF HIGHER
17 EDUCATION IN THIS STATE SHALL ESTABLISH A COURSE OF INSTRUCTION, TO BE
18 ADMINISTERED DURING THE ORIENTATION OF ALL NEWLY ADMITTED STUDENTS, ON
19 THE IMPLICATIONS OF ESTABLISHING A BAD CREDIT RATING. SUCH COURSE OF
20 INSTRUCTION SHALL CONSTITUTE A CREDIT COURSE.

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

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1 D. FOR THE PURPOSES OF THIS SUBDIVISION, "CREDIT CARD" SHALL HAVE THE
2 SAME MEANING AS ASCRIBED TO SUCH TERM BY SECTION FIVE HUNDRED ELEVEN OF
3 THE GENERAL BUSINESS LAW.

4 8. A. THE TRUSTEES OR OTHER GOVERNING BODY OF EVERY INSTITUTION OF
5 HIGHER EDUCATION IN THIS STATE SHALL ADOPT AND IMPLEMENT RULES AND REGU-
6 LATIONS:

7 (1) PROHIBITING ISSUERS OF CREDIT CARDS, WHILE ON THE CAMPUS OF SUCH
8 INSTITUTION, FROM OFFERING ANY INCENTIVE TO STUDENTS WHO AGREE TO APPLY
9 FOR A CREDIT CARD;

10 (2) REQUIRING EVERY ISSUER OF CREDIT CARDS TO REGISTER WITH THE INSTI-
11 TUTION PRIOR TO ANY SOLICITATION UPON THE CAMPUS THEREOF; AND

12 (3) REQUIRING EVERY ISSUER OF CREDIT CARDS TO PROVIDE DEBT EDUCATION
13 MATERIALS AT EACH ON CAMPUS SITE FOR THE SOLICITATION OF THE ISSUANCE OF
14 A CREDIT CARD.

15 B. THE REQUIREMENTS OF THIS SUBDIVISION SHALL BE DEEMED TO BE IN ADDI-
16 TION TO THE REQUIREMENTS APPLICABLE TO ISSUERS OF CREDIT CARDS PURSUANT
17 TO ANY OTHER PROVISION OF LAW.

18 C. THE TERMS "CREDIT CARD" AND "ISSUER" SHALL HAVE THE SAME MEANINGS
19 AS ARE ASCRIBED TO SUCH TERMS BY SECTION FIVE HUNDRED ELEVEN OF THE
20 GENERAL BUSINESS LAW.

21 S 2. This act shall take effect on the ninetieth day after it shall
22 have become a law, provided that paragraph b of subdivision 7 of section
23 6430 of the education law, as added by section one of this act, shall
24 expire and be deemed repealed October 16, 2018.