

4760--B

2015-2016 Regular Sessions

I N S E N A T E

April 15, 2015

Introduced by Sen. STAVISKY -- read twice and ordered printed, and when printed to be committed to the Committee on Higher Education -- recommitted to the Committee on Higher Education in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the education law, in relation to enacting "Tuition-Free NY"

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

1 Section 1. This act shall be known and may be cited as "Tuition-Free
2 NY".
3 S 2. Paragraph h of subdivision 2 of section 355 of the education law
4 is amended by adding a new subparagraph 1-a to read as follows:
5 (1-A) THE TRUSTEES SHALL IMPLEMENT A PROGRAM TO PERMIT ANY STUDENT WHO
6 HAS BEEN ADMITTED TO A STATE-OPERATED INSTITUTION OF THE STATE UNIVERSI-
7 TY TO ATTEND WITHOUT THE PAYMENT OF TUITION AND FEES IF SUCH STUDENT
8 FULFILLS THE REQUIREMENTS OF SUCH PROGRAM PURSUANT TO THE PROVISIONS OF
9 THIS SUBPARAGRAPH. THE PROVISIONS OF THIS SUBPARAGRAPH SHALL ONLY APPLY
10 TO COSTS OF ONE UNDERGRADUATE DEGREE AND ANY ADDITIONAL COSTS ASSOCIATED
11 WITH MORE THAN ONE SIMULTANEOUS UNDERGRADUATE DEGREE SHALL NOT BE
12 COVERED BY THIS PROGRAM.
13 (I) THE TRUSTEES SHALL PROVIDE AN APPLICATION PROCESS AND ADMINISTER
14 THE PROGRAM ACCORDING TO THE FOLLOWING CRITERIA:
15 (A) ANY STUDENT ELIGIBLE FOR RESIDENT TUITION RATES IS ELIGIBLE FOR
16 THIS PROGRAM.
17 (B) THE STUDENT SHALL BE REQUIRED TO PERFORM A MINIMUM OF TWENTY-FIVE
18 HOURS OF COMMUNITY SERVICE FOR EACH YEAR OF PARTICIPATION IN THE
19 PROGRAM. THE PRESIDENT OF EACH INSTITUTION OR HIS OR HER DESIGNEE OR
20 DESIGNEES SHALL BE AUTHORIZED TO ISSUE WAIVERS WHICH PERMIT STUDENTS TO

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

LBD04620-11-6

1 MEET THIS SERVICE REQUIREMENT BY PERFORMING SERVICES FOR NON-QUALIFYING
2 ORGANIZATIONS OR, GENERALLY, THE SURROUNDING COMMUNITY; PROVIDED THAT
3 THE HOUR REQUIREMENT IS MET AND SUCH PRESIDENT OR HIS OR HER DESIGNEE OR
4 DESIGNEES IS SATISFIED THAT THE WORK PERFORMED BENEFITS THE COMMUNITY.

5 (C) A STUDENT SHALL BE REQUIRED TO SIGN A CONTRACT AGREEING TO RESIDE
6 IN NEW YORK STATE FOR A PERIOD OF FIVE YEARS SUBSEQUENT TO COMPLETION OF
7 HIS OR HER ACADEMIC PROGRAM.

8 (D) A STUDENT SHALL BE REQUIRED TO BE EMPLOYED FULL-TIME IN NEW YORK
9 STATE FOR A PERIOD OF FIVE YEARS SUBSEQUENT TO COMPLETION OF HIS OR HER
10 ACADEMIC PROGRAM. ANY PART-TIME OR COMBINATION OF PART-TIME AND
11 FULL-TIME EMPLOYMENT SHALL BE THE EQUIVALENT OF FIVE FULL-TIME YEARS.
12 ANY PERIOD OF TIME A STUDENT SPENDS UNEMPLOYED, PURSUING A GRADUATE
13 DEGREE OR ON ACTIVE MILITARY DUTY SHALL NOT PENALIZE A STUDENT FROM
14 RECEIVING THE BENEFITS OF THIS PROGRAM, BUT SHALL NOT CONTRIBUTE TO THE
15 ACCRUAL OF THE REQUIREMENTS OF THIS SUBCLAUSE.

16 (E) STUDENTS SHALL BE REQUIRED TO COMPLETE THEIR DEGREE PROGRAM WITHIN
17 A MINIMUM PERIOD OF TIME TO BE SET BY THE TRUSTEES WHICH SHALL BE NO
18 LESS THAN THREE YEARS AND NO MORE THAN FIVE YEARS.

19 (F) A STUDENT WHO BENEFITED FROM THE PROGRAM OUTLINED IN THIS SUBPARA-
20 GRAPH SHALL BE ALLOWED TO ATTEND AN OUT-OF-STATE GRADUATE SCHOOL WITHOUT
21 ANY PENALTY IF SUCH STUDENT PURSUES A GRADUATE DEGREE. ONCE SUCH STUDENT
22 CONCLUDES HIS OR HER GRADUATE SCHOOL STUDIES, SUCH STUDENT SHALL RETURN
23 TO NEW YORK WITHIN ONE YEAR FOR RESIDENCY AND EMPLOYMENT, PER THE
24 PROGRAM'S REQUIREMENTS, OR ELSE THE UNDERGRADUATE BENEFIT WILL TURN INTO
25 A STUDENT LOAN PURSUANT TO THE PROVISIONS OF CLAUSE (II) OF THIS SUBPARA-
26 AGRAPH.

27 (G) A STUDENT WHO BENEFITED FROM THE PROGRAM OUTLINED IN THIS SUBPARA-
28 GRAPH WHO IS ON ACTIVE DUTY IN THE ARMED FORCES OF THE UNITED STATES
29 SHALL NOT BE PENALIZED IF SUCH STUDENT MAINTAINS HIS OR HER LEGAL RESI-
30 DENCE IN THE STATE OF NEW YORK, DURING SUCH SERVICE. "LEGAL RESIDENCE"
31 AS USED IN THIS SUBCLAUSE SHALL MEAN THE PLACE WHERE A MEMBER OF THE
32 MILITARY INTENDS TO RETURN AND LIVE AFTER DISCHARGE OR RETIREMENT, AND
33 WHICH THEY CONSIDER THEIR PERMANENT HOME. LEGAL RESIDENCY SHALL BE
34 DETERMINED BY WHAT LOCAL AND STATE TAX LAWS A MEMBER OF THE MILITARY IS
35 SUBJECT TO, AND IN WHICH STATE THEY MAY VOTE.

36 (II) IF A STUDENT OR FORMER STUDENT FAILS TO FULFILL ANY OF THE
37 REQUIREMENTS SET FORTH IN CLAUSE (I) OF THIS SUBPARAGRAPH, THE TRUSTEES
38 SHALL CONVERT TO A STUDENT LOAN THE FULL AMOUNT OF THE TUITION WHICH
39 WOULD HAVE BEEN PAID BY SUCH STUDENT, AS DETERMINED BY THE NEW YORK
40 STATE HIGHER EDUCATION SERVICES CORPORATION, PLUS INTEREST, ACCORDING TO
41 A SCHEDULE TO BE DETERMINED BY SUCH CORPORATION. SUCH REPAYMENT MAY
42 ALSO BE REQUIRED IF A RECIPIENT FAILS TO RESPOND TO REQUESTS FOR INFOR-
43 MATION NECESSARY TO DETERMINE CONTINUED ELIGIBILITY OR FOR ADMINIS-
44 TRATION OF THE PROGRAM. THE TERMS AND CONDITIONS OF THIS CLAUSE SHALL
45 BE DEFERRED FOR STUDENTS WHO ENROLL ON AT LEAST A HALF-TIME BASIS IN AN
46 APPROVED UNDERGRADUATE, GRADUATE OR HIGHER DEGREE PROGRAM OR OTHER
47 PROFESSIONAL LICENSURE DEGREE PROGRAM UNTIL THEY ARE CONFERRED A DEGREE,
48 AND SHALL ALSO BE DEFERRED FOR ANY INTERRUPTION IN UNDERGRADUATE STUDY
49 OR EMPLOYMENT AS ESTABLISHED BY THE RULES AND REGULATIONS OF THE CORPO-
50 RATION. THE TERMS AND CONDITIONS OF THIS CLAUSE MAY ALSO BE DEFERRED FOR
51 A GRACE PERIOD, TO BE ESTABLISHED BY THE CORPORATION, FOLLOWING THE
52 COMPLETION OF AN APPROVED UNDERGRADUATE PROGRAM OR A GRADUATE OR HIGHER
53 DEGREE PROGRAM OR OTHER PROFESSIONAL LICENSURE DEGREE PROGRAM. NOTWITH-
54 STANDING ANY PROVISIONS OF THIS CLAUSE TO THE CONTRARY, THE CORPORATION
55 IS AUTHORIZED TO PROMULGATE RULES AND REGULATIONS TO PROVIDE FOR THE

1 WAIVER OR SUSPENSION OF ANY FINANCIAL OBLIGATION WHICH WOULD INVOLVE
2 EXTREME HARDSHIP.

3 (III) ANY STUDENT WHO ELECTS TO PARTICIPATE IN THE PROGRAM UNDER THIS
4 SUBPARAGRAPH SHALL BE REQUIRED TO APPLY FOR TUITION ASSISTANCE PROGRAM
5 FUNDING. FUNDS AWARDED ON THE TUITION ASSISTANCE PROGRAM SHALL BE
6 APPLIED TOWARDS THE COST OF TUITION PRIOR TO AN AWARD UNDER THIS SUBPAR-
7 AGRAPH.

8 (IV) STUDENTS SHALL BE RESPONSIBLE FOR ALL OTHER COSTS INCLUDING HOUS-
9 ING, FEES AND OTHER NON-TUITION RELATED CHARGES.

10 (V) (A) THIS PROGRAM SHALL NOT APPLY IN ACADEMIC YEARS COMMENCING ON
11 OR BEFORE THE EFFECTIVE DATE OF THIS SUBPARAGRAPH. (B) FOR THE FIRST TWO
12 YEARS AFTER THE EFFECTIVE DATE OF THIS SUBPARAGRAPH, THIS PROGRAM SHALL
13 ONLY APPLY TO STUDENTS ATTENDING COMMUNITY COLLEGES AS DEFINED BY SUBDI-
14 VISION TWO OF SECTION SIXTY-THREE HUNDRED ONE OF THIS CHAPTER. (C) IN
15 ALL OTHER YEARS, THIS PROGRAM SHALL APPLY TO ALL STUDENTS ATTENDING
16 SUNY, CUNY, AND COMMUNITY COLLEGES OF THE STATE.

17 S 3. Subdivision 7 of section 6206 of the education law is amended by
18 adding a new paragraph (d) to read as follows:

19 (D) THE TRUSTEES SHALL IMPLEMENT A PROGRAM TO PERMIT ANY STUDENT WHO
20 HAS BEEN ADMITTED TO AN INSTITUTION OPERATED BY THE CITY UNIVERSITY TO
21 ATTEND WITHOUT THE PAYMENT OF TUITION AND FEES IF SUCH STUDENT FULFILLS
22 THE REQUIREMENTS OF SUCH PROGRAM PURSUANT TO THE PROVISIONS OF THIS
23 PARAGRAPH.

24 (I) THE TRUSTEES SHALL PROVIDE AN APPLICATION PROCESS AND ADMINISTER
25 THE PROGRAM ACCORDING TO THE FOLLOWING CRITERIA:

26 (A) ANY STUDENT ELIGIBLE FOR RESIDENT TUITION RATES IS ELIGIBLE FOR
27 THIS PROGRAM.

28 (B) THE STUDENT SHALL BE REQUIRED TO PERFORM A MINIMUM OF TWENTY-FIVE
29 HOURS OF COMMUNITY SERVICE FOR EACH YEAR OF PARTICIPATION IN THE
30 PROGRAM. THE PRESIDENT OF EACH INSTITUTION OR HIS OR HER DESIGNEE OR
31 DESIGNEES SHALL BE AUTHORIZED TO ISSUE WAIVERS WHICH PERMIT STUDENTS TO
32 MEET THIS SERVICE REQUIREMENT BY PERFORMING SERVICES FOR NON-QUALIFYING
33 ORGANIZATIONS OR, GENERALLY, THE SURROUNDING COMMUNITY; PROVIDED THAT
34 THE HOUR REQUIREMENT IS MET AND SUCH PRESIDENT OR HIS OR HER DESIGNEE OR
35 DESIGNEES IS SATISFIED THAT THE WORK PERFORMED BENEFITS THE COMMUNITY.

36 (C) A STUDENT SHALL BE REQUIRED TO SIGN A CONTRACT AGREEING TO RESIDE
37 IN NEW YORK STATE FOR A PERIOD OF FIVE YEARS SUBSEQUENT TO COMPLETION OF
38 HIS OR HER ACADEMIC PROGRAM.

39 (D) A STUDENT SHALL BE REQUIRED TO BE EMPLOYED FULL-TIME IN NEW YORK
40 STATE FOR A PERIOD OF FIVE YEARS SUBSEQUENT TO COMPLETION OF HIS OR HER
41 ACADEMIC PROGRAM. ANY PART-TIME OR COMBINATION OF PART-TIME AND
42 FULL-TIME EMPLOYMENT SHALL BE THE EQUIVALENT OF FIVE FULL-TIME YEARS.
43 ANY PERIOD OF TIME A STUDENT SPENDS UNEMPLOYED, PURSUING A GRADUATE
44 DEGREE OR ON ACTIVE MILITARY DUTY SHALL NOT PENALIZE A STUDENT FROM
45 RECEIVING THE BENEFITS OF THIS PROGRAM, BUT SHALL NOT CONTRIBUTE TO THE
46 ACCRUAL OF THE REQUIREMENTS OF THIS CLAUSE.

47 (E) STUDENTS SHALL BE REQUIRED TO COMPLETE THEIR DEGREE PROGRAM WITHIN
48 A MINIMUM PERIOD OF TIME TO BE SET BY THE TRUSTEES WHICH SHALL BE NO
49 LESS THAN THREE YEARS AND NO MORE THAN FIVE YEARS.

50 (F) A STUDENT WHO BENEFITED FROM THE PROGRAM OUTLINED IN THIS PARA-
51 GRAPH SHALL BE ALLOWED TO ATTEND AN OUT-OF-STATE GRADUATE SCHOOL WITHOUT
52 ANY PENALTY IF SUCH STUDENT PURSUES A GRADUATE DEGREE. ONCE SUCH STUDENT
53 CONCLUDES HIS OR HER GRADUATE SCHOOL STUDIES, SUCH STUDENT SHALL RETURN
54 TO NEW YORK WITHIN ONE YEAR FOR RESIDENCY AND EMPLOYMENT, PER THE
55 PROGRAM'S REQUIREMENTS, OR ELSE THE UNDERGRADUATE BENEFIT WILL TURN INTO

1 A STUDENT LOAN PURSUANT TO THE PROVISIONS OF SUBPARAGRAPH (II) OF THIS
2 PARAGRAPH.

3 (G) A STUDENT WHO BENEFITED FROM THE PROGRAM OUTLINED IN THIS PARA-
4 GRAPH WHO IS ON ACTIVE DUTY IN THE ARMED FORCES OF THE UNITED STATES
5 SHALL NOT BE PENALIZED IF SUCH STUDENT MAINTAINS HIS OR HER LEGAL RESI-
6 DENCE IN THE STATE OF NEW YORK, DURING SUCH SERVICE. "LEGAL RESIDENCE"
7 AS USED IN THIS CLAUSE SHALL MEAN THE PLACE WHERE A MEMBER OF THE MILI-
8 TARY INTENDS TO RETURN AND LIVE AFTER DISCHARGE OR RETIREMENT, AND WHICH
9 THEY CONSIDER THEIR PERMANENT HOME. LEGAL RESIDENCY SHALL BE DETERMINED
10 BY WHAT LOCAL AND STATE TAX LAWS A MEMBER OF THE MILITARY IS SUBJECT TO,
11 AND IN WHICH STATE THEY MAY VOTE.

12 (II) IF A STUDENT OR FORMER STUDENT FAILS TO FULFILL ANY OF THE
13 REQUIREMENTS SET FORTH IN SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE TRUS-
14 TEES SHALL CONVERT TO A STUDENT LOAN THE FULL AMOUNT OF THE TUITION
15 WHICH WOULD HAVE BEEN PAID BY SUCH STUDENT, AS DETERMINED BY THE NEW
16 YORK STATE HIGHER EDUCATION SERVICES CORPORATION, PLUS INTEREST, ACCORD-
17 ING TO A SCHEDULE TO BE DETERMINED BY SUCH CORPORATION. SUCH REPAYMENT
18 MAY ALSO BE REQUIRED IF A RECIPIENT FAILS TO RESPOND TO REQUESTS FOR
19 INFORMATION NECESSARY TO DETERMINE CONTINUED ELIGIBILITY OR FOR ADMINIS-
20 TRATION OF THE PROGRAM. THE TERMS AND CONDITIONS OF THIS CLAUSE SHALL
21 BE DEFERRED FOR STUDENTS WHO ENROLL ON AT LEAST A HALF-TIME BASIS IN AN
22 APPROVED UNDERGRADUATE, GRADUATE OR HIGHER DEGREE PROGRAM OR OTHER
23 PROFESSIONAL LICENSURE DEGREE PROGRAM UNTIL THEY ARE CONFERRED A DEGREE,
24 AND SHALL ALSO BE DEFERRED FOR ANY INTERRUPTION IN UNDERGRADUATE STUDY
25 OR EMPLOYMENT AS ESTABLISHED BY THE RULES AND REGULATIONS OF THE CORPO-
26 RATION. THE TERMS AND CONDITIONS OF THIS CLAUSE MAY ALSO BE DEFERRED FOR
27 A GRACE PERIOD, TO BE ESTABLISHED BY THE CORPORATION, FOLLOWING THE
28 COMPLETION OF AN APPROVED UNDERGRADUATE PROGRAM OR A GRADUATE OR HIGHER
29 DEGREE PROGRAM OR OTHER PROFESSIONAL LICENSURE DEGREE PROGRAM. NOTWITH-
30 STANDING ANY PROVISIONS OF THIS CLAUSE TO THE CONTRARY, THE CORPORATION
31 IS AUTHORIZED TO PROMULGATE RULES AND REGULATIONS TO PROVIDE FOR THE
32 WAIVER OR SUSPENSION OF ANY FINANCIAL OBLIGATION WHICH WOULD INVOLVE
33 EXTREME HARDSHIP.

34 (III) ANY STUDENT WHO ELECTS TO PARTICIPATE IN THE PROGRAM UNDER THIS
35 PARAGRAPH SHALL BE REQUIRED TO APPLY FOR TUITION ASSISTANCE PROGRAM
36 FUNDING. FUNDS AWARDED ON THE TUITION ASSISTANCE PROGRAM SHALL BE
37 APPLIED TOWARDS THE COST OF TUITION PRIOR TO AN AWARD UNDER THIS SUBPAR-
38 AGRAPH.

39 (IV) STUDENTS SHALL BE RESPONSIBLE FOR ALL OTHER COSTS INCLUDING HOUS-
40 ING, FEES AND OTHER NON-TUITION RELATED CHARGES.

41 (V) THE PROVISIONS OF THIS SUBDIVISION SHALL NOT BE SUBJECT TO TAXA-
42 TION.

43 (VI) (A) THIS PROGRAM SHALL NOT APPLY IN ACADEMIC YEARS COMMENCING ON
44 OR BEFORE THE EFFECTIVE DATE OF THIS PARAGRAPH. (B) FOR THE FIRST TWO
45 YEARS AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH, THIS PROGRAM SHALL
46 ONLY APPLY TO STUDENTS ATTENDING COMMUNITY COLLEGES AS DEFINED BY SUBDI-
47 VISION TWO OF SECTION SIXTY-THREE HUNDRED ONE OF THIS CHAPTER. (C) IN
48 ALL OTHER YEARS, THIS PROGRAM SHALL APPLY TO ALL STUDENTS ATTENDING
49 SUNY, CUNY AND COMMUNITY COLLEGES OF THE STATE.

50 S 4. Subdivision 1 of section 6304 of the education law is amended by
51 adding a new paragraph e to read as follows:

52 E. THE TRUSTEES, SPONSORS OR OTHER GOVERNING BODY OF A COMMUNITY
53 COLLEGE SHALL IMPLEMENT A PROGRAM TO PERMIT ANY STUDENT WHO HAS BEEN
54 ADMITTED TO SUCH COMMUNITY COLLEGE TO ATTEND WITHOUT THE PAYMENT OF
55 TUITION AND FEES IF SUCH STUDENT FULFILLS THE REQUIREMENTS OF SUCH
56 PROGRAM PURSUANT TO THE PROVISIONS OF THIS PARAGRAPH.

1 (I) THE TRUSTEES SHALL PROVIDE AN APPLICATION PROCESS AND ADMINISTER
2 THE PROGRAM ACCORDING TO THE FOLLOWING CRITERIA:

3 (A) ANY STUDENT ELIGIBLE FOR RESIDENT TUITION RATES IS ELIGIBLE FOR
4 THIS PROGRAM.

5 (B) THE STUDENT SHALL BE REQUIRED TO PERFORM A MINIMUM OF TWENTY-FIVE
6 HOURS OF COMMUNITY SERVICE FOR EACH YEAR OF PARTICIPATION IN THE
7 PROGRAM. THE PRESIDENT OR CHIEF ADMINISTRATOR OF EACH COMMUNITY COLLEGE
8 OR HIS OR HER DESIGNEE OR DESIGNEES SHALL BE AUTHORIZED TO ISSUE WAIVERS
9 WHICH PERMIT STUDENTS TO MEET THIS SERVICE REQUIREMENT BY PERFORMING
10 SERVICES FOR NON-QUALIFYING ORGANIZATIONS; PROVIDED THAT THE HOUR
11 REQUIREMENT IS MET AND SUCH PRESIDENT, CHIEF ADMINISTRATOR OR HIS OR HER
12 DESIGNEE OR DESIGNEES IS SATISFIED THAT THE WORK PERFORMED BENEFITS THE
13 COMMUNITY.

14 (C) A STUDENT SHALL BE REQUIRED TO SIGN A CONTRACT AGREEING TO RESIDE
15 IN NEW YORK STATE FOR A PERIOD OF FIVE YEARS SUBSEQUENT TO COMPLETION OF
16 HIS OR HER ACADEMIC PROGRAM.

17 (D) A STUDENT SHALL BE REQUIRED TO BE EMPLOYED IN NEW YORK STATE FOR A
18 PERIOD OF FIVE YEARS SUBSEQUENT TO COMPLETION OF HIS OR HER ACADEMIC
19 PROGRAM.

20 (E) A STUDENT SHALL BE REQUIRED TO BE EMPLOYED FULL-TIME IN NEW YORK
21 STATE FOR A PERIOD OF FIVE YEARS SUBSEQUENT TO COMPLETION OF HIS OR HER
22 ACADEMIC PROGRAM. ANY PART-TIME OR COMBINATION OF PART-TIME AND
23 FULL-TIME EMPLOYMENT SHALL BE THE EQUIVALENT OF FIVE FULL-TIME YEARS.
24 ANY PERIOD OF TIME A STUDENT SPENDS UNEMPLOYED, PURSUING A GRADUATE
25 DEGREE, OR ON ACTIVE MILITARY DUTY SHALL NOT PENALIZE A STUDENT FROM
26 RECEIVING THE BENEFITS OF THIS PROGRAM, BUT SHALL NOT CONTRIBUTE TO THE
27 ACCRUAL OF THE REQUIREMENTS OF THIS CLAUSE.

28 (F) STUDENTS SHALL BE REQUIRED TO COMPLETE THEIR DEGREE PROGRAM WITHIN
29 A MINIMUM PERIOD OF TIME TO BE SET BY THE TRUSTEES WHICH SHALL BE NO
30 LESS THAN ONE YEAR AND NO MORE THAN THREE YEARS.

31 (G) A STUDENT WHO BENEFITED FROM THE PROGRAM OUTLINED IN THIS SUBPARA-
32 GRAPH SHALL BE ALLOWED TO ATTEND AN OUT-OF-STATE GRADUATE SCHOOL WITHOUT
33 ANY PENALTY IF SUCH STUDENT PURSUES A GRADUATE DEGREE. ONCE SUCH STUDENT
34 CONCLUDES HIS OR HER GRADUATE SCHOOL STUDIES, SUCH STUDENT SHALL RETURN
35 TO NEW YORK WITHIN ONE YEAR FOR RESIDENCY AND EMPLOYMENT, PER THE
36 PROGRAM'S REQUIREMENTS, OR ELSE THE UNDERGRADUATE BENEFIT WILL TURN INTO
37 A STUDENT LOAN PURSUANT TO THE PROVISIONS OF SUBPARAGRAPH (II) OF THIS
38 PARAGRAPH.

39 (H) A STUDENT WHO BENEFITED FROM THE PROGRAM OUTLINED IN THIS PARA-
40 GRAPH WHO IS ON ACTIVE DUTY IN THE ARMED FORCES OF THE UNITED STATES
41 SHALL NOT BE PENALIZED IF SUCH STUDENT MAINTAINS HIS OR HER LEGAL RESI-
42 DENCE IN THE STATE OF NEW YORK, DURING SUCH SERVICE. "LEGAL RESIDENCE"
43 AS USED IN THIS CLAUSE SHALL MEAN THE PLACE WHERE A MEMBER OF THE MILI-
44 TARY INTENDS TO RETURN AND LIVE AFTER DISCHARGE OR RETIREMENT, AND WHICH
45 THEY CONSIDER THEIR PERMANENT HOME. LEGAL RESIDENCY SHALL BE DETERMINED
46 BY WHAT LOCAL AND STATE TAX LAWS A MEMBER OF THE MILITARY IS SUBJECT TO,
47 AND IN WHICH STATE THEY MAY VOTE.

48 (II) IF A STUDENT OR FORMER STUDENT FAILS TO FULFILL ANY OF THE
49 REQUIREMENTS SET FORTH IN SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE TRUS-
50 TEES SHALL CONVERT TO A STUDENT LOAN THE FULL AMOUNT OF THE TUITION
51 WHICH WOULD HAVE BEEN PAID BY SUCH STUDENT, AS DETERMINED BY THE NEW
52 YORK STATE HIGHER EDUCATION SERVICES CORPORATION, PLUS INTEREST, ACCORD-
53 ING TO A SCHEDULE TO BE DETERMINED BY SUCH CORPORATION. SUCH REPAYMENT
54 MAY ALSO BE REQUIRED IF A RECIPIENT FAILS TO RESPOND TO REQUESTS FOR
55 INFORMATION NECESSARY TO DETERMINE CONTINUED ELIGIBILITY OR FOR ADMINIS-
56 TRATION OF THE PROGRAM. THE TERMS AND CONDITIONS OF THIS SUBPARAGRAPH

1 SHALL BE DEFERRED FOR STUDENTS WHO ENROLL ON AT LEAST A HALF-TIME BASIS
2 IN AN APPROVED UNDERGRADUATE, GRADUATE OR HIGHER DEGREE PROGRAM OR OTHER
3 PROFESSIONAL LICENSURE DEGREE PROGRAM UNTIL THEY ARE CONFERRED A DEGREE,
4 AND SHALL ALSO BE DEFERRED FOR ANY INTERRUPTION IN UNDERGRADUATE STUDY
5 OR EMPLOYMENT AS ESTABLISHED BY THE RULES AND REGULATIONS OF THE CORPO-
6 RATION. THE TERMS AND CONDITIONS OF THIS SUBPARAGRAPH MAY ALSO BE
7 DEFERRED FOR A GRACE PERIOD, TO BE ESTABLISHED BY THE CORPORATION,
8 FOLLOWING THE COMPLETION OF AN APPROVED UNDERGRADUATE PROGRAM OR A GRAD-
9 UATE OR HIGHER DEGREE PROGRAM OR OTHER PROFESSIONAL LICENSURE DEGREE
10 PROGRAM. NOTWITHSTANDING ANY PROVISIONS OF THIS SUBPARAGRAPH TO THE
11 CONTRARY, THE CORPORATION IS AUTHORIZED TO PROMULGATE RULES AND REGU-
12 LATIONS TO PROVIDE FOR THE WAIVER OR SUSPENSION OF ANY FINANCIAL OBLI-
13 GATION WHICH WOULD INVOLVE EXTREME HARDSHIP.

14 (III) ANY STUDENT WHO ELECTS TO PARTICIPATE IN THE PROGRAM UNDER THIS
15 PARAGRAPH SHALL BE REQUIRED TO APPLY FOR TUITION ASSISTANCE PROGRAM
16 FUNDING. FUNDS AWARDED ON THE TUITION ASSISTANCE PROGRAM SHALL BE
17 APPLIED TOWARDS THE COST OF TUITION PRIOR TO AN AWARD UNDER THIS SUBPAR-
18 AGRAPH.

19 (IV) STUDENTS SHALL BE RESPONSIBLE FOR ALL OTHER COSTS INCLUDING HOUS-
20 ING, FEES AND OTHER NON-TUITION RELATED CHARGES.

21 (V) (A) THIS PROGRAM SHALL NOT APPLY IN ACADEMIC YEARS COMMENCING ON
22 OR BEFORE THE EFFECTIVE DATE OF THIS PARAGRAPH. (B) FOR THE FIRST TWO
23 YEARS AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH, THIS PROGRAM SHALL
24 ONLY APPLY TO STUDENTS ATTENDING COMMUNITY COLLEGES AS DEFINED BY SUBDI-
25 VISION TWO OF SECTION SIXTY-THREE HUNDRED ONE OF THIS CHAPTER. (C) IN
26 ALL OTHER YEARS, THIS PROGRAM SHALL APPLY TO ALL STUDENTS ATTENDING
27 SUNY, CUNY AND COMMUNITY COLLEGES OF THE STATE.

28 S 5. Subdivision 1 of section 6304 of the education law is amended by
29 adding a new paragraph a-1 to read as follows:

30 A-1. STATE FINANCIAL AID SHALL BE INCREASED ABOVE THE ONE-THIRD AMOUNT
31 OF OPERATING COSTS SET FORTH IN PARAGRAPH A OF THIS SUBDIVISION BY AN
32 AMOUNT WHICH IS EQUAL TO THE COST OF TUITION AWARDED TO STUDENTS WHO
33 APPLY AND QUALIFY FOR THE PROGRAM SET FORTH IN PARAGRAPH E OF THIS
34 SUBDIVISION.

35 S 6. This act shall take effect on the first of April next succeeding
36 the date on which it shall have become a law; provided, however, effec-
37 tive immediately, the addition, amendment and/or repeal of any rule or
38 regulation necessary for the implementation of this act on its effective
39 date is authorized to be made and completed on or before such effective
40 date.