

# STATE OF NEW YORK

4674

2017-2018 Regular Sessions

## IN SENATE

February 24, 2017

Introduced by Sen. SANDERS -- 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 establishing the New York state employee loan forgiveness program

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 section 679-h  
2 to read as follows:

3 § 679-h. New York state employee loan forgiveness program. 1.  
4 Purpose. The commissioner shall grant student loan forgiveness awards  
5 for the purpose of retaining individuals serving as employees of a state  
6 employer.

7 2. Definitions. (a) "State employer" means: (1) the executive branch  
8 of the state, (2) a cooperative extension association ("association"),  
9 (3) the unified court system, (4) the senate, (5) the assembly, and (6)  
10 joint legislative employers.

11 (b) "Student loan debt" means the total annual loan repayments  
12 required to be made by the eligible employee on the cumulative total of  
13 the employee's outstanding student loans covering the cost of attendance  
14 at an undergraduate institution and/or graduate school. Interest paid or  
15 due on such loans shall be considered eligible for reimbursement under  
16 this program. For purposes of this calculation, the amount of the  
17 student loan expense shall be reduced by any grants, loan forgiveness,  
18 or similar reductions to the employee's indebtedness that he or she has  
19 received or shall receive.

20 (c) "Year of qualified service" means the twelve-month period measured  
21 from the anniversary of the individual's employment with the state  
22 employer and adjusted for any interruption in employment.

23 3. Eligibility. (a) To be eligible for an award pursuant to this  
24 subdivision, applicants shall: (1) be employed by a state employer; (2)

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

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1 for five or more years of qualified service; and (3) have an outstanding  
2 student loan debt.

3 (b) Individuals employed by a state employer who are not eligible  
4 include:

5 (1) elected officials, judges or justices appointed to or serving in  
6 court of record;

7 (2) officers described in sections four, forty-one-a, forty-six,  
8 sixty-one, seventy, seventy-a, one hundred sixty-nine (including those  
9 officers whose salary is established pursuant to salary plans under  
10 subdivision three of section one hundred sixty-nine), section one  
11 hundred eighty and subdivision one of section forty-one of the executive  
12 law and any agency or department head appointed by the governor, comp-  
13 troller or attorney general; and

14 (3) appointed members of boards or commissions any of whose members  
15 are appointed by the governor or by another state officer or body.

16 4. Awards. The commissioner shall grant awards in the amount of five  
17 thousand dollars to individuals who are eligible, pursuant to subdivi-  
18 sion two of this section, in the year prior to such application,  
19 provided that no recipient shall receive an award that exceeds the total  
20 remaining balance of the student loan debt and that no recipient shall  
21 receive cumulative awards, pursuant to this section, in excess of ten  
22 thousand dollars. Awards shall be within the amounts appropriated for  
23 such purpose and based on availability of funds.

24 5. Rules and regulations. The commissioner is authorized to promulgate  
25 rules and regulations necessary for the implementation of the provisions  
26 of this section.

27 § 2. This act shall take effect immediately.