STATE OF NEW YORK

8302

IN SENATE

April 27, 2018

Introduced by Sen. YOUNG -- 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 rural teacher education loan repayment program

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The education law is amended by adding a new section 676-a to read as follows:

§ 676-a. Rural teacher education loan repayment program. 1. Definitions. For the purposes of this section:

a. "Rural school district" shall mean a school district providing services within a rural area.

b. "Rural area" shall mean a county with a population of two-hundred thousand or less; or a town with a population density of one hundred fifty or less per square mile.

c. "Student loan expenses" shall mean the aggregate total of annual student loans for the cost of attendance at an undergraduate and/or graduate institution leading to teaching certification. Interest paid or due on such loans shall be deemed to be eligible for reimbursement pursuant to this section.

2. Establishment. a. There shall be established within the department the rural teacher education loan repayment program. The department shall, in cooperation and coordination with the New York state center for rural schools, annually identify rural school districts which are having difficulty attracting and retaining teachers, and develop criteria upon which awards shall be made to teachers who become employed by such identified rural school districts who agree to provide teaching services within such rural area for not less than five years.

b. The commissioner is authorized, within amounts made available for the purposes of this section, to make awards beginning January first, two thousand nineteen, to a teacher who as determined by the commissioner to be taking employment in a rural area identified as being underserved, who is licensed to teach in this state and who agrees to for at least five years teach in such rural area. Such a teacher shall be

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

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eligible for a loan repayment award of up to twenty thousand dollars per year.

3. Awards. Rural teacher education loan repayment awards shall be awarded annually. Such awards shall be allocated by the president in accordance with the criteria established pursuant to subdivision two of this section.

4. Limit on awards. Loan repayment awards made to a teacher pursuant to subdivision two of this section shall not exceed the total qualifying outstanding debt of the teacher from student loans to cover tuition and other related educational expenses, made by or guaranteed by the federal or state government, or made by a lending or educational institution approved under title IV of the federal higher education act. Loan repayment awards shall be used solely to repay such outstanding debt.

5. Default. Within such time as the commissioner shall by regulation provide, a recipient of an award shall have practiced as a teacher in an rural area in the state. If a recipient fails to comply fully with such conditions, the president shall be entitled to receive from such recipient an amount to be determined by the formula:

$$A = \frac{2B(t-s)}{t}$$

in which "A" is the amount the president is entitled to recover, "B" is the sum of all payments made to the recipient and the interest on such amount which would be payable if at the times such awards were paid they were loans bearing interest at the maximum prevailing rate; "t" is the total number of months in the recipient's period of obligated services; and "s" is the number of months of services actually rendered by the recipient. Any amount which the president is entitled to recover under this subdivision shall be paid within the five-year period beginning on the date that the recipient failed to comply with this condition. Any obligation to comply with such provisions shall be canceled upon the death of the recipient. The commissioner shall promulgate regulations to provide for the waiver or suspension of any financial obligation when compliance would involve extreme hardship.

6. Rules. The commissioner shall consult with the New York state center for rural schools, and the commissioner, in coordination with the corporation, shall promulgate regulations to effectuate the provisions and purposes of this section.

§ 2. This act shall take effect on the one hundred twentieth day after it shall have become a law; provided, however, that effective immediately, the addition, amendment and/or repeal of any criteria, 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.