

# STATE OF NEW YORK

5600

2019-2020 Regular Sessions

## IN SENATE

May 8, 2019

Introduced by Sen. THOMAS -- read twice and ordered printed, and when printed to be committed to the Committee on Education

AN ACT to amend the education law and the executive law, in relation to directing the commissioner of education to develop certain information regarding for-profit institutions of higher education for the benefit of veterans

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

1 Section 1. Section 305 of the education law is amended by adding a new  
2 subdivision 60 to read as follows:

3 60. a. The commissioner is authorized and directed to establish and  
4 maintain a database of the following information relating to veterans,  
5 for every for-profit institution of higher education:

6 (i) total for-profit institution of higher education program cost;

7 (ii) veteran graduation rate;

8 (iii) veteran graduate placement rate;

9 (iv) total placement rate for veterans who receive a degree;

10 (v) community service programs provided to students to do volunteer  
11 work for either a corporation, association, organization or trust  
12 described in section 501 (c) (3) of the United States internal revenue  
13 code or a government agency;

14 (vi) support services available to veterans including career and guid-  
15 ance counseling and mental health services;

16 (vii) median time in which a veteran student completes a for-profit  
17 institution of higher education program;

18 (viii) median cumulative student debt amount for veteran students;

19 (ix) average amount borrowed by veteran students from all sources;

20 (x) cohort default rate;

21 (xi) post school earnings for veterans; and

22 (xii) outstanding student debt of for-profit institution of higher  
23 education veteran graduates ten years out.

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

LBD11237-03-9

1 b. (i) Annually on or before July first, each for-profit institution  
2 of higher education shall report to the department all information  
3 regarding subparagraphs (i) through (vi) of paragraph a of this subdivi-  
4 sion necessary for the commissioner to establish and maintain the data-  
5 base pursuant to paragraph a of this subdivision. The commissioner shall  
6 promulgate rules and regulations regarding the form and content of such  
7 report.

8 (ii) The commissioner shall utilize all information reported by a  
9 for-profit institution of higher education and information publicly  
10 available from the federal government and any other source as deemed  
11 necessary by such commissioner to carry out the provisions of this  
12 subdivision.

13 c. (i) The commissioner shall devise a method for assigning and  
14 publishing a letter grade to every for-profit institution of higher  
15 education based upon the information contained in the database estab-  
16 lished pursuant to this subdivision. Such grade shall be updated annu-  
17 ally.

18 (ii) Each for-profit institution of higher education shall prominently  
19 display on its website the letter grade most recently assigned to such  
20 institution pursuant to subparagraph (i) of this paragraph.

21 d. The commissioner shall transmit all the information developed  
22 pursuant to this subdivision to the state director of the division of  
23 veterans' services.

24 e. As used in this subdivision, the following terms shall have the  
25 following meanings:

26 (i) "For-profit institution of higher education" means a school that:  
27 (1) provides a program leading to an associates or baccalaureate  
28 degree;

29 (2) is legally authorized in New York state to provide a program of  
30 education beyond secondary education; and

31 (3) is neither a public or non-profit institution.

32 (ii) "Graduation rate of veterans" means the number of veteran  
33 students at a for-profit institution of higher education who received  
34 certificates, diplomas, or degrees in the program during the latest two  
35 calendar years, divided by the number of veteran students who enrolled  
36 in the program during the latest two calendar years. The graduation rate  
37 of veterans shall be determined within one hundred eighty days from the  
38 end of each calendar year and shall be calculated separately for  
39 students admitted as freshmen and students who transfer in.

40 (iii) "Graduate placement rate of veterans" means the number of veter-  
41 an students obtaining full-time (at least thirty-two hours per week),  
42 non-temporary employment in the field of study during the latest two  
43 calendar years for which the for-profit institution of higher education  
44 has obtained verification, divided by the number of all veteran students  
45 graduating from the program during the latest two calendar years. The  
46 graduate placement rate shall be determined within one hundred eighty  
47 days from the end of each calendar year and shall be calculated sepa-  
48 rately for veteran students admitted as freshmen and students who trans-  
49 fer in.

50 (iv) "Total placement rate of veterans" means the product of the grad-  
51 uate placement rate of veterans and the graduation rate of veterans.  
52 The total placement rate shall be determined within one hundred eighty  
53 days from the end of each calendar year.

54 (v) "Median cumulative debt amount" means the median amount of cumula-  
55 tive debt, including private, institutional, and federal, incurred by a

1 veteran student who attended a for-profit institution of higher educa-  
2 tion whether or not they completed a program at such institution.

3 (vi) "Average amount borrowed" means the average amount of private,  
4 institutional, and federal, loans a veteran student who attended a for-  
5 profit institution of higher education borrows to enroll in a program at  
6 such institution.

7 (vii) "Post school earnings" means the sum of any wages, deferred  
8 compensation and self-employment earnings.

9 (viii) "Cohort default rate" means the percentage of a for-profit  
10 institution of higher education's veteran borrowers who enter repayment  
11 on any private, institutional and federal loans during the fiscal year  
12 and default within the cohort default period. Cohort default rate shall  
13 be calculated for the periods of three years, five years and ten years.

14 (ix) "Veteran" shall mean a person who served in and who has received  
15 an honorable or general discharge from, the United States army, navy,  
16 air force, marines, coast guard, and/or reserves thereof, and/or the  
17 army national guard, air national guard, New York guard and/or New York  
18 naval militia.

19 § 2. Section 353 of the executive law is amended by adding a new  
20 subdivision 14-b to read as follows:

21 14-b. To make available to veterans seeking post secondary education,  
22 the information developed by the commissioner of education pursuant to  
23 subdivision sixty of section three hundred five of the education law.  
24 The division shall post such information on its website and shall  
25 provide assistance to veterans in evaluating educational opportunities  
26 at for-profit institutions of higher education based upon the informa-  
27 tion and grading system developed by the commissioner of education.

28 § 3. This act shall take effect on the first of January next succeed-  
29 ing the date on which it shall have become a law. Effective immediately,  
30 the addition, amendment and/or repeal of any rule or regulation neces-  
31 sary for the implementation of this act on its effective date are  
32 authorized to be made and completed on or before such effective date.