STATE OF NEW YORK

5248

2021-2022 Regular Sessions

IN ASSEMBLY

February 12, 2021

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

AN ACT to amend the education law, in relation to the get on your feet loan forgiveness program

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

Section 1. Section 679-g of the education law, as added by section 1 of part C of chapter 56 of the laws of 2015, is amended to read as follows:

§ 679-g. New York state get on your feet loan forgiveness program. 1. Purpose. The president shall grant student loan forgiveness awards for the purpose of alleviating the burden of federal student loan debt for recent New York state college graduates.

2. Eligibility. To be eligible for an award pursuant to this section, an applicant shall: (a) have graduated from a high school located in New York state or attended an approved New York state program for a state high school equivalency diploma and received such high school equivalency diploma; (b) have graduated and obtained an undergraduate **or graduate** degree from a college or university with its headquarters located in New York state in or after the two thousand fourteen--fifteen academic year; (c) apply for this program within two years of obtaining [~~such~~] **either an associates, undergraduate or graduate** degree; (d) be a participant in a federal income-driven repayment plan whose payment amount is generally ten percent of discretionary income; (e) have income of less than [~~fifty~~] **sixty** thousand dollars; (f) comply with subdivisions three and five of section six hundred sixty-one of this part; [~~and~~] (g) work in New York state, if employed[~~.~~]**; and (h) may be currently employed at a program or service that is regulated, operated, funded or approved by the department of mental hygiene. Further, for applicants currently employed at a program or service that is regulated, operated, funded or approved by the department of mental hygiene such applicants shall agree to work on at least a part-time basis for the thirty-six month period of the repayment period of their income-driven repayment plan under federal law and maintain residency in New York state for such period of employ-**

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

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ment. For purposes of this program, "income" shall be the total adjusted gross income of the applicant and the applicant's spouse, if applicable.

3. Awards. (a) An applicant whose annual income is less than fifty thousand dollars shall be eligible to receive an award equal to one hundred percent of his or her monthly federal income-driven repayment plan payments for twenty-four months of repayment under the federal program. Provided, however, that the awards granted under this section shall be deferred for a recipient who has been granted a deferment or forbearance under the federal income-driven repayment plan. Upon completion of such deferment or forbearance period, such recipient shall be eligible to receive an award for the remaining time period under this subdivision. A recipient who is not a resident of New York state at the time any payment is made under this program shall be required to refund such payments to the state. The corporation shall be authorized to recover such payments in accordance with rules and regulations promulgated by the corporation. A student who is delinquent or in default on a student loan made under any statutory New York state or federal education loan program or has failed to comply with the terms of a service condition imposed by an award made pursuant to this article or has failed to repay an award shall be ineligible to receive an award under this program until such delinquency, default or failure is cured.

(b) An applicant whose annual income is less than sixty thousand dollars and currently employed at a program or service that is regulated, operated, funded or approved by the department of mental hygiene shall be eligible to receive an award equal to one hundred percent of his or her monthly federal income-driven repayment plan payments for thirty-six months of the repayment period under the federal program. Provided, however, that the awards granted under this section shall be deferred for a recipient who has been granted a deferment or forbearance under the federal income-driven repayment plan. Upon completion of such deferment or forbearance period, such recipient shall be eligible to receive an award for the remaining time period under this subdivision. A recipient who is not a resident of New York state at the time any payment is made under this program shall be required to refund such payments to the state. The corporation shall be authorized to recover such payments in accordance with rules and regulations promulgated by the corporation. A student who is delinquent or in default on a student loan made under any statutory New York state or federal education loan program or has failed to comply with the terms of a service condition imposed by an award made pursuant to this article or has failed to repay an award shall be ineligible to receive an award under this program until such delinquency, default or failure is cured.

4. Rules and regulations. The corporation is authorized to promulgate rules and regulations, and may promulgate emergency regulations necessary for the implementation of the provisions of this section, including, but not limited to, limits on the award amounts to those applicants currently employed at a program or service that is regulated, operated, funded or approved by the department of mental hygiene based upon the applicants attainment of either an associate's degree, bachelor's degree, or graduate degree and a method of selecting recipients if in any given year there are insufficient funds to cover the needs of applicants currently employed at a program or service that is regulated, operated, funded or approved by the department of mental hygiene and already employed recipients.

§ 2. This act shall take effect immediately.