

STATE OF NEW YORK

4157

2023-2024 Regular Sessions

IN SENATE

February 3, 2023

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 loan redemption program for certain public school teachers

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-k
2 to read as follows:

3 § 679-k. New York state loan redemption program for certain public
4 school teachers. 1. For the purposes of this section, the following
5 terms shall have the following meanings:

6 (a) "Eligible student loan expenses" means nine thousand dollars or
7 the outstanding balance of the principal and interest due on student
8 loans, whichever is less, used to cover the cost of attendance while
9 enrolled in an undergraduate or graduate degree program at an institu-
10 tion of higher education.

11 (b) "Program participant" means a person who is initially hired by a
12 school district following the effective date of this section and who
13 meets the criteria of paragraph (a) of subdivision two of this section,
14 and who has executed a contract with the corporation for participation
15 in the loan redemption program. A program participant shall be a resi-
16 dent of New York state.

17 (c) "Public school" means a school located in New York, under collegi-
18 ate grade, which is operated by a school district or a charter school
19 established pursuant to article fifty-six of this chapter.

20 (d) "School district" means a common, union free, central, central
21 high school or city school district.

22 2. (a) There is established in the corporation a loan redemption
23 program for public school teachers who meet the following criteria:

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

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1 (i) graduated in the top twenty percent of the student's high school
2 graduating class or scored in the top twenty percent on the Scholastic
3 Assessment Test (SAT) or the American College Testing (ACT) examination;

4 (ii) graduated from an institution of higher education with a grade
5 point average of at least 3.5; and

6 (iii) teaches science, technology, engineering or mathematics (STEM)
7 classes or special education.

8 The program shall provide for the redemption of the eligible student
9 loan expenses of a program participant following the third consecutive
10 year of full-time employment as a teacher of science, technology, engi-
11 neering, mathematics or special education in a public school.

12 (b) A program participant may redeem eligible student loan expenses
13 upon execution of a contract between the program participant and the
14 corporation. The contract shall specify the total amount of debt to be
15 redeemed by the state in return for service pursuant to paragraph (c) of
16 this subdivision.

17 (c) The redemption of loans under the loan redemption program shall
18 amount to nine thousand dollars or the outstanding balance of the prin-
19 cipal and interest of eligible student loan expenses, whichever is less,
20 following the third consecutive year of full-time employment as a teach-
21 er of science, technology, engineering, mathematics or special education
22 in a public school. A program participant shall submit to the corpo-
23 ration proof of eligible employment in a public school prior to redemp-
24 tion of loan indebtedness. A program participant is not required to
25 teach at the same public school for three consecutive years.

26 (d) A program participant who has entered into a redemption contract
27 with the corporation may nullify the contract by submitting written
28 notification to the corporation and assuming full responsibility for
29 repayment of principal and interest on the full amount of his or her
30 loans or that portion of the loans which has not been redeemed by the
31 state in return for fulfillment of the contract.

32 (e) In the case of the program participant's death or total and perma-
33 nent disability, the corporation shall nullify the service obligation of
34 the program participant. The nullification shall terminate the corpo-
35 ration's obligations under the loan redemption contract. If continued
36 enforcement of the contract results in extreme hardship, the corporation
37 may nullify or suspend the service obligation of the program partic-
38 ipant.

39 3. The corporation shall annually submit a report on the program to
40 the governor and to the legislature. The report shall be submitted no
41 later than August first of each year and shall include, but not be
42 limited to, information on the total number of participants receiving
43 loan redemption under the program, the impact of the program on attract-
44 ing teachers to teach STEM subjects or special education, and the number
45 of participants who withdrew from the program prior to the completion of
46 the required service.

47 4. The corporation, in consultation with the department, shall adopt
48 rules and regulations necessary to effectuate the purposes of this
49 section.

50 § 2. This act shall take effect immediately.