STATE OF NEW YORK

3244

2025-2026 Regular Sessions

IN SENATE

January 24, 2025

Introduced by Sen. COONEY -- 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 creating the small business employees loan forgiveness incentive 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 679-k to read as follows:

§ 679-k. New York state small business employees loan forgiveness incentive program. 1. Purpose. The president shall grant student loan forgiveness awards for the purpose of increasing the number of individuals who choose to work for a small business in New York state.

2. Eligibility. (a) To be eligible to receive an award pursuant to this section, an applicant must be a resident of New York state who has graduated from an institution of higher education and has an outstanding student loan debt.

(b) Such awards shall be made annually to eligible applicants who, prior to accepting such awards, engaged in twelve months of service as an employee of a small business registered to do business in the state of New York and, have an annual salary of fifty thousand dollars or less. Such awards shall not exceed an amount of twelve thousand five hundred dollars and shall be made to such applicants, pursuant to the following schedule:

(i) ten percent to be awarded upon the completion of the first year;

(ii) ten percent to be awarded upon the completion of the second year;

(iii) ten percent to be awarded upon the completion of the third year;

(iv) ten percent to be awarded upon the completion of the fourth year;

(v) ten percent to be awarded upon the completion of the fifth year;

(vi) ten percent to be awarded upon the completion of the sixth year;

(vii) ten percent to be awarded upon the completion of the seventh year;

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

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(viii) ten percent to be awarded upon the completion of the eighth year;

(ix) ten percent to be awarded upon the completion of the ninth year; and

(x) ten percent to be awarded upon the completion of the tenth year.

(c) Recipients of such awards shall be eligible to apply for other awards established under this chapter.

3. Duration. Such awards shall be made annually, for no more than ten years, to applicants who remain eligible under this section and who are certified as such by the corporation.

4. Amount. The corporation shall grant such awards within the amounts appropriated for such purpose and based on the availability of funds in an amount not to exceed the total cost of the completion of such degree programs. Cost of completion of such degrees shall include: tuition at an institution of higher education approved or registered by the regents and other required or reasonable student fees.

5. Definition. For the purposes of this section, "small business" shall have the same meaning as such term is defined in section one hundred thirty-one of the economic development law.

6. Rules and regulations. Awards shall be made on a competitive basis as promulgated by the corporation for such purposes to applicants who meet the eligibility criteria. Such rules and regulations shall include provisions for the consideration of applicants who are economically disadvantaged.

§ 2. This act shall take effect on the first of April next succeeding the date upon which it shall have become a law.