**§ 610. Liberty scholarships.** 1. Establishment of liberty scholarships. The president of the higher education services corporation shall award liberty scholarships for payment annually beginning with the nineteen hundred ninety-one--nineteen hundred ninety-two academic year, and in each academic year thereafter, to students eligible pursuant to subdivision two of this section. In administering this program, the president is hereby authorized to exercise all powers and duties authorized under article fourteen of this chapter.

2. Eligibility for scholarship. Liberty scholarships shall be awarded to persons:

a. who have applied for such scholarship;

b. who have graduated from a secondary school located within New York state or have received a high school equivalency diploma from New York state;

c. who have not attained the age of twenty-two as of June thirtieth prior to the academic year for which the initial award is received and who are undergraduate students receiving aid under this chapter for the first time during academic year nineteen hundred ninety-one--nineteen hundred ninety-two or thereafter;

d. who have enrolled in an approved program in a degree-granting institution located in New York state within twenty-four months of the date that the recipient graduated from secondary school or received a high school equivalency diploma, provided that those students who are temporarily unable to avail themselves of the award due to illness, military service or other causes in accordance with rules of the board of regents prior to receipt of the first payment of an award may be granted a leave of absence pursuant to regulations of the trustees of the higher education services corporation;

e. who satisfy the requirements of section six hundred sixty-one of this chapter;

f. who retain good academic standing as defined by the commissioner; and

g. who qualify for a scholarship pursuant to subdivision six of this section.

3. Application. Application for payment of a liberty scholarship shall be made in conjunction with an application for tuition assistance in accordance with rules of the board.

4. Application for other student financial assistance. a. A student enrolled in a program of full-time study shall not be entitled to receive a scholarship unless the recipient (1) receives a tuition assistance award or supplemental tuition assistance award pursuant to section six hundred sixty-seven or six hundred sixty-seven-a of this chapter and (2) receives a Pell grant award pursuant to section one thousand seventy-a of title twenty of the United States code.

b. A recipient enrolled in a program of part-time study shall not be entitled to receive a scholarship unless the recipient receives a Pell grant award pursuant to section one thousand seventy-a of title twenty of the United States code.

5. Duration. a. Subject to the requirements of subdivision two of this section, a recipient shall be entitled to an annual scholarship for not more than (1) four academic years of full-time undergraduate study or the equivalent thereof of part-time study, or (2) five academic years, or the equivalent thereof of part-time study, if the program of study normally requires five years, as defined by the commissioner pursuant to article thirteen of this chapter.

b. For purposes of this subdivision and subdivision fourteen of section six hundred five of this chapter, the term "part-time study" means enrollment for at least six but less than twelve semester hours, or the equivalent, per semester or at least four but less than eight semester hours per quarter in an approved undergraduate program.

c. Any semester, quarter or term of attendance during which a student receives an award for part-time study pursuant to this section shall be counted as one-half of a semester, quarter or term, as the case may be, toward the maximum term of eligibility for tuition assistance awards pursuant to section six hundred sixty-seven of this chapter.

6. Amount. a. The president shall grant annual scholarships in the following amounts:

(1) If the recipient attends an institution of the city university of New York or an institution of the state university of New York other than the statutory colleges at Cornell, the college of environmental science and forestry at Syracuse and the college of ceramics at Alfred, the annual scholarship award shall be an amount equal to the non-tuition cost of attendance at such institution or college reduced by (i) the amount of a Pell grant and (ii) the amount of such other state and federal scholarships and grants, other than tuition assistance or supplemental tuition assistance received under this chapter, which do not require repayment, awarded to the recipient for the cost of attendance at the institution being attended, as reported to the president; provided, however, that such scholarship shall be reduced one dollar for every three dollars of income in excess of eighteen thousand dollars of income; or

(2) If the recipient attends any other degree-granting institution within New York state and enrolls in a program approved by the commissioner, the annual scholarship award shall be based upon an amount equal to the average non-tuition cost of attendance, as determined by the commissioner in consultation with the president and as approved by the director of the budget, for a student at the state university of New York or actual non-tuition cost of attendance at such institution, whichever is less, reduced by (i) the amount of a Pell grant the recipient would have been entitled to had the recipient attended the state university of New York and (ii) the amount of such other state and federal scholarships and grants, other than tuition assistance or supplemental tuition assistance received under this chapter, which do not require repayment, awarded to the recipient for the cost of attendance at the institution being attended, as reported to the president; provided, however, that such scholarships shall be reduced

one dollar for every three dollars of income in excess of eighteen thousand dollars of income.

(3) Scholarships and grants that reduce the cost of attendance for purposes of determining the amount of a scholarship award shall not include supplemental financial assistance provided on a last dollar basis pursuant to the provisions of section sixty-four hundred fifty-one or sixty-four hundred fifty-two of this chapter.

(4) "Non-tuition cost of attendance", as used in this paragraph, shall mean: (i) the actual amount charged by the institution for room and board and (ii) an allowance for transportation, books and supplies as determined by the commissioner in consultation with the president and as approved by the director of the budget, provided that such determination shall be made no later than December first of each year for use in the succeeding academic year. In the event a student does not incur room or board charges at the institution, "non-tuition cost of attendance" shall mean an allowance for room and board as determined by the commissioner in consultation with the president and approved by the director of the budget. In determining allowances pursuant to this subparagraph, the commissioner may take into consideration the allowances provided for in the Pell grant program.

b. For the purposes of determining annual scholarships, the term "income" shall be determined in accordance with the provisions of section six hundred sixty-three of this chapter, except that in making such determination, adjusted gross income, as defined in regulations of the trustees of the corporation, shall be used instead of New York state net taxable income.

c. In no event shall the combination of all student financial aid received by a student exceed the recipient's total cost of attendance at the institution being attended.

7. Ineligibility for a tuition assistance, supplemental tuition assistance or Pell grant award in a particular academic year shall not prevent a recipient from receiving a liberty scholarship award in any subsequent year in which such recipient shall become eligible for a tuition assistance, supplemental tuition assistance or Pell grant award,

provided, however, the seven-year period referred to in subdivision seven of section six hundred sixty-five of this chapter, or an eight-year period for part-time study, shall not have elapsed.

8. Relationship to educational opportunity programs. Liberty scholarship recipients who qualify for admission to the educational opportunity programs established in section sixty-four hundred fifty-one or sixty-four hundred fifty-two of this chapter shall in no way be precluded from participation in such programs as a result of their status as liberty scholarship recipients. Recipients who qualify and are selected for participation in the opportunity programs shall be eligible to receive the same tutoring and counseling services provided to other educational opportunity program students, and shall be eligible to receive supplemental financial assistance through the educational opportunity programs for any approved costs not otherwise funded under such scholarship.

9. Notification. The superintendent of schools or other chief school officer of each public school district and the chief school officer of nonpublic secondary schools shall take steps to inform students and parents about the liberty scholarship program and various types of student financial aid that are available for their college educations. The corporation, in cooperation with the commissioner, shall assist such efforts by making available to school districts, nonpublic secondary schools and students information relating to such programs and aid. In addition, the commissioner, in cooperation with the president and school officials shall also provide such other information as is appropriate to encourage students to complete high school and to assist students in preparing to attend college.

10. Regulations. All regulations of the commissioner or regulations of the trustees of the corporation to implement the provisions of this article shall be subject to the approval of the director of the budget.