§ 620. Definitions. As used in this article, the following terms shall have the following meanings unless otherwise specified:

1. "Borrower" shall mean a student attending a covered institution in this state, or a parent or person in parental relation to such student, who also obtains an educational loan from a lending institution to pay for or finance higher education expenses.

2. "Covered institution" shall mean any college, vocational institution, or approved program as defined in section six hundred one of this title.

3. "Covered institution employee" shall mean any employee, agent, contractor, director, officer or trustee of a covered institution.

4. "Educational loan" shall mean any loan that is made, insured, or guaranteed under Part B of Title IV of the Federal Higher Education Act of nineteen hundred sixty-five, as amended, any high risk loan or any private loan issued by a lending institution for the purposes of paying for or financing higher education expenses.

5. "Gift" shall mean any discount, favor, gratuity, inducement, loan, stock, thing of value, or other item having more than nominal value.

a. The term "gift" shall include, but is not limited to:

(1) Any money, service, loan, entertainment, honoraria, hospitality, lodging costs, meals, registration fees, travel expenses, discount, forbearance or promise;

(2) Gifts provided in kind, by purchase of a ticket, payment in advance, or reimbursement after expenses have been incurred;

(3) Any computer hardware for which the recipient pays below-market prices;

(4) Any printing costs or services.

b. The term "gift" shall not include any of the following:

(1) A lending institution's own brochure or promotional literature;

(2) Food, refreshments, training, or informational material furnished

to a covered institution employee as an integral part of a training session, if such training contributes to the professional development of the covered institution employee.

c. Nothing in this article shall be construed to affect the private philanthropic activities of banks or other lending institutions that are unrelated to educational loans.

6. "High risk loans" shall mean any agreement between a lending institution and a covered institution that provides for the lending institution to provide loans to students with a poor or no credit history, who would otherwise not be eligible for educational loans.

7. "Higher education expenses" shall include the following:

a. tuition and fees;

b. costs incurred for books, supplies, transportation, and miscellaneous personal expenses; and

c. room and board costs.

8. "Lending institution" shall mean:

a. any entity that itself or through an affiliate makes educational loans to pay for or finance higher education expenses or that securitizes such loans;

b. any entity, or association of entities, that guarantees educational loans; or

c. any industry, trade or professional association or other entity that receives money, related to educational loan activities, from any entity described above in paragraphs a and b of this subdivision.

9. "Preferred lender list" shall mean a list of one or more recommended or suggested lending institutions that a covered institution

makes available for use, in print or any other medium or form, by borrowers, potential borrowers or others.

10. "Revenue sharing" shall mean any arrangement whereby a lending institution pays a covered institution or an affiliated entity or organization of such covered institution a percentage of the principal of each loan directed towards the lending institution from a borrower at the covered institution.