



NEW YORK STATE SENATOR

Frank Padavan

Senate Passes Legislation Establishing New Student Loan Program

FRANK PADAVAN June 9, 2008

New York State Senator Frank Padavan (Queens) announced today that the Senate has passed legislation that would provide low interest loans for the cost of higher education to students who enroll full time in a college or university in New York state.

“Students and families throughout Queens are finding it increasingly difficult to meet the rising cost of a higher education,” Padavan said. “The growing cost of higher education should not deter any New Yorker from attending college. That is why the ‘I Live New York’ program is so important to all families and college students throughout our state. This program would go a long way in providing relief and easing the stress and apprehension that comes with paying for college.”

Under the “I Live New York” Program, the Dormitory Authority will issue bonds that will provide low interest loans for students who apply for the program. The maximum amount of the loan per eligible student will not exceed the cost of attendance at a respective college or university minus any state or federal financial aid, grants, or scholarships.

The New York State Higher Education Services Corporation would pre-qualify, administer and service the loans in the “I Live New York” program.

Three out of four states provide college students with some form of low-cost student loan program in order to help students borrow money at an interest rate that is significantly below market rates. Currently, New York state is the only state in the Northeast that does not have a low-cost loan program for college students.

“It’s time for New York to join nearly every other state in the nation and offer low cost, low interest students loans to New Yorkers wishing to attend a college or university in their home state,” Padavan said. “A generation of New Yorkers should not be subjected to an overwhelming and staggering amount of debt when they graduate college. This onerous debt curbs economic growth in New York and leaves young professionals struggling to make ends meet at the onset of their careers.”

“More and more college graduates are leaving New York to pursue a higher education and build their careers. The ‘I Live New York’ program will make significant strides in retaining students and graduates and help eliminate the growing exodus of young New Yorkers. In today’s global economy this legislation is vital to New York’s future,” Padavan said.

Over the years, Senator Padavan has been at the forefront fighting to make higher education more affordable and accessible for all New Yorkers. As a key sponsor of the legislation establishing the Tuition Assistance Program (TAP), Senator Padavan has fought to protect and invest in the state financial aid program. TAP has helped countless low to moderate income students in New York attend college.

Earlier this year, Senator Padavan helped to restore millions in essential TAP funding to maintain the program at current and necessary levels. Senator Padavan also worked to secure investments in a five-year capital plan for CUNY, SUNY and community colleges.

The legislation was sent to the Assembly.