

SENATE HIGHER EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 991

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 8, 2016

The Senate Higher Education Committee reports favorably Senate Bill No. 991 with committee amendments.

As amended, this bill establishes the New Jersey HonorScholars Program which will be administered by the Higher Education Student Assistance Authority. Under the provisions of the bill, the New Jersey Student Tuition Assistance Reward Scholarship (NJ STARS) Program will be renamed, and become part of the New Jersey HonorScholars Program. Although the name of the NJ STARS scholarship will be changed, the amount of the scholarship a county college student will be eligible to receive will remain the same. The eligibility criteria for the county college scholarship will also remain the same, except that the bill will permit students to be eligible for the scholarship if their class rank at the completion of the 11th or 12th grade is in the top 20.0 percent of their high school class. Under the current NJ STARS program, a student is required to have a class rank in the top 15.0 percent of the class at the completion of the 11th or 12th grade.

Under the bill, the New Jersey Student Tuition Assistance Reward Scholarship II (NJ STARS II) Program is repealed. In place of NJ STARS II, the New Jersey HonorScholars Program will offer scholarships to students to attend the State's four-year public institutions of higher education. A scholarship to a four-year institution under the New Jersey HonorScholars Program would be applied toward the cost of tuition. A student would be eligible to receive a scholarship of \$2,000 for each semester of enrollment.

Two categories of students would be eligible for a New Jersey HonorScholars Program scholarship to a four-year institution. A student who graduated from a county college and received a county college scholarship under the New Jersey HonorScholars Program would be eligible to receive a scholarship for the third and fourth academic years at a four-year institution. The student would be required to have attained a cumulative grade point average of at least 3.25 upon graduation from a county college. This student would be eligible for a scholarship for up to four semesters, excluding summer sessions. Also, students who graduate in the top 10.0 percent of their high school graduating class would be eligible to receive a New Jersey

HonorScholars Program scholarship to a four-year institution for all four years. These students would be eligible for a scholarship under the program for up to eight semesters, excluding summer sessions.

To be eligible to participate in the program and receive a scholarship to a four-year institution, the student must:

(1) have an annual family income, both taxable and non-taxable, as derived from the Free Application for Federal Student Aid (FAFSA) for the academic year, of less than \$250,000;

(2) be a State resident pursuant to guidelines established by the authority;

(3) have applied for all other available forms of State and federal need-based grants and merit scholarships, exclusive of loans, the full amount of which grants and scholarships would be applied to tuition to reduce the amount of any scholarship that the student receives pursuant to the program;

(4) be enrolled in a full-time course of study and maintain a 3.0 grade point average; and

(5) maintain continuous enrollment in a full-time course of study, unless on medical leave due to the illness of the student or a member of the student's immediate family or emergency leave because of a family emergency, which medical or emergency leave must be approved by the four-year public institution of higher education, or unless called to partial or full mobilization for State or federal active duty as a member of the National Guard or a Reserve component of the Armed Forces of the United States.

The bill includes a grandfather provision that provides that a student who is receiving a scholarship under the NJ STARS Program and is in the first academic year of study at a county college on the effective date of the bill will continue to receive the scholarship in accordance with the law governing NJ STARS as it read prior to the effective date of this bill. Similarly, a student who is receiving a scholarship under the NJ STARS II program who is in the third year of academic year of study at the institution of higher education will remain eligible for a scholarship under the program in accordance with the law as it read prior to the effective date of this bill.

The bill will take effect immediately and first be applicable to the 2017-2018 academic year.

The committee amended the bill to change an eligibility requirement for a student who is receiving a county college scholarship under the New Jersey HonorScholars Program to receive a scholarship at a State four-year public institution of higher education for the third and fourth academic years. The bill, as introduced, required the student to graduate from the county college in the top 10.0% of the class. The amendments would instead require the student to attain a cumulative grade point average of at least 3.25 upon graduation from the county college.