

CHAPTER 359

AN ACT establishing the NJ STARS II Program, supplementing chapter 71B of Title 18A of the New Jersey Statutes, and making an appropriation.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

C.18A:71B-86.1 Short title.

1. This act shall be known and may be cited as the "New Jersey Student Tuition Assistance Reward Scholarship II (NJ STARS II) Program Act."

C.18A:71B-86.2 Definitions relative to NJ STARS II Program.

2. As used in this act:

"Authority" means the Higher Education Student Assistance Authority established pursuant to N.J.S.18A:71A-3.

"Full-time course of study" in any semester means a course of study that includes at least 12 credit hours, not including any credit hours in a remedial or developmental curriculum, and leads to a degree from a New Jersey four-year public institution of higher education.

"Program" means the New Jersey Student Tuition Assistance Reward Scholarship II (NJ STARS II) Program.

C.18A:71B-86.3 NJ STARS II Program created.

3. There is hereby created the New Jersey Student Tuition Assistance Reward Scholarship II (NJ STARS II) Program. It shall be the duty of the Higher Education Student Assistance Authority to administer the program.

C.18A:71B-86.4 Eligibility for NJ STARS II; scholarship amounts.

4. a. For an eligible student enrolled in a full-time course of study at a New Jersey four-year public institution of higher education, a scholarship under the NJ STARS II Program shall be paid to the institution in the amount of \$2,000 for each semester of enrollment commencing in the 2006-2007 academic year. For each academic year thereafter, the amount of the scholarship shall be increased by one-half of the average percentage increase over the prior academic year in undergraduate tuition and fees for all four-year public institutions of higher education and shall be paid to the institution for each semester of enrollment in that academic year; except that the amount of the scholarship shall not exceed \$2,500 per semester. The scholarship amount awarded shall be in addition to any other State and federal need-based grants and merit scholarships to which the student is entitled. The four-year public institution of higher education shall waive or provide an institutional scholarship for any tuition and fee amount for the student, for up to 18 credits, that exceeds the sum of the NJ STARS II scholarship and any other State and federal grants and scholarships to which the student is entitled. The institution shall not be required to waive or provide an institutional scholarship for tuition and fees for credits in excess of 18 credit hours in any single semester.

b. A student shall be eligible for a scholarship under the NJ STARS II Program for up to four semesters, excluding summer sessions, at a New Jersey four-year public institution of higher education.

c. A student shall be eligible to receive a scholarship under the NJ STARS II Program for the student's third academic year of study if the student: attained an associate's degree from a New Jersey county college; received a scholarship under the "New Jersey Student Tuition Assistance Reward Scholarship (NJ STARS) Program Act," P.L.2004, c.59 (C.18A:71B-81 et seq.), or was eligible for but did not receive a scholarship under NJ STARS because the student's tuition and fees were fully covered by other State or federal need-based grants or merit scholarships, for each semester of study in the county college; attains a grade point average of at least 3.0 for the second academic year of study in the county college; enrolls in a baccalaureate degree program at a New Jersey four-year public institution of higher education for the third academic year of study in the academic year immediately following the student's attainment of an associate's degree; and meets the criteria set forth in subsection e. of this section. A grade for credits earned during a summer semester shall for the purposes of this subsection be included in the calculation of the grade point average for the preceding academic year.

d. A student shall be eligible to receive a scholarship under the NJ STARS II Program for the student's fourth academic year of study if the student: received a scholarship under the NJ STARS II Program for the student's third academic year of study pursuant to subsection c. of this section; based on the student's performance during the third academic year of study, attained a grade point average of at least 3.0; and meets the criteria set forth in subsection e. of this section. A grade for credits earned during a summer semester shall for the purposes of this subsection be included in the calculation of the grade point average for the preceding academic year.

e. To be eligible to receive a scholarship under the NJ STARS II Program, a student shall:

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

(2) 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 shall be applied to tuition and fee charges;

(3) be enrolled in a full-time course of study at a four-year public institution of higher education; and

(4) 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 shall have been approved by the four-year public institution of higher education.

f. A student who is dismissed for academic or disciplinary reasons from a four-year public institution of higher education shall no longer be eligible for a scholarship under this act. If a student participating in the program is dismissed for disciplinary reasons, the student shall repay in full all amounts received under the program. The four-year public institution of higher education shall be responsible for collecting the repayment, or the amount of any overpayment or other improper payment, of any State awards under the program, in accordance with the provisions of N.J.S.18A:71B-10.

g. A student scholarship under the NJ STARS II Program may be renewed upon the student's filing of a renewal financial aid application and providing evidence that the student has satisfied the requirements pursuant to this section.

C.18A:71B-86.5 Acceptance of academic credits.

5. A four-year public institution of higher education shall accept all academic credits awarded by a county college to an NJ STARS student who subsequently enrolls in the four-year institution and is participating in the NJ STARS II Program at the institution.

C.18A:71B-86.6 Report to Governor, Legislature; authority regulation.

6. a. Not later than September 30, 2008, the authority shall prepare and submit to the Legislature and the Governor a report on the implementation of the NJ STARS II Program at the four-year public institutions of higher education. The report shall, for each institution, set forth statistics on and include an analysis of student participation in the program at the institution, the amounts of funding provided under the program to students enrolled at the institution, the amounts of funding made available to those participating students from State sources other than the NJ STARS II Program and from federal and institutional sources, and such other factors as the authority deems to be necessary or useful to the evaluation of the program. The report shall set forth the number of students participating in the program Statewide, including such statistical and demographic information as may be relevant and appropriate.

b. The authority shall administer the provisions of this act and shall establish appropriate criteria, procedures, and guidelines for awarding New Jersey Student Tuition Assistance Reward II Scholarships to eligible students in accordance with the provisions of this act. The authority shall adopt in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations as may be necessary to implement the provisions of this act.

C.18A:71B-86.7 Construction of act.

7. Nothing in this act shall be construed to require a four-year public institution of higher education to admit a student eligible for a scholarship under this act or to waive its admission standards and application procedures.

8. There is appropriated \$1,000,000 from the General Fund to the Higher Education Student Assistance Authority for the costs of the authority associated with the administration of tuition assistance programs.

9. This act shall take effect on June 30, 2006.

Approved January 12, 2006.