

# **SENATE, No. 777**

## **STATE OF NEW JERSEY**

### **218th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

**Sponsored by:**

**Senator SANDRA B. CUNNINGHAM**

**District 31 (Hudson)**

**Senator M. TERESA RUIZ**

**District 29 (Essex)**

**Co-Sponsored by:**

**Senators Gordon and Pou**

**SYNOPSIS**

Establishes Higher Education Student Assistance Authority Review Task Force to study implementation of New Jersey College Loans to Assist State Students (NJCLASS) Loan Program.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT establishing a Higher Education Student Assistance  
2 Authority Review Task Force.

3

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

6

7 1. a. There is established a Higher Education Student  
8 Assistance Authority Review Task Force. The purpose of the task  
9 force shall be to study and evaluate the Higher Education Student  
10 Assistance Authority's implementation of the New Jersey College  
11 Loans to Assist State Students (NJCLASS) Loan Program and to  
12 make recommendations on restructuring or phasing-out the loan  
13 program.

14 b. The task force shall consist of the following 13 members:

15 (1) the Secretary of Higher Education, ex-officio, or a designee;

16 (2) four members appointed by the Governor including the  
17 president of a public research university, or a designee, the  
18 president of a State college or university established pursuant to  
19 chapter 64 of Title 18A of the New Jersey Statutes, or a designee, a  
20 student enrolled in a public or independent institution of higher  
21 education who is an NJCLASS loan borrower, and a parent or  
22 guardian who cosigned an NJCLASS loan;

23 (3) four members appointed by the President of the Senate  
24 including the president of an independent institution of higher  
25 education, or a designee, a financial aid administrator employed at a  
26 public institution of higher education, and two public members, one  
27 upon the recommendation of the Minority Leader of the Senate; and

28 (4) four members appointed by the Speaker of the General  
29 Assembly including the president of a county college, or a designee,  
30 a financial aid administrator employed at an independent institution  
31 of higher education, and two public members, one upon the  
32 recommendation of the Minority Leader of the General Assembly.

33 c. Appointments to the task force shall be made within 30 days  
34 of the effective date of this act. Vacancies in the membership of the  
35 task force shall be filled in the same manner as the original  
36 appointments were made. Members of the task force shall serve  
37 without compensation, but shall be reimbursed for necessary  
38 expenses incurred in the performance of their duties as members of  
39 the task force within the limits of funds appropriated or otherwise  
40 made available to the task force for its purposes.

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42 2. The task force shall organize as soon as practicable  
43 following the appointment of its members, but no later than 60 days  
44 after the effective date of this act. The task force shall choose a  
45 chairperson from among its members and shall appoint a secretary  
46 who need not be a member of the task force.



1       (2) if the necessity of making payments to the bondholders as  
2       established in the bond covenants has prohibited the authority from  
3       extending program features to borrowers, such as income-  
4       contingent loan repayment and loan rehabilitation, that would ease  
5       the burden of student debt and assist borrowers in making timely  
6       and affordable loan repayments;

7       (3) if another source of funding is available or feasible to  
8       support the NJCLASS Loan Program; and

9       (4) in light of some of the difficulties and issues borrowers have  
10      identified, if the State should phase-out or eliminate the NJCLASS  
11      Loan Program.

12      The task force is required to issue a report to the Governor, the  
13      President of the Senate, and the Speaker of the General Assembly  
14      within six months of its organization which contains its findings  
15      and recommendations.