

ASSEMBLY HIGHER EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5381

STATE OF NEW JERSEY

DATED: MARCH 8, 2021

The Assembly Higher Education Committee reports favorably Assembly Bill No. 5381.

This bill requires institutions of higher education and certain proprietary schools that provide students with a financial aid award letter to do so in a manner that is consistent with the financial aid shopping sheet that these institutions and schools must provide to students, pursuant to section 2 of P.L.2019, c.201 (C.18A:3B-6b). The financial aid shopping sheet has been designed to improve students' and parents' understanding of higher education costs and financial aid options.

Under the bill, in the event that a public or independent institution of higher education or a proprietary institution licensed to offer academic degrees provides a financial aid award letter to a student, the financial aid award letter must:

- be presented in a manner, and in such language, and using defined terms substantially similar to that which is used in the financial aid shopping sheet;
- clearly display the estimated net cost to attend the institution;
- clearly differentiate a student's eligibility for loans from a student's eligibility for other forms of financial aid; and
- include a clear statement that the acceptance or decline of one or more loan offers will not impact a student's eligibility for any other grants or scholarships detailed in the student's financial aid award letter.

The bill also provides that a student enrolled in a public or independent institution of higher education or a proprietary institution licensed to offer academic degrees will be ineligible to receive any form of student assistance from the State, including grants, scholarships, and loans, in the event that the institution or school fails to meet the bill's requirements, as determined by the Secretary of Higher Education.