

# SENATE, No. 807

## STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

**Sponsored by:**

**Senator SANDRA B. CUNNINGHAM**

**District 31 (Hudson)**

**Senator THOMAS H. KEAN, JR.**

**District 21 (Morris, Somerset and Union)**

**Co-Sponsored by:**

**Senator Ruiz**

**SYNOPSIS**

Requires institutions of higher education to distribute information on availability of allowance for dependent care expenses in determination of cost of attendance.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 6/25/2020)**

1 AN ACT concerning information on the college dependent care  
2 allowance, amending P.L.2019, c.201, and supplementing  
3 chapter 3B of Title 18A of the New Jersey Statutes.

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

7  
8 1. Section 2 of P.L.2019, c.201 (C.18A:3B-6b) is amended to  
9 read as follows:

10 2. a. A public or independent institution of higher education or a  
11 proprietary institution licensed to offer academic degrees shall  
12 provide a financial aid "shopping sheet" to each prospective student  
13 as part of the institution's financial aid offer to that student. The  
14 purpose of the shopping sheet shall be to provide prospective  
15 students and their families with clear information on the costs, loan  
16 options, and estimated debt that the student will incur in attending  
17 the institution, and to allow students and families to easily evaluate  
18 and compare financial aid packages from different institutions.

19 b. The Secretary of Higher Education shall prescribe a model  
20 format for the shopping sheet required by subsection a. of this  
21 section. Each public or independent institution of higher education  
22 or proprietary institution licensed to offer academic degrees shall  
23 utilize either the model format developed by the secretary or the  
24 most current financial aid shopping sheet developed by the United  
25 States Department of Education or the Consumer Financial  
26 Protection Bureau. The model shopping sheet prescribed by the  
27 secretary shall include, at a minimum, the following information:

28 (1) the total cost for one year of attendance at the institution,  
29 including tuition, student fees, room and board, books and  
30 materials, and transportation and other educational costs;

31 (2) the total amount per year of grants and scholarships awarded  
32 to that student, including any grants and scholarships from the  
33 institution, federal grants, State grants, or other scholarships;

34 (3) the total net amount the student will owe for one year of  
35 attendance at the institution, after taking into account any grants  
36 and scholarships;

37 (4) the total amount per year of student loans and work study  
38 funds that the student is eligible for, broken down by federal  
39 Perkins loans, federal Direct Subsidized loans, federal Direct  
40 Unsubsidized loans, and federal, State, or institutional work study  
41 funds;

42 (5) the median borrowing in federal loans for undergraduate  
43 study at the institution and the average monthly payment over 10  
44 years for this amount;

45 (6) the percentage of students from the institution who defaulted  
46 on their student loans; **[and]**

**EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 (7) in the case of a county college or a proprietary institution  
2 licensed to offer associate degrees, the percentage of students at the  
3 college or institution who graduate within three years as compared  
4 to the average rate at other county colleges or proprietary  
5 institutions as applicable, and in the case of a four-year institution  
6 of higher education or a proprietary institution licensed to offer  
7 baccalaureate degrees, the percentage of students at the institution  
8 who graduate within six years as compared to the average rate at  
9 other four-year public or independent institutions of higher  
10 education or other proprietary institutions as applicable; and

11 (8) in the case of a financial aid shopping sheet being provided  
12 to a prospective student with one or more dependents, the  
13 availability of, the procedures for requesting, and, if feasible, an  
14 estimate of the amount of an allowance for dependent care expenses  
15 established pursuant to paragraph 8 of 20 U.S.C. s.1087ll, provided  
16 that such information includes a statement informing the student  
17 that using the allowance for dependent care expenses may result in  
18 higher student loan obligations upon graduation.

19 c. The secretary, in developing the model format for the  
20 shopping sheet, shall consider any sample or model formats for a  
21 financial aid shopping sheet developed by the United States  
22 Department of Education or the Consumer Financial Protection  
23 Bureau.

24 (cf: P.L.2019, c.201, s.2)

25

26 2. (New section) a. An institution of higher education or a  
27 proprietary institution licensed to offer academic degrees shall  
28 provide for public inspection on its Internet website information  
29 concerning the availability of and the procedures for requesting the  
30 allowance for dependent care expenses established pursuant to  
31 paragraph 8 of 20 U.S.C. s.1087ll. The information shall include a  
32 statement that using the allowance for dependent care expenses may  
33 result in higher student loan obligations upon graduation.

34 b. An institution of higher education or a proprietary institution  
35 licensed to offer academic degrees shall provide with all paper  
36 applications for admission to the institution a hard copy of the  
37 information regarding the allowance for dependent care expenses  
38 posted pursuant to subsection a. of this section.

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40 3. This act shall take effect in the first full academic year  
41 following the date of enactment.

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44 STATEMENT

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46 The cost of attendance at an institution of higher education is  
47 calculated by each institution using elements set forth in federal law  
48 at 20 U.S.C. s.1087ll. In addition to expenses such as tuition, fees,

1 and room and board, the cost of attendance may include an  
2 allowance, known as a “dependent care allowance,” for students  
3 who have one or more dependents and who incur expenses for those  
4 dependents’ care while attending the institution of higher education.  
5 Being eligible for a dependent care allowance increases the  
6 student’s total cost of attendance, which could make the student  
7 eligible for additional financial aid dollars.

8 This bill seeks to increase awareness of the dependent care  
9 allowance so that more student parents may take advantage of  
10 additional financial aid while attending an institution of higher  
11 education. The bill would require that information on the  
12 availability of, the procedures for requesting, and, if feasible, an  
13 estimate of the amount of the allowance be provided on the  
14 financial aid shopping sheet given to a prospective student who has  
15 one or more dependents. The bill would also require an institution  
16 of higher education or a proprietary institution licensed to offer  
17 academic degrees to post on its Internet website information  
18 concerning the availability of and the procedures for requesting the  
19 dependent care allowance. Lastly, the bill requires an institution to  
20 provide with all paper applications for admission a hard copy of  
21 information regarding the dependent care allowance.