ASSEMBLY, No. 5381 STATE OF NEW JERSEY 219th LEGISLATURE

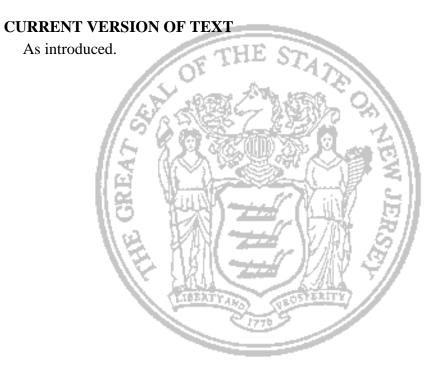
INTRODUCED FEBRUARY 23, 2021

Sponsored by: Assemblywoman MILA M. JASEY District 27 (Essex and Morris) Assemblyman WILLIAM F. MOEN, JR. District 5 (Camden and Gloucester) Assemblywoman VALERIE VAINIERI HUTTLE District 37 (Bergen)

Co-Sponsored by: Assemblywomen Timberlake, McKnight, Swain and Assemblyman Tully

SYNOPSIS

Requires financial aid award letter provided by institutions of higher education and certain proprietary schools be consistent with financial aid shopping sheet.



(Sponsorship Updated As Of: 6/3/2021)

AN ACT concerning student financial aid and supplementing 1 2 P.L.1994, c.48 (C.18A:3B-1 et al.). 3 4 BE IT ENACTED by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. a. In the event that a public or independent institution of 8 higher education or a proprietary institution licensed to offer 9 academic degrees provides a financial aid award letter to a student, the financial aid award letter shall: 10 be presented in a manner, and in such language, that is 11 (1)12 substantially similar to that which is used in, and uses terms as 13 defined in, the financial aid shopping sheet provided to students 14 pursuant to section 2 of P.L.2019, c.201 (C.18A:3B-6b); 15 (2) clearly display the estimated net cost to attend the 16 institution; 17 (3) clearly differentiate a student's eligibility for loans from a 18 student's eligibility for other forms of financial aid, including 19 grants and scholarships; and 20 (4) include a clear statement that the acceptance or decline of 21 one or more loan offers shall not impact a student's eligibility for 22 any other grants or scholarships detailed in the student's financial 23 aid award letter. 24 b. A student enrolled in a public or independent institution of 25 higher education or a proprietary institution licensed to offer 26 academic degrees shall be ineligible to receive any form of student assistance from the State, including grants, scholarships, and loans, 27 28 in the event that the institution or school fails to meet the 29 requirements established pursuant to subsection a. of this section, as 30 determined by the Secretary of Higher Education. 31 32 2. This act shall take effect on the 30th day after the date of 33 enactment. 34 35 36 **STATEMENT** 37 This bill requires institutions of higher education and certain 38 39 proprietary schools that provide students with a financial aid award letter to do so in a manner that is consistent with the financial aid 40 41 shopping sheet that these institutions and schools must provide to 42 students, pursuant to section 2 of P.L.2019, c.201 (C.18A:3B-6b). 43 The financial aid shopping sheet has been designed to improve 44 students' and parents' understanding of higher education costs and 45 financial aid options. 46 Under the bill, in the event that a public or independent 47 institution of higher education or a proprietary institution licensed

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to offer academic degrees provides a financial aid award letter to a
 student, the financial aid award letter must:

3	•	be presented in a manner, and in such language, and using
4		defined terms substantially similar to that which is used in
5		the financial aid shopping sheet;

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- 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.