

# ASSEMBLY HIGHER EDUCATION COMMITTEE

## STATEMENT TO

### SENATE, No. 985

# STATE OF NEW JERSEY

DATED: MARCH, 8 2021

The Assembly Higher Education Committee reports favorably Senate Bill No. 985.

This bill authorizes a public institution of higher education to reduce a student's institutional financial aid as a result of the awarding of private scholarships to the student only under certain circumstances as specified in the bill. Under the bill, institutional financial aid is defined as need-based and merit-based grants, scholarships, tuition waivers, and all other forms of financial assistance provided by a public institution of higher education that are not loans or work-study programs. Private scholarships are defined as scholarships awarded by businesses, private foundations, nonprofit organizations, and service groups, and do not include awards funded by a private organization that is affiliated with a public institution of higher education and requests the institution's assistance in selecting recipients of the scholarships.

The bill provides that, if a student's total financial aid from all sources exceeds the student's financial need, a public institution of higher education may reduce the student's institutional financial aid until the student's total financial aid no longer exceeds the student's financial need. In addition to that reduction, a public institution of higher education may further reduce a student's institutional financial aid if the institution receives approval from the organization that awarded the private scholarship. Lastly, a public institution of higher education may reduce a student athlete's institutional financial aid in order to comply with the individual or team financial aid restrictions of any athletic association, conference, or other group or organization with authority over intercollegiate athletics including, but not limited to, the National Collegiate Athletic Association.

As reported by the committee, this bill is identical to Assembly Bill No. 3789, which also was reported by the committee on this same date.