

SENATE, No. 3536

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MARCH 11, 2021

Sponsored by:

Senator SANDRA B. CUNNINGHAM

District 31 (Hudson)

Senator RICHARD J. CODEY

District 27 (Essex and Morris)

SYNOPSIS

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

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning student financial aid and supplementing
2 P.L.1994, c.48 (C.18A:3B-1 et al.).

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

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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,
10 the financial aid award letter shall:

11 (1) be presented in a manner, and in such language, that is
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
27 assistance from the State, including grants, scholarships, and loans,
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.

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32 2. This act shall take effect on the 30th day after the date of
33 enactment.

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36 STATEMENT

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38 This bill requires institutions of higher education and certain
39 proprietary schools that provide students with a financial aid award
40 letter to do so in a manner that is consistent with the financial aid
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

1 to offer academic degrees provides a financial aid award letter to a
2 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;
- 6 • clearly display the estimated net cost to attend the
7 institution;
- 8 • clearly differentiate a student's eligibility for loans from a
9 student's eligibility for other forms of financial aid; and
- 10 • include a clear statement that the acceptance or decline of
11 one or more loan offers will not impact a student's eligibility
12 for any other grants or scholarships detailed in the student's
13 financial aid award letter.

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