

SENATE, No. 3683

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED APRIL 19, 2021

Sponsored by:

Senator M. TERESA RUIZ

District 29 (Essex)

Senator VIN GOPAL

District 11 (Monmouth)

Co-Sponsored by:

Senator Cunningham

SYNOPSIS

Requires institutions of higher education to provide certain student loan information.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/20/2021)

1 AN ACT concerning information provided by institutions of higher
2 education and supplementing and amending P.L.2009, c.197.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. (New section) The Legislature finds and declares that:

8 a. According to the Institute for College Access & Success,
9 New Jersey ranks in the top five states nationally for student loan
10 debt amounts, with the average graduate leaving college
11 approximately \$34,000 in debt;

12 b. Despite New Jersey students graduating with significant
13 debt, there is insufficient publicly-available demographic
14 information on the State' over one million student loan borrowers;

15 c. The demographic information that is available, however,
16 shows significant racial disparities in student loan outcomes.
17 Borrowers in New Jersey's communities of color face default rates
18 two- to -five times higher than white borrowers in the State;

19 d. Even after factoring in financial aid, the average price of
20 attendance at New Jersey's four-year public institutions of higher
21 education represents about one-third of household income for the
22 State's Black and Latino families, compared to just 17 percent of
23 the State's white families;

24 e. Stark differences in family wealth in New Jersey have
25 resulted in enormous disparities for students based on race and
26 ethnicity relating to their financial need for college and their ability
27 to pay off student loans;

28 f. The development and implementation of informed policy to
29 understand and address issues related to student loan debt, including
30 related racial disparities in outcomes, requires access to reliable
31 State-level data on how borrowers experience their debt burden; and

32 g. Expanding data collection and dissemination of information
33 is crucial for understanding the extent of the burgeoning student
34 debt crisis in particular communities in the State and for developing
35 policies that prioritize equity in loan outcomes for borrowers.

36

37 2. Section 2 of P.L.2009, c.197 (C.18A:3B-44) is amended to
38 read as follows:

39 2. a. **【A four-year public】** An institution of higher education
40 shall provide for public inspection on its website comprehensive
41 information on the cost of attendance, the graduation rates of
42 admitted students, and the faculty of the institution. The purpose of
43 the information shall be to maximize the awareness of students and
44 their families of the costs associated with enrollment in the
45 institution, the institution's success in ensuring the graduation of its

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 students, and the composition of the teaching faculty that a student
2 will encounter in his coursework. The institution shall post, and
3 annually update, a student consumer information report on its
4 website that includes, if applicable:

5 (1) overall two-year and three-year graduation rates, and overall
6 four-year and six-year graduation rates, as applicable;

7 (2) two-year and three-year graduation rates by demographic
8 group, and four-year and six-year graduation rates by demographic
9 group, as applicable;

10 (3) two-year and three-year graduation rates by major, and four-
11 year and six-year graduation rates by major, as applicable;

12 (4) two-year and three-year graduation rates for student-athletes,
13 and four-year and six-year graduation rates for student-athletes, as
14 applicable;

15 (5) the student transfer rate;

16 (6) an overview of the institutions to which former students of
17 that college or university have transferred prior to the completion of
18 a degree;

19 (7) the cost for the current academic year of attending the
20 institution including tuition, student fees, room and board, and
21 books and materials;

22 (8) a description of the types of financial assistance offered
23 directly by the institution to both student-athletes and to students
24 who do not participate in athletic programs at the institution;

25 (9) the percent of student-athletes who receive financial
26 assistance directly from the institution and the average value of the
27 assistance and the percent of students who do not participate in
28 athletic programs at the institution who receive financial assistance
29 directly from the institution and the average value of the assistance;

30 (10) for four-year institutions of higher education, the total
31 projected cost for an incoming freshman to live on campus and
32 complete a degree in four years and the total projected cost for an
33 incoming freshman to commute to school and complete a degree in
34 four years;

35 (11) for four-year institutions of higher education, the total
36 projected cost for an incoming freshman to live on campus and
37 complete a degree in six years and the total projected cost for an
38 incoming freshman to commute to school and complete a degree in
39 six years;

40 (12) average student loan indebtedness of two-year and four-
41 year graduates for both students who live on campus and students
42 who commute, as applicable. The institution shall disaggregate the
43 data by: race, ethnicity, age, income, gender, and first-generation
44 status;

45 (13) average student loan indebtedness of three-year and six-
46 year graduates for both students who live on campus and students
47 who commute, as applicable. The institution shall disaggregate the

1 data by: race, ethnicity, age, income, gender, and first-generation
2 status;

3 (14) average student loan indebtedness of a student who
4 transfers or withdraws from the institution prior to the completion
5 of a degree program for both students who live on campus and who
6 commute. The institution shall disaggregate the data by: race,
7 ethnicity, age, income, gender, and first-generation status;

8 (15) an overview of the institution's faculty, including the
9 percentage of faculty employed as a tenured professor, the
10 percentage of faculty employed as a full-time non-tenured
11 professor, and the percentage of faculty employed as an adjunct or
12 visiting professor;

13 (16) the percentage of courses taught by each of the different
14 categories of faculty; **and**

15 (17) an indicator of each academic department's capacity to
16 serve the students majoring within that department's programs, as
17 determined by the **Commission on** Secretary of Higher
18 Education;

19 (18) the number and percentage of borrowers of the New Jersey
20 College Loans to Assist State Students (NJCLASS) Program and
21 the number and percentage of students with other forms of student
22 loans; and

23 (19) for each three-year cohort of students who have graduated,
24 transferred, or withdrawn from the institution prior to graduation,
25 beginning with the first cohort following the enactment of P.L. c.
26 (C.) (pending before the Legislature as this bill) and for each
27 three-year cohort thereafter, the default rate of the borrowers, the
28 number and percentage of NJCLASS borrowers in repayment, and
29 the number and percentage of NJCLASS borrowers in default,
30 disaggregated by the race, ethnicity, age, income, gender, and first-
31 generation status.

32 The institution shall provide with all paper applications for
33 admission to the institution a hard copy of the information prepared
34 pursuant to this section.

35 b. **A four-year public** An institution of higher education shall
36 conform to the guidelines, criteria, and format prescribed by the
37 **Commission on** Secretary of Higher Education in reporting the
38 information required pursuant to this section.

39 c. **A four-year public** An institution of higher education shall
40 submit its student consumer information report to the **Commission**
41 **on** Secretary of Higher Education for inclusion in a comparative
42 profile of the student consumer information reports of all **four-year**
43 **public** institutions of higher education.

44 In addition to the information contained in the institutional
45 student consumer information reports pursuant to this section, the
46 comparative profile shall identify the existence of any racial
47 disparities in student loan indebtedness and loan default rates.

1 d. **【A four-year public】** An institution of higher education shall
2 ensure that the page of its Internet site which includes its student
3 consumer information report contains a link to the page of the
4 **【Commission on】** Secretary of Higher Education's Internet site that
5 includes the comparative profile required pursuant to subsection b.
6 of section 3 of this act.

7 e. **【A four-year public】** An institution of higher education shall
8 ensure that the Internet site for submitting an online application to
9 the institution contains a link to the institution's student consumer
10 information report.

11 f. **【A four-year public】** An institution of higher education shall
12 require the parent or guardian of a student applying for admission
13 into the institution, or the student if he is an independent adult, to
14 sign and submit a statement acknowledging that he has reviewed the
15 institution's student consumer information report.

16 (cf: P.L.2009, c.197, s.2)

17
18 3. Section 3 of P.L.2009, c.197 (C.18A:3B-45) is amended to
19 read as follows:

20 3. a. The **【Commission on】** Secretary of Higher Education shall
21 issue guidelines and criteria for collecting and calculating the
22 information required pursuant to section 2 of this act and shall
23 prescribe a uniform reporting method for posting the information.

24 b. The **【Commission on】** Secretary of Higher Education shall
25 annually compile the student consumer information reports
26 submitted pursuant to subsection c. of section 2 of this act into a
27 comparative profile of all four-year public institutions of higher
28 education. The **【commission】** secretary shall present the
29 information on its website in a manner that allows college students
30 and their families to easily compare student consumer information
31 across institutions.

32 (cf: P.L.2009, c.197, s.3)

33
34 4. This act shall take effect in the first full academic year
35 following the date of enactment.

36 37 38 STATEMENT

39
40 Under the provisions of the "New Jersey College Student and
41 Parent Consumer Information Act," P.L.2009, c.197 (C.18A:3B-43
42 et seq.), four-year public institutions of higher education are
43 required to provide for public inspection on their websites
44 information on the cost of attendance, the graduation rates of
45 admitted students, student loan indebtedness, and the faculty of the
46 institution. The purpose of the information is to maximize the
47 awareness of students and their families of the costs associated with

1 enrollment in the institution, the institution's success in ensuring
2 the graduation of its students, and the composition of the teaching
3 faculty that students will encounter in their coursework.

4 This bill amends that law to require institutions to disaggregate
5 student loan indebtedness information according to demographics
6 including the race, ethnicity, age, income, gender, and first-
7 generation status.

8 The bill amends the law to require all institutions of higher
9 education to include the data on their websites.

10 The bill also requires institutions to include in their report:

11 (1) the number and percentage of NJCLASS borrowers and the
12 number and percentage of students with other forms of student
13 loans; and

14 (2) for each three-year cohort of students who have graduated,
15 transferred, or withdrawn from the institution prior to graduation,
16 beginning with the first cohort following the enactment of the bill,
17 and for each three-year cohort thereafter, the default rate of the
18 borrowers, the number and percentage of NJCLASS borrowers in
19 repayment, and the number and percentage of NJCLASS borrowers
20 in default, disaggregated by race, ethnicity, age, income, gender,
21 and first-generation status.