18A:62-65 & 18A:62-66
LEGISLATIVE HISTORY CHECKLIST
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LAWS OF: 2021 **CHAPTER:** 223

NJSA: 18A:62-65 & 18A:62-66 (Provides that public institutions of higher education may only reduce student's institutional financial aid upon receipt of private scholarship under certain circumstances.)

BILL NO: S985 (Substituted for A3789)

SPONSOR(S) Singleton, Troy and others

DATE INTRODUCED: 1/30/2020

COMMITTEE: **ASSEMBLY:** Higher Education

SENATE: Higher Education

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** 5/20/2021

SENATE: 7/30/2020

DATE OF APPROVAL: 9/24/2021

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (Introduced bill enacted) Yes

S985

INTRODUCED BILL (INCLUDES SPONSOR'S STATEMENT): Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: Yes

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, ***may possibly*** be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

A3789

INTRODUCED BILL (INCLUDES SPONSOR'S STATEMENT): Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: No

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, ***may possibly*** be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

RH/CL

§§1,2
C.18A:62-65 and
18A:62-66
§3
Note

P.L. 2021, CHAPTER 223, ***approved September 24, 2021***
Senate, No. 985

AN ACT concerning institutional financial aid and supplementing chapter 62 of Title 18A of the New Jersey Statutes.

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

1. As used in this act:

"Cost of attendance" means cost of attendance as defined pursuant to 20 U.S.C. s.1087ll.

"Expected family contribution" means expected family contribution as determined pursuant to 20 U.S.C. s.1087nn.

"Financial need" means cost of attendance minus expected family contribution.

"Institutional financial aid" means 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" means scholarships awarded by businesses, private foundations, nonprofit organizations, and service groups. Private scholarships shall not include awards funded by a private organization which is affiliated with a public institution of higher education and requests the institution's assistance in selecting the recipients of scholarships.

2. a. A public institution of higher education may reduce a student's institutional financial aid as a result of the awarding of private scholarships to the student only under the circumstances enumerated in subsections b. and c. of this section.

b. 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.

c. In addition to the reduction authorized pursuant to subsection b. of this section, a public institution of higher education may reduce a student's institutional financial aid if the institution receives approval from the organization that awarded the private scholarship that caused the reduction authorized pursuant to subsection b. of this section.

d. 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.

3. This act shall take effect immediately and shall first apply to the first full academic year following the date of enactment.

STATEMENT

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.

It is the intent of the sponsor to address the practice of "scholarship displacement" at public institutions of higher education in New Jersey and to ensure that students are not punished for earning outside scholarships. Scholarship displacement occurs when an institution reduces the amount of institutional financial aid a student receives after the student obtains financial aid from another entity following the formation of their financial aid package.

Provides that public institutions of higher education may only reduce student's institutional financial aid upon receipt of private scholarship under certain circumstances.

CHAPTER 223

AN ACT concerning institutional financial aid and supplementing chapter 62 of Title 18A of the New Jersey Statutes.

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

C.18A:62-65 Definitions relative to institutional financial aid.

1. As used in this act:

"Cost of attendance" means cost of attendance as defined pursuant to 20 U.S.C. s.1087ll.

"Expected family contribution" means expected family contribution as determined pursuant to 20 U.S.C. s.1087nn.

"Financial need" means cost of attendance minus expected family contribution.

"Institutional financial aid" means 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" means scholarships awarded by businesses, private foundations, nonprofit organizations, and service groups. Private scholarships shall not include awards funded by a private organization which is affiliated with a public institution of higher education and requests the institution's assistance in selecting the recipients of scholarships.

C.18A:62-66 Reduction of student's institutional financial aid; reasons.

2. a. A public institution of higher education may reduce a student's institutional financial aid as a result of the awarding of private scholarships to the student only under the circumstances enumerated in subsections b. and c. of this section.

b. 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.

c. In addition to the reduction authorized pursuant to subsection b. of this section, a public institution of higher education may reduce a student's institutional financial aid if the institution receives approval from the organization that awarded the private scholarship that caused the reduction authorized pursuant to subsection b. of this section.

d. 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.

3. This act shall take effect immediately and shall first apply to the first full academic year following the date of enactment.

Approved September 24, 2021.

SENATE, No. 985

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JANUARY 30, 2020

Sponsored by:
Senator TROY SINGLETON
District 7 (Burlington)
Assemblyman WILLIAM F. MOEN, JR.
District 5 (Camden and Gloucester)
Assemblyman ANDREW ZWICKER
District 16 (Hunterdon, Mercer, Middlesex and Somerset)
Assemblywoman MILA M. JASEY
District 27 (Essex and Morris)

Co-Sponsored by:
Assemblywoman Vainieri Huttle

SYNOPSIS

Provides that public institutions of higher education may only reduce student's institutional financial aid upon receipt of private scholarship under certain circumstances.

CURRENT VERSION OF TEXT

As introduced.

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

AN ACT concerning institutional financial aid and supplementing chapter 62 of Title 18A of the New Jersey Statutes.

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

1. As used in this act:

"Cost of attendance" means cost of attendance as defined pursuant to 20 U.S.C. s.1087ll.

"Expected family contribution" means expected family contribution as determined pursuant to 20 U.S.C. s.1087nn.

"Financial need" means cost of attendance minus expected family contribution.

"Institutional financial aid" means 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" means scholarships awarded by businesses, private foundations, nonprofit organizations, and service groups. Private scholarships shall not include awards funded by a private organization which is affiliated with a public institution of higher education and requests the institution's assistance in selecting the recipients of scholarships.

2. a. A public institution of higher education may reduce a student's institutional financial aid as a result of the awarding of private scholarships to the student only under the circumstances enumerated in subsections b. and c. of this section.

b. 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.

c. In addition to the reduction authorized pursuant to subsection b. of this section, a public institution of higher education may reduce a student's institutional financial aid if the institution receives approval from the organization that awarded the private scholarship that caused the reduction authorized pursuant to subsection b. of this section.

d. 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.

3. This act shall take effect immediately and shall first apply to the first full academic year following the date of enactment.

STATEMENT

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.

It is the intent of the sponsor to address the practice of "scholarship displacement" at public institutions of higher education in New Jersey and to ensure that students are not punished for earning outside scholarships. Scholarship displacement occurs when an institution reduces the amount of institutional financial aid a student receives after the student obtains financial aid from another entity following the formation of their financial aid package.

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.

SENATE HIGHER EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 985

STATE OF NEW JERSEY

DATED: JUNE 23, 2020

The Senate 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.

ASSEMBLY, No. 3789

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MARCH 16, 2020

Sponsored by:
Assemblyman WILLIAM F. MOEN, JR.
District 5 (Camden and Gloucester)
Assemblyman ANDREW ZWICKER
District 16 (Hunterdon, Mercer, Middlesex and Somerset)
Assemblywoman MILA M. JASEY
District 27 (Essex and Morris)

Co-Sponsored by:
Assemblywoman Vainieri Huttle

SYNOPSIS

Provides that public institutions of higher education may only reduce student's institutional financial aid upon receipt of private scholarship under certain circumstances.

CURRENT VERSION OF TEXT

As introduced.

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

AN ACT concerning institutional financial aid and supplementing chapter 62 of Title 18A of the New Jersey Statutes.

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

1. As used in this act:

"Cost of attendance" means cost of attendance as defined pursuant to 20 U.S.C. s.1087ll.

"Expected family contribution" means expected family contribution as determined pursuant to 20 U.S.C. s.1087nn.

"Financial need" means cost of attendance minus expected family contribution.

"Institutional financial aid" means 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" means scholarships awarded by businesses, private foundations, nonprofit organizations, and service groups. Private scholarships shall not include awards funded by a private organization which is affiliated with a public institution of higher education and requests the institution's assistance in selecting the recipients of scholarships.

2. a. A public institution of higher education may reduce a student's institutional financial aid as a result of the awarding of private scholarships to the student only under the circumstances enumerated in subsections b. and c. of this section.

b. 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.

c. In addition to the reduction authorized pursuant to subsection b. of this section, a public institution of higher education may reduce a student's institutional financial aid if the institution receives approval from the organization that awarded the private scholarship that caused the reduction authorized pursuant to subsection b. of this section.

d. 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.

3. This act shall take effect immediately and shall first apply to the first full academic year following the date of enactment.

STATEMENT

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.

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ASSEMBLY HIGHER EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3789

STATE OF NEW JERSEY

DATED: MARCH 8, 2021

The Assembly Higher Education Committee reports favorably Assembly Bill No. 3789.

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.

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As reported by the committee, this bill is identical to Senate Bill No. 985, which also was reported by the committee on this same date.

Governor Murphy Takes Action on Legislation

09/24/2021

TRENTON – Today, Governor Murphy signed the following bills into law:

S-225/A-679 (Diegnan, Turner/Vainieri Huttle, Mukherji, Jasey) – Provides that student-athlete who sustains concussion must return to regular school activities prior to return to competition; requires school districts to implement six-step return-to-competition process

S-985/A-3789 (Singleton/Moen, Zwicker, Jasey) – Provides that public institutions of higher education may only reduce student's institutional financial aid upon receipt of private scholarship under certain circumstances

S-2826/A-4594 (Ruiz, Cunningham/Quijano, Lampitt, Reynolds-Jackson) – Directs DOE to establish five-year pilot program for issuance of limited certificate of eligibility with advanced standing and limited certificate of eligibility for certain teacher candidates

S-3618/ACS for A-5778 (Pennacchio, Oroho, A.M. Bucco/Tucker, Houghtaling, Wirths, Burzichelli) –Makes supplemental appropriation of $10 million for grants for certain lake management activities for recreation and conservation purposes

S-3780/A-5785 (Lagana, Sarlo/Mazzeo) – Permits prosecutors to enroll in Prosecutors Part of PERS

A-1091/S-2056 (Murphy, Vainieri Huttle, Wirths/Beach, Oroho) – Requires Division of Travel and Tourism to advertise and promote tours of breweries in the State

A-2617/S-2998 (Murphy, Benson, Reynolds-Jackson/Lagana, Gopal) – Requires employers to provide hiring preference to employees who have reached maximum medical improvement following work related injury

A-4205/S-2506 (Greenwald, Lampitt, Conaway/Gopal, Turner) – Enters New Jersey into Psychology Interjurisdictional Compact

A-4881/S-3744 (Greenwald, Mazzeo/Beach) – Prohibits appeal of land use decision related to holding meeting electronically

A-5142/S-3373 (Wimberly, Jasey, Holley/Singleton, Turner) – Protects homeowner in foreclosure from excessively low intervening offer

A-5683/S-3869 (Reynolds-Jackson, Wimberly/Turner, Pou) – Modifies Garden State Growth Zone tax exemption program