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LAW/RWH

§§5,6 -
C.18A:71B-85.6
& 18A:71B-85.7
§7 –
C.18A:71B-86.4b
§8 - Note

P.L.2012, CHAPTER 8, *approved May 2, 2012*
Senate, No. 874

1 **AN ACT** concerning the NJ STARS and NJ STARS II Programs,
2 amending and supplementing P.L.2004, c.59 and P.L.2005,
3 c.359.

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

7
8 1. Section 5 of P.L.2004, c.59 (C.18A:71B-85) is amended to
9 read as follows:

10 5. a. A scholarship under the NJ STARS Program shall cover
11 the full cost of tuition **[and fees]**, subject to the prior application of
12 other grants and scholarships against those costs as provided under
13 paragraph (2) of subsection c. of this section, for up to 18 credit
14 hours in any semester, for an eligible student enrolled in a full-time
15 course of study at the New Jersey county college serving the
16 student's county of residence. An otherwise eligible student who
17 demonstrates to the authority, in accordance with such criteria and
18 by means of such documentation as the authority shall establish by
19 regulation, that the county college serving the student's county of
20 residence does not offer the curriculum that the student chooses to
21 study shall be eligible for such scholarship at another New Jersey
22 county college offering that curriculum. The amount of any
23 scholarship allowed hereunder to a student at a county college
24 serving a county other than the student's county of residence shall
25 be computed as though the student were a resident of the county
26 served by that college, and the college shall likewise compute the
27 amount of any additional payment, required with respect to the
28 enrollment of that student for credit hours of study during a
29 semester in which the scholarship is awarded that are not covered
30 by that scholarship, as though the student were a resident of the
31 county.

32 b. A student shall be eligible for a scholarship under the NJ
33 STARS Program for up to five semesters, including summer
34 sessions. The scholarship shall be payable for the first year of
35 enrollment in a county college to a student who:

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 (1) graduated in the top 15.0% of the student's high school
2 graduating class, provided that in the case of students graduating
3 from high schools that do not calculate the class rank of their
4 students, the student's ranking shall be determined by the high
5 school in consultation with the authority; and

6 (2) completed a rigorous high school course of study in
7 accordance with standards established by the Commission on
8 Higher Education in consultation with the Commissioner of
9 Education.

10 During a student's enrollment in a county college after the first
11 year of enrollment, the scholarship shall be payable to that student
12 if the student attains a grade point average of at least 3.0 by the start
13 of the student's second year of county college enrollment. A
14 student who attains a grade point average of less than 3.0 at the start
15 of the second semester of the student's first year of county college
16 enrollment shall participate in an enrichment program designed by
17 the county college during the second semester of the student's first
18 year of enrollment.

19 c. To be eligible to receive a scholarship under the NJ STARS
20 Program a student shall:

21 (1) be a State resident pursuant to guidelines established by the
22 authority. Notwithstanding the provisions of section 1 of P.L.1979,
23 c.361 (C.18A:62-4) or any other section of law to the contrary, a
24 dependent child of a parent or guardian who has been transferred to
25 a military installation located in this State shall be considered a
26 resident of this State for the purposes of qualifying for an NJ
27 STARS scholarship;

28 (2) have applied for all other available forms of State and
29 federal need-based grants and merit scholarships, exclusive of
30 loans, the full amount of which grants and scholarships shall be
31 applied to tuition [and fee charges] to reduce the amount of any
32 scholarship that the student shall receive under the provisions of
33 this act;

34 (3) except as otherwise provided pursuant to subsection a. of
35 section 3 of P.L.2008, c.124 (C.18A:71B-85.2), be enrolled in a
36 full-time course of study at a New Jersey county college;

37 (4) have graduated from high school in 2004 or later, and not
38 earlier than the calendar year two years prior to the first calendar
39 year in which a scholarship payment is to be made; and

40 (5) except as otherwise provided pursuant to subsection a. of
41 section 3 of P.L.2008, c.124 (C.18A:71B-85.2), maintain
42 continuous enrollment in a full-time course of study, unless on
43 medical leave due to the illness of the student or a member of the
44 student's immediate family or emergency leave because of a family
45 emergency, which medical or emergency leave shall have been
46 approved by the county college, or unless called to partial or full
47 mobilization for State or federal active duty as a member of the

1 National Guard or a Reserve component of the Armed Forces of the
2 United States.

3 d. A student who is dismissed for academic or disciplinary
4 reasons from a county college shall no longer be eligible for a
5 scholarship under this act. If a student participating in the program
6 is dismissed for disciplinary reasons, the student shall repay in full
7 all amounts received under the program. The county college shall
8 be responsible for collecting the repayment, or the amount of any
9 overpayment or other improper payment, of any State awards under
10 the program, in accordance with the provisions of N.J.S.18A:71B-
11 10.

12 e. A student scholarship under the NJ STARS Program may be
13 renewed upon the student's filing of a renewal financial aid
14 application and providing evidence that the student has satisfied the
15 requirements pursuant to subsection b. of this section.

16 (cf: P.L.2008, c.124, s.1)

17

18 2. Section 2 of P.L.2005, c.359 (C.18A:71B-86.2) is amended
19 to read as follows:

20 2. As used in this act:

21 "Authority" means the Higher Education Student Assistance
22 Authority established pursuant to N.J.S.18A:71A-3.

23 "Full-time course of study" in any semester means a course of
24 study that includes at least 12 credit hours, not including any credit
25 hours in a remedial or developmental curriculum, and leads to a
26 degree from a New Jersey four-year public or independent
27 institution of higher education.

28 "Program" means the New Jersey Student Tuition Assistance
29 Reward Scholarship II (NJ STARS II) Program.

30 (cf: P.L.2005, c.359, s.2)

31

32 3. Section 4 of P.L.2005, c.359 (C.18A:71B-86.4) is amended
33 to read as follows:

34 4. a. A scholarship under the NJ STARS II Program shall be
35 applied toward the cost of tuition or in the case of a student who
36 receives a Tuition Aid Grant toward the cost of tuition and fees,
37 subject to the prior application of other grants and scholarships
38 against such costs as provided under paragraph (2) of subsection e.
39 of this section, for an eligible student enrolled in a full-time course
40 of study at a New Jersey four-year public or independent institution
41 of higher education. **[In the case of a student with a grade point
42 average equal to or greater than 3.25 and less than 3.50, the
43 scholarship shall equal up to \$3,000 per semester, and in the case of
44 a student with a grade point average equal to or greater than 3.50,
45 the scholarship shall equal up to \$3,500 per semester.]** A
46 scholarship under the NJ STARS II Program shall be paid to the
47 institution in the amount of \$1,250 per semester. The cost of a

1 scholarship shall be paid ~~【50%】~~ 100% by the State ~~【and 50% by~~
2 ~~the public institution of higher education】~~. Any cost of attendance
3 that is not covered by the NJ STARS II scholarship or other
4 available forms of grants and scholarships shall be paid by the
5 student.

6 b. A student shall be eligible for a scholarship under the NJ
7 STARS II Program for up to four semesters, excluding summer
8 sessions, at a New Jersey four-year public or independent institution
9 of higher education.

10 c. A student shall be eligible to receive a scholarship under the
11 NJ STARS II Program for the student's third academic year of study
12 if the student: has an annual family income, both taxable and non-
13 taxable, as derived from the Free Application for Federal Student
14 Aid (FAFSA) for the academic year, of less than \$250,000; attained
15 an associate's degree from a New Jersey county college; except as
16 otherwise provided pursuant to subsection c. of section 2 and
17 subsection b. of section 3 of P.L.2008, c.124 (C.18A:71B-85.2),
18 received a scholarship under the "New Jersey Student Tuition
19 Assistance Reward Scholarship (NJ STARS) Program Act,"
20 P.L.2004, c.59 (C.18A:71B-81 et seq.), for each semester of study
21 in the county college, or was eligible for but did not receive a
22 scholarship under NJ STARS because the student's tuition ~~【and fees~~
23 ~~were】~~ was fully covered by other State or federal need-based grants
24 or merit scholarships, or was eligible for but did not receive a
25 scholarship under NJ STARS because the student was enrolled
26 while a high school student in county college courses and received
27 an associate's degree in accordance with a joint program offered by
28 the student's school district and a county college; attains a
29 cumulative grade point average of at least 3.25 upon graduation
30 from county college; enrolls in a baccalaureate degree program at a
31 New Jersey four-year public or independent institution of higher
32 education for the third academic year of study in the academic year
33 immediately following the student's attainment of an associate's
34 degree; and meets the criteria set forth in subsection e. of this
35 section. A grade for credits earned during a summer semester shall
36 for the purposes of this subsection be included in the calculation of
37 the cumulative grade point average. ~~【The amount of the scholarship~~
38 ~~awarded for the third academic year of study shall be based on the~~
39 ~~student's cumulative grade point average upon graduation from the~~
40 ~~county college in accordance with the provisions of subsection a. of~~
41 ~~this section.】~~

42 d. A student shall be eligible to receive a scholarship under the
43 NJ STARS II Program for the student's fourth academic year of
44 study if the student: received a scholarship under the NJ STARS II
45 Program for the student's third academic year of study pursuant to
46 subsection c. of this section; based on the student's performance
47 during the third academic year of study, attained a grade point

1 average of at least 3.25; and meets the criteria set forth in
2 subsection e. of this section. A grade for credits earned during a
3 summer semester shall for the purposes of this subsection be
4 included in the calculation of the grade point average for the
5 preceding academic year. [The amount of the scholarship awarded
6 for the fourth academic year of study shall be based on the student's
7 grade point average during the third academic year of study in
8 accordance with the provisions of subsection a. of this section.]

9 e. To be eligible to receive a scholarship under the NJ STARS
10 II Program, a student shall:

11 (1) be a State resident pursuant to guidelines established by the
12 authority. Notwithstanding the provisions of section 1 of P.L.1979,
13 c.361 (C.18A:62-4) or any other section of law to the contrary, a
14 dependent child of a parent or guardian who has been transferred to
15 a military installation located in this State shall be considered a
16 resident of this State for the purposes of qualifying for an NJ
17 STARS II scholarship;

18 (2) have applied for all other available forms of State and
19 federal need-based grants and merit scholarships, exclusive of
20 loans, the full amount of which grants and scholarships shall be
21 applied to tuition, and fee charges if applicable, to reduce the
22 amount of any scholarship that the student shall receive under the
23 provisions of P.L.2005, c.359 (C.18A:71B-86.1 et seq.);

24 (3) be enrolled in a full-time course of study at a four-year
25 public or independent institution of higher education; and

26 (4) maintain continuous enrollment in a full-time course of
27 study, unless on medical leave due to the illness of the student or a
28 member of the student's immediate family or emergency leave
29 because of a family emergency, which medical or emergency leave
30 shall have been approved by the four-year public or independent
31 institution of higher education, or unless called to partial or full
32 mobilization for State or federal active duty as a member of the
33 National Guard or a Reserve component of the Armed Forces of the
34 United States.

35 f. A student who is dismissed for academic or disciplinary
36 reasons from a four-year public or independent institution of higher
37 education shall no longer be eligible for a scholarship under this
38 act. If a student participating in the program is dismissed for
39 disciplinary reasons, the student shall repay in full all amounts
40 received under the program. The four-year public or independent
41 institution of higher education shall be responsible for collecting the
42 repayment, or the amount of any overpayment or other improper
43 payment, of any State awards under the program, in accordance
44 with the provisions of N.J.S.18A:71B-10.

45 g. A student scholarship under the NJ STARS II Program may
46 be renewed upon the student's filing of a renewal financial aid

1 application and providing evidence that the student has satisfied the
2 requirements pursuant to this section.

3 (cf: P.L.2008, c.124, s.6)

4

5 4. Section 7 of P.L.2005, c.359 (C18A:71B-86.7) is amended
6 to read as follows:

7 7. Nothing in this act shall be construed to require a four-year
8 public or independent institution of higher education to admit a
9 student eligible for a scholarship under this act or to waive its
10 admission standards and application procedures; except that the
11 institution shall apply the same admission standards and application
12 procedures that it applies to all other transfer students.

13 (cf: P.L.2008, c.124, s.8)

14

15 5. (New section) Each county college is encouraged to host an
16 annual recruitment day and invite a representative from each four-
17 year public and independent institution of higher education in the
18 State for the purpose of recruiting students for the NJ STARS II
19 Program.

20

21 6. (New section) In the case of a student who is receiving a
22 scholarship under the NJ STARS Program on the effective date of
23 P.L. , c. (C.) (pending before the Legislature as this bill) and
24 who graduated from high school prior to 2010, the student shall
25 receive an NJ STARS scholarship in accordance with the provisions
26 of P.L.2004, c.59 (C.18A:71B-81 et seq.) as the same read before
27 the effective date of P.L. , c. (C.) (pending before the
28 Legislature as this bill).

29

30 7. (New section) In the case of a student who is receiving a
31 scholarship under the NJ STARS II Program in the 2011-2012
32 academic year and is in the third academic year of study or was
33 eligible to receive an NJ STARS II scholarship in the 2011-2012
34 academic year for the third academic year of study but did not
35 receive the scholarship because the student's tuition or tuition and
36 fees, as applicable, was fully covered by other available forms of
37 State and federal need-based grants and merit scholarships, the
38 student shall receive an NJ STARS II scholarship for the student's
39 fourth academic year of study in accordance with the provisions of
40 P.L.2005, c.359 (C.18A:71B-86.1 et seq.) as the same read before
41 the effective date of P.L. , c. (C.) (pending before the
42 Legislature as this bill).

43

44 8. This act shall take effect immediately and shall first be
45 applicable to the 2012-2013 academic year.

S874

7

1

2

3

Revises the NJ STARS and NJ STARS II Programs.

SENATE, No. 874

STATE OF NEW JERSEY 215th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2012 SESSION

Sponsored by:

Senator SANDRA B. CUNNINGHAM

District 31 (Hudson)

Senator THOMAS H. KEAN, JR.

District 21 (Morris, Somerset and Union)

SYNOPSIS

Revises the NJ STARS and NJ STARS II Programs.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 1/24/2012)

1 AN ACT concerning the NJ STARS and NJ STARS II Programs,
2 amending and supplementing P.L.2004, c.59 and P.L.2005,
3 c.359.

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

7
8 1. Section 5 of P.L.2004, c.59 (C.18A:71B-85) is amended to
9 read as follows:

10 5. a. A scholarship under the NJ STARS Program shall cover
11 the full cost of tuition **[and fees]**, subject to the prior application of
12 other grants and scholarships against those costs as provided under
13 paragraph (2) of subsection c. of this section, for up to 18 credit
14 hours in any semester, for an eligible student enrolled in a full-time
15 course of study at the New Jersey county college serving the
16 student's county of residence. An otherwise eligible student who
17 demonstrates to the authority, in accordance with such criteria and
18 by means of such documentation as the authority shall establish by
19 regulation, that the county college serving the student's county of
20 residence does not offer the curriculum that the student chooses to
21 study shall be eligible for such scholarship at another New Jersey
22 county college offering that curriculum. The amount of any
23 scholarship allowed hereunder to a student at a county college
24 serving a county other than the student's county of residence shall
25 be computed as though the student were a resident of the county
26 served by that college, and the college shall likewise compute the
27 amount of any additional payment, required with respect to the
28 enrollment of that student for credit hours of study during a
29 semester in which the scholarship is awarded that are not covered
30 by that scholarship, as though the student were a resident of the
31 county.

32 b. A student shall be eligible for a scholarship under the NJ
33 STARS Program for up to five semesters, including summer
34 sessions. The scholarship shall be payable for the first year of
35 enrollment in a county college to a student who:

36 (1) graduated in the top 15.0% of the student's high school
37 graduating class, provided that in the case of students graduating
38 from high schools that do not calculate the class rank of their
39 students, the student's ranking shall be determined by the high
40 school in consultation with the authority; and

41 (2) completed a rigorous high school course of study in
42 accordance with standards established by the Commission on
43 Higher Education in consultation with the Commissioner of
44 Education.

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 During a student's enrollment in a county college after the first
2 year of enrollment, the scholarship shall be payable to that student
3 if the student attains a grade point average of at least 3.0 by the start
4 of the student's second year of county college enrollment. A
5 student who attains a grade point average of less than 3.0 at the start
6 of the second semester of the student's first year of county college
7 enrollment shall participate in an enrichment program designed by
8 the county college during the second semester of the student's first
9 year of enrollment.

10 c. To be eligible to receive a scholarship under the NJ STARS
11 Program a student shall:

12 (1) be a State resident pursuant to guidelines established by the
13 authority. Notwithstanding the provisions of section 1 of P.L.1979,
14 c.361 (C.18A:62-4) or any other section of law to the contrary, a
15 dependent child of a parent or guardian who has been transferred to
16 a military installation located in this State shall be considered a
17 resident of this State for the purposes of qualifying for an NJ
18 STARS scholarship;

19 (2) have applied for all other available forms of State and
20 federal need-based grants and merit scholarships, exclusive of
21 loans, the full amount of which grants and scholarships shall be
22 applied to tuition [and fee charges] to reduce the amount of any
23 scholarship that the student shall receive under the provisions of
24 this act;

25 (3) except as otherwise provided pursuant to subsection a. of
26 section 3 of P.L.2008, c.124 (C.18A:71B-85.2), be enrolled in a
27 full-time course of study at a New Jersey county college;

28 (4) have graduated from high school in 2004 or later, and not
29 earlier than the calendar year two years prior to the first calendar
30 year in which a scholarship payment is to be made; and

31 (5) except as otherwise provided pursuant to subsection a. of
32 section 3 of P.L.2008, c.124 (C.18A:71B-85.2), maintain
33 continuous enrollment in a full-time course of study, unless on
34 medical leave due to the illness of the student or a member of the
35 student's immediate family or emergency leave because of a family
36 emergency, which medical or emergency leave shall have been
37 approved by the county college, or unless called to partial or full
38 mobilization for State or federal active duty as a member of the
39 National Guard or a Reserve component of the Armed Forces of the
40 United States.

41 d. A student who is dismissed for academic or disciplinary
42 reasons from a county college shall no longer be eligible for a
43 scholarship under this act. If a student participating in the program
44 is dismissed for disciplinary reasons, the student shall repay in full
45 all amounts received under the program. The county college shall
46 be responsible for collecting the repayment, or the amount of any
47 overpayment or other improper payment, of any State awards under

1 the program, in accordance with the provisions of N.J.S.18A:71B-
2 10.

3 e. A student scholarship under the NJ STARS Program may be
4 renewed upon the student's filing of a renewal financial aid
5 application and providing evidence that the student has satisfied the
6 requirements pursuant to subsection b. of this section.

7 (cf: P.L.2008, c.124, s.1)

8

9 2. Section 2 of P.L.2005, c.359 (C.18A:71B-86.2) is amended
10 to read as follows:

11 2. As used in this act:

12 "Authority" means the Higher Education Student Assistance
13 Authority established pursuant to N.J.S.18A:71A-3.

14 "Full-time course of study" in any semester means a course of
15 study that includes at least 12 credit hours, not including any credit
16 hours in a remedial or developmental curriculum, and leads to a
17 degree from a New Jersey four-year public or independent
18 institution of higher education.

19 "Program" means the New Jersey Student Tuition Assistance
20 Reward Scholarship II (NJ STARS II) Program.

21 (cf: P.L.2005, c.359, s.2)

22

23 3. Section 4 of P.L.2005, c.359 (C.18A:71B-86.4) is amended
24 to read as follows:

25 4. a. A scholarship under the NJ STARS II Program shall be
26 applied toward the cost of tuition or in the case of a student who
27 receives a Tuition Aid Grant toward the cost of tuition and fees,
28 subject to the prior application of other grants and scholarships
29 against such costs as provided under paragraph (2) of subsection e.
30 of this section, for an eligible student enrolled in a full-time course
31 of study at a New Jersey four-year public or independent institution
32 of higher education. **[In the case of a student with a grade point
33 average equal to or greater than 3.25 and less than 3.50, the
34 scholarship shall equal up to \$3,000 per semester, and in the case of
35 a student with a grade point average equal to or greater than 3.50,
36 the scholarship shall equal up to \$3,500 per semester.]** A
37 scholarship under the NJ STARS II Program shall be paid to the
38 institution in the amount of \$1,250 per semester. The cost of a
39 scholarship shall be paid **[50%]** 100% by the State **[and 50% by
40 the public institution of higher education]**. Any cost of attendance
41 that is not covered by the NJ STARS II scholarship or other
42 available forms of grants and scholarships shall be paid by the
43 student.

44 b. A student shall be eligible for a scholarship under the NJ
45 STARS II Program for up to four semesters, excluding summer
46 sessions, at a New Jersey four-year public or independent institution
47 of higher education.

1 c. A student shall be eligible to receive a scholarship under the
2 NJ STARS II Program for the student's third academic year of study
3 if the student: has an annual family income, both taxable and non-
4 taxable, as derived from the Free Application for Federal Student
5 Aid (FAFSA) for the academic year, of less than \$250,000; attained
6 an associate's degree from a New Jersey county college; except as
7 otherwise provided pursuant to subsection c. of section 2 and
8 subsection b. of section 3 of P.L.2008, c.124 (C.18A:71B-85.2),
9 received a scholarship under the "New Jersey Student Tuition
10 Assistance Reward Scholarship (NJ STARS) Program Act,"
11 P.L.2004, c.59 (C.18A:71B-81 et seq.), for each semester of study
12 in the county college, or was eligible for but did not receive a
13 scholarship under NJ STARS because the student's tuition [and fees
14 were] was fully covered by other State or federal need-based grants
15 or merit scholarships, or was eligible for but did not receive a
16 scholarship under NJ STARS because the student was enrolled
17 while a high school student in county college courses and received
18 an associate's degree in accordance with a joint program offered by
19 the student's school district and a county college; attains a
20 cumulative grade point average of at least 3.25 upon graduation
21 from county college; enrolls in a baccalaureate degree program at a
22 New Jersey four-year public or independent institution of higher
23 education for the third academic year of study in the academic year
24 immediately following the student's attainment of an associate's
25 degree; and meets the criteria set forth in subsection e. of this
26 section. A grade for credits earned during a summer semester shall
27 for the purposes of this subsection be included in the calculation of
28 the cumulative grade point average. [The amount of the scholarship
29 awarded for the third academic year of study shall be based on the
30 student's cumulative grade point average upon graduation from the
31 county college in accordance with the provisions of subsection a. of
32 this section.]

33 d. A student shall be eligible to receive a scholarship under the
34 NJ STARS II Program for the student's fourth academic year of
35 study if the student: received a scholarship under the NJ STARS II
36 Program for the student's third academic year of study pursuant to
37 subsection c. of this section; based on the student's performance
38 during the third academic year of study, attained a grade point
39 average of at least 3.25; and meets the criteria set forth in
40 subsection e. of this section. A grade for credits earned during a
41 summer semester shall for the purposes of this subsection be
42 included in the calculation of the grade point average for the
43 preceding academic year. [The amount of the scholarship awarded
44 for the fourth academic year of study shall be based on the student's
45 grade point average during the third academic year of study in
46 accordance with the provisions of subsection a. of this section.]

1 e. To be eligible to receive a scholarship under the NJ STARS
2 II Program, a student shall:

3 (1) be a State resident pursuant to guidelines established by the
4 authority. Notwithstanding the provisions of section 1 of P.L.1979,
5 c.361 (C.18A:62-4) or any other section of law to the contrary, a
6 dependent child of a parent or guardian who has been transferred to
7 a military installation located in this State shall be considered a
8 resident of this State for the purposes of qualifying for an NJ
9 STARS II scholarship;

10 (2) have applied for all other available forms of State and
11 federal need-based grants and merit scholarships, exclusive of
12 loans, the full amount of which grants and scholarships shall be
13 applied to tuition, and fee charges if applicable, to reduce the
14 amount of any scholarship that the student shall receive under the
15 provisions of P.L.2005, c.359 (C.18A:71B-86.1 et seq.);

16 (3) be enrolled in a full-time course of study at a four-year
17 public or independent institution of higher education; and

18 (4) maintain continuous enrollment in a full-time course of
19 study, unless on medical leave due to the illness of the student or a
20 member of the student's immediate family or emergency leave
21 because of a family emergency, which medical or emergency leave
22 shall have been approved by the four-year public or independent
23 institution of higher education, or unless called to partial or full
24 mobilization for State or federal active duty as a member of the
25 National Guard or a Reserve component of the Armed Forces of the
26 United States.

27 f. A student who is dismissed for academic or disciplinary
28 reasons from a four-year public or independent institution of higher
29 education shall no longer be eligible for a scholarship under this
30 act. If a student participating in the program is dismissed for
31 disciplinary reasons, the student shall repay in full all amounts
32 received under the program. The four-year public or independent
33 institution of higher education shall be responsible for collecting the
34 repayment, or the amount of any overpayment or other improper
35 payment, of any State awards under the program, in accordance
36 with the provisions of N.J.S.18A:71B-10.

37 g. A student scholarship under the NJ STARS II Program may
38 be renewed upon the student's filing of a renewal financial aid
39 application and providing evidence that the student has satisfied the
40 requirements pursuant to this section.

41 (cf: P.L.2008, c.124, s.6)

42

43 4. Section 7 of P.L.2005, c.359 (C18A:71B-86.7) is amended
44 to read as follows:

45 7. Nothing in this act shall be construed to require a four-year
46 public or independent institution of higher education to admit a
47 student eligible for a scholarship under this act or to waive its

1 admission standards and application procedures; except that the
2 institution shall apply the same admission standards and application
3 procedures that it applies to all other transfer students.

4 (cf: P.L.2008, c.124, s.8)

5

6 5. (New section) Each county college is encouraged to host an
7 annual recruitment day and invite a representative from each four-
8 year public and independent institution of higher education in the
9 State for the purpose of recruiting students for the NJ STARS II
10 Program.

11

12 6. (New section) In the case of a student who is receiving a
13 scholarship under the NJ STARS Program on the effective date of
14 P.L. , c. (C.) (pending before the Legislature as this bill) and
15 who graduated from high school prior to 2010, the student shall
16 receive an NJ STARS scholarship in accordance with the provisions
17 of P.L.2004, c.59 (C.18A:71B-81 et seq.) as the same read before
18 the effective date of P.L. , c. (C.) (pending before the
19 Legislature as this bill).

20

21 7. (New section) In the case of a student who is receiving a
22 scholarship under the NJ STARS II Program in the 2011-2012
23 academic year and is in the third academic year of study or was
24 eligible to receive an NJ STARS II scholarship in the 2011-2012
25 academic year for the third academic year of study but did not
26 receive the scholarship because the student's tuition or tuition and
27 fees, as applicable, was fully covered by other available forms of
28 State and federal need-based grants and merit scholarships, the
29 student shall receive an NJ STARS II scholarship for the student's
30 fourth academic year of study in accordance with the provisions of
31 P.L.2005, c.359 (C.18A:71B-86.1 et seq.) as the same read before
32 the effective date of P.L. , c. (C.) (pending before the
33 Legislature as this bill).

34

35 8. This act shall take effect immediately and shall first be
36 applicable to the 2012-2013 academic year.

37

38

39

STATEMENT

40

41 This bill makes a number of revisions to the NJ STARS and NJ
42 STARS II Programs.

43 In the case of the NJ STARS Program, the bill limits the costs
44 covered by the scholarship to tuition, as opposed to tuition and fees.

45 In the case of the NJ STARS II Program, the bill makes the
46 following changes:

1 1) The bill allows Student recipients to use the NJ STARS II
2 scholarship to attend a New Jersey independent four-year institution
3 of higher education. Under current statute the scholarships can only
4 be used to attend four-year public institutions;

5 2) The bill eliminates the provision in NJ STARS II that
6 calculates the amount of the scholarship based on the student's
7 grade point average (GPA). Currently under statute, a student with
8 a GPA equal to or greater than 3.25 and less than 3.50 may receive
9 a scholarship in an amount up to \$3,000 per semester and a student
10 with a GPA equal to or greater than 3.50 may receive a scholarship
11 in an amount up to \$3,500 per semester. The bill maintains the
12 minimum GPA threshold at 3.25 and limits scholarships for all NJ
13 STARS II students to \$1,250 per semester;

14 3) The bill provides that the cost of an NJ STARS II
15 scholarship will be paid 100% by the State. Under current statute,
16 the cost is divided between the State and the institution of higher
17 education; and

18 4) The bill encourages county colleges to host an annual
19 recruitment day and invite a representative from each State four-
20 year public and independent institution of higher education in order
21 to offer the institutions an opportunity to recruit students for the NJ
22 STARS II Program.

23 The bill also includes two "grandfather" provisions. In regard to
24 the NJ STARS Program, FY 2011 and FY 2012 appropriations act
25 language has provided that in the case of NJ STARS students who
26 graduated from high school in 2010 or thereafter, the NJ STARS
27 scholarship only covers the cost of tuition, rather than tuition and
28 fees. There are however NJ STARS students who graduated prior
29 to 2010 who are currently receiving scholarships that cover both
30 tuition and fees. The bill provides that the NJ STARS scholarship
31 awarded to those students will continue to cover tuition and fees. In
32 regard to students who are receiving an NJ STARS II scholarship
33 and are in their third academic year of study, the bill provides that
34 these students will receive an NJ STARS II scholarship for the
35 fourth year of academic study in accordance with the provisions of
36 the NJ STARS II law as it read prior to the bill's effective date.

SENATE HIGHER EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 874

STATE OF NEW JERSEY

DATED: JANUARY 23, 2012

The Senate Higher Education Committee favorably reports Senate Bill No. 874.

This bill makes a number of revisions to the NJ STARS and NJ STARS II Programs.

In the case of the NJ STARS Program, the bill limits the costs covered by the scholarship to tuition, as opposed to tuition and fees.

In the case of the NJ STARS II Program, the bill makes the following changes:

1) allows a student recipient to use the NJ STARS II scholarship to attend a New Jersey four-year independent institution of higher education. Under current law a scholarship can only be used to attend a four-year public institution;

2) eliminates the provision in NJ STARS II that calculates the amount of the scholarship based on the student's grade point average (GPA). Under current law, a student with a GPA equal to or greater than 3.25 and less than 3.50 may receive a scholarship in an amount up to \$3,000 per semester and a student with a GPA equal to or greater than 3.50 may receive a scholarship in an amount up to \$3,500 per semester. The bill maintains the minimum GPA threshold at 3.25 and limits scholarships for all NJ STARS II students to \$1,250 per semester;

3) provides that the cost of an NJ STARS II scholarship will be paid 100% by the State. Under current law, the cost of a scholarship is paid 50% by the State and 50% by the institution of higher education; and

4) encourages county colleges to host an annual recruitment day and invite a representative from each four-year public and independent institution of higher education in the State in order to offer the institutions an opportunity to recruit students for the NJ STARS II Program.

The bill also includes two "grandfather" provisions. In regard to the NJ STARS Program, FY 2011 and FY 2012 appropriations act language has provided that in the case of NJ STARS students who graduated from high school in 2010 or thereafter, the NJ STARS scholarship only covers the cost of tuition, rather than tuition and fees. There are however NJ STARS students who graduated high school prior to 2010 who are currently receiving scholarships that cover both

tuition and fees. The bill provides that the NJ STARS scholarship awarded to those students will continue to cover tuition and fees. In regard to students who are receiving an NJ STARS II scholarship and are in the third academic year of study in the 2011-2012 academic year, the bill provides that these students will receive an NJ STARS II scholarship for the fourth year of academic study in accordance with the provisions of the NJ STARS II law as it read prior to the bill's effective date.

This bill was pre-filed for introduction in the 2012-2013 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 874

STATE OF NEW JERSEY

DATED: MARCH 8, 2012

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 874.

The bill makes a number of revisions to the NJ STARS and NJ STARS II Programs.

In the case of the NJ STARS Program, the bill limits the costs covered by the scholarship to tuition, as opposed to tuition and fees.

In the case of the NJ STARS II Program, the bill makes the following changes:

1) allows a student recipient to use the NJ STARS II scholarship to attend a New Jersey four-year independent institution of higher education. Under current law a scholarship can only be used to attend a four-year public institution;

2) eliminates the provision in NJ STARS II that calculates the amount of the scholarship based on the student's grade point average (GPA). Under current law, a student with a GPA equal to or greater than 3.25 and less than 3.50 may receive a scholarship in an amount up to \$3,000 per semester and a student with a GPA equal to or greater than 3.50 may receive a scholarship in an amount up to \$3,500 per semester. The bill maintains the minimum GPA threshold at 3.25 and limits scholarships for all NJ STARS II students to \$1,250 per semester;

3) provides that the cost of an NJ STARS II scholarship will be paid 100% by the State. Under current law, the cost of a scholarship is paid 50% by the State and 50% by the institution of higher education; and

4) encourages county colleges to host an annual recruitment day and invite a representative from each four-year public and independent institution of higher education in the State in order to offer the institutions an opportunity to recruit students for the NJ STARS II Program.

The bill also includes two "grandfather" provisions. In regard to the NJ STARS Program, FY 2011 and FY 2012 appropriations act language has provided that in the case of NJ STARS students who graduated from high school in 2010 or thereafter, the NJ STARS scholarship only covers the cost of tuition, rather than tuition and fees. There are however NJ STARS students who graduated high school prior to 2010 who are currently receiving scholarships that cover both

tuition and fees. The bill provides that the NJ STARS scholarship awarded to those students will continue to cover tuition and fees. In regard to students who are receiving an NJ STARS II scholarship and are in the third academic year of study in the 2011-2012 academic year, the bill provides that these students will receive an NJ STARS II scholarship for the fourth year of academic study in accordance with the provisions of the NJ STARS II law as it read prior to the bill's effective date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) cannot estimate the potential fiscal impact of this bill. The bill makes a number of revisions to the New Jersey Student Tuition Assistance Reward Scholarship (NJ STARS) and the New Jersey Student Tuition Assistance Reward Scholarship II (NJ STARS II) Programs that impact the potential pool of scholarship recipients and the State costs of the programs.

Under the bill, the NJ STARS scholarships are limited to covering only the cost of tuition, rather than the cost of tuition and fees. According to data from the Commission of Higher Education, the average annual fee for a full-time student at the county colleges is \$881 for the 2011-2012 academic year. Based on the projected number of NJ STARS recipients of 3,131 in the 2011-2012 academic year, the State may save a maximum of \$2,758,411 by excluding fees from the NJ STARS scholarships. However, the OLS notes that footnote language in the FY 2012 Appropriations Act currently excludes fees from NJ STARS scholarships and therefore, the actual impact of this bill may be minimal.

The bill revises the NJ STARS II Program to reduce the scholarship award from \$3,000 or \$3,500 per semester, depending on the student's GPA, to \$1,250 per semester, and increases the State's obligation to fund the reduced scholarship amount from 50 percent to 100 percent. The State's responsibility would therefore decrease from a maximum of \$1,750 to \$1,250 per semester under the bill. Based on the projected number of NJ STARS II recipients of 2,064 in the 2011-2012 academic year, the State may save between \$1,032,000 (or \$250 per student with a 3.25 GPA) and \$2,064,000 (or \$500 per student with a 3.5 GPA) per academic year. However, such savings may be offset by expanding the pool of NJ STARS II scholarship recipients by including both public and independent institutions of higher education. Under current law, NJ STARS II scholarship recipients can only attend public institutions. While the ability to use an NJ STARS II scholarship at an independent institution may increase the number of students in the program, no data is available to estimate such costs.

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 874
STATE OF NEW JERSEY
215th LEGISLATURE

DATED: APRIL 11, 2012

SUMMARY

Synopsis: Revises the NJ STARS and NJ STARS II Programs.

Type of Impact: Indeterminate.

Agencies Affected: Higher Education Student Assistance Authority.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	Indeterminate		

- Senate Bill No. 874 of 2012 makes a number of revisions to the New Jersey Student Tuition Assistance Reward Scholarship (NJ STARS) Program and the New Jersey Student Tuition Assistance Reward Scholarship II (NJ STARS II) Program. The Office of Legislative Services (OLS) cannot estimate the fiscal impact of the bill due to the lack of data.
- Under the bill, the cost of fees will no longer be covered by an NJ STARS Program scholarship. Although the potential for cost-savings exists as a result of excluding fees, the OLS notes that footnote language in the FY 2012 Appropriations Act currently excludes fees and therefore, the actual impact may be minimal.
- The bill revises the NJ STARS II Program to reduce the scholarship award from \$3,000 or \$3,500 per semester, depending on the student’s grade point average, to \$1,250 per semester, and increases the State’s obligation to fund the reduced scholarship amount from 50 percent to 100 percent. While these revisions would produce a cost-savings to the State, the bill also expands the pool of potential NJ STARS II scholarship recipients by including eligible students enrolled in independent institutions of higher education. While the number of students who receive an NJ STARS II scholarship may increase as a result of this provision, no data is available to estimate the potential increase in costs.

BILL DESCRIPTION

Senate Bill No. 874 of 2012 makes a number of revisions to the NJ STARS and NJ STARS II Programs. In the case of the NJ STARS Program, the bill provides that the scholarship will be limited to covering only the cost of tuition, rather than the cost of tuition and fees, except in the case of an NJ STARS student who graduated from high school prior to 2010. For those students, the NJ STARS scholarship will continue to cover tuition and fees.

In the case of the NJ STARS II Program, the bill does the following:

1) permits a student to use the NJ STARS II scholarship to attend a New Jersey independent four-year institution of higher education. Under current law, the scholarship can be used to attend only four-year public institutions;

2) eliminates the provision in NJ STARS II that calculated the amount of the scholarship based on the student's grade point average (GPA). Currently, in the case of a student with a GPA equal to or greater than 3.25 and less than 3.50, the scholarship is up to \$3,000 per semester, and for a student with a GPA equal to or greater than 3.50, the scholarship is up to \$3,500 per semester. The bill maintains the threshold GPA at 3.25, but for all students, the scholarship will be \$1,250 per semester, except in the case of an NJ STARS II student who is in the third academic year of study in the 2011-2012 academic year. For those students, the scholarship amount for the fourth year of study will be up to \$3,000 or \$3,500 per semester depending on the student's GPA; and

3) provides that the cost of an NJ STARS II scholarship will be paid 100 percent by the State, not 50 percent by the State and 50 percent by the institution of higher education, as provided under current law. However, for an NJ STARS II student who is in his third academic year of study in the 2011-2012 academic year, the scholarship for the student's fourth academic year will be paid 50 percent by the State and 50 percent by the institution.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS cannot estimate the potential fiscal impact of Senate Bill No. 874. The bill makes a number of revisions to the New Jersey Student Tuition Assistance Reward Scholarship (NJ STARS) and the New Jersey Student Tuition Assistance Reward Scholarship II (NJ STARS II) Programs that impact the potential pool of scholarship recipients and the State costs of the programs.

Under the bill, the NJ STARS scholarships are limited to covering only the cost of tuition, rather than the cost of tuition and fees. According to data from the Commission of Higher Education, the average annual fee for a full-time student at the county colleges is \$881 for the 2011-2012 academic year. Based on the projected number of NJ STARS recipients of 3,131 in the 2011-2012 academic year, the State may save a maximum of \$2,758,411 by excluding fees from the NJ STARS scholarships. However, the OLS notes that footnote language in the FY

2012 Appropriations Act currently excludes fees from NJ STARS scholarships and therefore, the actual impact of Senate Bill No. 874 may be minimal.

The bill revises the NJ STARS II Program to reduce the scholarship award from \$3,000 or \$3,500 per semester, depending on the student's GPA, to \$1,250 per semester, and increases the State's obligation to fund the reduced scholarship amount from 50 percent to 100 percent. The State's responsibility would therefore decrease from a maximum of \$1,750 to \$1,250 per semester under the bill. Based on the projected number of NJ STARS II recipients of 2,064 in the 2011-2012 academic year, the State may save between \$1,032,000 (or \$250 per student with a 3.25 GPA) and \$2,064,000 (or \$500 per student with a 3.5 GPA) per academic year. However, such savings may be offset by expanding the pool of NJ STARS II scholarship recipients by including both public and independent institutions of higher education. Under current law, NJ STARS II scholarship recipients can only attend public institutions. While the ability to use an NJ STARS II scholarship at an independent institution may increase the number of students in the program, no data is available to estimate such costs.

Section: Education

*Analyst: Jonathan Tang
Assistant Fiscal Analyst*

*Approved: David J. Rosen
Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L. 1980, c.67 (C. 52:13B-6 et seq.).

ASSEMBLY, No. 1176

STATE OF NEW JERSEY 215th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2012 SESSION

Sponsored by:

Assemblywoman PAMELA R. LAMPITT

District 6 (Burlington and Camden)

Assemblyman PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Assemblyman GILBERT "WHIP" L. WILSON

District 5 (Camden and Gloucester)

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

Co-Sponsored by:

**Assemblymen Wolfe, Fuentes, Assemblywoman Spencer and
Assemblyman Chivukula**

SYNOPSIS

Revises the NJ STARS and NJ STARS II Programs.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT concerning the NJ STARS and NJ STARS II Programs,
2 amending and supplementing P.L.2004, c.59 and P.L.2005,
3 c.359.

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

7
8 1. Section 5 of P.L.2004, c.59 (C.18A:71B-85) is amended to
9 read as follows:

10 5. a. A scholarship under the NJ STARS Program shall cover
11 the full cost of tuition **[and fees]**, subject to the prior application of
12 other grants and scholarships against those costs as provided under
13 paragraph (2) of subsection c. of this section, for up to 18 credit
14 hours in any semester, for an eligible student enrolled in a full-time
15 course of study at the New Jersey county college serving the
16 student's county of residence. An otherwise eligible student who
17 demonstrates to the authority, in accordance with such criteria and
18 by means of such documentation as the authority shall establish by
19 regulation, that the county college serving the student's county of
20 residence does not offer the curriculum that the student chooses to
21 study shall be eligible for such scholarship at another New Jersey
22 county college offering that curriculum. The amount of any
23 scholarship allowed hereunder to a student at a county college
24 serving a county other than the student's county of residence shall
25 be computed as though the student were a resident of the county
26 served by that college, and the college shall likewise compute the
27 amount of any additional payment, required with respect to the
28 enrollment of that student for credit hours of study during a
29 semester in which the scholarship is awarded that are not covered
30 by that scholarship, as though the student were a resident of the
31 county.

32 b. A student shall be eligible for a scholarship under the NJ
33 STARS Program for up to five semesters, including summer
34 sessions. The scholarship shall be payable for the first year of
35 enrollment in a county college to a student who:

36 (1) graduated in the top 15.0% of the student's high school
37 graduating class, provided that in the case of students graduating
38 from high schools that do not calculate the class rank of their
39 students, the student's ranking shall be determined by the high
40 school in consultation with the authority; and

41 (2) completed a rigorous high school course of study in
42 accordance with standards established by the Commission on
43 Higher Education in consultation with the Commissioner of
44 Education.

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 During a student's enrollment in a county college after the first
2 year of enrollment, the scholarship shall be payable to that student
3 if the student attains a grade point average of at least 3.0 by the start
4 of the student's second year of county college enrollment. A
5 student who attains a grade point average of less than 3.0 at the start
6 of the second semester of the student's first year of county college
7 enrollment shall participate in an enrichment program designed by
8 the county college during the second semester of the student's first
9 year of enrollment.

10 c. To be eligible to receive a scholarship under the NJ STARS
11 Program a student shall:

12 (1) be a State resident pursuant to guidelines established by the
13 authority. Notwithstanding the provisions of section 1 of P.L.1979,
14 c.361 (C.18A:62-4) or any other section of law to the contrary, a
15 dependent child of a parent or guardian who has been transferred to
16 a military installation located in this State shall be considered a
17 resident of this State for the purposes of qualifying for an NJ
18 STARS scholarship;

19 (2) have applied for all other available forms of State and
20 federal need-based grants and merit scholarships, exclusive of
21 loans, the full amount of which grants and scholarships shall be
22 applied to tuition [and fee charges] to reduce the amount of any
23 scholarship that the student shall receive under the provisions of
24 this act;

25 (3) except as otherwise provided pursuant to subsection a. of
26 section 3 of P.L.2008, c.124 (C.18A:71B-85.2), be enrolled in a
27 full-time course of study at a New Jersey county college;

28 (4) have graduated from high school in 2004 or later, and not
29 earlier than the calendar year two years prior to the first calendar
30 year in which a scholarship payment is to be made; and

31 (5) except as otherwise provided pursuant to subsection a. of
32 section 3 of P.L.2008, c.124 (C.18A:71B-85.2), maintain
33 continuous enrollment in a full-time course of study, unless on
34 medical leave due to the illness of the student or a member of the
35 student's immediate family or emergency leave because of a family
36 emergency, which medical or emergency leave shall have been
37 approved by the county college, or unless called to partial or full
38 mobilization for State or federal active duty as a member of the
39 National Guard or a Reserve component of the Armed Forces of the
40 United States.

41 d. A student who is dismissed for academic or disciplinary
42 reasons from a county college shall no longer be eligible for a
43 scholarship under this act. If a student participating in the program
44 is dismissed for disciplinary reasons, the student shall repay in full
45 all amounts received under the program. The county college shall
46 be responsible for collecting the repayment, or the amount of any
47 overpayment or other improper payment, of any State awards under

1 the program, in accordance with the provisions of N.J.S.18A:71B-
2 10.

3 e. A student scholarship under the NJ STARS Program may be
4 renewed upon the student's filing of a renewal financial aid
5 application and providing evidence that the student has satisfied the
6 requirements pursuant to subsection b. of this section.

7 (cf: P.L.2008, c.124, s.1)

8

9 2. Section 2 of P.L.2005, c.359 (C.18A:71B-86.2) is amended
10 to read as follows:

11 2. As used in this act:

12 "Authority" means the Higher Education Student Assistance
13 Authority established pursuant to N.J.S.18A:71A-3.

14 "Full-time course of study" in any semester means a course of
15 study that includes at least 12 credit hours, not including any credit
16 hours in a remedial or developmental curriculum, and leads to a
17 degree from a New Jersey four-year public or independent
18 institution of higher education.

19 "Program" means the New Jersey Student Tuition Assistance
20 Reward Scholarship II (NJ STARS II) Program.

21 (cf: P.L.2005, c.359, s.2)

22

23 3. Section 4 of P.L.2005, c.359 (C.18A:71B-86.4) is amended
24 to read as follows:

25 4. a. A scholarship under the NJ STARS II Program shall be
26 applied toward the cost of tuition or in the case of a student who
27 receives a Tuition Aid Grant toward the cost of tuition and fees,
28 subject to the prior application of other grants and scholarships
29 against such costs as provided under paragraph (2) of subsection e.
30 of this section, for an eligible student enrolled in a full-time course
31 of study at a New Jersey four-year public or independent institution
32 of higher education. **[In the case of a student with a grade point
33 average equal to or greater than 3.25 and less than 3.50, the
34 scholarship shall equal up to \$3,000 per semester, and in the case of
35 a student with a grade point average equal to or greater than 3.50,
36 the scholarship shall equal up to \$3,500 per semester.]** A
37 scholarship under the NJ STARS II Program shall be paid to the
38 institution in the amount of \$1,250 per semester. The cost of a
39 scholarship shall be paid **[50%]** 100% by the State **[and 50% by
40 the public institution of higher education]**. Any cost of attendance
41 that is not covered by the NJ STARS II scholarship or other
42 available forms of grants and scholarships shall be paid by the
43 student.

44 b. A student shall be eligible for a scholarship under the NJ
45 STARS II Program for up to four semesters, excluding summer
46 sessions, at a New Jersey four-year public or independent institution
47 of higher education.

1 c. A student shall be eligible to receive a scholarship under the
2 NJ STARS II Program for the student's third academic year of study
3 if the student: has an annual family income, both taxable and non-
4 taxable, as derived from the Free Application for Federal Student
5 Aid (FAFSA) for the academic year, of less than \$250,000; attained
6 an associate's degree from a New Jersey county college; except as
7 otherwise provided pursuant to subsection c. of section 2 and
8 subsection b. of section 3 of P.L.2008, c.124 (C.18A:71B-85.2),
9 received a scholarship under the "New Jersey Student Tuition
10 Assistance Reward Scholarship (NJ STARS) Program Act,"
11 P.L.2004, c.59 (C.18A:71B-81 et seq.), for each semester of study
12 in the county college, or was eligible for but did not receive a
13 scholarship under NJ STARS because the student's tuition [and fees
14 were] was fully covered by other State or federal need-based grants
15 or merit scholarships, or was eligible for but did not receive a
16 scholarship under NJ STARS because the student was enrolled
17 while a high school student in county college courses and received
18 an associate's degree in accordance with a joint program offered by
19 the student's school district and a county college; attains a
20 cumulative grade point average of at least 3.25 upon graduation
21 from county college; enrolls in a baccalaureate degree program at a
22 New Jersey four-year public or independent institution of higher
23 education for the third academic year of study in the academic year
24 immediately following the student's attainment of an associate's
25 degree; and meets the criteria set forth in subsection e. of this
26 section. A grade for credits earned during a summer semester shall
27 for the purposes of this subsection be included in the calculation of
28 the cumulative grade point average. [The amount of the scholarship
29 awarded for the third academic year of study shall be based on the
30 student's cumulative grade point average upon graduation from the
31 county college in accordance with the provisions of subsection a. of
32 this section.]

33 d. A student shall be eligible to receive a scholarship under the
34 NJ STARS II Program for the student's fourth academic year of
35 study if the student: received a scholarship under the NJ STARS II
36 Program for the student's third academic year of study pursuant to
37 subsection c. of this section; based on the student's performance
38 during the third academic year of study, attained a grade point
39 average of at least 3.25; and meets the criteria set forth in
40 subsection e. of this section. A grade for credits earned during a
41 summer semester shall for the purposes of this subsection be
42 included in the calculation of the grade point average for the
43 preceding academic year. [The amount of the scholarship awarded
44 for the fourth academic year of study shall be based on the student's
45 grade point average during the third academic year of study in
46 accordance with the provisions of subsection a. of this section.]

1 e. To be eligible to receive a scholarship under the NJ STARS
2 II Program, a student shall:

3 (1) be a State resident pursuant to guidelines established by the
4 authority. Notwithstanding the provisions of section 1 of P.L.1979,
5 c.361 (C.18A:62-4) or any other section of law to the contrary, a
6 dependent child of a parent or guardian who has been transferred to
7 a military installation located in this State shall be considered a
8 resident of this State for the purposes of qualifying for an NJ
9 STARS II scholarship;

10 (2) have applied for all other available forms of State and
11 federal need-based grants and merit scholarships, exclusive of
12 loans, the full amount of which grants and scholarships shall be
13 applied to tuition, and fee charges if applicable, to reduce the
14 amount of any scholarship that the student shall receive under the
15 provisions of P.L.2005, c.359 (C.18A:71B-86.1 et seq.);

16 (3) be enrolled in a full-time course of study at a four-year
17 public or independent institution of higher education; and

18 (4) maintain continuous enrollment in a full-time course of
19 study, unless on medical leave due to the illness of the student or a
20 member of the student's immediate family or emergency leave
21 because of a family emergency, which medical or emergency leave
22 shall have been approved by the four-year public or independent
23 institution of higher education, or unless called to partial or full
24 mobilization for State or federal active duty as a member of the
25 National Guard or a Reserve component of the Armed Forces of the
26 United States.

27 f. A student who is dismissed for academic or disciplinary
28 reasons from a four-year public or independent institution of higher
29 education shall no longer be eligible for a scholarship under this
30 act. If a student participating in the program is dismissed for
31 disciplinary reasons, the student shall repay in full all amounts
32 received under the program. The four-year public or independent
33 institution of higher education shall be responsible for collecting the
34 repayment, or the amount of any overpayment or other improper
35 payment, of any State awards under the program, in accordance
36 with the provisions of N.J.S.18A:71B-10.

37 g. A student scholarship under the NJ STARS II Program may
38 be renewed upon the student's filing of a renewal financial aid
39 application and providing evidence that the student has satisfied the
40 requirements pursuant to this section.

41 (cf: P.L.2008, c.124, s.6)

42

43 4. Section 7 of P.L.2005, c.359 (C18A:71B-86.7) is amended
44 to read as follows:

45 7. Nothing in this act shall be construed to require a four-year
46 public or independent institution of higher education to admit a
47 student eligible for a scholarship under this act or to waive its

1 admission standards and application procedures; except that the
2 institution shall apply the same admission standards and application
3 procedures that it applies to all other transfer students.

4 (cf: P.L.2008, c.124, s.8)

5

6 5. (New section) Each county college is encouraged to host an
7 annual recruitment day and invite a representative from each four-
8 year public and independent institution of higher education in the
9 State for the purpose of recruiting students for the NJ STARS II
10 Program.

11

12 6. (New section) In the case of a student who is receiving a
13 scholarship under the NJ STARS Program on the effective date of
14 P.L. , c. (C.) (pending before the Legislature as this bill) and
15 who graduated from high school prior to 2010, the student shall
16 receive an NJ STARS scholarship in accordance with the provisions
17 of P.L.2004, c.59 (C.18A:71B-81 et seq.) as the same read before
18 the effective date of P.L. , c. (C.) (pending before the
19 Legislature as this bill).

20

21 7. (New section) In the case of a student who is receiving a
22 scholarship under the NJ STARS II Program in the 2011-2012
23 academic year and is in the third academic year of study or was
24 eligible to receive an NJ STARS II scholarship in the 2011-2012
25 academic year for the third academic year of study but did not
26 receive the scholarship because the student's tuition or tuition and
27 fees, as applicable, was fully covered by other available forms of
28 State and federal need-based grants and merit scholarships, the
29 student shall receive an NJ STARS II scholarship for the student's
30 fourth academic year of study in accordance with the provisions of
31 P.L.2005, c.359 (C.18A:71B-86.1 et seq.) as the same read before
32 the effective date of P.L. , c. (C.) (pending before the
33 Legislature as this bill).

34

35 8. This act shall take effect immediately and shall first be
36 applicable to the 2012-2013 academic year.

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STATEMENT

40

41 This bill makes a number of revisions to the NJ STARS and NJ
42 STARS II Programs.

43 In the case of the NJ STARS Program, the bill limits the costs
44 covered by the scholarship to tuition, as opposed to tuition and fees.
45 There are however NJ STARS students who graduated prior to 2010
46 who are currently receiving scholarships that cover both tuition and

1 fees, and this bill provides that the NJ STARS scholarship awarded
2 to those students will continue to cover tuition and fees.

3 In the case of the NJ STARS II Program, the bill makes the
4 following changes:

5 1) The bill allows Student recipients to use the NJ STARS II
6 scholarship to attend a New Jersey independent four-year institution
7 of higher education. Under current statute the scholarships can only
8 be used to attend four-year public institutions;

9 2) The bill eliminates the provision in NJ STARS II that
10 calculates the amount of the scholarship based on the student's
11 grade point average (GPA). Currently under statute, a student with
12 a GPA equal to or greater than 3.25 and less than 3.50 may receive
13 a scholarship in an amount up to \$3,000 per semester and a student
14 with a GPA equal to or greater than 3.50 may receive a scholarship
15 in an amount up to \$3,500 per semester. The bill maintains the
16 minimum GPA threshold at 3.25 and limits scholarships for all NJ
17 STARS II students to \$1,250 per semester, students who are
18 receiving an NJ STARS II scholarship and are in their third
19 academic year of study will receive an NJ STARS II scholarship for
20 the fourth year of academic study in accordance with the provisions
21 of the NJ STARS II law as it read prior to the bill's effective date.

22 3) The bill provides that the cost of an NJ STARS II
23 scholarship will be paid 100% by the State. Under current statute,
24 the cost is divided between the State and the institution of higher
25 education; and

26 4) The bill encourages county colleges to host an annual
27 recruitment day and invite a representative from each State four-
28 year public and independent institution of higher education in order
29 to offer the institutions an opportunity to recruit students for the NJ
30 STARS II Program.

ASSEMBLY HIGHER EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1176

STATE OF NEW JERSEY

DATED: MARCH 5, 2012

The Assembly Higher Education Committee reports favorably Assembly Bill No. 1176.

This bill makes a number of revisions to the NJ STARS and NJ STARS II Programs.

In the case of the NJ STARS Program, the bill limits the costs covered by the scholarship to tuition, as opposed to tuition and fees.

In the case of the NJ STARS II Program, the bill makes the following changes:

1) allows a student recipient to use the NJ STARS II scholarship to attend a New Jersey four-year independent institution of higher education. Under current law a scholarship can only be used to attend a four-year public institution;

2) eliminates the provision in NJ STARS II that calculates the amount of the scholarship based on the student's grade point average (GPA). Under current law, a student with a GPA equal to or greater than 3.25 and less than 3.50 may receive a scholarship in an amount up to \$3,000 per semester and a student with a GPA equal to or greater than 3.50 may receive a scholarship in an amount up to \$3,500 per semester. The bill maintains the minimum GPA threshold at 3.25 and limits scholarships for all NJ STARS II students to \$1,250 per semester;

3) provides that the cost of an NJ STARS II scholarship will be paid 100% by the State. Under current law, the cost of a scholarship is paid 50% by the State and 50% by the institution of higher education; and

4) encourages county colleges to host an annual recruitment day and invite a representative from each four-year public and independent institution of higher education in the State in order to offer the institutions an opportunity to recruit students for the NJ STARS II Program.

The bill also includes two "grandfather" provisions. In regard to the NJ STARS Program, FY 2011 and FY 2012 appropriations act language has provided that in the case of NJ STARS students who graduated from high school in 2010 or thereafter, the NJ STARS scholarship only covers the cost of tuition, rather than tuition and fees. There are however NJ STARS students who graduated high school prior to 2010 who are currently receiving scholarships that cover both

tuition and fees. The bill provides that the NJ STARS scholarship awarded to those students will continue to cover tuition and fees. In regard to students who are receiving an NJ STARS II scholarship and are in the third academic year of study in the 2011-2012 academic year, the bill provides that these students will receive an NJ STARS II scholarship for the fourth year of academic study in accordance with the provisions of the NJ STARS II law as it read prior to the bill's effective date.

This bill was pre-filed for introduction in the 2012-2013 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1176

STATE OF NEW JERSEY

DATED: MARCH 12, 2012

The Assembly Appropriations Committee reports favorably Assembly Bill No. 1176.

This bill makes a number of revisions to the NJ STARS and NJ STARS II Programs.

In the case of the NJ STARS Program, the bill limits the costs covered by the scholarship to tuition, as opposed to tuition and fees.

In the case of the NJ STARS II Program, the bill makes the following changes:

1) allows a student recipient to use the NJ STARS II scholarship to attend a New Jersey four-year independent institution of higher education. Under current law a scholarship can only be used to attend a four-year public institution;

2) eliminates the provision in NJ STARS II that calculates the amount of the scholarship based on the student's grade point average (GPA). Under current law, a student with a GPA equal to or greater than 3.25 and less than 3.50 may receive a scholarship in an amount up to \$3,000 per semester and a student with a GPA equal to or greater than 3.50 may receive a scholarship in an amount up to \$3,500 per semester. The bill maintains the minimum GPA threshold at 3.25 and limits scholarships for all NJ STARS II students to \$1,250 per semester;

3) provides that the cost of an NJ STARS II scholarship will be paid 100% by the State. Under current law, the cost of a scholarship is paid 50% by the State and 50% by the institution of higher education; and

4) encourages county colleges to host an annual recruitment day and invite a representative from each four-year public and independent institution of higher education in the State in order to offer the institutions an opportunity to recruit students for the NJ STARS II Program.

The bill also includes two "grandfather" provisions. In regard to the NJ STARS Program, FY 2011 and FY 2012 appropriations act language has provided that in the case of NJ STARS students who graduated from high school in 2010 or thereafter, the NJ STARS scholarship only covers the cost of tuition, rather than tuition and fees. There are however NJ STARS students who graduated high school prior to 2010 who are currently receiving scholarships that cover both

tuition and fees. The bill provides that the NJ STARS scholarship awarded to those students will continue to cover tuition and fees. In regard to students who are receiving an NJ STARS II scholarship and are in the third academic year of study in the 2011-2012 academic year, the bill provides that these students will receive an NJ STARS II scholarship for the fourth year of academic study in accordance with the provisions of the NJ STARS II law as it read prior to the bill's effective date.

This bill was pre-filed for introduction in the 2012-2013 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

FISCAL IMPACT:

The fiscal impact of Assembly Bill No. 1176 is indeterminate owing to the bill's mixture of decreasing and increasing cost pressure provisions. The State may have cost-savings as a result of excluding fees from the NJ STARS Program. However, the Office of Legislative Services (OLS) notes that language in the FY 2012 Appropriations Act currently excludes fees from NJ STARS Program scholarships. If it is assumed that that language will be carried forward to the next State fiscal year the actual impact of the fee exclusion may be minimal.

The bill also has an indeterminate fiscal impact on the NJ STARS II Program. The bill reduces NJ STARS II scholarships from a maximum of \$3,500 to \$1,250 per semester, with the State now responsible for \$1,250 for each scholarship instead of the maximum amount of \$1,750. However, the bill makes more students eligible for NJ STARS II scholarships because independent institutions of higher education are included, and this may result in an increase in State costs.

The OLS is unable to determine the impact of the two "grandfather" provisions concerning NJ STARS students who are currently receiving scholarships that cover both tuition and fees and NJ STARS II scholarship students in the third academic year of study. OLS notes that these provisions are also amenable to limitation through Appropriations Act language.