# 18A:71B-2.4; 18A:71B-5.1 et al LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2020 **CHAPTER:** 31 NJSA: 18A:71B-2.4; 18A:71B-5.1 et al (Provides relief to students receiving State financial aid to address special circumstances due to 2020 public health state of emergency) S2356 (Substituted for A3946) **BILL NO: SPONSOR(S)** Sandra B. Cunningham and others DATE INTRODUCED: 4/9/2020 COMMITTEE: **Appropriations ASSEMBLY:** SENATE: AMENDED DURING PASSAGE: No **DATE OF PASSAGE:** ASSEMBLY: 5/14/2020 SENATE: 4/13/2020 DATE OF APPROVAL: 5/15/2020 FOLLOWING ARE ATTACHED IF AVAILABLE: Yes FINAL TEXT OF BILL (Introduced bill enacted) S2356 SPONSOR'S STATEMENT: (Begins on page 3 of introduced bill) 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:** Yes A3946 SPONSOR'S STATEMENT: (Begins on page 3 of introduced bill) 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)

No

Yes

No

FLOOR AMENDMENT STATEMENT:

**LEGISLATIVE FISCAL ESTIMATE:** 

**VETO MESSAGE:** 

GOVERNOR'S PRESS RELEASE ON SIGNING:	Yes
FOLLOWING WERE PRINTED:  To check for circulating copies, contact New Jersey State Gove Publications at the State Library (609) 278-2640 ext.103 or ma	
REPORTS:	No
HEARINGS:	No
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Rwh/cl

§1 – C.18A:71B-2.4 §2 – C.18A:71B-5.1 §3 – C.18A:71B-85a §4 – C.18A:71B-86.4c

## P.L. 2020, CHAPTER 31, *approved May 15, 2020* Senate, No. 2356

1 AN ACT concerning student financial aid and the 2020 public health 2 state of emergency and supplementing various parts of the 3 statutory law.

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

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1. The Higher Education Student Assistance Authority shall exclude the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs administered pursuant to N.J.S.18A:71B-1 et seq., if the student was unable to complete the semester due to the public health state of emergency declared to exist in New Jersey by Executive Order 103 dated March 9, 2020.

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2. The Higher Education Student Assistance Authority shall waive the amounts that a student is required to return under N.J.S.18A:71B-5, if the institution has already disbursed the student's State financial aid and the student withdraws or reduces his credits to below full-time, or in the case of a part-time State tuition aid grant reduces his credits to below half-time, due to the public health state of emergency declared to exist in New Jersey by Executive Order 103 dated March 9, 2020.

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3. Notwithstanding any law or regulation to the contrary, a student enrolled in a county college in the 2019-2020 academic year shall remain eligible for a scholarship under the NJ STARS Program in the third semester of county college enrollment. To remain eligible for the scholarship in the fourth and fifth semesters of county college enrollment, a student who was enrolled in the 2019-2020 academic year shall attain a grade point average of at least 3.0 by the start of the student's fourth semester of county college enrollment.

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4. a. Notwithstanding any law or regulation to the contrary, a student enrolled in a county college in the 2019-2020 academic year shall attain a cumulative grade point average of at least 3.0 upon

graduation from the county college to be eligible for a scholarship under the NJ STARS II Program for the student's third academic year of study.

b. Notwithstanding any law or regulation to the contrary, a student enrolled in a four-year institution of higher education in the 2019-2020 academic year shall remain eligible for a scholarship under the NJ STARS II Program in his third semester of study at a four-year institution. To remain eligible for a scholarship in the fourth semester of study, a student who was enrolled in the 2019-2020 academic year shall attain a grade point average of at least a 3.25 based on the student's performance during the first three semesters of study at the four-year institution.

5. This act shall take effect immediately.

#### **STATEMENT**

This bill addresses certain issues related to State financial aid programs that have arisen due to the COVID-19 pandemic. The bill provides that the Higher Education Student Assistance Authority will exclude the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs, if the student was unable to complete the semester due to the public health state of emergency declared by Governor Murphy through Executive Order 103. The bill also provides that if a student withdraws or reduces his credits to below full-time, or in the case of a part-time State tuition aid grant (TAG) reduces his credits below half-time, due to the public health state of emergency and the institution has already disbursed the student's State financial aid, the authority will waive the State financial aid amounts that a student would be required to return under existing law.

The bill also makes changes 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 bill provides that a student enrolled in a county college in the 2019-2020 academic year will remain eligible for the NJ STARS scholarship in the third semester of county college enrollment. In order to remain eligible for the scholarship in the fourth and fifth semesters of county college enrollment, a student who was enrolled in the 2019-2020 academic year must attain a grade point average (GPA) of at least 3.0 by the start of the student's fourth semester of county college enrollment. Under current law, after the first year of enrollment at the county college, the student continues to be eligible for the NJ STARS scholarship if he attains a GPA of at least 3.0 by the start of the student's second year of county college enrollment.

The bill provides that a student enrolled in a county college in the 2019-2020 academic year must attain a cumulative GPA of at least 3.0 upon graduation from the county college to be eligible for an NJ STARS II scholarship for the student's third academic year of study. Current law requires a student to attain a cumulative GPA of at least 3.25 upon graduation from the county college to receive the NJ STARS II scholarship for his third academic year of study.

In addition, the bill provides that a student enrolled in a four-year institution of higher education in the 2019-2020 academic year will remain eligible for the NJ STARS II scholarship in his third semester of study at the four-year institution. In order to remain eligible for a scholarship in the fourth semester of study, a student who was enrolled in the 2019-2020 academic year must attain a grade point average of at least a 3.25 based on the student's performance during the first three semesters of study at the four-year institution. Current law provides that a student will be eligible to receive an NJSTARS II scholarship for his fourth academic year of study if, based on his performance during the third academic year of study, he attains a GPA of at least 3.25. All eligibility requirements for receipt of the NJ STARS and NJ STARS II scholarships, other than those altered pursuant to the provisions of the bill, will remain in effect.

Provides relief to students receiving State financial aid to address special circumstances due to 2020 public health state of emergency.

## SENATE, No. 2356

# STATE OF NEW JERSEY

## 219th LEGISLATURE

INTRODUCED APRIL 9, 2020

**Sponsored by:** 

Senator SANDRA B. CUNNINGHAM

**District 31 (Hudson)** 

Senator THOMAS H. KEAN, JR.

**District 21 (Morris, Somerset and Union)** 

Assemblywoman MILA M. JASEY

**District 27 (Essex and Morris)** 

Assemblyman RALPH R. CAPUTO

District 28 (Essex)

Assemblywoman AURA K. DUNN

**District 25 (Morris and Somerset)** 

## Co-Sponsored by:

Senators Turner, Brown, Cardinale, Pennacchio, Singer, Sacco, Assemblywoman Vainieri Huttle, Assemblyman Moen, Assemblywoman Jimenez, Assemblyman Kennedy, Assemblywoman Murphy, Assemblymen Zwicker, Johnson, Benson, Assemblywomen McKnight, Speight, Assemblymen Spearman, Chiaravalloti, Assemblywoman Tucker, Assemblyman DeAngelo and Assemblywoman Quijano

## **SYNOPSIS**

Provides relief to students receiving State financial aid to address special circumstances due to 2020 public health state of emergency.

## **CURRENT VERSION OF TEXT**

As introduced.

(Sponsorship Updated As Of: 5/14/2020)

## S2356 CUNNINGHAM, T.KEAN

**AN ACT** concerning student financial aid and the 2020 public health state of emergency and supplementing various parts of the statutory law.

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

1. The Higher Education Student Assistance Authority shall exclude the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs administered pursuant to N.J.S.18A:71B-1 et seq., if the student was unable to complete the semester due to the public health state of emergency declared to exist in New Jersey by Executive Order 103 dated March 9, 2020.

2. The Higher Education Student Assistance Authority shall waive the amounts that a student is required to return under N.J.S.18A:71B-5, if the institution has already disbursed the student's State financial aid and the student withdraws or reduces his credits to below full-time, or in the case of a part-time State tuition aid grant reduces his credits to below half-time, due to the public health state of emergency declared to exist in New Jersey by Executive Order 103 dated March 9, 2020.

3. Notwithstanding any law or regulation to the contrary, a student enrolled in a county college in the 2019-2020 academic year shall remain eligible for a scholarship under the NJ STARS Program in the third semester of county college enrollment. To remain eligible for the scholarship in the fourth and fifth semesters of county college enrollment, a student who was enrolled in the 2019-2020 academic year shall attain a grade point average of at least 3.0 by the start of the student's fourth semester of county college enrollment.

4. a. Notwithstanding any law or regulation to the contrary, a student enrolled in a county college in the 2019-2020 academic year shall attain a cumulative grade point average of at least 3.0 upon graduation from the county college to be eligible for a scholarship under the NJ STARS II Program for the student's third academic year of study.

b. Notwithstanding any law or regulation to the contrary, a student enrolled in a four-year institution of higher education in the 2019-2020 academic year shall remain eligible for a scholarship under the NJ STARS II Program in his third semester of study at a four-year institution. To remain eligible for a scholarship in the fourth semester of study, a student who was enrolled in the 2019-2020 academic year shall attain a grade point average of at least a

## S2356 CUNNINGHAM, T.KEAN

3.25 based on the student's performance during the first three semesters of study at the four-year institution.

5. This act shall take effect immediately.

### **STATEMENT**

This bill addresses certain issues related to State financial aid programs that have arisen due to the COVID-19 pandemic. The bill provides that the Higher Education Student Assistance Authority will exclude the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs, if the student was unable to complete the semester due to the public health state of emergency declared by Governor Murphy through Executive Order 103. The bill also provides that if a student withdraws or reduces his credits to below full-time, or in the case of a part-time State tuition aid grant (TAG) reduces his credits below half-time, due to the public health state of emergency and the institution has already disbursed the student's State financial aid, the authority will waive the State financial aid amounts that a student would be required to return under existing law.

The bill also makes changes 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 bill provides that a student enrolled in a county college in the 2019-2020 academic year will remain eligible for the NJ STARS scholarship in the third semester of county college enrollment. In order to remain eligible for the scholarship in the fourth and fifth semesters of county college enrollment, a student who was enrolled in the 2019-2020 academic year must attain a grade point average (GPA) of at least 3.0 by the start of the student's fourth semester of county college enrollment. Under current law, after the first year of enrollment at the county college, the student continues to be eligible for the NJ STARS scholarship if he attains a GPA of at least 3.0 by the start of the student's second year of county college enrollment.

The bill provides that a student enrolled in a county college in the 2019-2020 academic year must attain a cumulative GPA of at least 3.0 upon graduation from the county college to be eligible for an NJ STARS II scholarship for the student's third academic year of study. Current law requires a student to attain a cumulative GPA of at least 3.25 upon graduation from the county college to receive the NJ STARS II scholarship for his third academic year of study.

In addition, the bill provides that a student enrolled in a four-year institution of higher education in the 2019-2020 academic year will remain eligible for the NJ STARS II scholarship in his third semester of study at the four-year institution. In order to remain

# **S2356** CUNNINGHAM, T.KEAN 4

1	eligible for a scholarship in the fourth semester of study, a student
2	who was enrolled in the 2019-2020 academic year must attain a
3	grade point average of at least a 3.25 based on the student's
4	performance during the first three semesters of study at the four-
5	year institution. Current law provides that a student will be eligible
6	to receive an NJSTARS II scholarship for his fourth academic year
7	of study if, based on his performance during the third academic year
8	of study, he attains a GPA of at least 3.25. All eligibility
9	requirements for receipt of the NJ STARS and NJ STARS II
10	scholarships, other than those altered pursuant to the provisions of
11	the bill, will remain in effect.

## ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

**SENATE, No. 2356** 

## STATE OF NEW JERSEY

DATED: MAY 4, 2020

The Assembly Appropriations Committee reports favorably Senate Bill No. 2356.

This bill addresses certain issues related to State financial aid programs that have arisen due to the COVID-19 pandemic. The bill provides that the Higher Education Student Assistance Authority (HESAA) will exclude the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs, if the student was unable to complete the semester due to the public health state of emergency declared by Governor Murphy through Executive Order 103. The bill also provides that if a student withdraws or reduces his credits to below full-time, or in the case of a part-time State tuition aid grant (TAG) reduces his credits below half-time, due to the public health state of emergency and the institution has already disbursed the student's State financial aid, the authority will waive the State financial aid amounts that a student would be required to return under existing law.

The bill also makes changes 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 bill provides that a student enrolled in a county college in the 2019-2020 academic year will remain eligible for the NJ STARS scholarship in the third semester of county college enrollment. In order to remain eligible for the scholarship in the fourth and fifth semesters of county college enrollment, a student who was enrolled in the 2019-2020 academic year must attain a grade point average (GPA) of at least 3.0 by the start of the student's fourth semester of county college enrollment. Under current law, after the first year of enrollment at the county college, the student continues to be eligible for the NJ STARS scholarship if he attains a GPA of at least 3.0 by the start of the student's second year of county college enrollment.

The bill provides that a student enrolled in a county college in the 2019-2020 academic year must attain a cumulative GPA of at least 3.0 upon graduation from the county college to be eligible for an NJ STARS II scholarship for the student's third academic year of study. Current law requires a student to attain a cumulative GPA of at least 3.25 upon graduation from the county college to receive the NJ STARS II scholarship for his third academic year of study.

In addition, the bill provides that a student enrolled in a four-year institution of higher education in the 2019-2020 academic year will remain eligible for the NJ STARS II scholarship in his third semester of study at the four-year institution. In order to remain eligible for a scholarship in the fourth semester of study, a student who was enrolled in the 2019-2020 academic year must attain a grade point average of at least a 3.25 based on the student's performance during the first three semesters of study at the four-year institution. Current law provides that a student will be eligible to receive an NJSTARS II scholarship for his fourth academic year of study if, based on his performance during the third academic year of study, he attains a GPA of at least 3.25. All eligibility requirements for receipt of the NJ STARS and NJ STARS II scholarships, other than those altered pursuant to the provisions of the bill, will remain in effect.

As reported by the committee, Senate Bill No. 2356 is identical to Assembly Bill No. 3946, which also was reported by the committee on this date.

## FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that this bill will result in an indeterminate increase in State expenditures due to: 1) the provision of the bill which excludes the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs, if the student was unable to complete the semester due to the coronavirus disease 2019 (COVID-19); and 2) the provisions of the bill which relax the GPA requirements under the NJ STARS and NJ STARS II programs.

The bill would also result in HESAA not collecting State financial aid refunds from students, who under current law, would otherwise have had to return financial aid because they reduced their academic course loan to below the full-time or below half-time in the case of part-time TAG recipients.

# SENATE, No. 2356 STATE OF NEW JERSEY 219th LEGISLATURE

DATED: MAY 7, 2020

## **SUMMARY**

**Synopsis:** Provides relief to students receiving State financial aid to address

special circumstances due to 2020 public health state of emergency.

**Type of Impact:** State Expenditure Increase.

**Agencies Affected:** Higher Education Student Assistance Authority.

## Office of Legislative Services Estimate

Fiscal Impact	Year 1	Year 2	Year 3
State Cost Increase		Indeterminate	

- The Office of Legislative Services (OLS) concludes that this bill will result in an indeterminate increase in State expenditures due to: 1) the provision of the bill which excludes the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs, if the student was unable to complete the semester due to the coronavirus disease 2019 (COVID-19); and 2) the provisions of the bill which relax the grade point average (GPA) requirements under the New Jersey Student Tuition Assistance Reward Scholarship (NJ STARS) and NJ STARS II programs.
- The bill would also result in the Higher Education Student Assistance Authority (HESAA) not collecting State financial aid refunds from students who, under current law, would have otherwise had to return financial aid to the State because they reduced their academic course load to below full-time or below half-time in the case of part-time Tuition Aid Grant (TAG) recipients.

## **BILL DESCRIPTION**

The bill provides that the HESAA will exclude the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs, if the student was unable to complete the semester due to the public health state of emergency caused by COVID-19. The bill requires HESAA to waive the State financial aid amounts that a student would be required to return to the



State under existing law if: 1) the student withdraws or reduces his credits to below full-time, or to below half-time in the case of a part-time State TAG recipient, due to the public health state of emergency; and 2) the institution has already disbursed the student's State financial aid.

The bill further makes changes to the NJ STARS and NJ STARS II programs. Under the bill, a county college student enrolled in the 2019-2020 academic year will remain eligible for the NJ STARS scholarship in the third semester of county college enrollment. To remain eligible for the scholarship in the fourth and fifth semesters of county college enrollment, a student must attain a GPA of at least 3.0 by the start of the student's fourth semester of county college enrollment.

The bill provides that a student enrolled in a county college in the 2019-2020 academic year must attain a cumulative GPA of at least 3.0 upon graduation from the county college to be eligible for an NJ STARS II scholarship in the student's third academic year of study.

The bill provides that a student enrolled in a four-year institution of higher education in the 2019-2020 academic year will remain eligible for the NJ STARS II scholarship in his third semester of study at the four-year institution. To remain eligible for a scholarship in the fourth semester of study, a student must attain a GPA of at least a 3.25 based on the student's performance during the first three semesters of study at the four-year institution.

## FISCAL ANALYSIS

### **EXECUTIVE BRANCH**

None received.

## OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that this bill will result in an indeterminate increase in State expenditures. For one, the bill would increase State student financial aid expenditures to the extent that students, who were not able to complete the spring 2020 semester due to the COVID-19 public health state of emergency, may receive financial aid in a future semester in which they otherwise would not have been able to receive such aid absent this bill. The bill would also result in the HESAA not collecting State financial aid refunds from students who, under current law, would have otherwise had to return financial aid to the State because they reduced their academic course loads to below full-time or below half-time in the case of part-time TAG recipients. The OLS does not have sufficient information on the number, and financial aid award amounts, of students who have withdrawn or reduced their academic course loads because of COVID-19, to estimate this cost.

This bill would also generally increase State costs under the NJ STARS and NJ STARS II programs. By way of background, New Jersey residents who rank in the top 15 percent of their class at the end of either their junior or senior years of high school may be eligible for the NJ STARS program. Under current law, NJ STARS awards cover tuition for up to 18 college-level credits per semester, for up to five semesters. An NJ STARS recipient must attain a GPA of 3.0 or higher prior to the third semester of enrollment to continue in the program. NJ STARS II is a continuation of the NJ STARS program that provides financial aid to NJ STARS recipients, who graduated from county college with at least a 3.25 GPA, to attend a New Jersey four-year public or independent institution of higher education. NJ STARS II awardees may receive a maximum of \$2,500 per year (\$1,250 per semester) under current law. An NJ STARS II recipient must attain a GPA of 3.25 or higher at the start of the third semester of study at the four-year institution to maintain eligibility.

The bill's changes to the NJ STARS and NJ STARS II programs would increase State costs to the extent that:

- Current county college NJ STARS recipients, who otherwise may not have met the 3.0 GPA requirement to remain in the program under current law, will continue to receive scholarships in their third semester of enrollment;
- NJ STARS graduates, who otherwise would not have met the 3.25 GPA requirement for NJ STARS II but who have a GPA of at least 3.0 upon graduation from a county college, would now be able to receive NJ STARS II scholarships; and
- Current NJ STARS II recipients, who otherwise may not have met the 3.25 GPA requirement to maintain their scholarships under current law, will continue to receive scholarships in their third semester of enrollment at a four-year institution of higher education.

The OLS notes that this bill will annually increase State costs by up to: 1) the cost of tuition for up to 36 county college credits per year (18 credits per semester) for each student who under current law would not be eligible for an NJ STARS award but would now qualify due to enactment of the bill; and 2) \$2,500 annually for each student who would now be eligible for an NJ STARS II award under the bill. The OLS also notes that, while it does not have the informational basis to estimate the bill's total financial impact on the NJ STARS program, an estimated 1,580 student recipients were receiving \$4.957 million in NJ STARS scholarships in Fiscal Year 2020 and approximately 780 students were receiving \$1.95 million in NJ STARS II scholarships.

Section: Education

Analyst: Christopher Myles

Assistant Fiscal Analyst

Approved: Frank W. Haines III

Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

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

## ASSEMBLY, No. 3946

# STATE OF NEW JERSEY

## 219th LEGISLATURE

INTRODUCED APRIL 13, 2020

**Sponsored by:** 

Assemblywoman MILA M. JASEY
District 27 (Essex and Morris)
Assemblyman RALPH R. CAPUTO
District 28 (Essex)
Assemblywoman AURA K. DUNN
District 25 (Morris and Somerset)

## **Co-Sponsored by:**

Assemblywoman Vainieri Huttle, Assemblyman Moen, Assemblywoman Jimenez, Assemblyman Kennedy, Assemblywoman Murphy, Assemblymen Zwicker, Johnson, Benson, Assemblywomen McKnight, Speight, Assemblymen Spearman, Chiaravalloti, Assemblywoman Tucker, Assemblyman DeAngelo and Assemblywoman Quijano

## **SYNOPSIS**

Provides relief to students receiving State financial aid to address special circumstances due to 2020 public health state of emergency.

## **CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 5/14/2020)

## A3946 JASEY, CAPUTO

1 AN ACT concerning student financial aid and the 2020 public health state of emergency and supplementing various parts of the statutory law.

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

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1. The Higher Education Student Assistance Authority shall exclude the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs administered pursuant to N.J.S.18A:71B-1 et seq., if the student was unable to complete the semester due to the public health state of emergency declared to exist in New Jersey by Executive Order 103 dated March 9, 2020.

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2. The Higher Education Student Assistance Authority shall waive the amounts that a student is required to return under N.J.S.18A:71B-5, if the institution has already disbursed the student's State financial aid and the student withdraws or reduces his credits to below full-time, or in the case of a part-time State tuition aid grant reduces his credits to below half-time, due to the public health state of emergency declared to exist in New Jersey by Executive Order 103 dated March 9, 2020.

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Notwithstanding any law or regulation to the contrary, a student enrolled in a county college in the 2019-2020 academic year shall remain eligible for a scholarship under the NJ STARS Program in the third semester of county college enrollment. To remain eligible for the scholarship in the fourth and fifth semesters of county college enrollment, a student who was enrolled in the 2019-2020 academic year shall attain a grade point average of at least 3.0 by the start of the student's fourth semester of county college enrollment.

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4. a. Notwithstanding any law or regulation to the contrary, a student enrolled in a county college in the 2019-2020 academic year shall attain a cumulative grade point average of at least 3.0 upon graduation from the county college to be eligible for a scholarship under the NJ STARS II Program for the student's third academic year of study.

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b. Notwithstanding any law or regulation to the contrary, a student enrolled in a four-year institution of higher education in the 2019-2020 academic year shall remain eligible for a scholarship under the NJ STARS II Program in his third semester of study at a four-year institution. To remain eligible for a scholarship in the fourth semester of study, a student who was enrolled in the 2019-2020 academic year shall attain a grade point average of at least a 3.25 based on the student's performance during the first three semesters of study at the four-year institution.

5. This act shall take effect immediately.

### **STATEMENT**

This bill addresses certain issues related to State financial aid programs that have arisen due to the COVID-19 pandemic. The bill provides that the Higher Education Student Assistance Authority will exclude the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs, if the student was unable to complete the semester due to the public health state of emergency declared by Governor Murphy through Executive Order 103. The bill also provides that if a student withdraws or reduces his credits to below full-time, or in the case of a part-time State tuition aid grant (TAG) reduces his credits below half-time, due to the public health state of emergency and the institution has already disbursed the student's State financial aid, the authority will waive the State financial aid amounts that a student would be required to return under existing law.

The bill also makes changes 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 bill provides that a student enrolled in a county college in the 2019-2020 academic year will remain eligible for the NJ STARS scholarship in the third semester of county college enrollment. In order to remain eligible for the scholarship in the fourth and fifth semesters of county college enrollment, a student who was enrolled in the 2019-2020 academic year must attain a grade point average (GPA) of at least 3.0 by the start of the student's fourth semester of county college enrollment. Under current law, after the first year of enrollment at the county college, the student continues to be eligible for the NJ STARS scholarship if he attains a GPA of at least 3.0 by the start of the student's second year of county college enrollment.

The bill provides that a student enrolled in a county college in the 2019-2020 academic year must attain a cumulative GPA of at least 3.0 upon graduation from the county college to be eligible for an NJ STARS II scholarship for the student's third academic year of study. Current law requires a student to attain a cumulative GPA of at least 3.25 upon graduation from the county college to receive the NJ STARS II scholarship for his third academic year of study.

In addition, the bill provides that a student enrolled in a four-year institution of higher education in the 2019-2020 academic year will remain eligible for the NJ STARS II scholarship in his third semester of study at the four-year institution. In order to remain

## A3946 JASEY, CAPUTO

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1 eligible for a scholarship in the fourth semester of study, a student 2 who was enrolled in the 2019-2020 academic year must attain a 3 grade point average of at least a 3.25 based on the student's 4 performance during the first three semesters of study at the four-5 year institution. Current law provides that a student will be eligible to receive an NJSTARS II scholarship for his fourth academic year 6 7 of study if, based on his performance during the third academic year 8 of study, he attains a GPA of at least 3.25. All eligibility 9 requirements for receipt of the NJ STARS and NJ STARS II 10 scholarships, other than those altered pursuant to the provisions of the bill, will remain in effect. 11

## ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

## ASSEMBLY, No. 3946

## STATE OF NEW JERSEY

DATED: MAY 4, 2020

The Assembly Appropriations Committee reports favorably Assembly Bill No. 3946.

This bill addresses certain issues related to State financial aid programs that have arisen due to the COVID-19 pandemic. The bill provides that the Higher Education Student Assistance Authority (HESAA) will exclude the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs, if the student was unable to complete the semester due to the public health state of emergency declared by Governor Murphy through Executive Order 103. The bill also provides that if a student withdraws or reduces his credits to below full-time, or in the case of a part-time State tuition aid grant (TAG) reduces his credits below half-time, due to the public health state of emergency and the institution has already disbursed the student's State financial aid, the authority will waive the State financial aid amounts that a student would be required to return under existing law.

The bill also makes changes 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 bill provides that a student enrolled in a county college in the 2019-2020 academic year will remain eligible for the NJ STARS scholarship in the third semester of county college enrollment. In order to remain eligible for the scholarship in the fourth and fifth semesters of county college enrollment, a student who was enrolled in the 2019-2020 academic year must attain a grade point average (GPA) of at least 3.0 by the start of the student's fourth semester of county college enrollment. Under current law, after the first year of enrollment at the county college, the student continues to be eligible for the NJ STARS scholarship if he attains a GPA of at least 3.0 by the start of the student's second year of county college enrollment.

The bill provides that a student enrolled in a county college in the 2019-2020 academic year must attain a cumulative GPA of at least 3.0 upon graduation from the county college to be eligible for an NJ STARS II scholarship for the student's third academic year of study. Current law requires a student to attain a cumulative GPA of at least 3.25 upon graduation from the county college to receive the NJ STARS II scholarship for his third academic year of study.

In addition, the bill provides that a student enrolled in a four-year institution of higher education in the 2019-2020 academic year will remain eligible for the NJ STARS II scholarship in his third semester of study at the four-year institution. In order to remain eligible for a scholarship in the fourth semester of study, a student who was enrolled in the 2019-2020 academic year must attain a grade point average of at least a 3.25 based on the student's performance during the first three semesters of study at the four-year institution. Current law provides that a student will be eligible to receive an NJSTARS II scholarship for his fourth academic year of study if, based on his performance during the third academic year of study, he attains a GPA of at least 3.25. All eligibility requirements for receipt of the NJ STARS and NJ STARS II scholarships, other than those altered pursuant to the provisions of the bill, will remain in effect.

As reported by the committee, Assembly Bill No. 3946 is identical to Senate Bill No. 2356, which also was reported by the committee on this date.

## FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that this bill will result in an indeterminate increase in State expenditures due to: 1) the provision of the bill which excludes the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs, if the student was unable to complete the semester due to the coronavirus disease 2019 (COVID-19); and 2) the provisions of the bill which relax the GPA requirements under the NJ STARS and NJ STARS II programs.

The bill would also result in HESAA not collecting State financial aid refunds from students, who under current law, would otherwise have had to return financial aid because they reduced their academic course loan to below the full-time or below half-time in the case of part-time TAG recipients.

# ASSEMBLY, No. 3946 STATE OF NEW JERSEY 219th LEGISLATURE

**DATED: MAY 7, 2020** 

## **SUMMARY**

Synopsis: Provides relief to students receiving State financial aid to address

special circumstances due to 2020 public health state of emergency.

**Type of Impact:** State Expenditure Increase.

**Agencies Affected:** Higher Education Student Assistance Authority.

## Office of Legislative Services Estimate

Fiscal Impact	Year 1	Year 2	Year 3
State Cost Increase		Indeterminate	

- The Office of Legislative Services (OLS) concludes that this bill will result in an indeterminate increase in State expenditures due to: 1) the provision of the bill which excludes the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs, if the student was unable to complete the semester due to the coronavirus disease 2019 (COVID-19); and 2) the provisions of the bill which relax the grade point average (GPA) requirements under the New Jersey Student Tuition Assistance Reward Scholarship (NJ STARS) and NJ STARS II programs.
- The bill would also result in the Higher Education Student Assistance Authority (HESAA) not collecting State financial aid refunds from students who, under current law, would have otherwise had to return financial aid to the State because they reduced their academic course load to below full-time or below half-time in the case of part-time Tuition Aid Grant (TAG) recipients.

## **BILL DESCRIPTION**

The bill provides that the HESAA will exclude the spring 2020 semester from a student's total lifetime eligibility limits for all State financial aid programs, if the student was unable to complete the semester due to the public health state of emergency caused by COVID-19. The bill requires HESAA to waive the State financial aid amounts that a student would be required to return to the State under existing law if: 1) the student withdraws or reduces his credits to below full-time, or



to below half-time in the case of a part-time State TAG recipient, due to the public health state of emergency; and 2) the institution has already disbursed the student's State financial aid.

The bill further makes changes to the NJ STARS and NJ STARS II programs. Under the bill, a county college student enrolled in the 2019-2020 academic year will remain eligible for the NJ STARS scholarship in the third semester of county college enrollment. To remain eligible for the scholarship in the fourth and fifth semesters of county college enrollment, a student must attain a GPA of at least 3.0 by the start of the student's fourth semester of county college enrollment.

The bill provides that a student enrolled in a county college in the 2019-2020 academic year must attain a cumulative GPA of at least 3.0 upon graduation from the county college to be eligible for an NJ STARS II scholarship in the student's third academic year of study.

The bill provides that a student enrolled in a four-year institution of higher education in the 2019-2020 academic year will remain eligible for the NJ STARS II scholarship in his third semester of study at the four-year institution. To remain eligible for a scholarship in the fourth semester of study, a student must attain a GPA of at least a 3.25 based on the student's performance during the first three semesters of study at the four-year institution.

## FISCAL ANALYSIS

### EXECUTIVE BRANCH

None received.

## OFFICE OF LEGISLATIVE SERVICES

The OLS concludes that this bill will result in an indeterminate increase in State expenditures. For one, the bill would increase State student financial aid expenditures to the extent that students, who were not able to complete the spring 2020 semester due to the COVID-19 public health state of emergency, may receive financial aid in a future semester in which they otherwise would not have been able to receive such aid absent this bill. The bill would also result in the HESAA not collecting State financial aid refunds from students who, under current law, would have otherwise had to return financial aid to the State because they reduced their academic course loads to below full-time or below half-time in the case of part-time TAG recipients. The OLS does not have sufficient information on the number, and financial aid award amounts, of students who have withdrawn or reduced their academic course loads because of COVID-19, to estimate this cost.

This bill would also generally increase State costs under the NJ STARS and NJ STARS II programs. By way of background, New Jersey residents who rank in the top 15 percent of their class at the end of either their junior or senior years of high school may be eligible for the NJ STARS program. Under current law, NJ STARS awards cover tuition for up to 18 college-level credits per semester, for up to five semesters. An NJ STARS recipient must attain a GPA of 3.0 or higher prior to the third semester of enrollment to continue in the program. NJ STARS II is a continuation of the NJ STARS program that provides financial aid to NJ STARS recipients, who graduated from county college with at least a 3.25 GPA, to attend a New Jersey four-year public or independent institution of higher education. NJ STARS II awardees may receive a maximum of \$2,500 per year (\$1,250 per semester) under current law. An NJ STARS II recipient must attain a GPA of 3.25 or higher at the start of the third semester of study at the four-year institution to maintain eligibility.

The bill's changes to the NJ STARS and NJ STARS II programs would increase State costs to the extent that:

- Current county college NJ STARS recipients, who otherwise may not have met the 3.0 GPA requirement to remain in the program under current law, will continue to receive scholarships in their third semester of enrollment;
- NJ STARS graduates, who otherwise would not have met the 3.25 GPA requirement for NJ STARS II but who have a GPA of at least 3.0 upon graduation from a county college, would now be able to receive NJ STARS II scholarships; and
- Current NJ STARS II recipients, who otherwise may not have met the 3.25 GPA requirement to maintain their scholarships under current law, will continue to receive scholarships in their third semester of enrollment at a four-year institution of higher education.

The OLS notes that this bill will annually increase State costs by up to: 1) the cost of tuition for up to 36 county college credits per year (18 credits per semester) for each student who under current law would not be eligible for an NJ STARS award but would now qualify due to enactment of the bill; and 2) \$2,500 annually for each student who would now be eligible for an NJ STARS II award under the bill. The OLS also notes that, while it does not have the informational basis to estimate the bill's total financial impact on the NJ STARS program, an estimated 1,580 student recipients were receiving \$4.957 million in NJ STARS scholarships in Fiscal Year 2020 and approximately 780 students were receiving \$1.95 million in NJ STARS II scholarships.

Section: Education

Analyst: Christopher Myles

Assistant Fiscal Analyst

Approved: Frank W. Haines III

Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

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

# Governor Murphy Signs Legislation to Lessen Higher Education Financial Aid Issues for Students Due to the COVID-19 Pandemic

05/15/2020

**TRENTON** – Governor Phil Murphy today signed legislation (S2356/A3946) to provide relief for students enrolled in various state higher education financial aid programs and address the unique circumstances brought on by the COVID-19 pandemic.

"My Administration has made higher education a priority, and we must ensure that no student's education is negatively impacted by circumstances outside of their control," **said Governor Murphy.** "This legislation will protect our students from unforeseen financial hardship brought about by the ongoing COVID-19 pandemic."

S2356/A3946 directs the Higher Education Student Assistance Authority (HESAA) to exclude the Spring 2020 semester from a student's total lifetime eligibility limits for all state financial aid programs if a student is unable to finish the semester due to the ongoing COVID-19 pandemic. Additionally, students who withdrew or reduced credits during this time will not have to repay the state financial aid amounts that the student would have had to return under previous law.

The eligibility criteria for 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 will also be temporarily relaxed to allow students to remain eligible even if their Spring 2020 grade point average fell below the previous eligibility minimums.

"On behalf of students across New Jersey whose spring semester was disrupted by the COVID-19 crisis, we thank the Governor and the legislative sponsors for taking this important action to adjust state financial aid policies in recognition of the unusual circumstances students faced during this year's abrupt shift to remote learning," **said David J. Socolow, executive director of HESAA**. "HESAA has taken several other steps to support students during this pandemic emergency, and the law enacted today provides new tools we can use to assist students."

The legislation was sponsored by Assemblymembers Mila Jasey, Ralph Caputo, and Aura Dunn and Senators Sandra Cunningham and Tom Kean.

"While the semester is over for most, college students around the state still face immense uncertainty as to what the future will hold. They should not have to worry about whether or not their inability to complete their classes this semester will impact their financial aid eligibility for the years ahead," **said Senator Cunningham.** "I am grateful the Governor saw the value in this legislation and has moved quickly to enact it into law. Hopefully, it can bring college students some peace of mind during these trying times."

"COVID-19 has disrupted the lives and education of every New Jersey college student," **said Senate Republican Leader Tom Kean.** "This pandemic, while a setback, should not be an obstacle for students in need of crucial financial support. This law will ensure our college scholars have the necessary tools and resources to continue and successfully complete their studies."

"I applaud Governor Murphy for making the right decision by signing this necessary bill," **said Assemblywoman Dunn.** "With the coronavirus pandemic affecting all aspects of higher education, we must make sure NJ STARS scholars and all college students' ability to achieve a degree isn't hindered. Students shouldn't have to worry about losing their financial aid because the coronavirus has impacted their ability to fulfill all the requirements associated with using financial aid."

Joint statement from Assemblymembers Jasey and Caputo:

"The college experience has been significantly disrupted for students across New Jersey. No longer are most students living in dorms, attending interactive classes or participating in clubs and activities on campus. Few could have predicted they would end the semester learning remotely at home, largely isolated from their professors and peers.

"It may be more difficult for students to learn at home, particularly if they don't have access to a computer or the Internet. Some may have needed time away from schoolwork to care for family members diagnosed with COVID-19, or to recover from illness themselves.

"Students shouldn't need to worry if they will lose access to financial aid if they need to temporarily scale back classes as a result of the pandemic. During these unprecedented times, it's important that we treat one another with compassion and understanding."