



**LEGISLATIVE FISCAL ESTIMATE:** No

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:** Yes

**FOLLOWING WERE PRINTED:**

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

**REPORTS:** No

**HEARINGS:** No

**NEWSPAPER ARTICLES:** Yes

Gabrielle Saulsbery, 'New law aims to limit high costs of NJ's post-secondary training programs', NJBIZ (online), 29 Jul2022

end

P.L. 2022, CHAPTER 76, *approved July 29, 2022*  
Assembly, No. 1695 (*First Reprint*)

1 AN ACT concerning <sup>1</sup>**[information provided by]** career-oriented  
2 programs of study at<sup>1</sup> institutions of higher education<sup>1</sup>, degree-  
3 granting proprietary institutions,<sup>1</sup> and private career schools,  
4 <sup>1</sup>**[amending P.L.2009, c.197,]**<sup>1</sup> and supplementing <sup>1</sup>**[P.L.1989,**  
5 **c.293 (C.34:15C-1 et seq.), and Title 45 of the Revised Statutes]**  
6 P.L.2009, c.197 (C.18A:3B-44 et seq.) and P.L.2005, c.354  
7 (C.34:15C-10.1)<sup>1</sup>.  
8

9 **BE IT ENACTED** by the Senate and General Assembly of the State  
10 of New Jersey:  
11

12 <sup>1</sup>**[**1. Section 2 of P.L.2009, c.197 (C.18A:3B-44) is amended to  
13 read as follows:  
14

15 2. a. **[A four-year public]** An institution of higher education  
16 and a proprietary institution which has been authorized to offer  
17 licensed degree programs shall provide for public inspection on its  
18 website comprehensive information on the cost of attendance, the  
19 graduation rates of admitted students, and the faculty of the  
20 institution, and shall also provide for public inspection on its  
21 website employment data for recent graduates of the institution.  
22 The purpose of the information shall be to maximize the awareness  
23 of students and their families of the costs associated with  
24 enrollment in the institution, the institution's success in ensuring the  
25 graduation and employment of its students, and the composition of  
26 the teaching faculty that a student will encounter in his coursework.  
27 The institution shall post, and annually update, a student consumer  
28 information report on its website that includes, if applicable:

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

31 (2) two-year and three-year graduation rates by demographic  
32 group, and four-year and six-year graduation rates by demographic  
33 group, as applicable;

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

36 (4) two-year and three-year graduation rates for student-athletes,  
37 and four-year and six-year graduation rates for student-athletes, as  
applicable;

**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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>AssemblyAHI committee amendments adopted March 14, 2022.

- 1 (5) the student transfer rate, including the rate of students who  
2 graduate from a county college and subsequently enroll in a four-  
3 year institution of higher education;
- 4 (6) an overview of the institutions to which former students of  
5 that **【college or university】** institution have transferred prior to the  
6 completion of a degree;
- 7 (7) the cost for the current academic year of attending the  
8 institution including tuition, student fees, room and board, and  
9 books and materials;
- 10 (8) a description of the types of financial assistance offered  
11 directly by the institution to both student-athletes and to students  
12 who do not participate in athletic programs at the institution;
- 13 (9) the percent of student-athletes who receive financial  
14 assistance directly from the institution and the average value of the  
15 assistance and the percent of students who do not participate in  
16 athletic programs at the institution who receive financial assistance  
17 directly from the institution and the average value of the assistance;
- 18 (10) the total projected cost for an incoming freshman to live on  
19 campus and complete a degree in four years and the total projected  
20 cost for an incoming freshman to commute to school and complete a  
21 degree in four years;
- 22 (11) the total projected cost for an incoming freshman to live on  
23 campus and complete a degree in six years and the total projected  
24 cost for an incoming freshman to commute to school and complete a  
25 degree in six years;
- 26 (12) average student loan indebtedness of four-year graduates  
27 for both students who live on campus and students who commute,  
28 and average student loan indebtedness of two-year graduates;
- 29 (13) average student loan indebtedness of six-year graduates for  
30 both students who live on campus and students who commute, and  
31 average student loan indebtedness of three-year graduates;
- 32 (14) average student loan indebtedness of a student who  
33 withdraws from the institution prior to the completion of a degree  
34 program for both students who live on campus and students who  
35 commute;
- 36 (15) an overview of the institution's faculty, including the  
37 percentage of faculty employed as a tenured professor, the  
38 percentage of faculty employed as a full-time non-tenured  
39 professor, and the percentage of faculty employed as an adjunct or  
40 visiting professor;
- 41 (16) the percentage of courses taught by each of the different  
42 categories of faculty; **【and】**
- 43 (17) an indicator of each academic department's capacity to  
44 serve the students majoring within that department's programs, as  
45 determined by the **【Commission on】** Secretary of Higher  
46 Education; and
- 47 (18) employment data beginning with data compiled for  
48 students who graduate from the institution during the 2021-2022

1 academic year. The employment data shall include, but need not be  
2 limited to, the employment rate and average annual salary of  
3 students by academic major two years following the academic year  
4 in which the students graduated from the institution, and the number  
5 and percentage of students who are employed two years following  
6 the academic year in which the students graduated from the  
7 institution, as compiled in the comparative report and provided by  
8 the Secretary of Higher Education pursuant to section 10 of P.L. ,  
9 c. (C. ) (pending before the Legislature as this bill).

10 The institution shall provide with all paper applications for  
11 admission to the institution a hard copy of the information prepared  
12 pursuant to this section.

13 b. **【A four-year public】** An institution of higher education and  
14 a proprietary institution authorized to offer licensed degree  
15 programs shall conform to the guidelines, criteria, and format  
16 prescribed by the 【Commission on】 Secretary of Higher Education  
17 in reporting the information required pursuant to this section.

18 c. **【A four-year public】** An institution of higher education and  
19 a proprietary institution authorized to offer licensed degree  
20 programs shall submit its student consumer information report to  
21 the 【Commission on】 Secretary of Higher Education for inclusion  
22 in a comparative profile of the student consumer information  
23 reports of all 【four-year public】 institutions of higher education.

24 d. **【A four-year public】** An institution of higher education and  
25 a proprietary institution authorized to offer licensed degree  
26 programs shall ensure that the page of its Internet site which  
27 includes its student consumer information report contains a link to  
28 the page of the 【Commission on】 Secretary of Higher Education's  
29 Internet site that includes the comparative profile required pursuant  
30 to subsection b. of section 3 of this act.

31 e. **【A four-year public】** An institution of higher education and  
32 a proprietary institution authorized to offer licensed degree  
33 programs shall ensure that the Internet site for submitting an online  
34 application to the institution contains a link to the institution's  
35 student consumer information report.

36 f. **【A four-year public】** An institution of higher education and  
37 a proprietary institution authorized to offer licensed degree  
38 programs shall require the parent or guardian of a student applying  
39 for admission into the institution, or the student if he is an  
40 independent adult, to sign and submit a statement acknowledging  
41 that he has reviewed the institution's student consumer information  
42 report.

43 (cf: P.L.2009, c.197, s.2) <sup>1</sup>

44  
45 <sup>1</sup>【2. Section 3 of P.L.2009, c.197 (C.18A:3B-45) is amended to  
46 read as follows:

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

5       b. The **【Commission on】** Secretary of Higher Education shall  
6 annually compile the student consumer information reports  
7 submitted pursuant to subsection c. of section 2 of this act into a  
8 comparative profile of all **【four-year public】** institutions of higher  
9 education and proprietary institutions authorized to offer licensed  
10 degree programs. The **【commission】** secretary shall present the  
11 information on its website in a manner that allows **【college】**  
12 students and their families to easily compare student consumer  
13 information across public institutions, across independent  
14 institutions, and across proprietary institutions authorized to offer  
15 licensed degree programs.

16 (cf: P.L.2009, c.197, s.3)<sup>1</sup>

17  
18       <sup>1</sup>**【3. (New section) Within 12 months of the effective date of**  
19 **P.L. , c. (C. ) (pending before the Legislature as this bill),**  
20 **the Secretary of Higher Education shall establish a performance**  
21 **quality standard for programs of study offered by institutions of**  
22 **higher education and proprietary institutions authorized to offer**  
23 **licensed degree programs. The standard shall be based on the ratio**  
24 **of the earnings of students in the programs to the tuition and fees**  
25 **charged to those students net of any institutional grant aid. The**  
26 **secretary shall ensure that the programs of study meet a minimum**  
27 **acceptable level of performance for the standard, up to and**  
28 **including revocation of an institution’s license to award academic**  
29 **degrees.**

30       The secretary, in consultation with the Attorney General and the  
31 Commissioner of Labor and Workforce Development, shall adopt,  
32 in accordance with the “Administrative Procedure Act,” P.L. 1968,  
33 c.410 (C.52:14B-1 et seq.), rules and regulations as may be  
34 necessary to implement the provisions of this section.<sup>1</sup>

35  
36       <sup>1</sup>**【4. (New section) a. A private career school authorized to**  
37 **offer an educational program required for licensure, registration or**  
38 **certification in a profession or occupation regulated by a**  
39 **professional or occupational board established in the Division of**  
40 **Consumer Affairs shall provide for public inspection on its website**  
41 **comprehensive information on the cost of attendance, the**  
42 **graduation or completion rates of admitted students, and the faculty**  
43 **of the school, and shall also provide for public inspection on its**  
44 **website employment data for recent graduates. The purpose of the**  
45 **information shall be to maximize the awareness of students of the**  
46 **costs associated with enrollment in the school, the success in**  
47 **ensuring the graduation and employment of its students, and the**

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

- 5 (1) overall graduation or completion rates;
- 6 (2) graduation or completion rates by demographic group;
- 7 (3) the student transfer rate;
- 8 (4) an overview of the schools to which former students have  
9 transferred prior to the completion of an educational program;
- 10 (5) the amount of any school charges, including tuition and fees;
- 11 (6) a description of the types of financial assistance offered  
12 directly by the school to students;
- 13 (7) the total projected cost for an incoming student to complete  
14 the educational program;
- 15 (8) average student loan indebtedness of graduates;
- 16 (9) average student loan indebtedness of a student who  
17 withdraws from the school prior to the completion of the  
18 educational program;
- 19 (10) an overview of the school's faculty, including the  
20 percentage of faculty employed on a full-time basis and the  
21 percentage of faculty employed on a part-time basis; and
- 22 (11) employment data beginning with data compiled for  
23 students who graduate from the school during the 2021-2022  
24 academic year. The employment data shall include, but need not be  
25 limited to, the employment rate and average annual salary of  
26 students two years following the academic year in which the  
27 students graduated from the school, as compiled in the comparative  
28 report and provided by the Attorney General pursuant to section 10  
29 of P.L. , c. (C. ) (pending before the Legislature as this  
30 bill).

31 The school shall provide with all paper applications for  
32 admission a hard copy of the information prepared pursuant to this  
33 subsection.

34 b. A private career school shall conform to the guidelines,  
35 criteria, and format prescribed by the Attorney General in reporting  
36 the information required pursuant to subsection a. of this section.  
37 The institution shall submit its student consumer information report  
38 to the Attorney General for inclusion in a comparative profile of the  
39 student consumer information reports of all such schools.

40 c. A private career school shall ensure that the page of its  
41 Internet site which includes its student consumer information report  
42 contains a link to the page of the Attorney General's Internet site  
43 that includes the comparative profile required pursuant to  
44 subsection b. of section 5 of P.L. , c. (C. ) (pending before  
45 the Legislature as this bill).

46 d. A private career school shall ensure that the Internet site for  
47 submitting an online application to the institution contains a link to  
48 the institution's student consumer information report.

1 e. A private career school shall require a student applying for  
2 admission to the school to sign and submit a statement  
3 acknowledging that he has reviewed the school's student consumer  
4 information report.】<sup>1</sup>

5  
6 <sup>1</sup>【5. (New section) a. The Attorney General shall issue  
7 guidelines and criteria for collecting and calculating the information  
8 required pursuant to section 4 of P.L. , c. (C. ) (pending  
9 before the Legislature as this bill) and shall prescribe a uniform  
10 reporting method for posting the information.

11 b. The Attorney General shall annually compile the student  
12 consumer information reports submitted pursuant to subsection b. of  
13 section 4 of P.L. , c. (C. ) (pending before the Legislature as  
14 this bill) into a comparative profile of all private career schools  
15 authorized to offer educational programs required for licensure,  
16 registration, or certification in professions or occupations regulated  
17 by a professional or occupational board established in the Division  
18 of Consumer Affairs. The Attorney General shall present the  
19 information on its website in a manner that allows students to easily  
20 compare student consumer information across private career  
21 schools.】<sup>1</sup>

22  
23 <sup>1</sup>【6. (New section) Within 12 months of the effective date of  
24 P.L. , c. (C. ) (pending before the Legislature as this bill), the  
25 Attorney General shall establish a performance quality standard for  
26 private career schools authorized to offer an educational program  
27 required for licensure, registration, or certification in a profession  
28 or occupation regulated by a professional or occupational board  
29 established in the Division of Consumer Affairs. The performance  
30 quality standard shall be based on the ratio of the earnings of  
31 students in private career schools to the tuition and fees charged to  
32 those students net of any school grant aid. The Attorney General  
33 shall ensure that private career schools meet a minimum acceptable  
34 level of performance for this standard, up to and including  
35 revocation of a school's authorization to offer educational programs  
36 regulated by a professional or occupational board in the Division of  
37 Consumer Affairs.

38 The Attorney General, in consultation with the Secretary of  
39 Higher Education and the Commissioner of Labor and Workforce  
40 Development, shall adopt, in accordance with the "Administrative  
41 Procedure Act," P.L. 1968, c.410 (C.52:14B-1 et seq.), rules and  
42 regulations as may be necessary to implement the provisions of this  
43 section.】<sup>1</sup>

44  
45 <sup>1</sup>【7. (New section) a. A private career school authorized by the  
46 Department of Labor and Workforce Development to offer one or  
47 more occupational training programs shall provide for public



1 inspection on its website comprehensive information on the cost of  
2 attendance, the graduation or completion rates of students, and the  
3 faculty of the school, and shall also provide for public inspection on  
4 its website employment data for recent graduates of the school. The  
5 purpose of the information shall be to maximize the awareness of  
6 students of the costs associated with enrollment in the school, the  
7 success in ensuring the graduation and employment of its students,  
8 and the composition of the teaching faculty that a student will  
9 encounter in his coursework. The school shall post, and annually  
10 update, a student consumer information report on its website that  
11 includes, if applicable:

- 12 (1) overall graduation or completion rates;
- 13 (2) graduation or completion rates by demographic group;
- 14 (3) the student transfer rate;
- 15 (4) an overview of the schools to which former students have  
16 transferred prior to the completion of a program;
- 17 (5) the amount of any school charges, including tuition and fees;
- 18 (6) a description of the types of financial assistance offered  
19 directly by the school to students;
- 20 (7) the total projected cost for an incoming student to complete  
21 a program;
- 22 (8) average student loan indebtedness of graduates;
- 23 (9) average student loan indebtedness of a student who  
24 withdraws from the school prior to the completion of an  
25 occupational program;
- 26 (10) an overview of the school's faculty, including the  
27 percentage of faculty employed on a full-time basis and the  
28 percentage of faculty employed on a part-time basis; and
- 29 (11) employment data beginning with data compiled for  
30 students who graduate from the school during the 2021-2022  
31 academic year. The employment data shall include, but need not be  
32 limited to, the employment rate and average annual salary of  
33 students two years following the academic year in which the  
34 students graduated from the school, as compiled in the comparative  
35 report and provided by the Commissioner of Labor and Workforce  
36 Development pursuant to section 10 of P.L. , c. (C. )  
37 (pending before the Legislature as this bill).

38 The school shall provide with all paper applications for  
39 admission to the school a hard copy of the information prepared  
40 pursuant to this subsection.

41 b. The private career school shall conform to the guidelines,  
42 criteria, and format prescribed by the commissioner in reporting the  
43 information required pursuant to this section. The school shall  
44 submit its student consumer information report to the commissioner  
45 for inclusion in a comparative profile of the student consumer  
46 information reports of all such schools.

47 c. A private career school shall ensure that the page of its  
48 Internet site which includes its student consumer information report

1 contains a link to the page of the department's Internet site that  
2 includes the comparative profile required pursuant to subsection b.  
3 of section 8 of P.L. , c. (C. ) (pending before the Legislature  
4 as this bill).

5 d. A private career school shall ensure that the Internet site for  
6 submitting an online application to the school contains a link to the  
7 school's student consumer information report.

8 e. A private career school shall require a student applying for  
9 admission to sign and submit a statement acknowledging that he has  
10 reviewed the school's student consumer information report. **1**

11

12 **1**[8. (New section) a. The Commissioner of Labor and  
13 Workforce Development shall issue guidelines and criteria for  
14 collecting and calculating the information required pursuant to  
15 section 7 of P.L. , c. (C. ) (pending before the Legislature as  
16 this bill) and shall prescribe a uniform reporting method for posting  
17 the information.

18 b. The commissioner shall annually compile the student  
19 consumer information reports submitted pursuant to subsection b. of  
20 section 7 of P.L. , c. (C. ) (pending before the Legislature as  
21 this bill) into a comparative profile of all private career schools  
22 authorized to offer one or more occupational training programs. The  
23 commissioner shall present the information on its website in a  
24 manner that allows students to easily compare student consumer  
25 information across private career schools regulated by the  
26 department. **1**

27

28 **1**[9. (New section) Within 12 months of the effective date of  
29 P.L. , c. (C. ) (pending before the Legislature as this bill), the  
30 Commissioner of Labor and Workforce Development shall establish  
31 standards for private career schools authorized by the department to  
32 offer one or more occupational training programs. The standards  
33 shall be based on the ratio of the earnings of students in private  
34 career schools to the tuition and fees charged to those students net  
35 of any school grant aid. The commissioner shall ensure that private  
36 career schools meet a minimum acceptable level of performance for  
37 the standard, up to and including revocation of a school's certificate  
38 of approval.

39 The commissioner, in consultation with the Secretary of Higher  
40 Education and the Attorney General, shall adopt, in accordance with  
41 the "Administrative Procedure Act," P.L. 1968, c.410 (C.52:14B-  
42 1 et seq.), rules and regulations as may be necessary to implement  
43 the provisions of this section. **1**

44

45 **1**[10. (New section) a. As used in this section, "career-oriented  
46 program of study" means a program that delivers occupation-  
47 specific skills and knowledge of all aspects of an industry, provides

1 technical skill proficiency, and culminates in the attainment of an  
2 industry-recognized postsecondary credential.

3 b. No later than the beginning of the 2021-2022 academic year,  
4 the Secretary of Higher Education, the Department of Labor and  
5 Workforce Development, and the Division of Consumer Affairs  
6 shall enter into a memorandum of understanding to develop a data  
7 system that will collect the employment data for students who  
8 graduate or withdraw prior to the completion of a degree program  
9 from an institution of higher education or from a proprietary  
10 institution authorized to offer licensed degree programs in the State,  
11 or from a private career school, to produce an employment  
12 comparative report for all institutions and schools.

13 The Department of Labor and Workforce Development shall also  
14 initiate efforts to enter into an agreement with other states for the  
15 sharing of unemployment insurance information for the purposes of  
16 P.L. , c. (C. ) (pending before the Legislature as this bill).

17 c. An institution of higher education, a proprietary institution  
18 authorized to offer licensed degree programs, and a private career  
19 school shall submit to the department, as applicable, for each  
20 student who graduates or withdraws from the institution or school  
21 in an academic year or school year:

- 22 (1) the student's social security number;
- 23 (2) the student's degree program or professional and  
24 occupational program;
- 25 (3) the student's graduation date or date of withdrawal and  
26 portion of the program completed at withdrawal from the institution  
27 or school;
- 28 (4) information on the student's loan debt obtained from the  
29 federal student loan program and any loans the institution or school  
30 has certified, arranged, or is otherwise aware of, or of which it  
31 should reasonably be aware; and
- 32 (5) institutional or school charges for which the student is  
33 responsible net of any institutional or school grant aid.

34 An institution of higher education, a proprietary institution  
35 authorized to offer licensed degree programs, and a private career  
36 school shall also submit to the department the clear identification of  
37 the institution's or school's career-oriented programs of study.

38 The department shall adopt standards and procedures to prevent  
39 any State agency from publishing, disclosing, or releasing  
40 information which could identify any individual and shall not  
41 publish, disclose, or otherwise release information which could  
42 identify any individual.

43 d. The department shall submit the employment information  
44 compiled pursuant to this section to the Secretary of Higher  
45 Education, the Attorney General, and the Commissioner of Labor  
46 and Workforce Development. The secretary, Attorney General, and  
47 commissioner, respectively, shall use the information to compile an  
48 employment comparative report for each institution of higher

1 education, degree-granting proprietary institution, and private  
2 career school which shall include, as applicable:

3 (1) the employment rate and average annual salary of students  
4 by academic major, in the case of an academic degree program, or  
5 program in the case of private career schools, two years following  
6 graduation from the institution or school;

7 (2) the employment rate and average annual salary of students  
8 two years following the academic year in which the students  
9 graduated from the institution or school; and

10 (3) the employment rate and average annual salary of students  
11 two years following withdrawal from the institution or school prior  
12 to the completion of a degree program or school program.

13 The secretary, Attorney General, and commissioner shall  
14 distribute the employment comparative report to each institution of  
15 higher education, proprietary institution authorized to offer licensed  
16 degree programs, and private career school for inclusion on the  
17 institution's or school's website and inclusion in the student  
18 consumer information report prepared by the institution or school. <sup>1</sup>

19

20 <sup>1</sup>11. (New section) Three years following the effective date of  
21 P.L. , c. (C. ) (pending before the Legislature as this bill),  
22 the Secretary of Higher Education, Attorney General, and  
23 Commissioner of Labor and Workforce Development shall submit a  
24 report to the Governor and, pursuant to section 2 of P.L.1991, c.164  
25 (C.52:14-19.1), the Legislature. The report shall include  
26 recommendations on the ability to use the data collected pursuant to  
27 subsection c. of section 10 of P.L. , c. (C. ) (pending before  
28 the Legislature as this bill) to establish a Statewide gainful  
29 employment requirement that requires an institution or school to  
30 demonstrate that its graduates earn enough to adequately repay their  
31 student loans by meeting a certain debt-to-income ratio, and any  
32 other recommendations for establishing a gainful employment  
33 requirement. <sup>1</sup>

34

35 <sup>1</sup>1. (New section) a. As used in this section, "career-oriented  
36 program of study" means a program that provides occupation-specific  
37 knowledge and technical skill proficiency that culminates in the  
38 attainment of a license for a specific occupation or is represented by  
39 the institution as preparing students for employment in a specific  
40 occupation. "Career-oriented program of study" shall not include a  
41 program dedicated primarily to the education or training of ministers,  
42 priests, rabbis or other professional persons in the field of religion.

43 b. Within 12 months of the effective date of P.L. , c. (C. )  
44 (pending before the Legislature as this bill), the Secretary of Higher  
45 Education shall establish a performance quality standard for career-  
46 oriented programs of study offered by institutions of higher education  
47 and degree-granting proprietary institutions. In establishing the  
48 standard, the secretary shall consider the ratio of the tuition and fees

1 charged to students in the career-oriented program net of any  
2 institutional grant aid to the average earnings of New Jersey workers  
3 employed in the specific occupation for which the career-oriented  
4 program prepares students.

5 c. The secretary shall ensure that career-oriented programs of  
6 study offered by institutions of higher education and degree-granting  
7 proprietary institutions meet a minimum acceptable level of  
8 performance, as determined by the secretary. In the event that the  
9 secretary determines that a program does not meet the minimum  
10 acceptable level of performance, the secretary shall suspend or  
11 terminate that program and take additional action to suspend or revoke  
12 the institution's license to award academic degrees.

13 d. An institution of higher education or degree-granting  
14 proprietary institution shall submit to the secretary the clear  
15 identification of the institution's career-oriented programs of study in a  
16 form and in a manner as determined by the secretary.

17 e. The secretary shall adopt, in accordance with the  
18 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.),  
19 rules and regulations as may be necessary to implement the provisions  
20 of this section.<sup>1</sup>

21  
22 <sup>1</sup>2. (New section) a. Within 12 months of the effective date of  
23 P.L. , c. (C. ) (pending before the Legislature as this bill), the  
24 Commissioner of Labor and Workforce Development shall establish  
25 performance quality standards for:

26 (1) private career schools, referred to and defined as "qualifying  
27 schools" under section 4 of P.L.1989, c.293 (C.34:15C-1), authorized  
28 jointly under section 13 of P.L.2005, c.354 (C.34:15C-10.1) by the  
29 Commissioner of Labor and Workforce Development and the  
30 Commissioner of Education to operate in New Jersey; and

31 (2) private career schools authorized by a professional or  
32 occupational board established within the Division of Consumer  
33 Affairs, in the Department of Law and Public Safety, to offer an  
34 educational program required for licensure, registration, or  
35 certification in a profession or occupation regulated by a professional  
36 or occupational board established within the division.

37 b. In establishing the performance quality standards, the  
38 Commissioner of Labor and Workforce Development shall consider  
39 the ratio of the tuition and fees charged to students in the program net  
40 of any institutional grant aid to the average earnings of New Jersey  
41 workers employed in the specific occupation for which the program  
42 prepares students.

43 (1) In the event that the Commissioner of Labor and Workforce  
44 Development determines that a program offered by a private career  
45 school does not meet the minimum acceptable level of performance,  
46 the Commissioner of Labor and Workforce Development and the  
47 Commissioner of Education shall, pursuant to section 13 of P.L.2005,

1 c.354 (C.34:15C-10.1), revoke, suspend or make conditional the  
2 certificate of approval issued under that law.

3 (2) In the event that the Commissioner of Labor and Workforce  
4 Development determines that an educational program required for  
5 licensure, registration, or certification in a profession or occupation  
6 regulated by a professional or occupational board established within  
7 the Division of Consumer Affairs does not meet the minimum  
8 acceptable level of performance, the Commissioner of Labor and  
9 Workforce Development shall issue a written determination directing  
10 the applicable board within the Division of Consumer Affairs to  
11 suspend or revoke the private career school's license or accreditation  
12 to offer such program.

13 c. All private career schools, including those operating with a  
14 certificate of approval issued jointly by the Commissioner of Labor  
15 and Workforce Development and the Commissioner of Education, and  
16 those authorized by a professional or occupational board established  
17 within the Division of Consumer Affairs to offer an educational  
18 program required for licensure, registration, or certification in a  
19 profession or occupation regulated by a professional or occupational  
20 board established within the Division of Consumer Affairs, shall  
21 submit a quarterly report to the Commissioner of Labor and Workforce  
22 Development that includes:

23 (1) the tuition and fees charged for each program;

24 (2) a record for each student enrolled in each program. The student  
25 record shall include, but not be limited to: the student's social security  
26 number, gender, date of birth, date of enrollment, any date of  
27 completion, date of termination, date of start in a job, date of  
28 application for a license, licensing examination result, date of issuance  
29 of a license, and any credential issued; and

30 (3) any additional information that may be required by the  
31 Commissioner of Labor and Workforce Development.

32 d. Each private career school may be required by the  
33 Commissioner of Labor and Workforce Development to submit  
34 additional reports on a more frequent basis.

35 (1) In the event that the Commissioner of Labor and Workforce  
36 Development determines that a program offered by a private career  
37 school has failed to submit any report required under this section, the  
38 Commissioner of Labor and Workforce Development and the  
39 Commissioner of Education shall, pursuant to section 13 of P.L.2005,  
40 c.354 (C.34:15C-10.1), revoke, suspend or make conditional the  
41 certificate of approval issued under that law.

42 (2) In the event that the Commissioner of Labor and Workforce  
43 Development determines that an educational program required for  
44 licensure, registration, or certification in a profession or occupation  
45 regulated by a professional or occupational board established within  
46 the Division of Consumer Affairs has failed to submit any report  
47 required under this section, the Commissioner of Labor and Workforce  
48 Development shall issue a written determination directing the

1 applicable board within the division to suspend or revoke the private  
2 career school's license or accreditation to offer such program.

3 e. Upon receiving the written determination from the  
4 Commissioner of Labor and Workforce Development directing the  
5 suspension or revocation of the private career school's license or  
6 accreditation to offer a program, the applicable board within the  
7 Division of Consumer Affairs may delay the effective date of the  
8 suspension or revocation for a reasonable time if it determines that  
9 doing so is necessary for the applicable board, or the affected private  
10 career school at the direction of the applicable board, to protect the  
11 interests of students.

12 f. Nothing in this section shall be construed to affect the authority  
13 of a professional or occupational board established within the Division  
14 of Consumer Affairs to suspend or revoke the license or accreditation  
15 of a private career school pursuant to Title 45 of the Revised Statutes.

16 g. The Commissioner of Labor and Workforce Development, in  
17 consultation with the Commissioner of Education and the Attorney  
18 General, shall adopt, in accordance with the "Administrative  
19 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and  
20 regulations as may be necessary to implement the provisions of this  
21 section.<sup>1</sup>

22

23 <sup>1</sup>**[12.]** 3.<sup>1</sup> This act shall take effect immediately.

24

25

26

27

28 Requires Secretary of Higher Education and DOLWD to  
29 establish performance quality standards for career-oriented  
30 programs of study offered by institutions of higher education,  
31 degree-granting proprietary institutions, and private career schools.

**ASSEMBLY, No. 1695**

---

**STATE OF NEW JERSEY**

**220th LEGISLATURE**

---

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

**Sponsored by:**

**Assemblywoman MILA M. JASEY**

**District 27 (Essex and Morris)**

**Assemblywoman ANNETTE QUIJANO**

**District 20 (Union)**

**Assemblywoman BRITNEE N. TIMBERLAKE**

**District 34 (Essex and Passaic)**

**SYNOPSIS**

Requires institutions of higher education and private career schools to provide on website employment data of graduates; requires DOLWD to compile certain employment information.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 2/14/2022)**



A1695 JASEY, QUIJANO

2

1 AN ACT concerning information provided by institutions of higher  
2 education and private career schools, amending P.L.2009, c.197,  
3 and supplementing P.L.1989, c.293 (C.34:15C-1 et seq.), and  
4 Title 45 of the Revised Statutes.

5

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

8

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

11 2. a. **[A four-year public]** An institution of higher education  
12 and a proprietary institution which has been authorized to offer  
13 licensed degree programs shall provide for public inspection on its  
14 website comprehensive information on the cost of attendance, the  
15 graduation rates of admitted students, and the faculty of the  
16 institution, and shall also provide for public inspection on its  
17 website employment data for recent graduates of the institution.

18 The purpose of the information shall be to maximize the awareness  
19 of students and their families of the costs associated with  
20 enrollment in the institution, the institution's success in ensuring the  
21 graduation and employment of its students, and the composition of  
22 the teaching faculty that a student will encounter in his coursework.  
23 The institution shall post, and annually update, a student consumer  
24 information report on its website that includes, if applicable:

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

27 (2) two-year and three-year graduation rates by demographic  
28 group, and four-year and six-year graduation rates by demographic  
29 group, as applicable;

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

32 (4) two-year and three-year graduation rates for student-athletes,  
33 and four-year and six-year graduation rates for student-athletes, as  
34 applicable;

35 (5) the student transfer rate, including the rate of students who  
36 graduate from a county college and subsequently enroll in a four-  
37 year institution of higher education;

38 (6) an overview of the institutions to which former students of  
39 that [college or university] institution have transferred prior to the  
40 completion of a degree;

41 (7) the cost for the current academic year of attending the  
42 institution including tuition, student fees, room and board, and  
43 books and materials;

**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 (8) a description of the types of financial assistance offered  
2 directly by the institution to both student-athletes and to students  
3 who do not participate in athletic programs at the institution;
- 4 (9) the percent of student-athletes who receive financial  
5 assistance directly from the institution and the average value of the  
6 assistance and the percent of students who do not participate in  
7 athletic programs at the institution who receive financial assistance  
8 directly from the institution and the average value of the assistance;
- 9 (10) the total projected cost for an incoming freshman to live on  
10 campus and complete a degree in four years and the total projected  
11 cost for an incoming freshman to commute to school and complete a  
12 degree in four years;
- 13 (11) the total projected cost for an incoming freshman to live on  
14 campus and complete a degree in six years and the total projected  
15 cost for an incoming freshman to commute to school and complete a  
16 degree in six years;
- 17 (12) average student loan indebtedness of four-year graduates  
18 for both students who live on campus and students who commute, and  
19 average student loan indebtedness of two-year graduates;
- 20 (13) average student loan indebtedness of six-year graduates for  
21 both students who live on campus and students who commute, and  
22 average student loan indebtedness of three-year graduates;
- 23 (14) average student loan indebtedness of a student who  
24 withdraws from the institution prior to the completion of a degree  
25 program for both students who live on campus and students who  
26 commute;
- 27 (15) an overview of the institution's faculty, including the  
28 percentage of faculty employed as a tenured professor, the  
29 percentage of faculty employed as a full-time non-tenured  
30 professor, and the percentage of faculty employed as an adjunct or  
31 visiting professor;
- 32 (16) the percentage of courses taught by each of the different  
33 categories of faculty; **【and】**
- 34 (17) an indicator of each academic department's capacity to  
35 serve the students majoring within that department's programs, as  
36 determined by the **【Commission on】** Secretary of Higher  
37 Education; and
- 38 (18) employment data beginning with data compiled for  
39 students who graduate from the institution during the 2021-2022  
40 academic year. The employment data shall include, but need not be  
41 limited to, the employment rate and average annual salary of  
42 students by academic major two years following the academic year  
43 in which the students graduated from the institution, and the number  
44 and percentage of students who are employed two years following  
45 the academic year in which the students graduated from the  
46 institution, as compiled in the comparative report and provided by  
47 the Secretary of Higher Education pursuant to section 10 of P.L. ,  
48 c. (C. ) (pending before the Legislature as this bill).

1 The institution shall provide with all paper applications for  
2 admission to the institution a hard copy of the information prepared  
3 pursuant to this section.

4 b. **【A four-year public】** An institution of higher education and  
5 a proprietary institution authorized to offer licensed degree  
6 programs shall conform to the guidelines, criteria, and format  
7 prescribed by the **【Commission on】** Secretary of Higher Education  
8 in reporting the information required pursuant to this section.

9 c. **【A four-year public】** An institution of higher education and  
10 a proprietary institution authorized to offer licensed degree  
11 programs shall submit its student consumer information report to  
12 the **【Commission on】** Secretary of Higher Education for inclusion  
13 in a comparative profile of the student consumer information  
14 reports of all **【four-year public】** institutions of higher education.

15 d. **【A four-year public】** An institution of higher education and  
16 a proprietary institution authorized to offer licensed degree  
17 programs shall ensure that the page of its Internet site which  
18 includes its student consumer information report contains a link to  
19 the page of the **【Commission on】** Secretary of Higher Education's  
20 Internet site that includes the comparative profile required pursuant  
21 to subsection b. of section 3 of this act.

22 e. **【A four-year public】** An institution of higher education and  
23 a proprietary institution authorized to offer licensed degree  
24 programs shall ensure that the Internet site for submitting an online  
25 application to the institution contains a link to the institution's  
26 student consumer information report.

27 f. **【A four-year public】** An institution of higher education and  
28 a proprietary institution authorized to offer licensed degree  
29 programs shall require the parent or guardian of a student applying  
30 for admission into the institution, or the student if he is an  
31 independent adult, to sign and submit a statement acknowledging  
32 that he has reviewed the institution's student consumer information  
33 report.

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

35  
36 2. Section 3 of P.L.2009, c.197 (C.18A:3B-45) is amended to  
37 read as follows:

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

42 b. The **【Commission on】** Secretary of Higher Education shall  
43 annually compile the student consumer information reports  
44 submitted pursuant to subsection c. of section 2 of this act into a  
45 comparative profile of all **【four-year public】** institutions of higher  
46 education and proprietary institutions authorized to offer licensed  
47 degree programs. The **【commission】** secretary shall present the

1 information on its website in a manner that allows **[college]**  
2 students and their families to easily compare student consumer  
3 information across public institutions, across independent  
4 institutions, and across proprietary institutions authorized to offer  
5 licensed degree programs.

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

7

8 3. (New section) Within 12 months of the effective date of  
9 P.L. , c. (C. ) (pending before the Legislature as this bill),  
10 the Secretary of Higher Education shall establish a performance  
11 quality standard for programs of study offered by institutions of  
12 higher education and proprietary institutions authorized to offer  
13 licensed degree programs. The standard shall be based on the ratio  
14 of the earnings of students in the programs to the tuition and fees  
15 charged to those students net of any institutional grant aid. The  
16 secretary shall ensure that the programs of study meet a minimum  
17 acceptable level of performance for the standard, up to and  
18 including revocation of an institution's license to award academic  
19 degrees.

20 The secretary, in consultation with the Attorney General and the  
21 Commissioner of Labor and Workforce Development, shall adopt,  
22 in accordance with the "Administrative Procedure Act," P.L. 1968,  
23 c.410 (C.52:14B-1 et seq.), rules and regulations as may be  
24 necessary to implement the provisions of this section.

25

26 4. (New section) a. A private career school authorized to offer  
27 an educational program required for licensure, registration or  
28 certification in a profession or occupation regulated by a  
29 professional or occupational board established in the Division of  
30 Consumer Affairs shall provide for public inspection on its website  
31 comprehensive information on the cost of attendance, the  
32 graduation or completion rates of admitted students, and the faculty  
33 of the school, and shall also provide for public inspection on its  
34 website employment data for recent graduates. The purpose of the  
35 information shall be to maximize the awareness of students of the  
36 costs associated with enrollment in the school, the success in  
37 ensuring the graduation and employment of its students, and the  
38 composition of the teaching faculty that a student will encounter in  
39 his coursework. The school shall post, and annually update, a  
40 student consumer information report on its website that includes, if  
41 applicable:

42 (1) overall graduation or completion rates;

43 (2) graduation or completion rates by demographic group;

44 (3) the student transfer rate;

45 (4) an overview of the schools to which former students have  
46 transferred prior to the completion of an educational program;

47 (5) the amount of any school charges, including tuition and fees;

1 (6) a description of the types of financial assistance offered  
2 directly by the school to students;

3 (7) the total projected cost for an incoming student to complete  
4 the educational program;

5 (8) average student loan indebtedness of graduates;

6 (9) average student loan indebtedness of a student who  
7 withdraws from the school prior to the completion of the  
8 educational program;

9 (10) an overview of the school's faculty, including the  
10 percentage of faculty employed on a full-time basis and the  
11 percentage of faculty employed on a part-time basis; and

12 (11) employment data beginning with data compiled for  
13 students who graduate from the school during the 2021-2022  
14 academic year. The employment data shall include, but need not be  
15 limited to, the employment rate and average annual salary of  
16 students two years following the academic year in which the  
17 students graduated from the school, as compiled in the comparative  
18 report and provided by the Attorney General pursuant to section 10  
19 of P.L. , c. (C. ) (pending before the Legislature as this  
20 bill).

21 The school shall provide with all paper applications for  
22 admission a hard copy of the information prepared pursuant to this  
23 subsection.

24 b. A private career school shall conform to the guidelines,  
25 criteria, and format prescribed by the Attorney General in reporting  
26 the information required pursuant to subsection a. of this section.  
27 The institution shall submit its student consumer information report  
28 to the Attorney General for inclusion in a comparative profile of the  
29 student consumer information reports of all such schools.

30 c. A private career school shall ensure that the page of its  
31 Internet site which includes its student consumer information report  
32 contains a link to the page of the Attorney General's Internet site  
33 that includes the comparative profile required pursuant to  
34 subsection b. of section 5 of P.L. , c. (C. ) (pending before  
35 the Legislature as this bill).

36 d. A private career school shall ensure that the Internet site for  
37 submitting an online application to the institution contains a link to  
38 the institution's student consumer information report.

39 e. A private career school shall require a student applying for  
40 admission to the school to sign and submit a statement  
41 acknowledging that he has reviewed the school's student consumer  
42 information report.

43  
44 5. (New section) a. The Attorney General shall issue  
45 guidelines and criteria for collecting and calculating the information  
46 required pursuant to section 4 of P.L. , c. (C. ) (pending  
47 before the Legislature as this bill) and shall prescribe a uniform  
48 reporting method for posting the information.

1        b. The Attorney General shall annually compile the student  
2 consumer information reports submitted pursuant to subsection b. of  
3 section 4 of P.L. , c. (C. ) (pending before the Legislature as  
4 this bill) into a comparative profile of all private career schools  
5 authorized to offer educational programs required for licensure,  
6 registration, or certification in professions or occupations regulated  
7 by a professional or occupational board established in the Division  
8 of Consumer Affairs. The Attorney General shall present the  
9 information on its website in a manner that allows students to easily  
10 compare student consumer information across private career  
11 schools.

12  
13        6. (New section) Within 12 months of the effective date of  
14 P.L. , c. (C. ) (pending before the Legislature as this bill), the  
15 Attorney General shall establish a performance quality standard for  
16 private career schools authorized to offer an educational program  
17 required for licensure, registration, or certification in a profession  
18 or occupation regulated by a professional or occupational board  
19 established in the Division of Consumer Affairs. The performance  
20 quality standard shall be based on the ratio of the earnings of  
21 students in private career schools to the tuition and fees charged to  
22 those students net of any school grant aid. The Attorney General  
23 shall ensure that private career schools meet a minimum acceptable  
24 level of performance for this standard, up to and including  
25 revocation of a school's authorization to offer educational programs  
26 regulated by a professional or occupational board in the Division of  
27 Consumer Affairs.

28        The Attorney General, in consultation with the Secretary of  
29 Higher Education and the Commissioner of Labor and Workforce  
30 Development, shall adopt, in accordance with the "Administrative  
31 Procedure Act," P.L. 1968, c.410 (C.52:14B-1 et seq.), rules and  
32 regulations as may be necessary to implement the provisions of this  
33 section.

34  
35        7. (New section) a. A private career school authorized by the  
36 Department of Labor and Workforce Development to offer one or  
37 more occupational training programs shall provide for public  
38 inspection on its website comprehensive information on the cost of  
39 attendance, the graduation or completion rates of students, and the  
40 faculty of the school, and shall also provide for public inspection on  
41 its website employment data for recent graduates of the school. The  
42 purpose of the information shall be to maximize the awareness of  
43 students of the costs associated with enrollment in the school, the  
44 success in ensuring the graduation and employment of its students,  
45 and the composition of the teaching faculty that a student will  
46 encounter in his coursework. The school shall post, and annually  
47 update, a student consumer information report on its website that  
48 includes, if applicable:

- 1 (1) overall graduation or completion rates;
- 2 (2) graduation or completion rates by demographic group;
- 3 (3) the student transfer rate;
- 4 (4) an overview of the schools to which former students have
- 5 transferred prior to the completion of a program;
- 6 (5) the amount of any school charges, including tuition and fees;
- 7 (6) a description of the types of financial assistance offered
- 8 directly by the school to students;
- 9 (7) the total projected cost for an incoming student to complete
- 10 a program;
- 11 (8) average student loan indebtedness of graduates;
- 12 (9) average student loan indebtedness of a student who
- 13 withdraws from the school prior to the completion of an
- 14 occupational program;
- 15 (10) an overview of the school's faculty, including the
- 16 percentage of faculty employed on a full-time basis and the
- 17 percentage of faculty employed on a part-time basis; and
- 18 (11) employment data beginning with data compiled for
- 19 students who graduate from the school during the 2021-2022
- 20 academic year. The employment data shall include, but need not be
- 21 limited to, the employment rate and average annual salary of
- 22 students two years following the academic year in which the
- 23 students graduated from the school, as compiled in the comparative
- 24 report and provided by the Commissioner of Labor and Workforce
- 25 Development pursuant to section 10 of P.L. , c. (C. )
- 26 (pending before the Legislature as this bill).
- 27 The school shall provide with all paper applications for
- 28 admission to the school a hard copy of the information prepared
- 29 pursuant to this subsection.
- 30 b. The private career school shall conform to the guidelines,
- 31 criteria, and format prescribed by the commissioner in reporting the
- 32 information required pursuant to this section. The school shall
- 33 submit its student consumer information report to the commissioner
- 34 for inclusion in a comparative profile of the student consumer
- 35 information reports of all such schools.
- 36 c. A private career school shall ensure that the page of its
- 37 Internet site which includes its student consumer information report
- 38 contains a link to the page of the department's Internet site that
- 39 includes the comparative profile required pursuant to subsection b.
- 40 of section 8 of P.L. , c. (C. ) (pending before the Legislature
- 41 as this bill).
- 42 d. A private career school shall ensure that the Internet site for
- 43 submitting an online application to the school contains a link to the
- 44 school's student consumer information report.
- 45 e. A private career school shall require a student applying for
- 46 admission to sign and submit a statement acknowledging that he has
- 47 reviewed the school's student consumer information report.

1 8. (New section) a. The Commissioner of Labor and  
2 Workforce Development shall issue guidelines and criteria for  
3 collecting and calculating the information required pursuant to  
4 section 7 of P.L. , c. (C. ) (pending before the Legislature as  
5 this bill) and shall prescribe a uniform reporting method for posting  
6 the information.

7 b. The commissioner shall annually compile the student  
8 consumer information reports submitted pursuant to subsection b. of  
9 section 7 of P.L. , c. (C. ) (pending before the Legislature as  
10 this bill) into a comparative profile of all private career schools  
11 authorized to offer one or more occupational training programs. The  
12 commissioner shall present the information on its website in a  
13 manner that allows students to easily compare student consumer  
14 information across private career schools regulated by the  
15 department.

16

17 9. (New section) Within 12 months of the effective date of  
18 P.L. , c. (C. ) (pending before the Legislature as this bill), the  
19 Commissioner of Labor and Workforce Development shall establish  
20 standards for private career schools authorized by the department to  
21 offer one or more occupational training programs. The standards  
22 shall be based on the ratio of the earnings of students in private  
23 career schools to the tuition and fees charged to those students net  
24 of any school grant aid. The commissioner shall ensure that private  
25 career schools meet a minimum acceptable level of performance for  
26 the standard, up to and including revocation of a school's certificate  
27 of approval.

28 The commissioner, in consultation with the Secretary of Higher  
29 Education and the Attorney General, shall adopt, in accordance with  
30 the "Administrative Procedure Act," P.L. 1968, c.410 (C.52:14B-  
31 1 et seq.), rules and regulations as may be necessary to implement  
32 the provisions of this section.

33

34 10. (New section) a. As used in this section, "career-oriented  
35 program of study" means a program that delivers occupation-  
36 specific skills and knowledge of all aspects of an industry, provides  
37 technical skill proficiency, and culminates in the attainment of an  
38 industry-recognized postsecondary credential.

39 b. No later than the beginning of the 2021-2022 academic year,  
40 the Secretary of Higher Education, the Department of Labor and  
41 Workforce Development, and the Division of Consumer Affairs  
42 shall enter into a memorandum of understanding to develop a data  
43 system that will collect the employment data for students who  
44 graduate or withdraw prior to the completion of a degree program  
45 from an institution of higher education or from a proprietary  
46 institution authorized to offer licensed degree programs in the State,  
47 or from a private career school, to produce an employment  
48 comparative report for all institutions and schools.



1 The Department of Labor and Workforce Development shall also  
2 initiate efforts to enter into an agreement with other states for the  
3 sharing of unemployment insurance information for the purposes of  
4 P.L. , c. (C. ) (pending before the Legislature as this bill).

5 c. An institution of higher education, a proprietary institution  
6 authorized to offer licensed degree programs, and a private career  
7 school shall submit to the department, as applicable, for each  
8 student who graduates or withdraws from the institution or school  
9 in an academic year or school year:

10 (1) the student's social security number;

11 (2) the student's degree program or professional and  
12 occupational program;

13 (3) the student's graduation date or date of withdrawal and  
14 portion of the program completed at withdrawal from the institution  
15 or school;

16 (4) information on the student's loan debt obtained from the  
17 federal student loan program and any loans the institution or school  
18 has certified, arranged, or is otherwise aware of, or of which it  
19 should reasonably be aware; and

20 (5) institutional or school charges for which the student is  
21 responsible net of any institutional or school grant aid.

22 An institution of higher education, a proprietary institution  
23 authorized to offer licensed degree programs, and a private career  
24 school shall also submit to the department the clear identification of  
25 the institution's or school's career-oriented programs of study.

26 The department shall adopt standards and procedures to prevent  
27 any State agency from publishing, disclosing, or releasing  
28 information which could identify any individual and shall not  
29 publish, disclose, or otherwise release information which could  
30 identify any individual.

31 d. The department shall submit the employment information  
32 compiled pursuant to this section to the Secretary of Higher  
33 Education, the Attorney General, and the Commissioner of Labor  
34 and Workforce Development. The secretary, Attorney General, and  
35 commissioner, respectively, shall use the information to compile an  
36 employment comparative report for each institution of higher  
37 education, degree-granting proprietary institution, and private  
38 career school which shall include, as applicable:

39 (1) the employment rate and average annual salary of students  
40 by academic major, in the case of an academic degree program, or  
41 program in the case of private career schools, two years following  
42 graduation from the institution or school;

43 (2) the employment rate and average annual salary of students  
44 two years following the academic year in which the students  
45 graduated from the institution or school; and

46 (3) the employment rate and average annual salary of students  
47 two years following withdrawal from the institution or school prior  
48 to the completion of a degree program or school program.

1 The secretary, Attorney General, and commissioner shall  
2 distribute the employment comparative report to each institution of  
3 higher education, proprietary institution authorized to offer licensed  
4 degree programs, and private career school for inclusion on the  
5 institution's or school's website and inclusion in the student  
6 consumer information report prepared by the institution or school.

7  
8 11. (New section) Three years following the effective date of  
9 P.L. , c. (C. ) (pending before the Legislature as this bill),  
10 the Secretary of Higher Education, Attorney General, and  
11 Commissioner of Labor and Workforce Development shall submit a  
12 report to the Governor and, pursuant to section 2 of P.L.1991, c.164  
13 (C.52:14-19.1), the Legislature. The report shall include  
14 recommendations on the ability to use the data collected pursuant to  
15 subsection c. of section 10 of P.L. , c. (C. ) (pending before  
16 the Legislature as this bill) to establish a Statewide gainful  
17 employment requirement that requires an institution or school to  
18 demonstrate that its graduates earn enough to adequately repay their  
19 student loans by meeting a certain debt-to-income ratio, and any  
20 other recommendations for establishing a gainful employment  
21 requirement.

22  
23 12. This act shall take effect immediately.

24  
25  
26 STATEMENT

27  
28 This bill provides that all institutions of higher education,  
29 including independent institutions of higher education, and  
30 proprietary institutions authorized to offer licensed degree programs  
31 will be subject to the provisions of the "New Jersey College Student  
32 and Parent Consumer Information Act," P.L.2009, c.197  
33 (C.18A:3B-43 et seq.). Under that act, four-year public institutions  
34 of higher education are currently required to provide for public  
35 inspection on their websites information on the cost of attendance,  
36 the graduation rates of admitted students, and the faculty of the  
37 institution. This bill also amends that law to require all institutions  
38 of higher education and proprietary institutions licensed to offer  
39 academic degrees to include on the institution's website  
40 employment data for recent graduates from the institution.

41 In addition to those institutions, this bill requires private career  
42 schools authorized to offer educational programs required for  
43 licensure, registration, or certification in a profession or occupation  
44 regulated by a professional or occupational board established in the  
45 Division of Consumer Affairs, and private career schools authorized  
46 by the Department of Labor and Workforce Development to offer  
47 one or more occupational training programs, to also post similar  
48 information on their websites.

1 The bill requires the Secretary of Higher Education, the  
2 Department of Labor and Workforce Development, and the  
3 Division of Consumer Affairs to enter into a memorandum of  
4 understanding to develop a data system that will collect the  
5 employment data for postsecondary students in order to produce an  
6 employment comparative report of all institutions and private career  
7 schools. The bill also requires the department to initiate efforts to  
8 enter into an agreement with other states for the purpose of sharing  
9 unemployment insurance information.

10 Under the bill, the institutions and private career schools will  
11 submit to the department for each student who graduates or  
12 withdraws from the institution or school: the student's social  
13 security number, degree program or professional and occupational  
14 educational program, and graduation or withdrawal date;  
15 information on the student's loan debt obtained from the federal  
16 student loan program and any loans the institution or school has  
17 certified, arranged, or is otherwise aware of, or of which it should  
18 reasonably be aware; and the institutional or school charges for  
19 which the student is responsible net of any institutional or school  
20 grant aid. The institutions and schools will also send the department  
21 the clear identification of the institution's or school's career-  
22 oriented programs of study. The department will use the  
23 information to compile an employment comparative report, which  
24 will include:

25 (1) the employment rate and average annual salary of students  
26 by academic major, in the case of an academic degree program, or  
27 program in the case of private career schools, two years following  
28 graduation from the institution or school;

29 (2) the employment rate and average annual salary of students  
30 two years following the academic year in which the students  
31 graduated from the institution or school; and

32 (3) the employment rate and average annual salary of students  
33 two years following withdrawal from the institution or school prior  
34 to the completion of a degree program or educational program.

35 The Secretary of Higher Education, Attorney General, and  
36 Commissioner of Labor and Workforce Development will distribute  
37 the employment comparative report to each institution of higher  
38 education, proprietary institution authorized to offer licensed degree  
39 programs, and private career school for inclusion on the  
40 institution's or school's website and inclusion in the student  
41 consumer information report prepared by the institution or school.

# ASSEMBLY HIGHER EDUCATION COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 1695**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: MARCH 14, 2022

The Assembly Higher Education Committee adopts amendments to Assembly Bill No. 1695.

As amended, this bill provides that the Secretary of Higher Education will establish a performance quality standard for career-oriented programs of study offered by institutions of higher education and degree-granting proprietary institutions. In establishing the standard, the secretary is required to consider the ratio of the tuition and fees charged to students in the career-oriented program net of any institutional grant aid to the average earnings of New Jersey workers employed in the specific occupation for which the career-oriented program prepares students.

Under the bill, the secretary will ensure that career-oriented programs of study offered by institutions meet a minimum acceptable level of performance, as determined by the secretary. In the event that the secretary determines that a program does not meet the minimum acceptable level of performance, the secretary will suspend or terminate that program and take additional action to suspend or revoke the institution's license to award academic degrees.

Similarly, the bill also requires the Commissioner of Labor and Workforce Development to establish performance quality standards for:

(1) private career schools, referred to and defined as "qualifying schools," authorized jointly by the Commissioner of Labor and Workforce Development and the Commissioner of Education to operate in New Jersey; and

(2) private career schools authorized by a professional or occupational board established within the Division of Consumer Affairs in the Department of Law and Public Safety to offer an educational program required for licensure, registration, or certification in a profession or occupation regulated by a professional or occupational board established within the division.

In establishing the performance quality standards, the Commissioner of Labor and Workforce Development is required to consider the ratio of the tuition and fees charged to students in the program net of any institutional grant aid to the average earnings of

New Jersey workers employed in the specific occupation for which the program prepares students.

Under the bill, in the event that the Commissioner of Labor and Workforce Development determines that a program offered by a private career school does not meet the minimum acceptable level of performance, the Commissioner of Labor and Workforce Development and the Commissioner of Education are required to revoke, suspend or make conditional the certificate of approval issued under that law. Similarly, in the event that the Commissioner of Labor and Workforce Development determines that an educational program required for licensure, registration, or certification in a profession or occupation regulated by a professional or occupational board established within the division does not meet the minimum acceptable level of performance, the Commissioner of Labor and Workforce Development is required to issue a written determination directing the applicable board within the Division of Consumer Affairs to suspend or revoke the private career school's license or accreditation to offer such program.

#### COMMITTEE AMENDMENTS:

The committee amended the bill to:

- delete reference to the sections requiring institutions of higher education and degree-granting proprietary institutions to post employment data of recent graduates on their websites, as these requirements were largely made by a previous enactment that amended the “New Jersey College Student and Parent Consumer Information Act”;
- define “career-oriented program of study” to mean a program that provides occupation-specific knowledge and technical skill proficiency that culminates in the attainment of a license for a specific occupation or is represented by the institution as preparing students for employment in a specific occupation. “Career-oriented program of study” does not include a program dedicated primarily to the education or training of ministers, priests, rabbis or other professional persons in the field of religion;
- require the Secretary of Higher Education to establish a performance quality standard for career-oriented programs of study offered by institutions of higher education and degree-granting proprietary institutions;
- require the Commissioner of Labor and Workforce Development to establish performance quality standards for: (1) private career schools, referred to and defined as “qualifying schools,” authorized jointly by the Commissioner of Labor and Workforce Development and the Commissioner of Education to operate in New Jersey; and (2) private career schools authorized by a professional or occupational board

established within the Division of Consumer Affairs in the Department of Law and Public Safety to offer an educational program required for licensure, registration, or certification in a profession or occupation regulated by a professional or occupational board established within the division; and

- delete the sections of the bill concerning private career schools, some of which are overseen by the Department of Labor and Workforce Development and some of which are overseen by the Division of Consumer Affairs in the Department of Law and Public Safety, and consolidate them into one section overseen by the Commissioner of Labor and Workforce Development.

# ASSEMBLY HIGHER EDUCATION COMMITTEE

## STATEMENT TO

[First Reprint]

**ASSEMBLY, No. 1695**

# **STATE OF NEW JERSEY**

DATED: MAY 19, 2022

The Assembly Higher Education Committee reports favorably Assembly Bill No. 1695 (1R).

This bill provides that the Secretary of Higher Education will establish a performance quality standard for career-oriented programs of study offered by institutions of higher education and degree-granting proprietary institutions. In establishing the standard, the secretary is required to consider the ratio of the tuition and fees charged to students in the career-oriented program net of any institutional grant aid to the average earnings of New Jersey workers employed in the specific occupation for which the career-oriented program prepares students.

Under the bill, the secretary will ensure that career-oriented programs of study offered by institutions meet a minimum acceptable level of performance, as determined by the secretary. In the event that the secretary determines that a program does not meet the minimum acceptable level of performance, the secretary will suspend or terminate that program and take additional action to suspend or revoke the institution's license to award academic degrees.

Similarly, the bill also requires the Commissioner of Labor and Workforce Development to establish performance quality standards for:

(1) private career schools, referred to and defined as "qualifying schools," authorized jointly by the Commissioner of Labor and Workforce Development and the Commissioner of Education to operate in New Jersey; and

(2) private career schools authorized by a professional or occupational board established within the Division of Consumer Affairs in the Department of Law and Public Safety to offer an educational program required for licensure, registration, or certification in a profession or occupation regulated by a professional or occupational board established within the division.

In establishing the performance quality standards, the Commissioner of Labor and Workforce Development is required to consider the ratio of the tuition and fees charged to students in the program net of any institutional grant aid to the average earnings of

New Jersey workers employed in the specific occupation for which the program prepares students.

Under the bill, in the event that the Commissioner of Labor and Workforce Development determines that a program offered by a private career school does not meet the minimum acceptable level of performance, the Commissioner of Labor and Workforce Development and the Commissioner of Education are required to revoke, suspend or make conditional the certificate of approval issued under that law. Similarly, in the event that the Commissioner of Labor and Workforce Development determines that an educational program required for licensure, registration, or certification in a profession or occupation regulated by a professional or occupational board established within the division does not meet the minimum acceptable level of performance, the Commissioner of Labor and Workforce Development is required to issue a written determination directing the applicable board within the Division of Consumer Affairs to suspend or revoke the private career school's license or accreditation to offer such program.

Under the bill, all private career schools, including those operating with a certificate of approval issued jointly by the Commissioner of Labor and Workforce Development and the Commissioner of Education, and those authorized by a professional or occupational board established within the Division of Consumer Affairs to offer an educational program required for licensure, registration, or certification in a profession or occupation regulated by a professional or occupational board established within the Division of Consumer Affairs, are required to submit a quarterly report to the Commissioner of Labor and Workforce Development that includes:

- (1) the tuition and fees charged for each program;
- (2) a record for each student enrolled in each program. The student record is required to include, at a minimum: the student's social security number, gender, date of birth, date of enrollment, any date of completion, date of termination, date of start in a job, date of application for a license, licensing examination result, date of issuance of a license, and any credential issued; and
- (3) any additional information that may be required by the Commissioner of Labor and Workforce Development.



# SENATE, No. 495

## STATE OF NEW JERSEY 220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

**Sponsored by:**

**Senator JOSEPH P. CRYAN**

**District 20 (Union)**

**Senator SANDRA B. CUNNINGHAM**

**District 31 (Hudson)**

**Co-Sponsored by:**

**Senators Singleton and Turner**

**SYNOPSIS**

Requires institutions of higher education and private career schools to provide on website employment data of graduates; requires DOLWD to compile certain employment information.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning information provided by institutions of higher  
2 education and private career schools, amending P.L.2009, c.197,  
3 and supplementing P.L.1989, c.293 (C.34:15C-1 et seq.), and  
4 Title 45 of the Revised Statutes.

5

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

8

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

11 2. a. **[A four-year public]** An institution of higher education  
12 and a proprietary institution which has been authorized to offer  
13 licensed degree programs shall provide for public inspection on its  
14 website comprehensive information on the cost of attendance, the  
15 graduation rates of admitted students, and the faculty of the  
16 institution, and shall also provide for public inspection on its  
17 website employment data for recent graduates of the institution.  
18 The purpose of the information shall be to maximize the awareness  
19 of students and their families of the costs associated with  
20 enrollment in the institution, the institution's success in ensuring the  
21 graduation and employment of its students, and the composition of  
22 the teaching faculty that a student will encounter in his coursework.  
23 The institution shall post, and annually update, a student consumer  
24 information report on its website that includes, if applicable:

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

27 (2) two-year and three-year graduation rates by demographic  
28 group, and four-year and six-year graduation rates by demographic  
29 group, as applicable;

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

32 (4) two-year and three-year graduation rates for student-athletes,  
33 and four-year and six-year graduation rates for student-athletes, as  
34 applicable;

35 (5) the student transfer rate, including the rate of students who  
36 graduate from a county college and subsequently enroll in a four-  
37 year institution of higher education;

38 (6) an overview of the institutions to which former students of  
39 that [college or university] institution have transferred prior to the  
40 completion of a degree;

41 (7) the cost for the current academic year of attending the  
42 institution including tuition, student fees, room and board, and  
43 books and materials;

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

**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 (9) the percent of student-athletes who receive financial  
2 assistance directly from the institution and the average value of the  
3 assistance and the percent of students who do not participate in  
4 athletic programs at the institution who receive financial assistance  
5 directly from the institution and the average value of the assistance;
- 6 (10) the total projected cost for an incoming freshman to live on  
7 campus and complete a degree in four years and the total projected  
8 cost for an incoming freshman to commute to school and complete a  
9 degree in four years;
- 10 (11) the total projected cost for an incoming freshman to live on  
11 campus and complete a degree in six years and the total projected  
12 cost for an incoming freshman to commute to school and complete a  
13 degree in six years;
- 14 (12) average student loan indebtedness of four-year graduates for  
15 both students who live on campus and students who commute, and  
16 average student loan indebtedness of two-year graduates;
- 17 (13) average student loan indebtedness of six-year graduates for  
18 both students who live on campus and students who commute, and  
19 average student loan indebtedness of three-year graduates;
- 20 (14) average student loan indebtedness of a student who  
21 withdraws from the institution prior to the completion of a degree  
22 program for both students who live on campus and students who  
23 commute;
- 24 (15) an overview of the institution's faculty, including the  
25 percentage of faculty employed as a tenured professor, the  
26 percentage of faculty employed as a full-time non-tenured  
27 professor, and the percentage of faculty employed as an adjunct or  
28 visiting professor;
- 29 (16) the percentage of courses taught by each of the different  
30 categories of faculty; **[and]**
- 31 (17) an indicator of each academic department's capacity to serve  
32 the students majoring within that department's programs, as  
33 determined by the **[Commission on]** Secretary of Higher  
34 Education; and
- 35 (18) employment data beginning with data compiled for students  
36 who graduate from the institution during the 2021-2022 academic  
37 year. The employment data shall include, but need not be limited to,  
38 the employment rate and average annual salary of students by  
39 academic major two years following the academic year in which the  
40 students graduated from the institution, and the number and  
41 percentage of students who are employed two years following the  
42 academic year in which the students graduated from the institution,  
43 as compiled in the comparative report and provided by the Secretary  
44 of Higher Education pursuant to section 10 of P.L. , c. (C. )  
45 (pending before the Legislature as this bill).
- 46 The institution shall provide with all paper applications for  
47 admission to the institution a hard copy of the information prepared  
48 pursuant to this section.

1       b. **【A four-year public】** An institution of higher education and  
2 a proprietary institution authorized to offer licensed degree  
3 programs shall conform to the guidelines, criteria, and format  
4 prescribed by the **【Commission on】** Secretary of Higher Education  
5 in reporting the information required pursuant to this section.

6       c. **【A four-year public】** An institution of higher education and  
7 a proprietary institution authorized to offer licensed degree  
8 programs shall submit its student consumer information report to  
9 the **【Commission on】** Secretary of Higher Education for inclusion  
10 in a comparative profile of the student consumer information  
11 reports of all **【four-year public】** institutions of higher education.

12       d. **【A four-year public】** An institution of higher education and  
13 a proprietary institution authorized to offer licensed degree  
14 programs shall ensure that the page of its Internet site which  
15 includes its student consumer information report contains a link to  
16 the page of the **【Commission on】** Secretary of Higher Education's  
17 Internet site that includes the comparative profile required pursuant  
18 to subsection b. of section 3 of this act.

19       e. **【A four-year public】** An institution of higher education and  
20 a proprietary institution authorized to offer licensed degree  
21 programs shall ensure that the Internet site for submitting an online  
22 application to the institution contains a link to the institution's  
23 student consumer information report.

24       f. **【A four-year public】** An institution of higher education and  
25 a proprietary institution authorized to offer licensed degree  
26 programs shall require the parent or guardian of a student applying  
27 for admission into the institution, or the student if he is an  
28 independent adult, to sign and submit a statement acknowledging  
29 that he has reviewed the institution's student consumer information  
30 report.

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

32

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

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

39       b. The **【Commission on】** Secretary of Higher Education shall  
40 annually compile the student consumer information reports  
41 submitted pursuant to subsection c. of section 2 of this act into a  
42 comparative profile of all **【four-year public】** institutions of higher  
43 education and proprietary institutions authorized to offer licensed  
44 degree programs. The **【commission】** secretary shall present the  
45 information on its website in a manner that allows **【college】**  
46 students and their families to easily compare student consumer  
47 information across public institutions, across independent

1 institutions, and across proprietary institutions authorized to offer  
2 licensed degree programs.

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

4  
5 3. (New section) Within 12 months of the effective date of  
6 P.L. , c. (C. ) (pending before the Legislature as this bill),  
7 the Secretary of Higher Education shall establish a performance  
8 quality standard for programs of study offered by institutions of  
9 higher education and proprietary institutions authorized to offer  
10 licensed degree programs. The standard shall be based on the ratio  
11 of the earnings of students in the programs to the tuition and fees  
12 charged to those students net of any institutional grant aid. The  
13 secretary shall ensure that the programs of study meet a minimum  
14 acceptable level of performance for the standard, up to and  
15 including revocation of an institution's license to award academic  
16 degrees.

17 The secretary, in consultation with the Attorney General and the  
18 Commissioner of Labor and Workforce Development, shall adopt,  
19 in accordance with the "Administrative Procedure Act," P.L. 1968,  
20 c.410 (C.52:14B-1 et seq.), rules and regulations as may be  
21 necessary to implement the provisions of this section.

22  
23 4. (New section) a. A private career school authorized to offer  
24 an educational program required for licensure, registration or  
25 certification in a profession or occupation regulated by a  
26 professional or occupational board established in the Division of  
27 Consumer Affairs shall provide for public inspection on its website  
28 comprehensive information on the cost of attendance, the  
29 graduation or completion rates of admitted students, and the faculty  
30 of the school, and shall also provide for public inspection on its  
31 website employment data for recent graduates. The purpose of the  
32 information shall be to maximize the awareness of students of the  
33 costs associated with enrollment in the school, the success in  
34 ensuring the graduation and employment of its students, and the  
35 composition of the teaching faculty that a student will encounter in  
36 his coursework. The school shall post, and annually update, a  
37 student consumer information report on its website that includes, if  
38 applicable:

- 39 (1) overall graduation or completion rates;  
40 (2) graduation or completion rates by demographic group;  
41 (3) the student transfer rate;  
42 (4) an overview of the schools to which former students have  
43 transferred prior to the completion of an educational program;  
44 (5) the amount of any school charges, including tuition and fees;  
45 (6) a description of the types of financial assistance offered  
46 directly by the school to students;  
47 (7) the total projected cost for an incoming student to complete  
48 the educational program;

- 1 (8) average student loan indebtedness of graduates;
- 2 (9) average student loan indebtedness of a student who  
3 withdraws from the school prior to the completion of the  
4 educational program;
- 5 (10) an overview of the school's faculty, including the  
6 percentage of faculty employed on a full-time basis and the  
7 percentage of faculty employed on a part-time basis; and
- 8 (11) employment data beginning with data compiled for students  
9 who graduate from the school during the 2021-2022 academic year.  
10 The employment data shall include, but need not be limited to, the  
11 employment rate and average annual salary of students two years  
12 following the academic year in which the students graduated from  
13 the school, as compiled in the comparative report and provided by  
14 the Attorney General pursuant to section 10 of P.L. ,  
15 c. (C. ) (pending before the Legislature as this bill).
- 16 The school shall provide with all paper applications for  
17 admission a hard copy of the information prepared pursuant to this  
18 subsection.
- 19 b. A private career school shall conform to the guidelines,  
20 criteria, and format prescribed by the Attorney General in reporting  
21 the information required pursuant to subsection a. of this section.  
22 The institution shall submit its student consumer information report  
23 to the Attorney General for inclusion in a comparative profile of the  
24 student consumer information reports of all such schools.
- 25 c. A private career school shall ensure that the page of its  
26 Internet site which includes its student consumer information report  
27 contains a link to the page of the Attorney General's Internet site  
28 that includes the comparative profile required pursuant to  
29 subsection b. of section 5 of P.L. , c. (C. ) (pending before  
30 the Legislature as this bill).
- 31 d. A private career school shall ensure that the Internet site for  
32 submitting an online application to the institution contains a link to  
33 the institution's student consumer information report.
- 34 e. A private career school shall require a student applying for  
35 admission to the school to sign and submit a statement  
36 acknowledging that he has reviewed the school's student consumer  
37 information report.
- 38
- 39 5. (New section) a. The Attorney General shall issue  
40 guidelines and criteria for collecting and calculating the information  
41 required pursuant to section 4 of P.L. , c. (C. ) (pending  
42 before the Legislature as this bill) and shall prescribe a uniform  
43 reporting method for posting the information.
- 44 b. The Attorney General shall annually compile the student  
45 consumer information reports submitted pursuant to subsection b. of  
46 section 4 of P.L. , c. (C. ) (pending before the Legislature as  
47 this bill) into a comparative profile of all private career schools  
48 authorized to offer educational programs required for licensure,

1 registration, or certification in professions or occupations regulated  
2 by a professional or occupational board established in the Division  
3 of Consumer Affairs. The Attorney General shall present the  
4 information on its website in a manner that allows students to easily  
5 compare student consumer information across private career  
6 schools.

7  
8 6. (New section) Within 12 months of the effective date of  
9 P.L. , c. (C. ) (pending before the Legislature as this bill), the  
10 Attorney General shall establish a performance quality standard for  
11 private career schools authorized to offer an educational program  
12 required for licensure, registration, or certification in a profession  
13 or occupation regulated by a professional or occupational board  
14 established in the Division of Consumer Affairs. The performance  
15 quality standard shall be based on the ratio of the earnings of  
16 students in private career schools to the tuition and fees charged to  
17 those students net of any school grant aid. The Attorney General  
18 shall ensure that private career schools meet a minimum acceptable  
19 level of performance for this standard, up to and including  
20 revocation of a school's authorization to offer educational programs  
21 regulated by a professional or occupational board in the Division of  
22 Consumer Affairs.

23 The Attorney General, in consultation with the Secretary of  
24 Higher Education and the Commissioner of Labor and Workforce  
25 Development, shall adopt, in accordance with the "Administrative  
26 Procedure Act," P.L. 1968, c.410 (C.52:14B-1 et seq.), rules and  
27 regulations as may be necessary to implement the provisions of this  
28 section.

29  
30 7. (New section) a. A private career school authorized by the  
31 Department of Labor and Workforce Development to offer one or  
32 more occupational training programs shall provide for public  
33 inspection on its website comprehensive information on the cost of  
34 attendance, the graduation or completion rates of students, and the  
35 faculty of the school, and shall also provide for public inspection on  
36 its website employment data for recent graduates of the school. The  
37 purpose of the information shall be to maximize the awareness of  
38 students of the costs associated with enrollment in the school, the  
39 success in ensuring the graduation and employment of its students,  
40 and the composition of the teaching faculty that a student will  
41 encounter in his coursework. The school shall post, and annually  
42 update, a student consumer information report on its website that  
43 includes, if applicable:

- 44 (1) overall graduation or completion rates;
- 45 (2) graduation or completion rates by demographic group;
- 46 (3) the student transfer rate;
- 47 (4) an overview of the schools to which former students have
- 48 transferred prior to the completion of a program;

- 1 (5) the amount of any school charges, including tuition and fees;  
2 (6) a description of the types of financial assistance offered  
3 directly by the school to students;  
4 (7) the total projected cost for an incoming student to complete  
5 a program;  
6 (8) average student loan indebtedness of graduates;  
7 (9) average student loan indebtedness of a student who  
8 withdraws from the school prior to the completion of an  
9 occupational program;  
10 (10) an overview of the school's faculty, including the  
11 percentage of faculty employed on a full-time basis and the  
12 percentage of faculty employed on a part-time basis; and  
13 (11) employment data beginning with data compiled for students  
14 who graduate from the school during the 2021-2022 academic year.  
15 The employment data shall include, but need not be limited to, the  
16 employment rate and average annual salary of students two years  
17 following the academic year in which the students graduated from  
18 the school, as compiled in the comparative report and provided by  
19 the Commissioner of Labor and Workforce Development pursuant  
20 to section 10 of P.L. , c. (C. ) (pending before the  
21 Legislature as this bill).
- 22 The school shall provide with all paper applications for  
23 admission to the school a hard copy of the information prepared  
24 pursuant to this subsection.
- 25 b. The private career school shall conform to the guidelines,  
26 criteria, and format prescribed by the commissioner in reporting the  
27 information required pursuant to this section. The school shall  
28 submit its student consumer information report to the commissioner  
29 for inclusion in a comparative profile of the student consumer  
30 information reports of all such schools.
- 31 c. A private career school shall ensure that the page of its  
32 Internet site which includes its student consumer information report  
33 contains a link to the page of the department's Internet site that  
34 includes the comparative profile required pursuant to subsection b.  
35 of section 8 of P.L. , c. (C. ) (pending before the Legislature  
36 as this bill).
- 37 d. A private career school shall ensure that the Internet site for  
38 submitting an online application to the school contains a link to the  
39 school's student consumer information report.
- 40 e. A private career school shall require a student applying for  
41 admission to sign and submit a statement acknowledging that he has  
42 reviewed the school's student consumer information report.
- 43
- 44 8. (New section) a. The Commissioner of Labor and  
45 Workforce Development shall issue guidelines and criteria for  
46 collecting and calculating the information required pursuant to  
47 section 7 of P.L. , c. (C. ) (pending before the Legislature as



1 this bill) and shall prescribe a uniform reporting method for posting  
2 the information.

3 b. The commissioner shall annually compile the student  
4 consumer information reports submitted pursuant to subsection b. of  
5 section 7 of P.L. , c. (C. ) (pending before the Legislature as  
6 this bill) into a comparative profile of all private career schools  
7 authorized to offer one or more occupational training programs. The  
8 commissioner shall present the information on its website in a  
9 manner that allows students to easily compare student consumer  
10 information across private career schools regulated by the  
11 department.

12

13 9. (New section) Within 12 months of the effective date of  
14 P.L. , c. (C. ) (pending before the Legislature as this bill), the  
15 Commissioner of Labor and Workforce Development shall establish  
16 standards for private career schools authorized by the department to  
17 offer one or more occupational training programs. The standards  
18 shall be based on the ratio of the earnings of students in private  
19 career schools to the tuition and fees charged to those students net  
20 of any school grant aid. The commissioner shall ensure that private  
21 career schools meet a minimum acceptable level of performance for  
22 the standard, up to and including revocation of a school's certificate  
23 of approval.

24 The commissioner, in consultation with the Secretary of Higher  
25 Education and the Attorney General, shall adopt, in accordance with  
26 the "Administrative Procedure Act," P.L. 1968, c.410 (C.52:14B-1  
27 et seq.), rules and regulations as may be necessary to implement the  
28 provisions of this section.

29

30 10. (New section) a. As used in this section, "career-oriented  
31 program of study" means a program that delivers occupation-  
32 specific skills and knowledge of all aspects of an industry, provides  
33 technical skill proficiency, and culminates in the attainment of an  
34 industry-recognized postsecondary credential.

35 b. No later than the beginning of the 2021-2022 academic year,  
36 the Secretary of Higher Education, the Department of Labor and  
37 Workforce Development, and the Division of Consumer Affairs  
38 shall enter into a memorandum of understanding to develop a data  
39 system that will collect the employment data for students who  
40 graduate or withdraw prior to the completion of a degree program  
41 from an institution of higher education or from a proprietary  
42 institution authorized to offer licensed degree programs in the State,  
43 or from a private career school, to produce an employment  
44 comparative report for all institutions and schools.

45 The Department of Labor and Workforce Development shall also  
46 initiate efforts to enter into an agreement with other states for the  
47 sharing of unemployment insurance information for the purposes of  
48 P.L. , c. (C. ) (pending before the Legislature as this bill).

1 c. An institution of higher education, a proprietary institution  
2 authorized to offer licensed degree programs, and a private career  
3 school shall submit to the department, as applicable, for each  
4 student who graduates or withdraws from the institution or school  
5 in an academic year or school year:

6 (1) the student's social security number;

7 (2) the student's degree program or professional and  
8 occupational program;

9 (3) the student's graduation date or date of withdrawal and  
10 portion of the program completed at withdrawal from the institution  
11 or school;

12 (4) information on the student's loan debt obtained from the  
13 federal student loan program and any loans the institution or school  
14 has certified, arranged, or is otherwise aware of, or of which it  
15 should reasonably be aware; and

16 (5) institutional or school charges for which the student is  
17 responsible net of any institutional or school grant aid.

18 An institution of higher education, a proprietary institution  
19 authorized to offer licensed degree programs, and a private career  
20 school shall also submit to the department the clear identification of  
21 the institution's or school's career-oriented programs of study.

22 The department shall adopt standards and procedures to prevent  
23 any State agency from publishing, disclosing, or releasing  
24 information which could identify any individual and shall not  
25 publish, disclose, or otherwise release information which could  
26 identify any individual.

27 d. The department shall submit the employment information  
28 compiled pursuant to this section to the Secretary of Higher  
29 Education, the Attorney General, and the Commissioner of Labor  
30 and Workforce Development. The secretary, Attorney General, and  
31 commissioner, respectively, shall use the information to compile an  
32 employment comparative report for each institution of higher  
33 education, degree-granting proprietary institution, and private  
34 career school which shall include, as applicable:

35 (1) the employment rate and average annual salary of students  
36 by academic major, in the case of an academic degree program, or  
37 program in the case of private career schools, two years following  
38 graduation from the institution or school;

39 (2) the employment rate and average annual salary of students  
40 two years following the academic year in which the students  
41 graduated from the institution or school; and

42 (3) the employment rate and average annual salary of students  
43 two years following withdrawal from the institution or school prior  
44 to the completion of a degree program or school program.

45 The secretary, Attorney General, and commissioner shall  
46 distribute the employment comparative report to each institution of  
47 higher education, proprietary institution authorized to offer licensed  
48 degree programs, and private career school for inclusion on the

1 institution's or school's website and inclusion in the student  
2 consumer information report prepared by the institution or school.

3  
4 11. (New section) Three years following the effective date of  
5 P.L. , c. (C. ) (pending before the Legislature as this bill),  
6 the Secretary of Higher Education, Attorney General, and  
7 Commissioner of Labor and Workforce Development shall submit a  
8 report to the Governor and, pursuant to section 2 of P.L.1991, c.164  
9 (C.52:14-19.1), the Legislature. The report shall include  
10 recommendations on the ability to use the data collected pursuant to  
11 subsection c. of section 10 of P.L. , c. (C. ) (pending before  
12 the Legislature as this bill) to establish a Statewide gainful  
13 employment requirement that requires an institution or school to  
14 demonstrate that its graduates earn enough to adequately repay their  
15 student loans by meeting a certain debt-to-income ratio, and any  
16 other recommendations for establishing a gainful employment  
17 requirement.

18  
19 12. This act shall take effect immediately.

20  
21

22 STATEMENT

23  
24 This bill provides that all institutions of higher education,  
25 including independent institutions of higher education, and  
26 proprietary institutions authorized to offer licensed degree programs  
27 will be subject to the provisions of the "New Jersey College Student  
28 and Parent Consumer Information Act," P.L.2009, c.197  
29 (C.18A:3B-43 et seq.). Under that act, four-year public institutions  
30 of higher education are currently required to provide for public  
31 inspection on their websites information on the cost of attendance,  
32 the graduation rates of admitted students, and the faculty of the  
33 institution. This bill also amends that law to require all institutions  
34 of higher education and proprietary institutions licensed to offer  
35 academic degrees to include on the institution's website  
36 employment data for recent graduates from the institution.

37 In addition to those institutions, this bill requires private career  
38 schools authorized to offer educational programs required for  
39 licensure, registration, or certification in a profession or occupation  
40 regulated by a professional or occupational board established in the  
41 Division of Consumer Affairs, and private career schools authorized  
42 by the Department of Labor and Workforce Development to offer  
43 one or more occupational training programs, to also post similar  
44 information on their websites.

45 The bill requires the Secretary of Higher Education, the  
46 Department of Labor and Workforce Development, and the  
47 Division of Consumer Affairs to enter into a memorandum of  
48 understanding to develop a data system that will collect the

1 employment data for postsecondary students in order to produce an  
2 employment comparative report of all institutions and private career  
3 schools. The bill also requires the department to initiate efforts to  
4 enter into an agreement with other states for the purpose of sharing  
5 unemployment insurance information.

6 Under the bill, the institutions and private career schools will  
7 submit to the department for each student who graduates or  
8 withdraws from the institution or school: the student's social  
9 security number, degree program or professional and occupational  
10 educational program, and graduation or withdrawal date;  
11 information on the student's loan debt obtained from the federal  
12 student loan program and any loans the institution or school has  
13 certified, arranged, or is otherwise aware of, or of which it should  
14 reasonably be aware; and the institutional or school charges for  
15 which the student is responsible net of any institutional or school  
16 grant aid. The institutions and schools will also send the department  
17 the clear identification of the institution's or school's career-  
18 oriented programs of study. The department will use the  
19 information to compile an employment comparative report, which  
20 will include:

21 (1) the employment rate and average annual salary of students  
22 by academic major, in the case of an academic degree program, or  
23 program in the case of private career schools, two years following  
24 graduation from the institution or school;

25 (2) the employment rate and average annual salary of students  
26 two years following the academic year in which the students  
27 graduated from the institution or school; and

28 (3) the employment rate and average annual salary of students  
29 two years following withdrawal from the institution or school prior  
30 to the completion of a degree program or educational program.

31 The Secretary of Higher Education, Attorney General, and  
32 Commissioner of Labor and Workforce Development will distribute  
33 the employment comparative report to each institution of higher  
34 education, proprietary institution authorized to offer licensed degree  
35 programs, and private career school for inclusion on the  
36 institution's or school's website and inclusion in the student  
37 consumer information report prepared by the institution or school.

# SENATE HIGHER EDUCATION COMMITTEE

## STATEMENT TO

### **SENATE, No. 495**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 9, 2022

The Senate Higher Education Committee reports favorably Senate Bill No. 495, with committee amendments.

As amended, this bill provides that the Secretary of Higher Education will establish a performance quality standard for career-oriented programs of study offered by institutions of higher education and degree-granting proprietary institutions. In establishing the standard, the secretary is required to consider the ratio of the tuition and fees charged to students in the career-oriented program net of any institutional grant aid to the average earnings of New Jersey workers employed in the specific occupation for which the career-oriented program prepares students.

Under the bill, the secretary will ensure that career-oriented programs of study offered by institutions meet a minimum acceptable level of performance, as determined by the secretary. In the event that the secretary determines that a program does not meet the minimum acceptable level of performance, the secretary will suspend or terminate that program and take additional action to suspend or revoke the institution's license to award academic degrees.

Similarly, the bill also requires the Commissioner of Labor and Workforce Development to establish performance quality standards for:

(1) private career schools, referred to and defined as "qualifying schools," authorized jointly by the Commissioner of Labor and Workforce Development and the Commissioner of Education to operate in New Jersey; and

(2) private career schools authorized by a professional or occupational board established within the Division of Consumer Affairs in the Department of Law and Public Safety to offer an educational program required for licensure, registration, or certification in a profession or occupation regulated by a professional or occupational board established within the division.

In establishing the performance quality standards, the Commissioner of Labor and Workforce Development is required to consider the ratio of the tuition and fees charged to students in the program net of any institutional grant aid to the average earnings of

New Jersey workers employed in the specific occupation for which the program prepares students.

Under the bill, in the event that the Commissioner of Labor and Workforce Development determines that a program offered by a private career school does not meet the minimum acceptable level of performance, the Commissioner of Labor and Workforce Development and the Commissioner of Education are required to revoke, suspend or make conditional the certificate of approval issued under that law. Similarly, in the event that the Commissioner of Labor and Workforce Development determines that an educational program required for licensure, registration, or certification in a profession or occupation regulated by a professional or occupational board established within the division does not meet the minimum acceptable level of performance, the Commissioner of Labor and Workforce Development is required to issue a written determination directing the applicable board within the Division of Consumer Affairs to suspend or revoke the private career school's license or accreditation to offer such program.

This bill was pre-filed for introduction in the 2022-2023 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

#### COMMITTEE AMENDMENTS:

The committee amended the bill to:

- delete reference to the sections requiring institutions of higher education and degree-granting proprietary institutions to post employment data of recent graduates on their websites, as these requirements were largely made by a previous enactment that amended the “New Jersey College Student and Parent Consumer Information Act”;
- define “career-oriented program of study” to mean a program that provides occupation-specific knowledge and technical skill proficiency that culminates in the attainment of a license for a specific occupation or is represented by the institution as preparing students for employment in a specific occupation. “Career-oriented program of study” does not include a program dedicated primarily to the education or training of ministers, priests, rabbis or other professional persons in the field of religion;
- require the Secretary of Higher Education to establish a performance quality standard for career-oriented programs of study offered by institutions of higher education and degree-granting proprietary institutions;
- require the Commissioner of Labor and Workforce Development to establish performance quality standards for: (1) private career schools, referred to and defined as “qualifying schools,” authorized jointly by the Commissioner

of Labor and Workforce Development and the Commissioner of Education to operate in New Jersey; and (2) private career schools authorized by a professional or occupational board established within the Division of Consumer Affairs in the Department of Law and Public Safety to offer an educational program required for licensure, registration, or certification in a profession or occupation regulated by a professional or occupational board established within the division; and

- delete the sections of the bill concerning private career schools, some of which are overseen by the Department of Labor and Workforce Development and some of which are overseen by the Division of Consumer Affairs in the Department of Law and Public Safety, and consolidate them into one section overseen by the Commissioner of Labor and Workforce Development.

# Governor Murphy Signs Bill to Protect Students from Unsustainable Debt After Completing Post-Secondary Job Training

07/29/2022

*New Consumer Protection Law Will Ensure Tuition at Career-Oriented Higher Educational Programs Can be Affordably Repaid with the Expected Wages in the Occupations Students Trained For*

**TRENTON** – Governor Phil Murphy today signed legislation ([A-1695](#)) to help protect students from unreasonably high tuition rates that would be difficult to repay based on the wages they are likely to earn after completing a career-oriented educational or training program. The bill will require the Office of the Secretary of Higher Education (OSHE) and Department of Labor (DOL) to establish performance quality standards for career-oriented programs of study offered by postsecondary institutions.

“Higher education programs that are designed to prepare students for a specific occupation should offer both high-quality training and affordable costs based on the wages that program graduates are likely to earn,” **said Governor Murphy**. “By establishing performance quality standards for career-oriented education and training programs, we will guard students against unreasonable student loan debt that they simply cannot repay with the typical wages in the career for which they studied. This is an important step I am proud to take as my Administration continues our work of making higher education more affordable for everyone in our state.”

“This legislation, by raising academic program quality standards and strengthening consumer protections, is a significant step towards advancing New Jersey’s higher education goals and the State’s vision for increased student attainment,” **said Dr. Brian K. Bridges, Secretary of Higher Education**. “By establishing this framework to assess the outcomes for students in career-oriented programs, New Jersey will serve as a model for other states and send a clear signal to stakeholders that the Garden State is taking direct action to improve student outcomes by holding institutions accountable for the education they deliver.”

“We’re proud to have these gainful employment standards in New Jersey,” **said Labor Commissioner Robert Asaro-Angelo**. “Now we’re better able to protect the thousands of people seeking training to advance their careers and, at the same time, the hundreds of training providers that play by the rules and prepare their students for work without taking advantage of them. No one should have to borrow so much for career training that they can’t afford to pay it back once they are working at the job they prepared for.”

“This important legislation will protect students from incurring unsustainable debt in education and training programs designed for specific occupations,” **said David J. Socolow, Executive Director of the Higher Education Student Assistance Authority (HESAA)**. “In addition, it will safeguard New Jersey’s student assistance grants by eliminating funding for courses of study with tuition rates that are out of line with the wages that students would reasonably expect to earn after completing the program.”

“Higher education has long been a ladder to prosperity and success, and for many New Jersey students, paying for that education is one of the biggest financial investments they will make,” **said Acting Attorney General Matthew J. Platkin**. “The legislation signed into law today by Governor Murphy will help ensure students get a fair return on that investment by requiring institutions of higher education to deliver quality programs that will advance students’ opportunities.”

“The success of New Jersey students as they journey through preschool to grade 12 and advance to higher education directly correlates to a competent future for the State,” **said Dr. Allen-McMillan, Acting Commissioner of Education**. “This bill ensures transparency in the performance quality standards for career-oriented programs of study offered by institutions of higher education, degree-granting proprietary institutions, and private career schools so that students remain informed as they make important decisions to benefit their future career path.”

In recognition of the difficulties graduates will face in paying back student loans if their tuition rate is not commensurate with the wages they will likely receive upon graduating, the law will set standards based on the ratio of the program’s tuition



compared to the typical earnings of the specific, identifiable occupation for which the program is designed to prepare students. OSHE and DOL will enforce these performance quality standards as appropriate for any career-oriented postsecondary education or training program at an institution licensed or approved by the State.

The standards will apply to both credit and non-credit based career-oriented programs at all postsecondary institutions, including two- and four-year public colleges, private non-profit independent institutions, and proprietary institutions.

Primary sponsors of the bill include Senators Joseph Cryan and Sandra Cunningham, as well as Assemblywomen Mila Jasey, Annette Quijano, and Britnee N. Timberlake.

“The cost of a college degree and job training schools is a significant expense meant to be an investment in their future career opportunities,” **said Senator Cryan.** “But these costs can leave them burdened with debt that can be disproportionate to their income potential. They deserve to know what they are paying for and what they can afford.”

“Too many students already struggle to pay off their student loan debt and that stands in the way of their financial security well into their adult lives,” **said Assemblywoman Jasey.** “Institutions must take into consideration the cost of a program as compared with a student’s anticipated earnings in their chosen career or profession. Through the new law, reasonable performance quality standards will be set, preventing career-oriented courses of study from overcharging students for programs and incurring debt for which they will not earn sufficient salaries to repay.”

“We commend Governor Murphy, the bill sponsors, and our State legislators for their commitment to addressing a root cause behind the student debt crisis that has saddled New Jerseyans with almost \$50 billion in outstanding loans,” **said New Jersey Citizen Action Financial Justice Director Beverly Brown Ruggia.** “This legislation sets a national precedent for creating transparency and ethical standards for training schools and career schools operating in New Jersey. It will ensure these programs are of good quality and priced according to the potential earnings of their graduates.”