

# 18A:71B-85

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2005 **CHAPTER:** 168

**NJSA:** 18A:71B-85 (Changes criteria for continued receipt of NJ STARS scholarship after 1<sup>st</sup> year in county college)

**BILL NO:** S2477 (Substituted for A4115)

**SPONSOR(S)** Bryant and others

**DATE INTRODUCED:** May 5, 2005

**COMMITTEE:** **ASSEMBLY:**  
**SENATE:** Budget and Appropriations

**AMENDED DURING PASSAGE:** No

**DATE OF PASSAGE:** **ASSEMBLY:** June 27, 2005

**SENATE:** June 20, 2005

**DATE OF APPROVAL:** August 5, 2005

### FOLLOWING ARE ATTACHED IF AVAILABLE:

[FINAL TEXT OF BILL](#) (Original version of bill enacted)

#### S2477

[SPONSOR'S STATEMENT:](#) (Begins on page 3 of original bill) [Yes](#)

**COMMITTEE STATEMENT:** **ASSEMBLY:** No

[SENATE:](#) [Yes](#)

**FLOOR AMENDMENT STATEMENT:** No

[LEGISLATIVE FISCAL ESTIMATE:](#) [Yes](#)

#### A4115

[SPONSOR'S STATEMENT:](#) (Begins on page 3 off original bill) [Yes](#)

**COMMITTEE STATEMENT:** [ASSEMBLY:](#) [Yes](#)

**SENATE:** No

**FLOOR AMENDMENT STATEMENT:** No

[LEGISLATIVE FISCAL ESTIMATE:](#) [Yes](#)

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:** No

**FOLLOWING WERE PRINTED:**

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**REPORTS:**

No

**HEARINGS:**

No

**NEWSPAPER ARTICLES:**

No

IS 8/29/07

P.L. 2005, CHAPTER 168, *approved August 5, 2005*

Senate, No. 2477

1 AN ACT concerning the NJ STARS Program and amending P.L.2004,  
2 c.59.

3

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

6

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

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

30 b. A student shall be eligible for a scholarship under the NJ STARS  
31 Program for up to five semesters. The scholarship shall be payable for  
32 the first year of enrollment in a county college to a student who  
33 graduated in the top 20% of the student's high school graduating class,  
34 provided that in the case of students graduating from high schools that  
35 do not calculate the class rank of their students, the student's ranking  
36 shall be determined by the high school in consultation with the  
37 authority. During a student's enrollment in a county college after the  
38 first year of enrollment, the scholarship shall be payable to that student  
39 if [], based on the student's performance in the first year of  
40 enrollment,] the student [was ranked in the top 20% of all first-time  
41 students enrolled in a full-time course of study at the county college

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 during the student's initial year of county college enrollment] attains  
2 a grade point average of at least 3.0 by the start of the student's  
3 second year of county college enrollment. A student who attains a  
4 grade point average of less than 3.0 at the start of the second semester  
5 of the student's first year of county college enrollment shall participate  
6 in an enrichment program designed by the county college during the  
7 second semester of the student's first year of enrollment.

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

10 (1) be a State resident pursuant to guidelines established by the  
11 authority;

12 (2) have applied for all other available forms of State and federal  
13 need-based grants and merit scholarships, exclusive of loans, the full  
14 amount of which grants and scholarships shall be applied to tuition and  
15 fee charges to reduce the amount of any scholarship that the student  
16 shall receive under the provisions of this act;

17 (3) be enrolled in a full-time course of study at a New Jersey county  
18 college;

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

22 (5) maintain continuous enrollment in a full-time course of study,  
23 unless on medical leave due to the illness of the student or a member  
24 of the student's immediate family or emergency leave because of a  
25 family emergency, which medical or emergency leave shall have been  
26 approved by the county college.

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

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

39 (cf: P.L.2004, c.59, s.5)

40  
41 2. This act shall take effect immediately.

#### 42 43 STATEMENT

44  
45 This bill changes the criteria for continued receipt of a scholarship  
46 under the NJ STARS Program after the student's first year of

1 enrollment in a county college. Under current law, for continued  
2 receipt of the scholarship the student must be ranked in the top 20%  
3 of all first-time students enrolled in a full-time course of study during  
4 the student's initial year of enrollment. This bill provides that the  
5 student will have to attain at least a 3.0 grade point average (GPA) by  
6 the start of the student's second year of enrollment in order to continue  
7 receiving the scholarship. If a scholarship student has less than a 3.0  
8 GPA at the start of the second semester of his first year, the student  
9 will be required to participate in an enrichment program during the  
10 second semester of that first year.

11

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13

14 Changes criteria for continued receipt of NJ STARS scholarship after  
15 first year of enrollment in a county college.

# SENATE, No. 2477

## STATE OF NEW JERSEY 211th LEGISLATURE

INTRODUCED MAY 5, 2005

**Sponsored by:**

**Senator WAYNE R. BRYANT**

**District 5 (Camden and Gloucester)**

**Senator JOSEPH CONIGLIO**

**District 38 (Bergen)**

**Assemblyman ALBIO SIRES**

**District 33 (Hudson)**

**Assemblyman JOSEPH VAS**

**District 19 (Middlesex)**

**Assemblyman ROBERT GORDON**

**District 38 (Bergen)**

**Assemblyman DAVID R. MAYER**

**District 4 (Camden and Gloucester)**

**Assemblywoman BONNIE WATSON COLEMAN**

**District 15 (Mercer)**

**Co-Sponsored by:**

**Assemblymen Conaway, Conners, Scalera, Fisher, Stanley,**

**Assemblywoman Greenstein, Assemblymen Panter, Morgan, Van Drew,**

**Assemblywomen Voss and Previte**

**SYNOPSIS**

Changes criteria for continued receipt of NJ STARS scholarship after first year of enrollment in a county college.

**CURRENT VERSION OF TEXT**

As introduced.

(Sponsorship Updated As Of: 6/28/2005)

S2477 BRYANT, CONIGLIO

2

1 AN ACT concerning the NJ STARS Program and amending P.L.2004,  
2 c.59.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State  
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12 paragraph (2) of subsection c. of this section, for up to 15 credit hours  
13 in any semester, for an eligible student enrolled in a full-time course of  
14 study at the New Jersey county college serving the student's county of  
15 residence. An otherwise eligible student who demonstrates to the  
16 authority, in accordance with such criteria and by means of such  
17 documentation as the authority shall establish by regulation, that the  
18 county college serving the student's county of residence does not offer  
19 the curriculum that the student chooses to study shall be eligible for  
20 such scholarship at another New Jersey county college offering that  
21 curriculum. The amount of any scholarship allowed hereunder to a  
22 student at a county college serving a county other than the student's  
23 county of residence shall be computed as though the student were a  
24 resident of the county served by that college, and the college shall  
25 likewise compute the amount of any additional payment, required with  
26 respect to the enrollment of that student for credit hours of study  
27 during a semester in which the scholarship is awarded that are not  
28 covered by that scholarship, as though the student were a resident of  
29 the county.

30 b. A student shall be eligible for a scholarship under the NJ STARS  
31 Program for up to five semesters. The scholarship shall be payable for  
32 the first year of enrollment in a county college to a student who  
33 graduated in the top 20% of the student's high school graduating class,  
34 provided that in the case of students graduating from high schools that  
35 do not calculate the class rank of their students, the student's ranking  
36 shall be determined by the high school in consultation with the  
37 authority. During a student's enrollment in a county college after the  
38 first year of enrollment, the scholarship shall be payable to that student  
39 if **[**, based on the student's performance in the first year of  
40 enrollment,**]** the student **[**was ranked in the top 20% of all first-time  
41 students enrolled in a full-time course of study at the county college  
42 during the student's initial year of county college enrollment**]** attains  
43 a grade point average of at least 3.0 by the start of the student's

**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 second year of county college enrollment. A student who attains a  
2 grade point average of less than 3.0 at the start of the second semester  
3 of the student's first year of county college enrollment shall participate  
4 in an enrichment program designed by the county college during the  
5 second semester of the student's first year of enrollment.

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

8 (1) be a State resident pursuant to guidelines established by the  
9 authority;

10 (2) have applied for all other available forms of State and federal  
11 need-based grants and merit scholarships, exclusive of loans, the full  
12 amount of which grants and scholarships shall be applied to tuition and  
13 fee charges to reduce the amount of any scholarship that the student  
14 shall receive under the provisions of this act;

15 (3) be enrolled in a full-time course of study at a New Jersey county  
16 college;

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

20 (5) maintain continuous enrollment in a full-time course of study,  
21 unless on medical leave due to the illness of the student or a member  
22 of the student's immediate family or emergency leave because of a  
23 family emergency, which medical or emergency leave shall have been  
24 approved by the county college.

25 d. A student who is dismissed for academic or disciplinary reasons  
26 from a county college shall no longer be eligible for a scholarship  
27 under this act. If a student participating in the program is dismissed  
28 for disciplinary reasons, the student shall repay in full all amounts  
29 received under the program. The county college shall be responsible  
30 for collecting the repayment, or the amount of any overpayment or  
31 other improper payment, of any State awards under the program, in  
32 accordance with the provisions of N.J.S.18A:71B-10.

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

37 (cf: P.L.2004, c.59, s.5)

38  
39 2. This act shall take effect immediately.  
40  
41

#### 42 STATEMENT

43  
44 This bill changes the criteria for continued receipt of a scholarship  
45 under the NJ STARS Program after the student's first year of  
46 enrollment in a county college. Under current law, for continued



**S2477 BRYANT, CONIGLIO**

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1 receipt of the scholarship the student must be ranked in the top 20%  
2 of all first-time students enrolled in a full-time course of study during  
3 the student's initial year of enrollment. This bill provides that the  
4 student will have to attain at least a 3.0 grade point average (GPA) by  
5 the start of the student's second year of enrollment in order to continue  
6 receiving the scholarship. If a scholarship student has less than a 3.0  
7 GPA at the start of the second semester of his first year, the student  
8 will be required to participate in an enrichment program during the  
9 second semester of that first year.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

### SENATE, No. 2477

# STATE OF NEW JERSEY

DATED: MAY 19, 2005

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2477.

This bill changes the criteria for continued receipt of a scholarship under the NJ STARS Program after the student's first year of enrollment in a county college.

The New Jersey Student Tuition Assistance Rewarded Scholarship Program (NJ STARS) was established in 2005 under P.L.2004, c.59. The program, administered by the Higher Education Student Assistance Authority (HESAA), provides that subject to the prior application of other grants and scholarships against the cost of county college tuition and fees, a student who graduated in the top 20 percent of the student's high school graduating class will be eligible for a scholarship for the first year of enrollment on a full-time basis in a county college. The current law provides that after that student's first year of enrollment, the scholarship will be payable if the student was ranked in the top 20 percent of all first-time students enrolled in a full-time course of study at the county college during the student's initial year of enrollment.

This bill changes that top 20 percent county college first year ranking criteria for continuation of that scholarship in the second year of enrollment. Instead the first year student - scholarship recipient will have to attain at least a 3.0 grade point average (GPA) by the start of the student's second year of enrollment in order to continue receiving the scholarship. If an NJ STARS scholarship student has less than a 3.0 GPA at the start of the second semester of the first year, the student will be required to participate in an enrichment program during the second semester of that first year.

#### FISCAL IMPACT:

The change in criteria for second year receipt of an NJ STARS Scholarship may increase the number of first year NJ STARS recipients that will be eligible for the award in their second year. The New Jersey Council of County Colleges has indicated that of the FY 2005 freshman cohort of scholarship recipients, the number of NJ STARS students ranking in the top 20 percent of their freshman class and eligible to continue receiving the award in their second year of county college enrollment is 44 percent of 1,126 NJ STARS students,

or 495 students. If the second year award criteria is changed to a first year grade point average of 3.0, continued eligibility would be extended to 60 percent of the 1,126 NJ STARS students, or 675 second-year students, an additional 180 students.

Given the requirement that recipients must continue to apply for all other available forms of federal and State need-based grants and merit scholarships, it is difficult to quantify how the change will impact actual program costs in FY 2006 and future years. However, if 60 percent of the first cohort of NJ STARS students receive an NJ STARS scholarship in their second year of enrollment which fully funds tuition and fee expenses at a New Jersey county college, the cost to fund the estimated 675 second-year recipients at the 2004-2005 average county college tuition and fee cost of \$2,771 would be \$1.9 million dollars in FY 2006. If the criteria is not changed and 44 percent of 1,126 NJ STARS students, or 495 students, are awarded an NJ STARS scholarship which fully funds tuition and fee expenses in their second year of county college enrollment, the cost would be \$1.4 million dollars in FY 2006. The maximum cost for the additional 180 students could approximate \$500,000 in FY2006, which amount would be reduced by any federal and State need-based grants or merit scholarships that may be available to these students. The funding for an estimated 2,000 new first year students who are expected to enroll at a New Jersey county college under the NJ STARS Program in FY 2006 is not effected by this bill.

**LEGISLATIVE FISCAL ESTIMATE**  
**SENATE, No. 2477**  
**STATE OF NEW JERSEY**  
**211th LEGISLATURE**

DATED: JUNE 3, 2005

**SUMMARY**

**Synopsis:** Changes criteria for continued receipt of New Jersey Student Tuition Assistance Rewarded Scholarship after first year of enrollment in a county college.

**Type of Impact:** An expenditure increase from the General Fund.

**Agencies Affected:** Higher Education Student Assistance Authority, New Jersey County Colleges.

**Office of Legislative Services Estimate**

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

- ! The New Jersey Student Tuition Assistance Rewarded Scholarship Program (NJ STARS) was established in 2005 under P.L.2004, c.59. The program, administered by the Higher Education Student Assistance Authority, provides that subject to the prior application of other grants and scholarships against the cost of county college tuition and fees, a student who graduated in the top 20 percent of the student's high school graduating class will be eligible for a scholarship for the first year of enrollment on a full-time basis in a county college. The current law provides that after that student's first year of enrollment, the scholarship will be payable if the student was ranked in the top 20 percent of all first-time students enrolled in a full-time course of study at the county college during the student's initial year of enrollment.
- ! This bill changes the criteria for continued receipt of a scholarship under the NJ STARS Program in the student's second year of county college enrollment from being ranked in the top 20 percent of all first-time students enrolled in a full-time course of study at a county college during the student's initial year of enrollment to attaining a 3.0 grade point average (GPA) by the start of the student's second year of enrollment.

**BILL DESCRIPTION**

Senate Bill No. 2477 of 2005 changes the criteria for continued receipt of a scholarship under the NJ STARS Program after the student's first year of enrollment in a county college. Under current law, for continued receipt of the scholarship in the second year of county college

enrollment, the student must be ranked in the top 20 percent of all first-time students enrolled in a full-time course of study during the student's initial year of enrollment. This bill changes the top 20 percent in the first year criteria to a requirement that the student will have to attain at least a 3.0 grade point average (GPA) by the start of the student's second year of enrollment in order to continue receiving the scholarship. If a scholarship recipient has less than a 3.0 GPA at the start of the second semester of the first year, the student will be required to participate in an enrichment program during the second semester of the initial year of enrollment.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The Office of Legislative Services has determined that it is not possible to accurately estimate the fiscal impact of this bill. The change in criteria for second year receipt of a NJ STARS scholarship may increase the number of first year NJ STARS scholarship recipients that will be eligible for the award in their second year. The New Jersey Council of County Colleges has indicated that of the FY 2005 freshman cohort of scholarship recipients, the number of NJ STARS scholarship students ranking in the top 20 percent of their freshman class and eligible to continue receiving the award in their second year of county college enrollment is 44 percent of 1,126 NJ STARS scholarship students, or 495 students. If the second year award criteria is changed to a first year grade point average of 3.0, continued eligibility would be extended to 60 percent of the 1,126 NJ STARS scholarship students, or 675 second-year students, an additional 180 students. Given the requirement that recipients must continue to apply for all other available forms of federal and State need-based grants and merit scholarships, it is difficult to quantify how the change will impact actual program costs in FY 2006 and future years. However, if 60 percent of the first cohort of NJ STARS scholarship students receive a NJ STARS scholarship in their second year of enrollment which fully funds tuition and fee expenses at a New Jersey county college, the cost to fund the estimated 675 second-year recipients at the 2004-2005 average county college tuition and fee cost of \$2,771 would be \$1.9 million dollars in FY 2006. If the criteria is not changed and 44 percent of 1,126 NJ STARS scholarship students, or 495 students, are awarded a NJ STARS scholarship which fully funds tuition and fee expenses in their second year of county college enrollment, the cost would be \$1.4 million dollars in FY 2006. The estimated amounts would not include funding for an estimated 2,000 new students who are expected to enroll at a New Jersey county college under the NJ STARS scholarship Program in FY 2006.

S2477

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Section: *Education*

Analyst: *Osomo A. Thomas*  
*Associate Fiscal Analyst*

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

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

# ASSEMBLY, No. 4115

## STATE OF NEW JERSEY 211th LEGISLATURE

INTRODUCED MAY 16, 2005

**Sponsored by:**

**Assemblyman ALBIO SIRES**

**District 33 (Hudson)**

**Assemblyman JOSEPH VAS**

**District 19 (Middlesex)**

**Assemblyman ROBERT GORDON**

**District 38 (Bergen)**

**Assemblyman DAVID R. MAYER**

**District 4 (Camden and Gloucester)**

**Assemblywoman BONNIE WATSON COLEMAN**

**District 15 (Mercer)**

**Co-Sponsored by:**

**Assemblymen Conaway, Conners, Scalera, Fisher, Stanley,**

**Assemblywoman Greenstein, Assemblymen Panter, Morgan, Van Drew,**

**Assemblywomen Voss and Previte**

**SYNOPSIS**

Changes criteria for continued receipt of NJ STARS scholarship after first year of enrollment in a county college.

**CURRENT VERSION OF TEXT**

As introduced.

(Sponsorship Updated As Of: 6/28/2005)

A4115 SIRES, VAS

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19 the curriculum that the student chooses to study shall be eligible for  
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21 curriculum. The amount of any scholarship allowed hereunder to a  
22 student at a county college serving a county other than the student's  
23 county of residence shall be computed as though the student were a  
24 resident of the county served by that college, and the college shall  
25 likewise compute the amount of any additional payment, required with  
26 respect to the enrollment of that student for credit hours of study  
27 during a semester in which the scholarship is awarded that are not  
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31 Program for up to five semesters. The scholarship shall be payable for  
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38 first year of enrollment, the scholarship shall be payable to that student  
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41 students enrolled in a full-time course of study at the county college  
42 during the student's initial year of county college enrollment**]** attains  
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1 second year of county college enrollment. A student who attains a  
2 grade point average of less than 3.0 at the start of the second semester  
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12 amount of which grants and scholarships shall be applied to tuition and  
13 fee charges to reduce the amount of any scholarship that the student  
14 shall receive under the provisions of this act;

15 (3) be enrolled in a full-time course of study at a New Jersey county  
16 college;

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

20 (5) maintain continuous enrollment in a full-time course of study,  
21 unless on medical leave due to the illness of the student or a member  
22 of the student's immediate family or emergency leave because of a  
23 family emergency, which medical or emergency leave shall have been  
24 approved by the county college.

25 d. A student who is dismissed for academic or disciplinary reasons  
26 from a county college shall no longer be eligible for a scholarship  
27 under this act. If a student participating in the program is dismissed  
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**A4115 SIRES, VAS**

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5 the start of the student's second year of enrollment in order to continue  
6 receiving the scholarship. If a scholarship student has less than a 3.0  
7 GPA at the start of the second semester of his first year, the student  
8 will be required to participate in an enrichment program during the  
9 second semester of that first year.

# ASSEMBLY BUDGET COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 4115

# STATE OF NEW JERSEY

DATED: JUNE 22, 2005

The Assembly Budget Committee reports favorably Assembly Bill No. 4115.

Assembly Bill No. 4115 changes the criteria for continued receipt of a scholarship under the NJ STARS Program after the student's first year of enrollment in a county college.

The New Jersey Student Tuition Assistance Rewarded Scholarship Program (NJ STARS) was established in 2005 under P.L.2004, c.59. The program, administered by the Higher Education Student Assistance Authority (HESAA), provides that subject to the prior application of other grants and scholarships against the cost of county college tuition and fees, a student who graduated in the top 20 percent of the student's high school graduating class will be eligible for a scholarship for the first year of enrollment on a full-time basis in a county college. The current law provides that after that student's first year of enrollment, the scholarship will be payable if the student was ranked in the top 20 percent of all first-time students enrolled in a full-time course of study at the county college during the student's initial year of enrollment.

This bill changes that top 20 percent county college first year ranking criteria for continuation of that scholarship in the second year of enrollment. Instead the first year student - scholarship recipient will have to attain at least a 3.0 grade point average (GPA) by the start of the student's second year of enrollment in order to continue receiving the scholarship. If an NJ STARS scholarship student has less than a 3.0 GPA at the start of the second semester of the first year, the student will be required to participate in an enrichment program during the second semester of that first year.

#### FISCAL IMPACT:

The change in criteria for second year receipt of an NJ STARS Scholarship may increase the number of first year NJ STARS recipients that will be eligible for the award in their second year. The New Jersey Council of County Colleges has indicated that of the FY 2005 freshman cohort of scholarship recipients, the number of NJ STARS students ranking in the top 20 percent of their freshman class and eligible to continue receiving the award in their second year of county college enrollment is 44 percent of 1,126 NJ STARS students,

or 495 students. If the second year award criteria is changed to a first year grade point average of 3.0, continued eligibility would be extended to 60 percent of the 1,126 NJ STARS students, or 675 second-year students, an additional 180 students.

Given the requirement that recipients must continue to apply for all other available forms of federal and State need-based grants and merit scholarships, it is difficult to quantify how the change will impact actual program costs in FY 2006 and future years. However, if 60 percent of the first cohort of NJ STARS students receive an NJ STARS scholarship in their second year of enrollment which fully funds tuition and fee expenses at a New Jersey county college, the cost to fund the estimated 675 second-year recipients at the 2004-2005 average county college tuition and fee cost of \$2,771 would be \$1.9 million dollars in FY 2006. If the criteria is not changed and 44 percent of 1,126 NJ STARS students, or 495 students, are awarded an NJ STARS scholarship which fully funds tuition and fee expenses in their second year of county college enrollment, the cost would be \$1.4 million dollars in FY 2006. The maximum cost for the additional 180 students could approximate \$500,000 in FY2006, which amount would be reduced by any federal and State need-based grants or merit scholarships that may be available to these students. The funding for an estimated 2,000 new first year students who are expected to enroll at a New Jersey county college under the NJ STARS Program in FY 2006 is not effected by this bill.

**LEGISLATIVE FISCAL ESTIMATE**  
**ASSEMBLY, No. 4115**  
**STATE OF NEW JERSEY**  
**211th LEGISLATURE**

DATED: JULY 8, 2005

**SUMMARY**

**Synopsis:** Changes criteria for continued receipt of New Jersey Student Tuition Assistant Reward Scholarship Program after first year of enrollment in a county college.

**Type of Impact:** An expenditure increase from the General Fund.

**Agencies Affected:** Higher Education Student Assistance Authority, New Jersey County Colleges.

**Office of Legislative Services Estimate**

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

- ! The New Jersey Student Tuition Assistance Reward Scholarship Program was established in 2005 under P.L.2004, c.59. The program, administered by the Higher Education Student Assistance Authority, provides that subject to the prior application of other grants and scholarships against the cost of county college tuition and fees, a student who graduated in the top 20 percent of the student's high school graduating class will be eligible for a scholarship for the first year of enrollment on a full-time basis in a county college. The current law provides that after that student's first year of enrollment, the scholarship will be payable if the student was ranked in the top 20 percent of all first-time students enrolled in a full-time course of study at the county college during the student's initial year of enrollment.
- ! This bill changes the criteria for continued receipt of a scholarship under the New Jersey Student Tuition Assistance Reward Scholarship Program in the student's second year of county college enrollment from being ranked in the top 20 percent of all first-time students enrolled in a full-time course of study at a county college during the student's initial year of enrollment to attaining a 3.0 grade point average by the start of the student's second year of enrollment.

**BILL DESCRIPTION**

Assembly Bill No. 4115 of 2005 changes the criteria for continued receipt of a scholarship under the New Jersey Student Tuition Assistance Reward Scholarship Program after the

student's first year of enrollment in a county college. Under current law, for continued receipt of the scholarship in the second year of county college enrollment, the student must be ranked in the top 20 percent of all first-time students enrolled in a full-time course of study during the student's initial year of enrollment. This bill changes the top 20 percent in the first year criteria to a requirement that the student will have to attain at least a 3.0 grade point average by the start of the student's second year of enrollment in order to continue receiving the scholarship. If a scholarship recipient has less than a 3.0 grade point average at the start of the second semester of the first year, the student will be required to participate in an enrichment program during the second semester of the initial year of enrollment.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The Office of Legislative Services has determined that it is not possible to accurately estimate the fiscal impact of this bill. The change in criteria for second year receipt of a New Jersey Student Tuition Assistance Reward Scholarship Program may increase the number of first year New Jersey Student Tuition Assistance Reward Scholarship Program recipients that will be eligible for the award in their second year. The New Jersey Council of County Colleges has indicated that of the FY 2005 freshman cohort of scholarship recipients, the number of New Jersey Student Tuition Assistance Reward Scholarship Program students ranking in the top 20 percent of their freshman class and eligible to continue receiving the award in their second year of county college enrollment is 44 percent of 1,126 New Jersey Student Tuition Assistance Reward Scholarship Program students, or 495 students. If the second year award criteria is changed to a first year grade point average of 3.0, continued eligibility would be extended to 60 percent of the 1,126 New Jersey Student Tuition Assistance Reward Scholarship Program students, or 675 second-year students, an additional 180 students. Given the requirement that recipients must continue to apply for all other available forms of federal and State need-based grants and merit scholarships, it is difficult to quantify how the change will impact actual program costs in FY 2006 and future years. However, if 60 percent of the first cohort of New Jersey Student Tuition Assistance Reward Scholarship Program students receive a New Jersey Student Tuition Assistance Reward Scholarship Program in their second year of enrollment which fully funds tuition and fee expenses at a New Jersey county college, the cost to fund the estimated 675 second-year recipients at the 2004-2005 average county college tuition and fee cost of \$2,771 would be \$1.9 million dollars in FY 2006. If the criteria is not changed and 44 percent of 1,126 New Jersey Student Tuition Assistance Reward Scholarship Program students, or 495 students, are awarded a New Jersey Student Tuition Assistance Reward Scholarship Program which fully funds tuition and fee expenses in their second year of county college enrollment, the cost would be \$1.4 million dollars in FY 2006. The estimated amounts would not include funding for an estimated 2,000 new students who are expected to enroll at a New Jersey county college under the New Jersey Student Tuition Assistance Reward Scholarship Program in FY 2006.

A4115

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Section: *Education*

Analyst: *Osomo A. Thomas*  
*Associate Fiscal Analyst*

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

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.