

18A: 72-9.1 et seq.

LEGISLATIVE HISTORY CHECKLIST

NJSA 18A:72-9.1 et seq.

Laws of 1974 Chapter 157

Bill No. A 1301

Sponsor(s) Hamilton & others

Date Introduced Feb. 15

Committee: Assembly Education

Senate "

Amended during passage ~~Yes~~ No

Date of passage: Assembly April 1

Senate May 16

Date of approval Nov. 11

Following statements are attached if available:

Sponsor statement Yes ~~No~~

Committee Statement: Assembly ~~Yes~~ No

Senate Yes ~~No~~

Fiscal Note Yes ~~No~~

Veto message ~~Yes~~ No

Message on signing ~~Yes~~ No

Following were printed:

Reports ~~Yes~~ No

Hearings ~~Yes~~ No

10/4/76

FEB 1977

ASSEMBLY, No. 1301

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 15, 1974

By Assemblymen HAMILTON, LEFANTE, BARBOUR, Assembly-  
woman WILSON, Assemblymen KLEIN, PATERO, FROUDE,  
BORNHEIMER, KARCHER, OTLOWSKI, DEVERIN, RUANE,  
CODEY and HAWKINS

Referred to Committee on Education

AN ACT concerning availability of student loans and supplement-  
ing the "Higher Education Assistance Authority Law" (N. J. S.  
18A:72-1 et seq.).

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

1 1. The Higher Education Assistance Authority in exercising its  
2 powers to make direct loans may establish a separate entity or  
3 utilize established agencies to administer the direct loan program,  
4 which entity or agencies shall adopt rules subject to the approval  
5 of the authority. Loans made by such entity or agencies shall be  
6 subject to the same criteria as to amount, interest and payment as  
7 are other loans authorized by the "Higher Education Assistance  
8 Authority Law," N. J. S. 18A:72-1 et seq., and shall be given to  
9 students who are eligible for loans under the terms and conditions  
10 of that law but have been unable to secure them.

1 2. In order to insure that the citizens of New Jersey are aware  
2 that loans may be obtained by eligible students under the provisions  
3 of the "Higher Education Assistance Authority Law," N. J. S.  
4 18A:72-1 et seq., without the necessity of demonstrating financial  
5 need, the authority shall immediately and prior to each academic  
6 year hereafter take suitable action to inform and advise the public,  
7 through advertisement or any other means, of the criteria for and  
8 availability of loans for students under the provisions of said law.

1 3. No loans shall be granted pursuant to this act with respect to  
2 any academic year prior to that which commences in September  
3 of 1974.

1 4. This act shall take effect immediately.

## STATEMENT

This bill will ensure that any eligible New Jersey resident who applies for an education loan under the "Higher Education Assistance Authority Law" (N. J. S. 18A:72-1 et seq.), regardless of his or her income, will receive it. While most students are able to obtain loans under said law, there have been instances where eligible students have been denied loans by lending institutions. The authority has, in most cases, been able to remedy such matters. However, because some students are not aware of the assistance available through the authority, it is advisable to establish provisions that stipulate and mandate the availability of direct loans by the authority to eligible students. Moreover, because the public may not be fully aware that obtaining a loan under the Higher Education Assistance Authority Law does not necessitate demonstrating financial need, it is advisable to set forth explicitly in the law that the authority shall take suitable measures to notify and advise the public of the criteria for and availability of loans under said act.

SENATE EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1301

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**STATE OF NEW JERSEY**

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DATED: MAY 13, 1974

There have been instances in which eligible college students have been denied loans by lending institutions. This bill is designed to assure that any eligible New Jersey resident who applies for an educational loan, regardless of his or her income or that of the family, will receive a loan within permissible limits.

This bill further assures that the public will be informed and advised of the availability of student loans prior to each academic year through an advertising campaign.

This bill also assures that when an eligible student is denied a loan, if after referral he is unable to secure a loan, he may apply directly to the Higher Education Assistance Authority and receive a loan from its designated agent using public funds.

The Department of Higher Education supports this bill and states that the \$550,000.00 cost can be taken care of within the budget of the Higher Education Assistance Authority.

FISCAL NOTE TO  
**ASSEMBLY, No. 1301**

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**STATE OF NEW JERSEY**

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DATED: APRIL 11, 1974

Assembly Bill No. 1301 provides that any eligible New Jersey resident may obtain a loan under the "Higher Education Assistance Authority Law" regardless of his or her income. The Authority is also required to take suitable measures to advise the public of the criteria for and the availability of such loans.

There is presently sufficient money in the Higher Education Assistance Fund so that no additions to the fund appear to be necessary in the near future. However, the Department of Higher Education estimates that enactment of this legislation would generate additional loans in the amount of \$535,000.00 in fiscal 1974-75 and \$1,035,000.00 in fiscal 1975-76. It is further estimated that expenses would be increased by \$15,000.00 in fiscal 1974-75 and \$16,000.00 in fiscal 1975-76.

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The fiscal note is based on an estimate of costs rather than actual cost information.

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In compliance with written request received, there is hereby submitted a fiscal estimate for the above bill, pursuant to P. L. 1962, c. 27.