

# 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.