

**ASSEMBLY, No. 895**

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**STATE OF NEW JERSEY**

**219th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

**Sponsored by:**

**Assemblyman THOMAS P. GIBLIN**

**District 34 (Essex and Passaic)**

**Assemblywoman BRITNEE N. TIMBERLAKE**

**District 34 (Essex and Passaic)**

**Assemblywoman MILA M. JASEY**

**District 27 (Essex and Morris)**

**SYNOPSIS**

Provides that New Jersey Better Educational Savings Trust (NJBEST) Program scholarship may be awarded in any semester of attendance or enrollment at institution of higher education in State.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 3/5/2020)**

1 AN ACT concerning the New Jersey Better Educational Savings  
2 Trust (NJBEST) Program and amending N.J.S.18A:71B-42.

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

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7 1. N.J.S.18A:71B-42 is amended to read as follows:

8 1. a. An amount of no less than \$500 shall be provided by the  
9 State for the qualified higher education expenses of a designated  
10 beneficiary at the time of a qualified withdrawal provided that:

11 (1) the contributor demonstrates, to the satisfaction of the  
12 authority, that the contributor participated in the program for at  
13 least four years by making a qualifying minimum initial deposit or  
14 qualifying minimum annual contributions, or both, as shall be  
15 determined by the authority, for a designated beneficiary;

16 (2) the designated beneficiary demonstrates, to the satisfaction  
17 of the authority, attendance or enrollment in a higher education  
18 institution in this State~~],~~ at the time of initial attendance or  
19 enrollment in the higher education institution~~];~~ and

20 (3) either the contributor, if an individual, or the designated  
21 beneficiary demonstrates, to the satisfaction of the authority, that  
22 the contributor or designated beneficiary is a New Jersey resident.

23 b. The amount provided under subsection a. of this section  
24 shall meet the requirements of a qualified scholarship within the  
25 meaning of section 117 of the federal Internal Revenue Code of  
26 1986, 26 U.S.C.s.117, for a designated beneficiary satisfying the  
27 requirements of subsection a. of this section.

28 c. A designated beneficiary shall not receive more than one  
29 State scholarship provided pursuant to subsection a. of this section.  
30 (cf: N.J.S.18A:71B-42)

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32 2. This act shall take effect immediately.

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#### STATEMENT

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37 The New Jersey Better Educational Savings Trust (NJBEST)  
38 Program provides families with the opportunity to save for their  
39 child's higher education and make tax-free withdrawals for  
40 qualified education expenses. For qualified beneficiaries, NJBEST  
41 provides a one-time scholarship of no less than \$500 at the time of a  
42 beneficiary's initial attendance or enrollment at a New Jersey  
43 institution.

44 This bill provides that the scholarship may be awarded to a  
45 student in any semester of attendance or enrollment. Under the

**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.**

**A895 GIBLIN, TIMBERLAKE**

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1 current statutory language, the Higher Education Student Assistance  
2 Authority has had to deny scholarships to students who did not  
3 realize that they had to apply in their first semester of enrollment.  
4 This bill will correct that problem and ensure that eligible students  
5 receive the scholarship to which they are entitled.