

ASSEMBLY HIGHER EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4407

with committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 8, 2020

The Assembly Higher Education Committee reports favorably Assembly Bill No. 4407 with committee amendments.

As amended, this bill provides that a student enrolled in a public or independent institution of higher education or a proprietary institution licensed to offer academic degrees, or an individual receiving or seeking employment and training services from a training provider, will be ineligible to receive any form of student assistance from the State, including grants, scholarships, and loans, or receive any other employment and training services, if the institution, school, or training provider requires the student or individual to:

(1) submit to an agreement to arbitrate or to an arbitration proceeding, prior to the commencement of any legal action, to resolve any matter thereafter relating to the student's enrollment or the individual's receiving the services;

(2) resolve a complaint relating to the student's enrollment or the individual's receiving the services through an internal dispute process;

(3) waive any right, forum, or procedure afforded to the student or individual, including any right to file and pursue a civil action, class action or a complaint with, or otherwise notify, any State agency, public prosecutor, law enforcement agency, or any court or other governmental entity of any alleged violation of the rights of the student or individual; or

(4) be prohibited from disclosing, discussing, describing, or commenting upon the terms of the student's or individual's enrollment agreement or any violation thereof.

Under the bill, a student may receive student assistance from the State for which the student is eligible from a different institution of higher education or proprietary institution, and an individual may receive employment and training services or any form of funding for the services for which the individual is eligible from a different training provider.

The bill also provides that such school, institution, or training provider cannot threaten, retaliate, or discriminate against any student or individual because of the refusal by the student to: consent to an agreement to arbitrate or to an arbitration proceeding;

resolve a complaint through an internal dispute process; waive any right, forum, or procedure; or consent to a prohibition to disclose, discuss, describe or comment upon any enrollment agreement terms or violations thereof. Additionally, the bill provides that a school, proprietary school, or training provider cannot require a student to opt out of a waiver or take any affirmative action in order to preserve his rights.

Finally, the bill provides that if a training provider requires an individual to take actions which make the individual ineligible to receive employment and training services under the bill or takes retaliatory actions against an individual prohibited by the bill, the training provider will not be placed or retained on the State Eligible Training Provider List and will not receive any federal job training funds or State job training funds.

COMMITTEE AMENDMENTS:

The committee amended the bill to clarify that a student may receive student assistance from the State for which the student is eligible from a different institution of higher education or proprietary institution. The amendments also clarify that an individual may receive employment and training services or any form of funding for the services for which the individual is eligible from a different training provider.