ASSEMBLY, No. 5391

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 23, 2021

Sponsored by:
Assemblywoman ANNETTE QUIJANO
District 20 (Union)
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District 27 (Essex and Morris)
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District 34 (Essex and Passaic)

SYNOPSIS

Requires institutions of higher education and private career schools to provide on website employment data of graduates; requires DOLWD to compile certain employment information.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 6/16/2021)

AN ACT concerning information provided by institutions of higher education and private career schools, amending P.L.2009, c.197, and supplementing P.L.1989, c.293 (C.34:15C-1 et seq.), and Title 45 of the Revised Statutes.

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

1. Section 2 of P.L.2009, c.197 (C.18A:3B-44) is amended to read as follows:

2. a. **[**A four-year public**]** An institution of higher education and a proprietary institution which has been authorized to offer licensed degree programs shall provide for public inspection on its website comprehensive information on the cost of attendance, the graduation rates of admitted students, and the faculty of the institution, and shall also provide for public inspection on its website employment data for recent graduates of the institution. The purpose of the information shall be to maximize the awareness of students and their families of the costs associated with enrollment in the institution, the institution's success in ensuring the graduation and employment of its students, and the composition of the teaching faculty that a student will encounter in his coursework. The institution shall post, and annually update, a student consumer information report on its website that includes, if applicable:

(1) overall two-year and three-year graduation rates, and overall four-year and six-year graduation rates, as applicable;

(2) two-year and three-year graduation rates by demographic group, and four-year and six-year graduation rates by demographic group, as applicable;

(3) two-year and three-year graduation rates by major, and four-year and six-year graduation rates by major, as applicable;

(4) two-year and three-year graduation rates for student-athletes, and four-year and six-year graduation rates for student-athletes, as applicable;

(5) the student transfer rate, including the rate of students who graduate from a county college and subsequently enroll in a four-year institution of higher education;

(6) an overview of the institutions to which former students of that **[**college or university**]** institution have transferred prior to the completion of a degree;

(7) the cost for the current academic year of attending the institution including tuition, student fees, room and board, and books and materials;

(8) a description of the types of financial assistance offered directly by the institution to both student-athletes and to students who do not participate in athletic programs at the institution;

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.

(9) the percent of student-athletes who receive financial assistance directly from the institution and the average value of the assistance and the percent of students who do not participate in athletic programs at the institution who receive financial assistance directly from the institution and the average value of the assistance;

(10) the total projected cost for an incoming freshman to live on campus and complete a degree in four years and the total projected cost for an incoming freshman to commute to school and complete a degree in four years;

(11) the total projected cost for an incoming freshman to live on campus and complete a degree in six years and the total projected cost for an incoming freshman to commute to school and complete a degree in six years;

(12) average student loan indebtedness of four-year graduates for both students who live on campus and students who commute, and average student loan indebtedness of two-year graduates;

(13) average student loan indebtedness of six-year graduates for both students who live on campus and students who commute, and average student loan indebtedness of three-year graduates;

(14) average student loan indebtedness of a student who withdraws from the institution prior to the completion of a degree program for both students who live on campus and students who commute;

(15) an overview of the institution's faculty, including the percentage of faculty employed as a tenured professor, the percentage of faculty employed as a full-time non-tenured professor, and the percentage of faculty employed as an adjunct or visiting professor;

(16) the percentage of courses taught by each of the different categories of faculty; **[**and**]**

(17) an indicator of each academic department's capacity to serve the students majoring within that department's programs, as determined by the **[**Commission on**]** Secretary of Higher Education; and

(18) employment data beginning with data compiled for students who graduate from the institution during the 2021-2022 academic year. The employment data shall include, but need not be limited to, the employment rate and average annual salary of students by academic major two years following the academic year in which the students graduated from the institution, and the number and percentage of students who are employed two years following the academic year in which the students graduated from the institution, as compiled in the comparative report and provided by the Secretary of Higher Education pursuant to section 10 of P.L. , c. (C.) (pending before the Legislature as this bill).

The institution shall provide with all paper applications for admission to the institution a hard copy of the information prepared pursuant to this section.

b. ⟦A four-year public⟧ An institution of higher education and a proprietary institution authorized to offer licensed degree programs shall conform to the guidelines, criteria, and format prescribed by the ⟦Commission on⟧ Secretary of Higher Education in reporting the information required pursuant to this section.

c. ⟦A four-year public⟧ An institution of higher education and a proprietary institution authorized to offer licensed degree programs shall submit its student consumer information report to the ⟦Commission on⟧ Secretary of Higher Education for inclusion in a comparative profile of the student consumer information reports of all ⟦four-year public⟧ institutions of higher education.

d. ⟦A four-year public⟧ An institution of higher education and a proprietary institution authorized to offer licensed degree programs shall ensure that the page of its Internet site which includes its student consumer information report contains a link to the page of the ⟦Commission on⟧ Secretary of Higher Education's Internet site that includes the comparative profile required pursuant to subsection b. of section 3 of this act.

e. ⟦A four-year public⟧ An institution of higher education and a proprietary institution authorized to offer licensed degree programs shall ensure that the Internet site for submitting an online application to the institution contains a link to the institution's student consumer information report.

f. ⟦A four-year public⟧ An institution of higher education and a proprietary institution authorized to offer licensed degree programs shall require the parent or guardian of a student applying for admission into the institution, or the student if he is an independent adult, to sign and submit a statement acknowledging that he has reviewed the institution's student consumer information report.

(cf: P.L.2009, c.197, s.2)

2. Section 3 of P.L.2009, c.197 (C.18A:3B-45) is amended to read as follows:

3. a. The ⟦Commission on⟧ Secretary of Higher Education shall issue guidelines and criteria for collecting and calculating the information required pursuant to section 2 of this act and shall prescribe a uniform reporting method for posting the information.

b. The ⟦Commission on⟧ Secretary of Higher Education shall annually compile the student consumer information reports submitted pursuant to subsection c. of section 2 of this act into a comparative profile of all ⟦four-year public⟧ institutions of higher education and proprietary institutions authorized to offer licensed

degree programs. The [commission] secretary shall present the information on its website in a manner that allows [college] students and their families to easily compare student consumer information across public institutions, across independent institutions, and across proprietary institutions authorized to offer licensed degree programs.
(cf: P.L.2009, c.197, s.3)

3. (New section) Within 12 months of the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), the Secretary of Higher Education shall establish a performance quality standard for programs of study offered by institutions of higher education and proprietary institutions authorized to offer licensed degree programs. The standard shall be based on the ratio of the earnings of students in the programs to the tuition and fees charged to those students net of any institutional grant aid. The secretary shall ensure that the programs of study meet a minimum acceptable level of performance for the standard, up to and including revocation of an institution's license to award academic degrees.

The secretary, in consultation with the Attorney General and the Commissioner of Labor and Workforce Development, shall adopt, in accordance with the "Administrative Procedure Act," P.L. 1968, c.410 (C.52:14B-1 et seq.), rules and regulations as may be necessary to implement the provisions of this section.

4. (New section) a. A private career school authorized to offer an educational program required for licensure, registration or certification in a profession or occupation regulated by a professional or occupational board established in the Division of Consumer Affairs shall provide for public inspection on its website comprehensive information on the cost of attendance, the graduation or completion rates of admitted students, and the faculty of the school, and shall also provide for public inspection on its website employment data for recent graduates. The purpose of the information shall be to maximize the awareness of students of the costs associated with enrollment in the school, the success in ensuring the graduation and employment of its students, and the composition of the teaching faculty that a student will encounter in his coursework. The school shall post, and annually update, a student consumer information report on its website that includes, if applicable:

(1) overall graduation or completion rates;

(2) graduation or completion rates by demographic group;

(3) the student transfer rate;

(4) an overview of the schools to which former students have transferred prior to the completion of an educational program;

(5) the amount of any school charges, including tuition and fees;

(6) a description of the types of financial assistance offered directly by the school to students;

(7) the total projected cost for an incoming student to complete the educational program;

(8) average student loan indebtedness of graduates;

(9) average student loan indebtedness of a student who withdraws from the school prior to the completion of the educational program;

(10) an overview of the school's faculty, including the percentage of faculty employed on a full-time basis and the percentage of faculty employed on a part-time basis; and

(11) employment data beginning with data compiled for students who graduate from the school during the 2021-2022 academic year. The employment data shall include, but need not be limited to, the employment rate and average annual salary of students two years following the academic year in which the students graduated from the school, as compiled in the comparative report and provided by the Attorney General pursuant to section 10 of P.L. , c. (C.) (pending before the Legislature as this bill).

The school shall provide with all paper applications for admission a hard copy of the information prepared pursuant to this subsection.

b. A private career school shall conform to the guidelines, criteria, and format prescribed by the Attorney General in reporting the information required pursuant to subsection a. of this section. The institution shall submit its student consumer information report to the Attorney General for inclusion in a comparative profile of the student consumer information reports of all such schools.

c. A private career school shall ensure that the page of its Internet site which includes its student consumer information report contains a link to the page of the Attorney General's Internet site that includes the comparative profile required pursuant to subsection b. of section 5 of P.L. , c. (C.) (pending before the Legislature as this bill).

d. A private career school shall ensure that the Internet site for submitting an online application to the institution contains a link to the institution's student consumer information report.

e. A private career school shall require a student applying for admission to the school to sign and submit a statement acknowledging that he has reviewed the school's student consumer information report.

5. (New section) a. The Attorney General shall issue guidelines and criteria for collecting and calculating the information required pursuant to section 4 of P.L. , c. (C.) (pending

before the Legislature as this bill) and shall prescribe a uniform reporting method for posting the information.

b. The Attorney General shall annually compile the student consumer information reports submitted pursuant to subsection b. of section 4 of P.L. , c. (C.) (pending before the Legislature as this bill) into a comparative profile of all private career schools authorized to offer educational programs required for licensure, registration, or certification in professions or occupations regulated by a professional or occupational board established in the Division of Consumer Affairs. The Attorney General shall present the information on its website in a manner that allows students to easily compare student consumer information across private career schools.

6. (New section) Within 12 months of the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), the Attorney General shall establish a performance quality standard for private career schools authorized to offer an educational program required for licensure, registration, or certification in a profession or occupation regulated by a professional or occupational board established in the Division of Consumer Affairs. The performance quality standard shall be based on the ratio of the earnings of students in private career schools to the tuition and fees charged to those students net of any school grant aid. The Attorney General shall ensure that private career schools meet a minimum acceptable level of performance for this standard, up to and including revocation of a school's authorization to offer educational programs regulated by a professional or occupational board in the Division of Consumer Affairs.

The Attorney General, in consultation with the Secretary of Higher Education and the Commissioner of Labor and Workforce Development, shall adopt, in accordance with the "Administrative Procedure Act," P.L. 1968, c.410 (C.52:14B-1 et seq.), rules and regulations as may be necessary to implement the provisions of this section.

7. (New section) a. A private career school authorized by the Department of Labor and Workforce Development to offer one or more occupational training programs shall provide for public inspection on its website comprehensive information on the cost of attendance, the graduation or completion rates of students, and the faculty of the school, and shall also provide for public inspection on its website employment data for recent graduates of the school. The purpose of the information shall be to maximize the awareness of students of the costs associated with enrollment in the school, the success in ensuring the graduation and employment of its students, and the composition of the teaching faculty that a student will encounter in his coursework. The school shall post, and annually

update, a student consumer information report on its website that includes, if applicable:

(1) overall graduation or completion rates;

(2) graduation or completion rates by demographic group;

(3) the student transfer rate;

(4) an overview of the schools to which former students have transferred prior to the completion of a program;

(5) the amount of any school charges, including tuition and fees;

(6) a description of the types of financial assistance offered directly by the school to students;

(7) the total projected cost for an incoming student to complete a program;

(8) average student loan indebtedness of graduates;

(9) average student loan indebtedness of a student who withdraws from the school prior to the completion of an occupational program;

(10) an overview of the school's faculty, including the percentage of faculty employed on a full-time basis and the percentage of faculty employed on a part-time basis; and

(11) employment data beginning with data compiled for students who graduate from the school during the 2021-2022 academic year. The employment data shall include, but need not be limited to, the employment rate and average annual salary of students two years following the academic year in which the students graduated from the school, as compiled in the comparative report and provided by the Commissioner of Labor and Workforce Development pursuant to section 10 of P.L. , c. (C.) (pending before the Legislature as this bill).

The school shall provide with all paper applications for admission to the school a hard copy of the information prepared pursuant to this subsection.

b. The private career school shall conform to the guidelines, criteria, and format prescribed by the commissioner in reporting the information required pursuant to this section. The school shall submit its student consumer information report to the commissioner for inclusion in a comparative profile of the student consumer information reports of all such schools.

c. A private career school shall ensure that the page of its Internet site which includes its student consumer information report contains a link to the page of the department's Internet site that includes the comparative profile required pursuant to subsection b. of section 8 of P.L. , c. (C.) (pending before the Legislature as this bill).

d. A private career school shall ensure that the Internet site for submitting an online application to the school contains a link to the school's student consumer information report.

e. A private career school shall require a student applying for admission to sign and submit a statement acknowledging that he has reviewed the school's student consumer information report.

8. (New section) a. The Commissioner of Labor and Workforce Development shall issue guidelines and criteria for collecting and calculating the information required pursuant to section 7 of P.L. , c. (C.) (pending before the Legislature as this bill) and shall prescribe a uniform reporting method for posting the information.

b. The commissioner shall annually compile the student consumer information reports submitted pursuant to subsection b. of section 7 of P.L. , c. (C.) (pending before the Legislature as this bill) into a comparative profile of all private career schools authorized to offer one or more occupational training programs. The commissioner shall present the information on its website in a manner that allows students to easily compare student consumer information across private career schools regulated by the department.

9. (New section) Within 12 months of the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), the Commissioner of Labor and Workforce Development shall establish standards for private career schools authorized by the department to offer one or more occupational training programs. The standards shall be based on the ratio of the earnings of students in private career schools to the tuition and fees charged to those students net of any school grant aid. The commissioner shall ensure that private career schools meet a minimum acceptable level of performance for the standard, up to and including revocation of a school’s certificate of approval.

The commissioner, in consultation with the Secretary of Higher Education and the Attorney General, shall adopt, in accordance with the “Administrative Procedure Act,” P.L. 1968, c.410 (C.52:14B-1 et seq.), rules and regulations as may be necessary to implement the provisions of this section.

10. (New section) a. As used in this section, “career-oriented program of study” means a program that delivers occupation-specific skills and knowledge of all aspects of an industry, provides technical skill proficiency, and culminates in the attainment of an industry-recognized postsecondary credential.

b. No later than the beginning of the 2021-2022 academic year, the Secretary of Higher Education, the Department of Labor and Workforce Development, and the Division of Consumer Affairs shall enter into a memorandum of understanding to develop a data system that will collect the employment data for students who graduate or withdraw prior to the completion of a degree program

from an institution of higher education or from a proprietary institution authorized to offer licensed degree programs in the State, or from a private career school, to produce an employment comparative report for all institutions and schools.

The Department of Labor and Workforce Development shall also initiate efforts to enter into an agreement with other states for the sharing of unemployment insurance information for the purposes of P.L. , c. (C.) (pending before the Legislature as this bill).

c. An institution of higher education, a proprietary institution authorized to offer licensed degree programs, and a private career school shall submit to the department, as applicable, for each student who graduates or withdraws from the institution or school in an academic year or school year:

(1) the student's social security number;

(2) the student's degree program or professional and occupational program;

(3) the student's graduation date or date of withdrawal and portion of the program completed at withdrawal from the institution or school;

(4) information on the student's loan debt obtained from the federal student loan program and any loans the institution or school has certified, arranged, or is otherwise aware of, or of which it should reasonably be aware; and

(5) institutional or school charges for which the student is responsible net of any institutional or school grant aid.

An institution of higher education, a proprietary institution authorized to offer licensed degree programs, and a private career school shall also submit to the department the clear identification of the institution's or school's career-oriented programs of study.

The department shall adopt standards and procedures to prevent any State agency from publishing, disclosing, or releasing information which could identify any individual and shall not publish, disclose, or otherwise release information which could identify any individual.

d. The department shall submit the employment information compiled pursuant to this section to the Secretary of Higher Education, the Attorney General, and the Commissioner of Labor and Workforce Development. The secretary, Attorney General, and commissioner, respectively, shall use the information to compile an employment comparative report for each institution of higher education, degree-granting proprietary institution, and private career school which shall include, as applicable:

(1) the employment rate and average annual salary of students by academic major, in the case of an academic degree program, or program in the case of private career schools, two years following graduation from the institution or school;

(2) the employment rate and average annual salary of students two years following the academic year in which the students graduated from the institution or school; and

(3) the employment rate and average annual salary of students two years following withdrawal from the institution or school prior to the completion of a degree program or school program.

The secretary, Attorney General, and commissioner shall distribute the employment comparative report to each institution of higher education, proprietary institution authorized to offer licensed degree programs, and private career school for inclusion on the institution's or school's website and inclusion in the student consumer information report prepared by the institution or school.

11. (New section) Three years following the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), the Secretary of Higher Education, Attorney General, and Commissioner of Labor and Workforce Development shall submit a report to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), the Legislature. The report shall include recommendations on the ability to use the data collected pursuant to subsection c. of section 10 of P.L. , c. (C.) (pending before the Legislature as this bill) to establish a Statewide gainful employment requirement that requires an institution or school to demonstrate that its graduates earn enough to adequately repay their student loans by meeting a certain debt-to-income ratio, and any other recommendations for establishing a gainful employment requirement.

12. This act shall take effect immediately.

STATEMENT

This bill provides that all institutions of higher education, including independent institutions of higher education, and proprietary institutions authorized to offer licensed degree programs will be subject to the provisions of the "New Jersey College Student and Parent Consumer Information Act," P.L.2009, c.197 (C.18A:3B-43 et seq.). Under that act, four-year public institutions of higher education are currently required to provide for public inspection on their websites information on the cost of attendance, the graduation rates of admitted students, and the faculty of the institution. This bill also amends that law to require all institutions of higher education and proprietary institutions licensed to offer academic degrees to include on the institution's website employment data for recent graduates from the institution.

In addition to those institutions, this bill requires private career schools authorized to offer educational programs required for

licensure, registration, or certification in a profession or occupation regulated by a professional or occupational board established in the Division of Consumer Affairs, and private career schools authorized by the Department of Labor and Workforce Development to offer one or more occupational training programs, to also post similar information on their websites.

The bill requires the Secretary of Higher Education, the Department of Labor and Workforce Development, and the Division of Consumer Affairs to enter into a memorandum of understanding to develop a data system that will collect the employment data for postsecondary students in order to produce an employment comparative report of all institutions and private career schools. The bill also requires the department to initiate efforts to enter into an agreement with other states for the purpose of sharing unemployment insurance information.

Under the bill, the institutions and private career schools will submit to the department for each student who graduates or withdraws from the institution or school: the student's social security number, degree program or professional and occupational educational program, and graduation or withdrawal date; information on the student's loan debt obtained from the federal student loan program and any loans the institution or school has certified, arranged, or is otherwise aware of, or of which it should reasonably be aware; and the institutional or school charges for which the student is responsible net of any institutional or school grant aid. The institutions and schools will also send the department the clear identification of the institution's or school's career-oriented programs of study. The department will use the information to compile an employment comparative report, which will include:

(1) the employment rate and average annual salary of students by academic major, in the case of an academic degree program, or program in the case of private career schools, two years following graduation from the institution or school;

(2) the employment rate and average annual salary of students two years following the academic year in which the students graduated from the institution or school; and

(3) the employment rate and average annual salary of students two years following withdrawal from the institution or school prior to the completion of a degree program or educational program.

The Secretary of Higher Education, Attorney General, and Commissioner of Labor and Workforce Development will distribute the employment comparative report to each institution of higher education, proprietary institution authorized to offer licensed degree programs, and private career school for inclusion on the institution's or school's website and inclusion in the student consumer information report prepared by the institution or school.