

ASSEMBLY, No. 5662

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 12, 2021

Sponsored by:

Assemblyman WILLIAM F. MOEN, JR.

District 5 (Camden and Gloucester)

SYNOPSIS

Requires certain employers to provide certain employees with notifications concerning federal Public Service Loan Forgiveness program.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** concerning the explanation of benefits to new employees
2 and supplementing Title 34 of the Revised Statutes.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. An employer in the State who is designated as a qualifying
8 employer under the federal Public Service Loan Forgiveness
9 Program (PSLF), established under the “College Cost Reduction
10 and Access Act” (20 U.S.C. s.1087e), shall notify an employee
11 during the explanation of benefits conducted at the beginning of
12 employment of:

- 13 a. potential eligibility for the PSLF program; and
14 b. the requirements to be eligible for the PSLF program, which
15 include, but are not limited to, the following:
16 (1) employment with a qualifying employer;
17 (2) a work schedule of at least 30 hours per week with the
18 qualifying employer or a schedule that meets the qualifying
19 employer’s definition of full-time work, whichever is greater;
20 (3) a balance with the William D. Ford Federal Direct Loan
21 (Direct Loan) Program offered by the U.S. Department of Education
22 or consolidation of other federal student loans into a Direct Loan;
23 (4) repayment of a Direct Loan under an income-driven
24 repayment plan; and
25 (5) payment of 120 monthly payments.

26
27 2. This act shall take effect immediately.

28
29
30 **STATEMENT**

31
32 This bill requires an employer in the State who is designated as a
33 qualifying employer under the federal Public Service Loan
34 Forgiveness Program (PSLF), established under the “College Cost
35 Reduction and Access Act,” to provide information concerning the
36 PSLF program to employees during the explanation of benefits
37 conducted at the beginning of employment.

38 Under this bill, a qualifying employer will be required to notify
39 an employee about potential eligibility for the PSLF program and of
40 the requirements to qualify for the PSLF program, which include,
41 but are not limited to, the following:

- 42 • employment by a qualifying employer;
43 • a work schedule of at least 30 hours per week for the
44 qualifying employer or a schedule that meets the
45 qualifying employer’s definition of full-time work,
46 whichever is greater;
47 • a balance with the William D. Ford Federal Direct Loan
48 (Direct Loan) Program offered by the U.S. Department of

A5662 MOEN

3

- 1 Education or consolidation of other federal student loans
- 2 into a Direct Loan;
- 3 • repayment of loans under an income-driven repayment
- 4 plan; and
- 5 • payment of 120 payments.