

SENATE, No. 807

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator SANDRA B. CUNNINGHAM

District 31 (Hudson)

Senator THOMAS H. KEAN, JR.

District 21 (Morris, Somerset and Union)

Co-Sponsored by:

Senator Ruiz

SYNOPSIS

Requires institutions of higher education to distribute information on availability of allowance for dependent care expenses in determination of cost of attendance.

CURRENT VERSION OF TEXT

As reported by the Senate Higher Education Committee with technical review.



(Sponsorship Updated As Of: 6/25/2020)

1 **AN ACT** concerning information on the college dependent care
2 allowance, amending P.L.2019, c.201, and supplementing
3 chapter 3B of Title 18A of the New Jersey Statutes.

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

7
8 1. Section 2 of P.L.2019, c.201 (C.18A:3B-6b) is amended to
9 read as follows:

10 2. a. A public or independent institution of higher education
11 or a proprietary institution licensed to offer academic degrees shall
12 provide a financial aid "shopping sheet" to each prospective student
13 as part of the institution's financial aid offer to that student. The
14 purpose of the shopping sheet shall be to provide prospective
15 students and their families with clear information on the costs, loan
16 options, and estimated debt that the student will incur in attending
17 the institution, and to allow students and families to easily evaluate
18 and compare financial aid packages from different institutions.

19 b. The Secretary of Higher Education shall prescribe a model
20 format for the shopping sheet required by subsection a. of this
21 section. Each public or independent institution of higher education
22 or proprietary institution licensed to offer academic degrees shall
23 utilize either the model format developed by the secretary or the
24 most current financial aid shopping sheet developed by the United
25 States Department of Education or the Consumer Financial
26 Protection Bureau. The model shopping sheet prescribed by the
27 secretary shall include, at a minimum, the following information:

28 (1) the total cost for one year of attendance at the institution,
29 including tuition, student fees, room and board, books and
30 materials, and transportation and other educational costs;

31 (2) the total amount per year of grants and scholarships awarded
32 to that student, including any grants and scholarships from the
33 institution, federal grants, State grants, or other scholarships;

34 (3) the total net amount the student will owe for one year of
35 attendance at the institution, after taking into account any grants
36 and scholarships;

37 (4) the total amount per year of student loans and work study
38 funds that the student is eligible for, broken down by federal
39 Perkins loans, federal Direct Subsidized loans, federal Direct
40 Unsubsidized loans, and federal, State, or institutional work study
41 funds;

42 (5) the median borrowing in federal loans for undergraduate
43 study at the institution and the average monthly payment over 10
44 years for this amount;

45 (6) the percentage of students from the institution who defaulted
46 on their student loans; **[and]**

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.

1 (7) in the case of a county college or a proprietary institution
2 licensed to offer associate degrees, the percentage of students at the
3 college or institution who graduate within three years as compared
4 to the average rate at other county colleges or proprietary
5 institutions as applicable, and in the case of a four-year institution
6 of higher education or a proprietary institution licensed to offer
7 baccalaureate degrees, the percentage of students at the institution
8 who graduate within six years as compared to the average rate at
9 other four-year public or independent institutions of higher
10 education or other proprietary institutions as applicable; and

11 (8) in the case of a financial aid shopping sheet being provided
12 to a prospective student with one or more dependents, the
13 availability of, the procedures for requesting, and, if feasible, an
14 estimate of the amount of an allowance for dependent care expenses
15 established pursuant to paragraph 8 of 20 U.S.C. s.1087ll, provided
16 that such information includes a statement informing the student
17 that using the allowance for dependent care expenses may result in
18 higher student loan obligations upon graduation.

19 c. The secretary, in developing the model format for the
20 shopping sheet, shall consider any sample or model formats for a
21 financial aid shopping sheet developed by the United States
22 Department of Education or the Consumer Financial Protection
23 Bureau.

24 (cf: P.L.2019, c.201, s.2)

25

26 2. (New section) a. An institution of higher education or a
27 proprietary institution licensed to offer academic degrees shall
28 provide for public inspection on its Internet website information
29 concerning the availability of and the procedures for requesting the
30 allowance for dependent care expenses established pursuant to
31 paragraph 8 of 20 U.S.C. s.1087ll. The information shall include a
32 statement that using the allowance for dependent care expenses may
33 result in higher student loan obligations upon graduation.

34 b. An institution of higher education or a proprietary institution
35 licensed to offer academic degrees shall provide with all paper
36 applications for admission to the institution a hard copy of the
37 information regarding the allowance for dependent care expenses
38 posted pursuant to subsection a. of this section.

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40 3. This act shall take effect in the first full academic year
41 following the date of enactment.