SENATE, No. 1364

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 10, 2020

Sponsored by:
Senator SHIRLEY K. TURNER
District 15 (Hunterdon and Mercer)

SYNOPSIS

Applies provisions of “New Jersey College Student and Parent Consumer Information Act" to proprietary schools and limits eligibility for State student assistance programs to students enrolled in certain proprietary schools.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning proprietary schools, amending P.L.2009, c.197, and supplementing chapter 3B of Title 18A of the New Jersey 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 institution of higher education and a proprietary school 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. 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 or school, the institution's or school's success in ensuring the graduation of its students, and the composition of the teaching faculty that a student will encounter in his coursework. The institution or school shall post, and annually update, a student consumer information report on its website that includes, if applicable:

(1) overall four-year and six-year graduation rates;

(2) four-year and six-year graduation rates by demographic group;

(3) four-year and six-year graduation rates by major;

(4) four-year and six-year graduation rates for student-athletes;

(5) the student transfer rate;

(6) an overview of the institutions to which former students of that **[**college or university**]** institution or school 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 or school to both student-athletes and to students who do not participate in athletic programs at the institution or school ;

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

(10) the total projected cost for an incoming freshman to live on

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.

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;

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

(14) average student loan indebtedness of a student who withdraws from the institution or school 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 or school'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.

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

b. A four-year public institution of higher education and a proprietary school 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 institution of higher education and a proprietary school 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 and proprietary schools.

d. A four-year public institution of higher education and a proprietary 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 **[**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 institution of higher education and a proprietary school shall ensure that the Internet site for submitting

an online application to the institution or school contains a link to the institution's or school's student consumer information report.

f. A four-year public institution of higher education and a proprietary school shall require the parent or guardian of a student applying for admission into the institution or school, or the student if he is an independent adult, to sign and submit a statement acknowledging that he has reviewed the institution's or school'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 schools 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 institutions and schools .

(cf: P.L. 2009, c.197, s.3)

3. (New section) a. A proprietary school which has been authorized to offer licensed degree programs shall not be eligible to receive direct State aid.

b. A student enrolled in a proprietary school authorized to offer licensed degree programs shall not be eligible to receive any form of student assistance from the State, including grants and scholarships, unless the proprietary school meets a specified graduation rate to be determined by the Secretary of Higher Education.

4. This act shall take effect immediately.

STATEMENT

According to a December 2010 report of the Education Trust, only one in five students who enrolls in a proprietary school graduates within six years and these students are likely to assume greater levels of student loan debt than students at public and independent colleges. The study reported that the median debt load for graduates at proprietary schools is $31,190, nearly twice the

amount for graduates of independent colleges and four times the amount for graduates of public colleges.

This bill prohibits proprietary schools from receiving direct State aid. The bill further provides that a student enrolled in a proprietary school will not be eligible to receive any form of student assistance from the State unless the school meets a specified graduation rate to be determined by the Secretary of Higher Education. The bill also included proprietary schools authorized to grant academic degrees within the "New Jersey College Student and Parent Consumer Information Act." Specifically, the bill provides that each such proprietary school will have to annually disclose on its website various measures of student graduation rates, school costs, and student loan indebtedness, among other indicators of school quality. The bill also directs the Secretary of Higher Education to include the student consumer information reports submitted by proprietary schools within a comparative profile that it already prepares of four-year public institutions of higher education.