

SENATE, No. 1823

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 24, 2020

Sponsored by:

Senator SANDRA B. CUNNINGHAM

District 31 (Hudson)

Senator THOMAS H. KEAN, JR.

District 21 (Morris, Somerset and Union)

SYNOPSIS

Requires institutions of higher education to provide graduating students with information on income-contingent student loan repayment programs.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/9/2021)

1 AN ACT concerning certain student loan information and
2 supplementing chapter 3B of Title 18A of the New Jersey
3 Statutes.

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

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8 1. a. During the academic semester in which a student is
9 scheduled to graduate, an institution of higher education shall
10 provide each student who has outstanding student loan debt with
11 information on federal and State income-contingent student loan
12 repayment programs. The institution shall provide the student with
13 the information in either:

14 (1) an in-person exit interview; or

15 (2) a document sent to the student both electronically and by
16 regular mail.

17 b. In addition to information on federal and State income-
18 contingent student loan repayment programs as required pursuant to
19 subsection a. of this section, the institution, during the exit
20 interview or in the document, shall provide each student with
21 information on the following:

22 (1) an estimate of the total amount of the student's loan debt;

23 (2) an estimate of the potential total payoff amount of the
24 student loans incurred or a range of the total payoff amount; and

25 (3) an estimate of monthly repayment amounts that a similarly
26 situated borrower may incur, including principal and interest, for
27 that amount of student loan debt.

28 The information provided pursuant to paragraphs (1), (2), and (3)
29 of this subsection may include a statement that the estimates and
30 ranges provided are general in nature and not meant as a guarantee
31 or promise of the actual projected amount.

32 An institution shall not incur liability for any representations
33 made pursuant to this subsection.

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35 2. This act shall take effect in the first full academic year
36 following the date of enactment.

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STATEMENT

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41 This bill requires public and independent institutions of higher
42 education to provide each graduating student who has outstanding
43 student loan debt with information on federal and State income-
44 contingent student loan repayment programs. Under the bill, the
45 institution will provide the student with the information in either an
46 in-person exit interview, or in a document sent to the student both
47 electronically and by regular mail, during the academic semester in
48 which the student is scheduled to graduate.

- 1 The bill requires the institution to also provide the student, in
2 either the exit interview or in the document, the following
3 information:
- 4 • an estimate of the total amount of the student's loan debt;
 - 5 • an estimate of the potential total payoff amount of the
6 student loans incurred or a range of the total payoff amount;
7 and
 - 8 • an estimate of monthly repayment amounts that a similarly
9 situated borrower may incur, including principal and
10 interest, for that amount of student loan debt.