

LEGISLATIVE FISCAL ESTIMATE
SENATE COMMITTEE SUBSTITUTE FOR
SENATE, No. 2383
STATE OF NEW JERSEY
219th LEGISLATURE

DATED: MAY 21, 2020

SUMMARY

- Synopsis:** Requires Commissioner of Education to establish three-year “Bridge Year Pilot Program” for certain students who were impacted by public health state of emergency caused by coronavirus disease 2019.
- Type of Impact:** Two-year State expenditure increase; indeterminate revenue impact on county colleges and four-year higher education institutions
- Agencies Affected:** Department of Education; Higher Education Student Assistance Authority; School Districts; County Colleges; Four-Year Institutions of Higher Education.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2 and Year 3</u>
State Expenditure Increase	--	Indeterminate
County College Revenue Impact	--	Indeterminate
Four-Year Higher Education Institution Revenue Impact	---	Indeterminate

- The Office of Legislative Services (OLS) estimates that this bill will lead to an indeterminate two-year increase in State expenditures to the Higher Education Student Assistance Authority due to the bill’s provision which would expand eligibility under the Tuition Aid Grant (TAG) program and the New Jersey Student Tuition Assistance Reward Scholarship (NJSTARS) program, to students participating in the pilot program.
- The OLS also concludes that there will be an indeterminate revenue impact on certain county colleges and four-year institutions of higher education. On the one hand, these institutions will receive tuition and fees from participating bridge year students leading to an increase in revenues. On the other hand, the maximum that bridge year students may be charged under the bill is lower than what is charged to regular matriculating students. If bridge year students choose to enroll in a public institution of higher education following their participation in the pilot program, they will have paid less per college credit than if they had matriculated directly from high school, resulting in a net loss of revenue for the institutions.

BILL DESCRIPTION

This bill requires the Commissioner of Education to establish a three-year pilot program under which each high school will offer students in the graduating class of 2021 and 2022 the opportunity to pursue a bridge year during the year immediately following their senior year. Nonpublic schools may elect to participate in the pilot program.

A student in the graduating class of 2021 or 2022 who has met all applicable high school graduation requirements by the end of the senior year of high school may elect to pursue a bridge year. A student who intends to pursue a bridge year will notify their host high school's bridge year liaison, who is required to be designated by the host high school, of their intent no later than the first day of the second semester of the student's senior year of high school. To be eligible to participate in the bridge year program, a student must be 19 years of age or younger and not turn 20 years of age at any time during the bridge year, except that a classified student will be eligible to participate if the student will turn 20 years old during the bridge year due to services provided under the student's individualized education program.

A student pursuing a bridge year will remain enrolled in the host high school while participating in the Bridge Year Pilot Program. A bridge year liaison is required to develop, in consultation with a student pursuing a bridge year, an individual learning plan (ILP) for the student, that defines academic and co-curricular goals for the bridge year and detail activities and strategies for accomplishing those goals.

During each of the fall and spring semesters of the student's bridge year, a student will take between 9 and 12 credits at the host high school if an institution of higher education offers courses at that location, the county college that serves the county of the host high school, or a combination. At the conclusion of each semester of the bridge year, the host high school will update the student's high school transcript to reflect any high school credits earned during the bridge year. The student will be considered a non-matriculated student of the county college. A student who pursues a bridge year and participates in a spring sport during the program will enroll in at least 9 but less than 12 credits in each of the fall and spring semesters during the student's bridge year. Under the bill, a county college will charge students participating in a bridge year a maximum of \$145 per credit inclusive of all fees, except that fees associated with specific courses or with the use of on-campus science laboratories may be charged at a maximum of \$45 per course. In order to remain in the pilot program, the student must maintain a 2.0 grade point average.

Students participating in a bridge year will be eligible for student financial aid under the Tuition Aid Grant Program and the New Jersey Student Tuition Assistance Reward Scholarship Program if they meet all eligibility requirements for those programs other than full-time enrollment in a degree program during the bridge year.

A student who pursues a bridge year will be permitted to participate in a spring sport sanctioned by the New Jersey State Interscholastic Athletic Association (NJSIAA) and extracurricular activities at the student's host high school and will pay applicable student athletics and activities fees and be subject to the host high school's student and athletic codes of conduct. The bill directs insurers doing business in the State and issuing liability insurance policies to school districts to provide coverage for bridge year students participating in a spring sport or extracurricular activity, as part of a school district's liability insurance policy.

In order to participate in a spring sport during a student's bridge year, the student must meet the current age participation requirements of the NJSIAA. In the event that a student pursuing a bridge year elects to participate in a spring sport, the student is required to petition the NJSIAA to waive the eight semester rule, under which a student is not eligible for high school athletics after the expiration of eight consecutive semesters following the student's entrance into the ninth grade. The NJSIAA is directed to confer with the National Collegiate Athletic Association or any other

similar entities to ensure that any student participating in a spring sport during a bridge year will be eligible to declare as a college recruit and participate in intercollegiate athletics.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that this bill will lead to an indeterminate increase in State expenditures to the Higher Education Student Assistance Authority due to the bill's provision which would expand eligibility under the TAG and NJSTARS programs, to students participating in the pilot program. The bill would increase State costs to the extent that high school students graduating in 2021 and 2022 pursue a bridge year and receive a grant under the TAG program or a scholarship under the NJSTARS program.

While the OLS does not have the information necessary to accurately project the number of students who may participate in the pilot program, the OLS notes that estimates from the Gap Year Association indicate that an average of 30,000 to 40,000 students nationwide annually take a gap year after graduating from high school. Combined with high school graduation data from the 2018 Digest of Education Statistics by the National Center for Education Statistics, that is a gap year rate of between 1% and 1.3% of graduating students. The center's data further project that 97,920 students will graduate from New Jersey public high schools in 2021, while 98,540 will graduate in 2022. While it is not known how many of these students will choose to continue their education following high school graduation, the pilot program may incentivize more graduating high school seniors to do so than otherwise would have.

The OLS further notes that the maximum annual full-time TAG award for Academic Year 2019-2020 is approximately \$2,712 for county college students. Certain students participating in the bridge year may be eligible for an award under the Part-Time TAG for County College Students program, which is available to eligible students enrolled in between 6 and 11 county college credits. The most recently available information on the Part-Time TAG for County College Students program indicate that the average annual award in Fiscal Year 2020 is about \$950. Lastly, a scholarship under the NJSTARS program covers the cost of tuition for up to 18 county college credits taken by qualifying students.

The OLS also concludes that there will be an indeterminate revenue impact on certain county colleges and four-year institutions of higher education. On the one hand, these institutions will receive tuition and fees from participating bridge year students leading to an increase in revenues. On the other hand, the maximum that bridge year students may be charged under the bill is, in general, lower than what is charged to regular matriculating students. Under the bill, the maximum that a bridge year student may be charged is \$145 per credit, inclusive of all fees, except for an additional \$45 fee if a particular course requires on-campus laboratory work. If bridge year students choose to enroll in a public institution of higher education following their participation in the pilot program, they will have paid less per college credit than if they had matriculated directly from high school, resulting in a net revenue loss for the institution. For comparison purposes, the average per-credit tuition rate at State community colleges for in-district, part-time students was \$135 in the 2018-2019 academic year while part-time student fees averaged \$435 annually.

FE to SCS for S2383

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Section: Education

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).