SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 2743

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 15, 2020

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 2743 (1R), with committee amendments.

As amended, this bill establishes the Community College Opportunity Grant (CCOG) Program, which is to be administered by the Higher Education Student Assistance Authority. The purpose of the program is to provide last-dollar grants to eligible county college students, to pay for the remaining costs of tuition and approved educational fees, subject to the limit of funds appropriated or otherwise made available for the program, that are not already covered by any other State, federal, and institutional need-based grants and merit scholarships for which a grant recipient is eligible. The program would also provide county colleges with Student Success Incentive funding for outreach and student success initiatives.

To be eligible for financial aid grants under the CCOG program, a student is required to: be a legal resident of the State or, for undocumented students, be eligible for student financial aid pursuant to P.L.2018, c.12 (C.18A:71B-2.1); be enrolled in at least six credits at a county college in the State; be enrolled at the county college that serves the student's county of residence, although a student attending an out-of-county college may receive a grant to cover tuition and approved educational fees charged at the in-district rate for the county college that the student is attending; have an annual adjusted gross income between $0 and $65,000, except that the authority, in consultation with the Office of the Secretary of Higher Education and the New Jersey Council of County Colleges, may annually establish maximum annual adjusted gross income eligibility limits of no less than $65,000; have applied for all other available forms of State, federal, and institutional need-based grants and merit scholarships and completed and submitted a financial aid form; not owe a refund on a grant or scholarship previously received from a State or federal program through any institution or be in default on any loan made under any State or federal student

loan program at any institution, unless the student makes arrangements with the authority to repay the debt; and be in good academic standing and meet the minimum standards for academic performance and satisfactory academic progress as defined by the county college which the student is attending.

A student may be eligible for a grant under the CCOG program during a fall or spring semester in an academic year.

A student will be eligible for a grant under the program for up to five semesters, unless the student is enrolled in a program regularly requiring at least six semesters for completion, in which case the authority will permit up to six semesters of eligibility. A student enrolled in a three plus one degree program will be eligible for a grant under the program for up to six semesters.

The bill also directs the Legislature to annually appropriate funds to the Office of the Secretary of Higher Education (OSHE) to provide Student Success Incentive funding to each county college for outreach and student success initiatives and to support the goals of the Community College Opportunity Grant Program. The funding may be used to fund initiatives, such as establishing mentorship programs; hosting events to assist students and families in completing financial aid applications; and addressing students' material hardships, such as lack of access to food, medical care, housing, child care, and transportation.

As amended and reported by the committee, this bill is identical to Assembly Bill No. 4410 (3R), which was also amended and reported by the committee on this same date.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- remove the bill's definition of "home county college";
- provide that a Community College Opportunity Grant (CCOG) financial aid award for an eligible student attending an out-of-county college will be computed based on the amount of tuition and approved educational fees charged by the county college that the student is attending. The amendments provide that the amount of a grant would not exceed the amount of tuition and approved educational fees actually charged to the student; and
- remove student eligibility for a CCOG financial aid award during a summer semester.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill will result in indeterminate annual State cost increases and annual increases in revenues for county colleges beginning in FY 2022 related to the establishment of the Community College Opportunity Grant (CCOG) program.

The CCOG program was first enacted through budget language in the FY 2019 Appropriations Act and received a $20 million appropriation for financial aid grants in both FY 2019 and FY 2020. The appropriation to the program for the FY 2020 three-month extension totaled $10 million and the appropriation in the FY 2021 Appropriations Act for the nine-month period was also $10 million, making the total funding for that 12-month period $20 million.

The OLS estimates an indeterminate increase in the annual revenues of county colleges and a corresponding indeterminate annual cost increase to the State for the Student Success Incentive. In FY 2019 and FY 2020, $5 million of the total $25 million appropriations for the CCOG program was allocated for capacity building grants to county colleges. The Student Success Incentive funding is likely to be issued in a similar manner as capacity building grants have been issued to county colleges.