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District 7 (Burlington)
Senator VIN GOPAL
District 11 (Monmouth)

Co-Sponsored by:
Assemblywomen Jasey, Lampitt, Pintor Marin and Senator Pou

SYNOPSIS
Removes expected family contribution from calculation of financial need under circumstances in which public institutions of higher education may reduce student’s institutional financial aid.

CURRENT VERSION OF TEXT
As introduced.

(Sponsorship Updated As Of: 1/8/2024)
AN ACT concerning institutional financial aid and amending P.L.2021, c.223.

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

1. Section 1 of P.L.2021, c.223 (C.18A:62-65) is amended to read as follows:

1. As used in this act:

"Cost of attendance" means cost of attendance as defined pursuant to 20 U.S.C. s.1087ll.

"Expected family contribution" means expected family contribution as determined pursuant to 20 U.S.C. s.1087nn.

"Financial need" means cost of attendance minus expected family contribution as defined pursuant to 20 U.S.C. s.1087ll.

"Institutional financial aid" means need-based and merit-based grants, scholarships, tuition waivers, and all other forms of financial assistance provided by a public institution of higher education that are not loans or work-study programs.

"Private scholarships" means scholarships awarded by businesses, private foundations, nonprofit organizations, and service groups. Private scholarships shall not include awards funded by a private organization which is affiliated with a public institution of higher education and requests the institution's assistance in selecting the recipients of scholarships.

(cf: P.L.2021, c.223, s.1)

2. This act shall take effect immediately.

STATEMENT

This bill amends P.L.2021, c.223 to remove reference to expected family contribution. P.L.2021, c.223 provides that a public institution of higher education may only reduce a student’s institutional financial aid, as a result of the awarding of private scholarships to the student, under certain circumstances. One of the circumstances in which an institution could reduce institutional aid under the law is if a student’s total financial aid from all sources exceeds the student’s financial need. In this case, the institution may only reduce the student’s institutional financial aid until the student’s total financial aid no longer exceeds the student’s financial need.

Under the law, financial need is defined as the student’s cost of attendance minus the student’s expected family contribution. This bill would remove expected family contribution from the calculation of financial need.

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.