

SENATE, No. 1023

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED JANUARY 31, 2022

Sponsored by:

Senator TROY SINGLETON

District 7 (Burlington)

Senator VIN GOPAL

District 11 (Monmouth)

Co-Sponsored by:

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)

S1023 SINGLETON, GOPAL

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1 AN ACT concerning institutional financial aid and amending
2 P.L.2021, c.223.

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

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

9 1. As used in this act:

10 **["Cost of attendance" means cost of attendance as defined**
11 **pursuant to 20 U.S.C. s.1087II.**

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

14 **"Financial need" means cost of attendance [minus expected**
15 **family contribution] as defined pursuant to 20 U.S.C. s.1087II.**

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

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

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

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28 2. This act shall take effect immediately.

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STATEMENT

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

44 Under the law, financial need is defined as the student's cost of
45 attendance minus the student's expected family contribution. This

**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.

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- 1 bill would remove expected family contribution from the
- 2 calculation of financial need.