

SENATE RESOLUTION No. 116

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED FEBRUARY 28, 2023

Sponsored by:

Senator VINCENT J. POLISTINA

District 2 (Atlantic)

Senator M. TERESA RUIZ

District 29 (Essex)

SYNOPSIS

Urges Congress and President to enact “College Cost Transparency and Student Protection Act.”

CURRENT VERSION OF TEXT

As introduced.



1 **A SENATE RESOLUTION** urging Congress and the President of the
2 United States to enact the “College Cost Transparency and
3 Student Protection Act.”
4
5 **WHEREAS**, Current financial aid offers are incomparable across
6 institutions of higher education, which makes it difficult for
7 students and their families to compare and make an informed
8 decision on which institution to attend; and
9 **WHEREAS**, Students who do not understand the full cost of
10 attendance, the financial aid they have been offered, and their
11 borrowing obligations rely more heavily on student loans to fund
12 their education; and
13 **WHEREAS**, These financial decisions have broader impacts on the
14 economy, as reports have found that people with higher levels of
15 student loan debt may be less likely to become homeowners, start
16 families, or open businesses; and
17 **WHEREAS**, The United States Government Accountability Office
18 analyzed the lack of transparency in financial aid offers within the
19 report, “Financial Aid Offers: Action Needed to Improve
20 Information on College Costs and Student Aid” (GAO Report); and
21 **WHEREAS**, The GAO Report found that: 1) 91 percent of institutions
22 of higher education do not include or understate the net price of
23 attendance in their aid offers; 2) 55 percent of institutions do not
24 itemize key direct and indirect costs in their financial aid offers; and
25 3) 24 percent of institutions do not provide a student with the total
26 cost of attendance; and
27 **WHEREAS**, In response to the GAO Report, proposed federal
28 legislation called the “College Cost Transparency and Student
29 Protection Act” was introduced as H.R. 9429 on December 5, 2022;
30 and
31 **WHEREAS**, The bill seeks to make higher education cost decisions
32 more transparent by: 1) establishing standardized terms and
33 definitions for key information on costs, grant aid, and other
34 financing options; 2) requiring financial aid offers to be sequenced
35 with direct costs of enrollment followed by an itemized list of
36 indirect costs; and 3) publishing a College Scorecard that identifies
37 the average cost of attendance and average net price of each
38 institution of higher education; and
39 **WHEREAS**, New Jersey has a strong ongoing commitment to
40 improving affordability of higher education and ensuring greater
41 transparency in financial aid offers within the State; and
42 **WHEREAS**, New Jersey recently enacted the financial aid “shopping
43 sheet” legislation, section 2 of P.L.2019, c.201 (C.18A:3B-6b),
44 which has been recognized as an important step in the State’s
45 ongoing commitment to ensuring greater transparency on the true
46 cost of higher education; and

1 **WHEREAS**, The “College Cost Transparency and Student Protection
2 Act” is essential legislation that aligns with, and expands, New
3 Jersey’s commitment to providing greater transparency in financial
4 aid offers; now, therefore,

5
6 **BE IT RESOLVED** *by the Senate of the State of New Jersey*:

7
8 1. The Senate of the State of New Jersey respectfully urges
9 Congress and the President of the United States to enact the
10 “College Cost Transparency and Student Protection Act.”

11
12 2. Copies of this resolution, as filed with the Secretary of State,
13 shall be transmitted by the Senate Secretary to the President and
14 Vice-President of the United States, the Majority and Minority
15 Leaders of the United States Senate, the Speaker and Minority
16 Leader of the House of Representatives, and to every member of
17 Congress elected from the State.

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20 STATEMENT

21
22 This resolution respectfully urges Congress and the President of
23 the United States to enact the “College Cost Transparency and
24 Student Protection Act,” introduced in the United States House of
25 Representatives as H.R. 9429 on December 5, 2022.

26 The “College Cost Transparency and Student Protection Act”
27 seeks to make financial aid offers more transparent by: 1)
28 establishing standardized terms related cost, grant aid, and
29 financing options; 2) listing clearly a student’s direct costs first
30 followed by the indirect costs of attendance; and 3) publishing a
31 College Scorecard on each institution that informs a potential
32 student the average cost of attendance.

33 The “College Cost Transparency and Student Protection Act”
34 was introduced in response to the findings within the United States
35 Government Accountability Office’s report, “Financial Aid Offers:
36 Action Needed to Improve Information on College Costs and
37 Student Aid” (GAO Report). The GAO Report found that: 1) 91
38 percent of institutions of higher education do not include or
39 understate the net price of attendance in their aid offers; 2) 55
40 percent of institutions do not itemize key direct and indirect costs in
41 their financial aid offers; and 3) 24 percent of institutions do not
42 provide a student with the total cost of attendance. The GAO
43 Report recommended that Congress enact legislation to address
44 these issues.

45 Transparency in financial aid offers is crucial for students and
46 their families to understand their financial obligations when
47 selecting an institution of higher education. Without clear and
48 comparable information, students may choose an unaffordable

1 institution and be more likely to rely on excessive student loans to
2 finance their education. New Jersey has expressed its commitment
3 to making higher education affordable and ensuring greater
4 transparency in financial aid offers. The “College Cost
5 Transparency and Student Protection Act” is a next step in ensuring
6 transparency and consumer friendly practices by institutions of
7 higher education that aligns with New Jersey’s prior legislative
8 enactments. The State recognizes the importance of creating a
9 federal requirement for financial aid offers. Thus, the Senate
10 respectfully urges Congress and the President to enact the “College
11 Cost Transparency and Student Protection Act.”