

# RULE PROPOSALS

## INTERESTED PERSONS

Interested persons may submit comments, information or arguments concerning any of the rule proposals in this issue until the date indicated in the proposal. Submissions and any inquiries about submissions should be addressed to the agency officer specified for a particular proposal.

The required minimum period for comment concerning a proposal is 30 days. A proposing agency may extend the 30-day comment period to accommodate public hearings or to elicit greater public response to a proposed new rule or amendment. Most notices of proposal include a 60-day comment period, in order to qualify the notice for an exception to the rulemaking calendar requirements of N.J.S.A. 52:14B-3. An extended comment deadline will be noted in the heading of a proposal or appear in subsequent notice in the Register.

At the close of the period for comments, the proposing agency may thereafter adopt a proposal, without change, or with changes not in violation of the rulemaking procedures at N.J.A.C. 1:30-6.3. The adoption becomes effective upon publication in the Register of a notice of adoption, unless otherwise indicated in the adoption notice. Promulgation in the New Jersey Register establishes a new or amended rule as an official part of the New Jersey Administrative Code.

## HIGHER EDUCATION

### (a)

#### HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

##### Grant and Scholarship Programs

##### Proposed Repeal and New Rule: N.J.A.C. 9A:9-2.13

##### Proposed Amendments: N.J.A.C. 9A:9-2.1 through 2.5, 2.7, 2.10, 2.11, 10.1, 10.2, 10.4, 11.1, 11.2, 11.5, and 11.7

Authorized By: Higher Education Student Assistance Authority,  
Christy Van Horn, Chairperson.

Authority: N.J.S.A. 18A:71A-1 et seq., 18A:71B-1 et seq.,  
18A:71B-12, 18A:71B-19, 18A:71B-20, 18A:71B-23.7,  
18A:71B-86, 18A:71B-86.6; and P.L. 2017, c. 360, P.L. 2018, c.  
12, and P.L. 2018, c. 144.

Calendar Reference: See Summary below for explanation of  
exception to calendar requirement.

Proposal Number: PRN 2019-133.

Submit written comments by November 15, 2019, to:

Marnie B. Grodman, Esquire  
Administrative Practice Officer  
Higher Education Student Assistance Authority  
PO Box 545  
Trenton, NJ 08625-0545  
Email: [Regulations@hesaa.org](mailto:Regulations@hesaa.org)

The agency proposal follows:

#### Summary

Pursuant to N.J.S.A. 18A:71A-1 et seq., the Higher Education Student Assistance Authority (“HESAA” or “Authority”) is statutorily responsible for the administration of State scholarship and tuition aid programs and for the promulgation of all rules to that effect. The proposed amendments are designed to implement P.L. 2017, c. 360; P.L. 2018, c. 12; and P.L. 2018, c. 144. P.L. 2017, c. 360 created part-time eligibility for students receiving NJ STARS and NJ STARS II scholarships who need to take fewer credits due to either a health condition or the death of a parent or spouse. P.L. 2018, c. 12 extended eligibility for State student financial assistance program to New Jersey Dreamers, who had not previously been eligible for assistance. P.L. 2018, c. 144 created three plus one degree programs, which provide students with the opportunity to attend a county college for their third academic year of study before transferring to a four-year institution. The chapter law provides for additional student financial aid at the county college for students enrolled in their third year of a three plus one degree program. In addition, the proposed amendments are

intended to clarify and strengthen eligibility requirements for State student financial assistance programs. The proposed amendments strengthen the requirements by adding criteria to the definition of an eligible institution requiring schools to provide students with a “shopping sheet” so students can compare the costs of selected schools. The proposed amendments clarify eligibility requirements by adding a subsection to specify the documentation needed to verify compliance with the Military Selective Service Act, 50 U.S.C. §§ 3801 et seq., as well as by specifying the documentation required to verify the student’s and their parents’ income. The proposed amendments also update application procedures due to the implementation of a new online grants servicing system and replace the existing table displaying the maximum number of semester award payments students may receive, substituting a reformatted chart that has been streamlined to ease comprehension.

The proposed amendment at N.J.A.C. 9A:9-2.1(a) adds a reference to part-time enrollment to clarify that some existing student assistance programs permit part-time enrollment and to implement the extension of NJ STARS and NJ STARS II eligibility to part-time students authorized by P.L. 2017, c. 360.

N.J.A.C. 9A:9-2.1(b)5 is proposed for amendment to add new subparagraph (b)5ii to revise the definition of an eligible institution. As authorized by N.J.S.A. 18A:71B-1, the Authority is proposing to restrict the definition of an eligible institution to those that provide students with a shopping sheet providing a financial comparison of selected schools and transparency on the net costs of attendance after the application of grants and scholarships, loan options, and the estimated debt that the student will incur to attend the institution. This amendment assists students in making an informed decision about where to enroll and invest both their personal funds and the financial assistance the State expends on their behalf.

Proposed new N.J.A.C. 9A:9-2.2(e) and 2.3(b) implement P.L. 2018, c. 12, which provides that students who are other than a non-immigrant alien, within the meaning of section 101(a)(15) of the Immigration and Nationality Act, 8 U.S.C. § 1101(a)(15), are eligible for State financial aid if they have attended a New Jersey high school for at least three years, and graduated from a New Jersey high school or received the equivalent of a high school diploma from New Jersey; and, in the case of a person without lawful immigration status who meets these requirements, either filed an affidavit with the institution of higher education stating that the student has filed an application to legalize his or her immigration status or will file an application as soon as he or she is eligible to do so. Proposed new N.J.A.C. 9A:9-2.2(f) provides that students who meet all the requirements of proposed new N.J.A.C. 9A:9-2.2(e) will be referred to as “New Jersey Dreamers” for purposes of State student financial assistance.

Proposed new N.J.A.C. 9A:9-2.4(d) specifies the documentation required by N.J.S.A. 18A:71B-6 to verify compliance with the Military Selective Service Act. For students who use the Federally supplied application for financial aid, the proposed amendment provides that the verification requirement is satisfied under the Federal Higher Education

Act of 1965, 20 U.S.C. §§ 1001 et seq. For students who do not use the Federally supplied application for financial aid, the proposed amendment requires a copy of the student's Selective Service Registration Card or a letter from the Federal government confirming registration with Selective Service to verify compliance. As it can take up to 90 days for a student to receive proof of Selective Service Registration in the mail, for a student's first semester of enrollment only, the proposed amendment permits schools to accept proof that the student mailed the registration form to the Selective Service System.

The Authority has implemented a new grant servicing system that has made the paper Student Eligibility Notice obsolete. Therefore, amendments are proposed to N.J.A.C. 9A:9-2.5 to delete reference to the Student Eligibility Notice and to advise students that the Authority will provide all notifications regarding eligibility in writing, either electronically or by mail.

The proposed amendments to N.J.A.C. 9A:9-2.7 are intended to provide clarification as to how the Authority verifies a student's income. The proposed amendments specify that, if the student, or the student's family, if applicable, does not file tax returns, the student must provide documented proof from a Federal or State agency of taxable and/or untaxed income, including, but not limited to, IRS tax and wage transcripts, receipt of unemployment payments, child support, alimony, welfare payments, Social Security benefits, or at least two benefits from any of the following Federal programs: Medicaid, SSI, SNAP, TANF, or WIC.

The proposed amendment to N.J.A.C. 9A:9-2.10 adds language to recognize that schools need to verify part-time enrollment for students receiving student financial assistance through a part-time program.

In order to implement the three plus one degree programs authorized by P.L. 2018, c. 144, the proposed amendments at N.J.A.C. 9A:9-2.11(a)1 provide that students enrolled in a three plus one degree program are eligible for six semesters of Tuition Aid Grant payments at a two-year college, and 10 semesters of payments, including payments made for a two-year program, at a four-year college. The proposed amendments at N.J.A.C. 9A:9-2.11(a)2 provide that for all other State student assistance programs not otherwise defined by rule, students enrolled in a three plus one degree program are eligible for six semesters of payments at a two-year college, and eight semesters of payment, including payments made for a two-year program, at a four-year college. In addition, the proposed amendments to both N.J.A.C. 9A:9-2.11(a)1 and 2 replace the existing tables displaying the maximum number of semester award payments students may receive with reformatted tables that are streamlined to ease comprehension and at paragraph (a)1, footnote 1 is replaced and footnote 3 is deleted and at paragraph (a)2, new footnote 2 is added.

With the implementation of a new grants and scholarships servicing system, the obligations of students have changed. The proposed repeal and replacement of N.J.A.C. 9A:9-2.13 deletes reference to the obsolete Student Eligibility Notice and adds the requirement for students to log on to the New Jersey Financial Aid Management System to ensure that their files are complete and accurate. In addition, students are no longer required to report changes in college choice or family financial status to the Authority. With the former paper process, the Student Eligibility Notice only provided the award amount for a student's top school choice. With the new online process, the system can show the student estimated award amounts for multiple schools. The student's actual award amount is determined when a school certifies the student's attendance at that institution. Students do not report changes in family financial status to the Authority because, beginning with the 2017-18 academic year, the Free Application for Federal Student Aid (FAFSA), which is the application students file to receive Federal and State aid, began relying on prior-year tax information. This means that the 2017-2018 FAFSA relied on tax year 2015 income information. Prior to this change, students only reported changes in finances to HESAA if their family had not yet filed their taxes. Since taxes are now required to be filed before the FAFSA is available, the only changes to family finances are due to a change of circumstances, which is reported to the school, not to HESAA. Proposed new N.J.A.C. 9A:9-2.13 requires students to report any changes to family financial status to the institution, which then exercises professional judgment pursuant to N.J.A.C. 9A:9-3.3 to determine if there is a change in the student's eligibility for State student assistance programs.

The proposed amendment at N.J.A.C. 9A:9-10.1 is intended to implement P.L. 2017, c. 360, by acknowledging that there is an authorized exemption to the full-time enrollment requirement for NJ STARS eligibility.

To implement P.L. 2018, c. 144, the proposed amendment at N.J.A.C. 9A:9-10.2 revises the definition of "full-time enrollment" to include a course of study in the third academic year that leads to a degree at the four-year institution with which the county college is partnered in the three plus one program. The proposed amendments at N.J.A.C. 9A:9-10.2 also implement P.L. 2017, c. 360, by adding a definition for part-time enrollment. Part-time enrollment is defined as a course of study including at least six, but less than 12, credit hours.

Pursuant to P.L. 2018, c. 144, the proposed amendments at N.J.A.C. 9A:9-10.4(a)1 and 7 provide for a sixth semester of NJ STARS eligibility for students enrolled in a three plus one degree program.

To implement P.L. 2017, c. 360, the proposed amendments at N.J.A.C. 9A:9-10.4(a)6 reformat the paragraph into multiple subparagraphs and adds a new subparagraph. The exception to the continuous enrollment in a full-time course of study requirement for students on medical leave is codified as N.J.A.C. 9A:9-10.4(a)6i; the exception to the continuous enrollment in a full-time course of study requirement for students called to mobilization for State or Federal active duty as a member of the National Guard or a Reserve component of the Armed Forces of the United States is codified as N.J.A.C. 9A:9-10.4(a)6ii; the new exception to the continuous enrollment in a full-time course of study requirement authorized by P.L. 2017, c. 360, for students enrolled part-time due to illness or the death of a parent or spouse is added as new N.J.A.C. 9A:9-10.4(a)6iii; and the exception to the continuous enrollment in a full-time course of study requirement for students enrolled part-time during the summer semester is codified as N.J.A.C. 9A:9-10.4(a)6iv.

New N.J.A.C. 9A:9-10.4(e) is proposed to implement section 2 of P.L. 2017, c. 360, by providing an additional semester of NJ STARS eligibility for each semester the student receives an exemption from the full-time course of study requirement, not to exceed five additional semesters.

The proposed amendment at N.J.A.C. 9A:9-11.1, is intended to implement P.L. 2017, c. 360, by acknowledging that there is an authorized exemption to the full-time enrollment requirement for NJ STARS II eligibility.

The proposed amendments at N.J.A.C. 9A:9-11.2 revise the definitions of third academic year of study and fourth academic year of study to provide that, for students enrolled in a three plus one degree program pursuant to P.L. 2018, c. 144, the third academic year of study is completed at the county college and the fourth academic year of study means the first and second eligible terms of study at a participating four-year institution of higher education. In addition, the proposed amendments at N.J.A.C. 9A:9-11.2 implement P.L. 2017, c. 360, by adding a definition for part-time enrollment. The definition for part-time enrollment is a course of study that includes at least six, but less than twelve, credit hours.

Pursuant to P.L. 2018, c. 144, the proposed amendments at N.J.A.C. 9A:9-11.5(a) provide that for students enrolled in a three plus one degree program, NJ STARS II eligibility is limited to three semesters. Additionally, proposed amendments at N.J.A.C. 9A:9-11.5(a)2i and new (a)2ii require students enrolled in a three plus one degree program, pursuant to P.L. 2018, c. 144, to have been a funded or non-funded NJ STARS scholar in the sixth semester of county college enrollment to be eligible for NJ STARS II.

The proposed amendment at N.J.A.C. 9A:9-11.5(a)3 implements P.L. 2017, c. 360, by acknowledging that there is an authorized exemption to the full-time enrollment requirement for NJ STARS II eligibility.

To implement P.L. 2017, c. 360, the proposed amendments at N.J.A.C. 9A:9-11.5(a)5 reformat the paragraph into multiple subparagraphs and add a new subparagraph. Pursuant to the proposed amendments, the exception to the continuous enrollment in a full-time course of study requirement for students on medical leave is codified as N.J.A.C. 9A:9-11.5(a)5i; the exception to the continuous enrollment in a full-time course of study requirement for students called to mobilization for State or Federal active duty as a member of the National Guard or a Reserve component of the Armed Forces of the United States is codified as N.J.A.C. 9A:9-11.5(a)5ii; and the new exception to the continuous enrollment in a full-time course of study requirement authorized by P.L.

2017, c. 360, for students enrolled part-time due to illness or the death of a parent or spouse is added as new N.J.A.C. 9A:9-11.5(a)5iii.

New N.J.A.C. 9A:9-11.5(b) is proposed to implement section 3.h of P.L. 2017, c. 360, by providing an additional semester of NJ STARS II eligibility for each semester the student receives an exemption from the full-time course of study requirement, not to exceed four additional semesters.

Proposed new N.J.A.C. 9A:9-11.7(a)1 implements P.L. 2017, c. 360, by providing that part-time scholarships under NJ STARS II are prorated against the full-time NJ STARS II award and that the total NJ STARS II payments shall not exceed \$5,000 for a student.

As the Authority has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

#### **Social Impact**

Except as noted below, the Authority does not anticipate any social impact from the proposed amendments implementing P.L. 2017, c. 360, creating part-time eligibility for the NJ STARS and NJ STARS II programs, P.L. 2018, c. 12, extending eligibility for State student financial assistance program to New Jersey Dreamers, or P.L. 2018, c. 144, beyond that which results from the statutory requirements.

The proposed amendments are expected to have a positive social impact on students applying for State financial aid. The proposed amendments that streamline application processes will make it easier for students to apply for aid, as well as to understand the amount of aid they are receiving.

The proposed amendments implementing P.L. 2017, c. 360, will have a positive impact on students with health issues or dealing with the loss of a parent or spouse by permitting these students to take advantage of the NJ STARS and NJ STARS II scholarships they earned on a part-time basis.

The proposed amendments implementing P.L. 2018, c. 12, are expected to improve opportunities for New Jersey Dreamers, who came to New Jersey as children, benefitted from a New Jersey high school education, and can contribute to New Jersey's economy by pursuing postsecondary education. By extending financial aid eligibility to New Jersey Dreamers, these proposed amendments make higher education accessible for these New Jersey students who could not previously afford to attend college.

The proposed amendments implementing P.L. 2018, c. 144, are also expected to make higher education more affordable for New Jersey students. These proposed amendments encourage students to enroll in three plus one degree programs by providing additional financial aid for the third year of enrollment at a county college. As it is less expensive to attend county college than a four-year institution, the students enrolled in a three plus one degree program will save money for their third year of college.

Additionally, the proposed amendments to N.J.A.C. 9A:9-2.1 are expected to positively impact students by incentivizing institutions to provide students with shopping sheets that will provide the transparency on college costs that students need when selecting which institution to attend.

#### **Economic Impact**

The proposed amendments implement statutory requirements and the Authority does not anticipate any economic impact from the proposed amendments beyond that which result from the statutory requirements.

There will be an indeterminate cost related to the proposed amendments to implement P.L. 2017, c. 360, based on the number of students who enroll part-time in NJ STARS. For academic year 2018-19, an average of 28 students enrolled part-time in NJ STARS per semester and no students enrolled part-time in NJ STARS II. The students who enrolled part-time in NJ STARS are eligible for another full-time semester for each part-time semester in which they are enrolled, not to exceed five additional semesters. If the same number of students enroll in NJ STARS part-time each semester, based on the average part-time NJ STARS award of \$1,007 per semester, and if each student enrolls full-time for each additional semester, the additional cost to the State per year will be \$56,392. There will be no increased cost to the State if students enroll

part-time in NJ STARS II, as the total NJ STARS II award for all students, whether attending full-time or part-time, is capped at \$5,000 per student.

The fiscal impact of the proposed amendment to implement P.L. 2018, c. 12, extending State student financial assistance programs to New Jersey Dreamers, was initially projected to cost approximately \$4 million for a full academic year. The actual cost for the fall 2019 semester was \$1.625 million.

It is anticipated that the proposed amendments to implement P.L. 2018, c. 144, will save the State money. Students enrolled in a three plus one degree program will be attending county college for their third year of attendance and will be receiving student financial assistance at the county college level instead of the four-year institution amounts. The highest average Tuition Aid Grant (TAG) award to the neediest students at county colleges for academic year 2018-19 was \$2,786 and the highest average award to the neediest students at a four-year institution for academic year 2018-19 was \$12,938. The State will realize a TAG award savings of up to \$10,152 for each student who enrolls in a three plus one degree program for the third academic year of study. The total savings to the State is indeterminate, based on the number of students who take part in the three plus one degree programs and the level of TAG award for which they are eligible.

#### **Federal Standards Statement**

A Federal standards analysis is not required because the proposed amendments are not being proposed in order to implement, comply with, or participate in any program established under Federal law or under a State law that incorporates or refers to Federal law, standards, or requirements.

#### **Jobs Impact**

The proposed amendments will not result in the loss or generation of jobs. The proposed amendments affect the criteria for student eligibility for the State's grant and scholarship programs, and to provide further clarity to the existing rules. These programs provide financial assistance opportunities to students and their families to help them meet their higher education expenses, which are a major concern for many New Jersey residents. It is anticipated that they will also increase students' access to higher paying jobs.

#### **Agriculture Industry Impact**

The proposed amendments will have no impact on the agriculture industry. The proposed amendments impact institutions of higher education and the students that attend these institutions.

#### **Regulatory Flexibility Statement**

A regulatory flexibility analysis is not required because the proposed amendments do not impose reporting, recordkeeping, or other compliance requirements on small businesses as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The Authority does not anticipate that any educational institution participating in these programs would be covered by the definition of a small business because these entities have over 100 full-time employees. Additionally, students participating in these programs are not covered by the definition because they are individuals, not businesses.

#### **Housing Affordability Impact Analysis**

The proposed amendments will have an insignificant impact on the affordability of housing in New Jersey. There is an extreme unlikelihood that the proposed amendments would evoke a change in the average costs associated with housing. The proposed amendments affect the administration of grants and scholarships for higher education, which has no impact on housing.

#### **Smart Growth Development Impact Analysis**

The proposed amendments will have an insignificant impact on smart growth and there is an extreme unlikelihood that the rules would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey. The proposed amendments affect the administration of grants and scholarships for higher education, which has no impact on housing production.

**Racial and Ethnic Community Criminal Justice and Public Safety Impact**

The Authority has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

**Full text** of the proposal follows (additions indicated in boldface **thus**; deletion indicated in brackets [thus]):

SUBCHAPTER 2. GENERAL PROVISIONS FOR TUITION AID GRANT AND GARDEN STATE SCHOLARSHIP PROGRAMS

9A:9-2.1 Undergraduate enrollment and eligible institutions

(a) Students must have received a high school diploma or recognized equivalent of a high school diploma as defined by 34 CFR 600.2 and be enrolled or plan to be enrolled as full-time undergraduate students matriculated in a curriculum leading to a degree or certificate in an eligible institution as defined in (b) through (d) below in order to be eligible for student assistance, **unless the specific student assistance program permits part-time enrollment.** Students possessing an undergraduate degree (either a Baccalaureate or Associate degree) are not eligible for student assistance at that degree level. Certification of full-time status is the responsibility of the enrolling institution based on the current institutional definition of full-time status and subject to review and approval by the Higher Education Student Assistance Authority (Authority).

(b) An eligible institution means an institution of higher education that:

1.-4. (No change.)

5. Upon commencing participation in the State financial aid programs[, annually]:

**i. Annually** provides the Authority with detailed information on the graduation rates of State Tuition Aid Grant recipients and, in the case of county colleges, provides information on the transfer rates of State Tuition Aid Grant recipients, in the format provided by the Authority[.]; **and**

**ii. Beginning with academic year 2020-2021, provides a financial aid shopping sheet, in the format prescribed by the Authority, to each prospective and returning student as part of the financial aid offer to provide students and their families with clear information on the net costs of attendance after application of grants and scholarships, loan options, and estimated debt that the student will incur to attend the institution.**

(c)-(d) (No change.)

9A:9-2.2 Residency

(a)-(d) (No change.)

(e) **Notwithstanding the provisions of (a) and (b) above, a student is eligible for aid if the student:**

**1. Attended high school in New Jersey for at least three years;**

**2. Graduated from a high school in New Jersey or received the equivalent of a high school diploma in New Jersey;**

**3. Is not attending an institution in New Jersey solely for the purpose of receiving State student financial aid; and**

**4. In the case of a person without lawful immigration status, files an affidavit with the institution of higher education stating that the student has filed an application to legalize his or her immigration status or will file an application as soon as he or she is eligible to do so.**

(f) **Students who meet the requirements of (e) above, shall be referred to as New Jersey Dreamers, for purposes of State student financial assistance.**

[(e)] (g) (No change in text.)

9A:9-2.3 Noncitizens and resident aliens

(a) In order to receive a grant or scholarship, a noncitizen of the United States of America or resident alien must present affirmative evidence that he or she is not in the United States for the temporary purpose of obtaining an education. Acceptable affirmative evidence is delineated annually by the United States Department of Education in the Federal Student Aid Handbook published at <http://ifap.ed.gov/ifap/byAwardYear.jsp?type=fsahandbook>. The acceptable affirmative evidence standards set forth in

Volume 1, Chapter 2, Citizenship, of the 2013-2014 Federal Student Aid Handbook, which is incorporated herein by reference, as amended and supplemented. For a noncitizen of the United States of America, or resident alien, legal New Jersey residency for purposes of N.J.A.C. 9A:9-2.2 commences when a student is granted permanent resident status in the United States.

(b) **In order to receive a grant or scholarship, a student other than a nonimmigrant alien within the meaning of section 101(a)(15) of the Immigration and Nationality Act, 8 U.S.C. § 1101(a)(15) shall:**

**1. Have attended a New Jersey high school for at least three years;**

**2. Have graduated from a New Jersey high school or received the equivalent of a high school diploma from New Jersey; and**

**3. In the case of a person without lawful immigration status, filed an affidavit with the institution of higher education stating either that the student has filed an application to legalize his or her immigration status, or that the student will file an application to legalize his or her immigration status as soon as he or she is eligible to do so.**

9A:9-2.4 Eligibility and repayments

(a)-(c) (No change.)

(d) **Students subject to the provisions of the Military Selective Service Act, 50 U.S.C. §§ 3801 et seq., shall not receive State financial assistance under the programs administered by the Authority without verification of compliance with the requirements of the Military Selective Service Act. Verification of compliance shall be satisfied as follows:**

**1. For students who apply using a Federally supplied application for financial aid, verification of military selective service compliance provided under the Federal Higher Education Act of 1965, 20 U.S.C. § 1001 et seq., satisfies this requirement;**

**2. For students who apply using a non-Federally supplied application for financial aid, the institution of higher education shall not disburse the aid until provided a copy of the student's Selective Service Registration Card or a letter from the Federal government confirming registration with Selective Service. For students in their first semester of enrollment only, institutions are permitted to accept proof that the student mailed his registration to the Selective Service System, including, but not limited to, a registered mail receipt or a commercial carrier tracking notice. For future semesters of eligibility, the student must provide a copy of the Selective Service Registration Card or letter from the Federal government confirming registration with Selective Service.**

9A:9-2.5 Student notification

[Students shall be notified] **The Higher Education Student Assistance Authority shall notify students of grant eligibility [through the Student Eligibility Notice issued by the Higher Education Student Assistance Authority] in writing, either electronically or by mail.** The amount of the grant is subject to change based on the annual level of appropriations and other resources available to the student (see N.J.A.C. 9A:9-2.9). The institution's written notification to the student regarding State financial assistance shall contain a clause indicating the State is not responsible for funding of the grant in the event of fraudulent, inaccurate, or misleading information.

9A:9-2.7 Verification of family financial data

Students upon request must provide the Higher Education Student Assistance Authority with documentation including, but not limited to, Internal Revenue Service tax return transcripts and/or State income tax returns for themselves, and in the case of dependent students, for their parents, for verification purposes. In the limited circumstances when students or parents are unable to obtain transcripts from the Internal Revenue Service, the Authority may accept a signed copy of the Federal income tax return. **If no tax returns were filed for the year requested, students must provide the Authority with documented proof, received through a Federal or State agency, of taxable and/or untaxed income, including, but not limited to, an IRS tax and wage transcript, receipt of unemployment payments, child support, alimony, welfare payments, Social Security benefits, or at least two benefits from any of the following Federal programs: Medicaid, SSI, SNAP, TANF, or WIC.** Financial data provided on the financial aid form may be verified

by the Authority and/or institution through the comparison of information reported on income tax transcripts and returns and other requested documentation. Discrepancies will require the re-evaluation of the student's eligibility. Students, as well as institutions, will be notified if an adjustment in the value of aid is required. If documentation is not received to verify income or resolve discrepancies aid will not be granted.

9A:9-2.10 Verification of enrollment and academic performance

(a) Before payment may be made to an eligible student, the institution shall have satisfactory evidence that the student is eligible for State grant and/or scholarship assistance, has registered as a full-time student for an academic term **in an eligible program of study, or a minimum of six credits if the student is applying for an approved part-time financial aid program in an eligible program of study**, and that the student is meeting minimum standards for academic performance and academic progress.

(b)-(f) (No change.)

9A:9-2.11 Payments

(a) The maximum number of semester award payments that students may receive are as follows:

1. Tuition Aid Grant Program:[

<u>Enrollment Status</u>		Maximum Semesters for <u>Award Payments</u>
TWO-YEAR COLLEGES:	Regular 2-Year Program	5
	Remedial/Developmental or Bilingual (ESL) Curriculum EOF Program	6
FOUR-YEAR COLLEGES	Regular 4-Year Program	6/8 <sup>1</sup>
	County College Transfers/ Remedial/Developmental/Bilingual Curriculum	9
	5-Year Program	10 <sup>2</sup>
	EOF Program	11/12 <sup>3</sup>
		12 <sup>1]</sup>

<u>Type of Program</u>	<u>2-Year College Maximum Semesters</u>	<u>4-Year College Maximum Semesters<sup>1</sup></u>
<b>Regular program</b>	5	9
<b>Remedial/Developmental or Bilingual (ESL) Curriculum<sup>2</sup></b>	6	10
<b>EOF Program</b>	8	12
<b>Three Plus One Degree Program established pursuant to P.L. 2018, c. 144</b>	6	10
<b>County college transfer</b>	N/A	10
<b>5-year program</b>	N/A	11
<b>5-year county college transfer, Remedial/Developmental or Bilingual curriculum</b>	N/A	12

<sup>1</sup> As stipulated in N.J.A.C. 9A:11-2.8.]

<sup>1</sup>The semesters of payment are cumulative and include all payments made for a two-year program.

<sup>2</sup> (No change.)

<sup>3</sup> County College Transfer, Remedial/Developmental or Bilingual (ESL) curriculum.

i. Students shall not receive more than nine semesters of payment unless they are enrolled in a five-year program, receiving assistance under the EOF Program, transferred from a county college to a four-year college or were required to take the equivalent of 18 or more credit hours of noncredit remedial, developmental, or bilingual (ESL) courses.

ii. Students enrolled in an undergraduate program regularly requiring five academic years for completion shall be permitted five and one-half years of payment eligibility.

iii. Students enrolled in the EOF Program may receive additional payments based upon the special approval from the Executive Director of the EOF Program.]

2. [All] Other State Student Assistance Programs, [except NJ STARS and NJ STARS II] **if not separately defined by rule:**[

<u>Enrollment Status</u>		Maximum Semesters for Award <u>Payments</u>
TWO-YEAR COLLEGES:	Regular 2-Year Program	5
	Remedial/Developmental or Bilingual (ESL)	6
FOUR-YEAR COLLEGES	Regular 4-Year Program	8 <sup>1</sup>
	Regular 5-Year Program	10 <sup>1]</sup>

<u>Type of Program</u>	<u>2-Year College Maximum Semesters</u>	<u>4-Year College Maximum Semesters<sup>1</sup></u>
<b>Regular program</b>	5	8
<b>Three Plus One Degree Program established pursuant to P.L. 2018, c. 144</b>	6	8
<b>Remedial/Developmental or Bilingual (ESL) Curriculum<sup>2</sup></b>	6	8
<b>5-year program</b>	N/A	10

<sup>1</sup> (No change.)

<sup>2</sup> Remedial/Developmental or Bilingual (ESL) Curriculum must contain the equivalent of 18 or more credit hours of remedial or bilingual (ESL) courses.

(b) (No change.)

9A:9-2.13 Student's obligation to report changes in institution or financial status

Any changes in college choice or family financial status which occur after the Student Eligibility Notice has been issued to the student must be reported immediately, in writing by the student, to the Higher Education Student Assistance Authority in order that the student's continued eligibility may be evaluated and prompt payment provided. Institutions may report these changes on behalf of the student.]

9A:9-2.13 Student's obligation

Students are required to log onto the New Jersey Financial Aid Management System and ensure that their file is complete and accurate. Any changes to family financial status must be reported to the institution, which shall exercise professional judgment pursuant to N.J.A.C. 9A:9-3.3 to determine if there is a change in the student's eligibility for State student assistance programs.

SUBCHAPTER 10. NEW JERSEY STUDENT TUITION ASSISTANCE REWARD SCHOLARSHIP (NJ STARS) PROGRAM

9A:9-10.1 Purpose and scope

The rules established by this subchapter provide the policies and the procedures for participation in the New Jersey Student Tuition Assistance Reward Scholarship (NJ STARS) Program administered by the New Jersey Higher Education Student Assistance Authority (Authority). These scholarships shall be awarded annually to eligible students enrolled in a full-time course of study at a New Jersey county college, **unless the student receives an exemption from the full-time course of study requirement pursuant to N.J.A.C. 9A:9-10.4(a)6iii.**

## 9A:9-10.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

...

“Full-time enrollment” in any semester, including summer, means a course of study leading to a degree from the county college of enrollment, **unless the student is enrolled in a three plus one degree program established pursuant to P.L. 2018, c. 144, in which case the course of study in the third academic year shall lead to a degree at the four-year institution with which the county college is partnered in the three plus one degree program**, that includes at least 12 credit hours, not including any credit hours in a remedial or developmental curriculum. Full-time enrollment for a summer semester consists of the total number of credits taken during all sessions in that summer.

...

“Part-time enrollment” in any semester, including summer, means a course of study leading to a degree from the county college of enrollment, **that includes at least six credit hours, but less than 12 credit hours, not including any credit hours in a remedial or developmental curriculum. Part-time enrollment for a summer semester consists of the total number of credits taken during all sessions in that summer.**

...

## 9A:9-10.4 Eligibility requirements

(a) A student shall be eligible for a scholarship under the NJ STARS Program for up to five semesters, including summers, **unless the student is enrolled in a three plus one degree program established pursuant to P.L. 2018, c. 144, in which case the student shall be eligible for a scholarship under the NJ STARS Program for up to six semesters, including summers.** This period of eligibility also includes any semester for which a student qualifies for the scholarship but does not receive payment pursuant to N.J.A.C. 9A:9-10.7. In order to qualify for this scholarship, a student must meet the following eligibility requirements:

1. (No change.)

2. Upon notice from the Authority of conditional eligibility for the Program, a student shall take a college placement test selected by the New Jersey Council of County Colleges and administered by the county college in the county of the student’s school district at no cost to the student or the school district. The county colleges may enter into an agreement with the school district to administer the test at the high school or other selected site within the district.

i. (No change.)

ii. A student shall have one year from September 1 following high school graduation to demonstrate the skill levels required to pursue courses for credit at a county college. The student shall become an NJ STAR scholar eligible for five, **or six if enrolled in a three plus one program**, semesters of NJ STARS scholarships if during or at the end of the one-year period the student demonstrates the required ability. A student loses eligibility to become an NJ STARS Scholar if the student continues to require remediation at the end of the one-year period;

3.-5. (No change.)

6. A student must maintain continuous enrollment in a full-time course of study unless:

i. **The student is** on medical leave due to the illness of the student or illness of a member of the student’s immediate family or emergency leave because of a family emergency, which medical or emergency leave shall have been approved by the county college prior to completion of the semester for which leave is being granted [or unless];

ii. **The student is** called to partial or full mobilization for State or Federal active duty as a member of the National Guard or a Reserve component of the Armed Forces of the United States[.];

iii. **The student receives an exemption from the full-time course of study requirement by enrolling part-time and:**

(1) **Provides the county college with a written note from a physician or other licensed health care professional indicating the student’s need to take a reduced number of credits due to a physical or mental health condition; or**

(2) **Provides the county college with documentation to verify the death of the student’s parent or spouse in the current or previous semester. Acceptable documentation includes, but is not limited to, a copy of the obituary listing the student as the child or spouse, or a copy of the death certificate along with a copy of the birth certificate or marriage certificate;**

iv. A student enrolled for less than full-time status during the summer semester shall not receive an NJ STARS award for that semester, **unless the student receives an exemption from the full-time course of study requirement pursuant to (a)6iii above, but shall maintain eligibility for the program[.]; or**

[i.] v. (No change in text.)

7. A student shall not receive an NJ STARS scholarship for the sixth semester of county college enrollment, **unless the student is enrolled in a three plus one degree program established pursuant to P.L. 2018, c. 144,** but if a student enrolled in a nursing or engineering program enrolls for a sixth semester that student shall maintain eligibility for the New Jersey Student Tuition Assistance Reward Scholarship II (NJ STARS II) Program, established pursuant to P.L. 2005, c. 359 (N.J.S.A. 18A:17B-86.1 et seq.), provided the student meets the requirements for receipt of an NJ STARS II scholarship and graduates after the sixth semester.

(b)-(d) (No change.)

(e) **A student enrolled part-time pursuant to (a)6iii above shall receive an additional semester of NJ STARS eligibility for each semester the student receives an exemption from the full-time course of study requirement, not to exceed five additional semesters.**

#### SUBCHAPTER 11. NEW JERSEY STUDENT TUITION ASSISTANCE REWARD SCHOLARSHIP II (NJ STARS II) PROGRAM

## 9A:9-11.1 Purpose and scope

The rules established by this subchapter provide the policies and procedures for participation in the New Jersey Student Tuition Assistance Reward Scholarship II (NJ STARS II) Program administered by the Higher Education Student Assistance Authority. This program offers scholarships to NJ STARS scholars who attain an associate degree at a New Jersey county college and are enrolled in a full-time course of study at a New Jersey four-year institution of higher education no later than the second eligible term immediately following the student’s attainment of an associate degree, **unless the student receives an exemption from the full-time course of study requirement pursuant to N.J.A.C. 9A:9-11.5(a)5iii.**

## 9A:9-11.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

...

“Fourth academic year of study” means the third and fourth eligible terms of study at a participating institution, **unless the student is enrolled in a three plus one degree program established pursuant to P.L. 2018, c. 144, in which case the fourth academic year of study means the first and second eligible terms of study at a participating four-year institution.**

...

“Part-time enrollment” in any semester means a course of study in any term, except summer sessions, that includes at least six credit hours, but less than 12 credit hours, in a non-remedial or non-developmental curriculum and which leads to a baccalaureate degree from a participating institution.

...

“Third academic year of study” means the first two eligible terms of study at a participating institution, **unless the student is enrolled in a three plus one degree program established pursuant to P.L. 2018, c. 144, in which case the student completed the third academic year of study at the county college.**

## 9A:9-11.5 Eligibility requirements

(a) A student shall be eligible for a scholarship under the NJ STARS II Program for up to four terms, **unless the student is enrolled in a three**

**plus one degree program established pursuant to P.L. 2018, c. 144, in which case the student shall be eligible for a scholarship under the NJ STARS II Program for up to three terms.** Payments are only made for fall and spring terms. The student’s eligibility will be determined during the first eligible term of enrollment at a participating institution. In order to qualify for this scholarship, a student must:

1. (No change.)
2. Have graduated from a New Jersey county college with an associate degree as a funded or non-funded NJ STARS scholar with at least a 3.25 cumulative grade point average or was eligible for but did not receive an NJ STARS scholarship because the student was enrolled in college courses while in high school and received an associates degree with at least a 3.25 cumulative grade point average in accordance with a joint program offered by the student’s school district and a county college.

- i. Students who were **not enrolled in a three plus one degree program established pursuant to P.L. 2018, c. 144, and were NJ STARS scholars for their fifth semester of county college enrollment and enrolled in a sixth semester at the county college in a nursing or engineering program are eligible for NJ STARS II, provided they meet the requirements for receipt of an NJ STARS II scholarship and graduate after the sixth semester[.];**

- ii. **Students who were enrolled in a three plus one degree program established pursuant to P.L. 2018, c. 144 must have been a funded or non-funded NJ STARS scholar in the sixth semester of county college enrollment to be eligible for NJ STARS II;**

3. Be enrolled full-time, or part-time if the student received an exemption from the full-time course requirement pursuant to (a)5iii below, in a baccalaureate degree program at a participating institution no later than the second eligible term immediately following the student’s attainment of an associate degree, unless enrollment is delayed due to the illness of the student or a member of the student’s immediate family or because of a family emergency, which medical or emergency exception shall have been approved by the Authority, or unless called to partial or full mobilization for State or Federal active duty as a member of the National Guard or a Reserve component of the Armed Forces of the United States;

4. (No change.)
5. Maintain continuous enrollment in a full-time course of study at a participating institution unless:

- i. **The student is on medical leave due to the illness of the student or a member of the student’s immediate family or on emergency leave because of a family emergency, which medical or emergency leave shall have been approved by the participating institution prior to completion of the term for which leave is being granted; [or unless]**

- ii. **The student is called to partial or full mobilization for State or Federal active duty as a member of the National Guard or a Reserve component of the Armed Forces of the United States[.];**

- iii. **The student receives an exemption from the full-time course of study requirement by enrolling part-time and:**

- (1) **Provides the participating institution with a written note from a physician or other licensed health care professional indicating the student’s need to take a reduced number of credits due to a physical or mental health condition; or**

- (2) **Provides the participating institution with documentation to verify the death of the student’s parent or spouse in the current or previous semester. Acceptable documentation includes, but is not limited to, a copy of the obituary listing the student as the child or spouse, or a copy of the death certificate along with a copy of the birth certificate or marriage certificate.**

(b) **A student enrolled part-time pursuant to (a)5iii above shall receive an additional semester of NJ STARS II eligibility for each semester the student receives an exemption from the full-time course of student requirement, not to exceed four additional semesters.**

(b)(c) (No change in text.)

9A:9-11.7 Amount of the scholarship

(a) A scholarship under the NJ STARS II Program shall be applied toward the cost of tuition, or in the case of a student who receives a Tuition Aid Grant, toward the cost of tuition and approved fees, subject to the prior application of other State and Federal grants and scholarships against

such costs for an eligible student enrolled in a full-time course of study at a participating institution. A scholarship shall be paid to the participating institution an amount up to \$1,250 per term. The cost of the scholarship shall be paid 100 percent by the State.

**1. A scholarship under the NJ STARS II Program for students enrolled part-time shall be prorated against the full time NJ STARS II awards as follows:**

- i. **An eligible student enrolled for six to eight credits shall receive one-half of the value of the full-time award;**

- ii. **An eligible student enrolled for nine to 11 credits shall receive three-quarters of the value of the full-time award; and**

- iii. **Total NJ STARS II payments shall not exceed \$5,000 for a student.**

(b)-(c) (No change.)

## PUBLIC UTILITIES

### (a)

#### BOARD OF PUBLIC UTILITIES

#### Renewable Energy and Energy Efficiency

#### Proposed Amendment: N.J.A.C. 14:8-2.4

Authorized By: New Jersey Board of Public Utilities, Joseph L. Fiordaliso, President, Mary-Anna Holden, Dianne Solomon, Upendra J. Chivukula, and Robert M. Gordon, Commissioners.

Authority: N.J.S.A. 48:2-1 et seq., in particular 48:2-13, 48:3-51, and 48:3-87.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

BPU Docket Number: QX19060720.

Proposal Number: PRN 2019-134.

Comments may be submitted through November 15, 2019, by email in Microsoft Word format, or in a format that can be easily converted to Word, to [rule.comments@bpu.nj.gov](mailto:rule.comments@bpu.nj.gov), or on paper to:

Aida Camacho-Welch, Secretary  
 New Jersey Board of Public Utilities  
 ATTN: BPU Docket Number: QX19060720  
 44 S. Clinton Ave., 3rd Floor, Suite 314  
 PO Box 350  
 Trenton, NJ 08625-0350

**Please take notice** that the Board of Public utilities (“BPU” or “Board”) recognizes that there may be market implications incident to the proposed 5.1 percent calculation methodology contained herein. The Board is committed to providing an open and transparent public dialogue, prior to the termination of the Solar Renewable Energy Certificate (SREC) registration program, on whether Board action is necessary to ensure that the solar market in New Jersey continues to remain healthy.

The agency proposal follows:

#### Summary

The Board is proposing amendments at N.J.A.C. 14:8-2.4 to conform the existing rules to certain provision of P.L. 2018, c. 17 (“Clean Energy Act” or “Act”). The Act made several changes to the Renewable Portfolio Standard (RPS) to provide for an orderly and transparent mechanism that will result in the closing of the existing solar renewable energy certificate (SREC) Registration Program (“SREC Program” or “SRP”) on a date certain but no later than June 1, 2021. Once it has determined that 5.1 percent of the kilowatt-hours sold in the State by each electric power supplier and each basic generation provider are generated by solar electric generation facilities connected to the distribution system (5.1% Milestone), the Board shall close the SREC Program. No later than 24 months after the date of enactment of the Clean Energy Act, the Board must complete a study that evaluates how to modify or replace the SREC Program to encourage the continued efficient and orderly development of solar renewable energy generating sources throughout the State.