



NEW JERSEY

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Senate Higher Education Committee Senate Bill No. 591 – Financial Aid Shopping Sheet September 29, 2016

Thank you, Madam Chair, for the opportunity to testify. The state colleges and universities strongly support providing useful information to students to help them make knowledgeable decisions about financing their college education. We are concerned, however, that this bill would require guesswork to meet its requirements, and could cause confusion with information provided on the Financial Aid Shopping Sheet devised by the federal government.

We have significant concerns about the feasibility of collecting or predicting some of the data required under the bill. For example, sections b(2) and (4) require the colleges and universities to provide each prospective student with his or her total amount of grants, scholarships, loans and work study for which the student would be eligible. It would be impossible for our schools to predict any prospective student's eligibility for loans – as well as assistance from grants and work study – beyond the first year of attendance. Moreover, colleges and universities would not have information on private loans or scholarships offered to a particular student. Any amounts provided to the student would be an estimate of what financial aid availability the school is aware.

Much of the other information that would be required by this bill is already provided by colleges and universities pursuant to the New Jersey College Student and Parent Consumer Information Act (P.L.2009, Ch.197). Under that law, the colleges and universities already provide data regarding access and cost, including overall four-year and six-year graduation rates; the student transfer rates; the cost of attending the institution for the current academic year; a description of the types of financial assistance offered directly by the institutions to student athletes and non-athletes; the total projected cost for an incoming freshman to complete a degree in four years versus six years; the average loan indebtedness for four-year graduates who live on campus versus those who commute; and the average loan indebtedness for six-year graduates who live on campus versus those who commute. This information can be found on the New Jersey Higher Education website: <http://nj.gov/highereducation/Consumerinfo.htm>.

In addition, a number of our institutions participate in the Voluntary System of Accountability (<http://www.voluntarysystem.org>), which is a consumer-friendly tool for conveying critical measures of student and institutional success. A related website called the College Portrait of Undergraduate Education allows prospective students to compare two schools side-by-side. The information includes costs for attendance, including average financial aid awards; a breakdown of students by gender and race; student progress; and educational outcomes. A vast array of information is available on the website, which can be found at: <http://www.collegeportraits.org/>.

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*The College of New Jersey
Kean University
Montclair State University*

*New Jersey City University
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As you continue to consider this legislation, it is instructive to examine the federal Financial Aid Shopping Sheet, which is referenced in section 1.c. of the bill as a potential model. A copy of the Financial Aid Shopping Sheet is attached, and can be viewed at <https://www.ifap.ed.gov/dpccletters/attachments/ShoppingSheetTemplateGEN1326.pdf>. As you will see, the Financial Aid Shopping Sheet provides information regarding net cost and financial aid options only for the first year of attendance, and cautions students that actual eligibility of borrowing under student loan program could be different than the amount presented on the sheet.

The federal Financial Aid Shopping Sheet is being adopted by institutions around the country, and for that reason we respectfully request that S-591 be amended to require only the information that is provided on the federal form. We also ask that the bill be harmonized with the already existing law, the New Jersey College Student and Parent Consumer Information Act (P.L.2009, Ch.197). This consistency will help students find the information they need as they consider their college options.

We share the concern addressed in this bill over keeping students and their families as informed as possible over college costs, and we greatly appreciate your consideration of our comments. We look forward to working with you on this important issue.

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