



NEW JERSEY

# Association of State Colleges and Universities

150 West State Street, Trenton NJ 08608

Phone (609) 989-1100

## **Senate Higher Education Committee Monday, June 18, 2018**

### **Senate Bill No. 1794**

The state colleges and universities understand the sponsors' concerns with the ability of students to have financial literacy skills, but this bill would duplicate a high school graduation requirement in New Jersey that students must complete a course in economics and financial literacy. The New Jersey Department of Education requires school districts to include in their graduation requirements at least 2.5 credits in financial, economic, business, and entrepreneurial literacy, effective with 2010-2011 grade nine class (N.J.A.C. 6A:8-5.1(a)1.v). In addition, there are bills currently moving this session, A-2773/S-762, which will require the State Board of Education high school graduation requirements to include instruction on tuition assistance programs and student loan debt and will also require high school students to meet with a guidance counselor to discuss tuition assistance and dual enrollment. We agree that providing counseling to students before they enter college is a better approach because once students begin their college career, they have typically already taken out loans.

The bill requires a full-time undergraduate student who has student loan debt to complete an on-line course, or receive in-person counseling from a qualified member of the institution, on the repayment of student loan debt and the consequences of the failure to make required repayments every time the student takes out a new loan. This requirement is duplicative of the counseling required when students first apply for federal loans. In addition, if the students fail to comply with the bill's requirements, we cannot withhold their federal loans, as federal regulations prohibit any local requirements from interfering with a student's access to federal loans.

Finally, we also have concerns with some of the information required to be provided to the students. The bill requires that we provide an estimate of the total amount of student loans taken out by the student, the estimated total payoff amount and an estimate of monthly repayment amounts. We would only be able to provide information on loans about which we are aware. Any private loans taken out by the students or their family are just that – private – and we would have no way of knowing that information.

Thank you for considering our concerns.

---

[www.njascu.org](http://www.njascu.org)

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

*New Jersey City University  
Ramapo College of New Jersey  
Rowan University*

*Stockton University  
Thomas Edison State University  
William Paterson University*