

specific allegation that charter school funding is resulting in a purported constitutional deprivation, it will conduct an analysis.

Federal Standards Statement

The Federal requirements or standards applicable to charter schools concerning students with educational disabilities and equity in education pursuant to the Individuals with Disabilities Education Act, Part B (IDEA—B) at 20 U.S.C. §§ 1400 et seq. and 34 CFR 300 et seq., Titles VI and VII of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq. and 2000e et seq. respectively), Title IX of the Education Amendments of 1972 (20 U.S.C. §§ 1681 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 792) and the Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12101 et seq.) are not exceeded by the readopted rules or the adopted amendments. There are no other Federal standards that apply. Therefore, a Federal standards analysis is not necessary.

Full text of the readopted rules can be found in the New Jersey Administrative Code at N.J.A.C. 6A:11.

Full text of the adopted amendments follows:

6A:11-2.1 Application and approval process

(a) (No change)

(b) An eligible applicant for a charter school shall:

1. Complete the New Jersey Charter School Application, which shall be annually disseminated by the Department no later than August 31 of each year.

i. For application rounds in which the Department requires an online application submission, new charter school applicants shall establish an online account no later than five business days prior to the due date for the application.

2.-5. (No change)

(c)-(l) (No change)

6A:11-2.2 Reporting

(a)-(b) (No change)

(c) On an annual basis, the Commissioner shall assess the student composition of a charter school and the segregative effect that the loss of the students may have on its district of residence. The assessment shall be based on the enrollment from the initial recruitment period pursuant to N.J.A.C. 6A:11-4.4(b). The charter school shall submit data for the assessment:

1. (No change)

2. No later than 4:15 P.M. on June 1.

6A:11-2.6 Amendment to charter

(a) A charter school may apply to the Commissioner for an amendment to the charter following the final granting of the charter.

1. (No change)

2. The board of trustees of a charter school shall submit in the form of a board resolution the amendment request to the Commissioner and the district board(s) of education or State district superintendent(s) of the district of residence of a charter school. The amendment request shall:

i. (No change)

ii. Be made by December 1 of the previous school year to increase enrollment in the subsequent school year.

(b)-(d) (No change)

6A:11-4.4 Initial recruitment period

(a) No later than June 1 of subsequent school years, a charter school shall submit to the Commissioner the number of students by grade level, gender, and race/ethnicity from each district selected for enrollment from its initial recruitment period for the following school year.

(b)-(c) (No change)

HIGHER EDUCATION

(a)

HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

Grant and Scholarship Programs

Readoption with Amendments: N.J.A.C. 9A:9

Adopted New Rules: N.J.A.C. 9A:9-3.4 and 5.3

Adopted Repeals: N.J.A.C. 9A:9-9

Proposed: June 16, 2014, at 46 N.J.R. 1391(a).

Adopted: October 23, 2014, by the Higher Education Student Assistance Authority, Anthony Falcone, Chairperson.

Filed: November 6, 2014, as R.2014 d.180, **with non-substantial changes** not requiring additional public notice and comment (see N.J.A.C. 1:30-6.3).

Authority: N.J.S.A. 18A:71A-1 et seq., 18A:71B-1 et seq., 18A:71B-7, 18A:71B-12, 18A:71B-19, 18A:71B-23, 18A:71B-23.7, 18A:71B-24.3, 18A:71B-25, 18A:71B-86, and 18A:71B-86.6.

Effective Dates: November 6, 2014, Readoption;
December 1, 2014, Amendments, New Rules, and Repeals.

Expiration Date: November 6, 2021.

Summary of Public Comments and Agency Responses:

The Higher Education Student Assistance Authority (“Authority” or “HESAA”) received comments from Dr. Dario A. Cortes on behalf of Berkeley College and Jean Public, which are summarized below, along with HESAA’s responses.

COMMENT: Dr. Cortes expressed concern with a statement in the Summary of the notice of proposal with regards to Subchapter 11, where the statement referenced four-year public institutions of higher education as eligible institutions for NJ STARS II.

RESPONSE: Consistent with N.J.S.A. 18A:71B-86.4.b, participating institutions for NJSTARS II continue to be defined in N.J.A.C. 9A:9-11.2 as New Jersey four-year institutions of higher education that offer degrees up to the baccalaureate level at a minimum and are participating in the Tuition Aid Grant program. The reference to New Jersey four-year public institutions of higher education was inadvertent and was only made in the Summary statement, not in the body of the rules being proposed and, as such, no modification to the rule text is necessary.

COMMENT: Jean Public commented that “eligible non citizen” should be replaced with “eligible legal non citizen” and people who are not here legally should not receive aid.

RESPONSE: “Eligible non-citizen” is the term of art found in N.J.S.A. 18A:71B-2.c, which specifies that only students that are U.S. citizens or eligible noncitizens, as determined by Federal law 20 U.S.C. § 1091 are eligible for State aid.

COMMENT: Jean Public commented that living parents should always be required to pay for student’s tuition.

RESPONSE: Eligibility for Tuition Aid Grants is determined by financial need pursuant to N.J.S.A. 18A:71B-20.c(3). For dependent students, parents’ income is included in the need calculation.

COMMENT: Jean Public commented that in N.J.A.C. 9A:9-2.15, HESAA should only accept Social Security numbers because foreigners could fake customer ID numbers.

RESPONSE: The Customer ID numbers are provided to students by HESAA and are used in lieu of Social Security numbers to protect students from identity theft.

COMMENT: Jean Public commented that in N.J.A.C. 9A:9-2.2, dependents whose parents are illegal immigrants should be investigated to ensure they are here legally.

RESPONSE: All students who apply for financial aid are required to fill out the Free Application for Federal Student Aid. As part of this application they are required to certify their citizenship.

COMMENT: Jean Public commented that in N.J.A.C. 9A:9-2.2(b), “proof of residency” should read “proof of legal residency.”

RESPONSE: Pursuant to N.J.A.C. 9A:9-2.2(a), students must be legal residents of New Jersey. This subsection lists what evidence can be provided to prove New Jersey residency. The current wording of the regulation does not necessitate the addition of the word "legal" as it is provided in subsection (a).

COMMENT: Jean Public commented that in N.J.A.C. 9A:9-2.3, people who served time in jail for immigration acts should not be allowed to enter school.

RESPONSE: HESAA does not have the authority to determine which students are eligible to enroll in school. Pursuant to N.J.S.A. 18A:71B-2.d, a person who is incarcerated is not eligible for student financial aid.

COMMENT: Jean Public commented that students who are enrolling under President Obama's Executive Order do not have permanent residency.

RESPONSE: Pursuant to N.J.S.A. 18A:71B-2.c, only students that are U.S. citizens or eligible noncitizens, as determined by Federal law 20 U.S.C. § 1091 are eligible for State aid. The proposed amendment to the regulation incorporates by reference the Federal Student Aid (FSA) Handbook to define eligible noncitizens. The FSA Handbook specifies that students with The Deferred Action for Childhood Arrivals (DACA) status are not eligible for aid.

COMMENT: Jean Public commented that HESAA should not allow use of IRS forms because people lie on them.

RESPONSE: HESAA relies on IRS tax return transcripts and signed tax returns when not available, because applicants are required to certify the accuracy of these documents. In addition, it is an industry standard to accept these documents for verification.

COMMENT: Jean Public commented that in N.J.A.C. 9A:9-3.5, part-time students should not get any loans or grants.

RESPONSE: Pursuant to N.J.S.A. 18A:71B-20.b, "Eligibility for tuition aid grants may be extended to part-time students through regulations developed by the Authority if funds are separately appropriated for this purpose." As funds have been separately appropriated for part-time Tuition Assistance Grants, this rule is necessary to administer the program.

Summary of Agency-Initiated Change:

On September 10, 2014, Governor Christie signed P.L. 2014, c. 55, into law, modifying the eligibility requirements for the NJ STARS program. The chapter law extends NJ STARS eligibility to students who have graduated high school and had a class rank at the completion of 11th or 12th grade in the top 15 percent of their high school class. This statutory change requires a modification to the original notice of proposal to incorporate the new eligibility requirements into N.J.A.C. 9A:9-10.4(a)3.

Federal Standards Statement

A Federal standards analysis is not required since the rules readopted with amendments, new rules, and repeals are not subject to any Federal requirements or standards. While the Federally funded Paul Douglas Teacher Scholarship Program was subject to Federal requirements, the rules governing this program are being repealed and therefore do not exceed the Federal standards.

Full text of the readopted rules can be found in the New Jersey Administrative Code at N.J.A.C. 9A:9.

Full text of the adopted amendments and new rules follows (additions to proposal indicated in boldface with asterisks ***thus***; deletion from proposal indicated in brackets with asterisks ***[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. 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. (No change.)
2. Is licensed by the Office of the Secretary of Higher Education, or its successor office;
3. Is not licensed as an "out-of-State" institution pursuant to N.J.A.C. 9A:1-5;
4. Is accredited or preaccredited by a nationally recognized accrediting association; and
5. Upon commencing participation in the State financial aid programs, 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.

(c) Eligible institutions shall also include proprietary institutions in New Jersey that meet the requirements of (b)1, 4, and 5 above, but only for degree granting programs, as licensed by the Office of the Secretary of Higher Education, or its successor office, pursuant to N.J.A.C. 9A:1-4.

(d) An eligible institution seeking to participate in the Tuition Aid Grant Program or expand its participation by adding a branch campus or changing its programmatic mission shall:

1. Submit a written request to the Authority no later than August 31 of the calendar year prior to the fall semester of the succeeding calendar year during which the institution wishes to begin or expand participation;
2. Provide documentation that the institution, branch campus, or expanded programmatic mission has been approved by the Office of the Secretary of Higher Education, or its successor office, and that the institution is authorized to participate in Title IV Federal student aid programs under the Higher Education Act of 1965, as amended, and its implementing regulations; and
3. Provide an estimate of the number of potential Tuition Aid Grant recipients during the first four years of program participation.

9A:9-2.2 Residency

(a) Students must be legal residents of New Jersey for a period of not less than 12 consecutive months immediately prior to the academic period for which aid is being requested. The residence of a student is defined in terms of domicile. Domicile is defined as the place where a person has his or her true, fixed, permanent home and principal establishment, and to which, whenever he or she is absent, he or she has the intention of returning.

1. A dependent student, as defined in N.J.A.C. 9A:9-2.6, shall be presumed to be a legal resident of the state in which he or she and his or her parent(s) is domiciled. A dependent student whose parent(s) has not established a domicile in New Jersey shall be presumed to be in the State for the temporary purpose of obtaining an education and shall be ineligible for State student financial aid. A student may rebut both of these presumptions by submitting evidence to the Authority establishing that he or she is a legal resident of New Jersey notwithstanding the residency of his or her parent(s). Any dependent student who continues to reside in this State and who has previously received at least one semester of payment of a State grant or scholarship shall continue to be eligible for State student financial aid during the course of each academic year at an eligible institution of higher education in New Jersey, despite his or her parent(s)' subsequent change of domicile to another state.

2. (No change.)

(b) When a student's domicile is in question, the Authority will request that the student submit the documentation necessary to demonstrate residency, which includes, but is not limited to, the following:

1. Student's and/or parent(s)' New Jersey driver license or New Jersey non-driver identification card;
2. Student's and/or parent(s)' New Jersey State Income Tax-Resident Return(s);

- 3. Proof of graduation from a New Jersey high school; and/or
- 4. Evidence of home ownership or a long-term lease in New Jersey.

(c) The provisions for establishing legal residence in New Jersey as stipulated in (a) and (b) above are excepted for a dependent child of a parent who has been transferred to a military installation located in this State and such dependent child shall be considered a resident of New Jersey for the purposes of qualifying for State student financial aid under the State Tuition Aid Grant Program, the New Jersey Student Tuition Assistance Reward Scholarship Program, and the New Jersey Student Tuition Assistance Reward Scholarship II Program.

(d)-(e) (No change.)

9A:9-2.3 Noncitizens and resident aliens

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.

9A:9-2.6 Dependent/independent student defined

(a) The term independent, when used with respect to a student, is defined 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 definition is set forth in Chapter 2 of the Application and Verification Guide, contained in the 2013-2014 Federal Student Aid Handbook, which is incorporated herein by reference, as amended and supplemented.

(b) For purposes of State student financial aid programs, an independent student does not include students who are emancipated minors or were emancipated minors upon reaching the age of majority in his or her state.

(c) The term independent also includes a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances as provided under Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. § 1087vv, and its implementing regulations and rules. For purposes of receiving State financial assistance as an independent student due to unusual circumstances, the following conditions apply:

Recodify existing i.-iii. as 1.-3. (No change in text.)

(d) A dependent student shall be any student who does not meet any of the eligibility criteria listed in (a) or (c) above for independent student status.

(e) (No change in text.)

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. 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:9-2.11 Payments

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

- 1. (No change.)

2. All Other State Student Assistance Programs, except NJ STARS and NJ STARS II:

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

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

(b) Payments will be made by the Department of the Treasury for eligible students in two installments over the regular academic year. Deadline dates shall be established annually by the Higher Education Student Assistance Authority to comply with the State's fiscal year and to allow for academic term expenditure control. The Authority shall provide payment directly to institutions on behalf of student recipients. Listings of eligible students to be credited shall also be provided to each institution.

9A:9-2.15 Appeals

If, for any reason a student, his or her family, or an institution feels that the application of this subchapter results in an unfair determination of eligibility, an appeal shall be filed with the Higher Education Student Assistance Authority within 60 days of initial notification of eligibility or ineligibility. All appeals shall be in writing and addressed to the Director of Grants and Scholarships in the Authority, PO Box 540, Trenton, New Jersey 08625-0540 or submitted electronically, and shall contain the student's full name, Social Security number or customer ID number, college of attendance, and a description of the basis for the appeal. Appeals will be considered on the basis of this appeals process approved by the Authority.

9A:9-2.16 Accounting and auditing standards

(a)-(b) (No change.)

(c) Based on prior coordination with financial aid, registration, and business personnel, institutions will be notified in writing at least 30 days in advance when a full-scale program review has been officially scheduled at their school or 15 days for a limited program review. At such time, the institution will also be notified of what files and student records will be required for analysis. Institutions shall provide access to institutional and student records as required by the program review team to conduct their review.

(d) (No change.)

(e) Institutions that wish to appeal the findings of the program review shall submit a written appeal to the Authority's Chief Compliance Officer within 30 days of receipt of the final program review report. The written appeal must explain in detail why the institution is appealing the program review findings and include any supporting documentation. The Authority's Chief Compliance Officer will provide the institution with a written response within 60 days of receipt of the appeal.

SUBCHAPTER 3. TUITION AID GRANT PROGRAMS

9A:9-3.1 Determination of eligibility for and value of student assistance

The information on the financial aid form, as well as additional information provided for each student, shall be evaluated by employing the methodology used to calculate the New Jersey Eligibility Index (NJEI). The evaluation results in an estimate of the family or student's ability to contribute to the cost of education. This estimate is then used to determine the student's eligibility for and award value under the Tuition Aid Grant Programs.

ADOPTIONS

HIGHER EDUCATION

9A:9-3.4 Full-time students

A full-time student is one who carries a minimum of 12 credit hours at an institution operating on a semester or quarter calendar or who carries a minimum of 8 credit hours at an institution operating on a trimester calendar.

9A:9-3.5 Part-time students

(a) Eligibility for Tuition Aid Grants shall be extended on an annual basis to part-time students based upon the approval of the Higher Education Student Assistance Authority and the level of appropriated funds. Eligibility for part-time Tuition Aid Grant/Educational Opportunity Fund (TAG/EOF) students must also be approved by the Office of the Secretary of Higher Education, or its successor office.

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

SUBCHAPTER 4. GARDEN STATE SCHOLARSHIPS

9A:9-4.4 Award amounts

(a) Garden State Scholars shall receive annual awards of up to \$500.00 without regard to financial need based upon their academic performance as determined pursuant to N.J.A.C. 9A:9-4.2(h). If sufficient funds are available, the award may be increased up to an additional \$500.00 based upon the student's New Jersey Eligibility Index (NJEI) pursuant to N.J.A.C. 9A:9-3.1 and 3.2 according to the following table:

Additional Amount of Grant

NJEI	County Colleges	State Colleges	Independent Institutions	Rutgers Univ. NJIT & Rowan
Under 1500	\$500	\$500	\$500	\$500
1500 - 2499	250	500	500	500
2500 - 3499	250	250	500	500
3500 - 4499	250	250	250	250
4500 - 5499	250	250	250	250
5500 - 6499	0	250	250	250
6500 - 7499	0	250	250	250
7500 - 8499	0	0	250	250
8500 - 9499	0	0	250	250
9500 - 10499	0	0	250	0
Over 10499	0	0	0	0

(b) Edward J. Bloustein Distinguished Scholars and Urban Scholars shall receive annual awards of up to \$1,000 without regard to financial need based upon their academic performance as determined pursuant to N.J.A.C. 9A:9-4.2(c), (d), and (e). If sufficient funds are available, the award may be increased up to an additional \$ 1,000 based upon the student's New Jersey Eligibility Index (NJEI) pursuant to N.J.A.C. 9A:9-3.1 and 3.2 according to the following table:

Additional Amount of Grant

NJEI	County Colleges	State Colleges	Independent Institutions	Rutgers Univ. NJIT & Rowan
Under 1500	\$1000	\$1000	\$1000	\$1000
1500 - 2499	500	1000	1000	1000
2500 - 3499	250	500	1000	1000
3500 - 4499	250	500	500	500
4500 - 5499	250	250	500	500
5500 - 6499	0	250	500	250
6500 - 7499	0	250	250	250
7500 - 8499	0	0	250	250
8500 - 9499	0	0	250	250
9500 - 10499	0	0	250	0

Over 10499 0 0 0 0
(c)-(d) (No change.)

SUBCHAPTER 5. SURVIVOR TUITION BENEFITS PROGRAM

9A:9-5.3 Application procedures

In order to apply for a Survivor Tuition Benefit Scholarship, the student must complete a scholarship program application within established deadlines as specified on the application and submit it to the Higher Education Student Assistance Authority. The application shall include identifying information about the student, his or her college of attendance, the name of the deceased parent or spouse, and information about the organization with which the deceased was affiliated. The student must also submit documentation of his or her relationship to the deceased, as well as verification of the parent or spouse's death in the line of duty. The Authority will determine the student's eligibility for the scholarship based upon the information and documentation submitted and will notify the student of his or her eligibility.

9A:9-5.4 Eligible institutions

Tuition benefits are available to eligible students enrolled in an institution of higher education in New Jersey that is approved or licensed by the Office of the Secretary of Higher Education, or its successor office, and accredited or preaccredited by a nationally recognized accrediting association.

9A:9-5.9 Verification of enrollment and academic performance

In order for an eligible student to receive payment, the institution must certify that the student is eligible for tuition benefits, and has registered for an academic term in an undergraduate degree program, and that the student is meeting the minimum standards for academic performance and academic progress at the institution in accordance with N.J.A.C. 9A:9-2.10. Institutions must certify eligibility within the term for which the scholarship is requested. Eligible students shall be enrolled on at least a one-half time basis during any term in order to receive payment.

SUBCHAPTER 7. NEW JERSEY WORLD TRADE CENTER SCHOLARSHIP PROGRAM

9A:9-7.2 Eligible institutions

Scholarships are available to eligible students enrolled in an institution of higher education licensed by the Office of the Secretary of Higher Education, its successor office, or its equivalent in another state and accredited or preaccredited by a nationally recognized accrediting association. An institution of higher education shall also include certain proprietary institutions, but only for degree granting programs approved by the Office of the Secretary of Higher Education, or its successor office, or other proprietary institutions as determined by the Authority.

9A:9-7.5 Application procedures

In order to apply for the New Jersey World Trade Center Scholarship, the student must annually complete a scholarship program application and submit it to the Higher Education Student Assistance Authority. The Authority will determine whether the student is eligible for the scholarship pursuant to N.J.A.C. 9A:9-7.4.

SUBCHAPTER 8. LAW ENFORCEMENT OFFICER MEMORIAL SCHOLARSHIPS PROGRAM

9A:9-8.3 Eligible institutions

Scholarships are available to eligible students enrolled in an institution of higher education in New Jersey that is licensed by the Office of the Secretary of Higher Education, or its successor office, and accredited or preaccredited by a nationally recognized accrediting association. An institution of higher education shall also include certain proprietary institutions in New Jersey, but only for degree granting programs approved by the Office of the Secretary of Higher Education, or its successor office.

9A:9-8.6 Application procedures

In order to apply for a Law Enforcement Officer Memorial Scholarship, the student must complete a scholarship program application and submit it to the Higher Education Student Assistance Authority

within established deadlines as specified on the application. The application shall include identifying information about the student, his or her college of attendance, the name of the deceased parent and information about the law enforcement organization with which the deceased was affiliated. The student must also submit documentation of his or her relationship to the deceased as well as verification of the law enforcement officer's death in the line of duty. The Authority will determine the student's eligibility for the scholarship based upon the information and documentation submitted and provide notification to the student.

9A:9-8.9 Verification of enrollment and academic performance

Before payment may be made to an eligible student, the institution must certify that the student has registered full time for an academic term in an undergraduate degree program and that the student is meeting the minimum standards for academic performance and academic progress at the institution in accordance with N.J.A.C. 9A:9-2.10. Institutions must certify eligibility within the term for which the scholarship is requested.

SUBCHAPTER 9. (RESERVED)

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

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:

...
 "Rigorous high school course of study" means a course of study that is in accordance with the standards established by the Office of the Secretary of Higher Education, or its successor agency, in consultation with the Commissioner of Education.

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. 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.-2. (No change.)

3. For the first year of enrollment, a student must have graduated ***high school and had a class rank at the completion of 11th or 12th grade*** in the top 15.0 percent of the student's high school ***[graduating]*** class, provided that in the case of students graduating from high schools that do not calculate their class rank, the student's ranking should be determined by the high school in consultation with the Authority. Ranking policies are determined by the individual high schools and not by the Authority. At the time of high school graduation a student must have met, and continue to meet, all residency and citizenship requirements set forth in N.J.A.C. 9A:9-2.2 and 2.3;

4.-7. (No change.)

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

9A:9-10.7 Amount of the scholarship

A scholarship under the NJ STARS Program shall cover up to the full cost of tuition and approved fees for students who graduated high school prior to 2010. For students who graduated high school in 2010 or later, a scholarship under the NJ STARS Program shall cover up to the full cost of tuition. All NJ STARS scholarships are subject to the prior application of other State and Federal grants and scholarships against those costs, for up to 18 credit hours in any semester for an eligible student enrolled in a full-time course of study at the New Jersey county college serving the student's county of residence. The full amount of State and Federal need-based grants and merit scholarships received by the student shall be applied to tuition or tuition and fee charges, as applicable, to reduce the amount of the NJ STARS award.

9A:9-10.10 Appeals

If, for any reason a student, his or her family, or an institution feels that the application of this subchapter results in an unfair determination of eligibility, an appeal shall be filed with the Higher Education Student Assistance Authority within 30 days of initial notification of eligibility or ineligibility. All appeals shall be in writing and addressed to the Director of Grants and Scholarships in the Authority, PO Box 540, Trenton, New Jersey 08625-0540 or submitted electronically, and shall contain the student's full name, Social Security number or customer ID number, college of attendance, and a description of the basis for the appeal. The Director of Grants and Scholarship will respond with the Authority's final determination of the appeal.

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

9A:9-11.10 Appeals

If, for any reason a student, his or her family, or an institution feels that the application of this subchapter results in an unfair determination of eligibility, an appeal shall be filed with the Higher Education Student Assistance Authority within 30 days of initial notification of eligibility or ineligibility. All appeals shall be in writing and addressed to the Director of Grants and Scholarships in the Authority, PO Box 540, Trenton, New Jersey 08625-0540 or submitted electronically, and shall contain the student's full name, Social Security number or customer ID number, college of attendance, and a description of the basis for the appeal. The Director of Grants and Scholarship will respond with the Authority's final determination of the appeal.

(a)

HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

Student Loan and College Savings Programs The New Jersey College Loans to Assist State Students (NJCLASS) Program: Policies and Procedures

Adopted Amendments: N.J.A.C. 9A:10-6.3 through 6.19

Proposed: June 16, 2014, at 46 N.J.R. 1398(a).

Adopted: October 23, 2014, by the Higher Education Student Assistance Authority, Anthony Falcone, Chairperson.

Filed: November 6, 2014, as R.2014 d.181, **with non-substantial changes** not requiring additional public notice and comment (see N.J.A.C. 1:30-6.3).

Authority: N.J.S.A. 18A:71A-1 et seq. and 18A:71C-21 et seq.

Effective Date: December 1, 2014.

Expiration Date: May 1, 2016.

Summary of Public Comments and Agency Responses:

The Higher Education Student Assistance Authority ("Authority" or "HESAA") received comments from Melville D. Miller on behalf of Legal Services of New Jersey, Jennifer N. Weil, Esquire, Daniel A. Frischberg on behalf of the Law office of Daniel A. Frischberg, LLC, and Jean Public, which are summarized below.

COMMENT: Mr. McMillin and Mr. Frischberg both reference the language in N.J.S.A. 18A:71C-29, which provides "Unless expressly limited to federal programs, the information exchange, wage withholding, collection procedures, repayment determinations, and other provisions set forth in article 1 of this part shall apply to the NJLCLASS Loan Program." Mr. Frischberg commented that he believes the entirety of the regulations dealing with default are arbitrary and capricious and outside the scope of HESAA's delegated authority. Both Mr. McMillin and Mr. Frischberg assert that pursuant to this language, HESAA should implement a rehabilitation program for NJCLASS Loans in default based on reasonable and affordable payments. Ms. Weil also commented that