

HIGHER EDUCATION

EDUCATIONAL OPPORTUNITY FUND

Undergraduate Educational Opportunity Fund Academic and Financial Eligibility

Proposed Amendment: N.J.A.C. 9A:11-2.2

Authorized By: Educational Opportunity Fund (EOF) Board of Directors, Audrey Bennerson,
Executive Director.

Authority: N.J.S.A. 18A:71-28 et seq., and 18A:71-33 through 36 and in accordance with
Executive Reorganization Plan 005-2011.

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

Proposal Number: PRN 2018-032.

Submit written comments by June 1, 2018, to:

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The agency proposal follows:

Summary

The Educational Opportunity Fund (EOF) program (Program) provides students from educationally disadvantaged backgrounds with financial aid and other support services while

attending participating New Jersey colleges and universities. The Program is a collaborative effort. Under the general supervision of the Secretary of Higher Education, the EOF Board of Directors (EOF Board) administers the program and the participating institutions directly serve students.

Working with participating institutions, the EOF Board maintains a Statewide system to identify and recruit potential college students from backgrounds of historical poverty, develops eligibility criteria for EOF financial assistance based on students' income and their potential for success in college, establishes procedures to determine the amount of the academic year grants according to the total financial need of each student, and advises on the development, organization, and coordination of a wide range of educational support and enrichment activities.

The proposed amendment to N.J.A.C. 9A:11-2.2(b) replaces the language "the accumulation of little or no assets" in the existing rules with terminology that specifically defines the amount of assets EOF applicants can have to be considered financially eligible to receive EOF student grant funding. The proposed addition will state "the accumulation of assets that do not exceed 20 percent of the EOF income eligibility scale, per household size as established in N.J.A.C. 9A:11-2.3(a)1," which will provide consistency in the interpretation of this rule.

As the EOF Board 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

EOF students come from every county in New Jersey. They have generally lived and attended high school in neighborhoods characterized by depressed economic conditions, substandard educational services, and unequal opportunities. Approximately 60 percent of total

EOF enrollment comes from the State's most distressed municipalities (communities that have been designated "labor surplus areas" by the New Jersey Department of Labor and Workforce Development and the U.S. Bureau of Labor Statistics). The vast majority of EOF students spend their elementary and secondary school years in public school districts that, by all objective measures, fail to provide the level of educational preparation required for success in the more demanding curricula and challenging majors of the State's colleges and universities. The proposed amendment to the EOF rule will provide a specific definition of the amount of assets EOF applicants may have to be able to demonstrate financial eligibility to receive an EOF student grant. The current language is subjective and leaves the phrase "little assets" open to interpretation by the 40 plus New Jersey colleges and universities that participate in the EOF program. The proposed amendments will provide every campus EOF program with consistency in the interpretation of this rule.

Economic Impact

During the 2016-17 academic year, the EOF program served 13,335 undergraduate and graduate students enrolled in 59 programs at 41 New Jersey colleges and universities. The proposed amendment will ensure that the program is providing EOF student grant funding to the population of students identified in the legislation that created the program. The fiscal year 2018 EOF appropriation provides sufficient resources to provide academic year grant funding to 14,000 students. The proposed amendment will have no direct impact on the total number of eligible students awarded grants because the participating higher education institutions will have a clear definition of how to define historical poverty. Additionally, the EOF Board of Directors

provides each institution with a dollar allocation that they cannot exceed without authorization from the EOF Board.

Federal Standards Statement

The proposed amendments do not require a Federal standards analysis under Executive Order No. 27 (1994) or N.J.S.A. 52:14B-22 et seq., because the EOF was established by New Jersey legislation, is wholly supported by State appropriations, and is not subject to any Federal requirements or standards.

Jobs Impact

The proposed amendment will not result in the generation or loss of any jobs.

Agriculture Industry Impact

The proposed amendment has no impact on the agriculture industry.

Regulatory Flexibility Statement

A regulatory flexibility analysis is not required because the proposed amendment does not impose requirements on small businesses as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The proposed amendment pertains strictly to public and publicly funded independent colleges and universities in New Jersey, none of which qualify as a small business, as they employ more than 100 full-time employees.

Housing Affordability Impact Analysis

The proposed amendment does not require a housing affordability impact analysis because the rulemaking concerns defining the amount of assets an EOF applicant may have to be considered financially eligible for an EOF student grant, which will not result in a change in the average costs associated with housing, nor will it have any impact on the affordability of housing.

Smart Growth Development Impact Analysis

The EOF Board believes there is an extreme unlikelihood that the proposed amendment would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan because the proposed amendment specifically defines the amount of assets an EOF applicant may have to be considered financially eligible for an EOF student grant.

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

SUBCHAPTER 2. UNDERGRADUATE EOF ACADEMIC AND FINANCIAL ELIGIBILITY

9A:11-2.2 Student eligibility

(a) (No change.)

(b) To be eligible for an undergraduate EOF grant, a student must demonstrate a history of poverty, which generally includes documented, long-term economic hardship of the family, such as [little or no] **the** accumulation of assets **that do not exceed 20 percent of the EOF income eligibility scale, per household size as established in N.J.A.C. 9A:11-2.3(a)1**, and the inability to provide more than the basic needs of family members, as evidenced by at least one of the following:

1.-6. (No change.)

(c)-(h) (No change.)