

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 4614

STATE OF NEW JERSEY

DATED: DECEMBER 14, 2023

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 4614 (1R).

This bill modifies the Nursing Faculty Loan Redemption Program to increase participation rates. The Nursing Faculty Loan Redemption Program offers student loan redemption up to \$50,000 in exchange for full-time faculty employment at a school of nursing in the State for a five-year period following graduate program completion.

The bill removes a provision of current law that limits program eligibility to participants who were hired for faculty employment within one year of completion of their academic degree and provides instead that a participant be employed in a faculty position, including an adjunct faculty position.

The bill establishes the loan redemption amounts that will be received by a participant for each year of participation in the program. Under the bill, for each year of full-time faculty employment at an eligible institution, the program will provide \$10,000 to a program participant, up to a maximum five years, for the redemption of eligible student loan expenses. The bill also provides that loan redemption amounts for program participants who do not have full-time faculty employment to be awarded on a pro-rata basis. The total loan redemption amount for a program participant will not exceed \$50,000. The bill further provides that no amount of loan redemption will be provided for service performed for less than a full year. The bill requires loan redemption to be applied first to outstanding State loans and then to outstanding federal loans.

The bill also directs the Higher Education Student Assistance Authority to work with schools of nursing in the State to provide information on the Nursing Faculty Loan Redemption Program to students upon enrollment. The bill also directs the authority to work with hospitals and medical centers, professional associations, and schools of nursing to promote awareness of the Nursing Faculty Loan Redemption Program and the value of graduate nursing education programs.

As reported by the committee, Assembly Bill No. 4614 (1R) is identical to Senate Bill No. 3547 (1R), which was also reported by the committee on this date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) determines that this bill will result in an indeterminate increase in State expenditures associated with the expansion of eligibility for the Nursing Faculty Loan Redemption Program.

The OLS notes that, pursuant to the bill, annual State expenditures would increase by \$10,000 per newly eligible participant. However, due to a lack of available pertinent data, the OLS is not able to estimate how many nursing faculty members would be newly eligible to participate in the program.