

CHAPTER 142

AN ACT establishing the STEM Loan Redemption Program and supplementing chapter 71C of Title 18A of the New Jersey Statutes.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

C.18A:71C-66 Definitions relative to the STEM Loan Redemption Program.

1. As used in this act:

“Approved STEM degree program” means an undergraduate or advanced degree program, approved by the Higher Education Student Assistance Authority, for persons engaged in a designated high-growth STEM occupation pursuant to section 2 of this act.

“Authority” means the Higher Education Student Assistance Authority.

"Eligible qualifying loan expenses" means the cumulative outstanding balance of qualifying student loans, including interest paid or due, covering the cost of attendance at an institution of higher education for an undergraduate or advanced degree from an approved STEM degree program.

"Executive director" means the executive director of the Higher Education Student Assistance Authority.

"Program" means the STEM Loan Redemption Program established pursuant to section 2 of this act.

"Program participant" means a person who contracts with the authority to engage in a designated high-growth STEM occupation in exchange for the redemption of eligible qualifying loan expenses provided under the program.

"Qualifying student loan" means a State or federal loan for the actual costs paid for tuition and reasonable education and living expenses relating to obtaining a degree in an approved STEM degree program.

"Total and permanent disability" means a physical or mental disability that is expected to continue indefinitely or result in death and renders a program participant unable to perform that person's employment obligation, as determined by the executive director or his designee.

C.18A:71C-67 STEM Loan Redemption Program.

2. a. There is established a STEM Loan Redemption Program within the Higher Education Student Assistance Authority. The program shall provide \$1,000 to program participants for each year of employment in a designated high-growth STEM occupation, up to a maximum of four years, for the redemption of a portion of their eligible qualifying loan expenses.

b. The designated high-growth STEM occupations for the initial two years of the program are:

- (1) Operations research analyst;
- (2) Statistician;
- (3) Mathematician;
- (4) Software developer, applications;
- (5) Web developer;
- (6) Computer systems analyst;
- (7) Biomedical engineer;
- (8) Computer and information systems manager;
- (9) Geological and petroleum technician;
- (10) Geoscientist, except hydrologist and geographer;
- (11) Environmental engineer;
- (12) Hydrologist;
- (13) Actuary;

- (14) Software developer, systems software;
- (15) Physicist; and
- (16) Biochemist and biophysicist.

c. Every two years the authority, in consultation with the Department of Labor and Workforce Development, shall identify high-growth STEM occupations that will qualify under the program. The occupations identified shall be ones with projected growth in New Jersey of at least 10 percent, based on the most recently reported data from the United States Bureau of Labor Statistics or occupations the authority reasonably deems important to the State's strategic economic development goals. Medical doctor and teaching profession shall not be included as designated high-growth STEM occupations.

C.18A:71C-68 Eligibility for participation.

3. To be eligible to participate in the program, an applicant shall:
- a. be a resident of the State and maintain residency during program participation;
 - b. be a graduate of an approved STEM degree program at an institution of higher education located in New Jersey;
 - c. have an outstanding balance on a qualifying student loan and not be in default on any qualifying student loan;
 - d. have been employed full-time in a designated high-growth STEM occupation for a minimum of four years prior to initial application to the program and be employed thereafter for an additional one to four years in a designated high-growth STEM occupation;
 - e. provide certification that the applicant's employer has agreed to annually provide the applicant at least a 100 percent match of the loan redemption benefit under the program during the applicant's participation in the program and employment in a designed high-growth STEM occupation; and
 - f. satisfy any additional criteria the authority may establish.

C.18A:71C-69 Selection of participants.

4. The executive director or his designee shall select the program participants from among those applicants who meet the eligibility criteria established pursuant to section 3 of this act, subject to available funds.

C.18A:71C-70 Written contract between authority and participant; conditions for redemption of loan indebtedness.

5. a. A person who meets the eligibility requirements under section 3 of this act and has been selected by the executive director or his designee for participation in the program shall enter into a written contract with the authority. The contract shall specify the dates of required employment by the program participant in a designated high-growth STEM occupation and shall require the program participant to serve at least one year in a designated high-growth STEM occupation.

b. Prior to the annual redemption of loan indebtedness:

- (1) the program participant shall submit to the authority certification of full-time employment in a designated high-growth STEM occupation for the full year period; and
- (2) the employer of the program participant shall pay the annual matching contribution to the authority in an amount equal to or greater than the \$1,000 annual State-funded loan redemption benefit.

c. Upon certification that a program participant has met all criteria for the annual redemption of loan indebtedness under the program, the authority shall combine the

employer matching contribution and the State appropriated funds into a single payment to redeem a portion of the participant's loan.

d. A program participant, as a condition of participation, shall be required to adhere to performance standards established by the executive director or his designee.

e. A program participant shall be eligible for participation in the program for four years, even if the occupation in which the person is employed is no longer a designated high-growth STEM occupation.

C.18A:71C-71 Conditions for nullification of agreement.

6. a. A program participant who has previously entered into a contract with the authority may nullify the agreement by notifying the authority in writing and reassuming full responsibility for the remaining outstanding balance of the loan debt. In no event shall employment for less than the full calendar year entitle the program participant to any benefits under the program.

b. In the case of a program participant's death or total and permanent disability, the authority shall nullify the employment obligation of the program participant. The nullification shall terminate the authority's obligations under the loan redemption contract. When continued enforcement of the contract may result in extreme hardship, the authority may nullify or suspend the employment obligation of the program participant.

c. In the case of a program participant's conviction of a crime or an act of gross negligence in the performance of employment obligations, or a program participant's breach of the standards established pursuant to section 5 of this act, the executive director or his designee is authorized to terminate the program participant's participation in the program.

C.18A:71C-72 False, misleading information supplied, fourth degree crime.

7. A person who knowingly or willfully furnishes any false or misleading information for the purpose of receiving loan redemption benefits under the program is guilty of a crime of the fourth degree.

C.18A:71C-73 Rules, regulations.

8. The authority shall adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to implement the provisions of this act.

9. This act shall take effect immediately.

Approved December 14, 2018.