

## CHAPTER 81

**AN ACT** concerning the New Jersey Better Educational Savings Trust (NJBEST) Program and amending N.J.S.18A:71B-42.

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

1. N.J.S.18A:71B-42 is amended to read as follows:

NJBEST scholarship; conditions.

18A:71B-42. a. An amount of no less than \$500 shall be provided by the State for the qualified higher education expenses of a designated beneficiary at the time of a qualified withdrawal provided that:

(1) the contributor demonstrates, to the satisfaction of the authority, that the contributor participated in the program for at least four years by making a qualifying minimum initial deposit or qualifying minimum annual contributions, or both, as shall be determined by the authority, for a designated beneficiary;

(2) the designated beneficiary demonstrates, to the satisfaction of the authority, attendance or enrollment in a higher education institution in this State; and

(3) either the contributor, if an individual, or the designated beneficiary demonstrates, to the satisfaction of the authority, that the contributor or designated beneficiary is a New Jersey resident.

b. The amount provided under subsection a. of this section shall meet the requirements of a qualified scholarship within the meaning of section 117 of the federal Internal Revenue Code of 1986, 26 U.S.C.s.117, for a designated beneficiary satisfying the requirements of subsection a. of this section.

c. A designated beneficiary shall not receive more than one State scholarship provided pursuant to subsection a. of this section.

2. This act shall take effect immediately.

Approved September 14, 2020.