

1. Each county fire coordinator shall serve for a two-year term and until his or her successor is appointed. Vacancies shall be [filed] **filled** in the same manner as the original appointment.

2. The State Fire Coordinator shall only recognize those county fire coordinators and deputy county fire coordinators, duly appointed in accordance with this chapter.

(f) The county fire coordinator in each county shall, in consultation with the fire chiefs of the units of the fire service within each county, appoint the deputy county fire coordinator or coordinators.

1. Each candidate shall possess a minimum of four years of documented fire service experience, one of which shall have been [in a line supervisory position,] **as a chief officer** and meet the following criteria to be eligible for and retain appointment as a deputy county fire coordinator.

i. Incident Management Certification Level [1] **3** issued by the Division of Fire Safety; **and**

[ii. After December 31, 2004, Incident Management Certification Level 2 issued by the Division of Fire Safety; and]

[iii.] **ii.** (No change in text.)

(g)-(h) (No change.)

5:75A-2.4 County fire mutual aid plans

(a)-(f) (No change.)

(g) Each county fire mutual aid plan shall consider the anticipated fire service resources for occupancies or possible incidents likely to require county fire mutual aid and shall be referenced in the county Emergency Operations Plan Fire Rescue Annex **ESF 4**.

SUBCHAPTER 3. REGIONAL AND STATE COORDINATION OF FIRE SERVICE RESOURCES

5:75A-3.2 Regional coordinators

(a) There shall be a minimum of [three] **four** regional fire coordinators appointed by the State fire coordinator, each assigned to geographical areas that are consistent with [those areas established by the New Jersey Office of Emergency Management.] **the following regional response areas:**

- 1. Urban Area Security Initiative (UASI);**
- 2. Northwest;**
- 3. Shore; and**
- 4. Delaware River.**

(b) (No change.)

(c) Division of Fire Safety employees [may] **shall** be [named] **appointed** as regional coordinators.

HIGHER EDUCATION

(a)

HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

Student Loan and College Savings Programs

Proposed Readoption with Amendments: N.J.A.C. 9A:10

Proposed Repeal and New Rule: N.J.A.C. 9A:10-6.18

Proposed Repeals: N.J.A.C. 9A:10-1 and 2.7

Authorized By: Higher Education Student Assistance Authority, Christy Van Horn, Chairperson.

Authority: N.J.S.A. 18A:71A-1 et seq., 18A:71B-35 through 46, 18A:71B-96, 18A:71C-1 through 31, 18A:71C-49, and 18A:71C-57; and 20 U.S.C. §§ 1071 et seq.

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

Proposal Number: PRN 2023-102.

Submit written comments by December 15, 2023, to:

Marnie B. Grodman, Esquire
 Administrative Practice Officer
 Higher Education Student Assistance Authority
 PO Box 545
 Trenton, NJ 08625-0545
 Email: Regulations@hesaa.org

The agency proposal follows:

Summary

The Higher Education Student Assistance Authority (“Authority” or “HESAA”) proposes to readopt N.J.A.C. 9A:10 governing student loan and college savings programs. Pursuant to N.J.S.A. 52:14B-5.1, the rules in this chapter were scheduled to expire October 26, 2023. In accordance with N.J.S.A. 52:14B-5.1.c(2), the submission of this notice of proposal to the Office of Administrative Law prior to that date extended the expiration date 180 days to April 23, 2024.

The Authority has reviewed the rules and determined that they continue to be necessary, reasonable, and proper for the purpose for which they were originally promulgated. The rules proposed for readoption with amendments and repeals will continue to provide the Authority with the ability to administer the student loan, loan redemption, and college savings programs in an efficient and economic manner.

Pursuant to N.J.S.A. 18A:71A-1 et seq., the Authority is statutorily responsible for the administration of the State’s student loan and college savings programs and for the promulgation of all rules to that effect. To ensure the continued efficient administration and operation of these programs, the Authority is proposing the readoption of these rules with amendments, and the repeal of certain rules no longer applicable to program operations, to provide additional clarity in the eligibility requirements for participation and application, enrollment criteria, and continued payment of loans and loan redemptions, all of which are summarized below.

Subchapter 1 details the policies and procedures governing the implementation of the Federal Family Education Loan Program (FFELP). The FFELP was a Federal-State-private sector partnership where financial institutions made FFELP loans with private capital; State-designated guaranty agencies, such as the Authority, provided first-line insurance (guarantees for the loans); and the Federal government, through the United States Department of Education, provided subsidies for student borrowers along with backstop reinsurance and general program oversight and regulation. Pursuant to 20 U.S.C. § 1071, originations of new FFELP loans ceased as of June 30, 2010. The Authority transferred its existing portfolio of FFELP loans to the Kentucky Higher Education Assistance Authority effective January 1, 2020. As FFELP loans are no longer being originated, and the Authority is no longer the guarantor for any FFELP loans, the rules governing FFELP are no longer necessary for the purpose for which they were originally promulgated. Therefore, N.J.A.C. 9A:10-1 is proposed for repeal.

Subchapter 2 incorporates the rules for the administration of the Social Services Student Loan Redemption Program (SSSLRP), which was enacted into law on July 14, 2005 (N.J.S.A. 18A:71B-87 et seq.). This program addresses the critical shortage of direct care professionals in the State by providing redemption incentives for eligible student loan expenses incurred by program participants by covering the cost of attendance incurred while enrolled in an approved undergraduate or graduate course of study. In exchange, the program participant contracts with the Authority to engage in full-time employment as a direct care professional at a qualified facility or agency following the participant’s successful completion of the approved course of study. The rules established by this subchapter provide the policies and procedures for participation in SSSLRP.

N.J.A.C. 9A:10-2.7 is proposed for repeal to avoid confusion for taxpayers. The Department of the Treasury (Department), Division of Taxation, regulates New Jersey taxes, and the Internal Revenue Service regulates Federal taxes. As the Authority does not regulate taxes, the rule proposed for repeal could contradict State and Federal tax updates.

Subchapter 3 incorporates the rules for the administration of the Tuition Reimbursement Program for Psychiatrists, which was enacted into law on July 21, 2017 (N.J.S.A. 18A:71C-59 et seq.). This program addresses a shortage of psychiatric mental health care access in certain

areas of the State and a shortage of psychiatrists in State psychiatric hospitals by providing reimbursement of a portion of medical school tuition expenses to psychiatrists who agree to provide mental health care services in one of these State underserved areas or State psychiatric hospitals for a period of one to four years. The rules established by this subchapter provide the policies and procedures for participation in the Tuition Reimbursement Program for Psychiatrists.

Subchapter 4 details the policies and procedures for participating in the Nursing Faculty Loan Redemption Program, which was signed into law on January 16, 2010 (N.J.S.A. 18A:71C-50 et seq.). This program addresses the current and projected critical shortage of nursing faculty in the State by providing an incentive for persons to enter graduate nursing education programs and for persons already trained as nurses to advance their training in the profession, so as to ensure that sufficient numbers of nursing faculty are available to train nursing students, and the State's hospitals, nursing homes, veterans' facilities and home care services, and community care programs will have sufficient, trained nursing staff in the future to provide quality health care services to the residents of the State.

Subchapter 5 sets forth the program requirements for the STEM Loan Redemption Program, which was enacted on December 14, 2018 (N.J.S.A. 18A:71C-66 et seq.). This program provides \$1,000 in student loan redemption 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 the participant's eligible qualifying loan expenses. In addition, the employer of the program participant is required to annually match the \$1,000 loan redemption benefit.

Subchapter 6 incorporates the rules governing the New Jersey College Loans to Assist State Students (NJCLASS) Program, the State's supplemental student loan program, pursuant to N.J.S.A. 18A:71C-21 through 31. The NJCLASS Program is a State student loan program intended to supplement the Federal Loan Program and make State-sponsored student loans available to students who cannot obtain Federally backed student loans because the student does not meet the program eligibility requirements, as defined by the Federal government, or has additional financial needs unmet by Federally backed student loans.

Pursuant to N.J.S.A. 18A:71C-25.c, when establishing the maximum loan amount for NJCLASS loans, the Authority is required to deduct the maximum amount of Federal Direct Subsidized Loans available to the student from the available NJCLASS loan amount and the Authority is only required to deduct the maximum amount of the Federal Direct Unsubsidized Loans available to the student if the available interest rate for the Federal Direct Unsubsidized Loans is lower than the NJCLASS interest. Therefore, the proposed amendments at N.J.A.C. 9A:10-6.1 clarify that one of the purposes of the NJCLASS program is to offer more affordable interest rates and fees than the Federal Direct Unsubsidized Loan. The proposed amendments also update the Federal loan nomenclature to refer to Federal Direct Loans.

When market conditions allow for lower interest rates, subject to the availability of funds, the Authority is able to offer Refinance Loans for the purpose of assisting qualified borrowers to lower the total amount spent on repaying their student loans by combining multiple NJCLASS Loan Program loans, other Refinance Loans, Consolidation Loans, Federal Parent PLUS loans, and school-certified private education loans into one single loan payment with a lower interest rate. The proposed amendments at N.J.A.C. 9A:10-6.3 revise the definitions of "annual income," "delinquency," "NJCLASS Loan Program," and "rehabilitation" to add Refinance Loans to the list of types of NJCLASS loans. The proposed amendments also add a definition for "Refinance Loans."

The proposed amendments at N.J.A.C. 9A:10-6.3 also revise the definition of "cohort default rate" to delete reference to the Federal Family Education Loan Program (FFELP) because, pursuant to 20 U.S.C. § 1071, originations of new FFELP loans ceased as of June 30, 2010. Additionally, the proposed amendments at N.J.A.C. 9A:10-6.3 delete the definition of "Commission" or "CHE" and add a definition for "OSHE" because Executive Reorganization Plan No. 005-2011 eliminated the Commission on Higher Education and transferred its powers to the Office of the Secretary of Higher Education, also known as OSHE. The proposed amendments also replace reference to the New Jersey Commission on

Higher Education with reference to OSHE in the definition for "Eligible Institution."

Pursuant to N.J.S.A. 18A:71C-31.4 and 31.5, the proposed amendments at N.J.A.C. 9A:10-6.3 add definitions for "RAP," the Repayment Assistance Program and "HIARP," the Household Income Affordable Repayment Plan. The proposed amendments at N.J.A.C. 9A:10-6.3 revise the definition of "rehabilitation" to incorporate the description of rehabilitation of NJCLASS loans at N.J.S.A. 18A:71C-31.8.

Additionally, the proposed amendments at N.J.A.C. 9A:10-6.3 expand the definition for "totally and permanently disabled." The revised definition simplifies the process for borrowers to verify that they are totally and permanently disabled by permitting HESAA to accept proof that an individual has been determined by the United States Secretary of Veterans' Affairs to be unemployable due to a service-connected disability; is eligible for Social Security Disability Insurance or Supplemental Security Income and whose next scheduled disability review will be five to seven years or more from the date of the individual's last Social Security Administration disability determination; or is unable to work and earn money or attend school because of any medically determinable physical or mental impairment, as certified by a doctor of medicine or a doctor of osteopathy who is legally licensed to practice in the United States, that is expected to result in death, has lasted for a continuous period of not less than 60 months, or can be expected to last for a continuous period of not less than 60 months.

As FFELP loans are no longer being originated, and the Authority is no longer the guarantor for any FFELP loans, the proposed amendments at N.J.A.C. 9A:10-6.3 delete subsection (b) referencing terms defined in accordance with Federal regulations. All terms used for the NJCLASS Loan Program are defined at N.J.A.C. 9A:10-6.

The proposed amendments at N.J.A.C. 9A:10-6.4(a)3 delete reference to the Federal Family Education Loan amount, as FFELP loans are no longer being originated, and adds reference to the newly defined Refinance Loan and NJCLASS Consolidation Loan. The proposed amendments at N.J.A.C. 9A:10-6.4(c)2 replace reference to the New Jersey Commission on Higher Education with reference to its successor office, OSHE.

The proposed amendment at N.J.A.C. 9A:10-6.6(a) deletes "Stafford" to reflect the fact that these Federal student loans are now called "Federal Direct Loans." Pursuant to N.J.S.A. 18A:71C-25.c, proposed new N.J.A.C. 9A:10-6.6(a)1 provides that when establishing the maximum annual loan amount for a student borrower, the authority shall deduct the maximum amount of Federal Direct Subsidized Loans available to the student from the available NJCLASS loan amount. If the available interest rate for Federal Direct Unsubsidized Loans is lower than the interest rates available to the student pursuant to the NJCLASS Loan Program, the authority shall deduct the maximum amount of Federal Direct Unsubsidized Loans available to the student from the available NJCLASS loan amount. Proposed new N.J.A.C. 9A:10-6.6(b) defines annual loan limits pursuant to N.J.S.A. 18A:71C-25.b.

The proposed amendment at N.J.A.C. 9A:10-6.7(a) clarifies that the student is required to apply for Federal financial aid using the approved Federal application in order to be eligible for an NJCLASS loan. Further, the amendment at N.J.A.C. 9A:10-6.7(d) clarifies that when funds are disbursed to a student by check, the check is made payable solely to the eligible institution.

The minimum monthly payment amounts for RAP and HIARP are defined at N.J.S.A. 18A:71C-31.4.a and 31.5.a, respectively. Therefore, the proposed amendments at N.J.A.C. 9A:10-6.11(d) clarify that the minimum monthly payment amounts defined in this subsection do not apply to loans enrolled in RAP and HIARP. Similarly, as N.J.S.A. 18A:71C-31.5.b extends the loan repayment term for loans enrolled in HIARP, the proposed amendments at N.J.A.C. 9A:10-6.11(e) clarify that this section does not apply to loans enrolled in HIARP. Proposed new N.J.A.C. 9A:10-6.11(h) is added to administer RAP, pursuant to the terms defined at N.J.S.A. 18A:71C-31.4. Proposed new N.J.A.C. 9A:10-6.11(i) is added to administer HIARP, pursuant to the terms defined at N.J.S.A. 18A:71C-31.5.

The proposed amendment at N.J.A.C. 9A:10-6.13 is a technical change to align the heading with the defined name of the program, "NJCLASS

Consolidation Loan Program.” The same amendment, to add “NJCLASS” before “Consolidation Loan” is proposed at N.J.A.C. 9A:10-6.4(a)3, 6.13(d)4, and 6.15. The proposed amendment to N.J.A.C. 9A:10-6.13(c) clarifies that Refinance Loans and existing NJCLASS consolidation loans cannot be included in a new NJCLASS Consolidation Loan. The proposed amendments at N.J.A.C. 9A:10-6.13(d)4 delete reference to the Federal Family Education Loan amount, as FFELP loans are no longer being originated, and adds reference to the newly defined Refinance Loan. The proposed amendment at N.J.A.C. 9A:10-6.13(i) fixes a typographical error, replacing the word “proscribed” with the word “prescribed.” The proposed amendments at N.J.A.C. 9A:10-6.13(n) revises the heading for N.J.A.C. 9A:10-6.16 to “Default, consequences of default, and rehabilitation” and deletes reference to “rehabilitation,” set forth at N.J.A.C. 9A:10-6.18 to mirror the amendments proposed as part of this rulemaking.

The proposed amendment at N.J.A.C. 9A:10-6.14(b) clarifies that the Authority’s default prevention activities can include electronic communications.

The proposed amendment at N.J.A.C. 9A:10-6.15 adds reference to the newly defined Refinance loans.

The proposed amendment to the heading at N.J.A.C. 9A:10-6.16 adds “and Rehabilitation.” The proposed amendment at N.J.A.C. 9A:10-6.16(a) revises the description of when default occurs to mirror the language at N.J.S.A. 18A:71C-31.8.a, namely, if a borrower is no longer able to honor the obligation or fails to make installment payments when due. Pursuant to N.J.S.A. 18A:71C-29.c, the proposed amendment at N.J.A.C. 9A:10-6.16(b) deletes suspension of a New Jersey occupational and professional license as a potential result of default.

Proposed new N.J.A.C. 9A:10-6.16(c) implements N.J.S.A. 18A:71C-31.8.c, which provides borrowers of defaulted loans the opportunity to enter into a settlement agreement with the Authority. Proposed new N.J.A.C. 9A:10-6.16(d) and (e) implement N.J.S.A. 18A:71C-31.8.d and e, respectively, allowing borrowers who meet the terms of their settlement agreement to have their loans considered rehabilitated for the limited purposes of meeting the requirements of Title VI of the Federal “Economic Growth, Regulatory Relief, and Consumer Protection Act,” Pub. L. 115-174 and providing that the Authority will report the status of such loans to the credit bureaus pursuant to the Federal “Fair Credit Reporting Act” (15 U.S.C. § 1681s-2) and Title VI of the Federal “Economic Growth, Regulatory Relief, and Consumer Protection Act,” Pub. L. 115-174. Pursuant to N.J.S.A. 18A:71C-29.b, proposed new N.J.A.C. 9A:10-6.16(f) provides that the authority shall not refer the borrower to the Department of the Treasury, Division of Taxation, for Set-off of Individual Liability or notify the Department and Division of the State Lottery to withhold the borrower’s winnings in the event the borrower has entered into a settlement agreement with HESAA, and is not in breach of such agreement.

The proposed amendment at N.J.A.C. 9A:10-6.17(a) adds reference to Refinance loans and Consolidation loans to clarify that the rules for discharge apply to these types of loans. The proposed amendments at N.J.A.C. 9A:10-6.17(c) reflect the proposed amendments made to the definition of “totally and permanently disabled.” As the Authority no longer guarantees Federal loans, the proposed amendments at N.J.A.C. 9A:10-6.17(d)3 deletes reference to the Federal regulations governing guaranty agencies.

N.J.S.A. 18A:71C-31.8 codifies how the Authority should administer defaulted loans, including settlement agreements post default and the methods to rehabilitate loans for the limited purposes of meeting the requirements of Title VI of the Federal Economic Growth, Regulatory Relief, and Consumer Protection Act, Pub. L. 115-174. Therefore, the proposed amendments provide the rules regulating rehabilitation, pursuant to N.J.S.A. 18A:71C-8 as part of N.J.A.C. 9A:10-6.16, Defaults, consequences of default, and rehabilitation, and proposed to repeal and replace N.J.A.C. 9A:10-6.18. Proposed new N.J.A.C. 9A:10-6.18 provides the rules governing Refinance loans. Proposed new N.J.A.C. 9A:10-6.18(a) describes what is a Refinance loan and proposed new N.J.A.C. 9A:10-6.18(b) and (c) provide, respectively, that the borrower of a Refinance loan must be the borrower on all of the underlying loans and that all underlying loans must be in repayment of both principal and interest. Proposed new N.J.A.C. 9A:10-6.18(d) provides the eligibility

requirements for a borrower to obtain a Refinance loan and proposed new N.J.A.C. 9A:10-6.18(e) provides that the Authority has final decision-making authority concerning eligibility.

Proposed new N.J.A.C. 9A:10-6.18(f) provides the minimum credit requirements for borrowing a Refinance loan and proposed new N.J.A.C. 9A:10-6.18(g) defines the New Jersey nexus required for the student beneficiary of all of the underlying loans. Proposed new N.J.A.C. 9A:10-6.18(h) provides the procedure for applying for a Refinance loan, proposed new N.J.A.C. 9A:10-6.18(i) describes potential administrative fees that the Authority may charge on a Refinance loan, proposed new N.J.A.C. 9A:10-6.18(j) explains that the interest rate for the Refinance loan will be a fixed rate based upon a calculation or rate defined in the bond indentures, and proposed new N.J.A.C. 9A:10-6.18(k) reserves the right for the Authority to charge late fees. Proposed new N.J.A.C. 9A:10-6.18(l) describes when payments are due on the Refinance loans, proposed new N.J.A.C. 9A:10-6.18(m) describes the deferments and forbearances available for Refinance loans, and proposed new N.J.A.C. 9A:10-6.18(n) lists which NJCLASS Loan Program general provisions apply to Refinance loans.

Pursuant to N.J.S.A. 18A:71A-9.p, the Authority is authorized to perform audit and review functions. As the Authority no longer guarantees Federal student loans, the proposed amendments at N.J.A.C. 9A:10-6.19(a) deletes reference to a FFEL Program review and specifies that the Authority will either conduct a management review solely dedicated to the NJCLASS Loan Program or may expand the scope of a State scholarship and Tuition Aid Grant management review to cover the NJCLASS Loan Program. Similarly, the proposed amendments at N.J.A.C. 9A:10-6.19(d) delete reference to the program review procedures set forth at N.J.A.C. 9A:10-1.18(g) that are proposed for deletion, and instead provide the list of procedures at N.J.A.C. 9A:10-6.19(d).

Subchapter 7 incorporates the rules for the administration of the State’s college savings program, the New Jersey Better Educational Savings Trust (NJBEST) Program, for which HESAA is statutorily responsible, pursuant to N.J.S.A. 18A:71B-35 through 46 and in accordance with section 529 of the Federal Internal Revenue Code of 1986, 26 U.S.C. § 529. In the NJBEST Program, money saved by parents, grandparents, or others through the program is invested for a designated beneficiary. When the designated beneficiary is ready to attend college, the principal and interest earned can be used for college costs. This program also provides additional incentives to families by offering a supplemental NJBEST scholarship if the designated beneficiary attends an eligible higher education institution in New Jersey and a matching incentive grant for investors with aggregate gross incomes between \$0.00 and \$75,000. The rules in this subchapter are proposed for reoption in order to continue the State’s initiatives to encourage families to save for future college expenses.

The proposed amendment at N.J.A.C. 9A:10-7.3 revises the definition of “cash” to replace “wire transfer” with “electronic transfer” to reflect current forms of payment. Additionally, the proposed amendment at N.J.A.C. 9A:10-7.3 clarifies that “contributor” and “account owner” have the same meaning, as both terms are used in the subchapter. The proposed amendment at N.J.A.C. 9A:10-7.3 also revises the definition of “higher education institution” to replace reference to the Commission on Higher Education with its successor office, the Office of the Secretary of Higher Education. As NJBEST scholarships are funded by the administrative fees for the program and not State appropriations, the proposed amendment at N.J.A.C. 9A:10-7.3 revises the definition of “NJBEST scholarship” to replace the word “funded” with “provided.”

As “contributor” is a defined term meaning the person who opens and maintains an NJBEST account, the proposed amendment at N.J.A.C. 9A:10-7.5(f) clarifies that no person making contributions to the account may directly or indirectly direct the investment of any contributions to the program.

N.J.S.A. 18A:71B-42 authorizes the Authority to provide a scholarship in an amount no less than \$500.00. As the NJBEST administrative fees, which finance the scholarships, provide sufficient funding, the proposed amendment at N.J.A.C. 9A:10-7.15(a) increases the minimum scholarship amount from \$1,000 to \$2,000. Additionally, the proposed amendments at N.J.A.C. 9A:10-7.15(b) increase the additional incremental scholarship

amount for every two additional years of savings in an NJBEST account from \$500.00 to \$1,000, and increase the scholarship cap from \$3,000 to \$6,000. The proposed amendments at N.J.A.C. 9A:10-7.15(b) also clarify that in order to count towards the minimum contributions required for a scholarship, the contributions cannot be withdrawn.

The proposed amendment at N.J.A.C. 9A:10-7.22(a)1 clarifies that, to be eligible for an NJBEST matching grant, the account owner cannot have a negative household adjusted gross income. This clarification is consistent with how the Authority administers its need-based grant programs.

Subchapter 8 sets forth the program requirements for the Loan Redemption Program for Teachers in High-Need Fields Employed in Low-Performing Schools, which was enacted on January 18, 2022 (N.J.S.A. 18A:71C-83 et seq.). This program allows a teacher to redeem a portion of the teacher's NJCLASS loan balance in exchange for service as a teacher in a high-need field in a low performing school in New Jersey.

The proposed amendments at N.J.A.C. 9A:10-8.4 revise the application procedure to assist the Authority in directing program funding to areas in the State with the most severe teacher shortages. Instead of selecting applicants for program participation on a first-come, first-served basis, the proposed amendments allow the Authority to post an application deadline on its website and require the Authority to select applicants based on predetermined scoring evaluation criteria, which will be updated annually and posted on the Authority's website, to address the most severe teacher shortages in the State.

Subchapter 9 details the policies and procedures for participating in the Behavioral Healthcare Provider Loan Redemption Program, which was enacted on June 30, 2022 (N.J.S.A. 18A:71C-87 et seq.). This program provides loan redemption of eligible student loan expenses for every two full years of service satisfactorily completed by the program participant, for up to six years of service. The program also provides incentive grants to program participants who work primarily with children and adolescents.

The definition of "program participant" requires behavioral healthcare providers to engage in the clinical practice of mental or behavioral healthcare at an approved site. In administering the pilot Behavioral Healthcare Provider Loan Redemption Program, the Authority received questions from potential applicants as to whether their positions qualified as clinical practice. To avoid future confusion, the proposed amendment at N.J.A.C. 9A:10-9.2 adds a definition for "clinical practice." Additionally, the proposed amendments at N.J.A.C. 9A:10-9.2 add a definition of "eligible behavioral healthcare provider," which adds licensed social workers and licensed associate counselors to the list of professions identified by statute. N.J.S.A. 18A:71C-87 authorizes the Executive Director of the Authority to identify additional professions to include in the program. While administering the pilot Behavioral Healthcare Provider Loan Redemption Program, the request made most often to the Authority was to expand the definition of Eligible Behavioral Healthcare Provider to include licensed social workers and licensed associate counselors. Licensed social workers and licensed associate counselors are not required to earn any further degrees to become licensed clinical social workers and licensed professional counselors, respectively, rather they are required to provide a minimum number of hours of direct clinical services to patients/clients to become licensed clinical social workers and licensed professional counselors, respectively. Since the intent of the program is to increase the number of providers that can provide direct clinical services to patients/clients, and the daily duties of licensed social workers and licensed associate counselors are to provide direct clinical services, the Authority determined that it will be beneficial to expand the scope of the definition of behavioral healthcare providers to include licensed social workers and licensed associate counselors to provide these services. To ensure that all of the providers receiving loan redemption through the program actually provide direct services to patients/clients, the proposed amendment also specifies that behavioral healthcare providers must engage in direct clinical practice with patients or clients for a minimum of 20 hours a week.

Proposed new N.J.A.C. 9A:10-9.4 details the application procedure. For the pilot program, participants were selected on a first-come, first-served basis. However, the earliest submitted applications did not necessarily address the areas of the State with the most severe shortages

of behavioral healthcare providers. Therefore, the proposed new rule specifies an application procedure to provide potential applicants with a date certain as to when the application will be available and a one-month window in which to apply. The proposed new rule also requires the Authority to select applicants based on predetermined scoring evaluation criteria, which will be updated annually and posted on the Authority's website, to address the most severe shortages in the State.

Proposed new N.J.A.C. 9A:10-9.6(d) specifies that participants work primarily with children and adolescents if at least 51 percent of their clinical practice is with people under the age of 18.

As the Authority 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

The rules proposed for readoption with amendments, a new rule, and repeals govern the administration of the State's student loan, loan redemption, and college savings programs.

The rules governing the administration of the Social Services Student Loan Redemption Program, Nursing Faculty Loan Redemption Program, STEM Loan Redemption Program, and Loan Redemption Program for Teachers in High Needs Fields Employed in Low-Performing Schools are all proposed for readoption without amendment and the proposed amendments to the rules governing the Behavioral Healthcare Provider Loan Redemption Program are proposed to clarify eligibility requirements and revise the application process to ensure that the program addresses the most severe behavioral healthcare provider shortages in the State. Each of these programs is intended to address the critical shortages of specific professionals in the State and ensure that high-quality employees live and work in New Jersey. These programs provide participants with relief from their outstanding eligible student loan expenses in exchange for full-time employment at eligible locations, as specified, in the rules governing each program. These incentives ensure that State residents will continue to have sufficient qualified professionals available to provide these needed services.

The NJCLASS Program serves as the State's supplemental student loan program to help families complete their financial aid package to meet higher education costs. The NJCLASS Program offers one of the lowest-rate supplemental loans in the nation. The Authority continuously seeks to maintain and improve service to applicants and borrowers. The rules proposed for readoption with amendments, a new rule, and repeals provide further clarification of the policies and procedures governing the NJCLASS Program, as part of the Authority's efforts to continue to improve efficiency and service.

The rules proposed for readoption with amendments, a new rule, and repeals governing the New Jersey Better Educational Savings Trust (NJBEST) Program address higher education expenses that are a major concern for many New Jersey families and provide incentives needed to encourage families to save for college. The NJBEST Program is designed to increase the rate that families save for college and encourage long-term college savings. Due to its modest contribution requirements and its intent to minimize fees, the NJBEST Program facilitates access to college from a broad economic spectrum of New Jersey families. The proposed amendments provide families with further clarity about scholarship and matching incentives. The proposed amendments also provide additional incentives to save for college and encourage long-term savings.

Economic Impact

The rules proposed for readoption with amendments, a new rule, and repeals do not represent any new cost factors for the State. These rules proposed for readoption with amendments, a new rule, and repeals implement State student loans, loan redemption programs, and a college savings program that make postsecondary education accessible and affordable to thousands of New Jersey students and families.

The Social Services Student Loan Redemption Program, Nursing Faculty Loan Redemption Program, STEM Loan Redemption Program, Loan Redemption Program for Teachers in High Needs Fields Employed in Low-Performing Schools, and Behavioral Healthcare Provider Loan Redemption Program provide much needed assistance to program participants in the form of redemption or reimbursement of their eligible student loan expenses in exchange for full-time employment. The Social

Services Student Loan Redemption Program is currently unfunded and the Nursing Faculty Loan Redemption Program receives 25 percent of the funds annually appropriated by the State for the Primary Care Practitioner Loan Redemption Program. The Fiscal Year 2023 appropriations for the remaining loan redemption programs are as follows: STEM Loan Redemption Program - \$100,000, Loan Redemption Program for Teachers in High Needs Fields Employed in Low-Performing Schools - \$1 million, and Behavioral Healthcare Provider Loan Redemption Program - \$5 million.

For the State's NJCLASS Loan Program, in operation since 1991, more than \$200 million was made available last year alone by the Authority in affordable NJCLASS loans. The entire cost of the program is self-generated through bond financing of NJCLASS loans. The NJCLASS Program offers one of the lowest-rate supplemental loans in the nation. It is anticipated that the proposed amendments will allow the Authority to keep interest rates as low as possible, improve the program for borrowers, and continue the low rate of borrowers defaulting on their NJCLASS loans.

The NJBEST Program was designed to provide New Jersey families with incentives to increase savings for college in a time when higher education expenses have become a significant economic issue. NJBEST, the State's 529 College Savings Plan, provides extensive investment opportunities for families, as well as both a scholarship and matching grant incentive. The rules proposed for re adoption with amendments, a new rule, and repeals governing the administration of the NJBEST Program provide flexibility in changing investment strategies, withdrawing funds, changing beneficiaries, and for rollovers, that the Authority believes make it easier and more rewarding for families to save for college. The increased scholarship amount will not have any impact on the State budget as the NJBEST administrative fees have solely financed the scholarship since Fiscal Year 2006. The rules proposed for re adoption with amendments, a new rule, and repeals will not lead to increased administrative fees, as current administrative fees are sufficient to fund the increased scholarship amounts.

Federal Standards Statement

A Federal standards analysis is not required for the Social Services Student Loan Redemption Program, Nursing Faculty Loan Redemption Program, STEM Loan Redemption Program, Loan Redemption Program for Teachers in High Needs Fields Employed in Low-Performing Schools, and Behavioral Healthcare Provider Loan Redemption Program since the rules proposed for re adoption with amendments, a new rule, and repeals for these programs are not subject to any Federal requirements or standards.

A Federal standards analysis is not required for the rules administering NJCLASS Program that are being proposed for re adoption with amendments, a new rule, and repeals because the subject matter of this State student loan program is not subject to any Federal student loan requirements or standards, except for the standards for tax-exempt bonds, section 144(b) of the Federal Internal Revenue Code. NJCLASS loans funded by tax-exempt bonds are administered to qualify pursuant to the standards of section 144(b) of the Federal Internal Revenue Code, not to exceed the standards of that section.

The rules proposed for re adoption with amendments, a new rule, and repeals for the administration of the NJBEST Program are not intended to exceed, but rather implement, the statutory requirements for a state college savings program to receive favorable Federal tax treatment pursuant to section 529 of the Federal Internal Revenue Code of 1986, 26 U.S.C. § 529, and are consistent with administrative guidance from the Internal Revenue Service. Therefore, a Federal standards analysis is not required.

Jobs Impact

The rules proposed for re adoption with amendments, a new rule, and repeals will not result in the loss or generation of jobs. However, because the NJCLASS program administered by the Authority makes postsecondary education accessible to thousands of New Jersey students and their families, it promotes access to one of the keys to economic development: higher education. The financing of a college-trained New Jersey workforce can only be expected to add to the job opportunities in this State.

The rules proposed for re adoption with amendments, a new rule, and repeals for the administration of the Social Services Student Loan Redemption Program, Nursing Faculty Loan Redemption Program, STEM Loan Redemption Program, Loan Redemption Program for Teachers in High Needs Fields Employed in Low-Performing Schools, and Behavioral Healthcare Provider Loan Redemption Program will not result in the loss or generation of jobs but will, however, provide incentives for professionals to practice in New Jersey through the redemption or reimbursement of their eligible student loan expenses in exchange for full-time qualified employment.

As the NJBEST Program provides incentives for saving for college and encourages participation from a broad economic spectrum, this program also promotes access to economic development through higher education. The rules proposed for re adoption with amendments, a new rule, and repeals will not result in the loss or generation of jobs, but do offer an additional scholarship incentive to attend college in New Jersey and encourage the retention of college-trained people in the New Jersey workforce, thereby adding to the skilled workforce in this State to meet employer needs.

Agriculture Industry Impact

The rules proposed for re adoption with amendments, a new rule, and repeals will have no impact on the agriculture industry.

Regulatory Flexibility Statement

A regulatory flexibility analysis is not required because the rules proposed for re adoption with amendments, a new rule, and repeals do not impose reporting, recordkeeping, or other compliance requirements on small businesses, as defined by the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The Authority does not anticipate that any educational institution participating in these programs would be covered by the definition of a small business because these entities have over 100 full-time employees. Additionally, students participating in these programs are not covered by the definition because they are individuals, not businesses.

Housing Affordability Impact Analysis

The rules proposed for re adoption with amendments, a new rule, and repeals will have an insignificant impact on the affordability of housing in New Jersey. There is an extreme unlikelihood that the rules proposed for re adoption with amendments, a new rule, and repeals would evoke a change in the average costs associated with housing. The rules proposed for re adoption with amendments, a new rule, and repeals affect the administration of loans and savings for higher education, which has no impact on the cost of housing.

Smart Growth Development Impact Analysis

The rules proposed for re adoption with amendments, a new rule, and repeals will have an insignificant impact on smart growth development and there is an extreme unlikelihood that the rules proposed for re adoption with amendments, a new rule, and repeals would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, pursuant to the State Development and Redevelopment Plan in New Jersey. The rules proposed for re adoption with amendments, a new rule, and repeals affect the administration of loans and savings plans for higher education, which has no impact on housing production.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The Authority has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the rules proposed for re adoption may be found in the New Jersey Administrative Code at N.J.A.C. 9A:10.

Full text of the rules proposed for repeal may be found in the New Jersey Administrative Code at N.J.A.C. 9A:10-1, 2.7, and 6.18.

Full text of the proposed amendments and new rule follow (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 1. (RESERVED)

SUBCHAPTER 2. SOCIAL SERVICES STUDENT LOAN REDEMPTION PROGRAM

9A:10-2.7 (Reserved)

SUBCHAPTER 6. THE NEW JERSEY COLLEGE LOANS TO ASSIST STATE STUDENTS (NJCLASS) PROGRAM: POLICIES AND PROCEDURES

9A:10-6.1 Purpose

The purpose of this subchapter is to provide guidance on the implementation of the New Jersey College Loans to Assist State Students (NJCLASS) Program, a State student loan program intended to supplement the [subsidized] Federal Direct [Stafford] Loan Program and make State sponsored student loans available to students who cannot obtain [Federally backed student loans] Federal Direct Loans, either because those loans are not available, because the student does not meet the program eligibility requirements as defined by the Federal government, because the student has additional financial need unmet by [Federally backed student loans] Federal Direct Loans, or because the NJCLASS program may offer[s] more affordable interest rates and fees than Federal Direct Unsubsidized Loans. In the NJCLASS Program, the Authority issues bonds, notes, or another form of debt instrument, and with the proceeds of that issuance, funds student loans and either directly or through an agent serves as lender and servicer of the loans. [Because] As funding for the NJCLASS Program is not backed by a Federal guarantee, funding sources are safeguarded by requiring as key elements of borrower eligibility for this State program that the borrower either be creditworthy or not have adverse credit.

9A:10-6.3 Definitions

[a] The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

“Annual income” means the applicant’s income as reported on the application for an NJCLASS Loan Program Loan, or NJCLASS Consolidation Loan [application] or Refinance Loan. Annual income is subject to verification by the Authority through documentation including, but not limited to, Internal Revenue Service tax return transcripts and pay stubs.

“Cohort default rate” means the percentage of [Federal Family Education Loan Program (FFELP) and] William D. Ford Federal Direct Loan Program (Direct Loan) borrowers who default by the end of the second Federal fiscal year following the Federal fiscal year in which they entered repayment on their loans, unless otherwise defined by the United States Department of Education. The United States Department of Education calculates this rate annually to determine the default experience of students who attended a particular school during a particular period of time.

“Commission” or “CHE” means the Office of the Secretary of Higher Education, a State higher education policy-making agency presided over by the Secretary of Higher Education who is a member, ex-officio, of the Authority. The Commission’s statutory responsibilities include final administrative decisions over institutional licensure and university status in this State.]

“Delinquency” means a payment on an NJCLASS Loan Program loan, [or] NJCLASS Consolidation Loan, or Refinance Loan made late. Delinquency begins the first day after the due date of the first missed payment that is not later made. The due date of the first payment is established by the Authority.

“Eligible institution” means a public or private nonprofit institution eligible for Title IV, Higher Education Act of 1965 assistance, approved or licensed by [the New Jersey Commission on Higher Education] OSHE, or its equivalent, in another state or country and accredited by a nationally recognized accrediting association and having an annual cohort default rate of 25 percent or less. Eligible institution shall also include proprietary institutions eligible for Title IV, Higher Education Act of 1965 assistance

and having an annual cohort default rate of 25 percent or less. An eligible institution for purposes of the NJCLASS Graduate/Professional Students Program shall have a lower cohort default rate threshold, as set forth [in] at N.J.A.C. 9A:10-6.4(c)2.

“HIARP” means the Household Income Affordable Repayment Plan, with eligibility requirements set forth at N.J.A.C. 9A:10-6.11(i), that provides repayment relief for Standard NJCLASS Loan borrowers who have exhausted their eligibility for RAP and continue to face economic hardship.

“NJCLASS Loan Program” means the New Jersey College Loans to Assist State Students Loan Program and encompasses all loans offered under the NJCLASS name, except for the NJCLASS Consolidation Loan and the Refinance Loan.

“OSHE” means the Office of the Secretary of Higher Education, a State higher education policy-making agency presided over by the Secretary of Higher Education who is a member, ex-officio, of the Authority Board. OSHE’s statutory responsibilities include final administrative decisions over institutional licensure and university status in this State.

“RAP” means the Repayment Assistance Program, with eligibility requirements set forth at N.J.A.C. 9A:10-6.11(h), which provides two years of repayment relief for Standard NJCLASS Loan borrowers facing economic hardship.

“Refinance Loan” means a new loan that pays off one or more previous NJCLASS Loan Program loans, NJCLASS Consolidation Loans, Federal Parent PLUS loans, and qualified private student loans. Refinance Loans enable a borrower with one or more existing loans to obtain one loan with one repayment schedule and one interest rate.

“Rehabilitation” (of a defaulted NJCLASS loan) means a process by which a borrower may bring an NJCLASS Loan Program loan, [or] an NJCLASS Consolidation Loan, or a Refinance Loan out of default for the limited purposes of meeting the requirements of Title VI of the Federal Economic Growth, Regulatory Relief, and Consumer Protection Act, Pub. L. 115-174, by adhering to specified repayment requirements.

“Totally and permanently disabled” means the condition of any individual who: has been determined by the United States Secretary of Veterans’ Affairs to be unemployable due to a service-connected disability; is eligible for Social Security Disability Insurance or Supplemental Security Income and whose next scheduled disability review will be five to seven years or more from the date of the individual’s last Social Security Administration disability determination; or is unable to work and earn money or attend school because of [an injury or illness] any medically determinable physical or mental impairment, as certified by a doctor of medicine or a doctor of osteopathy who is legally licensed to practice in the United States, that is expected to [continue indefinitely or] result in death, has lasted for a continuous period of not less than 60 months, or can be expected to last for a continuous period of not less than 60 months. [Other than a student borrower, an individual is not considered “totally and permanently disabled” if he or she continues to receive an equal or greater amount of income from the source of income that was used to meet the minimum income requirements at the time the loan was approved.]

[b] Terms not defined in this section shall be defined in accordance with 34 CFR parts 600, 668, 682 and 685, including all subsequent amendments and supplements thereto.]

9A:10-6.4 Eligibility for the NJCLASS Loan Program

(a) To be eligible for a Standard NJCLASS loan, each applicant must: 1.-2. (No change.)

3. Provide an acceptable cosigner if it is determined by the Authority that one is required; and in the case of any [Federal Family Education Loan amount,] Federal Direct Loan amount, or any NJCLASS Loan Program loan, Refinance Loan, or NJCLASS Consolidation Loan

amount that previously was canceled due to the applicant's total and permanent disability, obtain a certification from a physician that the applicant's condition has improved, and that the applicant is able to engage in substantial gainful activity and sign a statement acknowledging that the Standard NJCLASS loan the applicant receives cannot be canceled in the future on the basis of any impairment present when the new loan is made, unless that impairment substantially deteriorates. If the applicant is not the student, and the student had any loan amount described in this paragraph canceled due to the student's total and permanent disability, the student on whose behalf another borrower or cosigner is applying for a Standard NJCLASS loan must obtain the physician certification as to the student's improvement and sign the statement limiting future cancellation on the basis of the student's present impairment; and

4. (No change.)

(b) (No change.)

(c) To be eligible for an NJCLASS Graduate/Professional Students loan for student borrowers, each student must satisfy the requirements [of] at (b)1, 3, 4, and 6 above, as well as the following:

1. (No change.)

2. Be enrolled in an eligible institution for purposes of this program, which shall mean an eligible institution of higher education under Title IV, Higher Education Act of 1965, and accredited by a nationally recognized accrediting association that is licensed by [the New Jersey Commission on Higher Education] OSHE, or its equivalent, in another state or country with a cohort default rate of 15 percent or less;

3.-5. (No change.)

(d) (No change.)

9A:10-6.6 Loan amounts

(a) The amount borrowed for an NJCLASS Loan Program loan shall not exceed a student's estimated cost of attendance at the eligible institution minus all other financial assistance for which the student is eligible for the academic period for which the loan is intended. This means that an eligible institution shall determine a student borrower's loan amount eligibility for Federal Direct [Stafford] loans prior to determining a student borrower's loan amount eligibility for an NJCLASS Loan Program loan. This eligibility determination excludes eligibility for Federal Direct PLUS loans.

1. When establishing the maximum annual loan amount for a student borrower, the authority shall deduct the maximum amount of Federal Direct Subsidized Loans available to the student from the available NJCLASS loan amount. If the available interest rate for Federal Direct Unsubsidized Loans is lower than the interest rates available to the student under the NJCLASS Loan Program, the authority shall deduct the maximum amount of Federal Direct Unsubsidized Loans available to the student from the available NJCLASS loan amount. The authority may deduct the maximum amount of Federal Direct Unsubsidized Loans available to the student from the available NJCLASS loan amounts when Federal borrower benefits are more advantageous to the student.

(b) In the case of a student who first borrows an NJCLASS Loan Program loan after August 7, 2017, the effective date of P.L. 2017, c. 198, the maximum total NJCLASS Loan Program loan amount that may be made for the benefit of that student shall not exceed the borrowing cap. The borrowing cap was set at \$150,000 in 2017 and shall be increased for each academic year over the prior year by the regression-based index value of the Higher Education Price Index published at <https://www.commonfund.org/higher-education-price-index>.

9A:10-6.7 Application procedures, disbursement, and students who transfer

(a) To borrow under the NJCLASS Loan Program, after the student has applied for Federal financial aid using the approved Federal application, the process shall be, as follows:

1.-2. (No change.)

(b)-(c) (No change.)

(d) The method of disbursement is determined by an eligible institution. Loan proceeds may be disbursed by individual check, master check, or by electronic means, such as Electronic Funds Transfer (EFT).

Funds disbursed by individual check to a student borrower shall be made [jointly] payable to [the student and] the eligible institution, sent directly to the school and may be multiply disbursed. Funds disbursed by individual check to a parent borrower shall be made payable to the parent borrower and may be multiply disbursed. If the Authority issues an individual NJCLASS Loan Program check, and the student is enrolled in a study-abroad program approved for credit and if the student requests, the loan check may be made payable to the student only.

(e) (No change.)

9A:10-6.11 Repayment of loan

(a)-(c) (No change.)

(d) For loans made after August 3, 1998 that are not enrolled in RAP or HIARP, the minimum acceptable monthly payment shall be the amount required to fully repay an NJCLASS Loan Program loan in the maximum repayment period; however, the minimum acceptable monthly payment of principal and interest shall not be less than \$50.00 per borrower for all of that borrower's NJCLASS Loan Program loans. The minimum acceptable monthly payment for borrowers in an interest only repayment status shall not be less than \$10.00 per loan.

(e) Notwithstanding any periods of deferment and/or forbearance, unless the loan is enrolled in HIARP, NJCLASS Loan Program loans shall be paid in full within the amount of years from the date of first disbursement as specified in the NJCLASS Application, Promissory Note, and disclosures. The amount of years in which a loan is to be repaid is determined by the indentures for the bonds or notes whose proceeds are funding the loan.

(f)-(g) (No change.)

(h) Subject to the limits of funding made available in the applicable bond indentures, borrowers are eligible for RAP if they are facing an economic hardship as set forth at (h)3 below.

1. Pursuant to the RAP monthly Standard, NJCLASS Loan payments are reduced to an amount equal to 10 percent of the total of the aggregate household income of all of the parties to the loan that exceeds 150 percent of the Federal poverty guidelines, with a minimum monthly payment of \$5.00. The result of this calculation is the "RAP monthly payment amount."

2. Borrowers are eligible to participate in RAP for a period not to exceed two years, during which the Authority shall pay the interest on the NJCLASS loan at the stated loan rate and the payments made by the borrower shall be applied to reduce the principal balance of the loan. At the end of the borrower's participation in RAP, the new monthly repayment amount shall be recalculated based on the remaining principal balance of the loan, interest accruing thereon at the original stated loan rate, and the remaining length of the original term to repay the loan.

3. For purposes of RAP, borrowers are determined to be facing an economic hardship if the monthly amount required to pay their Standard NJCLASS loans is higher than the RAP monthly payment amount.

(i) Subject to the limits of funding made available in the applicable bond indentures, borrowers are eligible for HIARP if they have exhausted their eligibility for RAP and are facing an economic hardship, as defined at (i)6 below.

1. Pursuant to the HIARP monthly standard, NJCLASS Loan payments are reduced to an amount equal to 15 percent of the total of the aggregate household income of all of the parties to the loan that exceeds 150 percent of the Federal poverty guidelines, with a minimum monthly payment of \$25.00. The result of this calculation is the "HIARP monthly payment amount."

2. When a borrower enters HIARP, the repayment term for a Standard NJCLASS Loan in the plan shall be extended to 25 years from the date of origination. Interest shall continue to accrue on the Standard NJCLASS Loan while in repayment under the plan at the original loan rate. Any remaining balance at the end of 25 years shall be forgiven.

3. To remain enrolled in HIARP, all parties to the Standard NJCLASS Loan shall provide the authority with annual income certification, including documentation necessary to verify income.

4. If the parties to the Standard NJCLASS Loan no longer qualify for participation in HIARP, the repayment term shall remain at 25 years and the monthly repayment amount shall revert to the standard monthly payment. Unpaid interest shall be capitalized upon return to the standard monthly payment.

5. For purposes of HIARP, standard monthly payments are the amount calculated by the Authority at the time the parties enter HIARP, by capitalizing all unpaid interest and amortizing the remaining loan balance over the remaining original loan repayment term.

6. For purposes of HIARP, borrowers are determined to be facing an economic hardship if the monthly amount required to pay their Standard NJCLASS Loans is higher than the HIARP monthly payment amount.

9A:10-6.13 NJCLASS Consolidation Loan Program

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

(c) Only NJCLASS Loan Program loans in monthly repayment of principal and interest are eligible for consolidation into an NJCLASS Consolidation Loan. [Existing] **Refinance Loans and existing NJCLASS [consolidation loans] Consolidation Loans** are not eligible to be consolidated. The student for whom the underlying NJCLASS Loan Program loan was obtained shall no longer be enrolled in school. He or she shall have graduated or withdrawn.

(d) To be eligible for an NJCLASS Consolidation Loan, the NJCLASS borrower and/or co-borrower shall:

1.-3. (No change.)

4. In the case of any Federal [Family Education Loan amount, Federal Direct Loan] **student loan** amount, or any NJCLASS Loan Program **Loan, Refinance Loan, or NJCLASS Consolidation Loan** amount that previously was canceled due to the borrower's total and permanent disability, obtain a certification from a physician that the borrower's condition has improved and that the borrower is able to engage in substantial gainful employment and sign a statement acknowledging that the NJCLASS Consolidation Loan that the borrower receives cannot be canceled in the future on the basis of any impairment present when the new loan is made, unless that impairment substantially deteriorates; and

5. (No change.)

(e)-(h) (No change.)

(i) NJCLASS Consolidation Loan borrowers and/or co-borrowers may be required to pay an application/administrative fee as [proscribed] **prescribed** by the bond indentures. This fee will be added to the sum of the outstanding principal and interest balance of each underlying NJCLASS Loan Program loan being consolidated at the time of approval. In addition, borrowers and/or co-borrowers may be required to pay a servicing fee for the NJCLASS Consolidation Loan, if provided for by the promissory note.

(j)-(m) (No change.)

(n) NJCLASS Loan Program provisions, which pertain to delinquency, set forth [in] at N.J.A.C. 9A:10-6.14; credit bureau reporting, set forth [in] at N.J.A.C. 9A:10-6.15; default, [and] consequences of default, **and rehabilitation**, set forth [in] at N.J.A.C. 9A:10-6.16; **and discharge**, set forth [in] at N.J.A.C. 9A:10-6.17; and rehabilitation, set forth in N.J.A.C. 9A:10-6.18,] shall be in effect for [this Program] **NJCLASS Consolidation Loans**.

9A:10-6.14 Delinquency

(a) (No change.)

(b) Default prevention activities shall include, but not be limited to, letters, **electronic communications**, and telephone calls to the borrower and cosigner, if any, beginning after the first 10 days of delinquency. Thirty days before sending a letter of default (180 days delinquent, or 240 days delinquent depending on whether payments are due monthly or less frequently than monthly), the Authority shall attempt to telephone the borrower and cosigner and send the borrower and cosigner a final demand letter.

(c) (No change.)

9A:10-6.15 Credit bureau reporting

The Authority shall report the status of all NJCLASS Loan Program loans, **Refinance Loans and NJCLASS Consolidation Loans**, for

borrowers and cosigners, in the NJCLASS portfolio to a national credit bureau each month.

9A:10-6.16 Default, [and] consequences of default, **and rehabilitation**

(a) Default occurs when a borrower fails to make an installment payment when due, or to meet other terms of the Promissory Note under circumstances where the Authority finds it reasonable to conclude that the borrower no longer intends, **or is no longer able**, to honor the obligation to repay, **or when the borrower fails to make installment payments when due**, provided failure to repay persists for:

1.-2. (No change.)

(b) Upon default, the borrower and/or cosigner, if any, are liable for the entire balance of the loan. Upon default, the Authority shall notify credit bureaus of this negative information. Default may result in any or all of the following: expedited increase of interest rate, loss of State income tax refunds or State tax rebates, legal action, assessment of collection charges, including attorney fees of up to 30 percent of the debt collected, loss of eligibility for other student aid, negative credit reports, administrative wage garnishment, **and** offset of lottery prize winnings[, and suspension of New Jersey occupational and professional license].

(c) **To facilitate recovery on a defaulted NJCLASS Loan Program loan, Refinance Loan, or NJCLASS Consolidation Loan, the Authority shall offer parties to the defaulted loan the opportunity to enter into a settlement agreement, either pre- or post-judgement, based on the terms of the loan and the ability of the parties to the loan to make payments.**

1. **The Authority's counsel shall respond to a request for a settlement agreement within 15 business days of the request.**

2. **The Authority's counsel shall provide parties with a proposed written settlement agreement within 30 business days of reaching an oral agreement with the parties reflecting the agreed upon terms.**

3. **For an NJCLASS Loan Program loan, Refinance Loan, or NJCLASS Consolidation Loan financed in whole or in part by bonds issued by the Authority pursuant to N.J.S.A. 18A:71A-8, the terms of the settlement agreement shall not violate the terms of the applicable bond indentures.**

(d) **If parties to a defaulted NJCLASS Loan Program loan, Refinance Loan, or NJCLASS Consolidation Loan can demonstrate to the Authority an ability and willingness to repay the loan by making nine on-time monthly payments over the course of 10 consecutive months pursuant to the settlement agreement, the loan shall be considered rehabilitated for the limited purposes of meeting the requirements of Title VI of the Federal Economic Growth, Regulatory Relief, and Consumer Protection Act, Pub. L. 115-174.**

1. **If subsequent to rehabilitating the loan, the parties fail to continue to honor the obligations of the settlement agreement for at least 180 days, the loan may no longer be considered rehabilitated.**

2. **A defaulted NJCLASS Loan Program loan, Refinance Loan, or NJCLASS Consolidation Loan may only be rehabilitated one time.**

(e) **The Authority shall accurately report the status of defaulted loans to the credit bureaus pursuant to the Federal Fair Credit Reporting Act, 15 U.S.C. § 1681s-2, and Title VI of the Federal Economic Growth, Regulatory Relief, and Consumer Protection Act, Pub. L. 115-174.**

(f) **In the event a borrower with a defaulted NJCLASS Loan Program loan, Refinance Loan, or Consolidation Loan has entered into a settlement agreement with the Authority and is not in breach of such agreement, the Authority shall not refer the borrower to the Department of the Treasury, Division of Taxation, for set-off of Individual Liability, or notify the Department of the Treasury, Division of the State Lottery, to withhold the borrower's winnings.**

9A:10-6.17 Discharge

(a) Rules governing the discharge of loans based on filing for relief in bankruptcy, and discharge of loans due to death or total and permanent disability are set forth in this section. If an NJCLASS Loan Program loan was obtained by two borrowers as co-makers or by a borrower and one or more cosigners, and only one of the borrowers dies, becomes totally and permanently disabled, has collection of his or her loan obligation stayed by a bankruptcy filing, or has that obligation discharged in bankruptcy, the other borrower or cosigner remains obligated to repay the loan,

beginning with NJCLASS Loan Program loans, **Refinance Loans**, or **NJCLASS Consolidation Loans** using promissory notes dated 1994 or later. If the student for whom the loan was obtained dies or becomes permanently disabled, the obligation of all parties to the loan to make any further payments on the loan is discharged, beginning with requests for discharge received on or after June 1, 2017.

(b) (No change.)

(c) If the Authority determines that an individual borrower is totally and permanently disabled, the obligation of the borrower to make any further payments on the loan is discharged. [Other than a student borrower, a] A borrower is not considered totally and permanently disabled on the basis of a condition that existed at the time he or she applied for the loan, unless the borrower's condition has substantially deteriorated later, so as to render the borrower totally and permanently disabled. [A borrower is not considered totally and permanently disabled if he or she continues to receive an equal or greater amount of income from the source of income that was used to meet the minimum income requirements at the time the loan was approved.] After being notified by the borrower, or the borrower's representative, that the borrower claims to be totally and permanently disabled, the Authority shall request that the borrower, or the borrower's representative, submit the discharge application provided by the Authority. The application must contain [a certification by a physician, who is a doctor of medicine or osteopathy and legally authorized to practice in a state,] **documentation** that the borrower is totally and permanently disabled as defined [in] at N.J.A.C. 9A:10-6.3.

(d) The following pertain to borrower bankruptcy[;]:

1.-2. (No change.)

3. [In general, the] **The Authority shall [follow the Federal regulations governing guaranty agency participation in bankruptcy proceedings, set forth in 34 CFR 682.402, except that the Authority in its discretion may choose to differ from Federal] conduct a cost benefit analysis in deciding whether to oppose an undue hardship discharge petition, to oppose a plan proposed [under] pursuant to Chapters 11, 12, or 13 of the Federal Bankruptcy Code, or to oppose a discharge pursuant to a plan [under] pursuant to Chapters 11, 12, or 13 of the Federal Bankruptcy Code.**

9A:10-6.18 Refinance Loans

(a) Subject to the availability of funds with sufficiently low interest rates, the Authority may offer refinance loans. The purpose of such refinance loans is to assist qualified borrowers by lowering the total finance charges associated with repaying their student loans, by paying off one or more existing NJCLASS Loan Program loans, other Refinance Loans, NJCLASS Consolidation Loans, Federal Parent PLUS loans, and/or school-certified private education loans, and replacing such obligations with one single loan that charges a lower interest rate than that of the original loan or loans.

(b) The borrower of a refinance loan must be the borrower on all of the underlying loans being refinanced by the refinance loan.

(c) All underlying loans must be in monthly repayment of principal and interest in order to be refinanced by a refinance loan.

(d) To be eligible for a refinance loan, the borrower and/or co-borrower shall:

1. Be a citizen, national, or legal resident of the United States or be in the United States for other than temporary purposes and intend to become a permanent resident (as evidenced by United States Citizenship and Immigration Services, or its successor agency, documentation);

2. Be at least 18 years old;

3. Not owe a grant refund, be in default on a student loan, have a student loan written off as uncollectible, or be in violation of any of the other criteria for determining creditworthiness as outlined at (f) below;

4. Provide an acceptable cosigner if the Authority determines that one is required;

5. In the case of any Federal student loan amount, or any NJCLASS Loan Program Loan, Refinance Loan, or NJCLASS Consolidation Loan amount that previously was canceled due to the borrower's total and permanent disability, obtain a certification from a physician that the borrower's condition has improved and that the borrower is able to engage in substantial gainful employment and sign

a statement acknowledging that the refinance loan that the borrower receives cannot be canceled in the future on the basis of any impairment present when the new loan is made, unless that impairment substantially deteriorates; and

6. Provide at least two references for the borrower, and co-borrower, if applicable, and at least two references for the cosigner, and joint cosigner, if applicable.

(e) The Authority shall have final decision-making authority concerning the eligibility of a borrower, co-borrower, and/or cosigner to participate in the Refinance Loan Program.

(f) A refinance loan borrower and/or co-borrower shall meet minimum income requirements and be determined creditworthy by the Authority in order to be eligible for a refinance loan. Cosigners shall be required to meet the minimum income and creditworthy determination by the Authority if the borrower or co-borrower are unable to do so.

1. To be approved for a refinance loan, a creditworthy borrower, co-borrower, or cosigner shall have documentable annual income that exceeds Federal poverty guidelines, as adjusted annually by the United States Department of Health and Human Services. The amount by which income must exceed Federal poverty guidelines is determined by the indentures for the bonds or notes whose proceeds are funding the loan.

2. A borrower with one or more of the items listed below in his or her credit history may be denied a refinance loan for not being creditworthy. These items include delinquent accounts, paid and unpaid collection accounts, paid and unpaid charged off accounts, foreclosure, repossession, bankruptcy, and a paid or unpaid judgment. However, a borrower in the Refinance Loan Program may be eligible if the borrower is able to secure a creditworthy cosigner.

(g) The student beneficiary of each of the underlying loans that make up the refinance loan must meet the New Jersey nexus requirement with respect to either the underlying loan or the refinance loan. The student beneficiary meets the New Jersey nexus requirement, if:

1. At the time the original loan was originated, the student beneficiary was a resident of New Jersey;

2. The proceeds of the original loan were used to attend an eligible institution located in New Jersey; or

3. At the time the refinance loan is originated, the student beneficiary is a resident of New Jersey.

(h) The process to borrow pursuant to the Refinance Loan Program shall be, as follows:

1. The borrower shall complete the Refinance Loan application and promissory note. All parts of the application and promissory note shall be completed and all requested documentation shall be submitted to the Authority.

2. The Authority shall process the application and upon approval will provide the applicant(s) a refinance loan offer. Borrowers will have 30 days to accept the loan. Borrowers will not receive the refinance loan unless they accept the offer.

3. Once the borrower accepts the loan offer, the borrower shall contact the lenders for the underlying loans to request a payoff amount that is accurate for at least 15 days and shall provide that information to the Authority.

4. The refinance loan amount will be calculated based upon the sum of the payoff amounts for each underlying loan being refinanced.

5. The Authority shall provide the borrower, co-borrower, and cosigner, if any, with a completed Refinance Loan Pre-Disbursement Disclosure Statement or other disclosures, as required by Federal law.

6. Refinance loan proceeds will be applied to satisfy the outstanding underlying loans included in the Refinance Loan.

(i) Refinance Loan borrowers and/or co-borrowers may be required to pay an application/administrative fee, as prescribed by the bond indentures. This fee will be added to the sum of the outstanding principal and interest balance of each underlying loan being refinanced at the time of approval. In addition, borrowers and/or co-borrowers may be required to pay a servicing fee for the Refinance Loan, if provided for by the promissory note.

(j) The interest rate on the refinance loan will be a fixed rate based upon a calculation or rate defined in the bond indentures.

(k) Late fees may be charged on a Refinance Loan in accordance with N.J.A.C. 9A:10-6.10.

(l) Refinance Loan borrowers shall begin to pay the principal and interest of the Refinance Loan on a monthly basis. The first payment of principal and interest is due within 60 days after the loan is disbursed. Notwithstanding any periods of deferment and/or forbearance, Refinance Loans shall be paid in full within the amount of years from the date of disbursement, as specified in the Application, Promissory Note, and disclosures. The amount of years in which a Refinance Loan is to be repaid is determined by the indentures for the bonds or notes whose proceeds are funding the loan. The borrower and/or co-borrower have the right to repay the entire loan or any portion of the loan at any time without penalty.

(m) The Authority may, at its discretion, grant borrowers periods of deferments or forbearance in the repayment of the Refinance Loan. Forbearance will only be granted if the ability of both the borrower and co-borrower to make scheduled payments has been impaired based on the same or differing conditions. Forbearance may be granted for situations including, but not limited to, financial hardship, which means situations where the overall financial circumstances of the individual seeking relief are such that he or she is unable to maintain a basic standard of living and still make Refinance Loan debt payments. During periods of forbearance, the Refinance Loan will revert to quarterly or monthly payments of interest only. The maximum allowable time period for financial hardship forbearance set forth at N.J.A.C. 9A:10-6.12(d) pertains to Refinance Loans. Deferments will be granted in the event of temporary total disability of an eligible student borrower on the underlying loans. To qualify for this deferment, the student borrower shall submit a request in a form prescribed by the Authority and provide the Authority with a statement from a physician, who is a doctor of medicine or osteopathy, and is legally authorized to practice, certifying that the student borrower is temporarily totally disabled. If an eligible student borrower qualifies for this deferment, it will be granted regardless of whether the other parties to the loan qualify for a deferment.

(n) NJCLASS Loan Program provisions, which pertain to delinquency, set forth at N.J.A.C. 9A:10-6.14; credit bureau reporting, set forth at N.J.A.C. 9A:10-6.15; default, consequences of default, and rehabilitation, set forth at N.J.A.C. 9A:10-6.16; discharge, set forth at N.J.A.C. 9A:10-6.17; and enforcement requirements for schools, set forth at N.J.A.C. 9A:10-6.19, shall be in effect for refinance loans.

9A:10-6.19 Authority enforcement requirements for schools participating in the NJCLASS Loan Program

(a) To assess the administrative and financial capability of a school participating in the NJCLASS Loan Program, the Authority may **either conduct a management review solely dedicated to the NJCLASS Loan Program or may** expand the scope of [either an FFEL Program review or] a State scholarship and Tuition Aid Grant management review to cover the NJCLASS Loan Program.

(b) In the event a school is selected for review, the Authority shall provide the school at least 30 days notice of the date of the on-site **or virtual** review. The Authority shall also notify the school of the financial and administrative information required for the on-site **or virtual** visit.

(c) The school shall be required to cooperate with Authority reviewers by making staff available to reviewers at entrance and exit interviews and by supplying additional material to reviewers, if requested, during the on-site **or virtual** visit.

(d) The program review follow up **and other enforcement** procedures [set forth in N.J.A.C. 9A:10-1.18(g) shall apply to NJCLASS Loan Program reviews, with the exception of notifications to the United States Department of Education and Federal limitation, suspension, or termination actions.] **are, as follows:**

1. The reviewer shall issue a program review report to the school being reviewed;

2. The program review ends when all required actions are completed and any required refunds are made to the Authority by the school being reviewed;

3. When the program review ends, the reviewer shall notify the school, in writing, that the program review is closed;

4. The Authority may pursue a limitation, suspension, or termination action regarding participation in NJCLASS as a result of a program review or if the Authority is unable to close a program review because the school is uncooperative in taking the required corrective action;

5. If the institution disagrees with any of the program review report findings or required actions, the institution may submit a written appeal to the Authority's Chief Compliance Officer within 30 days of receipt of the report. The written appeal must explain in detail why the institution is appealing the program review findings or required actions, including 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; and

6. If potential fraud or abuse with respect to NJCLASS participation is identified during a program review, the reviewers shall notify and forward all supporting documentation to the Office of the Attorney General and the appropriate prosecuting authorities for further action.

SUBCHAPTER 7. POLICY GOVERNING NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST (NJBEST) PROGRAM

9A:10-7.3 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

...
 "Cash" means cash, check, money order or [wire] **electronic** transfer.

"Contributor" **or "account owner"** means the person or organization who opens the account and maintains the account and has the right to withdraw monies from the account before the account is disbursed to the designated beneficiary.

...
 "Higher education institution" means an eligible educational institution as defined in or for purposes of section 529 of the Federal Internal Revenue Code of 1986, 26 U.S.C. § 529, except that with respect to proprietary institutions, only degree granting programs licensed or approved by the [Commission on Higher Education] **Office of the Secretary of Higher Education (OSHE)** shall be included in the definition of higher education institution for purposes [of] **at N.J.A.C. 9A:10-7.15**, and only proprietary institutions participating in a Title IV, Higher Education Act of 1965 program shall be included in the definition of higher education institution for all other purposes of this subchapter.

...
 "NJBEST scholarship" means a scholarship [funded] **provided** by the State of New Jersey for a designated beneficiary's undergraduate attendance at a higher education institution in New Jersey, as more fully described [in] **at N.J.A.C. 9A:10-7.15**.

...

9A:10-7.5 Contributions

(a)-(e) (No change.)

(f) No contributor, **person making contributions** to, or designated beneficiary [under] **pursuant to** the NJBEST program may directly or indirectly direct the investment of any contributions to the program (or the earnings thereon).

9A:10-7.15 Eligibility for NJBEST scholarship

(a) An additional amount of [\$1,000] **\$2,000**, subject to funding available therefor, shall be credited toward the qualified higher education expenses of a designated beneficiary at the time of a qualified withdrawal provided:

1.-3. (No change.)

(b) For every two additional years in which the minimum annual contribution of \$300.00 is deposited in the account of a designated

beneficiary and not withdrawn, an additional amount of [\$500.00] \$1,000, up to a maximum scholarship of [\$3,000] \$6,000, subject to funding available therefor, shall be credited toward the qualified higher education expenses of a designated beneficiary at the time of a qualified withdrawal provided the requirements [of] at (a)2 and 3 above are met.

(c)-(e) (No change.)

9A:10-7.22 Eligibility for NJBEST Matching Grant Program

(a) For accounts opened on or after June 29, 2021, the Authority will provide a one-time grant of up to \$750.00 in a dollar-for-dollar match of an account owner's initial deposit into an NJBEST 529 College Savings Plan account provided:

1. The account owner's household adjusted gross income is equal to or greater than \$0 and does not exceed \$75,000;

2.-3. (No change.)

(b)-(e) (No change.)

SUBCHAPTER 8. LOAN REDEMPTION PROGRAM FOR TEACHERS IN HIGH-NEED FIELDS EMPLOYED IN LOW-PERFORMING SCHOOLS

9A:10-8.4 Application procedures

(a) In order to apply for participation in the Program, an applicant must complete a Program application and submit the complete application to the Authority by the deadline the Authority posts on its website.

1. (No change.)

[b) The Authority will consider applications for approval of Program participation in the date order they are received, subject to available funding.

(c) The Authority will determine the applicant's eligibility for the Program based upon the information submitted on the application and will provide notification to the applicant of their acceptance into the Program.]

(b) The Authority will select Program participants from among those applicants who meet the eligibility criteria established pursuant to N.J.A.C. 9A:10-8.3.

(c) In the event there are insufficient funds to select all of the applicants who meet the eligibility criteria, the Authority will rank all of the applications received during the application submission period using predetermined scoring evaluation criteria, which will be updated annually to reflect the most severe shortages of teachers in the State, and posted on the Authority's website no later than one month prior to the date on which applications will be available online each year.

SUBCHAPTER 9. BEHAVIORAL HEALTHCARE PROVIDER LOAN REDEMPTION PROGRAM

9A:10-9.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

... "Clinical practice" means assessment, diagnosis, treatment and prevention of mental illness, emotional and behavioral disturbances, including, but not limited to, providing individual, group, or family therapy or counseling services; and developing and implementing treatment and modification plans.

... "Eligible behavioral healthcare providers" means psychiatrists, licensed psychologists, licensed social workers, licensed clinical social workers, psychiatric nurse mental health clinical specialists, board certified behavior analysts, licensed clinical alcohol and drug counselors, licensed associate counselors, and licensed professional counselors. Providers shall engage in direct clinical practice with patients or clients for a minimum of 20 hours a week.

9A:10-9.4 Application procedures

(a) In order to apply for participation in the Program, an applicant must complete a Program application and submit the complete

application to the Authority by October 31, each year. The Program application will be available on the Authority's website beginning on October 1, each year.

1. The program application includes, but is not limited to:

i. The applicant's identification and contact information;

ii. Certification of full-time employment, as well as whether the applicant works primarily with children or adolescents from the applicant's current employer or anticipated employer;

iii. Documentation necessary to demonstrate the applicant's eligibility to practice as a behavioral health provider, which includes, but is not limited to, a copy of the applicant's license to practice as a behavioral health provider, the applicant's undergraduate or graduate transcript, or the applicant's diploma; and

iv. Documentation evidencing qualifying education loan expenses.

(b) The Authority will select Program participants from among those applicants who meet the eligibility criteria established pursuant to N.J.A.C. 9A:10-9.3.

(c) In the event there are insufficient funds to select all of the applicants who meet the eligibility criteria, the Authority will rank all of the applications received during the application submission period using predetermined scoring evaluation criteria, which will be updated annually to reflect the most severe shortages of behavioral healthcare providers in the State, and posted on the Authority's website no later than September 1, each year.

9A:10-9.6 Incentive grants

(a)-(c) (No change.)

(d) Program participants work primarily with children and adolescents if at least 51 percent of their clinical practice is with people under the age of 18.

INSURANCE

(a)

DEPARTMENT OF BANKING AND INSURANCE REAL ESTATE COMMISSION Licensing; Conduct of Business

Proposed Amendments: N.J.A.C. 11:5-3.13, 3.14, and 6.1

Proposed New Rule: N.J.A.C. 11:5-3.16

Authorized By: New Jersey Real Estate Commission, Aurelio Romero, Executive Director.

Authority: N.J.S.A. 17:1-8.1, 17:1-15.e, and 45:15-1 et seq.; and P.L. 2021, c. 281.

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

Proposal Number: PRN 2023-100.

Submit comments by December 15, 2023, to:

Denise M. Illes, Chief
Office of Regulatory Affairs
New Jersey Department of Banking and Insurance
20 West State Street
PO Box 325
Trenton, NJ 08625-0325
Fax: (609) 292-0896
Email: RuleComments@doabi.nj.gov

The agency proposal follows:

Summary

The Real Estate Commission (Commission) proposes amendments and a new rule at N.J.A.C. 11:5. The proposed amendments and new rule implement P.L. 2021, c. 281 (Act), which was signed into law on November 8, 2021.

The Act changes existing law to allow a licensed real estate salesperson or broker-salesperson to form a limited liability company, or any other entity permitted by law, to receive commission income or other valuable