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 “Recognized accrediting [bodies] **body**” means [those] **an** organization[s] that accredits mental health programs [that are recognized by], **which** the Department **recognizes** for deemed status purposes. These organizations are the Joint Commission [on Accreditation of Healthcare Organizations (JCAHO)], the Council on Accreditation [of Family Services Agencies] (COA), the [Council] **Commission** on Accreditation of Rehabilitation Facilities, **now known as CARF International** (CARF), and the National [Commission on] **Committee** for Quality Assurance (NCQA).

[10:190]8:121-1.3 Level I standards

(a) The following rules shall be Level 1 standards for mental health programs:

- 1.-6. (No change.)
7. Therapeutic environment for partial care services at N.J.A.C. 10:37F-[2.7]2.9;
8. Staffing requirements for partial care services at N.J.A.C. 10:37F-[2.8(a), (b), (c)]2.10;
9. Staffing requirements for family support services at N.J.A.C. 10:37F-[5.10(b)]5.9(b);
- 10.-18. (No change.)

[10:190]8:121-1.4 Licensure process

(a) All applications, fee payments, and inquiries related to licensure of mental health programs shall be [made] **submitted** to:

New Jersey Department of Human Services
 Office of Licensing
 PO Box 707
 Trenton, New Jersey 08625-0707] **the Director, and, if applicable, made payable to the Treasurer, State of New Jersey.**

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

(d) A mental health program applying for initial licensure shall pay an application fee in the amount specified [in] **at** N.J.A.C. [10:190]8:121-1.5. After initial licensure, the mental health program shall pay an annual licensure renewal fee in the amount specified [in] **at** N.J.A.C. [10:190]8:121-1.5. No license shall be issued or renewed until payment in full has been received by the Department. No licensure fees shall be refunded. Failure to submit the appropriate licensure fee in a timely manner shall result in revocation of the license. Payment of licensure renewal fees must be received by the Department on or before the expiration date of the issuance of the license. Payment shall be submitted with the application for initial or renewed licensure.

(e) Providers without revenue-generating capabilities may seek a waiver of the license fee requirement from the Department, provided that they comply with each of the following requirements:

1. A previously licensed provider shall submit a written waiver request to the [Department at the following address:
 Division of Mental Health Services
 P.O. Box 727
 Trenton, New Jersey 08625-0727] **Director.**
- 2.-3. (No change.)

[10:190]8:121-1.5 Licensure fee schedule for ambulatory mental health programs

(a) All providers applying for an initial license for a program not licensed by the State of New Jersey as of July 1, 2003 shall pay an application fee of \$575.00. Checks shall be made payable to the “**Treasurer, State of New Jersey.**” Providers are not required to pay an application fee for programs [for which they are] **that were** licensed [under] **pursuant** to this subchapter as of July 1, 2003.

(b) (No change.)

[10:190]8:121-1.7 Site reviews

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

(d) Site reviews shall be conducted by individual staff of the Department or by a team coordinated and led by staff of the Department.

1. (No change.)
2. Teams may include representatives from the Division of Mental Health Services, other divisions of the Department of Human Services and/or other departments.]

(e)-(k) (No change.)

[10:190]8:121-1.8 Types of licensure

(a) Mental health programs will receive a full license if:

1. They pay the fee required [by] **at** N.J.A.C. [10:190]8:121-1.5; and
 2. (No change.)
- (b)-(e) (No change.)

[10:190]8:121-1.9 Waiver

(a) Waivers of specific rules shall be considered, at the discretion of the Department, provided that, in the opinion of the Director [of], the [Office of Licensing, in consultation with the Assistant Commissioner for Mental Health Services, or their designees, such] waiver is justified as outlined below, would not impair the effective and efficient provision of mental health services within the system of care, and would not endanger or adversely affect the life, safety, or welfare of clients.

(b) Requests for waiver shall be made [to the Department,] in writing to the [address as listed in N.J.A.C. 10:190-1.4(a)] **Director.** The written request for waiver shall include the following:

1.-4. (No change.)

(c) (No change.)

[10:190]8:121-1.10 License renewal or revocation

(a) (No change.)

(b) A mental health program seeking renewal of its license shall submit a fee, in accordance with the schedule [delineated] at N.J.A.C. [10:190]8:121-1.5 to the [address indicated in N.J.A.C. 10:190-1.4(a)] **Director.**

(c)-(f) (No change.)

(g) In the event that the Department revokes or does not renew the license, the Director shall send written notice to the mental health program’s chief executive officer or designee and to the mental health program’s board of directors or owners indicating the basis for the revocation or non-renewal and the rights to a review as provided at N.J.A.C. [10:190]8:121-1.11 and an administrative hearing as provided at N.J.A.C. [10:190]8:121-1.12.

[10:190]8:121-1.11 Review of administrative determinations

Whenever licensure is denied, revoked, or not renewed and the mental health program disputes the basis of the action, the mental health program may apply to the Director [of the Department’s Office of Program Integrity and Accountability] for a review and an agency decision shall be rendered within 30 days of the receipt of the written request for a review.

[10:190]8:121-1.12 (No change in text.)

HIGHER EDUCATION

(a)

HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

Grant and Scholarship Programs Community College Opportunity Grant Program Adopted New Rules: N.J.A.C. 9A:9-9

Proposed: June 7, 2021, at 53 N.J.R. 994(a).

Adopted: October 20, 2021, by the Higher Education Student Assistance Authority, Christy Van Horn, Chairperson.

Filed: November 1, 2021, as R.2021 d.132, **with non-substantial changes** not requiring additional public notice and comment (see N.J.A.C. 1:30-6.3).

Authority: P.L. 2021, c. 26 and P.L. 2020, c. 41.

Effective Date: December 6, 2021.

Expiration Date: May 5, 2022.

Summary of Public Comment and Agency Response:

The comment period officially ended on August 6, 2021. The Higher Education Student Assistance Authority (“Authority” or “Agency”) received comments from David R. Smedley, Director of Financial Aid,

Essex County College. The comments, along with the Higher Education Student Assistance Authority's responses, are summarized below.

COMMENT: The commenter advised that "The US Department of Education, in 2019, issued recommendations to discontinue the use of the term 'award.'" <https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2019-04-15/general-subject-recommendations-what-postsecondary-institutions-should-work-avoid-when-issuing-financial-aid-offers>. Further, the commenter notes that policy advocates have urged financial aid professionals to use "clear, transparent terminology as it relates to 'grants,' 'loans,' and 'work-study' and the relationship to tuition billing and crediting to accounts." He, therefore, requested that the Authority revise N.J.A.C. 9A:9-9.4(a) to eliminate the word "award" and revise the heading of N.J.A.C. 9A:9-6 to be "Amount of CCOG Student Eligibility." He further requested that the Authority strike all reference to the "award" throughout the entirety of Subchapter 9.

RESPONSE: The Authority appreciates this comment and agrees with the commenter that financial aid information should be communicated to students using clear, transparent terminology. However, the commenter is taking the U.S. Department of Education's guidance out of context. The cited guidance provides recommendations for institutions when issuing financial aid offers to inform students of **all** forms of financial aid for which they may be eligible. These financial aid offers include student loans, which are not awards because they must be repaid; work-study, which is not an award because the funding must be earned through the student's wages at a work-study job; and grants and scholarships, which **are** awards because they do not have to be repaid. It is clear that the U.S. Department of Education did not intend to discourage the use of the term "award" when referring to grants and/or scholarships because the U.S. Department of Education has continued to use the term "award" when referring to Federal grants. (See for example, <https://fsapartners.ed.gov/knowledge-center/library/dear-colleague-letters/2021-01-22/2021-2022-federal-pell-grant-payment-and-disbursement-schedules>). As the proposed new rules being adopted to administer the Community College Opportunity Grant (CCOG) pertain to a grant that does not have to be repaid, "award" is the correct term of art.

COMMENT: The commenter requested that the Authority revise N.J.A.C. 9A:9-9.4(a)1, to "state that an applicant must apply for all other available forms of Federal, State, and Institutional need-based grants and merit scholarships by filing the federal student aid application, the Free Application for Federal Student Aid (FAFSA®), or simply say that 'by filing the application for Federal Student Aid' (though it's unlikely that the FAFSA® will be eliminated or otherwise changed). Federal should be listed first as a student aid office first considers eligibility for Federal student aid. The Agency may also wish to consider whether to address military education benefits, or to clarify in this section that the terms 'Federal' and 'State' refer to military education benefits from those respective governmental levels."

RESPONSE: The Authority appreciates the commenter's suggestion but does not agree that these revisions are necessary. The proposed new rule unambiguously provides that students must apply for all other available forms of both State and Federal grants and scholarships. It is unnecessary to specify one type of grant and scholarship aid, when the intent is to be all-encompassing. Additionally, as CCOG is a State program, it is appropriate to list "State" before "Federal." The proposed new rule intentionally omits any reference to the FAFSA because not all students are eligible to file the FAFSA. Certain students who are ineligible for Federal student aid, but are eligible for State aid pursuant to N.J.S.A. 18A:71B-2.1, are required to file the New Jersey Alternative Financial Aid Application instead of the FAFSA. The requirement to "file a financial aid application, as approved by the Authority..." encompasses all acceptable financial aid applications.

COMMENT: The commenter requested that references to "State deadlines" include a direction to where such deadlines are disclosed by the Authority.

RESPONSE: The Authority appreciates the commenter's suggestion but does not agree that this revision is necessary. The State deadlines, which are also the subject of the General Provisions at N.J.A.C. 9A:9-2.4, as incorporated by reference at N.J.A.C. 9A:9-6.2, are widely publicized through emails, the Authority's website, and the New Jersey Financial Aid Management System portal.

COMMENT: The commenter requested that the Authority revise N.J.A.C. 9A:9-9.5(a) to read, "achieve or maintain minimum level of satisfactory academic progress," rather than "academic success." The commenter stated that "all Federal and State student aid is based on review of satisfactory academic progress. The 'term 'academic success' could be misunderstood to mean academic program standards and not satisfactory academic progress requirements, which sometimes are different."

RESPONSE: The Authority disagrees with this recommendation. Unlike other State and Federal student aid programs, students' CCOG eligibility is not solely based on the standard definition of satisfactory academic progress. Section 3(b)(2) of the Act creating the Community College Opportunity Grant Program (P.L. 2021, c. 26, codified at N.J.S.A. 18A:71B-113b.2) specifically provides that eligibility for CCOG may be renewed for a student who "meets the standards for ... satisfactory academic progress ... or, in the semester immediately prior to receiving an award, attains a minimum level of academic success as determined by the authority." This statutory provision establishes "minimum level of academic success" as an alternative measure of CCOG eligibility that can apply to certain students who do not meet the standard measure of "satisfactory academic progress." Therefore, the term "minimum level of academic success" is specifically defined at N.J.A.C. 9A:9-2 to ensure that this alternative eligibility requirement for CCOG is not confused with "satisfactory academic progress."

COMMENT: The commenter stated that N.J.A.C. 9A:9-9.4 "should be as 'camera ready' as possible to allow a participating institution to include verbatim the specific requirement of the Community College Opportunity Grant program within its consumer information."

RESPONSE: The Authority agrees that it is important for participating institutions to share the CCOG eligibility requirements with their students and does not believe any revisions are necessary to achieve this goal.

Summary of Agency-Initiated Changes Upon Adoption:

1. N.J.A.C. 9A:9-9.3 is changed upon adoption for clarity of the cross-references.

Federal Standards Statement

A Federal standards analysis is not required since the adopted new rules are not subject to any Federal requirements or standards.

Full text of the adopted new rules follows (additions to proposal indicated in boldface with asterisks ***thus***; deletions from proposal indicated in brackets with asterisks *[thus]*):

SUBCHAPTER 9. COMMUNITY COLLEGE OPPORTUNITY GRANT PROGRAM (CCOG)

9A:9-9.1 Purpose and scope

The rules established by this subchapter provide the policies and procedures for participation in the Community College Opportunity Grant (CCOG) Program administered by the Higher Education Student Assistance Authority. These grants shall be awarded to eligible students who are enrolled for a minimum of six credits per semester at a New Jersey county college and who have not already earned a post-secondary degree. The purpose of these grants is to increase the total number of students obtaining a high-quality postsecondary education credential Statewide by removing the financial barriers to attendance.

9A:9-9.2 Definitions

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

"AGI" means adjusted gross income reported to the United States Internal Revenue Service on an income tax return.

1. For a dependent student, AGI refers to parental AGI, as reported on the financial aid application.

2. For an independent student, AGI refers to the AGI reported on the financial aid application for the student and, if applicable, the student's spouse.

"Approved educational fees" means general education fees, registration fees, facility fees, technology fees, laboratory fees, student service and activity fees, and program and course fees, including fees associated with coursework in nursing, culinary, and other career and

technical education programs, as determined annually by the Authority in consultation with the Office of the Secretary of Higher Education, subject to the limit of funds appropriated or otherwise made available for the program, and published on the Authority's website.

"Authority" means the Higher Education Student Assistance Authority established pursuant to N.J.S.A. 18A:71A-3.

"Bridge year student" means a student in the graduating class of 2021 or the graduating class of 2022, who has met all applicable New Jersey high school graduation requirements by the end of the senior year of high school and defers graduation from high school to pursue a bridge year pursuant to P.L. 2020, c. 41.

"CCOG" means the Community College Opportunity Grant established pursuant to P.L. 2021, c. 26.

"County college" means a New Jersey county college established pursuant to N.J.S.A. 18A:64A-1 et seq.

"In-county tuition" means the amount of tuition charged to students for whom an institution is the county college that serves the student's county of residence.

"Minimum level of academic success" means either:

1. That a student meets the standards for academic performance and satisfactory academic progress that an institution adopts to determine eligibility for Federal student aid programs under Title IV of the Higher Education Act of 1965, as amended, and its implementing regulations and rules; or

2. To provide an opportunity for returning students to re-engage in postsecondary education, that a student earns a minimum grade point average of 1.8 in the semester immediately prior to receiving an award.

"Three plus one degree program" means a baccalaureate degree program created pursuant to section 1 of P.L. 2018, c. 144.

9A:9-9.3 General provisions

General provisions for the Tuition Aid Grant and Garden State Scholarship Programs *[that pertain to undergraduate enrollment and eligible institutions]* ***are*** set forth at N.J.A.C. 9A:9-2.1, Underground enrollment and eligible institutions, 2.2, Residency, 2.3, Noncitizens and resident aliens, 2.4, Eligibility and repayments, 2.5, Dependent/independent student, 2.7, Verification of family income, 2.8, Renewal eligibility and filing, 2.9, Award adjustments, refunds, and collections, 2.13, Student's obligation, 2.14, Check endorsements, and 2.16, Accounting and auditing standards, shall be in effect for CCOG.

9A:9-9.4 Eligibility requirements

(a) In order to qualify for a CCOG award, a student must meet the following eligibility requirements:

1. Apply for all other available forms of State, Federal, and institutional need-based grants and merit scholarships by annually filing a financial aid application, as approved by the Authority, within established State deadlines in order to apply for all other available forms of Federal and State need-based grants and merit scholarships and satisfying all requirements of the application process within established State deadlines;

2. Enroll in a county college for a minimum of six credits per semester;

3. Achieve the minimum level of academic success; and

4. Have an AGI of no less than \$0.00 and no more than \$65,000.

(b) County colleges participating in the CCOG program may not impose additional eligibility requirements, other than the requirements set forth in this section, for students to receive CCOG awards.

(c) Notwithstanding any requirements to be enrolled in a course of study or a curriculum leading to a degree or certificate, and subject to the availability of funds in the annual appropriations act, a student pursuing a bridge year shall be eligible for a financial aid grant pursuant to CCOG, if the student meets all other applicable eligibility requirements.

9A:9-9.5 Verification of enrollment and academic performance

(a) Before payment may be made to an eligible student, the institution shall have satisfactory evidence that the student is eligible for a State grant and/or scholarship assistance, that the student has registered for a minimum of six credits per semester, and that the student has achieved the minimum level of academic success.

(b) The institution shall share with the Authority any material findings or audit exceptions related to the determination of academic progress at any time they are revealed in the course of an audit or program review.

9A:9-9.6 Amount of grant award

(a) A CCOG award shall cover up to the combined cost of in-county tuition and approved educational fees for up to 18 credit hours per semester for the county college at which the student is enrolled. The maximum CCOG award amount for individual students at each county college shall be calculated annually by the Authority subject to available appropriations. The maximum CCOG award amount for individual students at each county college shall not increase by more than three percent over the prior year.

1. The full amount of State, Federal, and institutional grants and scholarship aid received by the student for the purpose of paying tuition and approved educational fees shall be applied to the tuition and approved educational fee charges first, to reduce the amount of the CCOG award.

2. A student enrolled in fewer than 12 credits per semester shall be eligible for a maximum CCOG award amount that is prorated from the full-time CCOG award amount, based on the number of credits for which that student is enrolled.

i. Students enrolled for nine to 11 credits shall be eligible for 75 percent of the full CCOG award; and

ii. Students enrolled for six to eight credits shall be eligible for 50 percent of the full CCOG award.

3. A student enrolled at an out-of-county college shall be eligible for a CCOG award calculated based on the in-district rate of tuition and approved educational fees for the county college at which the student is enrolled, provided that the amount of a grant provided to a student under this paragraph does not exceed the amount of tuition and approved educational fees actually charged to the student.

9A:9-9.7 Payments

(a) The maximum number of semester award payments that a student may receive is five, unless the student is enrolled in a three plus one degree program, or in a program regularly requiring at least six semesters for completion, in which case, the maximum number of semester payment awards that a student may receive is six.

(b) Semesters for which a student is enrolled in at least six credits, but less than 12 credits, shall be counted as one-half of one semester of eligibility.

(c) CCOG payments are made for fall and spring semesters only.

9A:9-9.8 Student notification

The New Jersey county college the student attends shall notify the student of eligibility. Such notification by the county college shall include the amount of the CCOG award.

9A:9-9.9 Appeals

If, for any reason, a student, his or her family, or an institution feels that the application of these policies results in an unfair determination of eligibility, an appeal shall be filed with the Authority within 60 days of initial notification of eligibility or ineligibility for the CCOG award. All appeals shall be in writing, and, if appropriate, shall include any supporting documentation. Appeals shall be addressed to the Director of Grants and Scholarships, Higher Education Student Assistance Authority, PO Box 540, Trenton, New Jersey 08625-0540 or submitted electronically, and shall contain the student's full name, NJHESAA ID number, college of attendance, and a description of the basis for the appeal. The Director of Grants and Scholarship shall respond in writing with the Authority's final determination of the appeal within 30 days of the Authority's receipt of the appeal.