

APPENDIX

TESTIMONY OF LEGAL SERVICES OF NEW JERSEY
before the
SENATE HIGHER EDUCATION AND LEGISLATIVE OVERSIGHT COMMITTEES
on
THE ADMINISTRATION OF THE NJCLASS LOAN PROGRAM
August 8, 2016

On behalf of its low-income clients, LSNJ expresses its appreciation to the Senate Higher Education and Legislative Oversight Committees, and the committee chairs, Senator Cunningham and Senator Gordon, for holding today's hearing on the administration of the New Jersey College Loans to Assist State Students (NJCLASS) Loan Program, and for the invitation extended to LSNJ to present testimony.

There are nearly 142,000 outstanding NJCLASS loans, with a principal balance of approximately \$2 billion. These loans do benefit some students. But the design of any responsible student loan program *must* address the needs of its most vulnerable borrowers – those who simply cannot make payments on a standard repayment schedule. Last year, New Jersey's Legal Services system provided services to more than 6,500 clients in consumer and financial aid matters, including many with concerns arising from NJCLASS loans – often because HESAA is suing them after failed attempts to work out a realistic payment schedule.

HESAA continues to refuse to implement straightforward, feasible reforms that are consistent with its mission and supported by public policy, practices in other states, and common sense. As set forth in detail in the attached comments on HESAA's most recent rule proposal, LSNJ urges HESAA to take the following actions:

- Implement a rehabilitation program to allow borrowers in default to get back on track.
- Implement an income-sensitive repayment option for borrowers who need it to stay on track.
- Suspend credit reporting in appropriate situations.
- Adopt transparent rules for extending death and disability discharges to co-signers.
- Ensure that students maximize their federal direct loans before applying for NJCLASS loans.
- End the practice of adding unearned collection costs to account balances.

We hope that today's hearing, continued committee oversight, and targeted legislative initiatives will lead to prompt measures on the part of HESAA to live up to its statements that its primary focus is on the interests of students and their families, rather than the interests of its bondholders.



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August 5, 2016

Marnie B. Grodman, Esquire
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Re: Proposal Number: PRN 2016-079
Proposed Readoption with Amendments: N.J.A.C. 9A:10

Dear Ms. Grodman:

On behalf of the New Jersey's low-income consumers, Legal Services of New Jersey, Inc. ("LSNJ") submits the following comments on NJHESAA's proposed readoption of, and amendments to, its NJCLASS student loan regulations.¹

Summary of LSNJ Comments

The fundamental problem with NJHESAA's current proposal is that it does nothing to address the problems faced by the most economically vulnerable NJCLASS borrowers – thousands of whom are currently without access to realistic repayment options they need to prevent or cure default. NJHESAA has the ability to address and solve these problems by taking steps including but not limited to establishing a rehabilitation program and making income-sensitive repayment plans available. NJHESAA has full discretion, under both its authorizing statute and the bond indentures it prepares, with respect to the relevant aspects of the implementation of the NJCLASS loan program. LSNJ calls upon NJHESAA to amend its current proposal by proposing regulations to implement needed reforms outlined below. Many of these reforms have long been standard practice in connection with federal student loan programs, where NJHESAA serve as a guaranty agency.

¹ LSNJ coordinates New Jersey's Legal Services system, a network of six independent non-profit corporations providing free essential legal services in civil matters to low-income people through offices in all 21 counties. When appropriate, LSNJ makes available information and perspectives on matters of broad public importance in the lives of people in poverty based on its experience in representing tens of thousands of low-income people each year.

LSNJ also urges NJHESAA to withdraw one of its proposed amendments, a new provision that would saddle its most vulnerable borrowers with an instant increase of up to 30% in the balance of their debt for collection costs immediately upon default if they are unable to pay. These collection costs are neither earned nor incurred at the time of default, but would nonetheless appear on borrowers' credit reports and generate interest – and furthermore would be in derogation of NJHESAA's common-law duty to mitigate damages by minimizing collection costs.

Background

The issues addressed below have an enormous human impact on the state. NJHESAA is the largest state student loan lender in the nation. It has nearly 142,000 outstanding NJCLASS loans, with a principal balance of approximately \$2 billion. NJHESAA's current annual lending volume is nearly \$200 million, and the size of the average loan is about \$14,000. Many of its borrowers are having trouble keeping up: as of March 31 of this year, 16,391 outstanding NJCLASS loans were delinquent, while an additional 15,166 NJCLASS loans were in default, and had been charged off and referred to outside counsel for litigation.¹

By definition, NJCLASS borrowers are drawn from New Jersey's lowest-income residents and higher education attendees. NJHESAA appropriately recognizes in its public statements that it exists to serve these students, and that its "sole mission [is] providing students and families with the information and resources necessary to attain an education beyond high school." Further elaborating, NJHESAA says that its "primary focus is making a postsecondary education accessible and affordable for students and families," and that "students are at the center of all that we do."²

Last year, New Jersey's Legal Services system provided services to more than 6,500 clients in consumer and financial aid matters, including many whose primary concerns arose from NJCLASS loans – usually because NJHESAA is suing them after failed attempts to work out a realistic payment schedule. To be clear, some NJCLASS borrowers are fortunate enough to find jobs that pay well after graduation. For these borrowers, NJCLASS loans can provide a benefit if the total student loan burden remains affordable. But the concern of policymakers and the public must be for the borrowers who are not fortunate enough to graduate and find high-paying jobs, and whose co-signers are not in a position to cover the shortfall. Everyone knows that this group will exist, and that it will include the lowest-income and most economically vulnerable borrowers.

The design of any responsible student loan program **must** address the needs of borrowers who simply cannot make payments on a standard repayment schedule. In this regard, NJHESAA cannot credibly claim to have succeeded. But NJHESAA can turn the tide by adopting meaningful reforms, many of them based on the federal student loan program. These steps, described in more detail below, are not only good policy – they are also necessary for NJHESAA to fulfill its legislative mandate.

² See NJCLASS Loan Program Information, Total of All Indentures as of 3/31/16 (available at <http://www.hesaa.org/Documents/Financial/InvestorReports/2016/03/TotalAllIndentures3-31-16.pdf>).

³ HESAA 2015 Annual Report at 2, 4; HESAA 2014 Annual Report at 4.

A. NJHESAA MUST IMPLEMENT CRUCIAL REFORMS TO ALLOW ITS MOST VULNERABLE BORROWERS TO AVERT AND CURE DEFAULT

1. NJHESAA's Obligation and Authority to Implement Reforms

NJHESAA Is Statutorily Required to Implement Borrower Protections Comparable to Those Available to Federal Student Loan Borrowers. Article 2 of NJHESAA's authorizing statute, which provides the statutory basis for NJCLASS loans, provides that

Unless expressly limited to federal programs, the information exchange, wage withholding, *collection procedures, repayment determinations, and other provisions set forth under article 1 of this part* shall apply to the NJCLASS Loan Program.

N.J.S.A. 18A:71C-29 (emphasis added). Article 1, in turn, governs NJHESAA's responsibilities as administrator of the Federal Family Education Loan Program in New Jersey, and as guarantor of FFEL loans made prior to July 1, 2010. Article 1 adopts the provisions federal student loan statutes and their implementing rules and regulations, providing, among other things, that each loan

shall . . . be payable in such manner . . . as permitted under 20 U.S.C. § 1071 et seq. [the statutory provisions governing the federal student loan program] and implementing rules and regulations.

N.J.S.A. 18A:71C-4. Article I also provides that NJHESAA has the discretion and the power to restructure loans in its servicing portfolio, and

may, . . . to the extent consistent with 20 U.S.C. § 1071 et seq. and notwithstanding the provisions of any other law to the contrary . . . consent to the modification, with respect to rate of interest, time of payment of principal or interest or any portion thereof, or other provisions of any note.

N.J.S.A. 18A:71C-8(a).

Accordingly, the clear mandate of NJHESAA's authorizing statute is to provide for repayment of NJCLASS loans in the same manner as permitted under the statutes, rules, and regulations governing federal student loans – which includes at the very least the rehabilitation and income-sensitive repayment options described below.

NJHESAA's Bond Indentures Permit Reforms. NJHESAA's bond indentures grant NJHESAA broad discretion to administer the NJCLASS program – including servicing and collection functions – in the best way it sees fit. For example:

- Section 7.8 of NJHESAA's June 1, 2012 bond indenture provides that "The Authority shall . . . take all steps, actions and proceedings reasonably necessary *in the judgment of the Authority* to protect its rights with respect to . . . and to enforce all terms, covenants, and conditions of [NJCLASS] Loans."

- Similarly, section 7.9 of the indenture provides that NJHESAA's discretion in servicing NJCLASS loans is as broad as its statutory authority: "The Authority shall duly and properly service all [NJCLASS] loans . . . in accordance with the provisions of the Act [N.J.S.A. 18A:71A-1, et seq.]."
- NJHESAA even *tells its potential bondholders that it has the authority to implement a rehabilitation program*:

Although the authority does not currently offer a NJCLASS rehabilitation loan program, it reserves the right to do so in the future. The Authority has adopted amendments to its Administrative Rules which provide it with the ability to offer a borrower who has defaulted on a NJCLASS Loan the ability to rehabilitate the loan⁴

It is simply not the case that NJHESAA's bond indentures are an impediment to the availability of realistic payment plans for its most vulnerable borrowers.

2. NJHESAA Should Implement Rehabilitation Options for NJCLASS Loans

Federal student loan borrowers have the right cure defaults on their federal loans through rehabilitation. One way to do this is by making nine reasonable and affordable monthly payments. 34 C.F.R. §§682.405, 685.211(f). This ensures both affordability and the establishment of regular payments, while allowing borrowers to get back on track. Another option for federal student loan borrowers is obtaining a consolidation loan with an affordable repayment plan in which monthly payments are tied to their income. 34 C.F.R. § 685.220(d)(ii)(D).

a. Reasonable and Affordable Payments

NJHESAA's regulations, initially adopted in 1999, provide for the availability of a rehabilitation program for NJCLASS borrowers. Instead of actually creating a rehabilitation program, however, the regulations provide that NJHESAA "may" create such a program. N.J.A.C. 9A:10-6.18. Seventeen years later, it still has not happened, even though NJHESAA has substantial experience with student loan rehabilitation agreements through its role as a guarantor and servicer of federal student loans.

NJHESAA has responded to numerous calls to implement a rehabilitation program by asserting that federal law prohibits state student loan lenders from allowing rehabilitation of defaulted student loans. This assertion is preposterous. At most, NJHESAA's contention is that the Fair Credit Reporting Act would require it to continue to report a past default as part of a borrower's credit history, even if loan rehabilitation has allowed the borrower to get back on track. This is far from a federal prohibition on rehabilitations.

There is nothing whatsoever in federal law that precludes the fundamental components of loan rehabilitation – allowing borrowers in default to get back on an affordable payment schedule, getting the loan back to performing status, and ceasing collection activities (which would no longer be necessary).

⁴ See, e.g., Official Statement Relating to \$195,000,000 Higher Education Student Assistance Authority (State of New Jersey) Student Loan Bonds, Series 2014-1 at 47 (available at <http://www.state.nj.us/njbonds/pdf/NJHigherEd01a-POS.pdf>).

Credit reporting consequences are a separate issue. Even if NJHESAA and other state student loan lenders seek a change in federal law to allow them to report an entirely default-free payment history, this does not preclude rehabilitation in the first place. And, crucially, NJHESAA is under no legal obligation to report any particular borrower's credit history to credit reporting agencies. It can simply remain silent in compelling circumstances, as illustrated by NJHESAA's decision to refrain from reporting missed payments in the immediate aftermath of Hurricane Sandy. Other examples of state student loan programs that have adapted their credit reporting policies to the realities that student loan borrowers under existing law include Massachusetts, which will delay any report of default for two years in order to allow a borrower to succeed with a modified payment schedule¹, and Michigan, which, although its program has ceased making new loans, continues to offer a rehabilitation option to its existing borrowers that includes "removal of the loan(s) from default, updating of any credit reporting of the default, and a return to repayment status."²

b. Consolidation and Income-Sensitive Repayment Plan

Federal loan borrowers can cure also defaults on their federal loans by consolidating their defaulted federal student loans into a new direct consolidation loan with an affordable repayment plan in which monthly payments are tied to their income. 34 C.F.R. § 685.220(d)(ii)(D).

NJHESAA offers a consolidation loan program for NJCLASS loans, but it is unavailable to the borrowers who need it most. Borrowers with a student loan in default are categorically ineligible, as are borrowers who are too poor (unless they have a wealthier co-signer). N.J.A.C. 9A:10-6.13(d)(2), (f)(1). And although NJCLASS consolidation loans offer an extended 25- or 30-year repayment period, there is no way to arrange for a repayment plan that is income-sensitive. Federal loan borrowers, on the other hand, can opt for percentage-of-income payment plans (income based repayment, income contingent repayment, or for more recent loans, the Pay As You Earn program) in a wide variety of circumstances, and it is one of the ways to establish eligibility to consolidate federal loans in default.

As with rehabilitation agreements based on reasonable and affordable payment, NJHESAA has substantial experience with federal consolidation loans and income-sensitive payment plans through its role as a guarantor and servicer of federal student loans.

For all of the above reasons, NJHESAA should promptly implement a rehabilitation program for NJCLASS loans, and make any necessary amendments to N.J.A.C. 9A:10-6.18 to ensure that rehabilitation agreement terms are substantially similar to those available for federal loans, because

- it would satisfy NJHESAA's statutory mandate under N.J.S.A. 18A:71C-29,
- it would substantially enhance the fairness of the NJCLASS program for the most economically-vulnerable borrowers,

¹ Official Statement Relating to \$340,000,000 Massachusetts Educational Financing Authority Education Loan Revenue Bonds, Issue J, Series 2016 (AMT) 42 (available at <http://emma.msrb.org/ES791218-ES621929-ES1017514.pdf>).

² See Michigan Alternative Student Loan Program – Rehabilitation – Upon Completion of the Rehabilitation (available at http://www.michigan.gov/mistudentaid/0,4636,7-128-60970_61569-278051--,00.html).

- there is no impediment under federal law, and
- it would allow many NJCLASS loans to move from non-performing to performing status.

3. NJHESAA Should Adopt an Income-Sensitive Repayment Plan Applicable to All NJCLASS Loans

As discussed above, federal student loan borrowers can opt for an income-sensitive repayment plan in a wide variety of circumstances. This is a critically important option, and provides borrowers with a far more effective option for averting delinquency and default than simply extending the repayment period. The Rhode Island Student Loan Authority has adopted an income based repayment program for its state student loans originated after July 1, 2013, demonstrating that this is feasible at the state level.

Accordingly, LSNJ urges NJHESAA to adopt an income-sensitive repayment program offering payment terms comparable to those under the federal Pay As You Earn program.

4. NJHESAA Should Suspend Credit Reporting In Appropriate Situations

As described in section 2(a) above, state student loan lending agencies – including NJHESAA – can take affirmative steps under existing law to ameliorate the devastating consequences of negative credit reports for young borrowers who are making effective efforts to maintain realistic payment schedules in challenging circumstances. State agencies are under no affirmative obligation to report to credit reporting agencies, and NJHESAA should consider and implement policies with respect to suspending reports to CRA's in appropriate circumstances.

5. NJHESAA Should Adopt Consistent and Transparent Rules for Extending Death and Disability Discharges to Co-Signers

NJHESAA regulations provide for the discharge of NJCLASS loans in the event of the death or total and permanent disability of the borrower, but explicitly provide that co-signers remain fully liable. This is a widely reviled practice when implemented by non-governmental student loan lenders, and several have abandoned it. Many state student loan programs don't do it, including New York, Massachusetts, Kentucky, and Iowa, Alaska, and North Dakota. LSNJ urges NJHESAA to amend N.J.A.C. 9A:10-6.17 to extend death and disability discharge protections to co-signers.

In the alternative, NJHESAA has publically stated that it does grant some co-signer discharges based on a demonstration of need. LSNJ does not oppose this approach, as long as the availability of co-signer discharges is widely publicized, co-signers receive notice from NJHESAA of their right to apply for a discharge whenever NJHESAA learns of the death of a borrower or grants a borrower discharge based on total and permanent disability, and decisions are based on transparent regulations that provide for an accurate determination (and periodic review) of the co-signer's ability to pay.

6. NJHESAA Should Require That Borrowers Maximize All Federal Direct Loans Before Applying for a NJCLASS Loan

NJHESAA's current regulations provide (1) that a student's NJCLASS loan amount for a given academic period may "not exceed a student's estimated cost of attendance at the eligible institution minus *all other financial assistance* for which the student is eligible" during that period, and (2) that in determining the maximum loan amount, "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." N.J.A.C. 9A:10-6. 6(a), (b) (emphasis added). LSNJ believes that the only reasonable interpretation of these provisions is that a student must exhaust eligibility for both *subsidized and unsubsidized* Federal Direct Stafford Loans before the student's NJCLASS loan eligibility and maximum loan amount can be determined. *See also* N.J.S.A. 18A:71C-21 (NJCLASS loans designed to benefit students who have financial need beyond federally insured student loans). Even the trade association to which HESAA belongs, the Education Finance Council, recognizes that all of its member organizations should "advise borrowers to exhaust federal Stafford loans, scholarships, and grants first and to only use private education loans if needed to cover remaining expenses." EFC 2016-2017 Alternative Education Loan Handbook at 2.

This is important to borrowers because NJCLASS loans are widely advertised to college students as a good idea, and a good deal. The experiences of LSNJ's clients show that this is not always the case, and in particular that current NJCLASS loan repayment terms are far less flexible, and far more likely to cause substantial financial hardship, than those applicable to federal loans.

We understand it is currently the policy of NJHESAA to require student borrowers to accept all subsidized federal student loans for which they are eligible before applying for NJCLASS loans. If NJHESAA determines not to propose or adopt amendments like those outlined above, designed to provide protections for financially-challenged borrowers comparable to those available with respect to federal loans, LSNJ urges NJHESAA to require by regulation that potential borrowers maximize both subsidized *and unsubsidized* federal direct loans before applying for a NJCLASS loan. This will ensure that borrowers do not unknowingly enter into a NJCLASS loan that offers far fewer alternatives and protections in the event of payment difficulties than those available with respect to all types of federal student loans.

II. NJHESAA SHOULD WITHDRAW ITS PROPOSAL TO ADD UNEARNED AND UNINCURRED COLLECTION COSTS IMMEDIATELY UPON DEFAULT

Debt collectors, including collection attorneys, often receive their compensation by way of a right to retain a percentage of any payments actually received as a result of their efforts. NJHESAA regulations currently reflect this standard practice by providing for the assessment of "collection charges including attorney fees of up to 30 percent *of the debt collected*." N.J.A.C. 9A:10-6.16(b) (emphasis added). NJHESAA's contract debt collection attorneys, however, have adopted a practice of improperly adding their entire percentage-based fee to the amount sought in their debt collection complaints – as if they had already succeeded in collecting the entire amount due.

Instead of taking steps to correct this improper practice on the part of its attorneys, however, NJHESAA proposes to amend 9A:10-6.16(b) to perpetuate the practice by providing that the entire percentage-based fee will "become due and owing at the time the account is placed with outside counsel

and shall be added to the balance owed regardless of whether the total amount is actually collected.” The lion’s share of expenses NJHESAA incurs when it promptly places loans allegedly in default with outside counsel *are contingent fees NJHESAA has not yet incurred*. Nothing in the notes that borrowers are (or legitimately could be) asked to sign allows such a remarkable result – the standard terms and conditions in NJCLASS loan documentation provide only for recovery of amounts “that you incur in effecting collection of this Note.” Yet the proposal would add *unincurred and extracontractual fees* to the loan balance *on which interest will be charged* at the contract interest rate (up to 8%+), at least until outside counsel can obtain a judgment, and then at the post-judgment interest rate (which could rise even higher if prevailing interest rates increase in the future).

Charging such unearned and unauthorized fees is an unconscionable commercial practice that, among other things, amounts to a misrepresentation to and fraud upon the court, as well as the borrowers and co-signers affected. NJHESAA offers the vacuous conclusion that this change is beneficial because it will “provide borrowers with an amount certain at the time a demand is made.” 48 N.J.R. at 903. Making an unconscionable practice and misrepresentation crystal clear, however, does nothing to cure the underlying problem. The damage to borrowers would go even deeper, as NJHESAA would be enhancing its own bottom line by charging interest on phantom amounts – dollars that it has neither lent out nor yet incurred as costs. In addition, the proposal is falls far outside NJHESAA’s mission of “making . . . postsecondary education accessible and affordable for students and families,” and is directly at odds with NJHESAA’s common-law duty to mitigate damages by minimizing collection costs.¹

NJHESAA should withdraw this money-for-nothing proposal, and should take prompt steps to end the practice of its attorneys seeking judgments for fees they have not yet earned.

Thank you for your attention to this matter.

Sincerely,
LEGAL SERVICES OF NEW JERSEY, INC.

By: s/David McMillin
David McMillin

⁵ By way of example, even after retaining an outside collection agency, the U.S. Department of Education does not pay debt collection commissions on student loan collection amounts it recovers on its own through offsets from tax refunds and other payments. U.S. Dep’t of Education, *PCA Procedures Manual: 2009 ED Collections Contract 79* (available at <http://www.studentloanborrowerassistance.org/wp-content/uploads/2013/05/2009-pca-procedures.pdf>).

First, I would like to thank ~~each~~ of you for holding this hearing, especially Sen. Ruiz's office for inviting me to speak today. *Appearing before* Standing in front of you all today is a benediction—because I finally have someone who will listen. Today, I'm speaking to you as a mother of a NJCLASS loan borrower who was forced into default and ultimately Chapter 13 Bankruptcy. Before I speak about our personal dealings with HESAA, I think the following information is relevant as well.

SLIDE II-STUDENT LOAN

I am sure that each of you have read stories or seen random news clips about the next financial bubble that is going to burst—the Student Loan Debt Bubble. But, have any of you actually thought about this? Have any of you actually seen what this bubble looks like? Please look over at the screen, this is the student loan debt bubble [**CLICK ON DEBT CLOCK**]- This total represents the outstanding balance of all the nation's student loans. As I speak, *this will continue to increase* the total increases. In fact, student loan debt is increasing by an estimated \$2800 DOLLARS every single second; \$164,000 THOUSAND DOLLARS every single minute; \$9.9 MILLION DOLLARS every single hour, \$236 MILLION DOLLARS every single day. Today, the student loan debt is almost at \$1.4 TRILLION Dollars—if we were to stack \$1.4 Trillion Dollars in 1 DOLLAR bills, they would stand 67,000 miles high. *Task you* Now, stop! Take this all in and think about it for a moment. Look around the room—*many* the faces here today represent the faces of NJCLASS student loan borrowers—all of whom have been adversely harmed because of their NJCLASS *loan* debt. The individuals here today are the borrowers/cosigners/families--- the young adults who carry the burden of NJCLASS student loan debt. NJCLASS student loan debt allows this national debt clock to keep on going. Now, I ask that each of you remember this clock, keep it ingrained

in your memories because this debt is REAL; Real enough to provide each one of us with a window into the growing risks student loan debt will have on New Jersey's economy, and real enough to provide a window into the growing risks it will have on all NJCLASS loan borrowers, cosigners and their families. Even more real is the financial turmoil these borrowers and families have suffered at the hands of HESAA.

If you ever find yourselves reflecting back on the debt clock, I want you to remember the realities of this debt and the faces you saw here today because each and every one represents NJCLASS loan borrowers who are forced to live with their own NJCLASS debt clock, except they don't have the luxury of reflecting, because the repayment of their NJCLASS loan is a nightmare they are forced to relive each and every single day.

SLIDE 3-FUTURES LOST

Imagine not knowing what the future holds for you. Society said you to have a college degree in order to get a decent paying job. So, these young adults are graduating with overwhelming student loan debt they are unable to repay—but now society wants to say it's their fault for going to college—HESAA labels them "irresponsible borrowers" and "irresponsible parents" who borrowed "irresponsibly." The fact is, HESAA approved Option 3 NJCLASS loans to any student borrower who had a creditworthy cosigner. HESAA failed to undertake any due diligence in underwriting Option 3 loans, and certainly never approved any Option 3 loans on the borrower's ability to repay. Given the role HESAA played in creating this disaster, it would seem reasonable that HESAA should have done everything possible to help borrowers with unaffordable loan payments. It is apparent this has

have to obtain

not occurred. HESAA had no problem saying YES to risky loans and they are having no problem saying “NO” when borrowers need help.

HESAA allowed a very large portion of New Jersey residents to borrow a profound amount of debt---we can't keep going down this path. The unsustainable repayment required by **Option 3** NJCLASS loans is holding these young adults back from fulfilling their potentials--forcing them into default and forcing them into bankruptcies. But, don't be fooled--this debt doesn't just impact the borrower, it impacts **ALL** of us. College grads with significant debt are not starting new businesses, they can't afford to move out of their parents' home, they are unable to purchase cars and homes; they are holding off on getting married- if at all, and they are certainly less likely to start families or even save for their retirement. If we do nothing to alleviate this debt it WILL eventually take a toll on New Jersey's economy--it's just a matter of time. NJClass Borrowers simply cannot make any significant contributions to this economy because their entire paycheck is going toward repaying their NJCLASS Loans—they simply have nothing left to give. If we continue to allow HESAA to operate status quo, without holding HESAA responsible for their failure to recognize a failing loan product or providing any relief to these NJCLASS loan borrowers, this economy will suffer for the next 20 years.

SLIDE 4-PREDATORY LENDING/SUBPRIME LOANS

It has become apparent over the last few years that HESAA lent irresponsibly. As indicated in their own Management Discussion Analysis and financial statements, Option 3 loans were defaulting at high rates. Let's face it, Option 3 loans were destined to fail—the monthly payments were too high for any recent college grad.

Yet, HESAA continued to approve thousands of Option 3 loans. Consequently, HESAA's belated admissions in their Management Discussions and Financial Statements should be useful in future policy debates because they expose the inexcusable wishful thinking that they masked as business planning over the years. However, these mea culpas do nothing for troubled borrowers.

SLIDE 5: HESAA COLLECTION POWERS

Prior to 2012, HESAA's ONLY underwriting requirement for Option 3 loans was a creditworthy cosigner. Why? Because HESAA knew the borrower could never repay—they had a cosigner to go after. NJCLASS loan debt is unescapable, it is a debt that lives on. It is not dischargeable through bankruptcy or in death. And, with the collection powers enumerated to HESAA by the New Jersey State Legislature, powers which HESAA openly flaunts-- this was their perfect storm.

SLIDE 5-NO ASSISTANCE

HESAA provides no assistance to struggling borrowers, unemployed borrowers, or underemployed borrowers—they don't care—they want their money and they don't care where it comes from. There are no flexible repayment options; no true deferment programs; no refinance options; and no loan rehabilitation options.

SLIDE 6-HESAA KNEW OPTION 3 LOANS WERE DEFAULTING

It is short-sighted not to work with borrowers that can repay. I can only speculate the reasons why HESAA is not doing more, other than the fact that thus far NO ONE has required them to do so. HESAA's failure to offer assistance to struggling

borrowers has led to a significant increase in Option 3 loan defaults. Instead of reading the warning signs, HESAA told desperate borrowers to have garage sales, get a 2nd or 3rd job, ask your grandparents and the list goes on. HESAA also tells borrowers that if they can't make a full monthly payment then they shouldn't make any payment at all. This has resulted in a significant increase in Option 3 defaults and lawsuits being filed against borrowers, many who were making efforts to pay their loans. Despite HESAA's admission of the increase in Option 3 defaults, they did NOTHING to assist borrowers. Instead, they decreased the volume in origination of Option 3 loans and increased the credit/income criteria for approval. But, they didn't stop there. They also blocked struggling borrowers from qualifying for loan consolidation by increasing the credit and income criteria for approval; a program that could have saved borrowers a few hundred dollars a month, making payments somewhat more affordable. Rather than focusing on helping borrowers, it appears HESAA made changes to ratchet up collection, continuously hiding behind the excuse that they can't offer flexible repayment options due to their "bond indentures"; and continuously hiding behind the "best interest of their investors." Wouldn't it be in the best interests of the investor for HESAA to restructure loans to ensure a continued stream of payments? Today, I challenge HESAA to provide this committee with their "best interest investor" clause that excludes them from assisting the borrowers that can pay if their loans were restructured—I was unable to find one.

Now, our story:

SLIDE 7: MISLEADING INFORMATION

In 2007, Brian committed to Fairleigh Dickinson University. After exhausting all federal Stafford loans, maxing out on the family contribution, there was a deficit. I

considered the Direct Plus Parent Loan, but FDU's financial aid counselor recommended the NJCLASS loan instead, explaining the NJCLASS loan was a State sponsored loan that was identical to the federal loan except that it was offered to NJ residents only, the rates were much lower, and the servicing would be easier since it was considered a small loan agency. Nothing seemed out of the ordinary. And, when I went on to HESAA'S website NJCLASS loans were advertised as loans with the "lowest rates"; "flexible repayment options"; "deferment and forbearance" and "consolidation"-everything federal loans offered. From 2007 to 2010, there was never any indication that HESAA was a PRIVATE student loan.

Brian completed the 5-minute online application, his application was denied and required a cosigner. We contacted HESAA as we had no one willing to obligate themselves to Brian's student loans. The agent told us if added a cosigner an chose Option 3 payments would be deferred while Brian was in school-the cosigner would have no obligation to pay. She then stated upon graduation, HESAA would consolidate all NJCLASS loans in Brian's name and the cosigner would be removed. Relying on this representation, my husband agreed to cosign Brian's loans. For the next four years, we operated with the understanding that upon graduation, HESAA would consolidate all NJCLASS loans in Brian's name and my husband would be removed as cosigner.

SLIDE 8 : GRADUATION STRAIGHT TO BANKRUPTCY

My son graduated in December 2011. A week after moving back home, he received a notice from HESAA that his loans were going into repayment and that \$1046 will be due in March 2012. Barely unpacked from living at school 4 years, and certainly

not having found full-time employment, we contacted HESAA to request income based repayment or consolidation. We were informed the funds for consolidation ran out and HESAA does not offer income based repayment. HESAA placed the loans in a 6-month recent grad deferment. HESAA also provided the names of 3 banks that we can contact for consolidation. That was the moment I realized NJCLASS loans were private loans. This information was not disclosed in 2007--in fact everything on HESAA's website was deceptive; HESAA manipulated its advertisement of the NJCLASS loan program, making prospective borrowers believe there were "flexible" repayment options when there were none.

SLIDE 9: CONSOLIDATION

April 2012, HESAA emailed Brian to advise that consolidation loans would be available in the next coming months. It also contained an approximate monthly payment of \$850 and ended with the question-"Would that be doable?" \$850 was certainly better than \$1064, so yes it was doable. HESAA opened consolidation back up in July 2012. Brian applied and his application was denied; HESAA required a cosigner. We were shocked because that was not what HESAA stated in 2007. I demanded information concerning HESAA's credit and income criteria for consolidation. I received an email and was advised the information I sought was "PROPRIETARY" and could be disclosed. I began questioning more details into HESAA. I received a letter from HESAA's compliance director who provided the credit/income criteria—and also indicated- this information was public information. It's apparent that you get different answers from whomever you speak to-- and for the second time, I was provided incorrect information. Why is it

that borrowers are the ones being punished for the mistakes of this agency—when is it going to be HESAA's turn to right all of their wrongs?

It took Brian a year and a half to find full-time employment with a starting salary of just \$35,000 a year, which was not enough to afford the \$1064 monthly payment mandated by HESAA. Brian paid his loans in amounts he could afford. While admittedly, his payments were not always the amount required by HESAA, but he did make good faith effort to pay something. In addition, Brian was always in contact with HESAA regarding his loan accounts, sending numerous emails and letters to HESAA. HESAA was unforgiving and refused to work with him. HESAA staffers called my home and harassed my husband, the cosigner. Yet, NOT ONCE did HESAA ever call to speak with Brian. In fact, HESAA sent my husband a threat of Wage Execution if he didn't pay \$3845 in 30 days. Naturally, we paid the \$3845. But, 2 weeks after HESAA cashed that check, I received a delinquency notice stating his loans were 135 days delinquent and a balance of \$5600 was past due. HESAA staffers also began calling my house demanding \$5600 and claiming they had no record of the recent check payment, which had already been cashed by HESAA.

During the repayment period, HESAA failed to send consistent monthly billing statements, if at all; they sent NO quarterly billing statements during the 2 deferments they granted. They failed to post 2 payments to the account. We sent numerous billing dispute and inquiry letters to their corporate address, many times with payment checks attached to them—they never responded to any of the letters but they did remove the checks from the letters and cashed them.

SLIDE 10: CFPB AND T.G. 'S LETTER

In March 2014 Brian filed a complaint against HESAA with the Consumer Financial Protection Bureau, at that time he was also trying to consolidate with other lenders. In April 2014, HESAA responded to the CFPB complaint by stating they were “assisting” Brian in his effort to consolidate elsewhere. HESAA also sent Brian a letter indicating they would “assist” him in his effort to consolidate. Consequently, they never reached out to assist him once. Since HESAA represented they were “assisting” Brian, on May 13, 2014, Brian sent a letter to Teresa Gevasio, HESAA’s Director of Student Loans, and requested a temporary modification of his loan payment (\$856) so that he could improve his credit score for consolidation with another lender. That letter also sought clarification as to the status of his loans and also advised that he did not receive billing statements for April or May. Ms. Gervasio DID NOT respond. On June 3, 2014, Brian emailed Ms. Gervasio and advised that he was denied consolidation from two lenders because of the adverse reporting of his NJCLASS loans. On June 18, 2014, Ms. Gervasio sent Brian a letter defaulting his loans and directing him to cease all future communication with HESAA.

SLIDE 11: GABRIELLE CHARETTE REFUSES TO ALLOW COSIGNER TO BRING LOANS CURRENT

HESAA never informed my husband, the cosigner, they defaulted. My husband, the cosigner, was never officially notified of default until he received HESAA’s collection attorney’s letter demanding full payment of the loan balance, which included a \$22,211 attorney collection fee. My husband immediately replied and sent Gabrielle Charette an email and demanded the right to bring the loans current.

Gabrielle Charette sent my husband a certified letter indicating the loans were in collection, directing him to cease all future communication with HESAA.

HESAA's collection attorney filed a civil suit for judgment against Brian and my husband. We couldn't retain an attorney since every attorney we consulted with said the State will prevail, and any money spent on attorney fees would be better spent paying down the loans.

We filed an answer & counter-claim. The collection attorney served Brian with interrogatories. Many questions related to payments that required us to order two years of bank statements from three separate banks. Because there was not enough time to do this, Brian sought an extension of time from the collection attorney, who refused and at the same time underhandedly filed a request for Default Judgment, which the Court granted.

With no alternatives, my son was forced to file a Chapter 13 bankruptcy in order to make payments on his NJCLASS loans. For the next 5 years he will make his loan payments through a bankruptcy trustee—when this 5 years is up, we have to go back to Superior Court and fight the default judgment, which is currently being stayed during the bankruptcy. There seems to be no end in sight. Brian can't move forward with his life—today he is 27 and can't even consider moving out, buying a home, getting married or starting his own family. As a borrower, he did nothing wrong—as a lender HESAA was a loan shark. Someone needs to put an end to this game that HESAA has been allowed to be a spectator in for far too long. Someone must hold HESAA responsible for their predatory and irresponsible lending. These

young adults deserve a chance to get their lives back. Today, you all have the power to give it to them.

From the testimony you will hear today, there seems to be an overwhelming emerging theme—the unaffordable monthly payments mandated by HESAA coupled with HESAA’s refusal to help their borrowers. My son made over \$10,000 in loan payments to HESAA during his loan repayment—it is incomprehensible that he was forced into filing a Chapter 13 in order to continue making his loan payments. We need immediate legislation mandating HESAA to work with all struggling borrowers by restructuring loans--this is something you all have the power to make happen. While it may be impossible to get all of the borrowers back on track, it is clearly possible to help some. The fact that HESAA is hardly trying is a disgrace to this state. We cannot truly begin to reshape the future of New Jersey and improve access to education without redress for the NJCLASS borrowers that were left behind.

So today, I call upon all of you to immediately institute a full investigation into the default rates of Option 3 NJClass loans originated during the years from ²⁰⁰⁷2006 to 2011. I believe an outside, non-partisan firm should conduct this audit. HESAA must be compelled to report an accurate default rate. I also request that you institute immediate relief for those borrowers, my son included, who were making payments on their loans but were forced into default and bankruptcy due to HESAA’s failure to help. None of these borrowers should ever have to feel ~~that~~ their college degree was the worst mistake of their lives. This is not the message we as a State should be sending to any of its young residents.

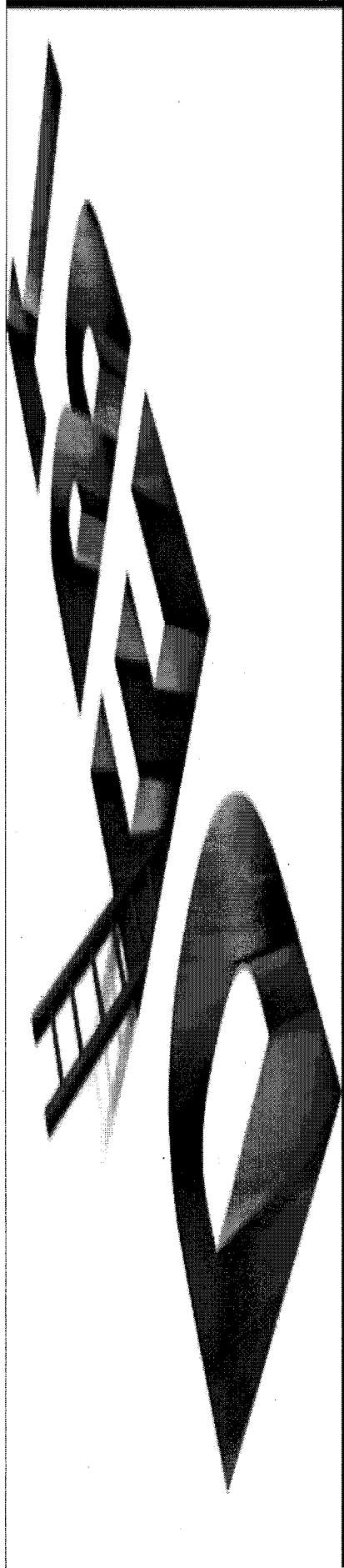
SLIDE 12: RECOMMENDATIONS

- 1: MANDATE LOSS MITIGATION RELIEF: HESAA has never been required to provide redress for their irresponsible actions. Loss mitigation efforts must be required of HESAA by implementing loan modifications to those borrowers who made the efforts to repay their loans; regardless if their loans were defaulted, or if there is a default judgment against them. If HESAA's primary concern is their investors then they must recognize that collecting some money is better than spending more money on aggressive collection efforts resulting in little or nothing in return. This can be achieved by mandating HESAA to offer a refinancing program; loan restructuring; and loan rehabilitation. HESAA is initiating a pilot program for refinance. However, this pilot program will do nothing for the current borrower, especially those borrowers who took option 3 loans from 2006 to 2011. HESAA must be compelled to do better!
- 2: MANDATED UNDERWRITING: While it may be more difficult in a student loan market where many borrowers are young and their future earning abilities are unpredictable, the general concept of lending only to those that are likely to repay remains critical.
- 3: LIMITS ON INTEREST RATES AND FEES: The difficulty of predicting the borrower's ability to repay underscores the need to restrict the rates and fees HESAA can charge and regulate the use of variable rate credit. This will help make loans more affordable and less likely to fail.

4: IMPROVED DISCLOSURES: The Higher Education Opportunity Act (2008) provides some good features, including model disclosures that should assist borrowers in comparing the cost of private loans with other types of credit.

5: CAPPING LOAN AMOUNTS: HESAA must be mandated to cap loan amounts. And, for any borrowers who take out more than one loan, HESAA must consider prior loans in the borrower's ability to repay on any subsequent loans.

6: PRIVATE REMEDIES and ACCESS to JUSTICE: Victims of abusive lending practices have very little recourse because their access to justice is limited. New Jersey Consumer Protection Laws must be extended to NJCLASS loan borrowers. To be effective, consumer protection laws must: (1) give borrowers a private right of action, the right to pursue class actions; and (2) contain strong remedies and penalties for abusive acts.



NJ CONSTITUTENTS BEING CRUSHED AND RUINED BY HESAA NJCLASS STUDENT LOAN

DEBT

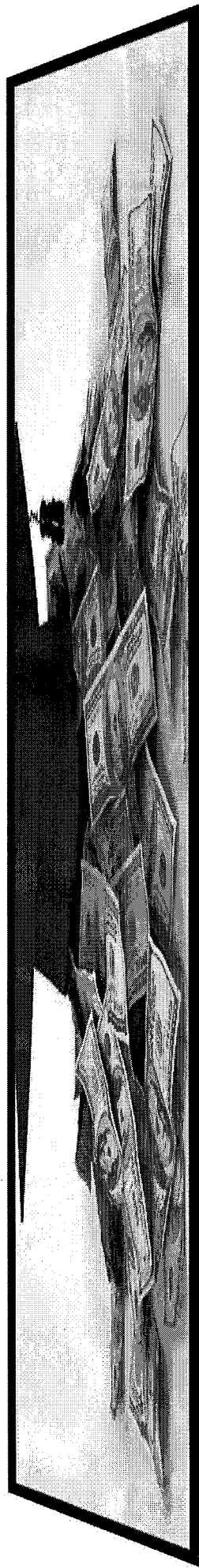
https://www.tribun.com/wlp/7or8OnsSwAZ?utm_source=viz.email&utm_medium=viz.social&utm_campaign=viz.soc.4400

NATIONAL STUDENT LOAN DEBT CLOCK

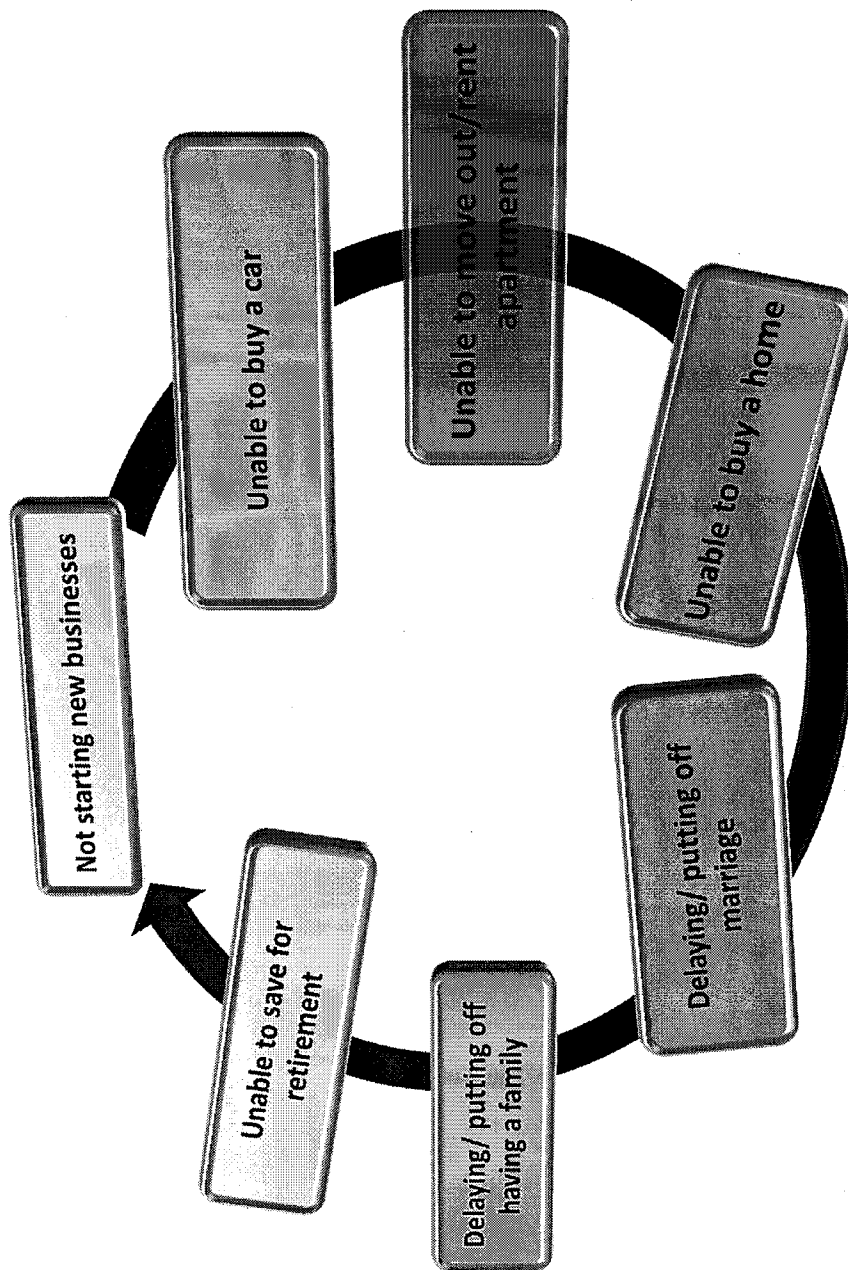
INCREASES BY AN ESTIMATED

- \$2800 HUNDRED DOLLARS every single SECOND
- \$164 THOUSAND DOLLARS every single MINUTE
- \$9.9 MILLION DOLLARS every single HOURLY
- \$236 MILLION DOLLARS every single DAY

24x



NEW JERSEY'S FUTURE BEING LOST TO HESAA NJCLASS



PREDATORY LENDING

- 5-minute on-line application requiring a creditworthy cosigner
- Unsustainable monthly payments
- No flexible repayment options such as income based repayment, PAYE
- No refinace option
- No rehabilitation program
- Consolidation requires cosigner
- No default assistance
- Non dischargeable in bankruptcy or death

HESAA BOASTS EXTREME COLLECTION POWERS in BOND OFFERINGS

New Jersey state law authorizes HESAA to garnish administrative wages for any delinquent or defaulted NJCLASS loan borrower or cosigner, and HESAA may initiate this process when an account becomes 90-days delinquent.

HESAA can also collect on defaulted loans by filing suit, enforcing the New Jersey Set-Off Individual Liability Law (which allows HESAA to file a claim against New Jersey state income tax refunds, property tax rebates, or homestead rebates due to defaulted borrowers), or garnishing New Jersey state employees' wages. HESAA may also garnish private-sector employees' (both New Jersey and non-New Jersey based) wages before default and suspend or revoke borrowers' professional or occupational licenses. HESAA can collect lottery prize winnings exceeding \$1,000

Source: WWW.STANDARDANDPOORS.COM/RATINGSDIRECT MAY 3, 2016

OPTION III DEFAULTS INCREASING—WHAT DID HESSA DO FOR BORROWERS--

NOTHING!

Instead of assisting borrowers, HESAA mitigated their own risk by limiting the amount of NJCLASS Option III loans to be originated. They also increased the credit/income criteria required for approval in order to decrease the default rate for future Option III loans

28x

with the necessity of maintaining an adequate collections stream on its portfolio. Research performed by HESAA staff and our advisors has also determined that a large portion of loans that eventually go into default are those that were originated in option III, which allows for full deferment of principal and interest while in school, and/or those with lower credit scores. The Authority continually reevaluates its credit policies and adjusts its underwriting criteria when it is deemed in the best interests of the NJCLASS Loan Program to do so. To mitigate the risk of future loan defaults and enhance the overall credit quality of its loan portfolio, the Authority made two significant policy changes. In 2012-13, the allowable percentage of fixed rate loans that can be originated in option III was reduced to 15% and HESAA raised the minimum credit score required to qualify for an NJCLASS loan from 630 to 670. In addition, the minimum income requirement necessary to obtain an NJCLASS loan, which was \$30,500 in 2011-12, was raised to \$40,000, beginning with the 2012-13 academic year. For the 2013-14 academic year, the Authority limited the allowable percentage of fixed rate loans that can be originated in option III by capping this option at \$35,000,000 of the total lendable proceeds of \$199,927,369. For the 2014-15 academic year, the Authority has continued to limit the allowable percentage of fixed rate loans that can be originated in option III by capping this option at \$35,000,000 of the total lendable proceeds of \$213,664,520. After the implementation of these changes in loan underwriting standards, new NJCLASS defaults declined significantly. Total new defaults in fiscal 2014 were 34% lower than fiscal 2013 and 45% lower than fiscal 2012.

HESAA'S FALSE AND MISLEADING ADVERTISING

NJCLASS - The Premier Education Loan is the Answer!
Offered by the State of New Jersey Higher Education Student Assistance Authority (HESAA)

For all students attending NJ schools or NJ residents attending any approved out-of-state school:

- Historically low fixed interest rate (see chart below)
- Flexible repayment options to help you save money
- Students or parents can borrow
- Easy & Secure Online Application
- Instant Credit Decision
- Up to 20 Year Repayment Term
- Prepay with no penalty

Visit www.hesaa.nj.edu for details

NJCLASS offers:

- A low fixed interest rate*
- Quick approvals - online secure application with e-Sign
- Either the student or the parent can borrow
- Flexible repayment options
- Up to 20 years to repay
- No annual and/or aggregate loan limits
- Alternative to the Federal PLUS Loan
- Low Administrative Fee

*See chart for all terms and conditions



- MISGUIDED WHEN APPLYING FOR NJCLASS LOAN-information to entice/induce borrowers
- FAILURE TO SEND CONSISTENT BILLING STATEMENTS, IF AT ALL
- FAILURE TO RESPOND TO WRITTEN BILLING INQUIRES
- LIED TO CONSUMER FINANCIAL PROTECTION BUREAU THEY WERE "ASSISTING" BRIAN
- FAILURE TO RESPOND TO PRORPOSED TEMPORARY MODIFIED PAYMENT
- REFUSED COSIGNER THE RIGHT TO CURE ALLEGED DEFICIENCY TO BRING LOANS CURRENT/CUT BORROWER/COSIGNER OFF AND REQUESTED THEY CEASE ALL COMMUNICATION WITH HESAA

CONSOLIDATION MYTHS

From: "Andre Maglione" <Andre_Maglione@hesaa.org>
To: debnbill526@comcast.net
Sent: Monday, April 16, 2012 7:56:56 AM
Subject: Re: BRIAN: Your NJCLASS Loan is Entering Repayment Soon!

Hi Brian,

We should have consolidation back on line within a month or so. In my

experience with consolidation, it may only bring the payments down to say

\$850 per month from what you indicate are already 1,000 per month plus you

will pay thousands of dollars in extra interest stretching out your loan,

would that be do-able?

Andre D. Maglione
New Jersey Higher Education Student Assistance Authority
(NJHESAA)
Acting Director of Client Services and Marketing
(609) 584-4486 or (609) 588-4618
amaglione@hesaa.org

From: NJCLASS@hesaa.org

To: debnbill526@comcast.net

Sent: Wednesday, July 11, 2012 5:41:53 PM

Subject: NJCLASS Consolidation Loan

Application, reference # : L69272213775

This NJCLASS Consolidated Loan is not approved, as the total income of the borrower does not meet the minimum requirement. The existing application may be re-submitted with a cosigner(s). Please contact a NJCLASS representative at 1-800-792-8670 if you require more information.

**HESAA MISREPRESENTS TO CONSUMER FINANCIAL
PROTECTION BUREAU**

[illegible]

BRAND P. CARTER
12 HARTFORD ROAD
NEWTON, MA 02459

Electronix Corporation, Inc.
100
In addition to other eligibility requirements, an applicant must meet the income and creditworthiness requirements for a NUCLEAR Consolidation Loan. You must apply as the sole owner of the business and as the sole owner of the income and creditworthiness involved in the loan. You must apply as the sole owner of the business and as the sole owner of the income and creditworthiness involved in the loan.

Attention: There are other conditions and restrictions which must be met before consideration of the application. Requirements must be met from the NUCLEAR Consolidation Loan and the payment options may differ from the payment options you are seeking. It is upon a recent credit examination with your mother, Deborah Carter, under 18, in our office, that you are in the position of applying for a consolidation loan with your private assets in order to start and we will use your efforts by providing information we can use in the context of our business.

CONFIDENTIAL

1. NUCLEAR ONLY

[illegible]

[The page contains faint, illegible markings and bleed-through from the reverse side.]

33x

July 25, 2014

Mr. William C. Gundersen, Jr.
Helm, Robert H. A. Company
400 Broadway Plaza
East Brunswick, N.J. 08816

Dear Mr. Gundersen: Hello Mr. Gundersen,

I appreciate your email today with the attached letter you sent to Mr. Robert Gundersen dated July 26, 2014.

Since the material you refer to was referred to different counsel, please be advised that we appreciate your request & to our Company's credit, we will be handled directly by Mr. Gundersen, Jr. if a request that we your organization.

Robert H. Helm
Helm, Robert H. A. Company
Executive Director

cc: Mr. Gundersen, Jr.

[illegible]

GABRIELLE CHARETTE IS HESSA'S ONLY OVERSIGHT

RE: HESSA NJ CLASS LOANS

Sent By: Gabrielle Charette On: Jul 07/08/14 8:52 AM

To: Deborah

HESAA is an independent state Authority. I am appointed by the Governor and report to the Governor's office. There is no other agency/department that regulates HESAA.

Gabrielle Charette, Esq.
Executive Director
HESAA
609-588-7113

From: "Gabrielle Charette" <Gabrielle.Charette@hesaa.org>

To: "Deborah" <debnbill526@comcast.net>

Sent: Monday, July 7, 2014 8:58:58 PM

Subject: Re: HESAA NJ Class Loans

You can file the complaint with me I am the head of HESAA. HESAA oversees NJCLASS. I will review the matter and get back to you with a response.

----- Original Message -----

From: Deborah [debnbill526@comcast.net]

Sent: 07/08/2014 12:20 AM GMT

To: gcharette@hesaa.org

Subject: HESAA NJ Class Loans

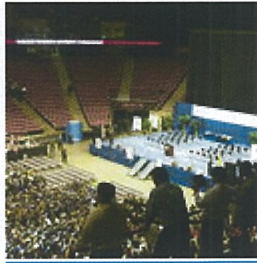
Could you please advise what department/agency regulates and oversees HESAA NJ Class Loans. I would like to file a formal complaint and have called almost every single department

34x

RECOMMENDATIONS:

1. **REGULATION:** Federal loans are regulated through the Higher Education Act (HEA). NJCLASS loans have no oversight. An oversight committee must be formed in order to regulate the affairs of HESAA.
2. **MANDATE LOSS MITIGATION RELIEF:** HESAA has never been required to provide redress for their irresponsible actions. Loss mitigation efforts must be required of HESAA by implementing loan modifications to those borrowers who made the efforts to repay their loans; regardless if their loans were defaulted, or if there is a default judgment against them. If HESAA's primary concern is their investors then they must recognize that collecting some money is better than spending more money on aggressive collection efforts resulting in little or nothing in return. This can be achieved by mandating HESAA to offer a refinancing program; loan restructuring; and loan rehabilitation. HESAA is initiating a pilot program for option 3 loans from 2006 to 2012. HESAA must be compelled to do better!
3. **MANDATED UNDERWRITING:** While it may be more difficult in a student loan market where many borrowers are young and their future earning abilities are unpredictable, the general concept of lending only to those that are likely to repay remains critical.
4. **LIMITS ON INTEREST RATES AND FEES:** The difficulty of predicting the borrower's ability to repay underscores the need to restrict the rates and fees HESAA can charge and regulate the use of variable rate credit. This will help make loans more affordable and less likely to fail.
5. **IMPROVED DISCLOSURES:** The Higher Education Opportunity Act (2008) provides some good features, including model disclosures that should assist borrowers in comparing the cost of private loans with other types of credit.
6. **CAPPING LOAN AMOUNTS:** HESAA must be mandated to cap loan amounts. And, for any borrowers who take out more than one loan, HESAA must consider prior loans in the borrower's ability to repay on any subsequent loans.
7. **PRIVATE REMEDIES and ACCESS to JUSTICE:** Victims of abusive lending practices have very little recourse because their access to justice is limited. New Jersey Consumer Protection Laws must be extended to NJCLASS loan borrowers. To be effective, consumer protection laws must: (1) give borrowers a private right of action, the right to pursue class actions; and (2) contain strong remedies and penalties for abusive acts.

Demand HESSA to offer REHABILITATION for defaulted NJCLASS Loans



694 supporters

Brian Carney East Brunswick, NJ



The New Jersey Higher Education Student Assistance Authority ("HESAA") is the guarantor of roughly \$1.6 billion in student loans and state aid to students of New Jersey. HESAA's role in administering the NJCLASS loan has been one of preying on unsuspecting borrowers, trapping them into student loans they know can never be repaid, and crushing futures. HESAA is a profit making entity hawking high interest loans that carry monthly payments unsustainable for recent college graduates. HESAA does everything they can to default borrowers by failing to send consistent monthly billing statements; failing to respond to written billing inquiries/disputes; and an outright refusal to work with or assist struggling borrowers who want to pay their NJCLASS loans, but are unable to meet HESAA's enormous minimum payment, all of which allow HESAA to easily default NJCLASS loans, especially those borrowers who have Option III NJLCLASS student loans.

A defaulted NJCLASS borrower has nowhere to turn. The borrower essentially has just three choices after their loan defaults: first, they can work with HESAA's collection attorney and make payments through him/her who will add a collection fee of up to 30% to the balance that one already could not afford; second, they can file a Chapter 13 Bankruptcy, which will "stay" the collection action for up to 5 years and allow the borrower to pay what s/he can afford through the Bankruptcy Trustee; and third, a borrower can spend an exorbitant amount of money in an attempt to litigate the matter, but chances are, they will not prevail. Let's face it, this is a State of New Jersey "student" loan program--who is going to side with the borrower?

The NJCLASS student loan program is administered in accordance with N.J.A.C. 9A:10-6.18, et seq., which provides for rehabilitation as follows: "(c) An NJCLASS borrower may request the rehabilitation of the borrower's defaulted NJCLASS Loan Program....The borrower shall make one voluntary full payment each month for 12 consecutive months to be eligible to have the defaulted loans rehabilitated." Under section (d) it further states, "the maximum period for a rehabilitated NJCLASS Loan Program loan....shall be the same as that of the [NJCLASS] loan prior to default. A borrower who wishes to rehabilitate a loan in which a judgment has been entered must sign a new promissory note.

Although, the Administrative Code under which HESAA administers the NJCLASS student loan has a provision for REHABILITATING a defaulted NJCLASS loan, HESAA outright refuses to offer rehabilitation, and claims they cannot because they are "not authorized by either statute, or the bond indentures that fund NJCLASS loans. And, the regulations were written into the Administrative Code prospectively to allow for a NJCLASS rehabilitation program in the event that statute and market conditions change to allow for the issuance of bonds to finance rehabilitation." This reasoning is incredible.

The National Council of Higher Education Resources, of which HESAA is a member, has included a provision for the rehabilitation of non-federal student loans in their proposal for the upcoming Reauthorization of the Higher Education Act. HESAA claims they prospectively amended their regulations so that they could offer rehabilitation when or if the law does change. But, they currently do not offer rehabilitation because the federal law does not allow for it. While 34 C.F.R. 682.405 and 34 C.F.R. 682.211(f) prohibit non-federal student loan lenders from removing a default from a borrower's credit history; however, that is NOT AT ALL a statement that federal law prohibits non-federal student loan lenders from offering rehab programs – to the contrary, it clearly recognizes that HESAA is permitted.

The NJCLASS student loan program, as it operates today, has transformed away from the original intent of the NJCLASS program created in 1995, which was to promote and enhance the "general welfare, health and prosperity of the people of the State of New Jersey...making higher education available to the greatest number of students possible." In 1995, NJCLASS loans were limited to a maximum amount each year, which prohibited a borrower from over-borrowing to allow for payments that remain affordable. Today, HESAA lends as much as you request with no questions asked, as long as you add a cosigner. Why? Because they know the borrower will never be able to afford the enormous minimum monthly payments, but the cosigner can--and that is exactly who they will go after if you miss or are late on just one payment. It is apparent that Your NJCLASS loan was NOT approved on your ability to repay, but rather the cosigners' ability to repay.

The New Jersey State Legislature has expanded the unregulated power enumerated to HESAA to collect on defaulted loans, resulting in HESAA's outright refusal to provide

default aversion to its borrowers. I mean really, why would HESAA work with their borrowers when they have unfettered authority to garnish both yours and your cosigner's wages and intercept State Income Tax Refunds.

The NJCLASS loan default total reported in March 2012 was \$153,343,416. Just two years later, in February 2014, HESAA, the NJCLASS student loan default total increased 46.628% to a whopping \$224,844,408 (February 2014). This mammoth increase brings home the very fact that NJCLASS student loan borrowers are struggling to meet their minimum monthly payments. The significant increase in defaults also evidences that HESAA has failed to assist NCLASS loan borrowers by providing more affordable repayment options and adequate default aversion

It's obvious that HESAA has and continues to ignore that the NJCLASS student loan program, in its present state, is failing the college graduates of New Jersey; setting them up for a lifetime of failure; and an inability to become productive members of society by grossly delaying their ability to contribute to the economy in any meaningful way.

NJCLASS loan borrowers are expected to make fixed principal and interest payments just 60 days after they graduate. However, what HESAA fails to recognize is that most college graduates are not immediately taking jobs that mimic their lifetime earnings. The fact is, many college graduates take internships, and nearly all have periods of unemployment. And, this most recent generation graduated during the worst recession this country has seen since the Great Depression. Recent college grads are not immediately earning their lifetime income in fixed monthly payments over 20 years. Instead, they initially earn less and then more later. Evidence suggests that a repayment system, mimicking the actual reality college grads face throughout their lives, a system that adjusts over time, would prevent many needless student loan defaults. The increase in NJCLASS student loan defaults between March 2012 and February 2014 evidences the unrealistic expectations in HESAA's minimum monthly payment requirements.

NJCLASS student loan borrowers are not asking for their debt to be cancelled--they just want a more affordable way to repay their NJCLASS student loans. Defaulted NJCLASS loan borrowers are demanding HESAA to immediately offer rehabilitation of defaulted NJCLASS student loans and borrowers with default judgments. NJCLASS loan borrowers want a chance in obtaining the American Dream; they want out of this nightmare!!

NJCLASS student loan debt and the rise in defaults is a crisis facing the recent college grads of this State. NJCLASS loan borrowers can no longer sit idly by and allow HESAA to remain a spectator in their own game. Time is up. HESAA must take action NOW and do what is right!!!

Signatures

Name	Location	Date
Deborah Carney	East Brunswick, NJ, United States	2014-11-25
Judith Love	Rochester, NY, United States	2014-11-25
Amy Noble	South Amboy, NJ, United States	2014-11-25
Tammy Lee	East brunswick, NJ, United States	2014-11-25
Chuck smith	Old Bridge, NJ, United States	2014-11-25
Dawn Matthews-Gorczyca	South Amboy, NJ, United States	2014-11-25
Amanda Martin	East Brunswick, NJ, United States	2014-11-25
Brian Josephson	Parlin, NJ, United States	2014-11-25
Denna Fuentes	Old Bridge, NJ, United States	2014-11-25
L.S. Gordon	College Park, MD, United States	2014-11-25
Denise Imundo	Spotswood, NJ, United States	2014-11-25
jenna carney	Parlin, NJ, United States	2014-11-25
Ashli tortorello	Toms River, NJ, United States	2014-11-25
Donna Rasiewicz	Englishtown, NJ, United States	2014-11-25
Theresa Sweet	Los Gatos, CA, United States	2014-11-25
Melanie Rodgers	Alhambra, CA, United States	2014-11-25
Doreen Natale	Carlstadt, NJ, United States	2014-11-25
thomas cronin	Olympia, WA, United States	2014-11-25
Linda Gwozdik	Maplewood, NJ, United States	2014-11-25
Sharon Dougherty	Sayreville, NJ, United States	2014-11-26
Anthony Mauriello	Bayville, NJ, United States	2014-11-26
Deborah Jones	Essex, CT, United States	2014-11-26
Sarah Jones	Essex, CT, United States	2014-11-26
Hope Wardell-Krott	Bayville, NJ, United States	2014-11-26
Candice Genega	Centereach, NY, United States	2014-11-26
Jen mauriello	Bayville, NJ, United States	2014-11-26
Hans Cisternas	Bayville, NJ, United States	2014-11-26
Angela Mauriello	Brick, NJ, United States	2014-11-26
Christine Patch	Arlington, TX, United States	2014-11-26
Cassandra mauriello	Brick, NJ, United States	2014-11-26

Name	Location	Date
ALAN MAKOWSKI	Manahawkin, NJ, United States	2014-11-26
Melinda Clugsten	East Brunswick, NJ, United States	2014-11-26
Christina Romeo	Hazlet, NJ, United States	2014-11-26
Patrick Gribbin	Port St. Lucie, FL, United States	2014-11-26
Gina zampieri	Monroe Township, NJ, United States	2014-11-26
Joann Janzekovich	East Brunswick, NJ, United States	2014-11-26
Kayla gushue	Cape May, NJ, United States	2014-11-26
Kevin Lacks	Piscataway Township, NJ, United States	2014-11-26
Catherine Quinn	Spotswood, NJ, United States	2014-11-26
Shaun Joyce	Greensboro, NC, United States	2014-11-26
William Gumpfer	East Brunswick, NJ, United States	2014-11-26
Linda Carney	South Amboy, NJ, United States	2014-11-26
Denise Roldan	Pueblo, CO, United States	2014-11-26
Allison Kelly	Parlin, NJ, United States	2014-11-26
Colleen Walsh	Rutherford, NJ, United States	2014-11-26
Carol Ioannides	Parlin, NJ, United States	2014-11-26
Chrissie Krzynowek	Toms River, NJ, United States	2014-11-26
Edwin Rodriguez	Newark, NJ, United States	2014-11-26
Sean Gumpfer	East Brunswick, NJ, United States	2014-11-26
Judy Munnis	Merrimack, NH, United States	2014-11-26
vivian maclennan	South Amboy, NJ, United States	2014-11-26
Daynielle Hunter	East Brunswick, NJ, United States	2014-11-26
James Maciejewski	South Amboy, NJ, United States	2014-11-27
Chris Callahan	Sayreville, NJ, United States	2014-11-27
Tim Sullivan	Howell, NJ, United States	2014-11-27
ellen nycz	new port richy, FL, United States	2014-11-27
marcia martins	New Braunfels, TX, United States	2014-11-27
tina storrs	Parlin, NJ, United States	2014-11-27
carol zebro	Jackson, NJ, United States	2014-11-27
linda witham	South Amboy, NJ, United States	2014-11-27
Nancy Newsome	Tuckerton, NJ, United States	2014-11-27
Lee Kimberlin	Old Bridge, NJ, United States	2014-11-27

Name	Location	Date
Leo McCabe	South Amboy, NJ, United States	2014-11-27
nicolle gross	Toms River, NJ, United States	2014-11-27
Karen Chodzko	Asbury Park, NJ, United States	2014-11-27
Chris morrissey	Parsippany, NJ, United States	2014-11-27
Victoria sake	Elizabeth, NJ, United States	2014-11-27
Jennifer Dusko	South Amboy, NJ, United States	2014-11-27
Brian Carney	East Brunswick, NJ, United States	2014-11-27
Cathy Donald	Covington, GA, United States	2014-11-27
Ann Marie Marshall	Parlin, NJ, United States	2014-11-27
Randi Cassano	Darien, IL, United States	2014-11-27
Tara Raevis	Beachwood, NJ, United States	2014-11-27
Concerned Citizen	New City, NY, United States	2014-11-27
Barbara Heimall	Spring Hill, FL, United States	2014-11-27
Rosemarie Crenshaw	Toms River, NJ, United States	2014-11-28
Briana Gordon	Toms River, NJ, United States	2014-11-28
Sean Rickard	Maple Valley, WA, United States	2014-11-28
Michelle Kril	Williamstown, NJ, United States	2014-11-28
Desiree Novajosky	Marietta, GA, United States	2014-11-28
Elizabeth Metzger	Tampa, FL, United States	2014-11-28
Kathy Taylor	South Amboy, NJ, United States	2014-11-28
clyde stewart	hattiesburg, MS, United States	2014-11-28
Gil Cosnett	Haddonfield, NJ, United States	2014-11-28
Laura LaBelle	Colton, CA, United States	2014-11-28
Denise Drake	Aurora, CO, United States	2014-11-28
Reina Dudley	Belton, MO, United States	2014-11-28
Faith Rodriguez	Miami, FL, United States	2014-11-28
Erika Larrondo	San Diego, CA, United States	2014-11-28
Dorian sua	Honolulu, HI, United States	2014-11-28
Kevin kabara	Sayreville, NJ, United States	2014-11-28
Raiena Martinez	Brick, NJ, United States	2014-11-28
Ann Natal	Killeen, TX, United States	2014-11-28
Robin Mosher	Goodlettsville, TN, United States	2014-11-28

Name	Location	Date
Kellie Kaminski	new Brunswick, NJ, United States	2014-11-28
Tammy Fleming	Warren, MI, United States	2014-11-28
laverne harvey	Piscataway Township, NJ, United States	2014-11-28
Ingrid Cruz	Tupelo, MS, United States	2014-11-28
bridget butler	belleville..., NJ, United States	2014-11-28
Rebecca Davis	Albuquerque, NM, United States	2014-11-28
April Asare	Germantown, MD, United States	2014-11-28
James Clugsten	East Brunswick, NJ, United States	2014-11-28
Ayanna Abi-Kyles	shaker heights, OH, United States	2014-11-28
Victoria Emmons	Atlantic City, NJ, United States	2014-11-29
Carrie Malone	South Amboy, NJ, United States	2014-11-29
Lindsay Malone	South Amboy, NJ, United States	2014-11-29
Sheila Seabrook	Decatur, GA, United States	2014-11-29
Senja Nicolai	Saint Paul, MN, United States	2014-11-29
Deborah Smith	South Dayton, NY, United States	2014-11-29
Lawrence Talley Sr	Peoria, IL, United States	2014-11-29
Carol Gumpfer	East Brunswick, NJ, United States	2014-11-29
María Delgado	Hoboken, NJ, United States	2014-11-29
Judy McCabe	Port St. Lucie, FL, United States	2014-11-30
don butkiewicz	Millstone, NJ, United States	2014-11-30
storrs tina	Parlin, NJ, United States	2014-11-30
Lisa LaGrande	Fort Lauderdale, FL, United States	2014-11-30
Mark Hesaa	Mahwah, NJ, United States	2014-12-01
Hector Oliver	Newark, NJ, United States	2014-12-02
Brian Carney	East Brunswick, NJ, United States	2014-12-02
Jason Paskowitz	Tenafly, NJ, United States	2014-12-02
Mary Roman	Parlin, NJ, United States	2014-12-02
Jennifer Mullan	Bayonne, NJ, United States	2014-12-09
Kyleigh Hupfl	Spring Valley, CA, United States	2014-12-16
Seb Posluk	New York, NY, United States	2014-12-20
Nese Foster	Austin, TX, United States	2014-12-20
Rose Sias	Millville, NJ, United States	2014-12-20

Name	Location	Date
Joel I	North Bergen, NJ, United States	2014-12-21
Andrew Fasanella	Cherry Hill, NJ, United States	2015-01-03
Cassandra Alessio	Clifton, NJ, United States	2015-01-05
Ralph Iatyschow	East Brunswick, NJ, United States	2015-01-09
Gregory Jesnen	Highland Lakes, NJ, United States	2015-01-09
Rick Santaniello	Hillsborough Township, NJ, United States	2015-01-10
William Carney	Freehold, NJ, United States	2015-01-10
martha lopez	Miami, FL, United States	2015-01-10
John esposito	Springfield Township, NJ, United States	2015-01-10
Nicolette Beauregard-LaDuke	Avoca, MI, United States	2015-01-10
Michelle Bonat	Tenafly, NJ, United States	2015-01-10
Danielle Aluotto	New Orleans, LA, United States	2015-01-10
kim cook	Susanville, CA, United States	2015-01-10
Stephanie Goich	Milwaukee, WI, United States	2015-01-10
Sharyn Lawler	--, FL, United States	2015-01-10
Denise Will	Lyons, IL, United States	2015-01-10
Christ Zweig	Box Elder, SD, United States	2015-01-11
Susan Brissette	Montague, MI, United States	2015-01-11
karen lee	springfield, MA, United States	2015-01-11
Jason Staple	Hollywood, FL, United States	2015-01-11
Stephen Luong	Los Angeles, CA, United States	2015-01-11
Jessica Rogala	Woodbridge, VA, United States	2015-01-11
Nora Schubert	Honolulu, HI, United States	2015-01-11
Euclides Santiago	Jersey City, NJ, United States	2015-01-11
Jonathan Leonard	Sandwich, MA, United States	2015-01-11
Kim Allen	Somerset, NJ, United States	2015-01-13
Bryan Curcic	Medford, NJ, United States	2015-01-15
Kimberly Urquhart	Paterson, NJ, United States	2015-01-17
larry sarlo	Sicklerville, NJ, United States	2015-01-20
Erika Fasanella	Cherry Hill, NJ, United States	2015-01-22
Samantha Azzarano	Gloucester City, NJ, United States	2015-01-23
Yalitza Ledgister	Hialeah, FL, United States	2015-01-25

Name	Location	Date
Kevin Bauer	Riverton, NJ, United States	2015-01-27
Alanna Carr	Monroe Township, NJ, United States	2015-02-10
Cynthia Ross	Bordentown, NJ, United States	2015-02-17
Kim Smithman	Washington, DC, United States	2015-02-23
chris feibel	Toms River, NJ, United States	2015-02-25
Scott Fitzpatrick	Lake Hopatcong, NJ, United States	2015-03-03
Alexis Alvarez	New York, NY, United States	2015-03-03
Damon Jablons	New York, NY, United States	2015-03-04
Amna Siddiqui	New York, NY, United States	2015-03-04
Patricia Fitzpatrick	Lake Hopatcong, NJ, United States	2015-03-04
Diane Greenwald	Oak Ridge, NJ, United States	2015-03-05
Matt Fitzpatrick	Lake Hopatcong, NJ, United States	2015-03-05
Jennifer Parker	Austin, TX, United States	2015-03-06
catherine rampolla	Englewood, NJ, United States	2015-03-06
Sandra Honczarenko	Hampton, NJ, United States	2015-03-06
Keylania Cox	Covington, GA, United States	2015-03-07
Heidi Garrett	Philadelphia, PA, United States	2015-03-10
TINA GEGA	Edgewater, NJ, United States	2015-03-13
Bianca Perez	BAYONNE, NJ, United States	2015-03-20
Nick Sarlo	Newark, DE, United States	2015-03-20
Jennifer Weil	Hoboken, NJ, United States	2015-03-20
Joseph Tabas	Philadelphia, PA, United States	2015-03-22
jordan tait	Sicklerville, NJ, United States	2015-03-22
Jacob Seigler	South Orange, NJ, United States	2015-03-23
Dorothy Morelli	Ventnor City, NJ, United States	2015-03-23
Demetrio Koloseus-Gagnon	New Brunswick, NJ, United States	2015-03-24
Nina Sedlacek	Fair Lawn, NJ, United States	2015-03-25
Nicole Russo	Brooklyn, NY, United States	2015-03-25
Michael Dour	Denville, NJ, United States	2015-03-26
Mike Langton	La Plata, MD, United States	2015-03-28
jj levanduski	New Egypt, NJ, United States	2015-03-29
Brittany Curran	Swedesboro, NJ, United States	2015-03-29

Name	Location	Date
MATTHEW SCHECHTER	Bloomfield, NJ, United States	2015-03-29
John Virack	Bayonne, NJ, United States	2015-03-29
Melissa Lundberg	Bayonne, NJ, United States	2015-03-29
Theresa McAllister	Freehold, NJ, United States	2015-04-02
Charlotte Longworth	Montclair, NJ, United States	2015-04-02
Heather Wood	Lake Hopatcong, NJ, United States	2015-04-02
Susan Pavlik	Closter, NJ, United States	2015-04-02
Kevin wolf	Milford, PA, United States	2015-04-02
Elizabeth Dos Santos	Lake Hopatcong, NJ, United States	2015-04-03
Sue Miller	Wharton, NJ, United States	2015-04-03
nancy baron	Park Ridge, NJ, United States	2015-04-04
Vincent Cimilluca	Edison, NJ, United States	2015-04-06
Sean Coveney	Philadelphia, PA, United States	2015-04-07
Nicholas Rivano	Menlo Park, CA, United States	2015-04-08
Jackie Weaver	Marlton, NJ, United States	2015-04-09
Mark Toscani	Atascadero, CA, United States	2015-04-14
Carol Ortiz	Watsonville, CA, United States	2015-04-14
Stephen Palmer	Lodi, NJ, United States	2015-04-15
Michael Corvasce	Colts Neck, NJ, United States	2015-04-16
Sheila Jourdain	Reading, PA, United States	2015-04-18
Zarth Jourdain	Allentown, PA, United States	2015-04-18
helen viscuglia	Ventnor City, NJ, United States	2015-04-20
Kathleen Duffy	Philadelphia, PA, United States	2015-04-21
Eric michels	Jackson, NJ, United States	2015-04-21
Jamie Figliolino	Wallington, NJ, United States	2015-04-21
Charles Wybierala	Missoula, MT, United States	2015-04-21
Shannon Brown	Seattle, WA, United States	2015-04-21
Conor Riordan	Mullica Hill, NJ, United States	2015-04-22
Daniel Shepsis	Englishtown, NJ, United States	2015-04-22
Jonathan Perez	Cape Coral, FL, United States	2015-04-23
Nathan Carroll	Washington, NJ, United States	2015-04-24
Paul Southwick	Scotch Plains, NJ, United States	2015-04-27

Name	Location	Date
Maria Zelko	Lawrence Township, NJ, United States	2015-04-28
Carol Ann Yenco	Emerson, NJ, United States	2015-04-28
Donna Hartey	Cherry Hill, NJ, United States	2015-04-29
Tyler Okuniewski	Toms River, NJ, United States	2015-04-29
Rocio Carpio Dutan	New York, NY, United States	2015-04-30
y zelcer	Monsey, NY, United States	2015-04-30
joshua zilberberg	United States	2015-04-30
y mayer	Brooklyn, NY, United States	2015-04-30
yehuda greenstein	Monsey, NY, United States	2015-04-30
Daniel DiMarzo	Andover, NJ, United States	2015-05-01
Marjorie La Guardia	Keansburg, NJ, United States	2015-05-01
Mary O'Mara	Metuchen, NJ, United States	2015-05-02
Marykathryn McNeill	Metuchen, NJ, United States	2015-05-02
Ryan Connell	Hillside, NJ, United States	2015-05-03
Ellen Sherry	Bloomfield, NJ, United States	2015-05-03
Robert Sherry	Bloomfield, NJ, United States	2015-05-03
Cara Connell	United States	2015-05-04
Tyhesha Marshall	Trenton, NJ, United States	2015-05-04
Julian Hebert	Englishtown, NJ, United States	2015-05-04
jennifer mateo	Atlanta, GA, United States	2015-05-05
Christian Gomez	Appleton, WI, United States	2015-05-05
Andy Goresh	Lakewood, NJ, United States	2015-05-05
Joseph Lippincott	Thorofare, NJ, United States	2015-05-05
Mehdi naraghi	Hackensack, NJ, United States	2015-05-06
Jesse Stier	Metuchen, NJ, United States	2015-05-06
Sharon Goresh	TR, NJ, United States	2015-05-07
Nicholas Zennario	Linden, NJ, United States	2015-05-07
Lynn Kelly	Brick, NJ, United States	2015-05-07
Annette Zennario	Linden, NJ, United States	2015-05-07
Donna Salin	United States	2015-05-07
Samantha mclean	Somerset, NJ, United States	2015-05-08
diana hunt	Mahwah, NJ, United States	2015-05-09

Name	Location	Date
pat howard	South Plainfield, NJ, United States	2015-05-09
Casey Miller	Cape May Court House, NJ, United States	2015-05-09
Lorraine Belostock	Toms River, NJ, United States	2015-05-11
Geoffrey Neumann	Point Pleasant Beach, NJ, United States	2015-05-11
Kevin Lacatena	Atco, NJ, United States	2015-05-12
Kathryn Marks	Woodbury, NJ, United States	2015-05-12
Kristen Mehaffey	Thorofare, NJ, United States	2015-05-12
Brian Tindall	National Park, NJ, United States	2015-05-12
Patricia Keaney	Greenbrae, CA, United States	2015-05-13
Karen Shala	Philadelphia, PA, United States	2015-05-13
Joseph Murphy	Parlin, NJ, United States	2015-05-13
sue zemel	Kentfield, CA, United States	2015-05-13
Kelly Sousa	Newark, NJ, United States	2015-05-13
Michele Marks	Woodbury, NJ, United States	2015-05-14
Yvonne Quintero	Hopewell Junction, NY, United States	2015-05-14
cheryl Standen	Atco, NJ, United States	2015-05-14
Gaynor Jill	Verona, NJ, United States	2015-05-15
David Lee	Livingston, NJ, United States	2015-05-15
Esther Aderin	Middletown, NJ, United States	2015-05-16
Shawn Coughlin	Manhattan Beach, CA, United States	2015-05-17
mark Abatuno	hull, MA, United States	2015-05-17
Laura Amilcar	ROSELLE PARK, NJ, United States	2015-05-17
Danielle Rogers	Ongar, Ireland	2015-05-18
Kristen East	Noblesville, IN, United States	2015-05-18
Michael Giroud	Rahway, NJ, United States	2015-05-18
Bethany Shenise	Mendham, NJ, United States	2015-05-19
Paula-Kaye Richards	New York, NY, United States	2015-05-20
Fay Sharf	Holtsville, NY, United States	2015-05-21
p howard	South Plainfield, NJ, United States	2015-05-21
Elizabeth Gilligan	New Providence, NJ, United States	2015-05-22
Tamisha Harley Lee	Willingboro, NJ, United States	2015-05-22
Diana Edwards	Franklin Park, NJ, United States	2015-05-23

Name	Location	Date
dennis willaims	Port Chester, NY, United States	2015-05-24
Sahil Sharma	New York, NY, United States	2015-05-27
Veronica Snyder	Cape Coral, FL, United States	2015-05-29
Charles Polaski	Toms River, NJ, United States	2015-05-29
Amanda Gigante	Gloucester City, NJ, United States	2015-05-31
Eric Snipe	Rockville, MD, United States	2015-06-01
Mercedes Hazuri	East Brunswick, NJ, United States	2015-06-02
George Cain	Clementon, NJ, United States	2015-06-02
Anne Hebert	Englishtown, NJ, United States	2015-06-02
Mike Glanzman	Westfield, NJ, United States	2015-06-03
Stephen Snel	Hillsborough Township, NJ, United States	2015-06-03
Aliza Jafri	Linden, NJ, United States	2015-06-04
Daniel Maenner	West Hempstead, NY, United States	2015-06-04
Winsome Drummonds	Summit, NJ, United States	2015-06-06
Vincent DiCostanzo	Haddonfield, NJ, United States	2015-06-08
Kimberly Maxwell	Kenbridge, VA, United States	2015-06-09
Gary Cain	Blackwood, NJ, United States	2015-06-09
Celeste Rodriguez	West Milford, NJ, United States	2015-06-09
Molly Steinborn	Millville, NJ, United States	2015-06-10
Inez Ru	East Brunswick, NJ, United States	2015-06-11
Madeline Calabrese	Lodi, NJ, United States	2015-06-11
Ellie Zaitseva	Plainsboro Township, NJ, United States	2015-06-12
J. Kelly	Lansdale, PA, United States	2015-06-13
Maureen Keaney	East Hartford, CT, United States	2015-06-13
Rose B	Newark, NJ, United States	2015-06-14
Christopher Pirone	Brick, NJ, United States	2015-06-15
John Putney	Mountain Lakes, NJ, United States	2015-06-16
Emma Putney	Mountain Lakes, NJ, United States	2015-06-16
Kara Wirth	Florence, NJ, United States	2015-06-18
William Middleton	Trenton, NJ, United States	2015-06-22
DANIEL GIUFFRE	Freehold, NJ, United States	2015-06-24
Thao Le	Egg Harbor Township, NJ, United States	2015-06-30

Name	Location	Date
michael mastrella	Jersey City, NJ, United States	2015-07-01
Nitza Diaz	Lutz, FL, United States	2015-07-06
Franchesca Rodriguez	New Brunswick, NJ, United States	2015-07-10
Sam Fein	Cliffside Park, NJ, United States	2015-07-11
Debra Fe Fein	Fort Lee, NJ, United States	2015-07-11
Jennifer Brody	Glassboro, NJ, United States	2015-07-13
Ashante Patterson	New York, NY, United States	2015-07-13
Victoria Milburn	Plainfield, NJ, United States	2015-07-13
Riley Pickren	Philadelphia, PA, United States	2015-07-14
Imani Walton	Union, NJ, United States	2015-07-14
frances zapata	Queens, NY, United States	2015-07-14
Maria MacFarlane	Barnegat, NJ, United States	2015-07-15
Blake Synnestvedt	Washington, DC, United States	2015-07-15
Jackie MacFarlane	Silver Spring, MD, United States	2015-07-15
Juliann Soto	Barnegat, NJ, United States	2015-07-15
Tiffany Sullivan	Bensalem, PA, United States	2015-07-15
Stephanie Loffredo	Jersey City, NJ, United States	2015-07-16
Ryan Sommerkorn	Morgantown, WV, United States	2015-07-21
Nicolas Cheremeteff	Park Ridge, NJ, United States	2015-07-22
Andrew Kettmann	Toms River, NJ, United States	2015-07-22
Rena Tandon	Winston-Salem, NC, United States	2015-07-23
Jacqueline Idler	Rockaway, NJ, United States	2015-07-23
susan sopira	Boonton Township, NJ, United States	2015-07-23
tracey timony	Forked River, NJ, United States	2015-07-24
Tara Gobbo	Manchester Township, NJ, United States	2015-07-24
Kelsey Timony	Forked River, NJ, United States	2015-07-24
Brianna Camera	Staten Island, NY, United States	2015-07-24
Alvin Rios	Perth Amboy, NJ, United States	2015-07-26
Jim Clugsten	East Brunswick, NJ, United States	2015-07-26
Maggie George	Fairfield, NJ, United States	2015-07-27
Sally Lopez	Millville, NJ, United States	2015-07-28
Lilly Wilton	Palisades Park, NJ, United States	2015-07-28

Name	Location	Date
Kaity Cornelio	Miami, FL, United States	2015-07-28
Aneika Thomas	Philadelphia, PA, United States	2015-08-03
RUDOLPH AGRESTA	River Edge, NJ, United States	2015-08-05
Kassie Powers	Queens, NY, United States	2015-08-07
Katie Colmerauer	Montclair, NJ, United States	2015-08-10
Mark Delannoy	New Egypt, NJ, United States	2015-08-12
Erika Doogah	Trenton, NJ, United States	2015-08-12
Richard Sorce	Union, NJ, United States	2015-08-12
Jude Ryan	Scotch Plains, NJ, United States	2015-08-12
Aurora Fowler	Philadelphia, PA, United States	2015-08-12
Brigita Roemer	Franklin Park, NJ, United States	2015-08-12
Danielle Doogah	Trenton, NJ, United States	2015-08-12
Samantha Lukas	Woodbury Heights, NJ, United States	2015-08-12
Clair D	Mount Airy, MD, United States	2015-08-12
Thomas Stewart	Philadelphia, PA, United States	2015-08-13
Saba Abid	Cranbury, NJ, United States	2015-08-13
Shemeeka Greaves	Asbury Park, NJ, United States	2015-08-13
Crystal Myrie	Teaneck, NJ, United States	2015-08-14
Natasha Sedlacek	Fair Lawn, NJ, United States	2015-08-14
Sarah Shedeed	Jersey City, NJ, United States	2015-08-14
Sahil Sharma	New York, United States	2015-08-14
mark matuoizzi	Matawan, NJ, United States	2015-08-14
Farrah Sedlacek	Fair Lawn, NJ, United States	2015-08-15
Gregory Sedlacek	Fair Lawn, NJ, United States	2015-08-15
Nicole Caputo	Marlton, NJ, United States	2015-08-15
Tatiana G.	Eatontown, NJ, United States	2015-08-15
Tamia Brandon	Fair Haven, NJ, United States	2015-08-16
Anthony Cusimano	Plainsboro Township, NJ, United States	2015-08-16
Miles Logan	Eatontown, NJ, United States	2015-08-16
Wendy Keefer	Blairstown, NJ, United States	2015-08-18
Brenda Romero	Sayreville, NJ, United States	2015-08-18
SANDRA CHAPMAN-BURSON	Humble, TX, United States	2015-08-19

Name	Location	Date
Sami Ahmed	Long Beach, CA, United States	2015-08-19
Linda Fay Sampson	Eugene, OR, United States	2015-08-19
Sarah Daly	Absecon, NJ, United States	2015-08-19
derrick mickels	Brooklyn, NY, United States	2015-08-21
John Kropa	Brooklyn, NY, United States	2015-08-22
Raymond Gratta	Emerson, NJ, United States	2015-08-22
Michelle Campos	Alpharetta, GA, United States	2015-08-23
Brian Krajcik	Toms River, NJ, United States	2015-08-24
Richard Brand	East Brunswick, NJ, United States	2015-08-24
Stephanie Sims	Morristown, NJ, United States	2015-08-25
Carmen Singleton	Old Bridge, NJ, United States	2015-08-26
Damon Stango	Philadelphia, PA, United States	2015-08-27
Diana Bertonazzi	Trenton, NJ, United States	2015-08-28
Jennifer McLaughlin	Franklinville, NJ, United States	2015-08-28
Melida Melise-Grant	Eatontown, NJ, United States	2015-08-29
Alyssa Robinson	Clifton, NJ, United States	2015-08-31
Anthony DiPaula	Englishtown, NJ, United States	2015-09-01
Akua Oforiwa	Little Ferry, NJ, United States	2015-09-02
Lauren Jobson	New York, NY, United States	2015-09-02
Erik Mason	Philadelphia, PA, United States	2015-09-04
Shellie Mason	Camden, NJ, United States	2015-09-06
Thomas Pisano	Point Pleasant Beach, NJ, United States	2015-09-07
christine rickards	wildwood, NJ, United States	2015-09-08
Noble Rickards	Wildwood, NJ, United States	2015-09-08
Lalchan Jainarine	South Plainfield, NJ, United States	2015-09-09
Renee Rao	Parsippany, NJ, United States	2015-09-11
Craig Bauerlein	Jackson, NJ, United States	2015-09-12
Sarah Yuro	New York, NY, United States	2015-09-13
Nathan Linn	Vineland, NJ, United States	2015-09-14
Alejandra Vasquez	Chicago, IL, United States	2015-09-15
Keri brown	Boonton Township, NJ, United States	2015-09-18
Joshah Brands	Montclair, NJ, United States	2015-09-18

Name	Location	Date
Bernadette Brown	Carteret, NJ, United States	2015-09-19
Shamim Jamot	Carteret, NJ, United States	2015-09-19
Paraic Donnelly	Fords, NJ, United States	2015-09-19
John Romita	Sayreville, NJ, United States	2015-09-19
Nicole Brown	Carteret, NJ, United States	2015-09-19
Jennifer Howland	Carteret, NJ, United States	2015-09-19
Cheryl Russell	Barnegat, NJ, United States	2015-09-19
Tracy berner	Beachwood, NJ, United States	2015-09-19
Fredlyne Auguste	Carteret, NJ, United States	2015-09-19
Julianna bryan	Jersey City, NJ, United States	2015-09-19
Samantha Milak	Edison, NJ, United States	2015-09-19
Lauren Kenney	Cromwell, CT, United States	2015-09-19
Anne Glebocki	Telford, PA, United States	2015-09-19
Constance Howland	Carteret, NJ, United States	2015-09-19
Kenneth Howland	Carteret, NJ, United States	2015-09-19
christy heinecke	Kearny, NJ, United States	2015-09-19
Andrea Sabo	Linden, NJ, United States	2015-09-19
Marguerite Gavin	Carteret, NJ, United States	2015-09-19
Gabriella Guaglianone	Carteret, NJ, United States	2015-09-20
sarah carvalho	Forked River, NJ, United States	2015-09-22
Donna Dzinski	Mullica Hill, NJ, United States	2015-09-22
Robert Rivera	New York, NY, United States	2015-09-22
Maria Bancor	Toms River, NJ, United States	2015-09-23
robin Jacobsen	HASKELL, NJ, United States	2015-09-23
Polhemus Matthew	Bloomington, NJ, United States	2015-09-23
Angela Marino	Beach Haven, NJ, United States	2015-09-25
Fran Lieberman	Metuchen, NJ, United States	2015-09-27
Jacqueline Donlan	Linwood, NJ, United States	2015-09-29
Luis alvarado	Garfield, NJ, United States	2015-09-29
Gianna Simpson	Fairbanks, AK, United States	2015-10-01
John Rayment	Tuckerton, NJ, United States	2015-10-02
Danielle Todd	Pennsville, NJ, United States	2015-10-04

Name	Location	Date
Robert Pestreich	Englishtown, NJ, United States	2015-10-05
michael tan	Edison, NJ, United States	2015-10-06
Timothy Zeiner	Howell, NJ, United States	2015-10-07
Gary Talijan	Califon, NJ, United States	2015-10-08
Joel Chirinos	Somers Point, NJ, United States	2015-10-08
Lauren Peacock	Williamstown, NJ, United States	2015-10-12
Frank Scarola	Jersey City, NJ, United States	2015-10-13
Angelo Marino	Mickleton, NJ, United States	2015-10-13
DAWN PACHECO	Millstone, NJ, United States	2015-10-13
karen penn	Lanoka Harbor, NJ, United States	2015-10-14
Emilie Banz	Elizabethport, NJ, United States	2015-10-16
Heidi Pauls	South Plainfield, NJ, United States	2015-10-22
Shareefah Beecher	Neptune City, NJ, United States	2015-10-23
Ameena Beecher	Asbury Park, NJ, United States	2015-10-23
Jules Tonkinson	Blackwood, NJ, United States	2015-10-26
amor villena	Teaneck, NJ, United States	2015-10-27
Kathy Spurka	Mullica Hill, NJ, United States	2015-10-28
Jaclyn Spurka	Sicklerville, NJ, United States	2015-10-28
Candice Jones	Philadelphia, PA, United States	2015-10-28
Drew Wasiluk	Sicklerville, NJ, United States	2015-10-29
Robert Spurka	Mullica Hill, NJ, United States	2015-10-29
Monique Siemons	Monroe Township, NJ, United States	2015-11-03
Danielle Siemons	Monroe Township, NJ, United States	2015-11-03
Lauren Beckett	West Long Branch, NJ, United States	2015-11-04
Alison Beckett	Piscataway Township, NJ, United States	2015-11-04
Nicole Canning	Belmar, NJ, United States	2015-11-04
Allison Albanese	Township of Washington, NJ, United States	2015-11-05
Laura O'Brien-Cooper	Saint Simons Island, GA, United States	2015-11-06
Janelle Loftus	Brick, NJ, United States	2015-11-06
Gregory Bernstein	Freehold, NJ, United States	2015-11-06
Candice DiCiano	Northfield, NJ, United States	2015-11-06
amaliah gellman	east brunswick, NJ, United States	2015-11-08

Name	Location	Date
TEM LUKABU	Hollywood, FL, United States	2015-11-11
sam deodhari	Hillside, NJ, United States	2015-11-14
Jim Scolectly	Ridgewood, NJ, United States	2015-11-14
Daniel Betancourt	Chicago, IL, United States	2015-11-16
Rob simiriglio	Owings Mills, MD, United States	2015-11-18
Lindsey Freeman	New York, NY, United States	2015-11-18
Maree Freeman	Metuchen, NJ, United States	2015-11-18
Tara Campanile	Manahawkin, NJ, United States	2015-11-22
Robert campanile	Manahawkin, NJ, United States	2015-11-22
Michael Campanile	Manahawkin, NJ, United States	2015-11-22
Megan Campanile	Manahawkin, NJ, United States	2015-11-22
Ashley Campanile	Manahawkin, NJ, United States	2015-11-22
Hope Brown	Piscataway Township, NJ, United States	2015-11-23
Katie Schaffert	Austin, TX, United States	2015-11-23
Taylor Curran	Sicklerville, NJ, United States	2015-11-23
Natalie Simone	Nutley, NJ, United States	2015-11-26
jennifer pena	Paterson, NJ, United States	2015-11-27
elisa waller	forked river, NJ, United States	2015-11-27
erika beachum	Edison, NJ, United States	2015-11-28
kirsty lieberman	Princeton, NJ, United States	2015-11-30
Alison Sweeney	Durham, NC, United States	2015-11-30
Jeana Fidyk	Philadelphia, PA, United States	2015-12-01
Ruth Mena	Secaucus, NJ, United States	2015-12-01
Micheal Rivera	Pennsville, NJ, United States	2015-12-01
Hope Filmore	Jersey City, NJ, United States	2015-12-02
Cecilia Demeo	Dobbs Ferry, NY, United States	2015-12-02
Stacey Scrobe	Edgewater Park, NJ, United States	2015-12-02
Sara Snel	Ardmore, PA, United States	2015-12-03
Leigh LeClair	Cary, NC, United States	2015-12-08
Loren Rivas	Clifton, NJ, United States	2015-12-09
Wendy Lin	Brooklyn, NY, United States	2015-12-11
Bree Kupfer	New York, NY, United States	2015-12-15

Name	Location	Date
Aran Harper	Toms River, NJ, United States	2015-12-16
Nicole S	Parsippany, NJ, United States	2015-12-16
Shani Pleasants	Teaneck, NJ, United States	2015-12-21
Cassandra Abousamak	Edinburgh, SCT, United Kingdom	2015-12-23
Bogdan Serobaba	Sayreville, NJ, United States	2015-12-27
Meghan Warriner	Absecon, NJ, United States	2015-12-27
Vincent Paventa	Hawthorne, NJ, United States	2015-12-29
Amy Nasse	Boonton Township, NJ, United States	2015-12-29
MATT DILLON	Hopatcong, NJ, United States	2015-12-29
Erin Ross	New York, NY, United States	2015-12-30
Vanetta McDale	North Brunswick, NJ, United States	2015-12-31
Bretta Jacquemin	Lambertville, NJ, United States	2016-01-04
kisha wright	orange, NJ, United States	2016-01-05
brittnie angelone	Staten Island, NY, United States	2016-01-05
Christian Valdez	Hackensack, NJ, United States	2016-01-11
Sarah Laubengeyer	Woodbine, NJ, United States	2016-01-12
Marcin Wysocki	Clifton, NJ, United States	2016-01-12
Cindy Aviles	West Orange, NJ, United States	2016-01-14
Cutler Fritz	Gainesville, FL, United States	2016-01-14
Rich Crowell	Haddon Heights, NJ, United States	2016-01-15
Parag Shah	Edison, NJ, United States	2016-01-15
Linda Sharples	Hazlet, NJ, United States	2016-01-18
Jaclyn Rosamilia	Nutley, NJ, United States	2016-01-18
Doree Fisher	Nashville, TN, United States	2016-01-20
Courtney Torell	East Rutherford, NJ, United States	2016-01-21
Mark Infante	Lavallette, NJ, United States	2016-01-21
Andrew Pilgrim	Newark, NJ, United States	2016-01-26
Julia Dunn	Columbus, GA, United States	2016-01-29
Kirsten Volkert	Philadelphia, PA, United States	2016-01-31
Trevor maccarter	Brick, NJ, United States	2016-02-02
Cassandra Rich	Carsonville, MI, United States	2016-02-03
Samanthat Danze	Paulsboro, NJ, United States	2016-02-05

Name	Location	Date
Nicholas Delonas	Kearny, NJ, United States	2016-02-05
Gioia Consoli	Eatontown, NJ, United States	2016-02-06
Jennifer Greslik	Woodland, CA, United States	2016-02-08
Elizabeth Leonard	New York, NY, United States	2016-02-09
Terri Pinnella	Brielle, NJ, United States	2016-02-11
Rasa Ardys-Juska	Manasquan, NJ, United States	2016-02-12
Jean Pennie	Voorhees, NJ, United States	2016-02-12
Willie Roberson	Suitland, MD, United States	2016-02-13
cecilia Demeo	Dobbs Ferry, NY, United States	2016-02-14
Dan Duddy	Toms River, NJ, United States	2016-02-15
Jodi Pavloff	Williamstown, NJ, United States	2016-02-16
Cindy Sobieski	Colts Neck, NJ, United States	2016-02-20
Sizanne Dunkin	Edison, NJ, United States	2016-02-22
K Applegate	Hellertown, PA, United States	2016-02-22
jennifer dixon cheyenne1184@yahoo.com	Lakewood, NJ, United States	2016-02-23
Joseph Kuchta	Toms River, NJ, United States	2016-02-24
Anne Barringer	Kendall Park, NJ, United States	2016-02-27
Sasha Pagan	Passaic, NJ, United States	2016-02-29
Gabrielle Ferrer	Bergenfield, NJ, United States	2016-03-07
Andy Lam	Secaucus, NJ, United States	2016-03-08
Catherine Flanagan	North Arlington, NJ, United States	2016-03-10
Lauren Johnson	North Arlington, NJ, United States	2016-03-10
Danielle F	Palm Beach, FL, United States	2016-03-10
William Groves	Toms River, NJ, United States	2016-03-13
Arif Rahat	Newark, NJ, United States	2016-03-14
Laurie Scott	Marlton, NJ, United States	2016-03-16
Valbert Wyche	Hackensack, NJ, United States	2016-03-18
Heather Becker	Mullica Hill, NJ, United States	2016-03-21
Kevin Mosley	Chicago, IL, United States	2016-03-22
Renee Walsh	National Park, NJ, United States	2016-03-22
Tamisha Cherry	Ossining, NY, United States	2016-03-22

Name	Location	Date
Charles Zielinski	Lawrence Township, NJ, United States	2016-03-29
Kernley Saint Victor	Union, NJ, United States	2016-03-29
Ericka Banal	Queens, NY, United States	2016-03-29
Jill Lissenden	Bayonne, NJ, United States	2016-03-29
Sharon Chamorro	Plainfield, NJ, United States	2016-04-01
Catherine Bird	Forked River, NJ, United States	2016-04-06
Silvija Bosnic	Seattle, WA, United States	2016-04-06
Lauren Tambini	Stewartsville, NJ, United States	2016-04-07
Nastia Imperatore	Ridgewood, NJ, United States	2016-04-10
Via Bello	Bloomsbury, NJ, United States	2016-04-10
Elizabeth M Bello	New York, NY, United States	2016-04-10
Monique Reuben	Bloomfield, NJ, United States	2016-04-16
Amanda Parks	Vineland, NJ, United States	2016-04-16
Jaclyn Hohwald	Merchantville, NJ, United States	2016-04-17
Mitchika Andersson	Bogota, NJ, United States	2016-04-18
Gregory Johnson	Keyport, NJ, United States	2016-04-21
Jerard Dela Torre	Belleville, NJ, United States	2016-04-25
Michael Faretty	Trenton, NJ, United States	2016-04-26
Jennifer Marino	Hackensack, NJ, United States	2016-04-26
Lauren Weaver	Bethlehem, PA, United States	2016-04-26
Carol Peck	Somers Point, NJ, United States	2016-04-27
Janietta Jusu	Sayreville, NJ, United States	2016-04-28
Oscar Gonzalez	Westfield, NJ, United States	2016-04-28
Caitlin Sweeney	Villas, NJ, United States	2016-04-29
Christopher Gonzalez	Fort Lauderdale, FL, United States	2016-04-29
Nina Gabbidon	Old Bridge, NJ, United States	2016-04-29
Leonora Gonzalez	Westfield, NJ, United States	2016-04-30
vernoda graham	Voorhees Township, NJ, United States	2016-05-02
Teresa Richardson	Palmdale, CA, United States	2016-05-04
Andrew Purcell	Cherry Hill, NJ, United States	2016-05-05
Peter LeBron	Staten Island, NY, United States	2016-05-06
Ameer Allen	Newark, NJ, United States	2016-05-10

Name	Location	Date
D Martinez	Sicklerville, NJ, United States	2016-05-11
Maureen Nixon	Toms River, NJ, United States	2016-05-12
kiki volkert	Philadelphia, PA, United States	2016-05-15
Diana StGeorge	Wayne, NJ, United States	2016-05-19
JELAHN GRIFFITH	Brooklyn, NY, United States	2016-05-21
Lauren Lamin	Pleasantville, NJ, United States	2016-05-23
Kevin Brown	Woodbury, NJ, United States	2016-05-27
Brad Ulgherait	Vincentown, NJ, United States	2016-05-29
Lora Zaccagnino	Little Silver, NJ, United States	2016-06-01
John Katsogiannos	Fort Lee, NJ, United States	2016-06-02
Gloria Ugwu	Bayonne, NJ, United States	2016-06-04
Vincent Terlizzese	Sayreville, NJ, United States	2016-06-07
Nicholas Borden	Egg Harbor Township, NJ, United States	2016-06-09
Erin Wythoff	Brooklyn, NY, United States	2016-06-09
Marielle Meth	Hightstown, NJ, United States	2016-06-09
Sean Villena	Teaneck, NJ, United States	2016-06-11
Carlos Henry	Newark, NJ, United States	2016-06-11
Pratik Patel	Roselle Park, NJ, United States	2016-06-13
Korrie Harkins	Wenonah, NJ, United States	2016-06-13
Jann Bradshaw	Evesham Township, NJ, United States	2016-06-14
Jennifer Baskerville	Philadelphia, PA, United States	2016-06-20
Dominique Luongo	Gloucester City, NJ, United States	2016-06-23
gabrielle luongo	Camden, NJ, United States	2016-06-23
Sheena Christian	Chicago, IL, United States	2016-06-24
Lakeeva Hartgrove	Sicklerville, NJ, United States	2016-06-29
Natalie Hernandez	Perth Amboy, NJ, United States	2016-07-03
Elysa Gonzalez	Perth Amboy, NJ, United States	2016-07-03
Aaron Trammell	Irvine, CA, United States	2016-07-03
Rosaly Diaz	Perth Amboy, NJ, United States	2016-07-03
Jeff Kowalski	Hawthorne, NJ, United States	2016-07-03
Chris Luminello	Sparta Township, NJ, United States	2016-07-03
deanna norcross	perth amboy, NJ, United States	2016-07-03

Name	Location	Date
Peter McDonald	Chicago, IL, United States	2016-07-03
Emily Logue Hoyle	Trenton, NJ, United States	2016-07-03
Matthew Herron	Evesham Township, NJ, United States	2016-07-03
Linda Phillips	Asbury Park, NJ, United States	2016-07-03
Michelle Hernandez	Brooklyn, NY, United States	2016-07-04
Belinda Lang	Birmingham, AL, United States	2016-07-04
marija dalbello	NYC, NY, United States	2016-07-04
Danielle Lubin-Mirzwa	Scotch Plains, NJ, United States	2016-07-04
Rebecca Reynolds	Highland Park, NJ, United States	2016-07-04
Grant Wythoff	Brooklyn, NY, United States	2016-07-04
Kayleigh Watters	Oxford, NJ, United States	2016-07-05
Steven Streisguth	San Francisco, CA, United States	2016-07-05
Liz Montalvo	Washington, NJ, United States	2016-07-05
Kellan Fay	Belmar, NJ, United States	2016-07-06
Kelvin PENA	Township of Washington, NJ, United States	2016-07-06
Mike Fillion	Denver, CO, United States	2016-07-06
Danielle Schneider	Red Bank, NJ, United States	2016-07-06
Sean O'Brien	Riverton, NJ, United States	2016-07-06
Nishu Chittella	North Brunswick Township, NJ, United States	2016-07-07
James Putney	Mountain Lakes, NJ, United States	2016-07-07
Michael Putney	Miami, FL, United States	2016-07-07
Melissa Riker	Rockaway, NJ, United States	2016-07-07
amanda Exarchakis	East Brunswick, NJ, United States	2016-07-07
Justine LoStocco	North Brunswick Township, NJ, United States	2016-07-07
Michelle LoStocco	North Brunswick Township, NJ, United States	2016-07-07
Alfred Martin	Oakland, CA, United States	2016-07-08
Loretta Joe-Fields	Mount Olive Township, NJ, United States	2016-07-08
Shimon Solomon	Rockaway, NJ, United States	2016-07-08
Joseph Desposito	Dunellen, NJ, United States	2016-07-09
Catherine Mauch	Spain	2016-07-10
William Rosario	North Brunswick Township, NJ, United States	2016-07-10
Winston Casalinuevo	Old Bridge, NJ, United States	2016-07-11

Name	Location	Date
Doris Perez	North Brunswick Township, NJ, United States	2016-07-11
Stephanie Perez	North Brunswick Township, NJ, United States	2016-07-11
Damaris Perez	Owings Mills, MD, United States	2016-07-11
Sasha Rashid	Lyndhurst, NJ, United States	2016-07-11
Matthew Candeloro	Brick, NJ, United States	2016-07-11
Suzanne Delonas	Plainfield, NJ, United States	2016-07-12
Sharrie Volcin	Roselle Park, NJ, United States	2016-07-12
Robert Ruszczyk	Trenton, NJ, United States	2016-07-13
Benoit MacKay	Wilkes-Barre, PA, United States	2016-07-14
Sheribel Aguilar	Somerset, NJ, United States	2016-07-14
Amanda Giesler	Johnson City, TN, United States	2016-07-15
Meghan Bower	Morrisville, PA, United States	2016-07-21
Tyler Maurer	West Milford, NJ, United States	2016-07-22
Melissa Varela	Perth Amboy, NJ, United States	2016-07-22
Kathleen Ross	Bordentown, NJ, United States	2016-07-23
Susan Beatrice	Glassboro, NJ, United States	2016-07-25
Julie Moore	Cape May Court House, NJ, United States	2016-07-26
James Moore	Cape May Court House, NJ, United States	2016-07-26
Ashley Semper	Teaneck, NJ, United States	2016-07-27
Bart Masciale	Middletown, NJ, United States	2016-07-30
Kevin Roleson	North Brunswick Township, NJ, United States	2016-08-03
Saya Jalali	Keyport, NJ, United States	2016-08-04

Comments

Name	Location	Date	Comment
Brian Carney	East Brunswick, NJ	2014-11-25	So you ask yourself why should I sign this petition, I didn't take out these loans...well my response is, you're right. But, you may have children or grandchildren who will one day need to take student loans. I am not only asking you to sign, I am also trying to bring an awareness that you stay as far away from this loan as you possibly can. This has to be one of the WORST student loan lenders out there, and ironically, it is offered by the State of New Jersey. So, sign it for your kids or your grandkids; but don't just sit idly by and think things will fix themselves because they won't.
Theresa Sweet	Los Gatos, CA	2014-11-25	I am sick to death of the obscene profit being made on the backs of students- particularly by unscrupulous lenders who have an INCENTIVE TO SEND BORROWERS INTO DEFAULT.
Sarah Jones	Essex, CT	2014-11-26	NJ Class needs to be stopped!
Christina Romeo	Hazlet, NJ	2014-11-26	I am so sick of corporations making huge profits off of struggling people!
Kayla gushue	Cape May, NJ	2014-11-26	this is for my cousin who has been paying hers
Kevin Lacks	Piscataway Township, NJ	2014-11-26	im a recent grad struggling to pay back loans and make a living for myself.
Carol Ioannides	Parlin, NJ	2014-11-26	This needs to change.
Edwin Rod	Newark, NJ	2014-11-26	How can students move on with their life with loans keeping them back?
Daynielle Hunter	East Brunswick, NJ	2014-11-26	I'm signing because NJCLASS has made it impossible for me to pay them. They demand what is more than half of what I make a month, and will accept no less. I wish I never went to college.
Chris Callahan	Sayreville, NJ	2014-11-27	I'm signing this because it is right!
ellen nycz	new port richey, FL	2014-11-27	because these students dont make the money to pay back, schools re not honest, i know this first hand,
marcia martins	New Braunfels, TX	2014-11-27	I want bankruptcy protection returned to students.
tina storrs	Parlin, NJ	2014-11-27	I have two children who fall under this situation. Something has to change.
carol zebro	Jackson, NJ	2014-11-27	I HAVE A GRAND DAUGHTER IN SCHOOL
Leo McCabe	South Amboy, NJ	2014-11-27	College education costs are too much!!
Chris morrissey	Parsippany, NJ	2014-11-27	i am signing because I am currently and have been going through this. Even when I was seriously ill with cancer.
Catherine Donald	Covington, GA	2014-11-27	I believe in this cause!
Ann Marie Marshall	Parlin, NJ	2014-11-27	Same thing happened to me
clyde stewart	hattiesburg, MS	2014-11-28	the 14 th amendment protects us. Bill Clinton and George W Bush sure as hell didn't
Erika Larrondo	San Diego, CA	2014-11-28	We need to stop this insanity
Robin Mosher	Goodlettsville, TN	2014-11-28	we need to change this system
April Asare	Germantown, MD	2014-11-28	I have student loans and steady income is not guaranteed. Falling into default could possibly be me one day.
Sheila Seabrook	Decatur, GA	2014-11-29	Sheila Seabrook
Deborah Smith	Allegany, NY	2014-11-29	The whole student loan situation needs an over haul from top to bottom, starting with private student loans.
Judy McCabe	Port St. Lucie, FL	2014-11-30	The rich (big business) keep getting richer and the middle class keeps getting poorer.

Name	Location	Date	Comment
d'On Butkiewicz	Millstone, NJ	2014-11-30	We have a loan with them
Storrs Tina	Parlin, NJ	2014-11-30	My children are in over their heads in debt from school loans.
Mark Hesaa	New Jersey, NJ	2014-12-01	The citizens of New Jersey need to put a stop to this state rip off agency.
Jennifer Mullan Gonzalez	Secaucus, NJ	2014-12-09	BEACUASE THIS AFFECTS US ALL!
Seb Posluk	Brooklyn, NY	2014-12-20	NJHESAA/NJClass has ruined my life.
Nese Foster	austin, TX	2014-12-20	their behavior is no different than the banking industry that took advantage of borrowers that lead to the demise of the mortgage banking and put us in a recession. The government stepped in then and should now. This is no way to treat the students that are working hard to enter and be a productive unit of the United States. I don't see how this has not been brought to suit against them yet.
Rose Sias	Millville, NJ	2014-12-20	I am a cosigned who is heading to court in March for a defaulted loan.
Joel I	North Bergen, NJ	2014-12-21	This loan has changed my whole view on the importance of higher education. I wished I stayed working in retail making \$11.00 an hour without any student loan debt than make \$40,000 with \$65,000 in student loan debt. NJClass does not care about the borrowers nor the cosigners, and that's not right by any means.
Gregory Jesnen	Highland Lakes, NJ	2015-01-09	I am a Rutgers college graduate with the beginnings of a successful career and instead of looking for a house to buy, I am sharing an apartment with three friends. This is because I am encumbered by an outrageous loan repayment plan with absolutely no flexibility. I pay over a 1000 dollars a month in loans to HESSA. How are recent graduates expected to alleviate the already overly burdened tax base in New Jersey when we can't even buy homes.
Nicolette LaDuke	Avoca, MI	2015-01-10	I am signing because 8% interest on a parental student loan is high way robbery. Also, ITT Tech did not divulge to us that all this schooling we are paying for, doesn't mean shit. No credits can be transferred. Talk about ripping off people.
Stephanie Goich	Green Bay, WI	2015-01-10	I too have student loans.
Jason Staple	Hollywood, FL	2015-01-11	The entire industry needs reform and will cause destructive financial disaster to our youngest Americans.
Kim Allen	Somerset, NJ	2015-01-13	As a single mother with a child going to start college, school debt can get incredibly high and if ever paid late, should not ruin a kid/or parent's credit forever.
Bryan Curcic	Medford, NJ	2015-01-15	HESAA is a horrible loan servicing company. The interest rates are absurd.
Kimberly Urquhart	Paterson, NJ	2015-01-17	I have NJClass loans and have had problems with them before.
Larry Sarlo	Sicklerville, NJ	2015-01-20	My sons has tried to reach Hesaa to start payments they took it off the site and were unable to be reached by phone. We couldn't pay even when we tried to pay. That was over a year ago...
Samantha Bree	Gloucester City, NJ	2015-01-23	I fully agree. I was out of work for a number of years, and they took me to collections. I was told when I signed up that they were public state loans, but they are private. Now, in addition to paying a monthly fee, I also have my taxes garnished every year.
Yalitza Ledgister	Hialeah, FL	2015-01-25	I also have a NJClass loan and it has become a financial burden on my family. I have 3 kids and make \$15,000/yr my payments are \$303/month... Why is HESAA exempt from income repayment plan??? Please help me.
Chris Feibel	Toms River, NJ	2015-02-25	I am screwed. Never missed a payment.

Name	Location	Date	Comment
Scott Fitzpatrick	West Orange, NJ	2015-03-03	I have been drowning in debt because of this loan. It went to collections because I could not afford the monthly payment and they tacked on an additional \$20k in legal fees and I am now forced to pay \$1250/month and cannot afford to live on my own
Amna Siddiqui	New York, NY	2015-03-04	I've had it with HESAA's lies and manipulation.
Patti Fitzpatrick	Lake Hopatcong, NJ	2015-03-04	I'm sick and tired of our young people and also their parents going thru all this financial worry and pain! We have to have answers for our children and get the much needed help and be led down the right path We have been going in circles for too long now and all this frustration has been causing so much pain and anguish. We need to be heard and helped because so many of our young, intelligent and conscience children so no way out!
Sandra Honczarenko	Hampton, NJ	2015-03-06	I am signing because I have a 25 year old son. He went to college because his father, my husband, and I told him it was his best shot at getting ahead in life. He is lucky and got a government loan that is being slowly paid off. However, many of his friends have started life with incredible debt from student loans. These young adults will never get out from the yoke because they were responsible enough to educate themselves. It is a scandalous situation created by student debt and we as a society should help young people become educated without having to face such financial ruin.
Heidi Garrett	Harrisburg, PA	2015-03-10	I'm signing this because NJClass's loan terms are unconscionable. New Jersey is one of the few states that granted this sort of power to student loan lenders.
jordan tait	Sicklerville, NJ	2015-03-22	i'm signing because \$983 a month is more than a mortgage payment and they're crazy!
Dorothy Morelli	ventnor, NJ	2015-03-23	My son was on the re-aging program making his payments and they never updated their system and sent him to collections
Nicole Russo	Brooklyn, NY	2015-03-25	NJ Class has ruined me. They took advantage of my inexperience as an 18 year old college student. My credit is destroyed and the monthly payment is so high that i can barely afford to live. I have \$30 a week to live off of and NJ Class has denied me a consolidation and cannot help
Mike Langton	La Plata, MD	2015-03-28	Student loans have destroyed my life.
MATTHEW SCHECHTER	Franklin Township, NJ	2015-03-29	I am at the mercy of HESAA and can not live life.
Theresa Mcallister	Freehold, NJ	2015-04-02	I have consistently asked for help from NJ class only getting the response "have your co-signors pay." Now I am paying for it, literally and figuratively. I tell anyone looking at colleges and student loans to steer clear from NJ class unless they want to be paying the rest of their lives and possibly your children still paying long after your gone.
Charlotte Longworth	Montclair, NJ	2015-04-02	I am a HESAA borrower and the payment options / high rate interest is outrageous.
Vincent Cimilluca	Edison, NJ	2015-04-06	I would like to have interest rates lowered on my 5 loans to a rate that can be paid off in 5 lifetimes.
Stephen Palmer	Lodi, NJ	2015-04-15	I was scammed into get a NJclass loan thinking it was a federal loan also they need to offer a rehabilitation for defaulted loans
Zarth Jourdain	Allentown, PA	2015-04-18	My predatory loan via NJClass was defaulted almost immediately upon graduation and despite my many efforts the collection attorneys whom the loan now resides with shows little to no interest in any form of rehabilitation of the defaulted status.
helen viscuglia	Ventnor City, NJ	2015-04-20	I keep getting notices that I am overdue on payment, yet cant get documentation of proof from HESSA

Name	Location	Date	Comment
Kathleen Duffy	Philadelphia, PA	2015-04-21	I pay HESAA a mortgage payment each month and am always terrified of defaulting. I hope this petition gains traction!
Jamie Figliolino	Wallington, NJ	2015-04-21	I was forced to use NJClass because I had already graduated and lived in NJ. I've had nothing but trouble. It is incredibly difficult to get ahold of them. In fact I've had an easier time getting ahold of the IRS. They also do not offer paperless billing.
Charles Wybierala	Missoula, MT	2015-04-21	I'm signing because NJCLASS makes over \$6000 in interest on my student loans annually. Its disgusting.
Conor Riordan	Mullica Hill, NJ	2015-04-22	My own NJCLASS loans are not in default but I currently pay over \$1000 a month to this predatory state agency. I would like to see relief come to those in default and then that action extend to those currently in repayment. Our burden must be lifted, there must be a better way for the state to collect the money it so generously loaned us. Let's figure it out.
Daniel Shepsis	Englishtown, NJ	2015-04-22	I'm a student, and I was just a couple of clicks away from signing myself into this nightmarish program. This is unacceptable.
Paul Southwick	Scotch Plains, NJ	2015-04-27	They sent our loan to a lawyers who wants 30% interest...WTFudge.
Maria Zelko	Lawrence Township, NJ	2015-04-28	My daughter and I will be in debt for the rest of our lives.
Carol Ann Yenco	Emerson, NJ	2015-04-28	I am a cosigner on my son and daughter's loans.
Tyler Okuniewski	Toms River, NJ	2015-04-30	HESAA has sucked the life out of me.
Dan DiMarzo	Columbia, SC	2015-05-01	I can not keep up with my payments, NJCLASS refuses to aid
Mary O'Mara	Metuchen, NJ	2015-05-02	My son has over \$120k of NJCLASS debt. They want over 3K per month, he only brings home 2.8k per month - how is ti live.....
Marykathryn McNeill	Metuchen, NJ	2015-05-02	I owe a lot to NJCLASS and they are making it impossible to live my life.
Ryan Connell	Hillside, NJ	2015-05-03	I am a victim of this insurmountable debt and have been for years. Keeping me from living my life.
Cara Connell	Sea Girt, NJ	2015-05-04	I have more than \$80,000 in Student Loan debt and it must be stopped.
Mehdi naraghi	Hackensack, NJ	2015-05-06	Other loans interest rates are less than 4% NJClass charges more than 7%. There should be options available to refinance NJClass loans to other private loans.
Jesse Stier	Metuchen, NJ	2015-05-06	I am here because not only did was I under the impression this was state funded loan. I also dont make enough to even afford the consolidated amount of these horrible loans. They help no one with debt and threaten to take everything away from you if you don't pay
Nicholas Zennario	Linden, NJ	2015-05-07	Like to warn everyone with a HESAA loan to watch out if it defaults and ends up in the hands of Solomon and Solomon P.C. There is a class action lawsuit currently against them for their high attorney fees.
Annette Zennario	Linden, NJ	2015-05-07	My daughter and I are being harassed by their sleezy lawyers and they have lied to us and not disclosed anything!

Name	Location	Date	Comment
diana hunt	Mahwah, NJ	2015-05-09	My son has over \$100,000 in student loan debt with this co. and they offer him no options as far as reduced payments. He is underemployed, has to live at home and can't buy a car so must lease in order to get to his job. We have tried negotiating a plan that considers his limited income with no success. I am cosigner for some of his loans and they harrass me with 5-7 calls/day. I am already paying \$1000 in student loans a month. i made recent payments and they are now showing them in the payment record. now they want \$18,000 on one loan in full and are also suing my son for another loan that he tried to make the payments on but could not keep up with them. I made a \$19,000 lump sum payment last year and paid \$12,000 in interest. so presumably only \$7,000 in principal. This seems absurd!
pat howard	South Plainfield, NJ	2015-05-09	My son will be facing this monster soin
Casey Miller	Cape May Court House, NJ	2015-05-09	NJCLASS uses predatory lending practices under the guise that they are a government run agency.
Geoffrey Neumann	Point Pleasant Beach, NJ	2015-05-11	My student loans are astronomical as well, and most students who seek higher education are forced to undergo some level of undue hardship after graduation.
Kevin Lacatena	Atco, NJ	2015-05-12	I am paying \$60,000 back to HESAA with no end in sight. I pay double what I am required and still seem to make no headway. We need to spread awareness on HESAA and their unethical code of conduct to student borrowers.
Kathryn Marks	Woodbury, NJ	2015-05-13	Hessa NJ Class will not work with me to lower my monthly payments to something i can afford. They refuse to help me in anyway which makes it impossible to live in this world.
Brian Tindall	Woodbury, NJ	2015-05-13	My girlfriend is trying her best to pay her student loans and no class refuses to help her
Patricia Keaney	Greenbrae, CA	2015-05-13	I know great young people in NJ who are saddled with debt and who have been subjected to unethical business practices from both HESAA and their collection law firms. The state of NJ and the CFPB needs to investigate this entity. No student or parent should use them for loans without understanding their practices and ridiculous interest rates. Borrower Beware!
Karen Shala	Philadelphia, PA	2015-05-13	I'm signing because I am a victim of hesaa and njclass.
Kelly Sousa	Newark, NJ	2015-05-13	i am in extreme debt from NJCLASS
Gaynor Jill	Verona, NJ	2015-05-15	My loans defaulted during a time of financial hardship, now I am more than capable of paying, but my credit score and defaulted status is limiting my ability in many financial ways.
Danielle Rogers	Dublin, Ireland	2015-05-18	I am signing because I am getting royally screwed by this company without any relief in sight. Tried multiple times to contact them and work with them in regards to my financial situation and after almost ten years no help!!! They only tell me to go to my cosigner of when I was a child, my poor father who doesn't have it either and has been struggling from the economy as well!!! This isn't fair and there is no end in sight. I want to scream!!!! I am living in Ireland now and after all my contact all I get is another bill and poor responsive email. It's a wonderful world where companies and big businesses hurt the future of their own country. There is something terribly wrong here. When is there going to be someone who looks out for the students!
Kristen East	Pitman, NJ	2015-05-18	I have an NJ Class loan and I can't pay it all and they're not giving me any options!!!
Tamisha Harley-Lee	Levittown, PA	2015-05-22	I am signing because my student loan interest rate is so high that they are take 15% of my income...I can't hardly feed my family and pay my bills...it needs to be lowered or forgiven

Name	Location	Date	Comment
Diana Edwards	franklin park, NJ	2015-05-23	Its unfair they should lower student loans monthly payments!
dennis willaims	Port Chester, NY	2015-05-24	i'm a grandfather and grandson can not afford to pay the loan back
Eric Snipe	Rockville, MD	2015-06-01	\$70,000+ NJCLASS debt. Never should have used this loan for out of state tuition. Like many others I was young and and misinformed... HESAA's target customer.
George Cain	Clementon, NJ	2015-06-02	I'M SIGNING BECAUSE MY SONS LOANS ARE IN DEFAULT AND NJ DOESN'T CARE AND WILL NOT HELP.
Aliza Jafri	South Orange, NJ	2015-06-04	NJClass is by far the worst student loan company.
Daniel Maenner	West Hempstead, NY	2015-06-04	I am a medical student who defaulted on a njclass loan when I was unable to make the interest payments and NJ class loan refused to grant me an in school deferment
Winsome Drummonds	Summit, NJ	2015-06-06	Problems paying loans with high interest rate difficulties with getting longer loan deferred /forebearance
Vincent DiCostanzo	Haddonfield, NJ	2015-06-08	HESSA is screwing me.
Kimberly Maxwell	Kenbridge, VA	2015-06-10	They refuse to try and work with me. They would rather see me not pay them instead of let me consolidate!
Celeste Rodriguez	Lyndhurst, NJ	2015-06-10	This has been an absolute nightmare!
Rose B	Newark, NJ	2015-06-14	i'm tired of them ruining lives, preventing us from getting high paying federal jobs. Instead of helping us to be able to repay them
Chris Pirone	Brick, NJ	2015-06-15	This company is keeping me from moving out of my parents house.
John Putney	Mountain Lakes, NJ	2015-06-16	A 7.9% interest rate for educational loans
Kara Linico	Roeboling, NJ	2015-06-19	HESAA is a cancer that is unethical and unrelenting. It is time someone does something to stop this!!
michael mastrella	orange park, FL	2015-07-01	I'm a borrower and this is the absolute WORST company I've ever experienced.
Deb Fein	Fort Lee, NJ	2015-07-11	Education should be a right. Students wind up having to pay forever.
Tiffany Moed	marlton, NJ	2015-07-15	A coupke of years ago they would not defer my loans and the only option was to pay high interest payments. Then my payments rose drastically. Interest rates are unbearable (8%) and they threatened to start taking my parents paychecks if I didnt pay
Andrew Kettmann	Toms River, NJ	2015-07-22	I like many others are completely blind sided by the terrible tactics this company uses. Instead of helping kids achieve a college degree they are setting them up for what could be a lifetime of pain and hardship making a comfortable living.
susan sopira	Boonton Township, NJ	2015-07-23	My daughters loan are through HESSA and their website never works properly, bills are never sent on time, if you call you wait for 30 plus minutes to speak with someone.
tracey timony	Forked River, NJ	2015-07-24	They are unwilling to make payments more affordable. They would rather garnish and harass hard working American citizens by only offering to increase their payments.
Tara Gobbo	Manchester Township, NJ	2015-07-24	I'm signing because NJ Class will not offer a affordable payment plan. Instead they revamp your loan to a higher more unaffordable payment which helps me even less!
Kelsey Timony	Forked River, NJ	2015-07-24	Going to college using NJClass ruined my life.
Alvin Rios	Perth Amboy, NJ	2015-07-26	I'm signing because I am a college student who cannot afford tens of thousands of dollars to further my education.

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Name	Location	Date	Comment
Jim Clugsten	East Brunswick, NJ	2015-07-26	This loan is supposed to be a STATE loan and too many young borrowers are needlessly defaulting because this agency refuses to work with their borrowers. Terrible, terrible agency. Shut it down.
Sally Lopez	Millville, NJ	2015-07-28	I have tried to get help for my son/husband's loans. Payments are WAY TOO high. My son didn't actually graduate when he "walked" in May but had to do an internship during the summer with no pay. They would not help. Seems like whatever we can pay does nothing to the balance. I wish we knew of their tactics before we went to them for his loans.
Kaity Cornelio	Miami, FL	2015-07-28	HESAA NJCLASS loans have basically ruined my life and all hopes of ever owning my own home or being freed from the financial burden of student loan debt in this life time.
Mark Delannoy	New Egypt, NJ	2015-08-12	I'm signing this petition because NJCLASS has prevented me from starting a life I work paycheck to paycheck just to feed the NJCLASS beast.
Richard Sorce	Union, NJ	2015-08-12	I'm screwed. Should've never used HESAA
Jude Ryan	Scotch Plains, NJ	2015-08-12	I'm signing because the costs of education are spiraling beyond control. Also, there needs to be more transparency in the process of giving financial aid so that everyone has the same chance of getting the maximum need based aid, to the extent possible.
Samantha Lukas	Woodbury Heights, NJ	2015-08-12	I have a NJCLASS loan.
Clair Duhigg	Mountain View, CA	2015-08-12	My partner has private student loans and her vendors are ruthless and inflexible in their dealings with her. They are unwilling to work with her and her best efforts to uphold a completely out of this world financial obligation. She has the best of intentions and yet is receiving no help. This is impacting her entire financial sector of her life in long term stressful ways. It's terrible and unjust.
Thomas Stewart	Philadelphia, PA	2015-08-13	They took advantage of me.
Saba Abid	Cranbury, NJ	2015-08-13	I went to school for 3 semesters, never got my degree because I had to work full time, I have student loans out the a** and not enough income to pay them. And I cannot go to another college or transfer my credits until I pay Middlesex county college back.
Tatiana G.	Eatontown, NJ	2015-08-15	I have loans with HESAA. I made payments while still in school to HESAA. (That's 4 years worth of payments!) After 4 years, my 48th payment to be exact my interest rate skyrocketed to 8.6%!! When I called to inquire as to why, they told me after my 48th payment the interest rate is raised! WHY?! I read all the fine print, this isn't stipulated anywhere! After almost 5 years of repayments I have barely made a dent in my student loans. HESAA needs to be held accountable for blindly robbing students and REFUSING to work with students like myself who are willing to make payments, just not the outrageous payments HESAA demands. Since graduating 8 months ago with my Masters my payments are almost \$1600/MONTH. I've called HESAA numerous times to work on lowering my payments, while I look for a full time job. I was told because my loans are private there is nothing I can do but pay the \$1600/month or risk destroying my credit. Every month I am struggling to pay my loans, I have over drafted my bank account on numerous occasions, I am borrowing money from family and friends just to survive. HESAA has put me in a vicious cycle where I feel as if I will never be able to pay off my loans. It's a shame that I am being punished for choosing to receive higher education and trying to build a better life for myself.
Wendy Keefer	Blairstown, NJ	2015-08-18	I have been attempting to resolve and pay off my defaulted student loan and I am looking to join a group who share my situation.

Name	Location	Date	Comment
Brenda Romero	Sayreville, NJ	2015-08-18	I am in NJ HESAA HELL. They failed to notify me about changes to my loans and they are unwilling to work with a borrower that is willing to pay the monthly payments but cannot pay large lumpsums of interest. On top of everything else, they are the rudest assholes ever when you speak to them and one of them actually said "well then you shouldn't have gone to college". They are the scum of the earth.
Raymond Gratta	Emerson, NJ	2015-08-22	I was told after one year of my son making his payments I could be removed as cosigner. They lied!
Michelle Campos	Alpharetta, GA	2015-08-23	NJClass loan has ruined my life and there is no end in sight.
Brian Krajcik	Toms River, NJ	2015-08-24	I'm signing because I too am trapped by NJ Class and their devious system of screwing young students like myself who now will have no future....Thanks NJ
Carmen Singleton	Old Bridge Township, NJ	2015-08-26	It is really disgusting to scam young people trying to create a future for themselves. I literally looked this company up before doing anything and they seem so pathetic and terrible.
Damon Stango	Philadelphia, PA	2015-08-27	I have a Master's degree and still have been unable to find gainful employment. I'm now in my second deferment, which is apparently their limit. I'm fearful of this loan defaulting and ruining my credit.
Thomas Bertonazzi	Vineland, NJ	2015-08-28	IBR - Income based repayment should be an option. This is no way to keep highly qualified graduates in the state.
Jennifer McLaughlin	Franklinville, NJ	2015-08-28	NJClass reps are rude and not very helpful. Last payment that I made on line they took two payments out of my bank account. I was able to stop the extra payment through contacting my bank. When contacting them, it was mass confusion on the phone transferring me from one department to the next. They have no regard for their borrowers.
Melida Melise-Grant	Eatontown, NJ	2015-08-29	This affects me personally also, I want to see some thing done.
Alyssa Robinson	Clifton, NJ	2015-08-31	High interest rates have caused my loan amount to almost increase every single time I make a payment. I have never missed a payment, but with a child on the way I can no longer afford to dish out money to these scammers.
Anthony DiPaula	Englishtown, NJ	2015-09-01	I AM IN DEFAULT AND CANNOT KEEP UP THEIR INCONSISTENT BILLING PRACTICES AND POOR CUSTOMER SERVICE.
Akua Oforiwa	Little Ferry, NJ	2015-09-02	Im signing because NJ HESSA IS THE MOST EVIL student loan company. There could care less about us suffering to pay these monthly payments and have the audacity to not have income based repayment plans. They are terrible and I will MAKE SURE NO ONE EVER USES THIS LOAN COMPANY
Shellie Mason	Camden, NJ	2015-09-06	I am a co-signer and we are paying thru an atty but can't afford atty fees and interest every year. Want loan out of default so he and she can go on with their lives
christine rickards	wildwood, NJ	2015-09-08	I am signing due to this loan from hell impossible interest before you even touch the loan! Who in the hell is getting that money!!! My son got sick in college and no one helped him with anything financial. This loan is ridiculous a student could never afford it who has interest rates like that!!!! We tried to work with them only for them to threaten us to take us to court. We struggle everyday with this ungodly interest that is going nowhere, they should be ashamed of themselves I say we expose them its insane!!! We thought we were the only ones in Hessa Hell!!!! Ahh this is better yet too many involved count me in!!!!
Noble Rickards	Wildwood, NJ	2015-09-08	What a scam artist
Renee Rao	Parsippany, NJ	2015-09-11	I monthly repayment amount is ridiculous!

Name	Location	Date	Comment
Craig Bauerlein	American Embassy Dar es Salaam, Tanzania, United Republic of	2015-09-12	I'm an Marine Afghanistan Veteran that has spent their entire pay earned while on deployment towards my HESSA loans. Now back in the U.S. my payments are 1/2 of my paychecks, Hardly enough to support and feed my family. There is no forgiveness or revamping that my service and countless others are able to obtain from these theives.
Sarah Yuro	New York, NY	2015-09-13	HESAA is a predatory lender who needs to be stopped and whose borrowers deserve justice.
Alex Vasquez	New Brunswick, NJ	2015-09-15	HESAA suffocates me.
Keri brown	Boonton Township, NJ	2015-09-18	im signing because HESAA is a joke and must be stopped.
Shamim Jamot	Carteret, NJ	2015-09-19	HESAA has ruined my life.
Cheryl Russell	Barnegat, NJ	2015-09-19	Because kids today don't stand a chance to dig themselves out of College Debt today. We encourage our kids to get a Great education and they do but when they get out of College they can't find jobs paying enough to help pay back their loans and live also. A lot are at the age where they are getting married have their own places and would love to start families and start living their lives as adults but these loans make it so hard on them and their parents especially because most have more than one child in college. They need a break it's always the Rich ppl getting the Breaks not the middle class. Please help our future !!
Tracy Berner	Beachwood, NJ	2015-09-19	I have a defaulted student loan
Robert Rivera	New York, NY	2015-09-22	They need to follow the law, and help protect student borrowers who have fallen on bad times.
Robin Jacobsen	Fair Lawn, NJ	2015-09-23	I graduated in 1993 and still owe more than I borrowed bc of interest and having to defer a few times. I was in default for awhile also.
Jacqueline Donlan	Linwood, NJ	2015-09-29	I have so much student debt that I can barely afford anything.
Luis Alvarado	Garfield, NJ	2015-09-29	I feel like I'm being taken advantage of
John Rayment	Tuckerton, NJ	2015-10-02	I'm signing because young adults deserve to have cooperation from Hesaa, not to avoid paying, but to make more realistic payments. Hesaa has become a predatory lending company taking advantage of young people who don't know what their rights are.
Danielle Todd	Pennsville, NJ	2015-10-04	I have 3 NJClass loans in default. They won't work with me and it is ruining my life.
Robert Pestreich	Englishtown, NJ	2015-10-05	I believe the NJHESAA is engaged in predatory lending.
Michael Tan	Edison, NJ	2015-10-06	Dealing with HESSA being so unreasonable as to not allow options to bring a loan out of default. Plus read the condolence letter of a blogger that linked to this petition.
Timothy Zeiner	Howell, NJ	2015-10-07	I am a victim of HESAA's predatory loans. The HESAA loan has prevented me from being able to provide a self-sustaining life for myself. Over 75% of my monthly income goes straight to my HESAA loan. This needs to end and soon.
Gary Talijan	Califon, NJ	2015-10-08	HESAA has been extremely difficult to deal with, they place on their web that you have 60 days to start repayment, then send you a bill in 20 days and thereafter file a delinquent credit report all while you're in school under deferment
Joel Chirinos	Somers Point, NJ	2015-10-08	These loans have put crippling debt and ruined my credit.
Angelo Marino	Mickleton, NJ	2015-10-13	I too have this student loan and would like to see positive action taken towards the NJ Class Loan Agency
Karen Penn	Lanoka Harbor, NJ	2015-10-14	This is nothing short of loan sharking!

Name	Location	Date	Comment
Shareefah Beecher	Long Branch, NJ	2015-10-23	I'm signing this petition because out of all the student loans I have HESAA gives me the worse experience and all of my other loans are in forbearance and they will not make this process any easier for me.
Jules Tonkinson	Blackwood, NJ	2015-10-26	Parent co signer
Kathy Spurka	Mullica Hill, NJ	2015-10-28	My daughter has multiple loans with NJCLASS loans and HESAA. The payments are outrageous and when we try to make reasonable/affordable arrangements we are told there is nothing they can do. They don't want to work with you. They'd rather send hard working people to collection agencies. NOT FAIR. We WANT to pay but they are uncooperative. These loans have RUINED my daughters credit and my credit as the co-signer. HELP!
Monique Siemons	Monroe Township, NJ	2015-11-03	This is criminal what is happening to NJ college students.
Lauren Beckett	New Brunswick, NJ	2015-11-04	I want my future back.
Alison Beckett	Piscataway Township, NJ	2015-11-04	I'm signing because I am struggling to pay my enormous monthly payments. I can just barely afford my other monthly bills, and I am unable to save any money. I have only been working for two years, I still do not make enough money to support these kinds of monthly payments. I fear that I'll have to wait for my partner to start earning and saving money before we can even think of a future together. These payments are honestly ruining my livelihood and well-being.
Laura O'Brien-Cooper	Saint Simons Island, GA	2015-11-06	My son has been so stressed over student loans and it has very much affected the quality of his life! It saddens me as a parent(And co-sign or) to see that what should have been helpful has caused him such grief!
Gregory Bernstein	Freehold, NJ	2015-11-06	I've seen the hell that HESAA can put someone through, and it is the only student loan provider that I've ever seen which use such aggressive tactics when a person is behind on their payments, as well as the only student loan provider that has such poor standards of operation.
Candice DiCiano	Northfield, NJ	2015-11-06	Have \$100,000 in debt and half is with NJ Class
sam deodhari	Hillside, NJ	2015-11-14	I hate NJCLASS. They are liars and misrepresent themselves. I would not let my worst enemy deal with them
Rob simiriglio	Owings Mills, MD	2015-11-18	Im in default and attorney wants 22k for my 17k loan..
Lindsey Freeman	brooklyn, NY	2015-11-18	I am suffering from the same thing, thank you for doing his petition.
Natalie Simone	Nutley, NJ	2015-11-26	These scumsuckers have tortured my kids and ruined their credit and ours (mine and my husbands) due to their inability to start making payments as swiftly as they required. My kids didn't even have jobs yet!!!! My son has been out of work now and these assholes have garnished my husbands pay! They are ruthless and heartless!!!! These aren't student loans, this is student loansharking!
jennifer pena	Paterson, NJ	2015-11-27	Njclass has ruined my life. Now I'm defaulted on loans I can't afford with an additional added interest rate that will never allow me to pay this debt. Single mother already struggling to make ends meet and they are making it harder.
kirsty lieberman	Princeton, NJ	2015-11-30	Your loan interest rates are unconscionable, and you refuse to work with borrowers struggling to make payments. Shame on you.
Alison Sweeney	Durham, NC	2015-11-30	I am suffering the consequences of unreasonable expectations set forth by nj class.
Micheal Rivera	Pennsville, NJ	2015-12-01	I'm dealing with the same problems everyone is with this loan service. Terrible customer service and they by no means are trying to help you repay your loan. If anything its constant threats and a "No can do" for you. I even offered to pay half of my loan until I was on my feet and they told me it would be pointless to do so. Paying anything isn't an option. Unless its a full amount they don't care.

Name	Location	Date	Comment
Hope Filmore	Jersey City, NJ	2015-12-02	I am a single young woman who is working over 40 hours trying to make it through life and economic struggles. Then, I have loans looming over my head and heart to pay back. It's so stressful!
Adriana Bellini	Edgewater Park, NJ	2015-12-02	I'm signing because I tried unsuccessfully to get help from them when I hit repayment and could not find a job. I defaulted on the loan and now am unable to be approved for my professional license as a nurse. I will never be able to pay them back \$17,000 in one lump sum, especially if I cannot earn more than \$10/hour. I'm glad the rest of my loans are with Sallie Mae and in good standing. Please fix this awful loan company!
Leigh LeClair	Cary, NC	2015-12-08	I should be in a rehabilitation period of my student loan after a period of default and yet - I can't get into the program.
Loren Rivas	Clifton, NJ	2015-12-09	I'm signing because upon graduating I have tried to get a payment option that is affordable and hessa has given me none. This has brought me to such unforeseen stress in my life that the only way out I feel is to do something drastic like donate my body for surrogacy, sell my eggs, and or join the military. I'm overwhelmed with the thought of this monthly payment so much so that it has been effect not only my life but my family life. I see myself on the street very soon if something isn't done. When I signed up for this loan the thought of having an option to attend school was amazing little did I know I would find myself on the verge of being short of selling my soul to make these payments. The economy is not the way it once was and the opportunities we once shared are no longer. This is be factored in and something needs to be done soon. These are the reasons we can't
Bretta Jacquemin	Lambertville, NJ	2016-01-04	HESAA is simply a for-profit institution who see students and their co-signers simply as dollar signs. A borrower cannot even consolidate several loans into one payment, so if one is late then chances are all the loans are late- with the corresponding late fees. This also appears on co-signers' credit reports, not an inconsequential thing. The organization must be reformed.
brittnie angelone	Staten Island, NY	2016-01-05	brittnie angelone
Cutler Fritz	Gainesville, FL	2016-01-14	HESAA will do NOTHING to help you should you have any issues in repaying your debt
Rich Crowell	Haddon Heights, NJ	2016-01-15	my son is in default
Parag Shah	Farmingdale, NJ	2016-01-15	My student loans are out of control.
Linda Sharples	Hazlet, NJ	2016-01-18	Im being sued by NJ Class even though I've been making payments foe three and a half years. It's consumer fraud.
doree fisher	nashville, TN	2016-01-20	These loans came due right at the crux of a personal and national economic crisis. I am now earning half of what I used to, and paying the monthly amounts as laid out by HESSA are simply not possible. My amounts are not going down with the 2 years of payments I've made; the balance has, instead, increased exponentially. It is and will continue to be an unrealistic and impossible feat to ever get these paid off.
Omodunni Osunfisan	Teaneck, NJ	2016-01-25	I have 3 loans and I am being told I can't consolidate! Its difficult to afford payments with over 7% interest rate on each loan!!
Andrew Pilgrim	Newark, NJ	2016-01-26	I have a defaulted Hesaa loan and wish to have it rehabilitated and make reasonable monthly payments.
Julia Dunn	Columbus, GA	2016-01-29	Improper handling of her loan and notification of potential default

Name	Location	Date	Comment
Libby Leonard	New York, NY	2016-02-09	I literally have only \$4000 left to pay them, and am having income issues, and they will NOT let me postpone or lower my \$408 payments. They are THE WORST! And everyone should know about them and not allow any of their kids to sign up!
Terri Pinnella	Brielle, NJ	2016-02-11	My son missed three payment when he got out of college, we made the payments and since then he has been in default but also making double the amount of his monthly paymnt to NJCLASS. We don't understand why they won't take him out of default. Now they are coming after my husband and I to come up with the full amount that he owes. This is bullshit!!!!
Anne Barringer	Kendall Park, NJ	2016-02-27	My daughter's took out NJClass loans before maximizing their Federal Loan options because both were offered within the same online information pages when filing their Fafsa. It was very confusing for them and the way this information was presented it made it seem like deferments and forgiveness and IBR that applied to Federal Loans were also applicable with NJClass. Over years the marketing for the NJClass loan has now come to present itself as supplemental after all other options are exhausted, but that was not the case in 2004.
Sasha Pagan	Passaic, NJ	2016-02-29	NJ Class practices predatory lending and should be held accountable.
Andy Lam	Secaucus, NJ	2016-03-08	My mom made me take these loans as she said it was the only way I'd be able to go to college. I had no idea what I would be getting into until the payments started coming in..
Catherine Flanagan	North Arlington, NJ	2016-03-10	My father passed away and I was attempting to help my mother pay our mortgage.. then I lost my job & now our home is being foreclosed.... but those HESAA employees can't do anything to help hold me over until I find work...
William Groves	Toms River, NJ	2016-03-13	I used Hesaa for my student loans. As an 18 year old you're not properly educated on the potential risks of taking on student loans. Unfortunately neither were my parents. After I graduated in 2012 I was unable to find a decent job in my field. I worked part time jobs here and there and had eventually fallen behind in my payments. By 2014 I was unemployed, collecting \$278 a week. Not even enough to live off of. My father was laid off and my mothers business was still trying to recover from Hurricane Sandy. I completely defaulted on the loans. Now I'm expected to pay \$54,000 in full or they could potentially incarcerate both me as well as my parents. Im 25 years old and will probably be living in my parents house for the next 10 years. If by then Hesaa hasn't taken it from us.
Valbert Wyche	Hackensack, NJ	2016-03-18	I've been victimized by njhessa since 2007/2008. Turntable over to a debt collector a year after graduating college. They recently froze my account. I'm in social work and don't make much money to begin with.
Heather Becker	Mullica Hill, NJ	2016-03-21	Finally, I decided to consolidate my loans through them even though after looking into it before the amount I would pay in the end almost doubled, which mind you has already doubled since my graduation 5 yrs ago. After clicking on the link to file the application I was informed that "funds have run out for this program". This is a hopeless company to do business with.
Kevin Mosley	Chicago, IL	2016-03-22	My loan needs to be forgiven...
Renee Walsh	National Park, NJ	2016-03-22	I have a grandson who I cosigned for and has now graduated but working part time.
Tamisha Cherry	Ossining, NY	2016-03-22	I also have a hard time with this company. They are rude and unprofessional!!!!!!

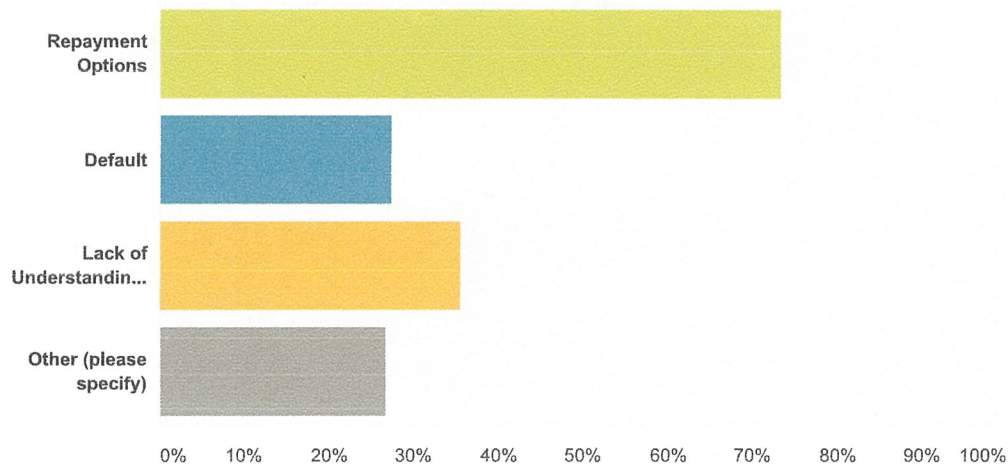
Name	Location	Date	Comment
Sharon Chamorro	Plainfield, NJ	2016-04-01	I'm over \$120,000 in debt. I make my payments on time and more than my monthly in hopes to one day get rid of these loans. More than 60% of my income goes to these NJ Class loans. I now have a family and cannot afford to move out of my Parent's home.
Nastia Imperatore	Ridgewood, NJ	2016-04-10	I'm signing because we have been paying this loan FOREVER! When I call to find out why I still owe so much money, I never get a straight answer. If I ask to talk to someone who has some authority-there is no one. Doesn't it bother the State that HESAA tries to look like they are giving government loans. I have called HESAA and called the college my daughter attended for copies of bills-and I can't seem to make sense of it. I am going to get an attorney but I hate the fact that I have to spend more money (that I really don't have).
Vita Bello	Bloomsbury, NJ	2016-04-10	My daughter cannot be expected to pay back much-needed-at-the-time student loans, and have any money leftover per month to live on. This is the world's future generation who leave college with an exorbitant amount of student loan debt, and end up with horrible credit scores for something they have no control over. Something should be done to help these college grads!
Amanda Parks	Vineland, NJ	2016-04-16	My student loan debt for attending a 4-year NJ public institution is not managable to have a life beyond working, especially in the nonprofit sector. I am in no way looking for a bailout, but further options that do no derail future plans professionally and personally for a decade or more.
Oscar Gonzalez	Westfield, NJ	2016-04-28	Too many students I know are suffering and struggling to survive and it is unnecessary for them to fall prey to these predatory loans.
Christopher Gonzalez	Fort Lauderdale, FL	2016-04-29	I am a graduate who's life is ruined because of HESSA and their NJCLASS loans...
Brian Carney	East Brunswick, NJ	2016-04-29	Guys, we hit the 600 signature mark--that is HUGE considering this is a "student" loan that is offered to NJ residents only!!! So, now, I am asking EVERYONE who signed and has NJCLASS loans, to write to the Governor's Office and request an investigation into the predatory lending. This is crucial in order for us to seek change. It's very simple to put your name on a petition, but now is the time to back up the relief you are seeking. If the Governor's Office receives 602 letters, all at the same time, SOMEONE will have to take notice. Without your assistance, I can only do so much--there is more power in numbers. And, 602 signatures is HUGE!! Do your part. Take 5 minutes and type up a letter-then mail it to the Governor's Office: Office of the Governor PO Box 001 Trenton, NJ 08625
Leonora Gonzalez	Westfield, NJ	2016-04-30	I'm sick & tired of all these predatory loans! If you're not born with a silver spoon in your mouth. You're prey from banks. In our own country!
Teresa Richardson	Palmdale, CA	2016-05-04	Because I am on SSD all my other loans are fogiven EXCEPT FOR HESSA those bastards are taking 200 bucks a month out of my benefits check which isn't very much to begin with!!!
Diana StGeorge	Wayne, NJ	2016-05-19	MY PAYMENTS ARE ASTRONOMICALLY HIGH. \$700 A MONTH AND NO LOAN FORGIVENESS/LOWER PAYMENT OPTIONS IN SITE?? THIS IS ABSURD AND ABSOLUTELY DISGUSTING.
Lauren Lamin	Pleasantville, NJ	2016-05-23	I am seeking an option to pay my loans at an affordable rate.
Kevin Brown	Woodbury, NJ	2016-05-27	Nj class is a racket
Lora Zaccagnino	Little Silver, NJ	2016-06-01	I don't want my daughter to be faced with unfair practices regarding loan refinancing.

Name	Location	Date	Comment
Nicholas Borden	Egg Harbor Township, NJ	2016-06-09	I could not afford the ridiculous amount they wanted from me a month now I am in default as they attempt to ruin my life
Jann Bradshaw	Medford, NJ	2016-06-14	Both of my children are saddled with tremendous student loan debt. One has defaulted and now owes thousands and thousands more to the debt collection agency than she did originally, and the original amount was astronomical! Something is very wrong with a system that allows very young adults to borrow thousands upon thousands of dollars in debt and then proceeds to charge them at least twice what older, more established adults are paying for their mortgages! Something MUST be done!
Dominique Luongo	Gloucester City, NJ	2016-06-23	my loan is in default & theres no way to get it out. Its ruining my life.
Lakeeva Hartgrove	Sicklerville, NJ	2016-06-29	Since I was laid off in 2013, I have been in and out of work and, have not been able to pay my NJ Class loans. They would not work with me at all on deferrment or payment arrangements. I am now behind almost 4 months.
Natalie Hernandez	Perth Amboy, NJ	2016-07-03	I'm signing because NJClass refuses to assist borrowers and leaves them high and dry when they constantly call for help. Interest rates are far too high, they're unreasonable and I unfortunately had to take out another loan to make payments to make sure my loans didn't default. How is that fair?
Aaron Trammell	Irvine, CA	2016-07-03	NJ Class is a predatory loan dealer, and they need to be stopped!
Jeff Kowalski	Hawthorne, NJ	2016-07-03	HESAA demands a quarter of my income with no way to reduce payments and has their phone operators threaten me if I don't comply
Chris Luminello	Sparta, NJ	2016-07-03	All student loan debt should be abolished.
Emily Logue Hoyle	Trenton, NJ	2016-07-03	Student loan debt is crippling our entire family.
Michelle Hernandez	Brooklyn, NY	2016-07-04	I have njclass loans
Belinda Lang	Birmingham, AL	2016-07-04	HESAA is worst than any loan shark. People who are trying to better themselves have become victims of a predator that is suppose to help--not hurt.
marija dalbello	NYC, NY	2016-07-04	I am signing because our students deserve better; education should be state-supported and free for all who want to apply themselves to study.
Danielle Lubin	Scotch Plains, NJ	2016-07-04	I have more debt than I make or ever will from student loans and my kids won't be able to go to college unless they get scholarships and inheritance ! As the bill reads any parent would be a fool to become a consigner nor let their child borrow from these for profit making snakes ! And I thought people in higher education wanted to nurture and educate our future generations
Rebecca Reynolds	Highland Park, NJ	2016-07-04	I am a prof at RU and I care about my students' lives, livelihoods and futures.
Kayleigh Watters	Horsham, PA	2016-07-05	I'm one of those borrowers being swindled. I'd like to make it very clear that I'm not happy. I grew up in NJ and attended a Pennsylvania state school. As the first generation to go to college, I was on my own to figure out how to pay for college. I called the school's financial aid department and they suggested HESAA because it was an NJ program over Sallie Mae. I desperately wish I would have continued with Sallie Mae now that the gov't restrictions have been imposed for income based repayment and hardship deferment. NJ class does not offer either of these. If you have a child going into college, I beg you not to shackle them with this awful burden. Use Wells Fargo or anything other than them. I have a great job making good money and I still can't afford their unrealistic payments. Change is needed now.
Kelvin PENA	Township of Washington, NJ	2016-07-06	This is the right thing to do to help out our middle class
Mike Filion	Denver, CO	2016-07-06	What you are doing to Marcia DeOliveira-Longinetti is beyond unforgivable. You are all murderers yourselves!

Name	Location	Date	Comment
Jâmes Putney	Mountain Lakes, NJ	2016-07-07	I have students loans through nj class and I am a college lacrosse coach with minimal income and I am willing to pay what I can. That being said njclass is unwilling to work with me in any way to help lower my payments. I strongly believe what they are doing is wrong, and something needs to be done.
Michael Putney	Miami, FL	2016-07-07	The collection policies of the HSEAA are harsh and unreasonable.
Loretta Joe-Fields	Mount Olive Township, NJ	2016-07-08	I am paying 4 loans defaulted for my daughter who is not working. Filed Chapter 13 and am doing my best to pay but would like a rehabilitation loan.
Joseph Desposito	Dunellen, NJ	2016-07-09	I'm signing because at the age of 57 I am now being saddled with over \$75,000 of my son's student loans. These loans, all through private lenders, have a fixed payment amount and none of the lenders will work with me to lower the interest rates or expand the time to pay.
Doris Perez	North Brunswick Township, NJ	2016-07-11	I am currently on default status and HESAA lawyers do not want to work with us. The lawyer wants to increase the legal fees; digging us into a deeper financial hole.
Sheribel Aguilar	Somerset, NJ	2016-07-14	"HESAA has and continues to ignore that the NJCLASS student loan program, in its present state, is failing the college graduates of New Jersey; setting them up for a lifetime of failure; and an inability to become productive members of society by grossly delaying their ability to contribute to the economy in any meaningful way."
Tara Gobbo	Manchester Township, NJ	2016-07-21	NJ Class offers NO repayment or deferment plans of any kind. Actually they will instead offer to raise the payment to make you current even though you could not pay the lower one!
Tyler Maurer	West Milford, NJ	2016-07-22	The interest rates are too high. I had variable and it just went up in this failing economy.
Melissa Varela	Perth Amboy, NJ	2016-07-22	I am a HESSA borrower who has a loan that has fallen into collections and this is hurting me!
Bart FM367	Red Bank, NJ	2016-07-30	I'm on social security / disability and cannot afford medicine, food and rent because of the \$240 HESAA steals out of my check every month and refuse to even consider rehabbing because "I Didn't call in time"

Q1 What is the main problem you have with your NJCLASS loans?

Answered: 135 Skipped: 1



Answer Choices	Responses	
Repayment Options	73.33%	99
Default	27.41%	37
Lack of Understanding your Loans	35.56%	48
Other (please specify)	26.67%	36
Total Respondents: 135		

#	Other (please specify)	Date
1	customer service and applying loan payments	10/11/2015 2:51 PM
2	Won't come out of default after years of repayment	10/8/2015 8:39 PM
3	Horrible customer service, reported my loan THREE times on my credit report (looks like I owe \$180,000, not \$60,000)	9/15/2015 11:56 AM
4	There are little to no REALISTIC repayment options!	8/15/2015 11:11 AM
5	Still in school but every summer billing starts in which I have to send in proof of school and every summer mine and my parents credit report get hit for late payments	7/22/2015 11:47 AM
6	Interest rates and lack of transparency	7/22/2015 11:00 AM
7	Customer Service. Billing. Understanding my loans.	7/15/2015 2:53 PM
8	Threatening to garnish payment	7/14/2015 9:36 AM
9	All of the above	6/19/2015 7:07 AM
10	Insanely high daily interest!	6/14/2015 1:55 PM
11	Lack of understanding as to how to acquire all types of aid, including state backed loans.	6/12/2015 1:19 AM
12	None	6/11/2015 4:16 PM
13	Unsure if eligible for public service loan forgiveness	6/11/2015 1:29 PM
14	website is very outdate and is difficult to navigate	6/11/2015 10:58 AM

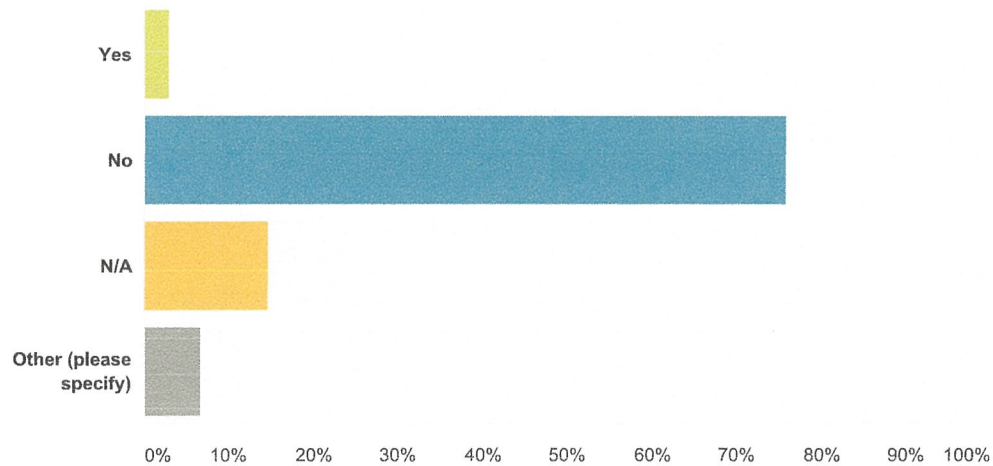
NJCLASS Loans (HESAA)

SurveyMonkey

15	Awful website	6/9/2015 2:42 PM
16	I'm still paying them.	6/8/2015 10:04 PM
17	Poor customer service, website not user friendly, lack of knowledge of loans as well	6/8/2015 6:34 PM
18	Refused to give a pay off quote when requested.	6/8/2015 2:00 PM
19	Refused to give a pay off quote when requested.	6/8/2015 1:59 PM
20	lack of universal access to higher ed	6/8/2015 1:29 PM
21	Unemployed and exhausted all options. No real help	6/3/2015 12:08 PM
22	Tried consolidating and have made it difficult	6/3/2015 10:37 AM
23	crooks	5/30/2015 11:44 AM
24	crooks	5/30/2015 11:44 AM
25	Monthly payments are a financial burden but the hardship deferment requires quarterly interest payments	5/29/2015 4:49 PM
26	unable to rehabilitate	5/29/2015 4:33 PM
27	Customer Service Coerced me to default	5/29/2015 9:48 AM
28	Options for consolidation, archaic website, payment arrangements	5/29/2015 8:53 AM
29	High interest rates	5/29/2015 8:50 AM
30	lawsuit / cosigner deceased	5/29/2015 1:30 AM
31	interest rate	5/28/2015 10:21 PM
32	Rehabilitation	5/28/2015 9:46 PM
33	No cosigner release option	5/28/2015 9:37 PM
34	Took 4 years for response to my request for servicemember civil relief act protection. Once finally addressed, did not refund interest over 6% since date of active duty as required by federal law	5/28/2015 9:33 PM
35	High monthly payments	5/28/2015 9:27 PM
36	Not having someone to explain and HELP you to pay back.	5/28/2015 8:21 PM

Q2 Was HESAA helpful in offering options if you were unable to afford payments?

Answered: 136 Skipped: 0

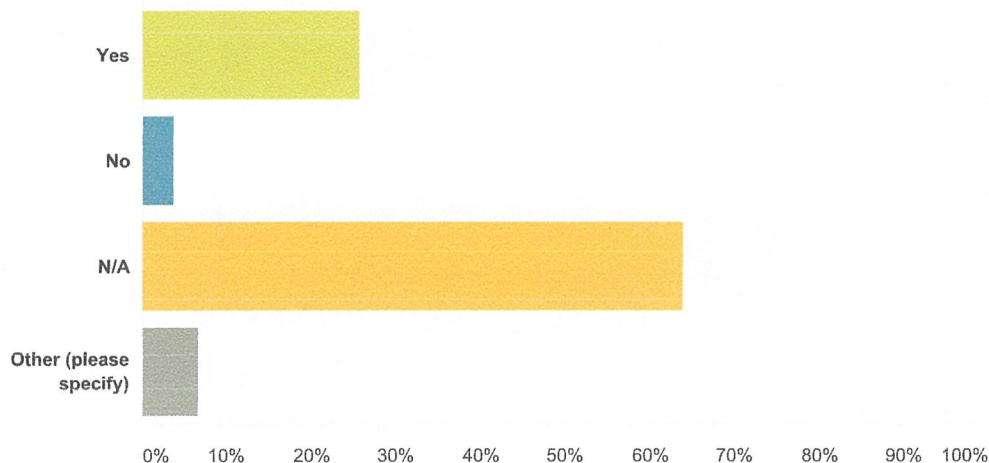


Answer Choices	Responses	
Yes	2.94%	4
No	75.74%	103
N/A	14.71%	20
Other (please specify)	6.62%	9
Total		136

#	Other (please specify)	Date
1	They said there were no options because I consolidated years ago before heseaa purchased the loan.	10/10/2015 4:43 PM
2	Sort of. They lowered my payment from 800 to 400, big woop.	6/15/2015 5:33 PM
3	Offered a plan where I still pay money or sell my loan to another company.	6/3/2015 12:08 PM
4	crooks	5/30/2015 11:44 AM
5	crooks	5/30/2015 11:44 AM
6	I have used hardship deferral but it wasn't helpful in the long term	5/29/2015 4:49 PM
7	Helpful would imply they did something. I can either repay in full or default. They told me to get a better job when I asked about income repayment options.	5/29/2015 4:48 PM
8	The customer service reps always explain the deferment options, but they have a terrible impact on your credit and increase the monthly payment amount over time	5/29/2015 8:50 AM
9	Had to hire an attorney	5/28/2015 9:46 PM

Q3 If your NJCLASS loans are in default, did you try to make a payment plan with HESAA prior to defaulting?

Answered: 136 Skipped: 0

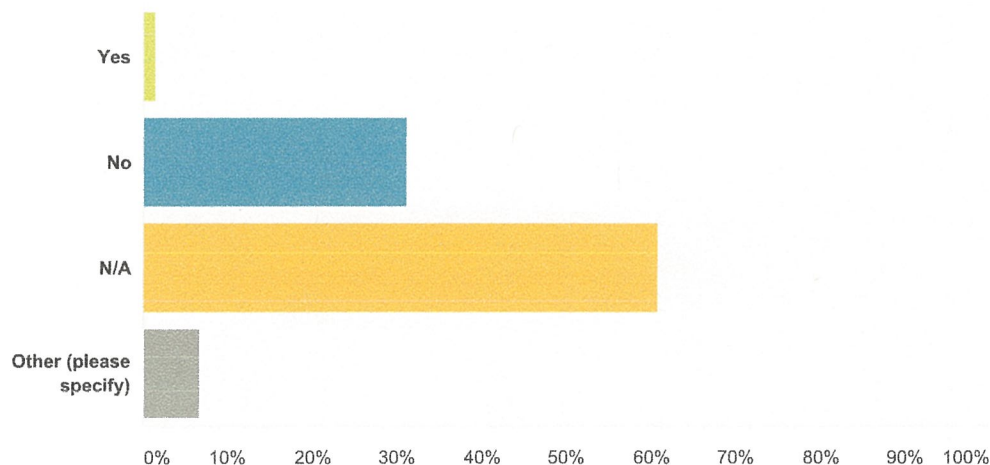


Answer Choices	Responses	
Yes	25.74%	35
No	3.68%	5
N/A	63.97%	87
Other (please specify)	6.62%	9
Total		136

#	Other (please specify)	Date
1	My loans were incorrectly marked as in default and there is no way to correct the issue. I have to annually send HESAA a letter from an attorney and financial documents to approve a new loan (which is approved) manually because someone on their end incorrectly marked me as in default. The employees are incompetent and systems archaic.	8/12/2015 3:04 PM
2	Was never notified of a default until well after it happened	6/8/2015 9:30 PM
3	There were limited options, it was pay the entire amount due first.	5/31/2015 8:20 AM
4	Defaulted, unaware that I was even in repayment yet	5/29/2015 10:05 AM
5	not in default	5/28/2015 10:21 PM
6	They're no longer in default, but when they were, HESAA was of no help at all!	5/28/2015 9:37 PM
7	wasn't given the option	5/28/2015 9:12 PM
8	Trying to work something out before they go to default	5/28/2015 8:35 PM
9	Yes, but they said have your co-signer pay.	5/28/2015 8:21 PM

Q4 If your NJCLASS loans are in default, was HESAA willing to work with you to get out of default status?

Answered: 135 Skipped: 1

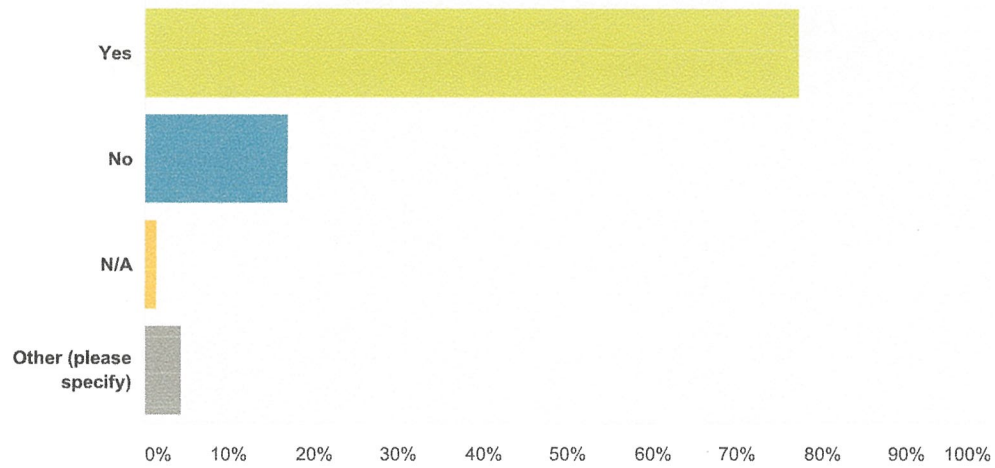


Answer Choices	Responses	
Yes	1.48%	2
No	31.11%	42
N/A	60.74%	82
Other (please specify)	6.67%	9
Total		135

#	Other (please specify)	Date
1	Sort of "Pay all back balance or we go to court"	6/8/2015 9:30 PM
2	Offered a plan where i still pay, get money from my parents who don't have much or sell my loan	6/3/2015 12:08 PM
3	Explained to me that I must be current with my balance due to be eligible for deferment.	6/2/2015 1:25 PM
4	They went right to a collection attorney who tacked on an \$18,000 fee	5/31/2015 8:20 AM
5	set up graduated payment amt due kept increasing until we could no longer make payment and included \$8000 in legal fees	5/29/2015 1:30 AM
6	Yes but their options were financially crippling	5/28/2015 11:54 PM
7	not in default	5/28/2015 10:21 PM
8	Had to hire an attorney	5/28/2015 9:46 PM
9	No, would not discuss until you were up to date.	5/28/2015 8:21 PM

Q5 Did you think NJCLASS loans were similar to federal loans?

Answered: 136 Skipped: 0

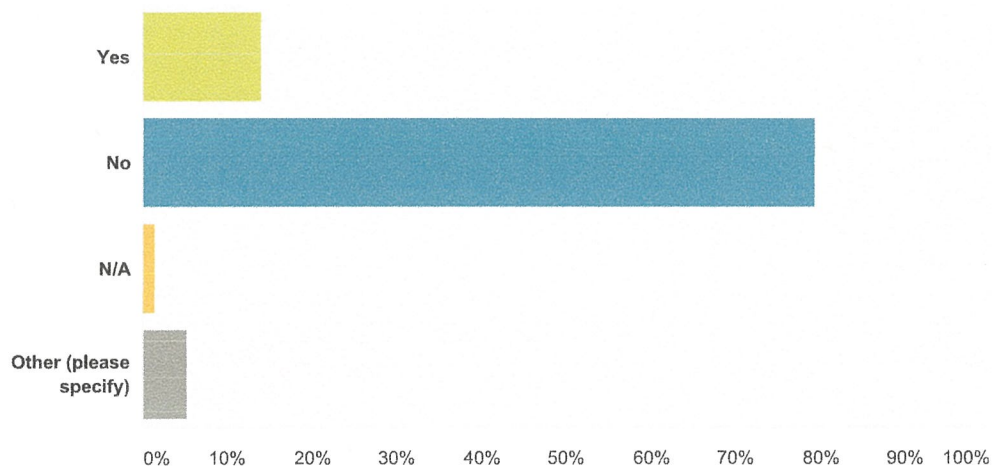


Answer Choices	Responses	
Yes	77.21%	105
No	16.91%	23
N/A	1.47%	2
Other (please specify)	4.41%	6
Total		136

#	Other (please specify)	Date
1	Thought I could refinance	10/11/2015 2:51 PM
2	Isn't it?	10/10/2015 4:43 PM
3	Absolutely not. The interest rate is absurd. Even when consolidating it is absurd.	9/15/2015 11:56 AM
4	i thought it was a federal loan	5/29/2015 3:05 PM
5	Absolutely not! My federal loans offered forbearance and there are programs available to participate in lieu of paying your loans	5/29/2015 8:53 AM
6	wasn't sure	5/28/2015 10:21 PM

Q6 Did you know that NJCLASS loans were private loans?

Answered: 135 Skipped: 1

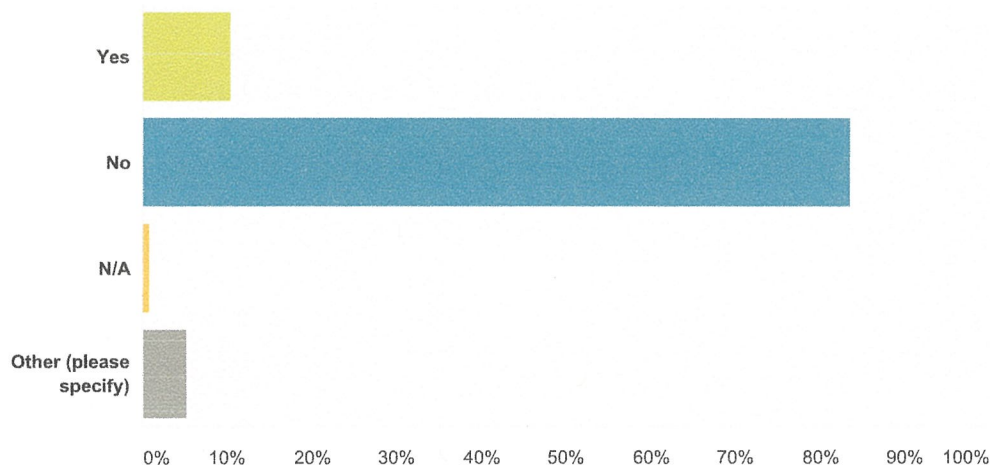


Answer Choices	Responses	
Yes	14.07%	19
No	79.26%	107
N/A	1.48%	2
Other (please specify)	5.19%	7
Total		135

#	Other (please specify)	Date
1	Not for a while, they didnt make it clear	6/22/2015 12:11 PM
2	I learned once I graduated.	6/8/2015 10:39 PM
3	Yes but I thought they were "state" loans...so not exactly like a private loan. I was wrong.	6/8/2015 6:34 PM
4	I thought they followed their own rules as a loan shark does	6/3/2015 12:08 PM
5	Absolutely not, I feel like they hid under the name of NJ making almost all borrowers think they were government loans	5/31/2015 8:20 AM
6	thought they were state loans/did not understand the huge difference between federal and hessa	5/29/2015 1:30 AM
7	No, not with Governor Christie's face on the HESAA website.	5/28/2015 8:21 PM

Q7 Do you think that NJCLASS loans should be offered to future students?

Answered: 134 Skipped: 2



Answer Choices	Responses	
Yes	10.45%	14
No	83.58%	112
N/A	0.75%	1
Other (please specify)	5.22%	7
Total		134

#	Other (please specify)	Date
1	They advertise that it is a good product, and it sounds trustworthy because it is the Government. THEN, if it turns out you get sick and need a deferment or a renegotiation--- they have no options to offer! Worst financial product on the Planet Earth.	6/20/2015 10:36 PM
2	Depends if there are better options for students to pay for tuition	6/11/2015 4:16 PM
3	Yes, if they change their policies. Need to make clear these are private loans. Need to make repayment options similar to federal scheme.	6/9/2015 11:24 AM
4	Yes, because some students will be desperate enough for money and have no choice but to either go with HESAA or become a plumber.	5/29/2015 10:12 AM
5	not as they are currently set up. harrasing calls, lawsuits, legal fees and only will consider income based repayment after loan expenses almost doubled and realized there was no money in lawsuit so now will consider income base plan.	5/29/2015 1:30 AM
6	If they changed and fixed some policies	5/28/2015 9:27 PM
7	NO! They need to be shutdown.	5/28/2015 8:21 PM

Q8 How much did you originally borrow through NJCLASS loans?

Answered: 121 Skipped: 15

#	Responses	Date
1	\$30,000	10/14/2015 3:49 PM
2	130000	10/14/2015 11:47 AM
3	25000	10/11/2015 2:51 PM
4	My loans were from Sallie Mae. NJCLASS bought the loan from Sallie Mae and nearly doubled the amount I owe.	10/10/2015 4:43 PM
5	80,000	10/8/2015 8:39 PM
6	\$193,000	10/1/2015 8:33 PM
7	\$180,000	9/22/2015 5:20 PM
8	\$90,000	9/22/2015 1:46 PM
9	\$40,000	9/15/2015 11:56 AM
10	78000	9/10/2015 4:51 PM
11	18000	9/9/2015 11:51 AM
12	30,000	8/28/2015 4:27 PM
13	60,000	8/28/2015 3:32 PM
14	154,769.76	8/15/2015 11:11 AM
15	100K	8/14/2015 11:09 AM
16	53,000	8/13/2015 8:49 PM
17	130,000	8/12/2015 3:04 PM
18	\$90000	8/2/2015 1:12 PM
19	Over \$100,000	7/22/2015 6:19 PM
20	20,000	7/22/2015 11:47 AM
21	I'm trying to find out this information but their website is currently down - ironic.	7/22/2015 11:00 AM
22	60,000	7/20/2015 2:11 PM
23	67000	7/17/2015 10:17 AM
24	~\$90,000	7/16/2015 4:00 PM
25	\$120k	7/15/2015 2:53 PM
26	I believe \$40,000	7/14/2015 9:36 AM
27	50000	7/12/2015 5:46 PM
28	~30,000	6/22/2015 12:11 PM
29	65,000	6/20/2015 10:36 PM
30	20000	6/19/2015 7:07 AM
31	\$89,000	6/17/2015 6:52 PM
32	27000	6/16/2015 12:30 AM
33	30000	6/15/2015 9:21 PM
34	55k	6/15/2015 5:33 PM

NJCLASS Loans (HESAA)

SurveyMonkey

35	about 20-25k	6/14/2015 6:34 PM
36	60K	6/14/2015 1:55 PM
37	6500	6/13/2015 8:11 PM
38	\$30,000	6/13/2015 4:47 PM
39	\$40,000	6/13/2015 4:33 PM
40	14,500	6/13/2015 4:24 PM
41	14,900	6/13/2015 3:01 PM
42	25k	6/13/2015 12:53 PM
43	18,000	6/13/2015 12:40 AM
44	25000	6/12/2015 8:56 PM
45	X	6/12/2015 1:19 AM
46	150000	6/11/2015 4:53 PM
47	25000	6/11/2015 4:16 PM
48	40	6/11/2015 1:29 PM
49	45000	6/11/2015 1:11 PM
50	90000	6/10/2015 10:20 PM
51	45000	6/10/2015 9:26 PM
52	32000	6/9/2015 3:30 PM
53	50,000	6/9/2015 2:51 PM
54	10k	6/9/2015 2:42 PM
55	13,000	6/9/2015 2:16 PM
56	\$80,000	6/9/2015 11:24 AM
57	35,000	6/9/2015 8:28 AM
58	Not sure	6/9/2015 7:58 AM
59	120000	6/9/2015 7:51 AM
60	25000	6/9/2015 12:55 AM
61	~\$100,000	6/8/2015 10:39 PM
62	30000	6/8/2015 10:04 PM
63	~\$40,000	6/8/2015 9:30 PM
64	5600	6/8/2015 9:17 PM
65	11,000	6/8/2015 8:58 PM
66	\$5000	6/8/2015 8:38 PM
67	75,000	6/8/2015 6:34 PM
68	\$80,000	6/8/2015 6:23 PM
69	\$80,000	6/8/2015 6:22 PM
70	\$110,000	6/8/2015 4:13 PM
71	75,000	6/8/2015 3:29 PM
72	45k	6/8/2015 2:44 PM
73	Don't have an exact number. Approximately \$55,000	6/8/2015 2:20 PM
74	80000 +massive interest that accrued once I finally graduated	6/8/2015 2:19 PM
75	5,000	6/8/2015 2:00 PM

NJCLASS Loans (HESAA)

SurveyMonkey

76	5,000	6/8/2015 1:59 PM
77	40000	6/8/2015 1:35 PM
78	16000	6/8/2015 1:29 PM
79	approximately 80,000	6/7/2015 5:28 PM
80	35,000	6/4/2015 9:00 PM
81	About 35k	6/3/2015 12:08 PM
82	105,000.000	6/3/2015 10:37 AM
83	80000	6/3/2015 10:34 AM
84	Not sure	6/2/2015 5:59 PM
85	\$109,000	6/2/2015 1:25 PM
86	I have two students with NJ Class one has a combination of NJ Class and Sallie Mae	5/31/2015 8:20 AM
87	to much	5/30/2015 11:44 AM
88	to much	5/30/2015 11:44 AM
89	50k	5/29/2015 7:16 PM
90	around \$9,000	5/29/2015 4:49 PM
91	39,000	5/29/2015 4:48 PM
92	Approximately \$80,000.	5/29/2015 4:46 PM
93	~\$60k	5/29/2015 4:33 PM
94	20,000	5/29/2015 3:05 PM
95	100000	5/29/2015 2:44 PM
96	20000	5/29/2015 1:11 PM
97	\$100,000 (about \$25000 per year)	5/29/2015 10:12 AM
98	29767	5/29/2015 10:05 AM
99	60,000	5/29/2015 9:48 AM
100	Under 30k	5/29/2015 8:53 AM
101	about \$51,000	5/29/2015 8:50 AM
102	Honestly, I am not sure and I cant navigate their website to find out	5/29/2015 8:42 AM
103	78,000	5/29/2015 7:49 AM
104	80,000	5/29/2015 7:39 AM
105	\$100,000	5/29/2015 1:30 AM
106	\$80,000	5/28/2015 11:54 PM
107	46000	5/28/2015 11:41 PM
108	80,000	5/28/2015 11:29 PM
109	50,000	5/28/2015 10:21 PM
110	80,000	5/28/2015 10:18 PM
111	50,000	5/28/2015 9:46 PM
112	Approximately \$60,000	5/28/2015 9:37 PM
113	\$25000	5/28/2015 9:33 PM
114	16,000	5/28/2015 9:27 PM
115	65000	5/28/2015 9:02 PM
116	30000	5/28/2015 8:58 PM

NJCLASS Loans (HESAA)

SurveyMonkey

117	40000	5/28/2015 8:52 PM
118	57,000	5/28/2015 8:42 PM
119	140000	5/28/2015 8:35 PM
120	120k	5/28/2015 8:21 PM
121	80,000	5/28/2015 7:55 PM

Q9 How much do you currently owe for your NJCLASS loans?

Answered: 123 Skipped: 13

#	Responses	Date
1	\$35,000	10/14/2015 3:49 PM
2	129000	10/14/2015 11:47 AM
3	23000	10/11/2015 2:51 PM
4	\$108,000.00 and it keeps climbing!	10/10/2015 4:43 PM
5	65,000	10/8/2015 8:39 PM
6	\$143,000	10/1/2015 8:33 PM
7	\$172,000	9/22/2015 5:20 PM
8	too much	9/22/2015 1:46 PM
9	\$60,000	9/15/2015 11:56 AM
10	121,000	9/14/2015 11:23 AM
11	71000	9/10/2015 4:51 PM
12	23500	9/9/2015 11:51 AM
13	47,000	8/28/2015 4:27 PM
14	60,000	8/28/2015 3:32 PM
15	Unsure, the is NOT clearly stated on my monthly statement.	8/15/2015 11:11 AM
16	80K	8/14/2015 11:09 AM
17	40,000	8/13/2015 8:49 PM
18	110,000	8/12/2015 3:04 PM
19	It's my first year, so I'm still around \$90000	8/2/2015 1:12 PM
20	\$128,000	7/22/2015 6:19 PM
21	32,000	7/22/2015 11:47 AM
22	57,000	7/20/2015 2:11 PM
23	66000	7/17/2015 10:17 AM
24	\$140,000	7/16/2015 4:00 PM
25	\$160k	7/15/2015 2:53 PM
26	\$40,000 if not more, I am behind \$776 in back balance	7/14/2015 9:36 AM
27	45000	7/12/2015 5:46 PM
28	92k	7/5/2015 3:03 PM
29	~15,000	6/22/2015 12:11 PM
30	85,000	6/20/2015 10:36 PM
31	35000	6/19/2015 7:07 AM
32	\$142,000	6/17/2015 6:52 PM
33	25000	6/16/2015 12:30 AM
34	40000	6/15/2015 9:21 PM

NJCLASS Loans (HESAA)

SurveyMonkey

35	57k	6/15/2015 5:33 PM
36	85000	6/15/2015 2:05 PM
37	nearly 40k	6/14/2015 6:34 PM
38	0	6/14/2015 1:55 PM
39	5200	6/13/2015 8:11 PM
40	~\$32,000	6/13/2015 4:47 PM
41	\$38,000	6/13/2015 4:33 PM
42	42,400	6/13/2015 4:24 PM
43	13,200	6/13/2015 3:01 PM
44	15k	6/13/2015 12:53 PM
45	30,000	6/13/2015 12:40 AM
46	20000	6/12/2015 8:56 PM
47	X	6/12/2015 1:19 AM
48	50000	6/11/2015 4:53 PM
49	12000	6/11/2015 4:16 PM
50	37	6/11/2015 1:29 PM
51	38000	6/11/2015 1:11 PM
52	120000	6/10/2015 10:20 PM
53	too much	6/10/2015 9:26 PM
54	27970	6/9/2015 3:30 PM
55	33,000	6/9/2015 2:51 PM
56	8k	6/9/2015 2:42 PM
57	18,000	6/9/2015 2:16 PM
58	\$909.00	6/9/2015 11:24 AM
59	0	6/9/2015 8:28 AM
60	40,000	6/9/2015 7:58 AM
61	175000	6/9/2015 7:51 AM
62	19000	6/9/2015 12:55 AM
63	~\$89,000	6/8/2015 10:39 PM
64	11500	6/8/2015 10:04 PM
65	~\$20,000	6/8/2015 9:30 PM
66	7500	6/8/2015 9:17 PM
67	5,600	6/8/2015 8:58 PM
68	under \$4000	6/8/2015 8:38 PM
69	70,000	6/8/2015 6:34 PM
70	\$70,000	6/8/2015 6:23 PM
71	\$70,000	6/8/2015 6:22 PM
72	\$90,000	6/8/2015 4:13 PM
73	125,000	6/8/2015 3:29 PM
74	20k	6/8/2015 2:44 PM
75	\$45,000ish	6/8/2015 2:20 PM

NJCLASS Loans (HESAA)

SurveyMonkey

76	78000	6/8/2015 2:19 PM
77	5,000	6/8/2015 2:00 PM
78	5,000	6/8/2015 1:59 PM
79	30000	6/8/2015 1:35 PM
80	too damn much	6/8/2015 1:29 PM
81	I don't know anymore since they they fell into default and tackled on more then 15,000 more in fees.	6/7/2015 5:28 PM
82	90,000	6/4/2015 9:00 PM
83	16000	6/3/2015 12:08 PM
84	95,000.00	6/3/2015 10:37 AM
85	25000	6/3/2015 10:34 AM
86	Close to \$30,000	6/2/2015 5:59 PM
87	\$106,000	6/2/2015 1:25 PM
88	The two students combined are about \$225,00	5/31/2015 8:20 AM
89	to much	5/30/2015 11:44 AM
90	to much	5/30/2015 11:44 AM
91	55k	5/29/2015 7:16 PM
92	\$15,000	5/29/2015 4:49 PM
93	41,000	5/29/2015 4:48 PM
94	Approximately \$80,000 6 years later.	5/29/2015 4:46 PM
95	over \$80k	5/29/2015 4:33 PM
96	31000	5/29/2015 3:05 PM
97	180000	5/29/2015 2:44 PM
98	40000	5/29/2015 1:11 PM
99	Still about \$100,000	5/29/2015 10:12 AM
100	29690	5/29/2015 10:05 AM
101	80,000	5/29/2015 9:48 AM
102	After paying back for nearly 5 years, I still owe 29k (interest!)	5/29/2015 8:53 AM
103	\$57,0000	5/29/2015 8:50 AM
104	\$90,959.43	5/29/2015 8:42 AM
105	52,000	5/29/2015 7:49 AM
106	125,000	5/29/2015 7:39 AM
107	\$97,000	5/29/2015 1:30 AM
108	\$92,000	5/28/2015 11:54 PM
109	41000	5/28/2015 11:41 PM
110	125,000	5/28/2015 11:29 PM
111	00.00	5/28/2015 10:21 PM
112	60+	5/28/2015 10:18 PM
113	63,000	5/28/2015 9:46 PM
114	\$57,000	5/28/2015 9:37 PM
115	\$20000	5/28/2015 9:33 PM
116	13,000	5/28/2015 9:27 PM

NJCLASS Loans (HESAA)

SurveyMonkey

117	125000	5/28/2015 9:02 PM
118	29000	5/28/2015 8:58 PM
119	40000	5/28/2015 8:52 PM
120	54,000	5/28/2015 8:42 PM
121	167000	5/28/2015 8:35 PM
122	Not sure...no one at HESAA/NJCLASS will tell us.	5/28/2015 8:21 PM
123	110,000	5/28/2015 7:55 PM

Q10 Please provide your story about the issues you have with NJCLASS loans.

Answered: 182 Skipped: 34

#	Responses	Date
1	i didn't get my bachelor's but i'm still paying for my years of college. this company has basically prevented me from ever going back to school	10/14/2015 3:49 PM
2	I did not know that they were a private loan. I thought they were through the state. They have all the benefits but none of the restrictions of both private and federal loans. (They won't offer IBR but can garnish your wages).	10/14/2015 11:47 AM
3	When I called about payments being applied incorrectly they offered not help or resolution. Interest rates higher then all my other loans. And trying to get them on the phone or get a straight answer is impossible. Worst loan provider I have and i have 4	10/11/2015 2:51 PM
4	They obviously purchased my loans from Sallie Mae because they felt it was an opportunity to make money for their institution. I have always been in contact with them to lower the amount from 448.00 per month. I'm 65 yrs of age now and practically homeless, suffering with chronic depression and I am under doctors for chronic depression. NJCLASS is just another way to encourage young people to borrow student loans and discourage them for the rest of their life.	10/10/2015 4:43 PM
5	I defaulted on my loans right out of college because NJ class would not offer me a better repayment plan that worked for my financial situation. My loan went into Default. I was able to get my finances in order and I started allowing them to automatically withdraw over my minimum payment every month for the past 5 years. I have not missed a payment and am paying them more each moth then I should, yet they refuse to take it out of default. I am now trying to buy a house and start a family. I have talked to countless lawyers that say they have never heard anything like it. Chris Christie should be informed that the State looks like they are attached to these loans. they have been coming after me every month (even though I'm paying), saying they want the full amount. One guy actually asked me if "I had a rich uncle who could pay them? " This company is so awful.	10/8/2015 8:39 PM
6	Trying to consolidate these loans is impossible and would come at a great cost of increased interest rate if it were. There is no way to talk to a real person. I feel duped that this is not a NJ State assistance program, just a greedy bank.	10/1/2015 8:33 PM
7	I was told to apply for an NJCLASS loan by my father back when I was 17 and wanted to go to private school for my Bachelors. I didn't quite understand what I was doing, but I took the money out faithfully. I am now sorely paying the price for it, as I earn \$88K per year but am paying nearly \$1600/month on my private and federal loans (federal = \$15K). I sent a letter to the CPFB to see if they could remediate a situation with HESAA, but since they are a private lender there was nothing they could do. I can't apply for a hardship nor can I discharge the loan if I were to file for bankruptcy. HESAA doesn't seem willing to work with borrowers to help them refinance or lower their monthly payments, outside of consolidation of multiple loans. They have extremely high interest rates, and also suffer from poor customer service.	9/22/2015 5:20 PM
8	If you need anything from them for a mortgage loan, car loan, etc, you are tough out of luck. They don't do anything they don't have to do - even if you have paid on time for YEARS.	9/15/2015 11:56 AM
9	I have \$121,000(including interest... my repayment is over the next 20 years and I pay \$889/mo ...even if I owed 200,000 in student loans, a 20 year repayment would be \$833/mo. I am struggling to understand why my payment it so high. If I pay 889/mo I should pay off my loan in 11years. and no one can explain it to me...	9/14/2015 11:23 AM
10	Required to pay \$800/month without any repayment options such as income based repayment.	9/10/2015 4:51 PM
11	I was making partial payments or what ever I could afford, they still defaulted me. I now am battling a court order to avoid wage garnishments. They are not a Higher Education Student Assistant Authority. They should say what they really are, profiting off of college students.	9/9/2015 11:51 AM
12	I cannot begin to explain on this survey. I can write you a letter explaining my experience with them in full detail	8/28/2015 4:27 PM

13	I made payments while still in school to HESAA. (That's 4 years worth of payments!) After 4 years, my 48th payment to be exact my interest rate skyrocketed to 8.6%!! When I called to inquire as to why, they told me after my 48th payment the interest rate is raised! WHY?! I read all the fine print, this isn't stipulated anywhere! After almost 5 years of repayments I have barely made a dent in my student loans. HESAA needs to be held accountable for blindly robbing students and REFUSING to work with students like myself who are are willing to make payments, just not the outrageous payments HESAA demands. Since graduating 8 months ago with my Masters my payments are almost \$1600/MONTH. I've called HESAA numerous times to work on lowering my payments, while I look for a full time job. I was told because my loans are private there is nothing I can do but pay the \$1600/month or risk destroying my credit. Every month I am struggling to pay my loans, I have over drafted my bank account on numerous occasions, I am borrowing money from family and friends just to survive. HESAA has put me in a vicious cycle where I feel as if I will never be able to pay off my loans. It's a shame that I am being punished for choosing to receive higher education and trying to build a better life for myself.	8/15/2015 11:11 AM
14	Their website only uses Internet Explorer on a PC. Who the fuck has that in 2015? They also stated they never received several payments which destroyed my credit score for years until they resolved it.	8/14/2015 11:09 AM
15	I called hoping I could lower my monthly payments but there is no way of doing that other than consolidating my loans, which I don't qualify for.	8/13/2015 8:49 PM
16	I pay 16k annually and see 12k go to interest alone, my rates range from 6-8%. I shouldn't have a higher rate on my student loan than I do an auto loan or mortgage.	8/12/2015 3:04 PM
17	NJCLASS loans are advertised like their federal loans, but are actually private loans. When I was a high school senior, I had no idea what I was getting myself into. I did not understand the terminology and there was very little education on student loans. Additionally, I am the child of two immigrant parents who never went to college. We look on college as a team, not knowing much at all, and I was the first in my immediate family to graduate. NJCLASS never gave us warnings or advice. Their representatives also aren't very helpful or friendly. Also, their website is incredibly unprofessional (with modern technology it should look better), not user friendly, and difficult to navigate. I strongly discourage people from getting wrapped up in NJCLASS loans.	8/2/2015 1:12 PM
18	I originally thought I had 6months grace period after graduation. I received a invoice in the mail a month and a half after for over \$1000 which would be my monthly payment from there on out. I filed for loan consolidation through their website and was pre-approved. After 4 days I emailed for an update about whether or not I'd been approved for consolidation. They responded I had been reject because my cosigner and joint cosigner did not meet the minimum income. I currently do not have a full time job and hesaa doesn't seem willing to answer me on my options and dodges questions I ask in emails. I'm now faced with making payments over \$1000 with only a side job currently. My only options to get out from under the ridiculous interest rates is to take out a personal loan with a lower interest rate so that I can live a half way decent life	7/22/2015 6:19 PM
19	There deferment program sucks..... while you are still in school. they are always taking you out of deferment between winter and summer break stating your are not currently enrolled in school. Then they have the nerve to report you and your co-signer to the credit reporting agencies for non-payment	7/22/2015 11:47 AM
20	These loans have an insane interest rate - I've never missed a payment and more than 1/2 of my payment goes to interest every month.	7/22/2015 11:00 AM
21	Zero deferment options, never explained how much money was going into interest instead of principle. Offer zero help in repayments options, NON stop calls if late by one day. paid over 12 grand in 2 yrs and only 2 grand went to my actual loan!!	7/20/2015 2:11 PM
22	I have made over \$4,000 worth of payments and my principal has only decreased by \$1,000, that is insane!	7/17/2015 10:17 AM
23	I was not working at the time my loans went into default. They were demanding absurdly high monthly payments and were completely unwilling to work with me to negotiate reasonable payment options. I was told by HESAA representatives to borrow money from a family member to pay them, or to have a garage sale! Now the loans are in default and HESAA offers no options to rehabilitate the loan. It will basically sit on my credit report forever until the entire loan is paid back.	7/16/2015 4:00 PM
24	This company is unbelievable. I am TRYING to pay back these loans and get my credit restored, but they literally do not have information to provide their clients about billing history, future, options, interest, etc. They function like a fly by night operation, only i wish they'd really disappear.	7/15/2015 2:53 PM
25	HESAA is threatening to garnish my wages if I don't give \$776, I already gave them \$383, and I have fallen behind in payments. I want to stop garnishment from happening and find a more affordable payment.	7/14/2015 9:36 AM
26	very unhelpful, in regards to everything about your loans. Did not seem to want to help at all. When I couldn't make payments, they insisted I found a way to make the payment or I would default.	7/12/2015 5:46 PM

- 27 NJ class loan has been a nightmare from the very beginning. when we originally got the loan my son requested an in school deferrment . everything was fine for about a year, then we started getting bills and we contacted them and they tried to tell me I did the wrong form which they told me to do. They reinstated the deferrment but told me we had to pay what they had billed us for already including hundreds of dollars in late fees. in 2008 we had to take a Bankruptcy because the Big banks all of our credit lines to 29% which we could not afford to pay at first the plan was good then NJclass steps in saing they want the loan out of deferrment and considered with in the bankruptcy. This nullified any relief we received through the bankruptcy. we could have easily paid the loan had they not done that. on one of the last occasions I spoke with them (some fast talker named Faith) they were threatening to Garnish my wifes wages, when I informed them that they already were doing that she tried to argue with me. eventually she finally realized Oh! yes we are garnishing your wages. Whats worse is they offer no reasonable repayment options. They just keep calling asking for a crazy amount of money that you don't have. We have federal student loans the experience is totally different. 6/19/2015 7:07 AM
- 28 HESAA failed to send consistent monthly billing statements; failed to send the terms of conditions of the 2 deferrals I received; failed to discuss any repayment options; made fraudulent representations to the CFPB. I have a papertrail of the futile efforts I made in attempting to reconcile my loan accounts—they just don't care. They need defaults to maintain a steady collection revenue—I guess my loans were prime for that. Currently in litigation but will be forced to file a Chpt. 13 Bankruptcy. No one should ever take this loan; I find out it was a private loan only after I graduated but by then it was too late. 6/17/2015 6:52 PM
- 29 Customer service is horrible/non-existent especially when I was applying. Interest rates are through the roof. The most out of my loans and because of the \$500 a month, I'm still living at home... 6/15/2015 5:33 PM
- 30 Well, I couldn't provide the answer to #8 because I can't find it anywhere. I feel the interest rates given by NJClass are borderline predatory. I was able to refinance a portion of loans for a fixed interest, 3% lower, if I had gone variable I could have lowered it by 5%. They disguise themselves as being affiliated with the state. 6/15/2015 2:05 PM
- 31 Offered them 10k to pay down all the interest owed on my loans to begin just a payment plan to be put towards the principal, they declined. They wanted me to put the money to pay down each loan in its entirety interest and principal amount), staring with the smallest loan. Then begin a payment plan to pay \$600 a month for up to 10 years as a show of good faith....no way can not afford that. 6/14/2015 6:34 PM
- 32 I fortunately paid off all my loans with HESSA because I couldn't stand to deal with these bastards anymore. I'm 4 years removed from college and am glad I will never have to deal with them again. I don't know how they became an option for me to borrow from when these loans were first granted to me, but in hindsight I wish I never took from them. -NJCLASS should clearly identify themselves as being PRIVATE student lenders. -I had an issue with HESSA where I was paying more then my minimum payment each month, but my monthly payment would remain the same because they would never amortize the loan. So even if I tried to be proactive and get them their money faster, they would still require me to pay the same minimum monthly payment (of 600 dollars) or be assessed a late/penalty fee. You really get to understand the mess your in when you actually call these imbeciles and speak to them. There general attitude to their borrowers "Yup, we know we suck, but deal with it". I reached out to my local congressman to discuss the issue, they poked and prodded a bit for me and got them to amuritize my loan but still no greater action was taken for them to change their policies. - Thier interest rates were insanely high! When you have 6-8 percent interest on multiple 15-20k loans it winds up being around 10 bucks a day! How much profit are they pulling from recent grads? Anyways I wish you luck on fighting these crooks. I'll be following your progress through reddit, keep us updated! 6/14/2015 1:55 PM
- 33 Interest rate is far too high. 6/14/2015 4:17 AM
- 34 HESAA only recently implemented an electronic billing option. Paper bills are so out of date and inconvenient for users like myself. NJCLASS also has an archaic website and user interface. The lack of repayment options and deferrment and grace periods is also very inconvenient. 6/13/2015 8:11 PM
- 35 The interest rates are borderline criminal. Even with a good credit score my interest rate is over 8%. I was desperate for tuition money and the only loan I could take on short notice was the NJCLASS loan. The state should really be trying to help out students, not burden college graduates with ridiculous debt. Especially considering the fact that these loans are never forgiven, even upon death. 6/13/2015 3:01 PM
- 36 No payment options, high interest 6/13/2015 12:53 PM
- 37 cannot stop the piling on if interest..loan is from 1992....got divorced...had 2 children..asked for help..was placed in forbearance..then finally defaulted...not realizing the interest rate...now my loan is double th eoriginal amount...got my teaching degree..worked in title one schools from the start... i cant get ahead..and for some reason I dont qualify for loan forgiveness...they are not at all easy to contact and its not easy to get a 'summary' of whatyou actually owe...not trustworthy or helpful 6/13/2015 12:40 AM

- 38 1. Impossible to get in contact with - I've spent over 30 minutes on hold only to be sent to a voicemail box where they won't return the call unless you leave your social security number (which I refuse to do, I don't know who checks those messages). 2. Change invoice systems/p.o. box #'s ect. so it is ever increasingly difficult to send pay bills. 3. I'm normally very reliable in my payments, but in February there was a banking error and my account was deficient a few dollars. NJCLASS/HESAA went in to the the money, took it, and the immediately returned it when my bank rejected it for insufficient funds. I didn't realize this happened immediately because I saw the debit on my account and failed to see where it was credited back. They then ceased directly withdrawing it from my account, never attempted to contact me, and instead harassed my aunt (who cosigned) over the phone. I immediately paid the bill (which was two months of payments) online. A few days later they went into my account (which they hadn't been doing in months) and not only took out the same past-due amount I had just paid online, but an extra \$100 (so I paid something like \$388 online and then they took \$488 out of my account) - they then refused to refund me the money or credit it towards a future month. 4. I will re-iterate that they can be pretty impossible to get in touch with. I finally got the direct number to an individual who has been incredibly helpful and now I only contact her. 6/12/2015 7:58 PM
- 39 When I finally figured out how to apply they told me that I don't qualify. 6/12/2015 1:19 AM
- 40 I finally was able to consolidate my loans with another lender so I'm out now, but I felt njclass was not reasonable in their expectations of monthly payments, nor were they able to adjust them. They penalized me for paying ahead of time (sent, for example, a payment in the amount of the monthly required payment on June 5 and June 27, the latter payment clearly intended to cover the July payment, however it was counted as a second June payment and my account marked dilenquent. It was little things like this frequently. 6/11/2015 4:53 PM
- 41 None 6/11/2015 4:16 PM
- 42 Website is a fucking joke. 6/11/2015 1:11 PM
- 43 everything possible!!! made on time payments all the time, they won't work with you to lower your payments, double charged my bank account and did not want to refund me my money. The most terrible customer service ever, rude, hang up on you. This company should be out of business! 6/10/2015 9:26 PM
- 44 I didn't find a job right after school, and didn't till about a year later. At that point they would not offer me any more deferment, and didn't consider the totality of circumstances because I had other student loans going into default. They said I should be able to afford it or prove unemployment. Unemployment does not work like that after college. 6/9/2015 2:51 PM
- 45 I originally borrowed about 13,000, which sky rocketed to about 24,000. I have finally paid it down to 18,000. I definitely feel as though these loans are never meant to be paid down, so they can keep tacking on their ridiculous interest rates. Worse than when Sally Mae was in possession of my loan. At least Sallie Mae was more willing to work with me and the payments/interest rates were way less. This supposedly was meant to help, but has made my life an absolute nightmare. It came to a point where HESSA garnished double of what the monthly payment should have been. I can understand garnishing for the proper amount, but not double. I don't feel they had any right to do that. There should be stipulations put in place for them, so they don't take advantage of people. You give the wrong people that type of authority they run rapid. THANKS OBAMA!!!! (sarcasm) 6/9/2015 2:16 PM

46	<p>I took out NJClass loans for college when I was 18, and I didn't realize that a decision I would make as a teenager would basically derail the entire course of my future. Senior year of high school I applied to one college, Rutgers, and was easily accepted. My parents did not go to college, and both my older brothers went to Rutgers. It was an easy choice. My parents did not have a college fund for me, so like my brothers, I took out a NJClass loan. I thought this was a safe choice because it was a loan through the state government - or so I thought until this month: 8 years after I originally took out the loan. It was a surprise to me that this was a private loan. The name is extremely misleading, as is the website with a photo of our current governor's face, Chris Christie, on the main page. I'm not exactly sure how this is legal and, as a lawyer, I highly doubt that it is. Anyway, after 4 years at Rutgers I graduated top of my class, magna cum laude, and owed \$80,000 in loans. My payments were about \$650/month, which I paid until I decided to go to law school. I went to a top tier law school, Boston University. I deferred my loans for 3 years through law school. After law school, I took the Bar Exam, which was an acceptable excuse to NJClass to defer my loans. After the Bar Exam, I was unemployed for several months and then I finally found a job. I moved to Boston to become a criminal defense lawyer with a salary, before taxes, of \$45,000. I had to pay for everything that comes with living on your own trying to make it as a young person in this world all by myself, with no support from family or a partner. That's when NJClass loans starting piling up: \$860/month - more than my rent in one of the most expensive cities in the country! I deferred once again for financial hardship but NJClass still makes you pay interest. My interest for 3 months deferment was over \$2000. That's not even worth the deferment so I'm out of deferment now. There are zero options with NJClass to reduce payments or to refinance. NJClass offers no loan forgiveness for public interest employment, and most importantly for me, no income based repayment. Nothing. I have over \$150,000 in federal loans from law school, and luckily federal loans have many options to help young people pay back their loans. My loan payment is now \$909.00 a month. Let me repeat: \$909.00 a month on a \$50,000 salary. My only option to slightly reduce my payments every month, even though this means paying thousands of dollars more in the long run, was to consolidate my loans. I would go from \$990/month to \$640/month. Not great, but better than not consolidating. The problem is I am not credit-worthy enough to sign for a consolidation loan without a co-signor. Neither are my parents. My brother would be able to co-sign for me, but he refuses because of the obvious risks of being a co-signor. I am stuck. Once I have to start fully paying back my NJClass loans plus my federal loans (even with income based repayment on the federal ones) I will not be able to live in Boston any longer and remain at my job. Within the year, I will have to quit my job and move back home, so I can afford to pay my NJClass loans. I am 27 years old; I am attorney educated at one of the finest universities in the country; and by the time I am 28 years old, I will have to move back to Toms River, NJ to live with my parents because of the financial hardship of student loans. Let me be clear: I live a very frugal lifestyle. I have to commute to different courts across the state everyday, and I drive a \$2000 car. I have 3 roommates. I rarely go out to dinner, and have never been on a proper vacation. I shop at the dollar store and second hand stores. Don't get me wrong, I'm not living in poverty, but this is not the life I imagined for myself. I didn't realize at 18 years old that a decision to take out a loan to go to a state college, a college I thought was affordable and a college where I graduated at the top of my class, would put me in the unimaginable position I am now. I hope this story helps to make change, although I am not optimistic that it will.</p>	6/9/2015 11:24 AM
47	Shitty website, lacks information on website, customer service is similar to a government agency. High interest rates. Lobbies state colleges.	6/9/2015 8:28 AM
48	Interest rates 9% huge monthly payment. 20% of my income just for this loan and I have federal loans as well. Was given no option to reduce payments because I "have been making my payments all along"	6/9/2015 7:58 AM
49	NJClass forced me into default by not cooperating, then their servicer charged me 20k in fees for defaulting.	6/9/2015 7:51 AM
50	Couldn't set up automatic payment. Interest rates are high. No flexibility in payments.	6/8/2015 10:39 PM
51	No issues really. College is just outrageously expensive so unfortunately we need them.	6/8/2015 10:04 PM
52	They never sent a bill, never called once, defaulted the loans, no one found out until my dad (a cosigner on the loans) ran credit for a car and found out it was on his credit report. They "called my parents' house once and never left a voicemail" according to them. One cosigner paid off his share of the loans with a private loan and I pay him monthly for his loan (at a lower interest rate), we pay monthly even though we never receive bills every month. There was also a number of checks that were cashed by them that were never applied to my account, refused to acknowledge the fact I had copies of the checks they cashed. This was before they had a legally required auditor on staff.	6/8/2015 9:30 PM
53	It doesn't matter how much you put towards your monthly payment, you still owe the same the next month, whereas with Navient, your extra payments count towards future ones.	6/8/2015 8:58 PM
54	I took out an NJCLASS loan because I couldn't get a federal loan at the time. (Essex County College) When I couldn't make payments for a couple months they yelled at me and refused to work with me on a payment plan. I ended up catching up but my interest rate was recently jacked up so it'll take me forever to pay it off.	6/8/2015 8:38 PM
55	NJCLASS has been a pain to deal with. I regret taking out any loans with them. My interest rate is high. I pay almost 700/month. I can "afford" this but my standard of living in other areas of my life is very low.	6/8/2015 6:34 PM
56	well responsive, and late in making payments to the University you'll be forcing me to be kicked out of my college	6/8/2015 6:23 PM
57	well responsive, and late in making payments to the University you'll be forcing me to be kicked out of my college	6/8/2015 6:22 PM

58	They are impossible to consolidate through any traditional bank and the consolidation options through NJCLASS barely reduce my monthly payments, even though they significantly extend the terms. I pay \$800 a month just in NJCLASS loans and almost all of it is interest. I make very good money yet I still feel like I may never pay off these loans.	6/8/2015 4:13 PM
59	Payments were enormous when they began, nearly \$1000 a month. Defaulted and now loans are in collections. Amount owed growing daily with high interest rates.	6/8/2015 3:29 PM
60	Nj class loans were selected above federal loans due to a better, at the time, rate. It was unclear that these loans could not be consolidated the way federal loans used to be able to. It was also for many years difficult to get assistance with them, though that has improved. 11 years out of college and, though I consolidated to remove my parents' liability for payment and extend repayment so it was affordable, ive had zero options with them, other than start to pay them off more aggressively. Further, my federal interest was automatically suspended when I entered graduate school. I was not offered this by njclass	6/8/2015 2:44 PM
61	There are a lot of issues with NJCLASS, but a single instance stands out. I had just been put on furlough at work because the company was going through a tough financial spot. With a significantly reduced paycheck coming in, I knew I would have difficulty paying my loan. When I called to ask about options, I got just one suggestion: pay every three months. Not at a reduced rate or anything like that. Rather than paying \$500 a month, I would be on the hook to pay \$1,500 in three months. You know, because that would help me. I don't often lose my temper with people, but I nearly wanted to jump through the phone and strangle the rep.	6/8/2015 2:20 PM
62	Repayment options when first leaving school were abysmal. The loans aren't able to be consolidated, and the interests rates are 8%. I've been stuck paying almost entirely interests payments while barely touching the principal.	6/8/2015 2:19 PM
63	The company is not helpful in any way. After making timely and on time INTEREST payments, on one occasion the loan went past 15 days, was recorded on my credit report. The company refused to forgive the missed payment on a credit report even after 12 ontime payments after the miss payment. The company is a scam and I wish I never opened an account with them.	6/8/2015 2:00 PM
64	The company is not helpful in any way. After making timely and on time INTEREST	6/8/2015 1:59 PM
65	Myself and my parents took out NJCLASS loans between 2003-2006 to fund my college education. I was the first in my family to seek higher education and not much was known about NJCLASS loans back then (NO Google!). We had NO idea these were private loans and actually thought they were funded through New Jersey given the "NJ" lie in the name. When I graduated college in 2007 it was the beginning of the country's economic crisis and I had a very difficult time finding a job. I received a monthly bill for approx. 850 dollars. I remained in constant contact with NJCLASS (waiting on hold for 45 minutes at a time) trying desperately to make them understand I wasn't even making 850/month! At first I only paid the interest on them but it was approx. 950-1000/every 3 months which I also didn't have. I asked for mediation but that was a joke - just someone on the other line stating if I didn't pay the 850/month the loans would be in default. I cried and cried and cried and felt hopeless. The loans were, as they said, given to a debt collector attorney to which I set up a new payment plan - 300/month for likely the rest of my life. I'm 30 now. I have hope one day these criminals will be exposed for the thieves and predatory lenders they are! I never had a problem with making a payment to them... whatever I had and I told them that on many occasions. They didn't care. Criminals. My parents new jersey state income taxes are collected now every year along with mine. No statement come in the mail, nothing. Just a check for 300 every month to an attorney's office.	6/7/2015 5:28 PM
66	They have ruined my life	6/4/2015 9:00 PM
67	I have been paying and paying for years. Never late until now. I am unemployed and exhausted all my options. They do not care and have poor communication. They instead send threatening letters to me and my father about credit etc. told me that I still have to pay interest when I explained that I do not have a dime at the moment. My parents do not either. Told me to get it from them or sell my loan to another company. Are they serious? It's a horrible vicious cycle showing how these legal loan sharks hurt the future of our country. Costs are out of hand. There is no relief in site. I am so stressed and feel terrible for my parents at the moment. I am 31 and still in so much school debt I want to scream. The federal loans deferred for me but of course still tack on loads of interest when I was so close to paying one of them off.... Such a backwards system!	6/3/2015 12:08 PM
68	The representatives at NJ class have always been prompt and helpful but when I tried to apply for consolidation I was denied. I have a good credit score and a full time job, consolidation should not have been an issue	6/3/2015 10:37 AM
69	They have a website that looks like it was built in the 1960s and have very little support to offer. I asked for a payout amount once and was told I could only receive it via fax. Without a doubt the worst mistake I made in my life was taking out a loan through NJCLASS.	6/3/2015 10:34 AM
70	I've made the mistake of deferring these loans twice. My monthly payment is still under \$300, but not by much. I truly feel like I can't live a normal life as long as I'm paying these loans.	6/2/2015 5:59 PM

71	They currently do not have any repayment programs that help the borrower of the loans. When the loans are put into deferment because of a financial hardship or unemployment hardship they continue to ask for interest payments, which puts the borrower into deferment.	6/2/2015 1:25 PM
72	They were not very informative in the beginning that these were not government loans. They did not stress the importance to the student Option 3. The repayment options were very limited and in order to do a repayment you would need to get the loan current and at \$1500 a month, if it was 60 days behind, it would be \$3000+. Then for a collection attorney to add an additional \$18,000 in attorney fees is absurd. In most cases, the fees are absorbed by the corporation seeking their money, not the struggling student	5/31/2015 8:20 AM
73	I'm totally disable and have proof but they denied me. So getting lawyer	5/30/2015 11:44 AM
74	I'm totally disable and have proof but they denied me. So getting lawyer	5/30/2015 11:44 AM
75	The worst phones ever	5/29/2015 7:16 PM
76	I took time off from work to enroll in classes at Essex County College. They are one of a few urban schools whose students are not allowed to borrow Fed loans because the student default rate is above a certain threshold. Therefore the vast majority of loans being served to this school must be HESAA loans and the school is overwhelmingly working class people of color. This is one of HESAA's dirty little secret. They loan to people who have very few options and who are not likely to earn enough to pay it all back. It's hell pure and simple. [REDACTED]	5/29/2015 4:49 PM
77	My parents help me establish(cosign) these loans in 2008-2010. They assumed they were normal federal loans, and now we know they obviously are not. I repeatedly get letters saying I am doing nothing to work on my loan, and that they have received no contact with me about it. I call them at least once every three months asking about ways to get my payments to be manageable. I am repeatedly told a)there is nothing they can do, or b) there is nothing they can do unless I repay what is do in full. They refuse partial payments, and they have no income based repayment options, such as a Stafford loan would have. The last time I spoke with them, the woman on the phone told me to move and get a better job when I explained my situation. As if I would not do that if I could. They make zero effort to help borrowers reasonably afford their payments, and it does seem as if they are encouraging defaults.	5/29/2015 4:48 PM
78	Being the first in my family to pursue higher education, I had been advised by my university to seek government loans. By visiting "http://www.nj.gov/faqs/edu/" you can read: "How do I find information on state scholarships or financial aid for college? The Higher Education Student Assistance Authority provides information about state scholarships and financial aid." It also includes a link to Hesaa.org. I feel this is misleading as NJClass Loans do not provide realistic repayment options for struggling citizens. I am 26 years old and pay \$750 a month. Annually I pay over \$6,000 in interest. How am I to support this nation's economy when 40-50% (when I'm lucky) of my paycheck evaporates every month? I cannot save in hopes to buy a house, responsibly start a family or have children. I cannot afford health insurance as I make "too much" even though I'm essentially making half of what is reported. I cannot claim bankruptcy as student loans are often found immune, and even if I could I would surely doom my parents who were so kind to cosign but too naive and misinformed to make the right decision. They were just happy their son was "succeeding". It is your duty as the NJ College Affordability Commission to fix this egregious system of debt slavery. Our survival as a great nation may well depend on it. - [REDACTED]	5/29/2015 4:46 PM
79	easy to default with no way to get back to good standing, unwilling to work with people to agree to a reasonable repayment plan that works for both parties	5/29/2015 4:33 PM
80	Cosigner on an Nj class loan defaulted almost immediately after being dispersed called to start paying on loan all the while not realising it was a lawyers office acting as a third party collectors when I saw it on my credit as default I called to inquire why since I had been paying monthly they stated it will remain in that status until paid in full now although paying on loan still showing up as new on credit report as well as there non willingness to send monthly statements to see how payments and interest are effecting overall loan they out right refuse.	5/29/2015 3:05 PM
81	No straight information on repayment, interest rate subsidization, extremely extremely high interest rates, terrible customer service, no clear guide on interest capitalization to principal during grad school deferment	5/29/2015 2:44 PM
82	I was never given the chance to create an affordable payment plan. I couldn't afford the monthly payments they were expecting of me and they weren't flexible. Soon after, I was considered default status and my loan was sold to debt collector, Solomon and Solomon. This debt collection agency has horrible customer service and is demanding almost half my monthly income. Not to mention, my Co signer is gravely ill, has only social security income and cannot help me pay but is getting harassed nonetheless. Also, once they realized they couldn't make money off my cosigner they forged information and added my mother as a Co signer and threatened to garnish her wages. However, I have the original promissory note that clearly does not state that my mother was a Co Signer. Solomon and Solomon even took my mother to court, placing an illegal and unjust judgment on her, which has crushed her ability to buy the home of her dreams. Mind you, I never said I wouldn't pay or ignored the bills. I just asked for an income based repayment plan. I pay three other student loans and they have all graciously worked with me and my current situation. And I have never defaulted on those. Finally, when signing this contract at 17, it was never fully explained to me that this was a private loan, and the implications that go with that. Now at 30 years old, this NJCLASS loan has cost me nothing but heartache, anxiety, horrible credit and family problems.	5/29/2015 1:11 PM

- 83 HESAA fools student into thinking these are government rather than private loans. When students find out they can't consolidate them like federal loans it's too late to take other loans. HESAA is the worst bureaucracy and administration to have to deal with. Live people are never there to help when needed. 5/29/2015 10:12 AM
- 84 I have paid 15,000+ to Russell Goldman, the attorney assigned to my loans. I have barely made a dent in my principal. 5/29/2015 10:05 AM
- 85 My family was unaware of what a NJCLASS loan actually was when we initially signed up. Little did we know that it was a private loan, had the highest interest rates, and had such terrible customer service that I eventually went into default. When my repayment period started, I was unable to make the payment each month. I was also unaware that default was even a thing. So I was not paying enough to keep up with them. When I tried calling to refinance, the options were not available. They just kept saying I had pay. Meanwhile the interest accruing each month was more than the payment I had to make. I asked if I could get the loan deferred and the customer service agent (after waiting for hours on the phone over several days) told me that if I would just write a letter explaining my situation, my deferment would be granted without any problems. I wrote the letter and by the time NJCLASS got back to me, they put me into default, adding a penalty of \$13,000 on. That is basically the cost of the semester that I did not take at the end of my college career because I graduated early. I am pretty sure this company purposefully has a terrible website and terrible customer service just so the loan can go into default. What is stopping them from not doing that? They only make more money. You should not have to wait hours*to talk to someone and then when you do talk to someone, the person is completely incompetent. At this point, my loan was transferred to a local lawyer who I can assure you was no lawyer. It is just some shark "law office" that bids to be one of the debt collectors for HESAA knowing that they will make a good chunk of change doing it. They were not interested in anything I had to hear. I even went in to talk to them in person to try to set up a payment plan. I did eventually set up a plan, which was still way out of my budget. But once again, the interest accruing each month was the same as my payment. Eventually a payment plan was not sufficient enough and they wanted the entire lump sum in full. There were days when I could not feed myself. I had to cancel my health insurance because I could not make payments. I had to move back in with my parents. It was just financially debilitating. They threatened to garnish my mother's wages because she was a co signer. I could not bare to have that happen, so I borrowed money from someone and paid them off. NJCLASS is an ABSOLUTE nightmare to work with and I would not wish this upon anyone else. There is no education about taking out loans, there is no education on how you are going to pay them back once you graduate and there is no regulation on these predatory loan companies. NJ should be ashamed to have their name in a loan like this. It has 100% ruined my life. I will never be able to get my life started until this is paid off. How can I move on with my life with \$80,000 worth of debt with 6.5% interest? I have a really incredible job right now with great benefits, but its just never going to be enough. I will never be free unless I win the lottery or marry a rich man. 5/29/2015 9:48 AM
- 86 NJCLASS loans were entirely too easy to get approved for- should have been a red flag. When I began repayment, I was in between jobs and had called to see what my options were. The customer service representative advised me to "go to your cosigner" and when I said that wasn't an option, I was told to "ask a friend." I sobbed and cried, nothing. I was behind on my loan for only 30 days and they wasted no time to rush to the credit bureaus. I am fortunately not in default, but I am terrified to wind up in a situation where I could go into default since they DO NOT accommodate those in dire situations. 5/29/2015 8:53 AM
- 87 I borrowed to attend my dream school in Massachusetts. I thought I was making an investment, but had to drop out after my second year after I realized what the interest rates would be, the strict repayment terms and outrageously high monthly payment. I also pay federal loans. Currently, I work at a non-profit full time and a side job to cover my expenses of rent, phone bill, utilities, metrocard and student loans. The high interest rates make payments seem like they are going nowhere and the high monthly bill is a huge portion of my income. The NJCLASS private loan leaves me no room for savings or to help my family. 5/29/2015 8:50 AM
- 88 Oh man, where to start..I'll try to make this as short as possible. Post graduation, I needed to put both my loans (FedLoan and HESSA) in a deferment process because I couldn't afford the monthly payments right after I graduated that was back in 2012. Now 3 years later, I worked something out with FedLoans, where I am on their "pay as you earn" program and that works for me. I am still struggling to make the payments HESSA is asking for. HESSA wants me to pay \$1,108 A MONTH! I still cant even wrap my head around that number! I've called and emailed HESSA about me not being able to pay those insane monthly payments and lets just say, if I was on fire, they would drink the last sip of water instead of trying to put me out. They have done NOTHING to help me, but they have started harassing my dad at at work (he is my co-signer) and sent me a letter stating they are gong to start granishing my wages. Now dont get me wrong, I have been paying them monthly, obvioulsy not what they are asking, but I have been paying \$600 a month because thats what I can afford, it is still not an ideal payment, I still struggle with bills every month, but I can skate by with that..for now. HESSA makes it impossible to be a normal functioning adult trying to survive in this economy. I wouldnt let my worst enemy take loans out from HESSA, they literally put their borrowers through HELL 5/29/2015 8:42 AM

- 89 I was the first one of my siblings to go to college. When we went to orientation these NJ Class Loans were being advertised as the best option to fund your college education. Well fast forward to 2007, I was told I has reached my available funds for education leaving me 9 credits shy of graduating. And because I've reached the max my loan payments were due immediately. At the time I was working part time and going to school. I was not making the \$1000 monthly payments that they were demanding. I was sending them what I could. But they were not willing to help the only suggestion they gave me was to see if I have some rich relative that I could borrow the money from. Well I didn't so my loans were defaulted. Fast forward even more to today I've been to mediation twice for these loans. The Law Office of Russell Goldman hangs my loans over my head every month and we are paying \$600 a month for the next 2 years until the next renegotiation will happen. Enough is enough if there was help back when I was first having trouble I would not be in this mess. Now I can't even finish school and have nothing to show for this \$125,000. 5/29/2015 7:39 AM
- 90 Have one loan that we paid \$18,000 in one payment and then got harassing calls and told we were in default and must now pay the remaining \$18,000. another loan was \$34,000 in finals year. Father had his mother co-sign...she passed away. hessa did not go after estate for payment on defaulted loan but is suing my son for the money. His Father not paying anything to help him. They offer no realistic doable options for someone who although working, is under employed, cannot afford to live on his own and has \$200,000 in student loan debt. Just not helpful or empathetic. 5/29/2015 1:30 AM
- 91 My parents were in a financial bracket that only allowed for a few thousand in federal loans so they signed me up for NJCLASS loans to cover the vast majority of my tuition/housing. They did interest only payments for the full duration of school and now that I've graduated I owe around 92,000. They do not allow for income based repayment plans like my smaller federal loan, so I have to pay around \$1250 a month in addition to my rent, utilities and food. I am living paycheck to paycheck and have under 100\$ to save/spend by the end of the month. My brother also has NJCLASS loans but he graduated from NYU and owes over 200,000, in addition to not being able to find a stable job. They have already threatened to garnish our parents wages, who are only a year away from retirement. The only compromises they are willing to make are 2-3 month forbearance during which interest accumulates, while paying about half of the monthly amount which is still crippling to students that are unable to find jobs with a 50k+ income and don't live with their parents. My parents signed us up for these loans not knowing any of these facts or that NJCLASS was a private lender. NJCLASS needs to emphasize that they do not give the same repayment plans as a federal lender as well as offer more payment plans to struggling grads. 5/28/2015 11:54 PM
- 92 I became unemployed at the begining of 2013 due to hurricane Sandy. As a result I could not keep up with payments. I called hesaa numerous times to see if they offered any type of arrangement like other student loans do, but they did not. I explained my situation i had a new born child, lost my job and was receiving food stamps. I was at my lowest point and they couldnt do anything for me. I kept receiving notices that I was past due and my credit would get affected and so forth and the interest kept piling on. The only way I was able to get out of default was that my sister paid my past due amount and I was able to find a job and now I am making payments. However, it seems that all my payments go directly to interest and my principal does not go down. Last year I paid over 5000 in interest. I have also called to see if I could consolidate but I cannot because I need to make over 40000 to be considered for consolidation. This entity does not offer any type of help to borrowers no matter what the situation. All they do is send past due notices and threaten you that you will be sent to collection even if you make small payments. 5/28/2015 11:41 PM
- 93 We would had been happy to make a smaller payment for the NJCLASS loan but that wasn't an option. We were told that we had to pay the full amount or it would default. So we let it default hoping the court will allow a smaller affordable payment. Waiting for our court meeting at the end of June. We were told they could take the our full pension check each month which would be 3 times more than the original payment plan. 5/28/2015 11:29 PM
- 94 Interest rates were extremely high and there was no opportunity for re-negotiation...very disappointed in loan 5/28/2015 10:21 PM
- 95 Loans went to a collections even after my son was making payments! 5/28/2015 10:18 PM
- 96 The interest rates are horrific and the repayment processes were not truthfully represented 5/28/2015 10:17 PM
- 97 I was enrolled in school and they wouldn't give me a defferment or forbearance and it defaulted tired to rehab it and work out payment plans they would not budge I had to hire two attorneys and the situation still isn't solved I was miss lead by school and no class loan thinking it was federal not a private student loan I discourage anyone to take out from njclass 5/28/2015 9:46 PM
- 98 I took these loans out thinking that they were federal loans. I realized after I called them and asked for different payment options that these are private loans. They offered absolutely no payment plans are available. The only advice they offered was to refinance the loan. But how can you refinance a loan when your credit is already severely damaged due to the lack of payment options? It sort of seems like they want you to fail if you can't afford to pay the loan. College is so worthless, sorry to say. These loans are ruining my life. My monthly payment alone is \$550. I'm never going to be able to contribute back to society if this continues. 5/28/2015 9:37 PM
- 99 When I first applied for the student loan, NJclass presented as if they were federal loan but just state issued. I was under the impression that the same benefits I had with my federal loans id have with NJ Class. I was so wrong and felt mislead. 5/28/2015 9:27 PM

NJCLASS Loans (HESAA)

SurveyMonkey

- | | | |
|-----|---|-------------------|
| 100 | I am legally blind but since I went back to school with help from nj comission of the blind and other help, they feel that I am not blind. I am not able to work and struggling to make payments. They do not care. They just want the payment they say and that's it. | 5/28/2015 8:58 PM |
| 101 | i currently make 58k and am unable to pay the loan as it compounds quarterly and even in deferment the monthly payment is unreasonable. In addition I cannot combine the loans or consolidate. The online payment system is complicated and is not set for you to pay it off. | 5/28/2015 8:52 PM |
| 102 | My son borrow 120k with my 70 year old father as a co-signer. How does a 79 year old prove that he has the ability to pay? My son brings home \$1,400 per month, loan bill is over \$3,000 per month. He will NEVER be able to pay his loan with the 8% interest piling up. He wants to pay, but need a modification to pay. His credit will be ruined before he every gets to pay back the original loan. NJCLASS is ruing the future of NJ; and they don't even see that. | 5/28/2015 8:21 PM |

Tracey Timony
109 Sunset Dr.
Forked River, NJ 08731
609-290-5551
traceytimony@gmail.com

Good afternoon Honorable Senators and esteemed guests.

“The foundation of every state is the education of its youth” (Diogenes Laertius) but today that comes with a lifetime burden. Student loan debt is in crisis proportions and is becoming a generational debt, which has surpassed all credit card debt and automobile loans. The average student loan has more than doubled in the past ten years due to the rising costs of education. Students saddled with exorbitant debt and a job market that has stagnated and even flattened, are finding it impossible to obtain employment that will sustain not only their obligated loan payments, but basic survival. More and more young students are falling into despair and hopelessness. This has consequential effects on the economy because they are not buying cars, renting apartments or buying homes which negatively impacts New Jersey’s economy. Now, combine that with HESAA’s misleading and unethical loan practices and this is a disaster of crippling proportions. The business practices of HESAA in their administration of NJCLASS loans are unscrupulous, predatory and manipulative.

My name is Tracey Timony. As a parent, I sit before you today to admit I made the worst mistake of my life; one that has destroyed my family. I may not be the most intelligent person, but I do know the difference between right and wrong and truth and

deception. I truly believe HESAA has deceived not only my family, but hundreds of other young students and their families.

NJCLASS loans come with three repayment options: Option #1-the borrower pays principle and interest while in school; Option #2-the borrower pays interest only while in school; and Option 3, defer principle and interest until graduation. Our family chose Option 3 repayment. Little did I know at the time we made that choice, that we would be signing our futures over to HESAA. Not only were our futures signed over to HESAA but so was my 77 year old mother, Barbara Devereux. She was an Option 3 co-borrower on loans for her grandson. HESAA is holding all young students of New Jersey hostage by refusing to negotiate a modified payment or rehabilitate loans causing emotional devastation and financial ruin to the youth of New Jersey. They are held back like so many NJCLASS borrowers from reaching all the milestones every young adult aspires to obtain. Most, if not all, of the people in attendance today are living in this nightmare called HESAA Hell.

We are a hard-working, middle class family and life-long residents of New Jersey who believed in the dream that with moral character, education and hard work you will build a successful future. My daughter and nephew took out NJ Class loans so they can achieve college educations and start on the road to success.

In 2013, my daughter graduated with honors from Hofstra University with a BA in Business and Marketing and a minor in Creative Writing. That same year, my nephew also graduated from Kean University with a BA in Criminal Justice. They both reached

the first milestone in their lives—a college education. This was supposed to be the start of two bright futures. But unfortunately, that was the last dream either of them have been able to fulfill. Because just 60 days after they graduated, the dreams that took four years accomplish turned into a living nightmare the day they both received their bills for repayment of their NJCLASS student loans.

My daughter and nephew graduated into one of the worst recessions this country has ever seen, we believed that their degrees would enable them to find sustainable employment. My daughter and nephew's loan payments were \$1328 and \$816 per month respectively. Neither of them was able to find gainful employment to support the astronomical monthly payment. By the end of 2014, my daughter found a job earning \$25,000 a year in New York, and my nephew was only making \$7,000 a year until I was able to help him obtain employment with my company. I tried picking up the slack for both of them but the extra \$2200 per month was extremely difficult, because who has an extra \$2200? Thankfully, my husband and I are blessed to be working full-time jobs. We put in 50 to 60 hours a week but as salaried workers so there is no overtime. In order to make extra money to make ends meet, I began cleaning houses and cutting lawns to just to put food on the table, pay the mortgage, keep the lights on and pay what I can toward other bills, including NJ Class, but even that was not enough. So, I started reaching out to HESAA for assistance.

Months after my children graduated, I frequently called HESAA for assistance and direction. I waited for long periods of time on hold while listening to a recording stating "Having trouble paying your loans, we can help....." First I felt relieved, but that

soon turned to horror as well. I was told NJCLASS could only re-age my loans. They must not have heard me correctly. I am struggling to pay the monthly payment now and the only assistance they offered is to increase my monthly payment? I begged for lower payments or some type of viable relief, even if it was temporary-- but to no avail.

HESAA was quoted in a recent news article, "HESAA offers struggling borrowers a program to bring their accounts current. To avoid default, a delinquent borrower must make three consecutive on-time payments and HESAA will re-age the loan and return it to current status." I was outraged because this was not a solution—it was just a temporary 30 day band aid. Yet, I had no choice but to agree since my daughter needed to share an apartment requiring a credit check so she can work that \$25,000 per year job in an effort to assist with the monthly payment and get her career started.

By now, I am more than a frequent caller, getting deeper into debt and arrears with absolutely no relief in sight. While waiting on hold for 20 minutes to ½ hour, I would be listening to that message "Having trouble paying your loans, we can help....." I became a lunatic waiting for someone to pick up. Again and again I implored HESAA to remove that message because it was nothing more than blatant lies and false advertising. As I said that, I was told over and over again to re-mortgage my house otherwise garnishments or litigation will be forthcoming -- you signed the papers and you are responsible. Yes, I did sign the papers. Yes, I know I'm responsible. Yes, I want to pay my debt, but I'm struggling and need a little help. Then I read about loan consolidation to make the payments more affordable. I thought HESAA would be of assistance to keep the loans from defaulting in an effort to ensure the payments continue--

but that turned out to be a silly notion of mine. HESAA stated they do not offer loan consolidation. That was confusing to me because all HESAA correspondence bears the state seal and I assumed the consolidation program was available. It was at that time I found out NJCLASS loans were private loans and have no relationship to the state of New Jersey. This important information was not disclosed to the majority of borrowers and when questioned, even NJCLASS representatives had a hard time answering that question. HESAA should have been mandated to provide clear disclosure so that borrowers could make informed decisions. The lack of clear disclosure is misleading and deceptive to young students of New Jersey. Had I known that prior to signing the loan, I would have definitely looked into financing elsewhere. HESAA recently responded in a recent new article "HESAA is a public, not a private entity and therefore the term private loan is not appropriate for the NJCLASS loan program. Yet, as HESAA stated "They do not believe this is misleading at all since all of their disclosures and information distinguishes NJCLASS from federal loans as evidenced in their attached disclosures." Even that response from HESAA is vague. Why not be clear and say we are a public agency but NJCLASS is a private loan. Now that is something anybody can understand.

By this time, my entire family was ruined mentally, emotionally and financially. When I finally did consider a home-equity line, my credit was so ruined that banks would not even consider me. This was my last option—but the adverse reporting of the NJCLASS loans took that option away. The only good news was that HESAA finally removed the wait message. I was finally able to wait on hold without hearing those lies repeating over and over again.

While researching I came across some minutes from one of HESAA meetings. Someone associated with HESAA board or committee had a family member apply for a loan and the HESAA member raved over the kindness, knowledge and professional treatment their relative was given without any prior knowledge of their relationship. That was the only positive comment I ever heard, experienced or read about HESAA pertaining to NJCLASS and it was a shame that came from a member.

In the beginning of 2015, we were desperate. Every contact with HESAA resulted in intimidating comments such as: if you could not afford the loans you should not have taken them or you should re-mortgage your house; threats of wage garnishment or worse yet a very aggressive collection agency, which then leads to a judgment to officially destroy any credible existence for the young borrower's future.

I realized I was in collections when my account access was removed from the website. HESAA ceases all contact with the borrower once the account is referred to their collection attorney. This means no more payments can be made through HESAA and interest is accruing needlessly. As an extra kick, the Collection attorney can add an additional-22% to 30% to the loan balance as a collection fee. In 2016, in an effort to savage my family's future, my husband and I were forced into declaring bankruptcy. Everything we worked together to establish for over 29 years, while raising our two children along with my sister's three children, HESAA took in less than 3 years.

Bankruptcy was an extremely hard concept for me to understand and accept. I still have a hard time believing it is real. The bankruptcy attorney told me all the things HESAA can do and one of them is to put a lien on mine and my mother's home. That to me is the equivalent to taking it. My heart sunk. So many times I asked that question to the numerous HESAA representatives and the answer was always NO. Now I and my family will truly have nothing. Everything will be gone unless the laws change to support citizens who always supported New Jersey.

The stress caused my daughter and nephew severe anxiety, depression and low self-esteem for fear that their once bright future was hopeless due to mounting crippling debt. Both had thoughts of suicide on multiple occasions. How is it possible that these children who are beautiful, talented, smart and all-around great kids can feel so destitute that they would even contemplate such thoughts? I was ignorant to the college process, but HESAA's slandered propaganda was promoted at our local high school and I fell for it. These loans are costing me my fun-loving, smiling, ambitious daughter and nephew but worst of all I lost the ability to help my son. He suffered the greatest loss by my decision to co-borrow and for that I am truly sorry. I only hope one day he forgives me.

I tried to be optimistic but their depressed outlook on life was rubbing off on me. I, too, lost my zest for life until I found Deborah Carney. She gave me hope. I am here fighting for my children and every other young New Jersey student and family in the same unfortunate position as I. I cannot allow HESAA to continue in their quest to obliterate the hopes and dreams of my children or anybody's children.

NJCLASS Option 3 loans taken out between 2005 through 2011 that went into repayment from 2011 to present show the largest increase of default. At the November 2015 Affordability Council meeting, Gabrielle Charette, executive director of HESAA, stated we are irresponsible borrowers and should have known better.

The fact is, it took 5 minutes to complete the NJCLASS loan application online and we were approved in less than 1 minute. HESAA provided no counseling or contact of any sort. They did not ask for proof of my income or daughter's income—they approved loans based on the 5 minute application. While I did call to make inquiries about the other loan options, I was told if I thought I could not make the payments selecting Option 1 or 2 then I should choose option 3. There was no inquiry by HESAA as to our ability to re-pay; no question as to the amount of the loan requested – nothing. In fact, as I look back on the application process, there is no doubt in my mind that my daughter and nephew's NJCLASS loan applications should have been denied. Any responsible lender would have denied those applications or at the very least had more stringent underwriting policies in place to assure that the borrower, NOT the cosigner, would be able to repay the loans they were approving. I call that irresponsible lending – or subprime lending.

The NJCLASS philosophy is fast becoming the next great financial crisis in New Jersey. This is the same irresponsible lending practice that led to housing market crash in 2008. NJCLASS Option 3 loans are subprime loans destined to fail with our young students as collateral damage. In fact, according to HESAA, "They do not have a specific dollar cap on loans, loans are limited to the cost of attendance less any financial

aid. This provision helps to prevent over borrowing.” Then how did one family end up borrowing a total of over \$800,000 in NJCLASS loans? Why are Option 3 loans defaulting at a rapid rate once in repayment? Does that mean HESAA only reviews the current loan period without attention to prior balances? In 2012, hidden in a Managerial & Budget Analysis, HESAA acknowledged the significant increase in Option 3 loans yet they did NOTHING to assist borrowers. NJCLASS loans are discriminatory and nothing more than legalized loan sharking by taking advantage of young students and their families.

We fully acknowledge the debt. As responsible borrowers, we want to pay our debt but HESAA has denied us the support, means and opportunity. Lowering interest rates, income based payments and most importantly loan rehabilitation are the only ways to restore affordable payments and re-build credit while offering Hope to the future of New Jersey.

Hope is one of the most important and powerful human emotions. Life is meaningless without Hope, yet HESAA continues to destroy all Hope for young New Jersey students looking for help, seeking a life and trying to start a future. I realize I am the example by which my children look towards so I must raise the bar to provide the hope and vision back into their lives. Feeling sorry for myself does not change my circumstances, it is up to me to do that. I always told my children that they have the power to change things. That it starts with a single voice. Then that voice is joined by others until it is impossible to ignore. Everything that is done in the world is done by Hope (Martin Luther King). I am a parent, I am a voice and I do have Hope.

I believe in the goodness, fairness and sincerity of New Jersey and its people. I hope you do as well. The recently adopted bill S743 is a great start and I commend your courage for addressing this heartbreaking issue, but addressing that isolated issue leaves thousands of other NJLCLASS loans borrowers exactly where they remain—destitute. Death and disability represent a very small fraction of what is wrong with the NJCLASS loan program—there are thousands of other young adults who are crying out for help—you must not allow this bill to create an obstacle in addressing the remaining issues that are forcing young students into default and bankruptcy. Someone has to address these issues. Every day results in another NJCLASS loan borrower defaulting or filing bankruptcy—how much longer will you allow this to go on. “We cannot always build a future for our children but we can build our children for the future.”(Franklin D. Roosevelt). Young New Jersey residents out there are still under siege with this autonomous agency who require your support and for the greater good of all must not be forgotten. I believe elected officials in positions of power must have a moral obligation to protect the rights of others. I Hope you do as well. You are the catalyst of Hope. You have the power to save a generation and the future of New Jersey. Please do not let despair and hopelessness be our only option.

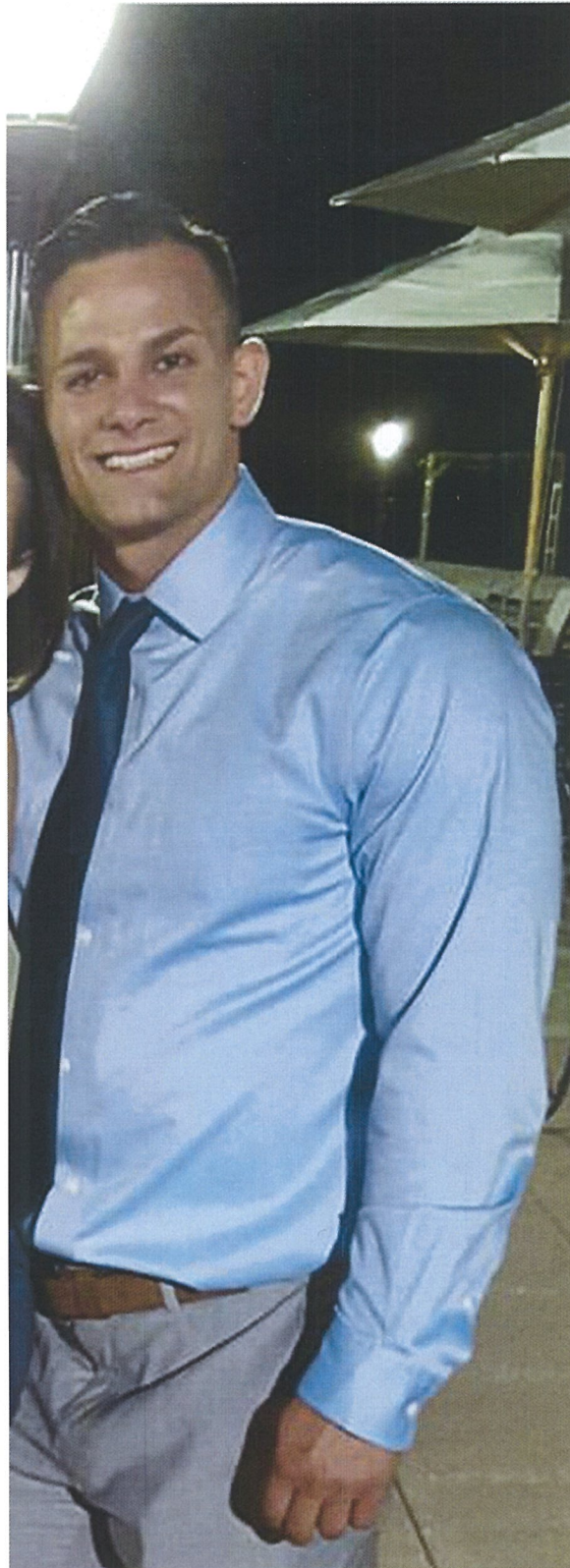
In closing, HESAA is in dire need of an overhaul even if changes in the law are necessary to force loan rehabilitation. This is paramount. I would like to thank Senator Ruiz for her interest in the future of New Jersey students and addressing the issues pertaining to NJCLASS loans. I prayed someone would hear us and you did. Thank you

for being our voice and giving us Hope. Together you have the power to affect change and give us a chance to get our lives back. Our fate is in yours hands. All I can do know is pray.

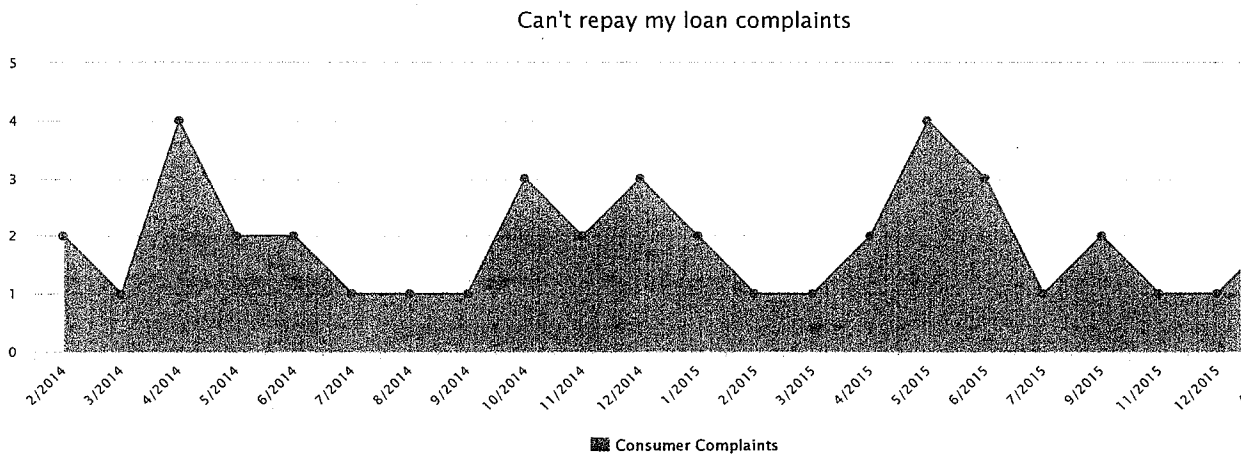
Kelsey Quinn Timony – Hofstra University Class of 2013



Michael Joseph Mancini, Jr.- Kean University Class of 2013



Higher Education Student Assistance Authority (HESAA) Can't repay my loan complaint history



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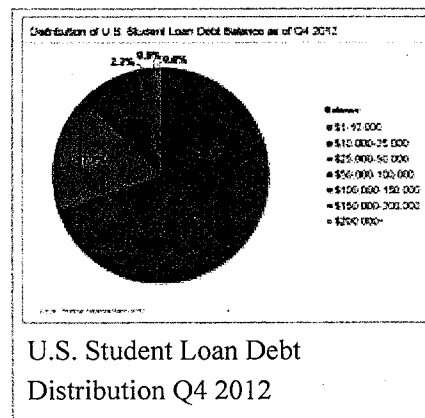
New Jersey student loan program

From Wikipedia, the free encyclopedia

The state of **New Jersey student loan program** provides various student loan financing programs.^[1] It has been criticized for remarkably inflexible terms and zealous collection practices. Also, acceptable circumstances for a reprieve are rare. This includes not forgiving student loans when the debtor dies.^{[2][3][4][5]}

Contents

- 1 Higher Education Student Assistance Authority
- 2 New Jersey Governor's Office
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Higher Education Student Assistance Authority

The Higher Education Student Assistance Authority is a New Jersey chartered state agency, charged with administering the state based student loan program. It is the largest in the United States by a significant proportion. Current loans outstanding amount to \$1.9 billion. It is believed that its remarkably inflexible policies “can easily lead to financial ruin.”^{[2][3]}

Repayments are not based on income adjustment. Unemployment and other financial hardships rarely result in reprieves. Interest rates are higher than comparable federal programs.

The state of New Jersey is permitted to garnish wages, rescind professional licenses, disallow income tax refunds, and forfeit borrower's lottery winnings. Court approval is not required. Collection practices have become more aggressive since 2010. Notably, families' credit has been damaged while being compelled to surrender their salaries due to agency regulations.

The catalyst appears to be, “the state depends on Wall Street investors to finance student loans through tax-exempt bonds and needs to satisfy those investors by keeping losses to a minimum.” The programs collection practices have been described as having within their toolkit “a cudgel that even the most predatory for-profit players cannot wield” and that is “the power of the state”.^{[2][4]}

New Jersey Governor's Office

The Governor of New Jersey appoints the executive director of the program. The current Governor, Chris Christie, has stated that the agency's policies and collection behaviors are not within his purview. Also, the appointment of 12 of the 18 board members of this organization is within the discretion of the Governor's office.^{[2][3]}

References

1. See external links to access this reference.
2. Waldman, Annie (3 July 2016), "In New Jersey Student Loan Program, Even Death May Not Bring a Reprieve", *New York Times*, retrieved 3 July 2016
3. "New Jersey's Student Loan Program is 'State-Sanctioned Loan-Sharking'". *Pro Publica*. 3 July 2016. Retrieved 3 July 2016.
4. Lewis, Daniel; Floyd, Jami WNYC All Things Considered podcast (5 July 2016). "New Jersey Student Loan Program Persists Even in Death". *WNYC News website* (New York City). Retrieved 8 July 2016.
5. Nuegebauer, Cim (5 July 2016). "Not even being murdered will get you loan forgiveness with student loans in New Jersey". *KUTV.com* (Salt Lake City, Utah: Sinclair Broadcast Group). Retrieved 8 July 2016.

External links

- Higher Education Student Assistance Authority (<http://www.hesaa.org/Pages/default.aspx>) *Home page*.
- The Official Website for The State of New Jersey (<http://www.state.nj.us/nj/education/aid/>) *Grants, financial aid & scholarships*.
- New Jersey student loan (<http://thecollegeinvestor.com/student-loan-forgiveness-programs-by-state/new-jersey-student-loan-forgiveness-programs/>) *Forgiveness program*.

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Categories: Education finance in the United States | Student loan systems
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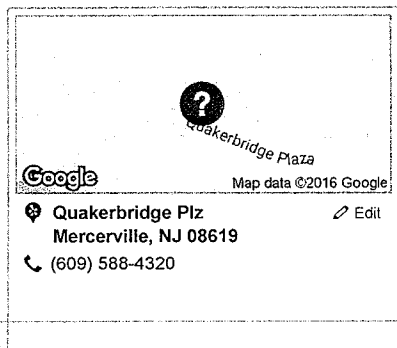
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Hesaa

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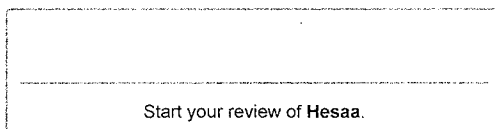


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Vincent C.
Metuchen, NJ
4 friends
7 reviews



4/6/2015

"I don't know what everyone is talking about. This place is great and their high interest rates are phenomenal." - The Devil



Denise D.
Hamilton Township, NJ
21 friends
1 review



6/1/2016

The WORST RUDEST people I've ever had to deal with! No wonder their security is so tight! NEVER give them business unless you want to be totally aggravated and frustrated when you need to speak to them! 0 stars!!!!

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A collection of my one- and two-star reviews. A return trip might no...
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Tony W.
Greenwood, NY
9 friends
18 reviews

★☆☆☆☆ 7/13/2016

These people are fucking SAVAGES!! A man is murdered and they won't forgive his loan debt?! What kind of shit is that? They made it painfully clear, DON'T BORROW FROM THEM! Just remember, after this story has become public, don't be surprised.. If your business goes under! Good luck with that... Damn Devils!



Cassandra B.
West Milford, NJ
0 friends
4 reviews

★☆☆☆☆ 6/3/2015 • Updated review

HESAA is the worse organization to work with. They blatantly lie.

Please fill out survey if you are a victim too!

surveymonkey.com/s/3HV6G...

★☆☆☆☆ 1/22/2015 • Previous review

Please avoid this "state agency" that is supposed to "help" students. No matter how much you pay... Read more



Vereniki F.
Porter Ranch, CA
3 friends
19 reviews

★☆☆☆☆ 2/5/2016

Their website never works and their employees can't read.



Adam D.
Bloomfield, NJ
1710 friends
966 reviews
Elite '16

★☆☆☆☆ 8/29/2014

Do NOT let HESAA be your lender. This organization runs itself like the Mafia. I took out a loan in September 2008. My graduation date was May 2010. The terms of the loan stated that I was to begin repayment 60 days following the date at which I was no longer enrolled, ie. July 2010 timeframe. I was under the impression this loan had gotten rolled into the other student loans I consolidated, but I found out 4 years later that was not the case.

I received a bill in August 2014 (4 years and 2 months after my graduation date) indicating I was delinquent on payments because they tried billing me at the wrong address in July 2014.

Bottom line is this: they wrongly recorded my graduation date as May 2014 versus May 2010 even though the National Student Clearinghouse informed them in July 2010 that I had graduated two months prior. HESAA even acknowledged that they received this notification but didn't update their records. The end result is they didn't bill me when they were supposed to, but instead let the capitalized interest accrue at an absurd rate for FOUR YEARS. Since they acknowledged they had my correct graduation date all along and didn't bother to bill me when they were supposed to, I have no choice but to believe they intentionally let the interest accrue so I would get stuck with a higher balance.



Nina S.
Silver Spring, MD
6 friends
10 reviews

★☆☆☆☆ 10/8/2015

These loans will ruin your life. That is not an overdramatic statement. Most of their practices are unethical and shady. Do not take out loans with them, seek out literally any other option or you will regret it. It is nearly impossible to pay these off. Any parents looking into loans for their children off to college, please please please think of your child's future. This lender will not only ruin their credit, but yours too.

Like others have said, this lender will purposely fail to mail you your statements so that more and more interest will accrue. Any time you make a payment, you need to be on the phone making sure they actually process your payment on time as they are trying to find ways to make you late so more interest accrues. There are absolutely no repayment options to those with low or no income. Do not let them fool you on this. I was told to pay interest only for the months I was seeking work. That payment has been in excess of \$2000 and no, they flat out refuse to work with you on that or even explain where that number comes from. Their website has absolutely no information regarding your account so you have to trust that whatever numbers they send you each month (provided you are lucky enough to actually receive a statement) are what you have to pay. Please do not even look twice at this lender, you will regret it. And it is a private lender. Their name and correspondence can be very convincing that the state of NJ or an agency is your lender. It is not. These people make Navient and Sallie Mae feel like angels.



Kaiden G.
Chatham Township, NJ
1 friend
3 reviews

★☆☆☆☆ 1/31/2016

This company is ruining my life, plain and simple. I work my ass off at as a supervisor in a restaurant, and even though I qualify for complete deferment for the year on my federal loans, as well as qualify for SNAP and Medicaid, they offer no form of relief. I can't wait to refinance and be rid of this evil lender ASAP.



Hihini h.
ASTORIA, NY
0 friends
18 reviews

★☆☆☆☆ 6/13/2015

Biggest mistake of my life. I did not know what I was doing when I had to look for loans, because I had just graduated high school. This place has RUINED my life. My payments are as much as my rent, and I have friends with \$2000 a month in payments to the this place. GOD FORBID you need to speak to someone -- there is no possible way to talk to a human. The automated system will tell you to hold for a rep and then disconnect you after a certain period of waiting. Call back and the cycle continues. I do NOT understand how this place is in business.

If you're a student looking for loans PLEASE do your research, see if you qualify for any type of federal or sallie mae loans first.



Luis A.
Little Falls, NJ
51 friends
23 reviews

★☆☆☆☆ 10/14/2015 • Updated review

worst company in the world they are ranked last !!! I found the solution for everyone !! stop paying thousands in just interest refinance with sofi low rates with a fix rate!!! sofi.com thank good

★☆☆☆☆ 6/11/2014 • Previous review

this company is the worst !!! got a loan for 12 thousand dollars in 2012 and is a ballon interest... Read more



Kathleen D.
Pilesgrove, NJ
555 friends
1059 reviews
Elite '16

★☆☆☆☆ 9/12/2013

Listed in All Two Below

"Higher Education Student Assistance Authority." That is what this business calls itself -- which is both comical and extremely unfortunate. "Assistance"? You mean "Life-sucking"? Prior to college, I had very little understanding of math and finances. Nearly two years post-grad? I feel like I'm breathing underwater every single day, with many, many more years of payments that I can hardly afford.

Not that HESAA cares. And frankly, I'm not even going to delve deeper into all of the reasons why I loathe this company so much. The employees would likely print this review and laugh. After all, they have my money. Why care about customer service, or -gasp- empathy?

My point in writing this? To urge any and all prospective student loan borrowers to look elsewhere. Do yourself a lifelong favor. Don't turn out like me.



Mimi W.
Philadelphia, PA
2 friends
36 reviews

★☆☆☆☆ 4/13/2015

HESAA is probably one of the worst student loan companies to borrow from. They have extremely high interest rates. It's a shame, because at a time when students should be paying less for education so that they can eventually give more back to the economy, they are confronted with high student loan payments- making it less likely for them to do so. That is especially true for this company, where a majority of what you pay back will go towards interest and not the principal.

What is even more scary, is that New Jersey state universities (and may be other NJ universities) suggest this company to incoming students who need additional funding to go to college. They are suggesting this company to incoming students who most likely did not have any financial training/education in high school. They are suggesting this company to students whose parents may not have even gone to college and who just see that as a dream for their children and are willing to sign off on that line. And at the end of it all, the four years, the graduation, students and their families will be paying for this for many, many years to come.

Bottom line- do not borrow from this company.



Alexander B.
Gillette, NJ
0 friends
6 reviews

★☆☆☆☆ 2/28/2015

I have to mirror what everyone else has said and encourage you to avoid this company at all costs. At the time of acquiring my student loans my father took care of most of the paperwork. I wish we would have shopped around.

He too was convinced this was the lowest interest rate we could obtain on a college loan and the name "Higher Education Student Assistance Association" and "NJCLASS" loans would lead you to believe they are all about helping students pay for college... It couldn't be farther from the truth.

The interest rate on my loans, taken in 2010, 2011, and 2012 are 6.25%, 7.62%, and 7.92%! When I compare that to private loans or to my friends who attended different colleges after high school, they are dealing with student loans with a 3.5-5% interest. rate.

There is no grace period after college with HESAA. They

make you jump through hoops to claim financial hardship to put your loans into deferment or forbearance. And still then, it is limited to only a few months. Then they are right back after you (with a higher monthly payment!!)

My hope is that you will educate yourself on loans and finance before taking out a student loan with any company, let alone this one. College is expensive, and if you can't afford it, you probably should not take out a loan for it. Jobs are not paying what they used to. Ultimately it will depend on if and what job you receive after college to determine if you can pay your loan back.

Here is an example from HESAA's loan calculator with repayment after graduation. You tell me if they are "assisting" students in higher education.

Loan Amount: \$56,000 (that's what it will run you for NJ in-state tuition, staying on campus your first two years)

15 Yr Fixed: \$6.95-%, Monthly Payment After School: \$520.22, Total amount paid to HESAA: \$92,220!!!

20 Yr Fixed: 8.4%-9.15%, Monthly Payment After School: \$520.33, Total amount paid to HESAA: \$121,790!!!

Thats more than double what you would have borrowed. I now understand why America is in debt. Lesson learned. Please avoid HESAA.



Mark M.
Woodside, NY
0 friends
5 reviews

★☆☆☆☆ 9/13/2015

For the amount of money I give these people they should have website that looks/works like it was made after 1998. These people take all of my money and they will for the next 30 years.



Rosie N.
New York, NY
0 friends
20 reviews

★☆☆☆☆ 5/12/2015

Shame on New Jersey for letting an institution like this abuse people who want an education. Only in the U.S. do I so regret having gone to college!!!! A \$16,300 loan is now more than \$29,000!!!! and climbing. If an individual does this is called a loan shark. If Trenton does it, is O.K???? And since these people are still in the 20th century, you have to "write and notarize" letters in order to get anything done.... Instead of campaigning for president, Mr. Christie should be looking into how his constituents are being discouraged from getting an education all together. Bottom line: if you do not have the money, do not go to college unless you want to owe these predatory institutions your first born, if you are ever able to afford children.



Shannon B.
Seattle, WA
0 friends
8 reviews

★☆☆☆☆ 3/13/2015

I wish I could give them zero stars. They will tell you when you are applying that they have flexible repayment plans. This is NOT the case. Further, attempting to get a hold of anyone is impossible. I call, I leave messages and have never received a phone call back. Please do not use HESAA.



Michelle R.
Bordentown, NJ

★☆☆☆☆ 12/22/2014



0 friends
★ 2 reviews

HESAA should tell their students in advance that, god forbid, they cannot find employment post-graduation, they will be in default on payment of their student loans, HESAA with NOT arrange an affordable payment plan for post-grads living below the poverty line and their account will be referred to debt collection attorneys that will be directed to accept nothing but FULL PAYMENT of the loan amount. Oh, and if your supportive parents co-sign, they will try to intimidate parents to empty their retirement funds to pay these loans. Congratulations on your graduation! Cough up \$25,000!



J.F.
Rutherford, NJ
141 friends
★ 11 reviews

★☆☆☆☆ 2/5/2013

First to Review

When shopping for a student loan AVOID AT ALL COST! It is so rare I have not a good but tolerable experience when speaking with any department within this organization. They are not compassionate and have limited and in my option NO options for the struggling student. I hate giving bad reviews but I must share this because HESAA/NJ Class Loans have been the BAIN of my Student Loan experiences. AVOID AVOID AVOID



Joann D.
Trenton, NJ
0 friends
★ 2 reviews

★☆☆☆☆ 4/3/2013

Horrible customer service.....you can wait up to 30 minutes on the phone and up to 2 days for a return email if you choose to contact them that way. The website is not helpful when looking for certain answers about repaymenttells you to contact them but they never answer the phone. I have called first thing when they open, middle of the day and right before closing..... same sh't. !!! NO ONE ANSWERS. Frustrating to say the least..... But they know to contact you if you are late with a payment Ugh !!



DJ G.
Charlotte, NC
0 friends
★ 10 reviews

★☆☆☆☆ 10/10/2013

Just like everyone else said, avoid at all costs. You could get a student loan from these people or you could just jump off a bridge. Where to start. I got this loan back in 2009 because we were told that it would have the lowest interest rate. Low and behold it was the highest of any loan I took out. They have no grace period. But this is my fault for not realizing before. There website if a joke. It looks like they had 3 interns put it together. I didn't feel like I was using a secure site when I paid with my credit card which is pretty scary. Take the time to shop around and don't deal with these scam artists. This company is a prime example of whats wrong with student loans today.

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Questions

Questions on the NJCLASS Program:

1. How does the NJCLASS loan program differ from federal loans in terms of benefits to borrowers?

HESAA Response: NJCLASS Option 1 and 2 loans have consistently offered borrowers lower interest rates than the federal Parent Plus loan. For example, this coming academic year, 2016-2017, the initial NJCLASS ten year Option 1 rate is 4.48% and 15 year Options 1 and 2 are 5.19%. As of July 1, 2016, the federal Parent PLUS rate will be 6.31%.

While the federal undergraduate Stafford loan interest rate will be 3.76% it should be noted that Stafford loans have annual loan limits that in most instances do not cover the full cost of attendance.

Federal loans do not provide borrowers with disclosures. NJCLASS loans provide all parties to the loan with three disclosures (Application, Loan Offer, and Pre-Disbursement). Attached are copies of all NJCLASS's disclosures.

2. How do NJCLASS loans differ from private loans in terms of benefits to borrowers?

HESAA Response: NJCLASS loans are not tier rated. For example, many private loans offer low interest rates to borrowers with exceptional credit scores and high income and higher interest rates to borrowers with lower credit and income. HESAA did an analysis of a large private lender's portfolio and it showed that, while the lender offered lower interest rates to some borrowers, the majority of the lender's portfolio was loans with interest rates in excess of 9.0%.

Also, all NJCLASS loans are serviced in-house by HESAA staff. Other lenders may use a variety of servicers which can cause confusion to borrowers.

3. Are NJCLASS loans as flexible as federal loan options, particularly when students are struggling to pay back their loans? Why or why not?

HESAA Response: Federal loans are financed and subsidized with general tax revenue. NJCLASS loans are financed through the sale of tax-exempt bonds. Therefore, NJCLASS loans must be administered in strict accordance with the bond indentures and covenants.

Notwithstanding the above, NJCLASS does offer struggling borrowers a number of deferments and forbearances, including: Recent Graduate, Financial Hardship, Unemployment, Intern or Resident (only applies to medical professions), Armed Services and Peace Corps.

It should be noted that the vast majority (over 90%) of NJCLASS loans are cosigned, and as such, are family loans. HESAA requires cosigners because we believe it is important that a responsible adult is standing behind the student. When an individual cosigns a loan the individual is legally contracting to be responsible for the loan. If the student borrower is struggling it is incumbent upon the cosigner to assist the student during that period.

4. How about compared with private loans options?

HESAA Response: HESAA is not aware of the particulars with respect to other lenders'

policies and options as there are a number of lenders with varying policies. Therefore, we cannot answer this question.

5. How does HESAA work with NJCLASS borrowers to help them when they are struggling or falling behind on their loans? What kind of default aversion practices does the agency employ?

HESAA Response: HESAA believes default aversion is extremely important; the last thing we want for our borrowers is to default. HESAA further believes that default aversion starts when the loan is first taken not after the loan has gone into repayment. To that end, HESAA counsels borrowers, before they take a loan, to borrow as little as possible, and to select Option 1 or Option 2 as these options are the least expensive and they establish a positive payment habit early in the life of the loan.

HESAA also sends Option 3 borrowers annual notices to remind them of their outstanding obligation. In addition to the disclosures which detail repayment responsibilities, HESAA also sends borrowers who are in the fully deferred option, Option 3, a letter reminding them that as they approach graduation they are also approaching loan repayment.

One of the criticisms of the federal loan program is that it gives borrowers an automatic recent graduate deferment of 6 months. While this may seem like a borrower benefit, in reality it is often not beneficial. Many students spend the first six months after graduation working to secure a job, an apartment, maybe an automobile, and incur routine expenses without consideration to their looming loan payment and, in many cases, accruing interest.

HESAA offers struggling borrowers a program to bring their accounts current. To avoid default, a delinquent borrower must make three consecutive on-time payments and HESAA will re-age the loan and return it to current status.

FOR QUESTION 6, HESAA'S RESPONSES ARE EMBEDDED AFTER EACH INDIVIDUAL QUESTION.

6. In conversations with borrowers and cosigners, many have expressed a lot of concern with and criticism of the loans. We researched their concerns and compared them with other state based loan programs. Specifically:
 - The lack of automatic death and disability discharge: At least 10 state based loan programs offer this benefit automatically to students (not to mention the federal government and some private banks). In one case, I spoke with a cosigner, whose son was murdered, yet his loans were not forgiven. Why does HESAA not automatically discharge loans upon the death of a borrower? Why is it better to encourage students/parents to get life insurance?

HESAA Response: If the student dies during the in-school period, HESAA forgives the loan. If the student dies after leaving school, HESAA looks to the cosigners to satisfy the loan. However, HESAA does allow these cosigners to seek forgiveness due to severe financial hardship. It should be noted that in the last fiscal year, HESAA granted over 50% of the requests received.

Also, HESAA understands that, while some families do not qualify for financial hardship, they wish to achieve closure and resolve the debt. In those cases, HESAA will consider a lump sum settlement.

The death of a loved one is always a difficult and emotional matter. While HESAA

tries to be as compassionate as possible, we must also meet our fiduciary duty to our bondholders. Blanket forgiveness policies would increase HESAA's cost of capital and in turn increase interest rates for all NJCLASS borrowers across the program. Hence, we believe our suggestion to secure life insurance is prudent advice.

- Higher interest rates: HESAA's low-end interest rate is higher than more than half of the state based loan programs in the country. The high-end interest rate is among the top five highest of state based loan programs in the country. Why can't HESAA offer a lower interest rate or a flat interest rate to its students (the interest rate increases several months/years after origination by 0.75%)?

HESAA Response: According to HESAA's research, 14 other states offer supplemental loan programs. Interest rates range from a low of 4.24% to a high of 9.0% and origination fees range from a low of 0% to a high of 7.0%.

As noted above HESAA's initial interest rates for the coming academic year, range from 4.48% to 7.15%. Our origination fee is 3.0% for all our loan options, except our variable rate option which does not carry an origination fee at all. Hence HESAA's interest rates and fees are well within the range of our sister states' agencies.

The initial lower rate is a borrower benefit because it lowers the interest rate at the start of the loan when the principal balance is largest. This allows more of the monthly payment to go to pay down principal in the early years of repayment and, as a result, lowers the overall cost to the borrower.

- Grace period of 45 days: Nearly all state based loan programs offer a grace period of 6 months. Why doesn't HESAA allow NJCLASS borrowers an automatic 6 month grace period—instead of just 45 days?

HESAA Response: HESAA offers a 6 month recent graduate grace period if requested by the borrower. This grace period is not automatic because during the grace, period the loan is still accruing interest. Therefore, it is not in the borrower's best interest to delay repayment and allow more interest to accrue.

- Deferment and forbearance options: Many state based programs offer generous deferment and forbearance options. HESAA will not allow students to have a full deferral requiring students to pay interest even in times of economic hardship or unemployment. Why does HESAA not allow for greater flexibility when borrowers are facing hard times?

HESAA Response: The above statement is completely erroneous. As noted several times above, HESAA does offer a number of deferment and forbearance options. Some of these options require no payments during the period of deferment/forbearance and some of these options require interest only payments.

- Caps on loans: Nearly all of the state-based lending programs have monetary caps on loans--set at an actual monetary amount, not just a general figure (i.e. "The full cost of going to school."). Why does HESAA not limit students aggregate loan amounts in order to discourage over borrowing? A recent audit underscored this issue, describing how one family took out over \$800,000 in NJCLASS loans.

HESAA Response: While HESAA does not have a specific dollar cap on loans, loans are limited to the cost of attendance less any financial aid. This provision helps to prevent over borrowing.

As to the family with over \$800,000 in NJCLASS loans, due to privacy laws, HESAA

cannot comment on a particular borrower's account and we are not doing so here. By way of general information, however, loans of this size are very rare and only tend to occur in families with multiple children who are often seeking graduate and/or professional degrees. Graduate and professional education is often in excess of six figures. A hard dollar cap would limit our ability to assist students pursuing advanced degrees. A hard cap would also require HESAA to turn away some students just as they were about to earn their degrees (last semester/last year). It should be noted that any borrower must meet income and credit worthiness requirements to receive a second or subsequent loans.

- **Flexible Repayment:** A few state programs have begun to offer flexible repayment plans (such as graduated, extended, or income based repayment) to help struggling borrowers. Why is HESAA unable to offer NJCLASS borrowers the same? I spoke with one borrower who was diagnosed with cancer and lost his job within a few years. He requested a full deferment/forbearance while he sorted things out, but the agency could only defer the principal and some interest, leaving him with a monthly fee of \$500. This amount was too much for him, with his health expenses and without a steady income, and now he is being sued by HESAA for over a quarter million dollars. What are your thoughts on this?

HESAA Response: Due to privacy laws HESAA cannot comment on a particular borrower's account and we are not doing so here. By way of general information, borrowers who suffer severe illnesses have the opportunity to have their loans discharged under our Total and Permanent Disability provision. In order to avail themselves of this option, borrowers must submit appropriate documentation from a licensed medical provider.

7. Because NJCLASS loans are private loans, several borrowers have told us that they feel it is not fair for HESAA to use statutory powers to go after struggling borrowers when private lenders cannot. Why does HESAA view that it should have greater collection powers than private bank lenders?

HESAA Response: As noted above, NJCLASS loans are financed through the sale of tax-exempt bonds. These bonds are backed by the moral obligation of the State of New Jersey. Were HESAA to default on its bond payments, the State of New Jersey would be obligated to make bondholders whole. Hence, the legislature has seen fit to grant HESAA certain collection tools that mirror those of the federal government. Were HESAA not to utilize the tools provided by the legislature we would not be fulfilling our statutory requirements or our fiduciary duties to our bondholders and ultimately to the tax payers of the State of New Jersey. When the legislature created the program it did so with the intent that the program be fiscally solvent and self sustaining.

8. In bond indentures, HESAA has said that the authority does not compete with federal student loans, except with parent plus loans. Why does the agency not require that borrowers max out on both subsidized *and* unsubsidized federal loans before turning to NJCLASS?

HESAA Response: HESAA requires students to max out on subsidized loans (and any other financial aid) before turning to NJCLASS because subsidized loans are considered financial aid in that the federal government pays the borrower's interest while in school and during authorized periods of deferment. Unsubsidized loans are not considered financial aid because they begin to accrue interest during the in-school period and there are families who do not wish to avail themselves of unsubsidized loans.

9. As is mentioned on the website, HESAA provides financial aid education and advice to thousands of New Jersey residents. The majority of borrowers that we have spoken with

say that they first heard about the loans from a high school financial aid night, their high school counselors or college financial aid counselors. In powerpoints for high school financial aid presentations, HESAA prominently advertises NJCLASS loans. Some might critique this as using the agency's access to the school to advertise the loans. How would you respond to this?

HESAA Response: HESAA's financial aid presentations outline all the available options for students and families. All our presentations focus most heavily and prominently on need based financial aid, such as federal Pell grants and New Jersey's very generous Tuition Aid Grant (TAG) program. However, not everyone qualifies for need-based aid. New Jersey is a high income state and many of our families, after completing the FAFSA, have Expected Family Contributions for the entire cost of attendance. HESAA believes these families should be aware of all the financing options available to them.

10. Numerous borrowers have described feeling misled into thinking that the NJCLASS loans were safe government options, not realizing that the loan is in fact a private loan. In reviewing the language in applications, documentation, and the website, HESAA often calls the loan program supplemental or alternative, but rarely (if at all) uses the term "private loan." Why is that? Do you think this is misleading to students in any way?

HESAA Response: HESAA is a public, not a private, entity and therefore the term "private loan" is not appropriate for the NJCLASS loan program. HESAA does not believe this is misleading at all since all of our disclosures and information distinguish NJCLASS from federal loans as evidenced in our attached disclosures.

11. Some state-based lenders (Iowa and Indiana) have put warnings on their websites, explaining that federal loans are always a better option than private loans and even encouraging parents to look at PLUS loans. Why does NJCLASS not do this?

HESAA Response: HESAA does not believe that federal loans are always a better option. As noted above, NJCLASS interest rates (Options 1 and 2) and origination fees are lower than the federal Parent PLUS rates and fees. Again, HESAA's disclosures, attached, provide students and families with all federal options and interest rates. The disclosures clearly advise students/borrowers to consider all loan options and to discuss them with their financial aid office.

12. In bond indentures, HESAA has said that the authority does not compete with federal student loans, except parent plus loans. Why does HESAA compete with Parent PLUS loans? Upon consolidation, PLUS loans offer income contingent repayment and after 25 years the loans are forgiven. They are also subject to the public service forgiveness benefit. Why does HESAA not advertise these benefits to parents if nearly 90 percent of the loans are cosigned and the cosigners are often parents?

HESAA Response: As noted above, NJCLASS Option 1 and Option 2 loans consistently offer interest rates below the Parent PLUS, and our origination fee on all our loan options is less than the Parent PLUS fee. Many families wish to avail themselves of these lower interest rates and do not qualify for, or wish to qualify for, public service loan forgiveness. Also, many borrowers do not want to spend 25 years repaying their student loans, and prefer our 10, 15 and 20 year options.

13. HESAA's NJCLASS loan program has attracted some criticism online from borrowers and family members of borrowers. Have you taken notice of this? What do you think of this? There is an online petition with over 500 signatures—what are your thoughts on their concerns?

HESAA Response: HESAA is always interested in borrowers' valid concerns. There are currently over 65,000 distinct NJCLASS borrowers. The vast majority of these borrowers are happy with the program and are pleased that NJCLASS provided them the opportunity to pursue the higher education of their choosing.

14. HESAA has received more complaints from borrowers in the Consumer Financial Protection Bureau database than any other state-based private loan program. What do you think this means?

HESAA Response: From June 30, 2014 to June 30, 2015 HESAA received 40 complaints in the CFPB database. Three of the complaints were from the same borrower and 2 were from the same borrower. These 37 complainants represent 0.06% of our base customers (as noted above). NJCLASS is one of the largest state sponsored supplemental loan programs in the country, hence, it is not surprising that given the number of borrowers we have, the number of complaints we have would also be slightly larger than our smaller sister states' programs.

Questions on Defaulted Loans:

1. According to meeting minutes, since 2010, the agency has been aware that "Option 3" loans were defaulting at "significantly" higher rates than other loan options. What did the agency do to help borrowers who were struggling with their Option 3 loans? Why did the agency not end the Option 3 product during this time? Why does the agency still offer the Option 3 product at all?

HESAA Response: First, while Option 3 loans default at a higher rate than Option 1 and Option 2 loans, the vast majority of Option 3 loans don't default and do perform. Only 8.7% of all Option 3 loans have defaulted in the 25 year history of the program. Second, HESAA actively counsels borrowers that Option 3 loans are the most expensive option and we try to steer borrowers to Options 1 and 2. We also limit the pool of Option 3 loans available each year. Third, while HESAA encourages borrowers to choose Options 1 and 2, there are many families who believe that they simply can't make any payment during the in-school period. HESAA believes these families should have this financing option available to them.

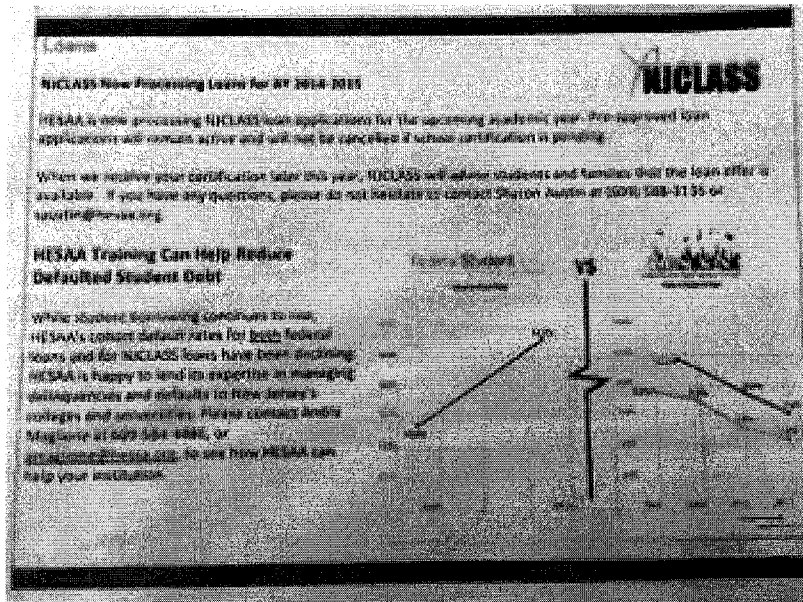
It should be further noted that the federal PLUS program makes this fully deferred option available to all parental borrowers regardless of their ability to repay the debt.

2. By 2011, ratings agencies were beginning to adjust their expectations for the Option 3 loans. According to meeting minutes from October 2011, Eugene Hutchins said: "The repayment [of] Option 3 has become increasingly negative over the last 3 or 4 years...the ratings agencies look at those loans as very high risk and assign very high stress case default assumptions. This means they assume 35% to 40% of the loans will default." At this point, why did the agency not end the Option 3 product altogether? With these assumptions, how did the agency help struggling borrowers?

HESAA Response: As noted above, some students and families wish to avail themselves of this product and the vast majority of these loans do perform. Default assumptions are not actual defaults they are multiples of defaults based not solely on HESAA's performance but on the industry as a whole. As also noted above, HESAA encourages borrowers to consider Options 1 and 2 loans first.

3. In an earlier OPRA request, I asked for 2- and 3- year cohort default rates, and was told by Ms. Grodman that HESAA does not track loans this way. But in an internal newsletter from Spring 2014, HESAA compares its own CDR to the CDR of the federal government, saying the CDRs have been declining. Where is this data from?

HESAA Response: The document to which you refer represents HESAA's federal guaranty agency cohort default rate, not NJCLASS's default rate. This document is an industry newsletter and therefore this distinction was understood by the industry professionals to whom it was sent. In order to be responsive to your OPRA request, HESAA sent you actual NJCLASS default rates.



4. According to public investor documents, the annual amount of defaulted loans has slightly dropped by about 11 percent in the past three years (from \$29 million in 2013 to \$25.7 million in 2015). However, the agency's debt collection appears to be on the rise. Over the last three years, the agency's collection of defaulted loans has gone up nearly 25 percent, from \$9.6 million in 2013 to \$12 million in 2015. Why has collection gone up so quickly even though default amount appears to be falling?

HESAA Response: Defaults are an annual calculation but collections are cumulative over all defaults from prior years. In addition, collections have increased as New Jersey's unemployment rate has decreased in recent years allowing borrower's more resources to satisfy repayment and resolve defaults.

5. According to investor relations reports, of the nearly \$2.6 billion in loans distributed in the bond issues from 1998-2011, more than \$250 million are default. What are your thoughts on this?

HESAA Response: With any loan program there will be defaults. NJCLASS has some of the lowest default rates. \$250 million represents 9.6% over the 13 year period you reference.

6. In past meeting minutes, the authority has said that it expects to recover nearly 100 percent of its defaulted loans. Why are the expectations so high?

HESAA Response: We are not sure to which particular minutes you are referring and in what context this expectation was cited. Notwithstanding that, as detailed above, HESAA has a fiduciary responsibility to attempt to collect all defaults. HESAA also expects that individuals take NJCLASS loans in good faith and will fulfill their contractual obligations under the promissory notes they executed.

7. According to a recent credit analysis from the ratings agency Moody's, the recovery rate of the authority is significantly higher than other private lenders because the agency "aggressively" uses its state powers, like administrative wage garnishment. What do they mean by "aggressively"? Is this in the best interest of borrowers?

HESAA Response: The term "aggressively" was used by Moody's and not HESAA. However, it is important that Moody's views our management of the NJCLASS program favorably so that NJCLASS bonds maintain their stellar credit rating which allows HESAA to keep interest rates as low as possible for all borrowers.

As noted above, HESAA has a fiduciary duty to its bondholders, and ultimately the State of New Jersey which backs HESAA's bonds with its moral obligation, to utilize the statutory tools granted to us by the legislature. Recoveries keep the program solvent for future generations of borrowers and keep interest rates as low as possible for all borrowers. If we were lax in our recoveries we would have to increase the interest rates we pay bondholders, or they would not buy our bonds. And if we increased the rates we had to pay bondholders we would in turn have to increase the rates we charge all borrowers.

8. ProPublica has looked at all the lawsuits filed by the agency over the past 20 years and filings appear to have drastically increased in the past five years (source: <http://www.judiciary.state.nj.us/>). A preliminary analysis shows that in 2010, the agency filed around 150 lawsuits against borrowers, but by 2015, the agency was filing around 1500, an increase of around 900 percent. Why is the authority filing so many lawsuits against borrowers in recent years? Is this consistent with your own record keeping? How do you track the suits that are filed?

HESAA Response: HESAA is represented by outside counsel to handle the collection of defaulted NJCLASS loans. Collections counsel files lawsuits as necessary to protect the NJCLASS program and avoid any statute of limitations defenses. May borrowers negotiate repayment arrangements with the attorney without the need to file a lawsuit or obtain a judgment.

9. Since at least 1999, New Jersey state law has permitted the agency to offer rehabilitation to its defaulted borrowers. But, according to bond indentures, HESAA documents, and interviews with local attorneys, the agency has not allowed borrowers to take advantage of this benefit. Why has the agency not offered this to defaulted borrowers? Will this be offered?

HESAA Response: State law does not provide for the rehabilitation of NJCLASS loans. HESAA's regulations provide for the possibility of rehabilitation in the event that there is a federal statutory change permitting such. 34 CFR 682.405 and 34 CFR 685-211 (f) provide for rehabilitation of federal student loans only, where the default is removed from a borrower's credit report. In order to offer such a program for NJCLASS, there would need to be a federal statutory amendment to authorize removal of a non-Federal loan default from a borrower's credit report. The law is clear and the National Council of Higher Education Resources has confirmed that HESAA's interpretation of the law is accurate.

10. Because of the terms and lack of rehabilitation, an attorney from Legal Services of New Jersey, a pro bono legal services nonprofit for low income New Jersey residents, described the program this way (this was in a letter to the agency from 2014): "More so than predatory mortgages, deceptive auto loans, or even illegal, usurious payday loans marketed over the internet, a defaulted NJCLASS loans presents the very realistic possibility of a lifetime of debt problems, with little meaningful prospect for relief--much less financial stability." How does the authority respond to this kind of critique?

HESAA Response: HESAA disagrees with this adversarial attorney's opinion which is not representative of the tens of thousands of satisfied NJCLASS borrowers over the last 25 years.

11. A student debt attorney described the lawsuits as a way to put pressure on the cosigners, not just borrowers: ("The agency is looking to put as much pressure on the borrower and be as aggressive as possible and the way you do that is you go after everybody that is liable.") How would you respond to this?

HESAA Response: HESAA disagrees with this adversarial attorney's opinion. NJCLASS is a family loan. Cosigners voluntarily enter into a contract with HESAA to be equally responsible to repay the loan and they are advised of their obligations on both the application and the promissory note. Cosigners should uphold their contractual responsibilities, particularly when the borrower, a family member, is struggling. NJCLASS loans are approved based on the income and credit worthiness of the cosigners as student borrowers generally do not meet these qualifications.

12. A bankruptcy attorney described the program as "state-sanctioned loan sharking" saying that the program is set up so that you fail. How would you respond to this kind of critique?

HESAA Response: This is a completely scurrilous and unfounded statement made by an adversary. The thousands of students and families who were able to obtain a higher education, pursue a career and repay the loan in accordance with the terms and conditions of the promissory note are testament to the complete inaccuracy of this utterly sensational declaration.

Background Questions on HESAA:

1. In researching the other state-based loan programs, New Jersey's appears to be the largest with an outstanding portfolio of NJCLASS loans totaling \$1.9 billion. We have found the next largest programs are Texas' HH Loans (with \$1 billion in outstanding loans, source: Texas Higher Education Coordinating Board) and North Dakota's DEAL program (with \$990 million in outstanding loans, source: Bank of North Dakota). Why is New Jersey's state-based private loan program larger than other states?

HESAA Response: New Jersey's program is one of the largest because it has been in existence since 1991 and is one of the oldest and most respected programs. Many of our families come back year after year and student after student. New Jersey is also a high income state. Many families are not eligible for need-based aide and therefore require loans to pay for school.

2. According to bond indentures from the program, the program initiated in 1991. What was the rationale for the agency to develop a loan program?

HESAA Response: The legislature created the program in statute and directed that HESAA administer the program. "There is hereby established within the authority a New Jersey College Loans to Assist State Students (NJCLASS) Loan Program. Under the NJCLASS Loan Program, the authority shall make loans available in such amounts as

necessary to ensure that student loans remain generally available to, or for the benefit of, eligible student who are not eligible for, or have additional financial need beyond, a federally insured student loan and who meet the eligibility criteria.." N.J.S.A. 18A:71C-21.

3. An analysis of all of the agency's bond indentures since 1991 shows that the agency experienced rapid growth of the loan program between 2005 (when the aggregate outstanding loan amount was \$512 million as of February 2005) and 2012 (when the aggregate outstanding loan amount was \$2.011 billion). What was the reason for the rapid growth? Why did the agency decide to expand the program?

HESAA Response: The growth of the program is a result of more people going to college, increased cost of attendance and the low interest rates offered by the NJCLASS program.

4. An analysis of meeting minutes and bond indentures shows the agency was very aware that an end to the FFEL program would likely lead to a decrease in revenue. Did the impending phase out of the FFEL program have any connection to the increase in NJCLASS loans?

HESAA Response: No. The rising cost of higher education and more individuals pursuing higher education has increased the demand for NJCLASS loans.

5. Many state guaranty agencies downsized or changed their direction/focus after the end of FFEL. Why has HESAA continued on in the private loan space?

HESAA Response: Unlike HESAA, many of those agencies did not have supplemental loan programs in place nor the statutory authority to initiate the programs. HESAA has continued in the supplemental loan space because we are statutorily charged with providing these loans and there is a demand for these products from the citizenry.

6. How have the responsibilities of the agency changed from before the days of the FFEL program to now?

HESAA Response: As always, HESAA's statutory mission is to further access to post-secondary education by loans, grants, scholarships or other means.

7. Why finance NJCLASS loans through bonds instead of through taxpayer dollars? Do you believe that this structure is beneficial to student borrowers?

HESAA Response: In order to finance the program through taxpayer dollars the legislature would annually need to appropriate the funds necessary to fund the loans.

8. How is HESAA funded? How much of the agency's budget is funded through its loan programs (NJCLASS and/or FFELP)? The meeting minutes from June 2015 show that the \$14,852,000 of the 2015 HESAA program revenue budget comes from NJCLASS—this represents half of the budget. Without an NJCLASS program, how would the agency support its programs? Is it fair to say that the agency relies on the revenue generated from loan program to support itself?

HESAA Response: The agency's operating funds are derived from NJCLASS, NJBEST, and our contracts with the federal government. As a state agency, without the revenue from NJCLASS, we would require a state appropriation to administer our grants and scholarship programs. Given the importance of these programs and the State's extraordinary commitment to programs such as the Tuition Aid Grant (TAG) program which will total over \$400 million in Fiscal Year 2017, HESAA does not believe the loss of

NJCLASS revenue would impede our operations.

9. Does NJCLASS fund other programs/administration/any other part of the budget other than specifically the NJCLASS program? Has any NJCLASS program revenue funded any other part of the budget other than the NJCLASS program in the past 5 years?

HESAA Response: NJCLASS revenue is dedicated to the reserve fund against defaults as well as the over capitalization fund for NJCLASS bonds to ensure that NJCLASS can offer the lowest possible interest rates. In addition, NJCLASS revenue also funds operational costs and investment in technology and training that allow the program to run efficiently.

10. In the past, has HESAA received state appropriations from the budget? Does any of HESAA's budget come from state funds now?

HESAA Response: HESAA receives programmatic funding each year from the State, 100% of which is provided to students in the form of grants and scholarships which do not need to be repaid and none of these funds support any administrative functions. HESAA's programs include: Tuition Aid Grant; Part-Time TAG for County Colleges, Governor's Urban Scholarship Program, Part-Time TAG for EOF Students, NJ Best Scholarship, NJ STARS, NJ STARS II, World Trade Center Scholarships, Primary Care Loan Redemption Program and Nursing Faculty Loan Redemption Program. Total programmatic funding in FY 2016 was \$404.6 million.

11. In 2007, HESAA was investigated by the NJ Attorney General for improperly marketing Sallie Mae loans to colleges in exchange for an annual sum of \$2.2 million. The authority was ordered to undergo monitoring. What changes has HESAA made since the Attorney General investigation and findings?

HESAA Response: This investigation occurred during a prior administration and has since been completely dismantled.

12. Three years after the Attorney General investigation, the state Inspector General investigated the authority and found that it was in "disarray" (source: http://www.nj.com/news/index.ssf/2010/05/nj_college_financial_aid_group.html). What changes have been made since the IG's report? What internal controls have been put in place to insure better internal oversight?

HESAA Response: An independent review of the 2010 OIG report, conducted by the Law Firm of Pashman Stein refuted many of the findings in that OIG report. Notwithstanding the foregoing, HESAA is a very different agency today than it was in 2010. HESAA has a new Executive Director, Legal Director, Chief Compliance Officer, and a new Director of Audits and Quality Assurance. HESAA has adopted a host of internal policies and procedures and has implemented self testing exercises to ensure compliance with them.

Student Lending Analytics Blog

June 18, 2009

NJ HESAA Selling \$450 Million of Bonds To Fund NJCLASS Private Loan Program

Here is the [announcement on the HESAA website](#).

Here is a [link to the bond prospectus](#) which was issued in late May.

Here are some of the details found in the prospectus:

- Offering size is \$450 million. NJ Higher Education Student Assistance Authority (HESAA) had raised \$350 million in August of 2008.
- Through March of 2009, HESAA has originated \$1.85 billion in NJCLASS loans to 174,000 students.
- Pilot program to begin for medical/dental students with \$5.0 million allocated to the program (p. 36 of prospectus)
- Interest rate on the Fixed Rate NJCLASS loans will be "fixed based on market rates at the time of issuance and will increase by 0.75% (75 basis points) beginning with the borrower's fifth year of principal repayment (p.42)."
- Administrative/application fee of up to 2% will be deducted from loan proceeds.

Credit requirements for fixed-rate NJCLASS loan(p. 41)

- Borrower or cosigner must have FICO of 670 or greater
- Minimum income restriction based on the 2009 Federal Poverty guideline for family of four is \$22,050
- Those with FICO score between 570 and 669 must meet "a detailed satisfactory credit history review as reported on a standard credit report."

Offer three payment options with Option 3 (full deferral) limited to 55% of loans financed through this bond offering. **Tip: If you are interested in full deferral of your NJCLASS loan, apply early as this option will not be available once the 55% target is hit.**

- Pay principal and interest within 60 days of disbursement (Option 1)
- Make quarterly interest payments while in school and thereafter principal and interest on monthly basis (Option 2)
- Defer interest and principal while in school and thereafter principal and interest payments made on monthly basis (Option 3). Note that interest is capitalized and added to the loan principal on annual basis.

The NJCLASS loan program has experienced significant growth in the past seven years (see table on page 48)

- In 2001-02, the program originated \$83.7 million in loans vs. \$370.9 million for 2008-09, a 343% growth rate. Average borrower indebtedness grew from \$9,030 to \$13,188 over the same period.
- Table also provides originations by month which indicates the strong seasonality during the peak lending months of June-September. Most borrowers seem to request loan funds they will need for the year as the originations in December and January are insignificant compared with the summer peak months.

About 76% of loans, based on original principal amount, have a cosigner (page 49)

In terms of credit scores, between July 1, 2008 and May 2009, NJCLASS approved about 4,400 loans for borrowers with FICO scores under 670 (page 49), or about 16% of the estimated 28,000 loans approved.

The bond offering is expected to close later this month. I will provide pricing information once it becomes available.

/46x

TESTIMONY TO SENATE HIGHER EDUCATION COMMITTEE AND SENATE LEGISLATIVE OVERSIGHT COMMITTEE

AUGUST 8, 2016

To the Honorable Members of the Senate Higher Education and Legislative Oversight Committees:

My name is Frank Argote-Freyre and I am a Latin American historian and faculty member at Kean University. I strongly support S-743 which would direct the Higher Education Student Assistance Authority to forgive student loan debt upon the death of the borrower.

Like all of you, I read with shock, the stories of the mother forced to pay her son's student loan debt even after his untimely death. If that injustice can be fixed through this legislation then that is a step in the right direction.

However, I want to be clear there is a student loan crisis in our nation. We have turned student loans into a national profit center. In the case of the New Jersey program the loans are offered at above market interest rates and there is little room for compromise on repayment with a mindless profit-making bureaucracy.

Every year I am touched by the stories of my students who, despite working several jobs, are forced to take out larger and larger loans. They are burdened by debt and creditors that would have made some of Charles Dickens characters' blush. After graduating, their lives are delayed. First homes cannot be purchased. Weddings postponed.

In some cases, student loan debt consumes the finances of the entire family. Parents must delay retirement and co-sign loans to try and secure the dream of a better life for their children.

This is not the way our system is supposed to work.

I am also the Director of the Latino Coalition and President Emeritus of the Latino Action Network and I know from our members that this is a problem that hits hardest at the working poor.

Students should pay market interest rates on their loans. Interest accrual should be delayed when a former student can document a medical or personal setback. Interest should not accrue until six months after a student graduates.

One of the topics of greatest interest to my students is the free education offered by the Cuban Revolution. Of course, there are political strings attached to that "free" education, but it always leaves my students wondering how a relatively small and poor nation can

offer free college education and the nation with the world's largest economy cannot even come close.

In summary, the piece of legislation before you is important and I urge you to vote in favor of it but don't let your inquiry end there. New Jersey and our nation can and must do a better job of financing higher education. The future of our nation depends on it.

Frank Argote-Freyre
Kean University
History Department

Latino Action Network

Testimony Regarding NJ Higher Education Student Assistance Authority

Rudy A. Rodas

201-381-1819

August 8, 2016

Good Afternoon,

My name is Rudy Rodas and I am on the steering committee for the Latino Action Network. I am here to share my personal experiences with the NJ HESAA. I am currently paying off my NJ Student Class Loan, which I obtained when I began law school in 2008.

I am fortunate that I have not experienced some of the horror stories recently published in the NY York Times. I have not gone bankrupt or had to seek a loan discharge, but I believe I can provide insight to what many borrowers have experienced. I do not believe that HESAA and its current practices are acceptable for the tax payers of the state and the student borrowers who are seeking to further their education and enhance their professional careers.

In April 2011, HESAA sent me an email regarding payments that were due on my loan. While the loan was due on May 15, 2011, I did not graduate from law school until May 28, 2011. Unlike Federal and Private student loan providers, it was very difficult to contact anyone at this agency. When I called, I received call back later messages and it took me about two weeks to finally speak to someone. I had not yet found a job and required a forbearance. When I first spoke to a representative, they first said there was nothing they can do. Eventually after speaking to a different representative, I was told I could apply for a for hardship forbearance that was not longer than 6 months, regardless if I was employed or not. During this time, interest would continue to accrue.

Although I had not found a job within the forbearance time, I was still forced to may payments on my loans. I found the resources through family to pay my first couple of loan payments until I was able to find work within 8 months from graduation.

My NJ Classloan has an interest rate of 8.7%. I have loans through Citi Bank that are 3.5% and with Sallie Mae that are 6.7. They offer more responsive services and gave me longer forbearance times. I am lucky that I was able to find a job and that I was

able to start paying this loan as soon as I did because of the interest I would have to pay without being able to make payments would have created a burden that many student loan borrowers feel today. It is hard once you graduate and have job, to save for a house, to start a business, or save for retirement under unfair burdens placed by HESAA on young students who are unemployed but actively seeking for work. I hope that my testimony today will offer some insight to some of the "every day" problems some of our student loan borrowers are facing today.

Dear Senators of the Higher Education Committee and Legislative Oversight Committee,

Today I'd like to share with you the very personal and difficult story that has been the last five years of my dealings with the NJ Higher Education Student Assistance Authority (HESAA). My purpose is not merely to complain and air my grievances. Rather, I'm here to put into public record how HESAA, with their NJ Class Loan program, have thoroughly failed their student borrowers. The recent articles published by the New York Times and Pro-Publica about HESAA's rapacious and unforgiving loan practices both infuriated me, and emboldened me to push for change. I was dismayed that the state that I grew up in, that educated me from kindergarten through college, could run what basically amounts to a predatory loan racket.

With this testimony I wish to both tell my personal story, for context, and thoroughly describe the ways HESAA in general fails its borrowers. I will also outline possible solutions that the New Jersey government can make to rectify this both for the unlucky students who are saddled with these inflexible loans, like myself, and for future aspiring students who don't want to see their credit scores ruined and their parents' wages garnished.

I graduated with honors from Rutgers University in May of 2012, in part thanks to about \$13,000 from HESAA in the form of NJ Class loans. After maxing out on merit scholarships, grants, and Federal Loans, I still had a shortfall of about \$6,500 a year for just two of my four undergraduate years. Naturally, we went with HESAA, as we were told these state-backed loans would be our best bet compared to private loans. We trusted the state to care about its citizen borrowers; that HESAA was there to help smart, ambitious students like myself graduate from college. My parents dutifully paid my interest payments while I was in school, and I graduated with a manageable debt level compared to many of my peers. After graduation, my federal loans had a six month grace period before repayments began. This was exceedingly helpful, as the day I started my first full-time job three months after graduation, after delivering pizzas to make sure I would be economically self-sufficient while interviewing, I literally had \$20 in my checking account. But of course, unlike my federal loans, these "state-backed" loans began repayment the month I graduated. This is an untenable and unjust provision that puts many borrowers immediately behind on their payments. Federal loans, other states' loans, and even private loans all have a grace period, a logical feature that allows borrowers to get on their feet, get a job after graduation (absolutely not a given in the job market of my cohort's graduating year), and save up a little money to be able to make payments. But HESAA does not allow this, because they don't care if their borrowers can pay.

That last sentence seems a bit accusatory and presumptuous, but my experience in dealing with HESAA's irresponsible, cold, and unprofessional customer service allows me to safely make the assumption that they absolutely do not care about their loan borrowers' financial situations. I was having trouble making my monthly loan payments, and wanted to see if I could work out a lower monthly payment plan. If I was even able to make contact with someone from HESAA, this would probably be a fruitless pursuit, as according to the Pro-Publica article HESSA loans "come with extraordinarily stringent rules that can easily lead to financial ruin. Repayments cannot be

adjusted based on income, and borrowers who are unemployed or facing other financial hardships are given few breaks...New Jersey can garnish wages, rescind state income tax refunds, revoke professional licenses, even take away lottery winnings — all without having to get court approval.” My father (the loan’s co-borrower) and I tried calling, multiple times, and were not once able to speak to a representative of HESAA to even begin inquiring. During this time I was having difficulty making my monthly payments, and I was going through some pretty bad health problems all while working full time and trying to keep everything together. All I wanted to do was have someone take even the slightest shred of interest in my situation, so I could find a better way to pay off my loans as best as my situation would allow until it improved. HESAA never gave me that option, or any other option, because without even once contacting me to see why I was having difficulty making payments and without trying to work out an equitable compromise, and only 90 days after my last payment, my loans were defaulted, discharged, and sold off to a collection firm.

To this day, I have been unable to contact HESAA regarding my situation. They confiscated my 2014 New Jersey tax return without any documentation that it was even applied towards my loan balance, and when I called to protest I again was put on an indefinite hold and my emails were never responded to. It’s not as if I was trying to shirk my financial responsibilities, or that I was being lazy; I was simply trying to juggle my new loan responsibilities with paying my bills, adjusting to work, and trying to stabilize my health situation. Ninety days after I made my previous payment, I was notified that my loan was in default (Federal Loans allow for 270 days before defaulting). I was blindsided. My father and I tried contacting HESAA, and we tried to log on and deal with it online, only to see that our account was frozen and original loan documents were inaccessible (which they remain to this day). The collection firm was as inaccessible as HESAA; my father had to physically go to their office to finally find someone who would talk to him and was able to work out a payment schedule. On top of everything, this firm charged over 25% in attorney fees up front. My loan remains perpetually in default, even as I’ve made monthly payments as agreed to this collection firm, until I pay off the loan in its entirety. This has negatively affected my credit score. All I’ve wanted to do for the past 5 years is fix this problem, responsibly pay my loan, and honor my commitment. But HESAA’s absolute disregard for me, and as I am now learning, many others as well, has prevented this and led me to my current situation.

HESAA and its affiliated collection agencies need serious reform. Having terms that mirror Federal Loans would be a good start. A loan with such a high (and increasing) default rate clearly shows a systemic flaw in the system and with the lender. HESAA should grant borrowers a post-graduation grace period, sufficiently staff its customer service department with competent, helpful, and respectful professionals that actually respond to repeated customer inquiries, and have readily advertised ways to work with borrowers. Their callous, illogically strict requirements truly set many borrowers up for failure and financial ruin. I strongly believe HESAA has suffered from an unfortunate lack of oversight. It’s been allowed to continue its draconian lending practices for years unabated, churning out defaults and lawsuits to appease bondholders and keep up its bond rating. For a private company, this greed and disregard for borrowers would be saddening but not necessarily unexpected. For a state agency to follow these practices is an embarrassment to a state whose overall public education system consistently ranks in the top three nationally. I truly believe that New Jersey’s students would be wholly better off taking any possible available loan rather than utilize HESAA’s services. The borrowers it lends to would be better served taking their business elsewhere, because if God forbid they get three months behind on their payments for any legitimate reason, they will be in the same situation that I am here testifying about today.

Senators, something needs to be done. This is not a one or two person problem, but a systemic problem that needs your oversight. Thousands of lives can be bettered with legislation or directives to help rehab our bad loans, and to prevent this from happening in the future. I thank you for taking the time to listen to my testimony, and I hope that you think hard about the reputation that HESAA brings to the state of New Jersey, and the role that this venerable body has in righting these wrongs.

Sincerely,

Eric R. Solomon

Questions

Questions on the NJCLASS Program:

1. How does the NJCLASS loan program differ from federal loans in terms of benefits to borrowers?

HESAA Response: NJCLASS Option 1 and 2 loans have consistently offered borrowers lower interest rates than the federal Parent Plus loan. For example, this coming academic year, 2016-2017, the initial NJCLASS ten year Option 1 rate is 4.48% and 15 year Options 1 and 2 are 5.19%. As of July 1, 2016, the federal Parent PLUS rate will be 6.31%.

While the federal undergraduate Stafford loan interest rate will be 3.76% it should be noted that Stafford loans have annual loan limits that in most instances do not cover the full cost of attendance.

Federal loans do not provide borrowers with disclosures. NJCLASS loans provide all parties to the loan with three disclosures (Application, Loan Offer, and Pre-Disbursement). Attached are copies of all NJCLASS's disclosures.

2. How do NJCLASS loans differ from private loans in terms of benefits to borrowers?

HESAA Response: NJCLASS loans are not tier rated. For example, many private loans offer low interest rates to borrowers with exceptional credit scores and high income and higher interest rates to borrowers with lower credit and income. HESAA did an analysis of a large private lender's portfolio and it showed that, while the lender offered lower interest rates to some borrowers, the majority of the lender's portfolio was loans with interest rates in excess of 9.0%.

Also, all NJCLASS loans are serviced in-house by HESAA staff. Other lenders may use a variety of servicers which can cause confusion to borrowers.

3. Are NJCLASS loans as flexible as federal loan options, particularly when students are struggling to pay back their loans? Why or why not?

HESAA Response: Federal loans are financed and subsidized with general tax revenue. NJCLASS loans are financed through the sale of tax-exempt bonds. Therefore, NJCLASS loans must be administered in strict accordance with the bond indentures and covenants.

Notwithstanding the above, NJCLASS does offer struggling borrowers a number of deferments and forbearances, including: Recent Graduate, Financial Hardship, Unemployment, Intern or Resident (only applies to medical professions), Armed Services and Peace Corps.

It should be noted that the vast majority (over 90%) of NJCLASS loans are cosigned, and as such, are family loans. HESAA requires cosigners because we believe it is important that a responsible adult is standing behind the student. When an individual cosigns a loan the individual is legally contracting to be responsible for the loan. If the student borrower is struggling it is incumbent upon the cosigner to assist the student during that period.

4. How about compared with private loans options?

HESAA Response: HESAA is not aware of the particulars with respect to other lenders'

policies and options as there are a number of lenders with varying policies. Therefore, we cannot answer this question.

5. How does HESAA work with NJCLASS borrowers to help them when they are struggling or falling behind on their loans? What kind of default aversion practices does the agency employ?

HESAA Response: HESAA believes default aversion is extremely important; the last thing we want for our borrowers is to default. HESAA further believes that default aversion starts when the loan is first taken not after the loan has gone into repayment. To that end, HESAA counsels borrowers, before they take a loan, to borrow as little as possible, and to select Option 1 or Option 2 as these options are the least expensive and they establish a positive payment habit early in the life of the loan.

HESAA also sends Option 3 borrowers annual notices to remind them of their outstanding obligation. In addition to the disclosures which detail repayment responsibilities, HESAA also sends borrowers who are in the fully deferred option, Option 3, a letter reminding them that as they approach graduation they are also approaching loan repayment.

One of the criticisms of the federal loan program is that it gives borrowers an automatic recent graduate deferment of 6 months. While this may seem like a borrower benefit, in reality it is often not beneficial. Many students spend the first six months after graduation working to secure a job, an apartment, maybe an automobile, and incur routine expenses without consideration to their looming loan payment and, in many cases, accruing interest.

HESAA offers struggling borrowers a program to bring their accounts current. To avoid default, a delinquent borrower must make three consecutive on-time payments and HESAA will re-age the loan and return it to current status.

FOR QUESTION 6, HESAA'S RESPONSES ARE EMBEDDED AFTER EACH INDIVIDUAL QUESTION.

6. In conversations with borrowers and cosigners, many have expressed a lot of concern with and criticism of the loans. We researched their concerns and compared them with other state based loan programs. Specifically:
- The lack of automatic death and disability discharge: At least 10 state based loan programs offer this benefit automatically to students (not to mention the federal government and some private banks). In one case, I spoke with a cosigner, whose son was murdered, yet his loans were not forgiven. Why does HESAA not automatically discharge loans upon the death of a borrower? Why is it better to encourage students/parents to get life insurance?

HESAA Response: If the student dies during the in-school period, HESAA forgives the loan. If the student dies after leaving school, HESAA looks to the cosigners to satisfy the loan. However, HESAA does allow these cosigners to seek forgiveness due to severe financial hardship. It should be noted that in the last fiscal year, HESAA granted over 50% of the requests received.

Also, HESAA understands that, while some families do not qualify for financial hardship, they wish to achieve closure and resolve the debt. In those cases, HESAA will consider a lump sum settlement.

The death of a loved one is always a difficult and emotional matter. While HESAA

tries to be as compassionate as possible, we must also meet our fiduciary duty to our bondholders. Blanket forgiveness policies would increase HESAA's cost of capital and in turn increase interest rates for all NJCLASS borrowers across the program. Hence, we believe our suggestion to secure life insurance is prudent advice.

- Higher interest rates: HESAA's low-end interest rate is higher than more than half of the state based loan programs in the country. The high-end interest rate is among the top five highest of state based loan programs in the country. Why can't HESAA offer a lower interest rate or a flat interest rate to its students (the interest rate increases several months/years after origination by 0.75%)?

HESAA Response: According to HESAA's research, 14 other states offer supplemental loan programs. Interest rates range from a low of 4.24% to a high of 9.0% and origination fees range from a low of 0% to a high of 7.0%.

As noted above HESAA's initial interest rates for the coming academic year, range from 4.48% to 7.15%. Our origination fee is 3.0% for all our loan options, except our variable rate option which does not carry an origination fee at all. Hence HESAA's interest rates and fees are well within the range of our sister states' agencies.

The initial lower rate is a borrower benefit because it lowers the interest rate at the start of the loan when the principal balance is largest. This allows more of the monthly payment to go to pay down principal in the early years of repayment and, as a result, lowers the overall cost to the borrower.

- Grace period of 45 days: Nearly all state based loan programs offer a grace period of 6 months. Why doesn't HESAA allow NJCLASS borrowers an automatic 6 month grace period—instead of just 45 days?

HESAA Response: HESAA offers a 6 month recent graduate grace period if requested by the borrower. This grace period is not automatic because during the grace, period the loan is still accruing interest. Therefore, it is not in the borrower's best interest to delay repayment and allow more interest to accrue.

- Deferment and forbearance options: Many state based programs offer generous deferment and forbearance options. HESAA will not allow students to have a full deferral requiring students to pay interest even in times of economic hardship or unemployment. Why does HESAA not allow for greater flexibility when borrowers are facing hard times?

HESAA Response: The above statement is completely erroneous. As noted several times above, HESAA does offer a number of deferment and forbearance options. Some of these options require no payments during the period of deferment/forbearance and some of these options require interest only payments.

- Caps on loans: Nearly all of the state-based lending programs have monetary caps on loans--set at an actual monetary amount, not just a general figure (i.e. "The full cost of going to school."). Why does HESAA not limit students aggregate loan amounts in order to discourage over borrowing? A recent audit underscored this issue, describing how one family took out over \$800,000 in NJCLASS loans.

HESAA Response: While HESAA does not have a specific dollar cap on loans, loans are limited to the cost of attendance less any financial aid. This provision helps to prevent over borrowing.

As to the family with over \$800,000 in NJCLASS loans, due to privacy laws, HESAA

cannot comment on a particular borrower's account and we are not doing so here. By way of general information, however, loans of this size are very rare and only tend to occur in families with multiple children who are often seeking graduate and/or professional degrees. Graduate and professional education is often in excess of six figures. A hard dollar cap would limit our ability to assist students pursuing advanced degrees. A hard cap would also require HESAA to turn away some students just as they were about to earn their degrees (last semester/last year). It should be noted that any borrower must meet income and credit worthiness requirements to receive a second or subsequent loans.

- **Flexible Repayment:** A few state programs have begun to offer flexible repayment plans (such as graduated, extended, or income based repayment) to help struggling borrowers. Why is HESAA unable to offer NJCLASS borrowers the same? I spoke with one borrower who was diagnosed with cancer and lost his job within a few years. He requested a full deferment/forbearance while he sorted things out, but the agency could only defer the principal and some interest, leaving him with a monthly fee of \$500. This amount was too much for him, with his health expenses and without a steady income, and now he is being sued by HESAA for over a quarter million dollars. What are your thoughts on this?

HESAA Response: Due to privacy laws HESAA cannot comment on a particular borrower's account and we are not doing so here. By way of general information, borrowers who suffer severe illnesses have the opportunity to have their loans discharged under our Total and Permanent Disability provision. In order to avail themselves of this option, borrowers must submit appropriate documentation from a licensed medical provider.

7. Because NJCLASS loans are private loans, several borrowers have told us that they feel it is not fair for HESAA to use statutory powers to go after struggling borrowers when private lenders cannot. Why does HESAA view that it should have greater collection powers than private bank lenders?

HESAA Response: As noted above, NJCLASS loans are financed through the sale of tax-exempt bonds. These bonds are backed by the moral obligation of the State of New Jersey. Were HESAA to default on its bond payments, the State of New Jersey would be obligated to make bondholders whole. Hence, the legislature has seen fit to grant HESAA certain collection tools that mirror those of the federal government. Were HESAA not to utilize the tools provided by the legislature we would not be fulfilling our statutory requirements or our fiduciary duties to our bondholders and ultimately to the tax payers of the State of New Jersey. When the legislature created the program it did so with the intent that the program be fiscally solvent and self sustaining.

8. In bond indentures, HESAA has said that the authority does not compete with federal student loans, except with parent plus loans. Why does the agency not require that borrowers max out on both subsidized *and* unsubsidized federal loans before turning to NJCLASS?

HESAA Response: HESAA requires students to max out on subsidized loans (and any other financial aid) before turning to NJCLASS because subsidized loans are considered financial aid in that the federal government pays the borrower's interest while in school and during authorized periods of deferment. Unsubsidized loans are not considered financial aid because they begin to accrue interest during the in-school period and there are families who do not wish to avail themselves of unsubsidized loans.

9. As is mentioned on the website, HESAA provides financial aid education and advice to thousands of New Jersey residents. The majority of borrowers that we have spoken with

say that they first heard about the loans from a high school financial aid night, their high school counselors or college financial aid counselors. In powerpoints for high school financial aid presentations, HESAA prominently advertises NJCLASS loans. Some might critique this as using the agency's access to the school to advertise the loans. How would you respond to this?

HESAA Response: HESAA's financial aid presentations outline all the available options for students and families. All our presentations focus most heavily and prominently on need based financial aid, such as federal Pell grants and New Jersey's very generous Tuition Aid Grant (TAG) program. However, not everyone qualifies for need-based aid. New Jersey is a high income state and many of our families, after completing the FAFSA, have Expected Family Contributions for the entire cost of attendance. HESAA believes these families should be aware of all the financing options available to them.

10. Numerous borrowers have described feeling misled into thinking that the NJCLASS loans were safe government options, not realizing that the loan is in fact a private loan. In reviewing the language in applications, documentation, and the website, HESAA often calls the loan program supplemental or alternative, but rarely (if at all) uses the term "private loan." Why is that? Do you think this is misleading to students in any way?

HESAA Response: HESAA is a public, not a private, entity and therefore the term "private loan" is not appropriate for the NJCLASS loan program. HESAA does not believe this is misleading at all since all of our disclosures and information distinguish NJCLASS from federal loans as evidenced in our attached disclosures.

11. Some state-based lenders (Iowa and Indiana) have put warnings on their websites, explaining that federal loans are always a better option than private loans and even encouraging parents to look at PLUS loans. Why does NJCLASS not do this?

HESAA Response: HESAA does not believe that federal loans are always a better option. As noted above, NJCLASS interest rates (Options 1 and 2) and origination fees are lower than the federal Parent PLUS rates and fees. Again, HESAA's disclosures, attached, provide students and families with all federal options and interest rates. The disclosures clearly advise students/borrowers to consider all loan options and to discuss them with their financial aid office.

12. In bond indentures, HESAA has said that the authority does not compete with federal student loans, except parent plus loans. Why does HESAA compete with Parent PLUS loans? Upon consolidation, PLUS loans offer income contingent repayment and after 25 years the loans are forgiven. They are also subject to the public service forgiveness benefit. Why does HESAA not advertise these benefits to parents if nearly 90 percent of the loans are cosigned and the cosigners are often parents?

HESAA Response: As noted above, NJCLASS Option 1 and Option 2 loans consistently offer interest rates below the Parent PLUS, and our origination fee on all our loan options is less than the Parent PLUS fee. Many families wish to avail themselves of these lower interest rates and do not qualify for, or wish to qualify for, public service loan forgiveness. Also, many borrowers do not want to spend 25 years repaying their student loans, and prefer our 10, 15 and 20 year options.

13. HESAA's NJCLASS loan program has attracted some criticism online from borrowers and family members of borrowers. Have you taken notice of this? What do you think of this? There is an online petition with over 500 signatures—what are your thoughts on their concerns?

HESAA Response: HESAA is always interested in borrowers' valid concerns. There are currently over 65,000 distinct NJCLASS borrowers. The vast majority of these borrowers are happy with the program and are pleased that NJCLASS provided them the opportunity to pursue the higher education of their choosing.

14. HESAA has received more complaints from borrowers in the Consumer Financial Protection Bureau database than any other state-based private loan program. What do you think this means?

HESAA Response: From June 30, 2014 to June 30, 2015 HESAA received 40 complaints in the CFPB database. Three of the complaints were from the same borrower and 2 were from the same borrower. These 37 complainants represent 0.06% of our base customers (as noted above). NJCLASS is one of the largest state sponsored supplemental loan programs in the country, hence, it is not surprising that given the number of borrowers we have, the number of complaints we have would also be slightly larger than our smaller sister states' programs.

Questions on Defaulted Loans:

1. According to meeting minutes, since 2010, the agency has been aware that "Option 3" loans were defaulting at "significantly" higher rates than other loan options. What did the agency do to help borrowers who were struggling with their Option 3 loans? Why did the agency not end the Option 3 product during this time? Why does the agency still offer the Option 3 product at all?

HESAA Response: First, while Option 3 loans default at a higher rate than Option 1 and Option 2 loans, the vast majority of Option 3 loans don't default and do perform. Only 8.7% of all Option 3 loans have defaulted in the 25 year history of the program. Second, HESAA actively counsels borrowers that Option 3 loans are the most expensive option and we try to steer borrowers to Options 1 and 2. We also limit the pool of Option 3 loans available each year. Third, while HESAA encourages borrowers to choose Options 1 and 2, there are many families who believe that they simply can't make any payment during the in-school period. HESAA believes these families should have this financing option available to them.

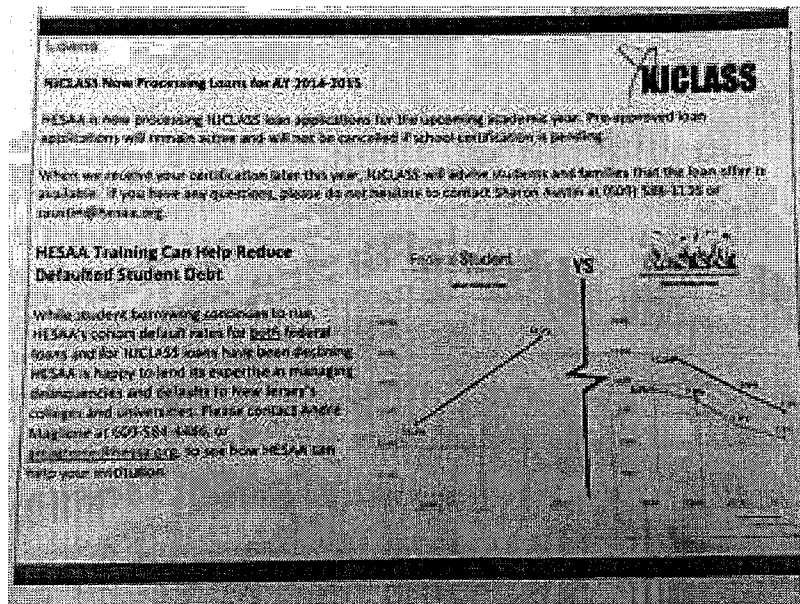
It should be further noted that the federal PLUS program makes this fully deferred option available to all parental borrowers regardless of their ability to repay the debt.

2. By 2011, ratings agencies were beginning to adjust their expectations for the Option 3 loans. According to meeting minutes from October 2011, Eugene Hutchins said: "The repayment [of] Option 3 has become increasingly negative over the last 3 or 4 years...the ratings agencies look at those loans as very high risk and assign very high stress case default assumptions. This means they assume 35% to 40% of the loans will default." At this point, why did the agency not end the Option 3 product altogether? With these assumptions, how did the agency help struggling borrowers?

HESAA Response: As noted above, some students and families wish to avail themselves of this product and the vast majority of these loans do perform. Default assumptions are not actual defaults they are multiples of defaults based not solely on HESAA's performance but on the industry as a whole. As also noted above, HESAA encourages borrowers to consider Options 1 and 2 loans first.

3. In an earlier OPRA request, I asked for 2- and 3- year cohort default rates, and was told by Ms. Grodman that HESAA does not track loans this way. But in an internal newsletter from Spring 2014, HESAA compares its own CDR to the CDR of the federal government, saying the CDRs have been declining. Where is this data from?

HESAA Response: The document to which you refer represents HESAA's federal guaranty agency cohort default rate, not NJCLASS's default rate. This document is an industry newsletter and therefore this distinction was understood by the industry professionals to whom it was sent. In order to be responsive to your OPRA request, HESAA sent you actual NJCLASS default rates.



4. According to public investor documents, the annual amount of defaulted loans has slightly dropped by about 11 percent in the past three years (from \$29 million in 2013 to \$25.7 million in 2015). However, the agency's debt collection appears to be on the rise. Over the last three years, the agency's collection of defaulted loans has gone up nearly 25 percent, from \$9.6 million in 2013 to \$12 million in 2015. Why has collection gone up so quickly even though default amount appears to be falling?

HESAA Response: Defaults are an annual calculation but collections are cumulative over all defaults from prior years. In addition, collections have increased as New Jersey's unemployment rate has decreased in recent years allowing borrower's more resources to satisfy repayment and resolve defaults.

5. According to investor relations reports, of the nearly \$2.6 billion in loans distributed in the bond issues from 1998-2011, more than \$250 million are default. What are your thoughts on this?

HESAA Response: With any loan program there will be defaults. NJCLASS has some of the lowest default rates. \$250 million represents 9.6% over the 13 year period you reference.

6. In past meeting minutes, the authority has said that it expects to recover nearly 100 percent of its defaulted loans. Why are the expectations so high?

HESAA Response: We are not sure to which particular minutes you are referring and in what context this expectation was cited. Notwithstanding that, as detailed above, HESAA has a fiduciary responsibility to attempt to collect all defaults. HESAA also expects that individuals take NJCLASS loans in good faith and will fulfill their contractual obligations under the promissory notes they executed.

7. According to a recent credit analysis from the ratings agency Moody's, the recovery rate of the authority is significantly higher than other private lenders because the agency "aggressively" uses its state powers, like administrative wage garnishment. What do they mean by "aggressively"? Is this in the best interest of borrowers?

HESAA Response: The term "aggressively" was used by Moody's and not HESAA. However, it is important that Moody's views our management of the NJCLASS program favorably so that NJCLASS bonds maintain their stellar credit rating which allows HESAA to keep interest rates as low as possible for all borrowers.

As noted above, HESAA has a fiduciary duty to its bondholders, and ultimately the State of New Jersey which backs HESAA's bonds with its moral obligation, to utilize the statutory tools granted to us by the legislature. Recoveries keep the program solvent for future generations of borrowers and keep interest rates as low as possible for all borrowers. If we were lax in our recoveries we would have to increase the interest rates we pay bondholders, or they would not buy our bonds. And if we increased the rates we had to pay bondholders we would in turn have to increase the rates we charge all borrowers.

8. ProPublica has looked at all the lawsuits filed by the agency over the past 20 years and filings appear to have drastically increased in the past five years (source: <http://www.judiciary.state.nj.us/>). A preliminary analysis shows that in 2010, the agency filed around 150 lawsuits against borrowers, but by 2015, the agency was filing around 1500, an increase of around 900 percent. Why is the authority filing so many lawsuits against borrowers in recent years? Is this consistent with your own record keeping? How do you track the suits that are filed?

HESAA Response: HESAA is represented by outside counsel to handle the collection of defaulted NJCLASS loans. Collections counsel files lawsuits as necessary to protect the NJCLASS program and avoid any statute of limitations defenses. May borrowers negotiate repayment arrangements with the attorney without the need to file a lawsuit or obtain a judgement.

9. Since at least 1999, New Jersey state law has permitted the agency to offer rehabilitation to its defaulted borrowers. But, according to bond indentures, HESAA documents, and interviews with local attorneys, the agency has not allowed borrowers to take advantage of this benefit. Why has the agency not offered this to defaulted borrowers? Will this be offered?

HESAA Response: State law does not provide for the rehabilitation of NJCLASS loans. HESAA's regulations provide for the possibility of rehabilitation in the event that there is a federal statutory change permitting such. 34 CFR 682.405 and 34 CFR 685-211 (f) provide for rehabilitation of federal student loans only, where the default is removed from a borrower's credit report. In order to offer such a program for NJCLASS, there would need to be a federal statutory amendment to authorize removal of a non-Federal loan default from a borrower's credit report. The law is clear and the National Council of Higher Education Resources has confirmed that HESAA's interpretation of the law is accurate.

10. Because of the terms and lack of rehabilitation, an attorney from Legal Services of New Jersey, a pro bono legal services nonprofit for low income New Jersey residents, described the program this way (this was in a letter to the agency from 2014): "More so than predatory mortgages, deceptive auto loans, or even illegal, usurious payday loans marketed over the internet, a defaulted NJCLASS loans presents the very realistic possibility of a lifetime of debt problems, with little meaningful prospect for relief--much less financial stability." How does the authority respond to this kind of critique?

HESAA Response: HESAA disagrees with this adversarial attorney's opinion which is not representative of the tens of thousands of satisfied NJCLASS borrowers over the last 25 years.

11. A student debt attorney described the lawsuits as a way to put pressure on the cosigners, not just borrowers: ("The agency is looking to put as much pressure on the borrower and be as aggressive as possible and the way you do that is you go after everybody that is liable.") How would you respond to this?

HESAA Response: HESAA disagrees with this adversarial attorney's opinion. NJCLASS is a family loan. Cosigners voluntarily enter into a contract with HESAA to be equally responsible to repay the loan and they are advised of their obligations on both the application and the promissory note. Cosigners should uphold their contractual responsibilities, particularly when the borrower, a family member, is struggling. NJCLASS loans are approved based on the income and credit worthiness of the cosigners as student borrowers generally do not meet these qualifications.

12. A bankruptcy attorney described the program as "state-sanctioned loan sharking" saying that the program is set up so that you fail. How would you respond to this kind of critique?

HESAA Response: This is a completely scurrilous and unfounded statement made by an adversary. The thousands of students and families who were able to obtain a higher education, pursue a career and repay the loan in accordance with the terms and conditions of the promissory note are testament to the complete inaccuracy of this utterly sensational declaration.

Background Questions on HESAA:

1. In researching the other state-based loan programs, New Jersey's appears to be the largest with an outstanding portfolio of NJCLASS loans totaling \$1.9 billion. We have found the next largest programs are Texas' HH Loans (with \$1 billion in outstanding loans, source: Texas Higher Education Coordinating Board) and North Dakota's DEAL program (with \$990 million in outstanding loans, source: Bank of North Dakota). Why is New Jersey's state-based private loan program larger than other states?

HESAA Response: New Jersey's program is one of the largest because it has been in existence since 1991 and is one of the oldest and most respected programs. Many of our families come back year after year and student after student. New Jersey is also a high income state. Many families are not eligible for need-based aid and therefore require loans to pay for school.

2. According to bond indentures from the program, the program initiated in 1991. What was the rationale for the agency to develop a loan program?

HESAA Response: The legislature created the program in statute and directed that HESAA administer the program. "There is hereby established within the authority a New Jersey College Loans to Assist State Students (NJCLASS) Loan Program. Under the NJCLASS Loan Program, the authority shall make loans available in such amounts as

necessary to ensure that student loans remain generally available to, or for the benefit of, eligible student who are not eligible for, or have additional financial need beyond, a federally insured student loan and who meet the eligibility criteria.." N.J.S.A. 18A:71C-21.

3. An analysis of all of the agency's bond indentures since 1991 shows that the agency experienced rapid growth of the loan program between 2005 (when the aggregate outstanding loan amount was \$512 million as of February 2005) and 2012 (when the aggregate outstanding loan amount was \$2.011 billion). What was the reason for the rapid growth? Why did the agency decide to expand the program?

HESAA Response: The growth of the program is a result of more people going to college, increased cost of attendance and the low interest rates offered by the NJCLASS program.

4. An analysis of meeting minutes and bond indentures shows the agency was very aware that an end to the FFEL program would likely lead to a decrease in revenue. Did the impending phase out of the FFEL program have any connection to the increase in NJCLASS loans?

HESAA Response: No. The rising cost of higher education and more individuals pursuing higher education has increased the demand for NJCLASS loans.

5. Many state guaranty agencies downsized or changed their direction/focus after the end of FFEL. Why has HESAA continued on in the private loan space?

HESAA Response: Unlike HESAA, many of those agencies did not have supplemental loan programs in place nor the statutory authority to initiate the programs. HESAA has continued in the supplemental loan space because we are statutorily charged with providing these loans and there is a demand for these products from the citizenry.

6. How have the responsibilities of the agency changed from before the days of the FFEL program to now?

HESAA Response: As always, HESAA's statutory mission is to further access to post-secondary education by loans, grants, scholarships or other means.

7. Why finance NJCLASS loans through bonds instead of through taxpayer dollars? Do you believe that this structure is beneficial to student borrowers?

HESAA Response: In order to finance the program through taxpayer dollars the legislature would annually need to appropriate the funds necessary to fund the loans.

8. How is HESAA funded? How much of the agency's budget is funded through its loan programs (NJCLASS and/or FFELP)? The meeting minutes from June 2015 show that the \$14,852,000 of the 2015 HESAA program revenue budget comes from NJCLASS—this represents half of the budget. Without an NJCLASS program, how would the agency support its programs? Is it fair to say that the agency relies on the revenue generated from loan program to support itself?

HESAA Response: The agency's operating funds are derived from NJCLASS, NJBEST, and our contracts with the federal government. As a state agency, without the revenue from NJCLASS, we would require a state appropriation to administer our grants and scholarship programs. Given the importance of these programs and the State's extraordinary commitment to programs such as the Tuition Aid Grant (TAG) program which will total over \$400 million in Fiscal Year 2017, HESAA does not believe the loss of

NJCLASS revenue would impede our operations.

9. Does NJCLASS fund other programs/administration/any other part of the budget other than specifically the NJCLASS program? Has any NJCLASS program revenue funded any other part of the budget other than the NJCLASS program in the past 5 years?

HESAA Response: NJCLASS revenue is dedicated to the reserve fund against defaults as well as the over capitalization fund for NJCLASS bonds to ensure that NJCLASS can offer the lowest possible interest rates. In addition, NJCLASS revenue also funds operational costs and investment in technology and training that allow the program to run efficiently.

10. In the past, has HESAA received state appropriations from the budget? Does any of HESAA's budget come from state funds now?

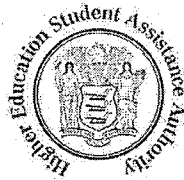
HESAA Response: HESAA receives programmatic funding each year from the State, 100% of which is provided to students in the form of grants and scholarships which do not need to be repaid and none of these funds support any administrative functions. HESAA's programs include: Tuition Aid Grant; Part-Time TAG for County Colleges, Governor's Urban Scholarship Program, Part-Time TAG for EOF Students, NJ Best Scholarship, NJ STARS, NJ STARS II, World Trade Center Scholarships, Primary Care Loan Redemption Program and Nursing Faculty Loan Redemption Program. Total programmatic funding in FY 2016 was \$404.6 million.

11. In 2007, HESAA was investigated by the NJ Attorney General for improperly marketing Sallie Mae loans to colleges in exchange for an annual sum of \$2.2 million. The authority was ordered to undergo monitoring. What changes has HESAA made since the Attorney General investigation and findings?

HESAA Response: This investigation occurred during a prior administration and has since been completely dismantled.

12. Three years after the Attorney General investigation, the state Inspector General investigated the authority and found that it was in "disarray" (source: http://www.nj.com/news/index.ssf/2010/05/nj_college_financial_aid_group.html). What changes have been made since the IG's report? What internal controls have been put in place to insure better internal oversight?

HESAA Response: An independent review of the 2010 OIG report, conducted by the Law Firm of Pashman Stein refuted many of the findings in that OIG report. Notwithstanding the foregoing, HESAA is a very different agency today than it was in 2010. HESAA has a new Executive Director, Legal Director, Chief Compliance Officer, and a new Director of Audits and Quality Assurance. HESAA has adopted a host of internal policies and procedures and has implemented self testing exercises to ensure compliance with them.



State of New Jersey

HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

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GABRIELLE CHARETTE, ESQ.
Executive Director

August 5, 2016

Honorable Sandra B. Cunningham, Chair
Senate Higher Education Committee

Honorable Robert M. Gordon, Chair
Senate Legislative Oversight Committee

Dear Senator Cunningham and Senator Gordon:

Thank you for your invitations to Chief of Staff Marcia Karrow and me to testify at a joint meeting of the Senate Higher Education Committee and the Senate Legislative Oversight Committee on Monday, August 8, 2016, concerning the administration of the NJCLASS Loan Program. We understand the committees' interest following recent news reports about this program.


The Higher Education Student Assistance Authority has initiated a review of its voluntary Policy and Procedure for NJCLASS Forgiveness/Compromise due to Student Death or Total and Permanent Disability When There is a Surviving Party on the Loan(s), to ensure that the Policy and Procedure meets the public policy goals of the State of New Jersey. I am attaching a copy of the current policy, which provides for forgiveness when the student borrower dies during the in school period and extends for the immediate six months following graduation.

In addition to a review of this policy, in light of recent newspaper reports about the administration of the NJCLASS program, HESAA is undertaking a review of how the policy is working in practice when these tragic situations arise, to ensure that we are handling each case with appropriate compassion and consideration for the individual circumstances of the borrower and any co-signer, as balanced against our fiduciary obligation to be responsible stewards of public funds.

Given that these reviews are currently ongoing, I believe it is premature for me or my staff to appear before the committees to discuss the policy and procedures until we have complete information. We do, however, look forward to briefing the committees following the completion of these reviews.

Again, thank you for the invitation and for your interest in the NJCLASS Loan Program.

Sincerely,


Gabrielle Charette, Esq.
Executive Director

Enclosure



HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

**POLICY AND PROCEDURE FOR NJCLASS
FORGIVENESS/COMPROMISE DUE TO STUDENT
DEATH OR TOTAL AND PERMANENT DISABILITY
WHEN THERE IS A SURVIVING PARTY ON THE
LOAN(S)**

The Authority on Financial Aid

Date: November 3, 2015

Procedure Owner	Teresa Gervasio
Procedure	NJCLASS Forgiveness/Compromise due to student death or total disability
Related Policies	N/A
Related Procedures	N/A
Storage Location	Compliance drive (J:\Procedures -- final version)
Effective Date	11/3/15
Next Review Date	11/1/16
Version Number	1.0

I. PURPOSE

The purpose of this voluntary policy and procedure document is for the Authority to:

1. establish the criteria and process for the forgiveness of NJCLASS loan(s) when a student dies or becomes totally and permanently disabled during the in-school period and there is a surviving co-signer or co-borrower on the loan(s);
2. establish the criteria and process for forgiveness of NJCLASS loan(s) when a student dies or becomes totally and permanently disabled after the in-school period and there is a surviving co-signer or co-borrower on the loan(s) who asserts a severe financial hardship; and
3. establish the criteria and process for compromise of NJCLASS loan(s) when a student borrower dies or becomes totally and permanently disabled after the in-school period and there is a surviving co-signer or co-borrower on the loan whose circumstances do not meet the definition of severe financial hardship.

II. DEFINITIONS

In-School Period - At least half-time enrollment in the school(s) for which the loan(s) were made as part of obtaining a baccalaureate or graduate or professional degree. The in-school period extends for the immediate six months following graduation, withdrawal or less than ½ time enrollment. Plans to enroll or enrollment at another institution for an additional degree do not meet the definition. Transferring to another institution prior to receiving the degree for which the loan(s) were taken does fall within the definition. Students pursuing associate degrees in ultimate pursuit of a baccalaureate degree are considered to be within the in-school period between earning the associate degree and prior to commencing the baccalaureate degree, provided evidence of acceptance to a BA program is provided.

Loan Forgiveness Committee - The Executive Director, the Chief Financial Officer, the Director of Legal and Government Affairs and the Director of Student Loans.

Severe Financial Hardship - Situations where the overall financial circumstances of the individual seeking relief are such that he/she is unable to maintain a basic standard of living and still make debt payments and these circumstances are likely to persist for the balance of the life of the loan.

Totally and Permanently Disabled - The condition of any individual who is unable to work and earn money or attend school because of an injury or illness that is expected to continue indefinitely or result in death. 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.

III. SCOPE

This voluntary policy applies to all NJCLASS loan forgiveness applications that are received from co-signers and co-borrowers of loans for student borrowers who died or became totally and permanently disabled while still enrolled in school, after the in-school period ended, and compromise offers that are received from surviving co-signers and co-borrowers.

This policy is voluntary in so far that it is subject to the availability of sufficient funds and the discretion of the Authority to engage in Forgiveness/Compromise of NJCLASS loans; however should the Authority decide to engage in Forgiveness/Compromise it must be done as specified in this Policy and Procedure.

IV. POLICY

N.J.A.C. 9A:10-6.17, the NJCLASS Promissory Note Terms and Conditions and the bond indentures provide for the discharge of NJCLASS loans when there is only one responsible party remaining on the loan. The regulations, promissory note and the bond indentures do not provide for discharge when the student borrower dies or becomes totally and permanently disabled and there is a surviving co-signer or co-borrower.

Notwithstanding the above, through its own resources, on its own volition and without prejudice to bondholders, HESAA would like to offer loan forgiveness or compromise to co-borrowers and co-signers on loans when a student borrower dies or becomes totally and permanently disabled.

The type of relief offered to a forgiveness applicant is dependent upon when the death or total and permanent disability occurred. In those cases where the death or total and permanent disability occurred after the in-school period, the relief is dependent on the financial circumstances of the applicant.

FORGIVENESS

In-School Period

HESAA recognizes that the death/disability of a young person who has not had the chance to reach his/her full potential or realize the benefit of degree attainment exacts a tremendous toll on surviving family members. When a student dies or becomes disabled during the in-school period, HESAA through its own available resources from outside the bond trust estates, will typically forgive all of the outstanding balances on any NJCLASS loans.

In the event that the deceased student borrower had life insurance and/or sizable assets in his/her estate, HESAA will adjust the amount of forgiveness based on the amount of life insurance and/or assets. In these situations and in making the adjustment, HESAA will consider the beneficiary of the life insurance, the heirs to the estate and the amount of any final resting expenses incurred by the applicant.

Post In-School Period

HESAA recognizes that paying a recurring debt for a deceased or disabled loved one can take its toll on family members even after the student has realized the benefit of the education. In these cases, HESAA offers two options to co-signers/co-borrowers depending on the financial circumstances of the applicant:

A. Severe Financial Hardship Forgiveness

HESAA recognizes that for some co-signers and co-borrowers repaying the debt, without the financial contribution of the deceased or disabled student borrower, imposes a severe financial hardship. If a severe financial hardship is determined, HESAA will forgive the remaining debt.

B. Compromise

HESAA recognizes that even where a severe financial hardship does not exist, the repayment of a recurring debt can cause emotional distress. In these cases, to allow a co-signer and/or co-borrower to achieve closure, HESAA is willing to accept a lump sum payment as settlement of the debt.

V. PROCEDURE

In-School Period

All co-signers/co-borrowers (married co-signers, co-borrowers can apply jointly) who seek forgiveness from their NJCLASS obligation due to death/disability of the student during the in-school period must:

1. complete HESAA's In-school Period Loan Forgiveness Application;
2. attest to the accuracy of the information supplied;
3. provide HESAA with a copy of the student's death certificate or medical documentation sufficient to prove total and permanent disability if the student has not already been discharged from the loan; and
4. provide HESAA with any other relevant information to the particular case as may be deemed necessary by the Loan Forgiveness Committee upon specific case review.

The Loan Forgiveness Committee will review all of the above-referenced documents in their entirety. Subject to the availability of funds, the Committee will forgive any outstanding balances on NJCLASS loans unless the student had life insurance and/or sizable assets. In those instances, if the applicant for forgiveness is the student's life insurance beneficiary or heir, HESAA will adjust the forgiveness amount by the amount of the insurance or assets less any final resting expenses incurred by the applicant.

Post In-School Period

A. Severe Financial Hardship Forgiveness

All co-signers/co-borrowers (married co-signers, co-borrowers can apply jointly) who seek forgiveness from their NJCLASS obligation due to death/disability of the student after the in-school period due to severe financial hardship must:

1. complete HESAA's Financial Hardship Loan Forgiveness Application and provide HESAA with any and all requested financial documentation including but not limited to tax returns, W-2s and financial statements;
2. attest to the accuracy of the information supplied;
3. provide HESAA with a copy of the decedent's death certificate or medical documentation sufficient to prove total and permanent disability if the student has not already been discharged from the loan;
4. provide HESAA with any other relevant information to the particular case as may be deemed necessary by the Loan Forgiveness Committee upon specific case review.

The Loan Forgiveness Committee will review all of the above-referenced documents in their entirety to determine if a severe financial hardship exists. To render this determination the Committee will consider whether:

1. the applicant can maintain, based on current income, assets and expenses, a basic standard of living for himself or herself and any dependents if required to repay the loans;
2. the applicant's current circumstances are likely to persist for a significant portion of the repayment period of the loan; and
3. the applicant made good faith efforts to satisfy the loan prior to the occurrence of the circumstances that now make repayment problematic.

In those cases where the applicant cannot maintain a basic standard of living and the applicant's circumstances are likely to persist, and -if applicable- the borrower and/or applicant made good faith efforts to satisfy the loan prior to the occurrence of the of the circumstances, the Loan Forgiveness Committee will forgive the remaining balance on the loan.

B. Compromise

Co-signers/co-borrowers who seek compromise of their NJCLASS obligation due to death/disability of the student after the in-school period must:

1. submit a written offer of compromise and agree if the offer is accepted by HESAA to submit the required funds to the Authority within 15 business days of acceptance; and
2. provide HESAA with a copy of the decedent's death certificate or medical documentation sufficient to prove total and permanent disability if the student has not already been discharged from the loan.

The Loan Forgiveness Committee will accept compromise offers that equal at least 85% of the original principal balances, less principal payments made to the date of the application or its disposition.

All forgiveness decisions are final agency decisions and are communicated in writing to the requesting party. In accordance with federal tax law, any principal amount equal to or greater than \$600 that is forgiven or compromised is reported to the Internal Revenue Service (IRS) and the recipient of the forgiveness/compromise is sent a Form 1099c, Cancellation of Debt.

HESAA employees who are not members of the Committee are not authorized to render determinations in these matters.

VI. EXCLUSIONS

This policy does not apply if the student died or became totally and permanently disabled while participating in, attempting to participate in, or fleeing from participation in an indictable offense or felony. This policy does not apply if the student died or became totally and permanently disabled after participating in, attempting to participate in, or fleeing from participation in or attempted participation in an indictable offense or felony if the cause of death or disability is related to injuries sustained during the commission, attempted commission, or flight from the commission or attempted commission of the indictable offense/felony. The application of this exclusion is not contingent upon any decision of any prosecuting authority.


VII. ENFORCEMENT

All HESAA staff is responsible for complying with the directives of this policy. Violations will be brought to the attention of the Executive Director and may result in disciplinary action.

VIII. VERSION HISTORY AND APPROVALS

Revision & Review History			
Version #	Effective Date	Description	Version Author
1.0	11/3/15	Original	Gabrielle Charette, Esq.


APPROVED BY POLICY OWNER:



Name Teresa Gervasio

Title Director of Student Loans

APPROVED BY POLICY APPROVER:



Name Gabrielle Charette, Esq.

Title Executive Director

11/3/15
DATE

11/3/15
DATE



HIGHER EDUCATION STUDENT ASSISTANCE AUTHORITY

The Authority on Financial Aid

**POLICY AND PROCEDURE FOR NJCLASS FORGIVENESS/COMPROMISE DUE TO
STUDENT DEATH OR TOTAL AND PERMANENT DISABILITY WHEN THERE IS A
SURVIVING PARTY ON THE LOAN(S)**

Employee Name: _____
(please print)

Employee Signature: _____

Unit: _____

Date: _____

I have received and read HESAA's POLICY AND PROCEDURE FOR NJCLASS FORGIVENESS/COMPROMISE DUE TO STUDENT DEATH OR TOTAL AND PERMANENT DISABILITY WHEN THERE IS A SURVIVING PARTY ON THE LOAN(S) and I understand that I am responsible for complying with this Procedure.

18A:71C-21 College loans to assist state students loan program.

18A:71C-21. College Loans to Assist State Students Loan Program.

There is hereby established within the authority a New Jersey College Loans to Assist State Students (NJCLASS) Loan Program. Under the NJCLASS Loan Program, the authority shall make loans available in such amounts as necessary to ensure that student loans remain generally available to, or for the benefit of, eligible students who are not eligible for, or have additional financial need beyond, a federally insured student loan and who meet the eligibility criteria set forth in N.J.S.18A:71C-27.

L.1999,c.46,s.1.

18A:71C-22 College loans to assist State Students Loan Fund.

a. The authority shall establish and maintain a special fund called the "New Jersey College Loans to Assist State Students (NJCLASS) Loan Fund" in which there shall be deposited: (1) all funds received by the authority from the sale of State bonds as provided by law; (2) all moneys appropriated by the State for the purpose of the fund; (3) all funds contributed to the authority by private sources, to be used for the purposes of this article; and (4) any other moneys or funds of the authority, including the proceeds of bonds, bond anticipation notes, and other obligations issued by the authority, which it determines to deposit therein. Moneys in the NJCLASS Loan Fund shall be held and, applied to make loans pursuant to this article and to pay for the costs of administering the NJCLASS Loan Program.

b. The sum total of all funds on deposit in the NJCLASS Loan Fund shall be maintained in the amount determined by the authority to be necessary to fulfill its responsibilities as set forth in this article.

c. Moneys in the NJCLASS Loan Fund at any time in excess of the NJCLASS Loan Program requirements, whether by reason of investment or otherwise, may be withdrawn at any time by the authority and transferred to any other fund or account of the authority.

d. Moneys at any time in the NJCLASS Loan Fund may be invested in any direct obligations of, or obligations as to which the principal and interest thereof is guaranteed by, the United States of America or such other obligations as the authority may approve.

L.1999,c.46,s.1.

18A:71C-23 Eligible borrower.

18A:71C-23. Eligible Borrower.

Loans under the NJCLASS Loan Program may be made to eligible borrowers. An eligible borrower is an eligible student or any parent, spouse, legal guardian or other relative providing financial support for a dependent eligible student. The authority shall set maximum loan amounts for each participant based on such factors as the cost of attending the particular institution, family income, value of family assets or other factors the authority may consider relevant. The loans may be secured by such endorsement, co-maker's collateral or other security as may be required by rules and regulations established by the authority.

L.1999,c.46,s.1.

18A:71C-24 Eligible institution.

18A:71C-24. Eligible Institution.

Unless restricted by the authority by regulations, "eligible institution" means, for the purposes of this article only, an institution of higher education licensed by the appropriate agency or department and accredited or preaccredited by a nationally recognized accrediting association. Eligible institutions shall also include certain proprietary institutions but only for degree granting programs approved by the commission or for other proprietary institutions as determined by the authority.

L.1999,c.46,s.1.

18A:71C-25 Maximum loan amounts.

18A:71C-25. Maximum Loan Amounts.

The authority shall establish maximum annual loan amounts and maximum total loan amounts which may be made under the NJCLASS Loan Program; however, the amount of a NJCLASS Loan Program loan may not exceed, in combination with other financial aid, the total education costs of attending an eligible institution as determined by that institution plus the amount of interest payments which may be deferred pursuant to N.J.S.18A:71C-26.

L.1999,c.46,s.1.

18A:71C-26 Accrual of interest; payment.

18A:71C-26. Accrual of Interest; Payment.

Interest on each NJCLASS Loan Program loan shall accrue from the date of the making of the loan; however, the payment of the principal or the interest or both may be deferred until a time or times determined by the authority. The rate of interest on each loan shall be determined by the authority.

L.1999,c.46,s.1.

18A:71C-27 Student eligibility.

18A:71C-27. Student Eligibility.

a. Unless otherwise restricted by the authority by regulation, an eligible student under the NJCLASS Loan Program shall:

(1) be a New Jersey resident enrolled on at least a part-time basis as an undergraduate or graduate student in an eligible institution in New Jersey; or

(2) be a New Jersey resident enrolled on at least a part-time basis as an undergraduate or graduate student in an eligible institution outside of New Jersey; or

(3) reside outside the State and be enrolled on at least a part-time basis as an undergraduate or graduate student in an eligible institution in New Jersey.

b. To be eligible for a NJCLASS loan financed in whole or in part by qualified student loan bonds, as described under section 144(b) of the Federal Internal Revenue Code of 1986, 26 U.S.C.s.144(b), the student in addition to meeting the requirements of subsection a. of this section, shall meet the eligibility criteria described in section 144(b) of the Federal Internal Revenue Code of 1986, 26 U.S.C.s.144(b), or not be in violation of any other criteria which would result in the bonds no longer to be qualified under section 144(b) of the Federal Internal Revenue Code of 1986, 26 U.S.C.s.144(b).

L.1999,c.46,s.1.

18A:71C-28 Limitations on program; fees.

18A:71C-28. Limitations on Program; Fees.

a. The authority may limit the number of students who receive NJCLASS Loan Program loans for attendance at any educational institution with a default rate exceeding the standard which will be set by the authority.

b. The authority may place a limitation upon the number of NJCLASS Loan Program loans made pursuant to this article, if, in its judgment, a limitation is necessary to preserve the fiscal viability of the fund.

c. The authority may establish and collect a fee, to be paid by each eligible borrower under the NJCLASS Loan Program to assist in the support of the administration of the NJCLASS Loan Program by the authority and to assist in covering the cost of loan defaults.

L.1999,c.46,s.1.

18A:71C-29 Applicability of information exchange, collection procedures, repayment determinations and other federal provisions.

18A:71C-29. Applicability of Information Exchange, Collection Procedures, Repayment Determinations and Other Federal Provisions.

Unless expressly limited to federal programs, the information exchange, wage withholding, collection procedures, repayment determinations, and other provisions set forth under article 1 of this part shall apply to the NJCLASS Loan Program.

L.1999,c.46,s.1.

18A:71C-30 Act not to affect higher education student assistance fund.

18A:71C-30. Act Not to Affect Higher Education Student Assistance Fund.

Nothing in this article shall be construed to limit the power of the authority to establish and maintain the Higher Education Student Assistance Fund or to alter the terms and conditions of loans made to students under that fund.

L.1999,c.46,s.1.

18A:71C-31 Falsely securing State loan; crime.

18A:71C-31. Falsely Securing State Loan; Crime.

Any person who, having obtained a State loan under this act, solicits, applies for, or accepts another such loan, except as specifically authorized in this act, and any person who knowingly or willfully furnishes any false or misleading information for the purpose of obtaining a loan, or of enabling another to obtain a loan, under this act, shall be guilty of a crime of the fourth degree.

L.1999,c.46,s.1.

N.J.A.C. 9A:10-6.1

This file includes all Regulations adopted and published through the New Jersey Register, Vol. 48 No. 15, August 1, 2016

New Jersey Administrative Code > TITLE 9A. HIGHER EDUCATION > CHAPTER 10. STUDENT LOAN AND COLLEGE SAVINGS PROGRAMS > 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, 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, or because the NJCLASS program offers more affordable interest rates and fees. 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 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.

History

HISTORY:

Amended by R.2011 d.043, effective February 7, 2011.

See: 42 N.J.R. 1953(a), 43 N.J.R. 303(a).

Inserted "Direct" and ", or because the NJCLASS program offers more affordable interest rates and fees", and deleted "or" following "Federal government",.

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Regulations

Types: Administrative Codes

19. § 9A:10-6.19 Authority enforcement requirements for schools participating in the NJCLASS Loan Program

Client/Matter: -None-

Linked From: njclass

Search Terms: njclass

Search Type: Natural Language - Expanded Results

Narrowed by:

Content Type
Administrative Codes and
Regulations

Narrowed by
Sources: NJ - New Jersey Administrative Code; All Content
Types: Administrative Codes



N.J.A.C. 9A:10-6.2

This file includes all Regulations adopted and published through the New Jersey Register, Vol. 48 No. 15, August 1, 2016

New Jersey Administrative Code > TITLE 9A. HIGHER EDUCATION > CHAPTER 10. STUDENT LOAN AND COLLEGE SAVINGS PROGRAMS > SUBCHAPTER 6. THE NEW JERSEY COLLEGE LOANS TO ASSIST STATE STUDENTS (NJCLASS) PROGRAM: POLICIES AND PROCEDURES

§ 9A:10-6.2 Scope

These rules provide the policies and procedures that govern the NJCLASS Program, a State student loan program administered by the Higher Education Student Assistance Authority (HESAA).

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

Substituted "Higher Education Student Assistance Authority (HESAA)" for "New Jersey Office of Student Assistance (NJOSA) and established under the Authority" in the first sentence.

Amended by R.2009 d.180, effective June 1, 2009.

See: 40 N.J.R. 6721(b), 41 N.J.R. 2261(a).

Deleted the last sentence.

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N.J.A.C. 9A:10-6.3

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§ 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 borrower's income as reported for Federal income tax purposes.

"Authority" means Higher Education Student Assistance Authority.

"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.

"Cosigner" means an individual who signs a promissory note and agrees to repay the loan in the event the borrower does not.

"Delinquency" means a payment on an NJCLASS Loan Program loan or Consolidation 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 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 N.J.A.C. 9A:10-6.4(c)2. Eligible institution for purposes of the NJCLASS Postgraduate Program means an American Bar Association approved law school, a graduate medical school accredited by the Liaison Committee on Medical Education, the American Osteopathic Association or the U.S. Department of Education's National Committee on Foreign Medical Education and Accreditation (NCFMEA), or a graduate dental school accredited by either the American Dental Association or the Commission on Dental Accreditation of Canada.

N.J.A.C. 9A:10-6.3

"Fixed rate" means a predetermined interest rate percentage that is set at the origination of the loan. NJCLASS Loan Program Loan rates are determined by the bond indentures and may include a step-up to the percentage charged after a predetermined number of months.

"In-school period" means the period in which a student is enrolled at an eligible institution on at least a half-time basis as certified by the institution.

"Lender" means Higher Education Student Assistance Authority or its agent for the purposes of this program.

"MedNJ" means an NJCLASS program targeted for medical and dental students working toward an MD, DO, DDS or DMD degree offering a fixed interest rate, flexible repayment options, a 25-year repayment term and a special three-year residency deferment. The provisions governing NJCLASS loans in this subchapter shall apply to MedNJ loans unless the subchapter provides otherwise.

"NJCLASS Consolidation Loan" means a new NJCLASS loan that discharges previous NJCLASS Loan Program loans. NJCLASS loan consolidation enables a borrower with several loans to obtain one loan with one repayment schedule and one interest rate.

"NJCLASS Graduate/Professional Students Program" means an NJCLASS program targeted for graduate and professional students, with eligibility requirements specially tailored for such students, as set forth in N.J.A.C. 9A:10-6.4(c). The provisions governing Standard NJCLASS loans in this subchapter shall apply to NJCLASS Graduate/Professional Students loans unless this subchapter otherwise provides.

"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.

"NJCLASS Postgraduate Program" means an NJCLASS program for law, medical, and dental students intended to assist with higher education costs incident to the cost of attendance, such as bar examination and medical and dental residency travel and relocation expenses. The provisions governing Standard NJCLASS loans in this subchapter shall apply to NJCLASS Postgraduate loans, unless this subchapter otherwise provides. The Authority may offer the NJCLASS Postgraduate Program subject to the availability of funding and conditioned on market demand.

"Parent borrower" means a parent(s), spouse, legal guardian, or other relative of a dependent undergraduate or graduate student.

"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 out of default by adhering to specified repayment requirements.

"Standard NJCLASS Loan" means the primary loan offered by the Authority, which is offered to both graduate and undergraduate students.

"Student borrower" means an undergraduate or graduate student.

"Temporarily totally disabled" means that an individual is unable to work and earn money or attend school during a period needed to recover from injury or illness.

"Totally and permanently disabled" means the condition of any individual who is unable to work and earn money or attend school because of an injury or illness that is expected to continue indefinitely or result in death. 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.

"Variable rate" means an interest rate that is reset at predetermined intervals. The adjustments are determined by a specific index as specified in the bond indentures.

- (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.

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

Rewrote the section.

Amended by R.2002 d.288 and d.291, effective September 3, 2002.

See: 33 N.J.R. 4050(a), 34 N.J.R. 1399(a), 34 N.J.R. 3084(a), 34 N.J.R. 3085(a).

Amended "Eligible institution".

Amended by R.2006 d.403, effective November 20, 2006.

See: 38 N.J.R. 2967(a), 38 N.J.R. 4865(b).

In definition "Eligible institution", inserted "or the NJCLASS Graduate/Professional Students Program" and updated N.J.A.C. reference; added definition "NJCLASS Graduate/Professional Students Program"; and in definition "NJCLASS Variable Rate Program", deleted "Program, initiated in 1997" preceding "program", inserted ", whose loans were disbursed prior to June 1, 2006," and updated the N.J.A.C. reference.

Administrative correction.

See: 39 N.J.R. 651(b).

Amended by R.2009 d.180, effective June 1, 2009.

See: 40 N.J.R. 6721(b), 41 N.J.R. 2261(a).

In (a), substituted definition "Annual income" for definition "Adjusted gross income"; in definition "Annual income", substituted "the borrower's" for "total family", and inserted "as"; and added definition "Totally and permanently disabled".

Amended by R.2011 d.043, effective February 7, 2011.

See: 42 N.J.R. 1953(a), 43 N.J.R. 303(a).

In (a), inserted definition "MedNJ"; and in (b), substituted "668, 682 and 685" for "668 and 682".

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

In definition "Cohort default rate", substituted the first occurrence of "by" for "before", and inserted "second"; in definition " 'Commission' or 'CHE' ", substituted "Office of the Secretary of" for "Commission on" and "the Secretary of Higher Education who" for "a governing board, whose chairman"; in definition "Delinquency", inserted "Loan Program" and "or Consolidation Loan"; in definition "Eligible institution", substituted "25" for "20" twice, deleted "NJCLASS Variable Rate Program or the" following the first occurrence of "purposes of the", and deleted a comma following the first occurrence of "Association"; in definition "NJCLASS Graduate/Professional Students Program", deleted "whose loans are disbursed on or after June 1, 2006," preceding "with", and inserted "Standard"; in definition "NJCLASS Postgraduate Program", inserted "Standard"; in definition "Rehabilitation", inserted "Loan Program" and "or an NJCLASS Consolidation Loan"; deleted definitions "Consolidation loan", "NJCLASS", and "NJCLASS Variable Rate Program"; added definitions "Fixed rate", "NJCLASS Consolidation Loan", "NJCLASS Loan Program", "Standard NJCLASS Loan", "Temporarily totally disabled", and "Variable rate"; and rewrote definition "Totally and permanently disabled".

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N.J.A.C. 9A:10-6.4

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

- (a) To be eligible for a Standard NJCLASS loan, each applicant must:
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. 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 in N.J.A.C. 9A:10-6.5;
 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 or 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 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. 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.
- (b) In addition to all of the requirements in (a) above, a student applicant or a student on whose behalf the parent is applying for a Standard NJCLASS loan 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 a permanent resident of New Jersey prior to filing an application; however, residency is not required if enrolled in an eligible institution located in New Jersey, meaning that either the institution maintains a campus or the place of instruction is located in New Jersey;
 3. Have a high school diploma or a high school equivalency certificate;
 4. Be enrolled or accepted for enrollment on at least a half-time basis in an eligible institution;
 5. If currently enrolled in an eligible institution, be determined by the institution to be making satisfactory academic progress;

N.J.A.C. 9A:10-6.4

6. If applying for a Standard NJCLASS loan financed in whole or in part by qualified student loan bonds, as described in section 144(b) of the Federal Internal Revenue Code of 1986, as amended, 26 U.S.C. § 144(b), have met the eligibility criteria described in that section or have not violated any other criteria that would result in the bonds no longer to be qualified under section 144(b) of the Federal Internal Revenue Code of 1986, as amended, 26 U.S.C. § 144(b); and
 7. If applying for a Standard NJCLASS loan not financed in whole or in part by qualified student loan bonds, as described in section 144(b) of the Federal Internal Revenue Code of 1986, as amended, 26 U.S.C. § 144(b), have met the eligibility criteria described in this subchapter.
- (c) To be eligible for an NJCLASS Graduate/Professional Students loan for student borrowers, each student must satisfy the requirements of (b)1, 3, and 6 above, as well as the following:
1. Be a permanent resident of New Jersey prior to filing an application; however, residency is not required if enrolled in an eligible institution for purposes of this program that is located in New Jersey, meaning that either the institution maintains a campus or the place of instruction is located in New Jersey;
 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 or its equivalent in another state or country with a cohort default rate of 15 percent or less;
 3. Not owe a grant refund, be in default on a student loan, have a student loan written off as uncollectible, or have adverse credit as outlined in N.J.A.C. 9A:10-6.5(d);
 4. Be a graduate or professional student enrolled or accepted in a graduate or professional program as certified by an eligible institution for purposes of this program; and
 5. If currently enrolled in an eligible institution for purposes of this program, be making satisfactory academic progress.
- (d) To be eligible for an NJCLASS Postgraduate loan for student borrowers, each student must satisfy the requirements of (b)1, 3 and 7 above as well as the following:
1. Be a permanent resident of New Jersey prior to filing an application; however, residency is not required if enrolled in an eligible institution for purposes of this program that is located in New Jersey, meaning that either the institution maintains a campus or the place of instruction is located in New Jersey. An eligible institution is an American Bar Association approved law school, a graduate medical school accredited by the Liaison Committee on Medical Education, the American Osteopathic Association, or the U.S. Department of Education's National Committee on Foreign Medical Education and Accreditation (NCFMEA), or a graduate dental school accredited by either the American Dental Association or the Commission on Dental Accreditation of Canada;
 2. Be enrolled in the final year at an eligible institution, be making satisfactory academic progress, and expect to be awarded a J.D., M.D., D.O., D.D.S. or D.M.D. degree during the current academic year;
 3. Not owe a grant refund, be in default on a student loan, have a student loan written off as uncollectible, or have adverse credit as outlined in N.J.A.C. 9A:10-6.5(d); and
 4. School certification of the NJCLASS application no earlier than one year prior to the student's anticipated graduation date and no later than the student's actual graduation date.
- (e) To be eligible for a MedNJ loan, each student must satisfy the requirements of (b)1, 2, 3, 6 and 7, and (c)3 and 5 above as well as the following:
1. Be enrolled or accepted for enrollment on at least a half-time basis in an MD, DO, DDS or DMD program at an eligible institution. An eligible institution for MedNJ is a graduate medical school accredited by the Liaison Committee on Medical Education, the American Osteopathic Association, or the U.S. Department of Education's National Committee on Foreign Medical Education and

Accreditation (NCFMEA), or a graduate dental school accredited by either the American Dental Association or the Commission on Dental Accreditation of Canada.

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

In (a), added 4; rewrote (b) and (c); added (d).

Amended by R.2002 d.288 and d.291, effective September 3, 2002.

See: 33 N.J.R. 4050(a), 34 N.J.R. 1399(a), 34 N.J.R. 3084(a), 34 N.J.R. 3085(a).

Rewrote the section.

Amended by R.2003 d.465, effective December 1, 2003.

See: 35 N.J.R. 2770(b), 35 N.J.R. 5415(b).

Deleted "have a student loan discharged in default" throughout.

Amended by R.2006 d.403, effective November 20, 2006.

See: 38 N.J.R. 2967(a), 38 N.J.R. 4865(b).

Section was "Eligibility for NJCLASS Loan, NJCLASS Variable Rate Loan, and NJCLASS Postgraduate Loan". In (a)1 and (b)1, substituted "United States" for "U.S." and "United States Citizenship and Immigration Services, or its successor agency," for "Immigration and Naturalization Service"; rewrote (a)4; and in the introductory paragraph of (c), inserted "or an NJCLASS Graduate/Professional Students loan for student borrowers,".

Amended by R.2009 d.180, effective June 1, 2009.

See: 40 N.J.R. 6721(b), 41 N.J.R. 2261(a).

In (d)3, inserted "and" at the end; deleted former (d)4; and recodified former (d)5 as (d)4.

Amended by R.2011 d.043, effective February 7, 2011.

See: 42 N.J.R. 1953(a), 43 N.J.R. 303(a).

Section was "Eligibility for NJCLASS Loan, NJCLASS Variable Rate Loan, NJCLASS Graduate/Professional Students Loan, and NJCLASS Postgraduate Loan". Added (e).

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

Section was "Eligibility for NJCLASS Loan, NJCLASS Variable Rate Loan, NJCLASS Graduate/Professional Students Loan, NJCLASS Postgraduate Loan, and MedNJ". In the introductory paragraph of (a) and of (b), and in (b)6 and (b)7, substituted "a Standard" for "an"; in (a)3, inserted "Loan Program", "or Consolidation Loan", and the first occurrence of "Standard", and substituted "a Standard" for the second occurrence of "an"; in (b)6, substituted "that" for "which"; in the introductory paragraph of (c), deleted "a Variable Rate NJCLASS loan for student borrowers, or" preceding "an NJCLASS"; and in (c)2, deleted "three year average" preceding "cohort", and substituted "15" for "10".

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§ 9A:10-6.5 NJCLASS creditworthiness

- (a) To be approved for an NJCLASS Loan Program loan, a borrower must be determined creditworthy by the Authority.
- (b) The Authority may require that borrowers or cosigners submit to the Authority information that includes the most recent signed Federal Income Tax Return, including all schedules, and current pay stub or other documentation of income, if applicable. For joint filers, this documentation may include the current pay stub or other documentation of income, if applicable, of both filers.
- (c) To be approved for a Standard NJCLASS loan, a creditworthy borrower or cosigner must 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 bonds or notes whose proceeds are funding the loan.
- (d) A borrower or cosigner with one or more of the items listed below in his or her credit history may be denied a Standard NJCLASS loan for not being creditworthy. These items include delinquent accounts, paid and unpaid collection accounts, paid and unpaid charged off accounts, foreclosure, repossession, bankruptcy, or a paid or unpaid judgment.
- (e) Borrowers who do not meet the income and credit requirements may reapply with an eligible cosigner who does meet the requirements of this section.

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

In (b), inserted ", including all schedules, and" following "Federal Income Tax Return" and deleted ", and most recent W-2 Form" following "current pay stub" in the first sentence; deleted "and most recent W-2 Form" preceding "of both files" in the second sentence; in (c), inserted ", or a delinquent NJCLASS loan" at the end of the second sentence.

Amended by R.2002 d.288, effective September 3, 2002.

See: 33 N.J.R. 4050(a), 34 N.J.R. 3085(a).

Rewrote (b); inserted a new (c); recodified former (c) as (d); deleted former (d) and (e).

Amended by R.2009 d.180, effective June 1, 2009.

See: 40 N.J.R. 6721(b), 41 N.J.R. 2261(a).

In (c), inserted "annual"; and in (d), inserted "or" following "bankruptcy," and deleted ", or a monthly total debt to monthly adjusted gross income ratio, which exceeds 40 percent" following "judgment".

Amended by R.2012 d.051, effective March 5, 2012.

See: 43 N.J.R. 2216(a), 44 N.J.R. 591(b).

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In (b), inserted "or cosigners", "or other documentation of income, if applicable", and "or other documentation of income, if applicable,"; in (c), substituted "documentable" for "an", and inserted the last sentence; in (d), inserted "or cosigner", deleted a comma following "bankruptcy", and deleted the last sentence; and added (e).

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

In (a), inserted "Loan Program"; in (c), substituted "Standard" for "fixed rate"; in (d), substituted "a Standard" for "an", and inserted a comma following "bankruptcy"; and in (e), substituted "reapply" for "be considered".

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§ 9A:10-6.6 Loan amounts

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.

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

Rewrote (a); inserted a new (b); and recodified former (b) as (c).

Amended by R.2002 d.288, effective September 3, 2002.

See: 33 N.J.R. 4050(a), 34 N.J.R. 3085(a).

In (b), deleted ", and the maximum loan amount permitted in the NJCLASS Loan Application and Promissory Note booklet" at the end.

Amended by R.2003 d.465, effective December 1, 2003.

See: 35 N.J.R. 2770(b), 35 N.J.R. 5415(b).

In (a), deleted ", and Health Education Assistance" in the third sentence.

Amended by R.2009 d.180, effective June 1, 2009.

See: 40 N.J.R. 6721(b), 41 N.J.R. 2261(a).

In (a), inserted "of 1986", substituted "§ 144(b)" for "§ 144(b)", and inserted "Federal" preceding the first occurrence of "Stafford"; and rewrote (b).

Amended by R.2011 d.043, effective February 7, 2011.

See: 42 N.J.R. 1953(a), 43 N.J.R. 303(a).

In (a) and (b), deleted "Federal Stafford loans or" preceding "Federal Direct Stafford" and "Federal PLUS and" preceding "Federal Direct PLUS"; and deleted (c).

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

Rewrote the section.

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

- (a) To borrow under the NJCLASS Loan Program, the process shall be as follows:
 - 1. The applicant shall review the NJCLASS Application Disclosure form and complete the NJCLASS application, promissory note and self-certification form, if required. All parts of the application, promissory note and self-certification, if required by Federal law, including all related documentation, must be completed and all requested documentation must be submitted to the Authority; and
 - 2. The Authority shall notify the eligible institution the student attends or plans to attend that the student qualifies for a loan pending certification and request the school to certify the student's eligibility for an NJCLASS Loan Program loan.
- (b) The Authority shall process the application and upon approval will provide the applicant(s) an NJCLASS loan offer. The borrower will have 30 days to accept the loan. Borrowers will not receive a loan unless they accept the offer.
- (c) The Authority shall provide applicants an NJCLASS Pre-Disbursement Disclosure, or other disclosures as required by Federal law.
- (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) An NJCLASS Loan Program loan may be used only to cover the educational costs of attendance at the school that completes the school certification form providing school data. NJCLASS Postgraduate loans may be used to cover the educational expenses incident to the educational costs of attendance at the school that completes the school certification form providing school data. The school must return to the Authority any refund of NJCLASS proceeds resulting from a student's withdrawal, after satisfying any outstanding accounts receivable. If a student transfers between schools at any time, neither the student nor the parent borrower are eligible to receive proceeds from an application and promissory note for which the school certification form was completed by the previous school. If a student transfers from one school to another before a loan is fully disbursed, the student or parent borrower is not eligible for any remaining disbursements of that loan, and the student or parent borrower must notify the Authority to cancel the loan or the balance of any undisbursed portion of the loan. The student or parent borrower may submit a second application and promissory note with new cost of attendance and estimated financial assistance figures certified by the new school.

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

In (a)3, substituted "institution" for "school" preceding "the student attends"; in (c), substituted "institution" for "school" preceding ", sent directly to the school"; in (d), added the second sentence.

Amended by R.2002 d.288, effective September 3, 2002.

See: 33 N.J.R. 4050(a), 34 N.J.R. 3085(a).

In (a)1, substituted "and all requested documentation must be submitted to the Authority; and" for "regardless of the applicant's age or marital status"; deleted (a)2 and recodified former (a)3 as (a)2; rewrote (c).

Amended by R.2003 d.465, effective December 1, 2003.

See: 35 N.J.R. 2770(b), 35 N.J.R. 5415(b).

Rewrote (a)2; in (b), substituted "applicant" for "borrower".

Amended by R.2011 d.043, effective February 7, 2011.

See: 42 N.J.R. 1953(a), 43 N.J.R. 303(a).

Rewrote (a)1 and (b); added new (c); recodified former (c) and (d) as (d) and (e); and in (e), inserted the third sentence.

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

In the introductory paragraph of (a), inserted "Loan"; in (a)2 and (e), inserted "Loan Program"; and in (d), inserted a comma following "means", and substituted "Loan Program" for the first occurrence of "loan".

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§ 9A:10-6.8 Fees

- (a) As determined by the bonds or notes whose proceeds are funding the loan or by the NJCLASS Application and Promissory Note if the loan is funded through other means, a recipient of an NJCLASS Loan Program loan may be required to pay an application and an administrative fee to the Authority, which combined shall not exceed five percent of the total approved loan amount.
1. Pursuant to the loan disclosure statements accepted by the borrowers, these fees shall either be deducted from the loan proceeds or added to the loan balance. The bonds or notes whose proceeds are funding the loan determine whether the fees shall be deducted from the loan proceeds or added to the loan balance.
 2. For multiply disbursed loans, these fees shall be deducted or added in equal installments, from each loan disbursement.
- (b) A recipient of an NJCLASS Loan Program loan may be required to pay a servicing fee if provided by the promissory note.

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

Amended by R.2011 d.043, effective February 7, 2011.

See: 42 N.J.R. 1953(a), 43 N.J.R. 303(a).

Added (b).

Amended by R.2012 d.051, effective March 5, 2012.

See: 43 N.J.R. 2216(a), 44 N.J.R. 591(b).

In the introductory paragraph of (a), inserted a comma following "Authority"; rewrote (a)1; and in (a)2, inserted "or added".

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

Rewrote the introductory paragraph of (a) and (b).

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§ 9A:10-6.9 Interest

- (a) The NJCLASS Loan Program loan shall have a daily fixed simple annual interest rate, a variable interest rate, or another type of interest rate, as determined by the bonds or notes whose proceeds are funding the loan or by the NJCLASS Application and Promissory Note if the loan is funded through other means. For NJCLASS Loan Program loans funded through bonds, the NJCLASS Loan Program interest rate will be a pass through rate of the bond interest rate, associated costs of sale, and such other costs or reserves which may be required, and/or determined as the bonds are issued.
- (b) Interest on an NJCLASS Loan Program loan shall begin to accrue at the time of the first loan disbursement.

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

Rewrote (a).

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

Inserted "Loan Program" throughout.

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§ 9A:10-6.10 Late charge

The Authority may collect a late charge from the borrower if the borrower fails to pay all or part of the required payment of an NJCLASS Loan Program loan within 10 days of the date the payment is due. The late charge may not exceed six percent of each late payment.

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

Inserted "Loan Program".

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§ 9A:10-6.11 Repayment of loan

- (a) The Authority shall provide the borrower and cosigner, if any, with a Pre-Disbursement Disclosure Statement detailing expected monthly payment amounts and due dates of required payments at least three days prior to the first loan disbursement.
- (b) There are three primary repayment options for NJCLASS Loan Program loans. The details and eligibility criteria for each specific option and their variations may be restricted by the bond indentures. Borrowers shall indicate preferred repayment options while applying for an NJCLASS Loan Program loan. Applications cannot be processed until a repayment option is selected. The Authority shall make best efforts, based on available funding, to offer borrowers the repayment option selected. If the selected option is unavailable the loan offer will include the most similar available repayment option. The interest rate is established by the Authority pursuant to N.J.A.C. 9A:10-6.9(a). The three primary repayment options for an NJCLASS loan are as follows:
 - 1. Borrowers begin to pay the principal and interest of the loan on a monthly basis. The first payment of principal and interest is due within 60 days after the loan is first disbursed;
 - 2. Borrowers begin to pay interest on the loan, but are not required to pay principal until graduation, withdrawal or notification of less than half-time enrollment of the student on whose behalf the loan was obtained; or
 - 3. Borrowers are not required to pay principal or interest until graduation, withdrawal, or notification of less than half-time enrollment of the student on whose behalf the loan was obtained. Once one of these circumstances occurs, the loan reverts to a repayment schedule as set forth in (b)1 above. However, interest accrued from the date of loan disbursement is deferred and capitalized (added to principal) on an annual basis, or more frequently as determined by the bond indentures. The first monthly payment of principal and interest shall be required within 60 days after the reversion date.
- (c) In the case of an NJCLASS Postgraduate loan, borrowers may pay, but are not required to pay, principal or interest until the end of the deferment period. After the end of the deferment period, the loan reverts to a repayment schedule as set forth in (b)1 above. Interest accrued from the date of loan disbursement is deferred and capitalized on an annual basis and at the end of the deferment period. The deferment period for an NJCLASS Postgraduate loan means the period beginning on the initial disbursement date and ending on:
 - 1. If the NJCLASS Postgraduate loan is for medical or dental residency travel and relocation expenses, the date that is nine months after the date of graduation, withdrawal, or notification of less than half-time enrollment at the eligible institution named in the NJCLASS Application and Promissory Note unless on such date the borrower is participating in a required residency or postdoctoral program, in which event the deferment period will end on the date that is nine months after the date the borrower completes or otherwise ceases to participate in such program. In no event shall the deferment period end later than 57 months after the date the borrower graduates from medical school or 33 months after the date the borrower graduates from dental school. To be considered participating in a required

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residency or postdoctoral program during any one-year period requires that the borrower submit to the Authority a certification from the director of such program for such year; or

2. If the NJCLASS Postgraduate loan is for bar examination expenses, the date is nine months after the eligible institution indicated to be the borrower's anticipated or actual graduation date on the NJCLASS application.
- (d) In the case of MedNJ loans borrowers may pay, but are not required to pay, principal or interest until the end of the deferment period. After the end of the deferment period, the loan reverts to a repayment schedule as set forth in (b)1 above. Interest accrued from the date of loan disbursement is deferred and capitalized at graduation or withdrawal and at the end of the residency deferment period. The residency deferment period for an MedNJ loan means the period beginning upon graduation from an eligible institution and ending up to three years after graduation if a borrower is completing a required eligible residency program.
- (e) For loans made after August 3, 1998, 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.
- (f) Notwithstanding any periods of deferment and/or forbearance, 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 bonds or notes whose proceeds are funding the loan.
- (g) The borrower has the right to repay the entire loan or any portion of the loan at any time without penalty.
- (h) Borrowers seeking relief under the Servicemembers Civil Relief Act, 50 U.S.C. §§ 501 et seq., must submit a request to the Authority in the manner prescribed by 50 U.S.C. § 527(b)(1).

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

In (b), rewrote the introductory paragraph, inserted "first" preceding "disbursed" in 1, and added the last sentence in 3; inserted a new (c); recodified former (c) through (e) as (d) through (f); and rewrote the new (e).

Amended by R.2003 d.465, effective December 1, 2003.

See: 35 N.J.R. 2770(b), 35 N.J.R. 5415(b).

In (e), substituted "25" for "23" following "no later than".

Amended by R.2006 d.403, effective November 20, 2006.

See: 38 N.J.R. 2967(a), 38 N.J.R. 4865(b).

In (b)2 and (b)3, inserted "of the student on whose behalf the loan was obtained"; in (b)3, inserted "and the NJCLASS Graduate/Professional Students loan"; in (e), inserted "disbursed prior to June 1, 2006", "an NJCLASS loan disbursed on or after June 1, 2006 shall be paid in full no later than 20 years from the first date of loan disbursement," and "and an NJCLASS Graduate/Professional Students loan", deleted "Loan" following "Variable Rate", and substituted ". An" for "; and an".

Amended by R.2011 d.043, effective February 7, 2011.

See: 42 N.J.R. 1953(a), 43 N.J.R. 303(a).

In (a), substituted "Pre-Disbursement" for "completed repayment" and "least three days prior to" for "the time of"; in (b)2, deleted "quarterly" preceding "interest"; added new (c) and (e); recodified former (c) as (d) and former (d) through (f) as (f) through (h); in (f), inserted "of principal and interest"; and in (g), substituted a comma for "and" following "Variable Rate loan", and inserted "and a MedNJ loan" and the last sentence.

Amended by R.2012 d.051, effective March 5, 2012.

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See: 43 N.J.R. 2216(a), 44 N.J.R. 591(b).

Rewrote the introductory paragraph of (b); in (b)3, deleted the last two sentences; deleted former (c); recodified former (d) through (h) as new (c) through (g); and rewrote (f).

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

In (a), inserted "expected monthly payment amounts and"; rewrote the introductory paragraph of (b), (b)3, and (e); in (c)1 and (c)2, inserted "Postgraduate"; in (c)1, inserted a comma following "withdrawal"; in (f), inserted "Loan Program", and inserted a comma following "Note"; and added (h).

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§ 9A:10-6.12 Deferments and forbearance

- (a) Under certain conditions, borrowers shall be permitted to defer payments of interest and/or loan principal for specified periods of time. Some deferments may only be granted if both the borrower and co-borrower qualify for the deferment. During periods of authorized deferment, borrowers remain responsible for the payment of the interest accruing on their loan(s). The following are available NJCLASS Loan Program deferments and their requirements:
1. Full-time and half-time study at an eligible institution;
 2. Unemployment.
 - i. Borrower must be currently unemployed and conscientiously seeking but unable to find full-time employment.
 - ii. The borrower may be granted up to a six-month deferment upon his or her initial request if the borrower provides acceptable proof of eligibility for unemployment benefits or a signed written statement describing his or her conscientious search for full-time employment. The statement must include:
 - (1) Proof that at least three attempts were made to gain employment;
 - (2) The names, addresses and phone numbers of the possible employers contacted;
 - (3) The name of the contact person at each possible employer; and
 - (4) A certification of registration with a public or private employment agency.
 - iii. For all requests beyond the initial request, the borrower shall provide a signed written statement describing his or her conscientious search for full-time employment during the preceding deferment period. The statement must include the documentation, contact information and certification specified in (a)2ii above.
 - iv. In order to remain eligible for the deferment, the borrower shall not restrict his or her search to specific fields, positions, or salaries;
 3. Service as an intern or resident.
 - i. Borrower must be currently participating in an eligible internship or residency program of supervised training that is required by a State licensing agency prior to certification for professional practice or service.
 - ii. Borrower shall provide certification from the appropriate State licensing agency attesting to the necessity of the internship or residency.
 - iii. Borrower shall provide certification from the organization with which the internship or residency is being undertaken, which specifies:
 - (1) Acceptance of the borrower into the internship or residency program; and

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- (2) Anticipated beginning and completion dates of the program;
4. Active duty status in the Armed Forces.
- i. The borrower shall provide documentation attesting to full-time active duty status. Acceptable documentation includes, but is not limited to, a copy of military orders or leave and earning statements. Borrowers shall notify the Authority upon release from active duty;
5. Peace Corps.
- i. To qualify for this deferment, a borrower shall submit a request and provide the Authority with a statement from an official of the Peace Corps program certifying:
- (1) That the borrower has agreed to serve as a volunteer on a full-time basis for at least one year;
- (2) The date on which the borrower's service began; and
- (3) The date on which the borrower's service is expected to end; and
6. Temporary total disability.
- i. To qualify for this deferment, a borrower shall submit a request 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 borrower is temporarily totally disabled.
- (b) The deferment begins on the date the borrower's qualifying status is certified to begin and ends on the date the borrower's qualifying status is certified to end. Maximum allowable time periods for all deferments except full-time and half-time study at an eligible institution shall not exceed six months for loans with a 10-year repayment term, 18 months for loans with a 15-year repayment term, 24 months for loans with a 20-year repayment term, 30 months for loans with a 25-year repayment term, and 36 months for loans with a 30-year repayment term for an unemployment deferment, and for each of the remaining deferments, as established by the Authority. Full-time and half-time study deferments are not available within 24 months of the loan maturity date. Deferments for NJCLASS Loan Program loans with a 10-year repayment term are limited to unemployment deferments.
- (c) Upon receipt of a borrower request for a deferment and all required documentation, the Authority shall notify the borrower regarding the deferment's authorization.
- (d) The Authority may also, at its discretion, grant borrowers periods of forbearance in the repayment of the NJCLASS Loan Program loan(s). Forbearance will only be granted if both the borrower and co-borrower qualify for the forbearance pursuant to 34 CFR 682.211(a)(3). Forbearance may be granted for situations including, but not limited to, economic hardship (as these terms are defined for the FFEL Program, 34 CFR part 682). The maximum allowable time period for economic hardship forbearance shall not exceed six months for loans with a 10-year repayment term, 18 months for loans with a 15-year repayment term, 24 months for loans with a 20-year repayment term, 30 months for loans with a 25-year repayment term, and 36 months for loans with a 30-year repayment term. In granting a forbearance, the Authority permits a temporary cessation of principal payments and temporarily permits payments of interest only, or a temporary cessation of both principal and interest payments. Interest continues to accrue during all forbearance periods.

History

HISTORY:

Amended by R.2006 d.403, effective November 20, 2006.

See: 38 N.J.R. 2967(a), 38 N.J.R. 4865(b).

In introductory paragraph of (a), inserted "interest and/or" and second sentence; rewrote (a)2ii and associated subsections; inserted new (a)2iii and recodified former (a)2iii as (a)2iv; in (d), inserted second sentence and substituted ", or a temporary cessation of both principal and interest payments. Interest continues to accrue during all forbearance periods." for a period at the end.

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Amended by R.2011 d.043, effective February 7, 2011.

See: 42 N.J.R. 1953(a), 43 N.J.R. 303(a).

Rewrote (b) and (d).

Amended by R.2012 d.051, effective March 5, 2012.

See: 43 N.J.R. 2216(a), 44 N.J.R. 591(b).

Rewrote (b).

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

Rewrote the section.

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§ 9A:10-6.13 Consolidation Loan Program

- (a) Subject to the availability of funds, the Authority offers an NJCLASS Consolidation Loan Program for the purpose of permitting existing NJCLASS borrowers and/or co-borrowers to consolidate their existing NJCLASS Loan Program loans into a single NJCLASS Consolidation Loan. The purpose of the NJCLASS Consolidation Loan Program is to provide borrowers with high NJCLASS Loan Program debt an extended repayment term, which provides for lower monthly payments.
- (b) To participate in the NJCLASS Consolidation Loan Program, either the borrower or the co-borrower on the NJCLASS Consolidation loan shall also be either the borrower or the co-borrower on each of the underlying loans being consolidated and shall have at least \$ 30,000 outstanding in current NJCLASS loans that will be consolidated.
- (c) Only NJCLASS Loan Program loans in monthly repayment of principal and interest are eligible for consolidation into an NJCLASS Consolidation Loan. Existing NJCLASS 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. 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. 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 in (f) below;
 - 3. Provide an acceptable cosigner if the Authority determines that one is required;
 - 4. In the case of any Federal Family Education Loan amount, Federal Direct Loan amount, or any NJCLASS Loan Program or 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. 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 Higher Education Student Assistance Authority shall have final decision-making authority concerning the eligibility of a borrower, co-borrower and/or cosigner to participate in the NJCLASS Consolidation Loan Program.
- (f) An NJCLASS Consolidation loan borrower and/or co-borrower shall meet minimum income requirements and be determined creditworthy by the Authority in order to be eligible for an NJCLASS Consolidation loan.

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Cosigners shall be required to meet the minimum income or creditworthy determination by the Authority if the borrower or co-borrower are unable to do so.

1. To be approved for an NJCLASS Consolidation 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 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 an NJCLASS Consolidation loan for not being creditworthy. These items include delinquent accounts, paid and unpaid collection accounts, paid and unpaid charged off accounts, foreclosure, repossession, bankruptcy, a paid or unpaid judgment. However, a borrower in the NJCLASS Consolidation Loan Program may be eligible if the borrower is able to secure a creditworthy cosigner.
- (g) NJCLASS Consolidation Loan borrowers and/or co-borrowers may be permitted to add additional eligible NJCLASS Loan Program loans to an existing NJCLASS Consolidation Loan provided sufficient funding is available and the origination period has not expired.
- (h) The process to borrow under the NJCLASS Consolidation Loan Program shall be as follows:
1. The borrower shall complete the NJCLASS Consolidation 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) an NJCLASS loan offer. Borrowers will have 30 days to accept the loan. Borrowers will not receive the NJCLASS Consolidation Loan unless they accept the offer.
 3. The NJCLASS Consolidation Loan amount will be calculated based upon the sum of the outstanding principal and interest balance of each underlying NJCLASS Loan Program loan being consolidated and the NJCLASS Consolidation Loan application/administrative fee, as specified in (i) below, will be charged to the borrower.
 4. The Authority shall provide the borrower, co-borrower and cosigner, if any, with a completed NJCLASS Consolidation Loan Pre-Disbursement Disclosure Statement or other disclosures as required by Federal law.
 5. Consolidation loan proceeds will be applied to satisfy the outstanding NJCLASS Loan Program loans included in the consolidation. No proceeds will be issued to the borrower. Any adjustment amount will be applied to the outstanding principal balance of the new NJCLASS Consolidation Loan.
- (i) NJCLASS Consolidation Loan borrowers and/or co-borrowers will be required to pay a one percent application/administrative fee. 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) The interest rate on the NJCLASS Consolidation Loan will be a fixed rate based upon the weighted average interest rate of all the underlying NJCLASS Loan Program loans being consolidated plus 25 basis points. The interest rate of the underlying NJCLASS Loan Program loan is calculated using a blending of the applicable initial and step-up interest rates disclosed to the borrower. If the interest rate of the underlying NJCLASS Loan Program loan currently reflects the step-up interest rate, the step-up interest rate will be used solely in the calculation. If a variable rate NJCLASS Loan Program loan or an NJCLASS Loan Program loan with a 10-year repayment term is being included in the NJCLASS Consolidation Loan, the rate used in the weighted average calculation will be the equivalent 15- or 20-year fixed rate interest rate for the immediate repayment of principal and interest in effect at the time of disbursement of the underlying NJCLASS Loan Program loan. Interest on an NJCLASS Consolidation Loan will begin to accrue at the time of the loan disbursement.

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- (k) Late fees may be charged on an NJCLASS Consolidation loan in accordance with N.J.A.C. 9A:10-6.10.
- (l) NJCLASS Consolidation loan borrowers shall begin to pay the principal and interest of the NJCLASS Consolidation loan on a monthly basis. The first payment of principal and interest is due within 60 days after the loan is disbursed. The length of the repayment term will be determined based on the amount of the NJCLASS Consolidation loan at the time of approval as follows:
1. Consolidation loan borrowers whose outstanding loan obligations are under \$ 60,000 will obtain a 25-year repayment term.
 2. Consolidation loan borrowers whose outstanding loan obligations exceed \$ 60,000 will receive a 30-year repayment term.
 3. 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.
 4. Notwithstanding any period of forbearance, an NJCLASS Consolidation loan shall be paid in full no later than the maximum repayment term, as disclosed to the borrower at the time of disbursement.
- (m) The Authority may also, at its discretion, grant borrowers periods of forbearance in the repayment of the NJCLASS Consolidation Loan(s). Forbearance will only be granted if both the borrower and co-borrower qualify for the forbearance pursuant to 34 CFR 682.211(a)(3). Forbearance may be granted for situations including, but not limited to, economic hardship (as these terms are defined for the FFEL Program, 34 CFR Part 682). During periods of forbearance, the NJCLASS Consolidation Loan will revert to quarterly or monthly payments of interest only. The maximum allowable time period for economic hardship forbearance set forth in N.J.A.C. 9A:10-6.12(d) pertains to NJCLASS Consolidation Loans.
- (n) NJCLASS Loan Program provisions, which pertain to delinquency, set forth in N.J.A.C. 9A:10-6.14; credit bureau reporting, set forth in N.J.A.C. 9A:10-6.15; default and consequences of default, set forth in N.J.A.C. 9A:10-6.16; discharge, set forth in 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.

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

Repeal and New Rule, R.2006 d.403, effective November 20, 2006.

See: 38 N.J.R. 2967(a), 38 N.J.R. 4865(b).

Section was "Consolidation".

Amended by R.2009 d.180, effective June 1, 2009.

See: 40 N.J.R. 6721(b), 41 N.J.R. 2261(a).

In the introductory paragraph of (f), substituted "shall" for "may" following "Cosigners"; and in (f)1, inserted "annual".

Amended by R.2011 d.043, effective February 7, 2011.

See: 42 N.J.R. 1953(a), 43 N.J.R. 303(a).

In (f)2, deleted "or a monthly total debt to monthly adjusted gross income ratio which exceeds 40 percent" following "judgment"; in (j), inserted "plus 25 basis points", "the variable rate loan was disbursed", and the next-to-last sentence; and substituted "the" for "that" preceding "academic year"; and in (m), inserted "or monthly".

Amended by R.2012 d.051, effective March 5, 2012.

See: 43 N.J.R. 2216(a), 44 N.J.R. 591(b).

Rewrote (f)1, (h)2, (h)4, and (j).

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

Rewrote the section.

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§ 9A:10-6.14 Delinquency

- (a) In keeping with the Authority's goals of default prevention in the NJCLASS Loan Program, the Authority may perform a series of default prevention activities beginning when an NJCLASS Loan Program loan is 10 days delinquent.
- (b) Default prevention activities shall include, but not be limited to, letters 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) Delinquency may also result in the loss of eligibility for other student aid, negative credit reports and administrative wage garnishment.

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

Amended by R.2002 d.288, effective September 3, 2002.

See: 33 N.J.R. 4050(a), 34 N.J.R. 3085(a).

In (a), substituted "may" for "shall".

Amended by R.2003 d.465, effective December 1, 2003.

See: 35 N.J.R. 2770(b), 35 N.J.R. 5415(b).

In (b), inserted references to cosigner following borrower throughout.

Amended by R.2006 d.403, effective November 20, 2006.

See: 38 N.J.R. 2967(a), 38 N.J.R. 4865(b).

Added (c).

Amended by R.2009 d.180, effective June 1, 2009.

See: 40 N.J.R. 6721(b), 41 N.J.R. 2261(a).

In (b), inserted "attempt to".

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

In (a), inserted "Loan" and "Loan Program".

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§ 9A:10-6.15 Credit bureau reporting

The Authority shall report the status of all NJCLASS Loan Program loans and Consolidation Loans, for borrowers and cosigners, in the NJCLASS portfolio to a national credit bureau each month.

History

HISTORY:

Amended by R.2002 d.288, effective September 3, 2002.

See: 33 N.J.R. 4050(a), 34 N.J.R. 3085(a).

Deleted the second and third sentences.

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

Inserted "Loan Program" and "and Consolidation Loans".

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§ 9A:10-6.16 Default and consequences of default

- (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 to honor the obligation to repay, provided failure to repay persists for:
 - 1. At least 180 days when payments are due monthly; or
 - 2. At least 240 days during the student's in-school period when payments are due less frequently than monthly.
- (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, offset of lottery prize winnings, and suspension of New Jersey occupational and professional license.

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

In (b), inserted "or State tax rebates" following "State income tax refunds" and inserted ", and suspension of New Jersey occupational license" following "lottery prize winnings".

Amended by R.2003 d.465, effective December 1, 2003.

See: 35 N.J.R. 2770(b), 35 N.J.R. 5415(b).

In (b), inserted a reference to cosigner following borrower in the first sentence, and inserted "and professional" following "occupational" in the last sentence.

Amended by R.2011 d.043, effective February 7, 2011.

See: 42 N.J.R. 1953(a), 43 N.J.R. 303(a).

In (b), inserted "expedited increase of interest rate," and "of up to 30 percent of the debt collected".

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§ 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 using promissory notes dated 1994 or later.
- (b) If an individual borrower dies, the obligation of the borrower to make any further payments on the loan is discharged. A discharge of a loan based on the death of the borrower must be based on an original or certified copy of the death certificate, or an accurate and complete photocopy of the original or certified copy of the death certificate.
- (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. 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, that the borrower is totally and permanently disabled as defined in N.J.A.C. 9A:10-6.3.
- (d) The following pertain to borrower bankruptcy;
 - 1. If the Authority is notified that any of the parties to the note has filed a petition for relief in bankruptcy under Chapters 12 or 13 of the Federal Bankruptcy Code, the Authority shall immediately suspend any collection efforts outside the bankruptcy proceeding against any other of the parties to the note. If the Authority is notified that any of the parties to the note has filed a petition for relief in bankruptcy under Chapters 7 or 11 of the Federal Bankruptcy Code, the Authority may suspend any collection efforts outside the bankruptcy proceeding against any other of the parties to the note.
 - 2. The Authority shall determine that a borrower has filed a petition for relief in bankruptcy on the basis of receiving a notice of the first meeting of creditors or other confirmation issued by the bankruptcy court.
 - 3. In general, 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 cost benefit analysis in deciding whether to oppose an undue hardship discharge petition, to oppose a plan proposed under Chapters 11, 12, or 13 of the Federal Bankruptcy

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Code, or to oppose a discharge pursuant to a plan under Chapters 11, 12, or 13 of the Federal Bankruptcy Code.

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

Rewrote (d)1.

Amended by R.2009 d.180, effective June 1, 2009.

See: 40 N.J.R. 6721(b), 41 N.J.R. 2261(a).

Rewrote (b) and (c).

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

In (a), inserted "Loan Program" twice; and in (c), inserted the third sentence.

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§ 9A:10-6.18 Rehabilitation

- (a) Effective no earlier than June 1, 1999, the Authority may offer a rehabilitation program for NJCLASS Loan Program loans and NJCLASS Consolidation Loans. If the Authority offers a rehabilitation program for these loans, the Authority shall notify borrowers of the availability of this program. In the event the Authority offers a rehabilitation program for NJCLASS Loan Program loans or NJCLASS Consolidation Loans, a borrower who has defaulted on an NJCLASS Loan Program loan or NJCLASS Consolidation Loan is permitted to rehabilitate the loan with an enforceable promissory note and remove that loan from default status, provided the borrower satisfies the requirements of (c) below. A defaulted loan may be rehabilitated only once.
- (b) An NJCLASS Loan Program loan or NJCLASS Consolidation Loan is considered to be rehabilitated only after the borrower has made one voluntary full payment each month and the payment is received by the Authority within 15 days of the scheduled due date for 12 consecutive months, with no deferments or forbearances permitted during the 12-month period.
- (c) An NJCLASS borrower may request the rehabilitation of the borrower's defaulted NJCLASS Loan Program loan or NJCLASS Consolidation Loan held by the Authority. The borrower shall make one voluntary full payment each month for 12 consecutive months to be eligible to have the defaulted loans rehabilitated. For purposes of this section, "full payment" means the minimum acceptable monthly payment as defined in N.J.A.C. 9A:10-6.11(d). "Voluntary payments" are those made directly by the borrower regardless of whether there is a judgment against the borrower, and do not include payments obtained by income tax offset, garnishment, or income or asset execution.
- (d) The maximum repayment period for a rehabilitated NJCLASS Loan Program loan or NJCLASS Consolidation Loan shall be the same as that of the loan prior to default. A borrower who wishes to rehabilitate a loan on which a judgment has been entered must sign a new promissory note. The maximum repayment period of the new promissory note shall be the same as that of the NJCLASS Loan Program loan or NJCLASS Consolidation Loan prior to default. Once an NJCLASS Loan Program loan or NJCLASS Consolidation Loan subject to a judgment has been rehabilitated, the Authority shall have the judgment marked satisfied.
- (e) The Authority shall report to a national credit bureau within 30 days of the date the loan was rehabilitated that the loan is no longer in a default status, and is now in a "current was collection account" status.
- (f) The Authority may elect to hold the rehabilitated loan directly, or transfer the loan to another lender, including, but not limited to, the trustee of the trust estate held for the benefit of NJCLASS Loan Program and NJCLASS Consolidation Loan bondholders.

History

HISTORY:

Amended by R.1998 d.534, effective November 16, 1998.

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See: 30 N.J.R. 2805(a), 30 N.J.R. 4041(b).

Rewrote (a), (c) and (d); in (b), deleted "reasonable and affordable" following "voluntary", and added ", with no deferments or forbearances permitted during the 12 month period" at the end; and in (e), added ", and is now in a 'current was collection account' status" at the end.

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

In (c), amended the N.J.A.C. reference.

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

Rewrote the section.

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§ 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 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 review. The Authority shall also notify the school of the financial and administrative information required for the on-site 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 visit.
- (d) The program review follow up 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.

History

HISTORY:

Amended by R.2000 d.447, effective November 6, 2000.

See: 32 N.J.R. 2192(a), 32 N.J.R. 3987(a).

In (d), amended the N.J.A.C. reference.

Amended by R.2014 d.181, effective December 1, 2014.

See: 46 N.J.R. 1398(a), 46 N.J.R. 2358(a).

Section was "Authority enforcement requirements for schools participating in the NJCLASS Program". In (a) and (d), inserted "Loan" throughout; and in (a), substituted "an" for the second occurrence of "a".

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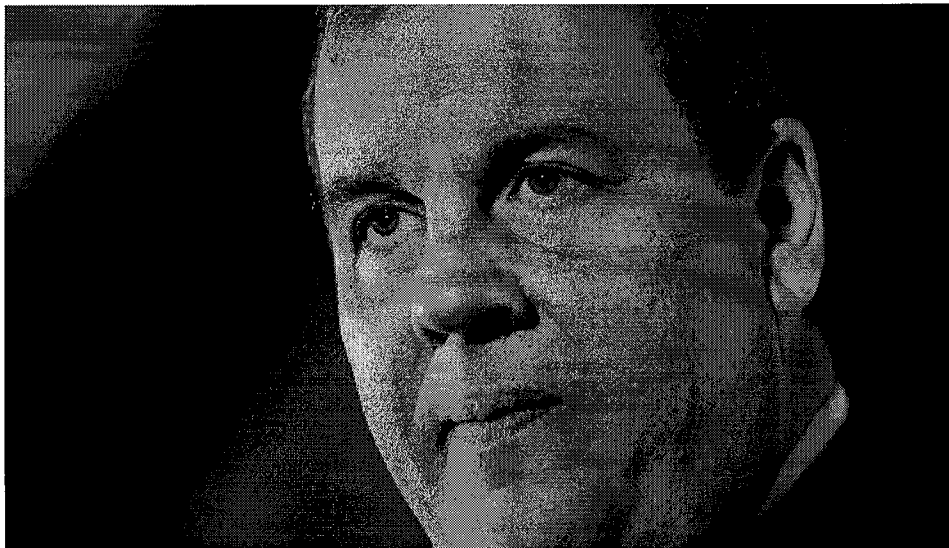
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The State of New Jersey Will Find a Way to Collect Student Debt Even If You're Murdered

The state's student-loan program has extraordinarily stringent rules, aggressive collections, and few reprieves, even for borrowers who've died.

By Annie Waldman



New Jersey Governor Chris Christie appoints the executive director—and has the power to appoint at least 12 of the 18 board members—of the state's Higher Education Student Assistance Authority. (Photo: Olivier Douliery/Getty Images)

Amid a haze of grief after her son's murder last year, Marcia DeOliveira-Longinetti faced an endless list of tasks—helping the police access Kevin's phone and email, canceling his subscriptions, credit cards, and bank accounts, and arranging his burial in New Jersey.

And then there were his college loans.

When DeOliveira-Longinetti called about his federal loans, an administrator offered condolences and assured her the remaining balance would be written off.

But she got a far different response from a New Jersey state agency that had also lent her son money.

“Please accept our condolences on your loss,” said a letter from the Higher Education Student Assistance Authority to DeOliveira-Longinetti, who had co-signed the loans. “After careful consideration of the information you provided, the Authority has determined that your request does not meet the threshold for loan forgiveness. Monthly bill statements will continue to be sent to you.”

DeOliveira-Longinetti was shocked and confused. After all, the agency features a photograph of Governor Chris Christie on its website, and boasts in its brochures that its “singular focus has always been to benefit the students we serve.”

One reason for the aggressive tactics is that the state depends on Wall Street investors to finance student loans through tax-exempt bonds and needs to satisfy those investors by keeping losses to a minimum.

But her experience with the authority, which runs by far the largest state-based student loan program in the country, is hardly an isolated one, an investigation by ProPublica, in collaboration with the *New York Times*, found.

New Jersey’s loans, which currently total \$1.9 billion, are unlike those of any other government lending program for students in the country. They come with extraordinarily stringent rules that can easily lead to financial ruin. Repayments cannot be adjusted based on income, and borrowers who are unemployed or facing other financial hardships are given few breaks.

New Jersey’s loans also carry higher interest rates than similar federal programs. Most significantly, the loans come with a cudgel that even the most predatory for-profit players cannot wield: the power of the state.

New Jersey can garnish wages, rescind state income tax refunds, revoke professional licenses, even take away lottery winnings—all without having to get court approval.

“It’s state-sanctioned loan sharking,” said Daniel Frischberg, a bankruptcy lawyer. “The New Jersey program is set up so that you fail.”

The authority has become even more aggressive in recent years. Interviews with dozens of borrowers, who were among the tens of thousands who have turned to the program, show how the loans have unraveled lives.

The program's regulations have destroyed families' credit and forced them to forfeit their salaries. One college graduate declared bankruptcy at age 26 after struggling to re-pay his debt. The agency filed four simultaneous lawsuits against a 31-year-old paralegal after she fell behind on her payments.

Another borrower, Chris Gonzalez, couldn't keep up with his loans after he got non-Hodgkin's lymphoma and was laid off by Goldman Sachs. While the federal government allowed him to suspend his payments because of hardship, New Jersey sued him, seeking nearly \$266,000 in payments, and seized a state tax refund he was owed.

One reason for the aggressive tactics is that the state depends on Wall Street investors to finance student loans through tax-exempt bonds and needs to satisfy those investors by keeping losses to a minimum.

Loan revenues also cover about half of the agency's administrative budget.

In 2010, the agency filed fewer than 100 suits against borrowers and their families. Last year, it filed over 1,600 suits. (Some could result from federal loans handled by New Jersey, though such loans make up just 4 percent of the agency's portfolio.)

The cases are handled by debt collectors, who can tack on another 30 percent in fees on top of the outstanding debt.

Marcia Karrow, the authority's chief of staff, said, "the vast majority of these borrowers are happy with the program." She added that New Jersey's loans had "some of the lowest default rates" in the country. But when asked to produce the annual default rates, the agency sent ProPublica and the *Times* data only for students with strong credit scores, making it impossible to calculate the overall rate. (Read their [responses to our questions](#).)

A spokesman for Christie said the governor does not control the authority and declined to respond to questions about the loan program. But Christie appointed its executive director, Gabrielle Charette; he also has the power to appoint at least 12 of the agency's 18 board members and can veto any action taken by the board.

Besides administering the loan program, the authority provides financial aid counseling, conducting hundreds of financial aid nights at New Jersey high schools, where it offers advice about paying for college, including pitching its own loans.

DeOliveira-Longinetti, who emigrated from Brazil and had long worked as a nanny while raising her son as a single mother, always knew that paying for college would be a challenge. Even after marrying her husband when Kevin was in middle school, she knew that their combined income would not be enough to cover the costs. But a friend told her about New Jersey's program. That, along with a combination of scholarships, grants, and other loans, allowed Kevin to enroll at the University of Vermont.

Since her son's murder, DeOliveira-Longinetti has made 18 payments to New Jersey. At \$180 per month, she has about 92 to go.

"We're not going to be poor because of this," she said. "But every time I have to pay this thing, I think in my head, this is so unfair."

. . .

For decades, states served as middlemen for federal student loans. Most of the loans were made by banks and were handled and backed by regional and state-based agencies as well as by the federal government. The arrangement was unwieldy, expensive, and marked by scandal.

After Pennsylvania's student loan agency lost a public records lawsuit in 2007, documents revealed that the agency had spent nearly \$1 million on things like fly-fishing, facials, and falconry lessons.

That same year, New Jersey's agency was caught in what amounted to a kickback scheme. The state attorney general found that the agency had improperly pushed one company's loans in exchange for annual payments of \$2.2 million. A subsequent investigation by the state's inspector general found that the agency was in "disarray."

In 2010, Congress and the Obama administration decided to effectively eliminate the role of state agencies by having only the federal government lend directly to students.

Some states, like California, decided to downsize and transferred their federal loan portfolios. Others, such as Pennsylvania, won contracts from the federal

government to service debt from the federal loan program.

But New Jersey chose a different path. In the years leading up to the end of the federal program, New Jersey sharply expanded its loan program, slowly replacing the federal loans it once handled with state loans. From 2005 to 2010, loans from the agency nearly tripled, to \$343 million per year. Since then, the agency has reduced its loans by half, but its outstanding portfolio has remained roughly the same, about \$2 billion.

Karrow said the growth of New Jersey's program was simply a result of both the growing number of students and the rising cost of tuition. But in fact, college enrollment and tuition have not grown as rapidly as the program's size.



(Source: New Jersey Courts Automated Case Management System and Archive Case Management Information System.)

While other states have similar programs, New Jersey's stands apart, both for its size and onerous terms.

Massachusetts, running the next-largest program with \$1.3 billion in outstanding loans, automatically cancels debt if a borrower dies or becomes disabled, something many other states also do. The program of the third-largest state lender, Texas, is half the size of New Jersey's. And Texas offers a flat interest rate, a modest 4.5 percent, while New Jersey's rates can reach nearly 8 percent. Some other state loan programs also have more flexible repayment options—Rhode Island, for example, offers income-based repayment.

New Jersey, meanwhile, encourages students to buy life insurance in case they die to help co-signers re-pay. As an agency pamphlet cautions, "Are you

prepared for the unthinkable?”

The agency, Karrow said, treats each instance of a deceased borrower case by case and tries to be compassionate, but, she added, “we must also meet our fiduciary duty to our bondholders.”

When consumer lawyers protested the program’s onerous conditions at a 2014 agency meeting, the agency, according to minutes from the meeting, said that giving borrowers a break would make the bonds sold to finance loans “less attractive to the ratings agencies and investors.”

Indeed, in a recent bond assessment, the credit rating agency Moody’s cited the authority’s “administrative wage garnishing, which it uses aggressively” for “significantly higher collections” compared with other programs.

A New Jersey rule adopted in 1998 allows the agency to give borrowers in default a second chance by allowing them to become current on their account through on-time payments. But the agency has never granted a reprieve and instead cuts off contact with borrowers, leaving them at the mercy of collection firms.

Karrow said federal regulations prohibited the agency from offering such relief, but student loan experts disputed that assertion.

“There is nothing in the federal law or regulations that prohibits them from offering private loan rehabilitation,” said Mark Kantrowitz, a financial-aid expert.

The combination of a lack of flexibility, an unwillingness to discharge loans and the state’s power to seize wages has resulted in even “more intractable problems for our clients than predatory mortgages, deceptive car loans or illegal Internet payday lending,” said David McMillin, a lawyer with Legal Services of New Jersey, a non-profit organization that provides free legal assistance to low-income state residents. “Many borrowers and co-signers find themselves facing a lifetime of debt problems.”

Given the lack of options, some New Jersey borrowers have resorted to declaring bankruptcy, even though, as is true of all student loans, their debt is rarely canceled. Declaring bankruptcy also makes it virtually impossible to secure a mortgage, lease a car, or even use credit cards for years. But for New

Jersey borrowers, such an extreme step at least offers a way to gain manageable monthly payment terms.

As a co-signer, Tracey Timony struggled to help pay off her daughter's \$140,000 in loans. Though the Higher Education Student Assistance Authority can seize wages or tax returns without court approval, it must secure a judgment to dip into borrowers' bank accounts or place liens on their property. Instead of garnishing Timony's wages, New Jersey sued her after her daughter defaulted.

"The agency is looking to put as much pressure on the borrower and be as aggressive as possible, and the way that you do that is you go after everybody that is liable," said Jennifer Weil, a New Jersey student debt lawyer. "In case the garnishment doesn't work, a judgment will help put pressure on the parents."

Timony declared bankruptcy and got monthly debt payments that will rise no higher than about \$1,000 a month, far less than what the agency had demanded.

"I never thought that sending my daughter to college would ruin our lives," Timony said.

"It's the state, my government, trying to help me out and achieve my American dream. It turns out they were the worst ones."

Few have felt the weight of the agency's powers more than Gonzalez, the college graduate who was sued after receiving a diagnosis of cancer and losing his job.

He had borrowed the maximum he could in federal loans—a total of about \$30,000 for five years—and paid for most of his tuition with loans from New Jersey.

"I felt so comfortable because it was the State of New Jersey," he said. "It's the state, my government, trying to help me out and achieve my American dream. It turns out they were the worst ones."

Over five years, he took out over \$180,000 in state loans. Unlike most other states, New Jersey does not impose a strict cap on loans to discourage over-

borrowing. One family, according to a recent state audit of the agency, took out over \$800,000 in loans, more than five times the value of their home.

Gonzalez's loans had a relatively high interest rate—on average about 7.5 percent. At the time it seemed like a good investment. He graduated with an engineering degree from Embry-Riddle Aeronautical University in Florida and landed a job on Wall Street working as a programmer for Goldman Sachs.

But a few months after he started, unusual rashes began to appear on his legs and underarms. He was diagnosed with non-Hodgkin's lymphoma and started radiation therapy.

After three years of cancer treatments, Gonzalez was also laid off.

He needed to take care of his student loans. The federal government and his private lenders all deferred his debt for at least six months.

Gonzalez expected New Jersey to do the same, but the agency refused, requiring him to pay at least \$500 a month. With unemployment checks as his only income and burdened by continuing health expenses, it was too much for him.

He made no payments while the agency reviewed his case. In June 2014, Gonzalez moved to Florida to lower his cost of living. His health slowly improved and he started his own company, developing technology for small businesses. In his first year, he made just \$26,000, but he started to pay back his federal and private bank loans.

On May 8, 2015, after months of hearing nothing, he received an email from New Jersey: His deferral request had been denied and his loan was being sent to a collection agency.

"Unfortunately, because of how the loan originated, the Authority is not in a position to offer forbearance or relief," Robert Laird, a program officer at the loan agency, said in the email.

Terrified by what a default would mean for his credit rating, Gonzalez told the agency that he would stop paying for health insurance and use the money—\$200 per month—to re-pay the loans.

The agency rejected the offer. "In the event that your doctor declares you total and permanently disabled, please keep me posted," Laird told Gonzalez in an email.

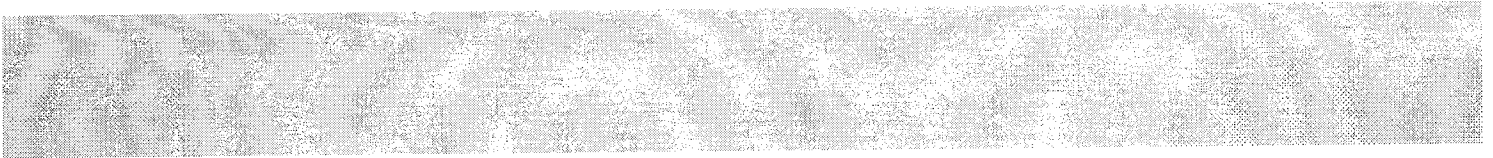
One day in April, a stranger rang Gonzalez's doorbell.

"Chris Gonzalez?" he asked. Gonzalez nodded. "You've been served with a lawsuit from the New Jersey Higher Education Student Assistance Authority."

The suit demanded over \$260,000—about \$188,000 for the original loans, nearly \$34,000 in interest, and \$44,000 to cover the fees of a collection agency's lawyer.

Even if his business improves, Gonzalez has no idea how he will afford his ballooning payments.

"I don't have money," he said. "I am spending it all on my debt."



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ADDITIONAL APPENDIX MATERIALS
SUBMITTED TO THE
SENATE HIGHER EDUCATION COMMITTEE
and
SENATE LEGISLATIVE OVERSIGHT COMMITTEE
for the
August 8, 2016 MEETING

Submitted by Tracey Timony, Private Citizen:

Annie Waldman, “New Jersey Student Loan Agency to Staff: Don’t Tell Borrowers About Help Unless They Ask,” *ProPublica*, July 28, 2016.

Annie Waldman, “In New Jersey Student Loan Program, Even Death May Not Bring a Reprieve,” *The New York Times*, July 3, 2016.

Carly Rothman, “N.J. agency overseeing college aid won’t let students defer loan payments,” *The Star-Ledger*, December 17, 2008. ©2016 NJ.com.

Submitted by Senate Legislative Oversight Committee, and Senate Higher Education Committee:

Charlie Wells, “Mistakes Parents Make With Financial Aid,” *The Wall Street Journal*, September 21, 2014.

Annie Waldman, “In New Jersey Student Loan Program, Even Death May Not Bring a Reprieve,” *The New York Times*, July 3, 2016.