Date: September 10, 2025

To: Local Educational Agency Leads

Route To: Principals, School Leads, School Counselors

From: Jorden Schiff, Ed.D., Assistant Commissioner

Teaching and Learning Services

Graduation Requirement Reminder: Completing Financial Aid Applications (P.L.2023,c.295)

This broadcast serves to remind local educational agencies (LEA) of the requirements of <u>P.L. 2023</u>, <u>c.295</u>.

In 2024, Governor Murphy signed legislation requiring public school students to complete either the Free Application for Federal Student Aid (FAFSA) or the New Jersey Alternative Financial Aid Application (NJAFAA) as a prerequisite to receiving a high school diploma. The law:

- Applies to the graduating classes of 2026 and 2027;
- Allows a student's parent or guardian to complete a waiver form exempting their student from this requirement. A student who is at least 18 years old may exempt themselves from the requirement;
- Provides that, if a student is under 18 years old and a waiver form cannot be reasonably obtained from the parent or guardian, the student's school counselor may authorize the waiver;
- Requires each school district and charter school to annually notify students and parents/guardians of this requirement;
- Prohibits school districts from taking adverse action against a student due to the student's receipt of an exemption; and
- Requires the Higher Education Student Assistance Authority (HESAA) to issue a report that includes the number of students who completed a financial aid form under this requirement and the number of students exempted.

Access to Student Financial Aid Application Completion Status

To support LEAs in implementing this requirement, the New Jersey Department of Education (NJDOE) is re-sharing the following memo from HESAA. The memo advises that LEAs may enter into a data-sharing agreement with HESAA to allow the Authority to share information with LEAs about students' financial aid application completion status. The NJDOE urges LEAs to consider such data-sharing agreements to gain ready access to student-by-student completion status and to offer targeted support to students who have not yet filled out an application. If your LEA has an existing agreement with HESAA, it will renew automatically, and no further action is required.

Waiver and Reporting Guidance

To support LEAs in implementing this requirement, the NJDOE has developed a FAQ and template forms that LEAs may use to obtain waivers from parents/guardians or school counselors. Use of those specific template forms is optional; P.L.2023, c.295 does not require use of any State-provided waiver form. LEAs may obtain parental/guardian or school counselor waivers in any manner consistent with the requirements of P.L.2023, c.295.

LEAs are advised to maintain records for which students fulfill this graduation requirement by completing a financial aid application and which students are waived. NJSLEDS is the reporting mechanism for LEAs to provide this data to the NJDOE. To support this reporting, the NJDOE encourages LEAs to work with their Student Information System vendors to automate their waiver collection process.

FAFSA and NJAFAA Guidance

For additional information regarding FAFSA, including completion instructions, FAQs, and deadlines, please see HESAA's <u>FAFSA webpage</u>. For additional information regarding NJAFAA, please see <u>HESAA's website</u>.

Contact Information

For additional information regarding this graduation requirement, please contact the NJDOE's Office of Career Readiness at FinAidGradReq@doe.nj.gov. For additional information regarding FAFSA and NJAFAA, please contact HESAA at outreach@hesaa.org.

c: Members, State Board of Education NJDOE Staff Statewide Parent Advocacy Network Garden State Coalition of Schools NJ LEE Group