# SENATE, No. 549

# STATE OF NEW JERSEY

# 212th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2006 SESSION

Sponsored by:
Senator BOB SMITH
District 17 (Middlesex and Somerset)
Senator ROBERT J. MARTIN
District 26 (Morris and Passaic)

## **SYNOPSIS**

Establishes the Department of Higher Education.

### **CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel



1	AN ACT establishing a Department of Higher Education as a
2	principal department in the executive branch of State government
3	and revising parts of the statutory law.

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

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- 1. (New section) As used in this act:
- "Board" means the Board of Higher Education.
- "Chancellor" means the chancellor of the Department of HigherEducation.
- "Department" means the Department of Higher Education.

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2. (New section) There is hereby established in the Executive Branch of the State government a principal department which shall be known as the Department of Higher Education. The department shall consist of a board of higher education, a chancellor, and such divisions, bureaus, branches, committees, officers and employees as are specifically referred to in this act and as may be constituted or employed by virtue of the authority conferred by this act or by any other law.

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3. (New section) Suitable quarters to be known as the "Department of Higher Education" shall be provided.

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- 4. (New section) The department shall, in addition to other powers and duties vested in it by this act or by any other law:
- a. Assist in the coordination of State and federal activities relating to higher education;
- b. Advise and inform the Governor on the affairs and problems of higher education and make recommendations to the Governor for proposed legislation pertaining thereto;
- c. Stimulate programs relating to higher education through publicity, education, guidance and technical assistance concerning federal and State programs;
- d. Encourage cooperative programs by institutions of higher education;
- e. Maintain an inventory of data and information and act as a clearinghouse and referral agency for information on State and federal services and programs; and
- f. Exercise all the functions, powers and duties formerly exercised by the Commission on Higher Education pertaining to higher education and the jurisdiction, supervision and control of institutions of higher education and transferred to the commission as of July 1, 1994 by P.L.1994, c.48 (C.18A:3B-1 et seq.), except

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

those functions, powers and duties which are inconsistent with the specific provisions of this act.

5. (New section) The department, or any of the divisions established therein, may, subject to the approval of the Governor and the board, apply for and accept grants from the federal government or any agency thereof, or from any foundation, corporation, association or individual, and may comply with the terms, conditions and limitations thereof, for any of the purposes of the department. Any money so received may be expended by the department, subject to any limitations imposed in the grants to effect any of the purposes of the department upon warrant of the director of the Division of Budget and Accounting of the Department of the Treasury on vouchers certified and approved by the chancellor.

6. (New section) The Board of Higher Education shall be composed of 16 members as follows: the Chairman of the Board of Governors of Rutgers, The State University; the Chairman of the Board of Trustees of The New Jersey Institute of Technology; the Chairman of the New Jersey Association of State Colleges and Universities; the Chairman of the Board of Trustees of the University of Medicine and Dentistry of New Jersey; a representative trustee member of the Council of County Colleges; the President of the State Board of Education; a representative of the independent colleges and universities of New Jersey, to be designated by the Association of Independent Colleges and Universities in New Jersey, with the approval of the Governor; and nine citizens, residents of the State, of whom at least two shall be women. The chancellor and the Commissioner of Education shall be ex officio members, but without vote.

7. (New section) The Chairman of the Board of Governors of Rutgers, The State University; the Chairman of the Board of Trustees of The New Jersey Institute of Technology; the Chairman of the New Jersey Association of State Colleges and Universities; the Chairman of the Board of Trustees of the University of Medicine and Dentistry of New Jersey; the representative trustee member of the Council of County Colleges; the President of the State Board of Education and the representative of the independent colleges and universities in New Jersey may each designate in writing another member of the person's board, council or association as an alternate to attend in the person's absence and vote at the meetings of the board; provided that the alternate shall be selected from among the membership of the group from which the member's status on the board arises, and further that when the member is a lay member of such a group, the alternate must likewise be a lay member of the group.

8. (New section) The citizen members of the board shall be appointed by the Governor with the advice and consent of the Senate and shall be selected, as far as may be practicable, on the basis of their knowledge of, or interest or experience in, problems of higher education and without regard to political belief or affiliation. The term of office of appointed members, except for the first appointments, shall be for six years. Each member shall serve until a successor shall have been appointed and qualified, and vacancies shall be filled in the same manner as the original appointment for the remainder of the unexpired term. In the case of the initial appointments of the citizen members, three members shall be appointed for four-year terms; three members shall be appointed for four-year terms; and three members shall be appointed for six-year terms. They shall be subject to removal by the Governor, for cause, upon notice and opportunity to be heard.

9. (New section) The members of the Board of Higher Education shall receive no compensation for their services, but shall be paid their necessary expenses in performing their duties.

10. (New section) The Board of Higher Education shall hold public meetings as it deems necessary to fulfill its duties and obligations at such places within the State as it shall designate no less than once each month for 10 months per year.

11. (New section) The Board of Higher Education shall organize annually at its regular July meeting by the election of a chairman, vice-chairman and such other officers as the board shall determine. The officers shall serve until the following July meeting and until their successors are elected and qualified. Vacancies in the offices shall be filled in the same manner for the unexpired term only.

12. (New section) The chancellor shall be the secretary of the board and have custody of its official seal. With the approval of the board, the chancellor may designate an employee in the department to perform the duties of the secretary and such other services as the board shall designate.

13. (New section) It shall be the duty of the Board of Higher Education to advance long-range planning for the system of higher education as a whole in the State; establish general policy for the governance of the separate institutions; coordinate the activities of the individual institutions which, taken together, make up the system of higher education in New Jersey; and maintain general financial oversight of the State system of higher education. The board shall not administer the individual institutions of higher education, its own administration being specifically reserved unto

1 each of the institutions.

Within the limitations imposed by general legislation applicable to all agencies of the State and the provisions of this act, the board is hereby granted exclusive jurisdiction over higher education in this State and its constituent parts and the requisite power to do all things necessary and proper to accomplish the aims and carry out the duties provided by law.

- 14. (New section) The Board of Higher Education shall:
- a. Conduct research on higher educational needs;
- b. Develop and maintain a comprehensive master plan which shall be long-range in nature and be regularly revised and updated;
- c. Establish new colleges, schools, units, divisions, institutes, departments, branches, campuses, as required by the master plan, provided that provision is made therefore in the annual or a supplemental or special appropriation act of the Legislature or otherwise:
- d. Establish minimum admission standards for all public institutions of higher education, except that nothing in this chapter shall be construed to prevent individual institutions from establishing higher minimum admission requirements;
- e. Establish minimum standards for all public institutions of higher education for degree granting, approve new programs and degrees and approve discontinuance of degrees and educational programs as required. Nothing, however, in this law shall be construed to prevent individual institutions from establishing higher minimum standards for degree granting. "Programs," as used in this subsection, means areas or fields in which degrees or nondegree certificates might be granted and shall not include individual courses nor course content nor shall it include the course composition of areas or fields already in existence;
- f. Receive all budget requests from the institutions, coordinate and balance the requests, and submit a combined request for appropriations annually to the Governor;
- g. Be an agency of communication with the federal government on public funds available to the State for higher education, and receive and recommend the disbursement of the funds by the State;
- h. Set policy on salary and fringe benefits, and establish general personnel policies for the public institutions of higher education;
- i. Coordinate with the State Board of Education and the commissioner to effectuate and advance public education at all levels:
- j. Encourage harmonious and cooperative relationships between public and independent institutions of higher education;
- 45 k. Review periodically existing programs of instruction, 46 research, and public service in the public institutions of higher 47 education, and advise them of desirable change;
  - 1. Keep the Governor, the Legislature, and the public informed

- of the needs and accomplishments, both qualitative and quantitative, of public higher education in New Jersey through published reports, releases, conferences, and other means;
  - m. License institutions of higher education pursuant to the authority of N.J.S.18A:68-3 to N.J.S.18A:68-5 inclusive;
  - n. Approve the basis or conditions for conferring degrees pursuant to the authority of N.J.S.18A:68-6 to N.J.S.18A:68-8 inclusive;
- 9 o. Exercise enforcement powers as provided by N.J.S.18A:68-9 to N.J.S.18A:68-11 inclusive;
  - p. Require from institutions of higher education such reports as may be necessary to enable the board to perform the duties imposed upon it by statute;
  - q. Make to the Governor and the Legislature such recommendations as the board deems necessary with regard to appropriations that may be required for services, lands, buildings, and equipment to be furnished by institutions of higher education other than the Rutgers, State University of New Jersey and make contracts on behalf of the State with the institutions in accordance with legislative appropriations; provided that no disbursement of moneys so appropriated shall be made to any institution utilized by the State for the purpose of public higher education, except on recommendation of the board; and the board shall see to the application of the money for these purposes;
  - r. Exercise visitorial general powers of supervision and control over such institutions of higher education as may be utilized by the State. Its visitorial general powers of supervision and control are hereby defined as visiting the institutions of higher education to examine into their manner of conducting their affairs and to enforce an observance of the laws of the State;
  - s. Establish guidelines within which the board of trustees of each respective State college shall establish tuition rates and all other fees to be paid by students at each respective State college;
  - t. Review and approve institutional plans of each State college consistent with the provisions of chapter 64 of this Title.

15. (New section) The Board of Higher Education shall adopt bylaws and may make and enforce, alter and repeal rules for its own government and for implementing and carrying out this act.

16. (New section) The Board of Higher Education shall have all powers, in addition to those specifically provided by law, requisite to the performance of its duties.

17. (New section) The Board of Higher Education by its presiding officer and each of its committees by its chairman, may administer oaths and examine witnesses under oath in any part of the State in regard to any matter pertaining to higher education and

may cause the examination to be reduced in writing. Any person willfully giving false testimony upon being sworn or affirmed to tell the truth by the presiding officer of the Board of Higher Education or by the chairman of any of its committees, shall be guilty of a misdemeanor.

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18. (New section) The Board of Higher Education may issue subpoenas signed by its chairman and secretary compelling the attendance of witnesses and the production of books and papers in any part of the State before it or before any of its committees or before the chancellor or one of the chancellor's assistants. Any person who neglects or refuses to obey the command of the subpoena or who, after appearing, refuses to be sworn and testify, unless the refusal is on grounds recognized by law, shall in either event be liable to a penalty of \$100 for each offense to be recovered by the Board of Higher Education in a civil action. Any penalty when recovered shall be paid into the treasury of the State.

19. (New section) The Board of Higher Education shall report annually to the Legislature in regard to all matters committed to its care.

20. (New section) The chief executive officer and administrator of the department shall be known as the chancellor and shall be a person qualified by training and experience to perform the duties of the office. The first chancellor shall be appointed by the Governor with the advice and consent of the Senate and shall serve for a term of five years and until the chancellor's successor has been appointed and has qualified. Thereafter the chancellor shall be appointed by the Board of Higher Education, subject to the approval of the Governor, and shall serve for a term of five years and until the chancellor's successor has been appointed and has qualified. The chancellor shall receive such salary as shall be provided by law. The chancellor may be removed from office by the Governor, for cause, upon notice and opportunity to be heard.

- 21. (New section) The chancellor, as chief executive officer of the department, subject to the approval of the board, shall:
- a. Enforce all rules and regulations prescribed by the board and administer the work of the department;
- b. Appoint and remove officers and other personnel employed within the department, subject to the provisions of Title 11A of the New Jersey Statutes, and other applicable statutes, except as herein otherwise specifically provided;
- c. Perform, exercise and discharge the functions, powers and duties of the department through such divisions as may be established by this act or otherwise by law;
  - d. Organize the work of the department in such divisions, not

- inconsistent with the provisions of this chapter, and in such bureaus and other organizational units as may be necessary for efficient and effective operation;
  - e. Adopt, issue and promulgate, in the name of the department, such rules and regulations as may be authorized by law;
  - f. Formulate and adopt rules and regulations for the efficient conduct of the work and general administration of the department, its officers and employees;
  - g. Make an annual report to the Governor and to the Legislature of the department's operations, and render such other reports as the Governor shall from time to time request or as may be required by law:
  - h. Coordinate the activities of the department, and the several divisions and other agencies therein, in a manner designed to eliminate overlapping and duplicating functions;
    - i. Integrate within the department, so far as practicable, all staff services of the department and of the several divisions and other agencies therein;
    - j. Maintain suitable headquarters for the department and such other quarters within the State as shall be deemed necessary for the proper functioning of the department; and
    - k. Perform such other functions as may be prescribed in this act or by any other law.

22. (New section) The chancellor may, subject to the approval of the board, appoint vice-chancellors and fix their compensation. From time to time, the chancellor shall designate one of the vice-chancellors to serve as acting chancellor in place of the chancellor during an absence or in the case of a vacancy in the office. Any designation shall be in writing, signed by the chancellor and filed with the Secretary of State.

23. (New section) The chancellor may delegate to subordinate officers or employees in the department any powers of the chancellor which may be deemed desirable, to be exercised under the supervision and direction of the chancellor.

24. (New section) The New Jersey Presidents' Council and the New Jersey Commission on Higher Education created by P.L.1994, c.48 (C.18A:3B-1 et seq.) are abolished and all of their functions, powers and duties, except as herein otherwise provided, are terminated.

25. (New section) The offices and terms of the executive director of the New Jersey Commission on Higher Education, the deputy executive director, and the directors of the various divisions and offices of the commission, except as herein otherwise provided, shall terminate upon the effective date of this act.

- 1 26. (New section) a. All functions, powers and duties now vested in the Educational Opportunity Fund or the board of directors thereof under the Commission on Higher Education in, but not of, the Department of State are transferred to and assumed by the Educational Opportunity Fund and the board of directors thereof in the Department of Higher Education.
  - b. Whenever, in any law, rule, regulation, order, contract, document, judicial or administrative proceeding or otherwise, reference is made to the Educational Opportunity Fund or the board of directors thereof in the Commission on Higher Education in, but not of, the Department of State, the same shall mean and refer to the Educational Opportunity Fund or the board of directors thereof in the Department of Higher Education.
  - c. Nothing in this act shall be construed to limit the authority of the Educational Opportunity Fund, or the board of directors thereof, or to alter the terms and conditions of grants made to students by the fund.
  - d. This transfer shall be subject to the provisions of the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).
  - e. The present members of the board of directors shall hold their offices for the duration of their respective terms.

- 27. (New section) a. All functions, powers and duties now vested in the Higher Education Student Assistance Authority or the officers thereof in, but not of, the Department of State are transferred to and assumed by the Higher Education Student Assistance Authority and the officers thereof in the Department of Higher Education.
- b. Whenever, in any law, rule, regulation, order, contract, document, judicial or administrative proceeding or otherwise, reference is made to the Higher Education Student Assistance Authority or the officers thereof in, but not of, the Department of State, the same shall mean and refer to the Higher Education Student Assistance Authority or the officers thereof in the Department of Higher Education.
  - c. Nothing in this act shall be construed to limit the power of the Higher Education Student Assistance Authority or to alter the terms and conditions of loans made to students by the authority. Nothing in this act shall be construed to alter the terms, conditions, rights or remedies of any obligation issued by the authority.
  - d. This transfer shall be subject to the provisions of the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).
  - e. The present members of the authority shall hold their office for the duration of their respective terms.

28. (New section) a. All functions, powers and duties now vested in the Educational Facilities Authority or the officers thereof in, but not of, the Department of the Treasury are transferred to and

- assumed by the Educational Facilities Authority and the officers thereof in the Department of Higher Education.
- b. Whenever, in any law, rule, regulation, order, contract, document, judicial or administrative proceeding or otherwise, reference is made to the Educational Facilities Authority or the board of directors thereof in, but not of, the Department of the Treasury, the same shall mean and refer to the Educational Facilities Authority or the board of directors thereof in the

Department of Higher Education.

- c. Nothing in this act shall be construed to limit the power of the Educational Facilities Authority or to alter the terms and conditions of loans made by the authority. Nothing in this act shall be construed to alter the terms, conditions, rights or remedies of any obligation issued by the authority.
- d. This transfer shall be subject to the provisions of the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).
- e. The present members of the authority shall hold their office for the duration of their respective terms.

29. (New section) The functions, powers and duties of the New Jersey Commission on Higher Education, including the approval of projects under the "Jobs, Education and Competitiveness Bond Act of 1988," P.L.1988, c.78, shall, following the effective date of this act, be exercised by the Board of Higher Education.

Any final action taken by the New Jersey Commission on Higher Education prior to the effective date of this act, including the approval of any project under this bond act shall be unaffected by the provisions of P.L., c. (C. )(now pending before the Legislature as this bill) and the final action is hereby ratified and confirmed.

30. (New section) The functions, powers and duties of the New Jersey Commission on Higher Education, including the approval of the equipment purchase and allocation of funds, under the "Higher Education Equipment Leasing Fund Act," P.L.1993, c.136 (C.18A:72A-40 et seq.) shall, following the effective date of this act be exercised by the Board of Higher Education.

Any final action taken by the New Jersey Commission on Higher Education prior to the effective date of this act, including the approval of an equipment purchase or allocation of funds, under this bond act shall be unaffected by the provisions of P.L. , c. (C. ) (now pending before the Legislature as this bill) and the final action is hereby ratified and confirmed.

31. (New section) The functions, powers and duties of the New Jersey Commission on Higher Education, including the approval of the equipment purchase and allocation of funds, under the "Higher Education Facilities Trust Fund Act," P.L.1993, c.375 (C.18A:72A-

1 49 et seq.) shall, following the effective date of this act, be exercised by the Board of Higher Education.

Any final action taken by the New Jersey Commission on Higher Education prior to the effective date of this act, including the approval of grants or allocation of funds, under this bond act shall be unaffected by the provisions of P.L. , c. (C. )(now pending before the Legislature as this bill) and is hereby ratified and confirmed.

32. (New section) The functions, powers and duties of the New Jersey Commission on Higher Education under the "Jobs, Science and Technology Bond Act of 1984," P.L.1984, c.99 shall, following the effective date of this act, be exercised by the Board of Higher Education. Any final action taken by the New Jersey Commission on Higher Education prior to the effective date of this act under this bond act shall be unaffected by the provisions of P.L. , c. (C. ) (now pending before the Legislature as this bill) and is hereby ratified and confirmed.

Regulations of the New Jersey Commission on Higher Education concerning this bond act shall be continued under authority of the Board of Higher Education until amended or repealed by the board.

33. (New section) The functions, powers and duties of the New Jersey Commission on Higher Education under the "Higher Education Technology Infrastructure Fund Act," P.L.1997, c.238 (C.18A:72A-59 est seq.) shall, following the effective date of this act, be exercised by the Board of Higher Education.

Any final action taken by the New Jersey Commission on Higher Education prior to the effective date of this act, including the approval of grants or allocation of funds, under this bond act shall be unaffected by the provisions of P.L. , c. (C. )(now pending before the Legislature as this bill) and is hereby ratified and confirmed.

34. (New section) The functions, powers and duties of the New Jersey Commission on Higher Education under the "Higher Education Capital Improvement Fund," P.L.1999, c.217 (C.18A:72A-72 et seq.) shall, following the effective date of this act, be exercised by the Board of Higher Education.

Any final action taken by the New Jersey Commission on Higher Education prior to the effective date of this act, including the approval of grants or allocation of funds, under this bond act shall be unaffected by the provisions of P.L., c. (C. )(now pending before the Legislature as this bill) and is hereby ratified and confirmed.

35. (New section) For the purposes of complying with the provisions of Article V, Section IV, Paragraph 1 of the New Jersey

S549 B. SMITH, MARTIN 12 Constitution, any State institution of higher education which was 1 2 allocated to the Department of State or other department of State 3 government shall be allocated to the Department of Higher Education upon the effective date of this act. 4 5 6 36. (New section) This act is a revision law and the provisions 7 hereof not inconsistent with prior laws shall be construed as a continuation of the prior laws and its enactment shall not: 8 9 a. affect the tenure, compensation and pension rights, if any, of 10 the lawful holder thereof, in any position not specifically abolished 11 herein, upon the effective date of this act; 12 b. alter the term of any member of any board, commission or 13 public body, not specifically abolished herein, lawfully in office as of the effective date of this act, or require the reappointment 14 15 thereof: c. require the resubmission to the voters of any proposal adopted 16 by the voters prior to the effective date of this act. 17 18 19 37. N.J.S. 18A:1-1 is amended to read as follows: 20 As used in this title, unless the context requires 21 another meaning, the following words and phrases shall have the 22 following meaning: 23 "Academic year" means the period between the time school 24 opens in any school district or under any board of education after 25 the general summer vacation until the next succeeding summer 26 vacation;

"All purpose regional district" shall have the meaning assigned 27

to it in subsection a. of section 18A:13-2: "Board" means the board of education;

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30 "Chancellor" means the Chancellor of the Department of Higher 31 Education;

"Commissioner" means the Commissioner of Education;

33 "County superintendent" means the County Superintendent of 34 Schools:

"Department" means the State Department of Education; 35

"District" means a school district;

"Employee" includes the holder of any position or employment;

"Employment" includes employment in a position; 38

"Full membership" of any board or body means the number of members of the board or body when all the members' seats are filled and a "majority of the full membership" of any board or body means a majority of such number;

"Higher education" means that education which is provided by any or all of the public institutions of higher education as herein defined and any or all equivalent private institutions;

"Limited purpose regional district" shall have the meaning assigned to it in subsection b. of section 18A:13-2;

"Local school district" means any school district comprising

within its territorial boundaries the territory comprised in one or more municipalities, except a regional school district;

"Private school" means a school, under college grade, which does not derive its support entirely or in part from public funds;

"Public institution of higher education" shall have the meaning assigned to it in section 18A:62-1;

"Public school" means a school, under college grade, which derives its support entirely or in part from public funds;

"Public school system" means the system of public schools of the State;

"Residence" means domicile, unless a temporary residence is indicated;

"School nurse" shall mean and include any school nurse, school nurse supervisor, head school nurse, chief school nurse, school nurse coordinator or any other nurse performing school nursing services in the public schools;

"State board" means the State Board of Education;

"Teaching staff member" means a member of the professional staff of any district or regional board of education, or any board of education of a county vocational school, holding office, position or employment of such character that the qualifications, for such office, position or employment, require him to hold a valid and effective standard, provisional or emergency certificate, appropriate to his office, position or employment, issued by the State Board of Examiners and includes a school nurse and a school athletic trainer. (cf: P.L.1999, c.87, s.1)

- 38. Section 1 of P.L.1969, c.178 (C.18A:3-14.1) is amended to read as follows:
- 1. The [Office of Student Assistance] <u>Board of Higher Education</u> shall prepare on an annual basis a concise report which lists all sources of financial assistance, including but not limited to scholarships and loans, available to citizens of this State who now attend or who plan to attend any institution of higher education. The report shall supply the name and address of each source, identify the form of the financial assistance, and indicate that the source of funds is public or private.

 (cf: P.L.1994, c.48, s.35)

- 39. Section 3 of P.L.1986, c.87 (C.18A:3-15.3) is amended to read as follows:
- 3. A person shall not append to his name any letters in the same form designated by the [Commission on] <u>Board of</u> Higher Education as entitled to the protection accorded to an academic degree unless the person has received from a duly authorized institution of higher education the degree or certificate for which the letters are registered. For the purposes of this section, a duly

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- authorized institution of higher education means an in-State 1 2 institution licensed by the [Commission on] Board of Higher
- Education or an out-of-State institution licensed by the appropriate 3
- 4 state agency and regionally accredited or seeking accreditation by
- the appropriate accrediting body recognized by the Council on 5
- Postsecondary Education or the United States Department of 6
- 7 Education.
- 8 (cf: P.L.1994, c.48, s.36)

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- 10 40. Section 4 of P.L.1986, c.87 (C.18A:3-15.4) is amended to 11
- read as follows: 12 4. An in-State university, college, business, trade or vocational
- school may not offer, advertise, or by agreement with an out-of-13 14 State institution, offer or advertise any academic degree from any
- 15 out-of-State university, college, business, trade or vocational school
- when three-quarters or more of the degree requirements are 16
- obtained by course work completed at the institution in New Jersey 17
- unless the degree program [was] has been approved by the Board of 18
- 19 Higher Education [prior to July, 1994, or has been reviewed by the
- New Jersey Presidents' Council pursuant to section 8 of P.L.1994, 20
- 21 c.48 (C.18A:3B-8)] or is a degree program at an institution
- specifically exempted from the provisions of N.J.S.18A:68-6. No 22
- 23 in-State university, college, business, trade or vocational school
- 24 may deliver such a degree program unless [licensed] approved by
- 25 the [Commission on] Board of Higher Education[, following review
- 26 by the council].
- 27 (cf: P.L.1999, c.46, s.26)

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- 29 41. Section 2 of P.L.1987, c.53 (C.18A:3-19.2) is amended to 30 read as follows:
- 2. Every institution of higher education licensed or approved by 31
- 32 the [Commission on] Board of Higher Education to award an
- 33 academic degree shall disclose the amount, terms, restrictions and
- 34 requirements attached to or made a part of any gift of value in
- 35 excess of \$100,000.00 made to the institution by a foreign
- 36 government, foreign legal entity or foreign person in any one fiscal
- 37 year. If the foreign government, foreign legal entity or foreign 38
- person makes more than one gift to an institution, and the total
- 39 value of those gifts in any one fiscal year exceeds \$100,000.00, the
- 40 institution shall report all of the gifts received.
- 41 (cf: P.L.1994, c.48, s.38)

- 43 42. Section 3 of P.L.1987, c.53 (C.18A:3-19.3) is amended to 44 read as follows:
- 45 3. This information shall be forwarded to the Department of [the

- 1 Treasury] <u>Higher Education</u> no later than 30 days after the last day 2 of the fiscal year. The information shall include:
  - a. The amount of the gift.
    - b. The date on which it was received.
- 5 c. Full details of any conditions, matching provisions, or designation of the gift for a specific purpose.
- d. The name of the foreign government in the case of a gift by a foreign government; the name of the foreign entity in the case of a gift by a foreign entity; and the name of the foreign country in which a foreign person is located or resides in the case of a gift by a foreign person.
- e. The purpose or purposes for which the gift will be used.
- 13 (cf: P.L.1994, c.48, s.39)

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- 15 43. Section 2 of P.L. 1991, c.388 (C. 18A:3-25) is amended to read as follows:
- 2. The [Attorney General] <u>Chancellor of Higher Education</u> shall develop a "Pledge's Bill of Rights" which outlines acceptable and unacceptable behavior and activities in regard to the pledge or rushing activities of college and university fraternities and sororities and other similar campus organizations. In developing the bill of
- 22 rights, the [Attorney General] chancellor shall review the existing
- 23 pledge and anti-hazing policies and procedures of public and
- 24 independent institutions of higher education within the State and
- 25 shall, as appropriate, incorporate those policies into the bill of
- 26 rights. The [Attorney General] chancellor shall make the "Pledge's
- 27 Bill of Rights" available to each institution of higher education
- within the State.
- 29 (cf: P.L.1994, c.48, s.40)

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- 31 44. Section 3 of P.L.1991, c.388 (C.18A:3-26) is amended to 32 read as follows:
- 33 3. The bill of rights developed by the [Attorney General]
- 34 <u>chancellor</u> pursuant to section 2 of P.L.1991, c.388 (C.18A:3-25)
   35 shall include information on the criminal penalties for hazing and
- 36 aggravated hazing established pursuant to P.L.1980, c.169
- 37 (C.2C:40-3 et seq.).
- 38 (cf: P.L.1994, c.48, s.41)

- 40 45. Section 3 of P.L.1984, c.149 (C.18A:3A-3) is amended to 41 read as follows:
- 42 3. a. There is established in, but not of, the Department of
- 43 [State] <u>Higher Education</u> the New Jersey Institute on Conflict
- 44 Resolution and Peace Studies, hereinafter referred to as the
- 45 Institute.
- b. The Institute shall be under the direct management and

- supervision of the [Secretary of State] Chancellor of Higher 1
- 2 Education, who shall, by rules and regulations promulgated
- pursuant to the "Administrative Procedure Act," P.L.1968, c.410 3
- 4 (C.52:14B-1 et seq.), provide for its organization and methods of
- proceeding, so as to fulfill the purposes prescribed in section 4 of 5
- 6 this act.
- 7 c. The [secretary] chancellor may at any time, and from time to
- 8 time, enter into agreements with any public or private institution of
- 9 higher learning in this State, under which such institution shall
- 10 undertake to carry out any of the functions or projects of the
- 11 Institute, pursuant to section 4 of P.L.1984, c.149 (C.18A:3A-4);
- and in consideration of such undertaking the [secretary] chancellor 12
- 13 may authorize the payment to such institution of funds appropriated
- 14 or otherwise made available to the Institute under this act or any
- 15 other law, or from any other lawful source, and which are
- determined by him to be necessary or appropriate for the funding of 16
- 17 the function or project so undertaken.
- 18 (cf: P.L.1994, c.48, s.42)

- 20 46. Section 6 of P.L.1984, c.149 (C.18A:3A-6) is amended to 21 read as follows:
- 22 6. To assist him in the organization of the Institute, and in
- 23 fulfilling his other duties and responsibilities under P.L.1984, c.149
- 24 (C.18A:3A-1 et seq.), the [secretary] chancellor shall appoint an
- 25 advisory board, which shall be broadly representative of those
- 26 organizations and individuals having active interest in, and
- academic or practical knowledge and experience in, the methods 27
- 28 and techniques of conflict resolution and the peaceful settlement of
- 29 disputes; including, without limitation, representatives of religious,
- 30 cultural and academic organizations, and persons actively engaged
- 31 in the promotion of international and intercultural understanding,
- 32 the study or conduct of foreign relations, and the advancement of
- 33 world peace.
- 34 (cf: P.L.1994, c.48, s.43)

- 36 47. N.J.S.18A:4-3 is amended to read as follows:
- 37 18A:4-3 The State Board of Education shall consist of [13] the
- 38 Chancellor of Higher Education who shall be a member ex officio
- 39 without vote and the chairman of the Board of Higher Education or
- 40 a designee, who shall be a citizen member of the Board of Higher
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- Education, and 12 members who shall be citizens of the State who
- have resided therein for not less than five years immediately 42
- 43 preceding their appointment, not less than three of whom shall be
- 44 women and not more than one of whom shall be appointed from the
- 45 residents of any one county.
- (cf: P.L.1994, c.48, s.44) 46

48. Section 2 of P.L.1991, c.193 (C.18A:4A-2) is amended to read as follows:

2. a. The New Jersey Commission on Holocaust Education is created and established in the Executive Branch of the State Government. For the purposes of complying with the provisions of Article V, Section IV, paragraph 1 of the New Jersey Constitution, the commission is allocated within the Department of Education, but notwithstanding this allocation, the commission shall be independent of any supervision or control by the department or any board or officer thereof.

The commission shall consist of 21 members, including the Commissioner of Education and the [chair of the executive board of the Presidents' Council] <u>Chancellor of Higher Education</u>, serving ex officio, and 19 public members.

Public members shall be appointed as follows: three public members shall be appointed by the President of the Senate; three public members shall be appointed by the Speaker of the General Assembly; and 13 public members shall be appointed by the Governor, no less than six of whom shall at the time of their appointment be members of the New Jersey Advisory Council on Holocaust Education, created pursuant to Executive Order No. 17 of 1982 and continued pursuant to Executive Order No. 87 of 1984, Executive Order No. 168 of 1987 and Executive Order No. 225 of 1990, and further continued pursuant to Executive Order No. 14 of 1990. The public members shall be residents of this State, chosen with due regard to broad geographic representation and ethnic diversity, who have served prominently as spokespersons for, or as leaders of organizations which serve members of religious, ethnic, national heritage or social groups which were subjected to genocide, torture, wrongful deprivation of liberty or property, officially imposed or sanctioned violence, and other forms of human rights violations and persecution at the hands of the Nazis and their collaborators during the Nazi era, or they shall be residents who are experienced in the field of Holocaust education.

b. Each public member of the commission shall serve for a term of three years, except that of the initial members so appointed: one member appointed by the President of the Senate, one member appointed by the Speaker of the General Assembly, and four members appointed by the Governor shall serve for terms of one year; one member appointed by the President of the Senate, one member appointed by the Governor shall serve for terms of two years; and one member appointed by the President of the Senate, one member appointed by the President of the Senate, one member appointed by the Speaker of the General Assembly, and five members appointed by the Governor shall serve for terms of three years. Public members shall be eligible for

- reappointment. They shall serve until their successors are appointed and qualified, and the term of the successor of any incumbent shall be calculated from the expiration of the term of that incumbent. A vacancy occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only.
  - c. The members of the commission shall serve without compensation, but they shall be entitled to reimbursement for all necessary expenses incurred in the performance of their duties.
  - d. The commission shall annually elect a chairman from among its members. It shall meet upon the call of the chairman or of a majority of the commission members. The presence of a majority of the authorized membership of the commission shall be required for the conduct of official business.
  - e. The commission shall appoint an executive director, who shall serve at its pleasure and shall be a person qualified by training and experience to perform the duties of the office.

(cf: P.L.1994, c.48, s.45)

(cf: P.L.1994, c.48, s.47)

49. N.J.S.18A:6-4 is amended to read as follows:

18A:6-4. The board, body or person in charge of each educational institution, except an institution of higher education, receiving support or aid from the State and of each private school shall report, annually on or before August 1, to the commissioner, in the manner and form required by him, and the board, body or person in charge of each educational institution of higher learning receiving support or aid from the State shall report in like manner to the [Commission on Higher Education] chancellor, such statistics relating to the conduct of such institution or school as he may require but no private school shall be required to report concerning its expenses or finances nor shall any such report made by it be published or made public.

50. N.J.S.18A:6-18 is amended to read as follows:

18A:6-18. No professor, associate professor, assistant professor, instructor, supervisor, registrar, teacher or other persons employed in a teaching capacity, in any State college, county college or industrial school who is under tenure during good behavior and efficiency shall be dismissed or subject to reduction of salary, except for inefficiency, incapacity, conduct unbecoming a teacher or other just cause. Written charge of the cause or causes preferred against an individual shall be signed by the person or persons making the same and filed with the board of trustees of said college or school. Upon determination that the matter is a contested case, the board shall assign the matter for hearing and initial decision either to a subcommittee of three of its members or to the Office of

- 1 Administrative Law. A final decision shall be rendered by the full
- 2 board of trustees. The person charged may be represented by
- 3 counsel at all times and have compulsory process to compel the
- 4 attendance of witnesses to testify therein, as provided by law.
- 5 Appeals from a decision of the board of trustees shall be made on
- 6 <u>the record to the Chancellor of Higher Education.</u> Contested case
- 7 hearings shall be conducted under rules and regulations established
- 8 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
- 9 (C.52:14B-1 et seq.) and P.L.1978, c.67 (C.52:14F-1 et seq.).
- 10 (cf: P.L.1994, c.48, s.48)

- 51. N.J.S.18A:6-19 is amended to read as follows
- 13 18A:6-19. Any member of any board of education[, governing
- board] or of any other board or any person, lawfully authorized to
- 15 hold a hearing, may administer oaths to witnesses in such hearing,
- in any dispute or controversy under the school laws or the rules of
- the commissioner or of the State board or of the Board of Higher
- 18 Education or of the chancellor, of which they or he have
- 19 jurisdiction. Any person who has been so sworn and who shall
- 20 testify falsely at such hearing shall be guilty of a misdemeanor.
- 21 (cf: P.L.1994, c.48, s.49)

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- 52. N.J.S.18A:6-20 is amended to read as follows:
- 24 18A:6-20. Any party to any dispute or controversy or charged
- 25 therein, may be represented by counsel at any hearing held in or
- 26 concerning the same and shall have the right to testify, and produce
- 27 witnesses to testify on his behalf and to cross-examine witnesses
- produced against him, and to have compulsory process by subpoena
- 29 to compel the attendance of witnesses to testify and to produce
- 30 books and documents in such hearing when issued by (a) the
- 31 president of the board of education, if the hearing is to be held
- 32 before such board, or (b) the commissioner, if the hearing is to be
- 33 held before him or on his behalf, or (c) the president and secretary
- of the State board, if the hearing is to be held before such board or
- 35 before one of its committees, or (d) the chairman of the board of
- 36 trustees of the State or county college or industrial school, if the
- hearing is to be held before such board, or (e) the chairman and
- 38 <u>secretary of the Board of Higher Education, if the hearing is to be</u>
- 39 <u>held before the board or before one of its committees or before the</u>
- 40 <u>chancellor</u>.
- The subpoena shall be served in the same manner as subpoenas issued out of the Superior Court are served.
- 43 (cf: P.L.1994, c.48, s.50)

- 45 53. N.J.S.18A:6-26 is amended to read as follows:
- 46 18A:6-26. The State board and the commissioner with the approval of the State board and the Board of Higher Education and

20 the chancellor with the approval of the Board of Higher Education 1 2 and any other board or body having jurisdiction over the 3 prosecution and hearing of controversies and disputes under the 4 school laws or any rules made thereunder shall have power to make 5 rules governing the prosecution and hearing of controversies and 6 disputes, under the school laws and the rules governing the 7 particular prosecution or dispute when exercising original or 8 appellate jurisdiction therein. 9 (cf: P.L.1994, c.48, s.51) 10 11 54. N.J.S.18A:6-27 is amended to read as follows: 12 18A:6-27. Any party aggrieved by any determination of the 13 commissioner may appeal from his determination to the State board. 14 Any party aggrieved by any determination of a board of trustees 15 of any State college, county college or industrial school may appeal 16 from that determination to the chancellor. Any party aggrieved by any determination of the chancellor may 17 18 appeal from that determination to the Board of Higher Education. 19 (cf: P.L.1994, c.48, s.52) 20 21 55. N.J.S.18A:6-28 is amended to read as follows: 22 18A:6-28. An appeal to the State board or the Board of Higher 23 Education shall be taken in the manner prescribed by rules of the 24 <u>respective</u> board, within 30 days after the decision appealed from is 25 filed, and the board shall have power to hear and determine any 26 such appeal. 27 (cf: P.L.1994, c.48, s.53) 28 29 56. N.J.S.18A:6-29 is amended to read as follows: 30 18A:6-29. The State board or the Board of Higher Education 31 may refer the hearing of any appeal, taken to it in the manner pursuant to law, to a committee of not less than three of its 32 33 members, which committee shall hear the same and report thereon, 34 recommending its conclusions, to the board and the board shall 35 thereupon decide the appeal by resolution in open meeting.

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(cf: P.L.1994, c.48, s.54)

- 57. Section 1 of P.L.1995, c.409 (C.18A:6-91.1) is amended to read as follows:
- 1. a. There is hereby created in but not of the Department of
  Environmental Protection the New Jersey Commission on
  Environmental Education. The commission shall consist of 23
  public members, the commissioners, or their designees, of the
  Department of Education, the Department of Environmental
  Protection, and the Department of Health, the Attorney General or a
  designee with responsibility in the area of environmental law, the
- 47 [Executive Director of the Commission on] <u>Chancellor of Higher</u>

1 Education or a designee, and a designee of the Governor. The 2 public members shall consist of two college professors in the fields 3 of environmental education or environmental science; one private 4 school teacher and two public school teachers, one of whom is 5 selected by the New Jersey Education Association, including one 6 teacher from kindergarten to third grade, one from fourth to sixth 7 grade, and one from seventh to twelfth grade; one school 8 administrator; one representative of the New Jersey Principals and 9 Supervisors Association; one local school board representative 10 selected by the New Jersey School Boards Association; one member 11 of an interfaith religious organization; one representative from 12 labor; one representative from industry; two representatives from 13 environmental or public interest organizations; two representatives 14 from cultural institutions such as museums and nature centers; two 15 representatives from the field of environmental health; two nonacademic science professionals; two representatives from the 16 17 agricultural community; one student representative from a student 18 environmental organization, such as Kids Against Pollution; and 19 representative from the South Jersey Environmental 20 Information Center.

- b. The public members shall be appointed by the Governor for terms of three years, except that the student representative shall be appointed for a term of one year, and in the first year the other public members shall be appointed to staggered terms as follows:
  - (1) Seven shall be appointed to terms of one year;
  - (2) Seven shall be appointed to terms of two years; and
  - (3) Seven shall be appointed to terms of three years.
  - c. The commission shall meet, at a minimum, four times a year.
- d. The commission shall elect a chairperson and a vice-chairperson from among its membership. The term of office for each position shall be two years.
- e. The commission may hire staff as necessary within the limits of funding as provided by section 5 of P.L.1995, c.409 (C.18A:6-91.5).
- 35 (cf: P.L.1995, c.409, s.1).

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- 58. Section 12 of P.L.1979, c.207 (C.18A:7B-8) is amended to read as follows:
- 12. There is hereby created and established in the Department of Corrections an Office of Education to be headed by a Director of Educational Services who shall supervise the educational programs in all State facilities operated by that department and shall approve all personnel to be hired for such programs.

The director shall hold the appropriate certificate issued by the State Board of Examiners and shall be qualified by training and experience for his position and shall be appointed by the Commissioner of Corrections. He shall serve at the pleasure of the commissioner and shall receive such salary as shall be fixed by the 1 commissioner.

The director shall establish primary, secondary, and vocational programs which meet the educational needs of school age persons for whom the department is responsible. Appropriate credit and certification shall be given for the successful completion of such programs.

Within any available appropriation, the program of education shall include adult, post-secondary and college programs offered by institutions licensed by the Department of Education or the

10 [Commission on] <u>Department of</u> Higher Education.

11 (cf: P.L.1994, c.48, s.56)

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59. Section 13 of P.L.1979, c.207 (C.18A:7B-9) is amended to read as follows:

13. There is hereby created and established in the Department of Human Services an Office of Education to be headed by a Director of Educational Services who shall supervise the educational programs in all the State facilities operated by or under contract with that department and shall approve all personnel hired by the State for such programs.

The director shall hold the appropriate certificate issued by the State Board of Examiners and shall be qualified by training and experience for his position and shall be appointed by the Commissioner of Human Services. He shall serve at the pleasure of the commissioner and shall receive such salary as shall be fixed by the commissioner.

The director shall establish primary, secondary, and vocational programs which meet the educational needs of school age persons for whom the department is responsible. Appropriate credit and certification shall be given for the successful completion of such programs.

Within any available appropriation, the program of education shall include adult, post-secondary and college programs offered by institutions licensed by the Department of Education or the

35 [Commission on] <u>Department of</u> Higher Education.

36 (cf: P.L.1994, c.48, s.57)

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60. N.J.S.18A:18A-2 is amended to read as follows:

18A:18A-2. As used in this chapter, unless the context otherwise indicates:

a. "Board of education" means and includes the board of education of any local school district, consolidated school district, regional school district, county vocational school and any other board of education or other similar body other than the State Board

of Education[, the Commission on Higher Education or the

46 Presidents' Council] or the Board of Higher Education, established

- and operating under the provisions of Title 18A of the New Jersey
- 2 Statutes and having authority to make purchases and to enter into
- 3 contracts for the provision or performance of goods or services.
- 4 The term "board of education" also shall include the board of
- 5 trustees of a charter school established under P.L.1995, c.426
- 6 (C.18A:36A-1 et seq.).

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- b. "Purchasing agent" means the secretary, business
- 8 administrator or the business manager of the board of education
- 9 duly assigned the authority, responsibility and accountability for the
- 10 purchasing activity of the board of education and having the power
- 11 to prepare advertisements, to advertise for and receive bids and to
- 12 award contracts as permitted by this chapter, but if there be no
- secretary, business administrator or business manager, such officer,
- 14 committees or employees to whom such power has been delegated
- 15 by the board of education.
- 16 c. (Deleted by amendment, P.L.1999, c.440.)
- d. "District" means and includes any local school district,
- 18 consolidated school district, regional school district, county
- 19 vocational school and any other board of education or other similar
- 20 body other than the State board, established under the provisions of
- 21 Title 18A of the New Jersey Statutes.
  - e. (Deleted by amendment, P.L.1999, c.440.)
    - f. (Deleted by amendment, P.L.1999, c.440.)
- g. "Extraordinary unspecifiable services" means services which are specialized and qualitative in nature requiring expertise, extensive training and proven reputation in the field of endeavor.
- h. "Professional services" means services rendered or performed
- 28 by a person authorized by law to practice a recognized profession
- 29 and whose practice is regulated by law and the performance of
- 30 which services requires knowledge of an advanced type in a field of
- 31 learning acquired by a prolonged formal course of specialized
- 32 instruction and study as distinguished from general academic
- 33 instruction or apprenticeship and training. Professional services
- 34 may also mean services rendered in the provision or performance of
- 35 goods or services that are original and creative in character in a
- 36 recognized field of artistic endeavor.
- i. (Deleted by amendment, P.L.1999, c.440.)
- j. "Purchases" means transactions, for a valuable consideration,
- 39 creating or acquiring an interest in goods, services and property,
- 40 except real property or any interest therein.
- 41 k. "Work" means any task, program, undertaking, or activity,
- 42 related to any development, redevelopment, construction or
- 43 reconstruction performed or provided pursuant to a contract with a
- 44 board of education.
- 1. "Aggregate" means the sums expended or to be expended for
- 46 the provision or performance of any goods or services in connection
- 47 with the same immediate purpose or task, or the furnishing of
- 48 similar goods or services, during the same contract year through a

- 1 contract awarded by a purchasing agent.
- 2 "Bid threshold" means the dollar amount set
- 3 N.J.S.18A:18A-3, above which a board of education shall advertise
- 4 for and receive sealed bids in accordance with procedures set forth
- 5 in N.J.S.18A:18A-1 et seq.
- 6 n. "Contract" means any agreement, including but not limited to
- 7 a purchase order or a formal agreement, which is a legally binding 8 relationship enforceable by law, between a vendor who agrees to
- 9 provide or perform goods or services and a board of education
- 10 which agrees to compensate a vendor, as defined by and subject to
- 11 the terms and conditions of the agreement. A contract also may
- 12 include an arrangement whereby a vendor compensates a board of
- 13 education for the vendor's right to perform a service, such as, but 14 not limited to, operating a concession.
- 15 o. "Contract year" means the period of 12 consecutive months 16
  - following the award of a contract.
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- p. "Competitive contracting" means the method described in 18 sections 45 through 49 of P.L.1999, c.440 (C.18A:18A-4.1 through
- 19 C.18A:18A-4.5) of contracting for specialized goods and services in
- 20 which formal proposals are solicited from vendors; formal
- 21 proposals are evaluated by the purchasing agent or counsel or
- 22 school business administrator; and the board of education awards a
- 23 contract to a vendor or vendors from among the formal proposals
- 24 received.
- 25 q. "Goods and services" or "goods or services" means any work,
- 26 labor, commodities, equipment, materials, or supplies of any
- 27 tangible or intangible nature, except real property or any interest
- therein, provided or performed through a contract awarded by a 28
- 29 purchasing agent, including goods and property subject to
- 30 N.J.S.12A:2-101 et seq.
- 31 "Library and educational goods and services" means
- 32 textbooks, copyrighted materials, student produced publications and
- 33 services incidental thereto, including but not limited to books,
- 34 periodicals, newspapers, documents, pamphlets, photographs,
- reproductions, microfilms, pictorial or graphic works, musical 35 36 scores, maps, charts, globes, sound recordings, slides, films,
- 37 filmstrips, video and magnetic tapes, other printed or published
- 38 matter and audiovisual and other materials of a similar nature,
- 39 necessary binding or rebinding of library materials, and specialized
- 40 computer software used as a supplement or in lieu of textbooks or
- 41 reference material.
- 42 s. "Lowest price" means the least possible amount that meets all 43 requirements of the request of a purchasing agent.
- 44 t. "Lowest responsible bidder or vendor" means the bidder or
- vendor: (1) whose response to a request for bids offers the lowest 45
- 46 price and is responsive; and (2) who is responsible.
- 47 u. "Official newspaper" means any newspaper designated by the
- 48 board of education pursuant to R.S.35:1-1 et seq.

v. "Purchase order" means a document issued by the purchasing agent authorizing a purchase transaction with a vendor to provide or perform goods or services to the board of education, which, when fulfilled in accordance with the terms and conditions of a request of a purchasing agent and other provisions and procedures that may be established by the board of education, will result in payment by the board of education.

- w. "Quotation" means the response to a formal or informal request made by a purchasing agent to a vendor for provision or performance of goods or services, when the aggregate cost is less than the bid threshold. Quotations may be in writing, or taken verbally if a record is kept by the purchasing agent.
- x. "Responsible" means able to complete the contract in accordance with its requirements, including but not limited to requirements pertaining to experience, moral integrity, operating capacity, financial capacity, credit, and workforce, equipment, and facilities availability.
- y. "Responsive" means conforming in all material respects to the terms and conditions, specifications, legal requirements, and other provisions of the request.
- z. "Public works" means building, altering, repairing, improving or demolishing any public structure or facility constructed or acquired by a board of education to house school district functions or provide water, waste disposal, power, transportation and other public infrastructures.
- aa. "Concession" means the granting of a license or right to act for or on behalf of the board of education, or to provide a service requiring the approval or endorsement of the board of education, and which may or may not involve a payment or exchange, or provision of services by or to the board of education, provided that the term concession shall not include vending machines.
- bb. "Index rate" means the rate of annual percentage increase, rounded to the nearest half-percent, in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, computed and published quarterly by the United States Department of Commerce, Bureau of Economic Analysis.
- cc. "Proprietary" means goods or services of a specialized nature, that may be made or marketed by a person or persons having the exclusive right to make or sell them, when the need for such goods or services has been certified in writing by the board of education to be necessary for the conduct of its affairs.
- dd. "Service or services" means the performance of work, or the furnishing of labor, time, or effort, or any combination thereof, not involving or connected to the delivery or ownership of a specified end product or goods or a manufacturing process. Service or services may also include an arrangement in which a vendor compensates the board of education for the vendor's right to operate a concession.

(cf: P.L.1999, c.440, s.50)

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- 61. Section 1 of P.L.1973, c.267 (C.18A:28-16) is amended to read as follows:
- 5 1. Whenever an Educational Services Commission, a Jointure 6 Commission, the Commissioner of Education, the State Board of 7 Education, the chancellor, the Board of Higher Education or the 8 board of trustees of any State college, or any officer, board or 9 commission under his, its or their authority shall undertake the 10 operation of any school previously operated by a school district in 11 this State, all accumulated sick leave, tenure and pension rights of 12 all teaching staff members in said school shall be recognized and 13 preserved by the agency assuming operational control of the school, 14 and any periods of prior employment in such school district shall 15 count toward the acquisition of tenure to the same extent as if all of 16 such employment had been under the Educational Services 17 Commission, Jointure Commission, the Commissioner of 18 Education, the State Board of Education, the chancellor, the Board 19 of Higher Education or the board of trustees of any State college, as 20 the case may be.
- 21 (cf: P.L.1994, c.48, s.60)

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- 23 62. Section 2 of P.L.1973, c.267 (C.18A:28-17) is amended to read as follows:
- 25 2. Whenever the local board of education of any school district 26 in this State shall undertake the operation of any school previously 27 operated by an Educational Services Commission, a Jointure Commission, the Commissioner of Education, the State Board of 28 29 Education, the chancellor, the Board of Higher Education or the 30 board of trustees of any State college, or any officer, board or 31 commission under his, its or their authority, all accumulated sick 32 leave, tenure and pension rights of all teaching staff members in 33 said school, shall be recognized and preserved by the board 34 assuming operational control of the school, and any periods of prior 35 employment, by said Educational Services Commission, Jointure 36 Commission, Commissioner of Education, State Board of Education 37 or board of trustees of any State college, or any officer, board or 38 commission under his, its or their authority, shall count toward the 39 acquisition of tenure to the same extent as if all of such employment 40 had been in such school district.

41 (cf: P.L.1994, c.48, s.61)

- 43 63. Section 3 of P.L.1973, c.267 (C.18A:28-18) is amended to 44 read as follows:
- 3. For the academic year following any transfer of operational control under section 1 or section 2 of P.L.1973, c.267 (C.18A:28-16 and 18A:28-17), both the local school board and the Educational Services Commission, Jointure Commission, Commissioner of

- 1 Education, State Board of Education, chancellor, Board of Higher
- 2 <u>Education</u> or the board of trustees of a State college, as the case
- 3 may be, shall comply with the notice requirements of P.L.1971,
- 4 c.436 (C.18A:27-10 et seq.), to the same extent as if each had been
- 5 the employer of all teaching staff members of the school in question

during the academic year preceding the transfer of operational 1 2 control. 3 (cf: P.L.1994, c.48, s.62) 4 5 64. Section 9 of P.L.1974, c.197 (C.18A:35-23) is amended to read as follows: 6 7 9. The Commissioner of Education and the Chancellor of Higher 8 Education shall, with the approval of [the State Board of Education] 9 their respective boards promulgate rules and regulations, establish 10 procedures, employ personnel, and take all other necessary steps to 11 insure the implementation of the provisions of this act. 12 (cf: P.L.1994, c.48, s.63) 13 14 65. Section 10 of P.L.1974, c.197 (C.18A:35-24) is amended to 15 read as follows: The State Board of Education and the Board of Higher 16 Education shall jointly establish a State Advisory Committee on 17 Bilingual Education to assist the Department of Education and the 18 Department of Higher Education in the formulation of policies and 19 20 procedures relating to this act. The State Advisory Committee on 21 Bilingual Education shall include representatives of the language 22 communities served, institutions of higher education, local school 23 boards, school administrators, teachers and laymen knowledgeable 24 in the field of bilingual education. 25 (cf: P.L.1994, c.48, s.64) 26 27 66. Section 11 of P.L.1974, c.197 (C.18A:35-25) is amended to 28 read as follows: 29 11. The [Commission on] Board of Higher Education with the advice of the State Advisory Committee on Bilingual Education 30 31 shall [recommend to the treasurer that] <u>provide</u> financial support [be 32 provided] to institutions of higher education for career development 33 programs and the training of professionals serving bilingual 34 populations with emphasis on effective utilization of existing 35 facilities. 36 (cf: P.L.1994, c.48, s.65) 37 38 67. Section 12 of P.L.1974, c.197 (C.18A:35-26) is amended to 39 read as follows: 40 The State [Board of] board and the Board of Higher Education shall develop resources, programs, curriculum and 41 instructional materials and undertake such other activities as will 42 43 enable boards of education to provide programs pursuant to this act; 44 the boards shall, where appropriate, jointly or cooperatively

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undertake such activities. (cf: P.L.1994, c.48, s.66)

1 68. N.J.S.18A:38-24 is amended to read as follows:

2 18A:38-24. Any pupil may with the consent of the board of 3 education of the district in which he resides and of the 4 commissioner be admitted to any demonstration school maintained 5 in connection with any State college. The board of education of the 6 district and the board of trustees of the State college, with the 7 approval of the Board of Higher Education, shall determine the 8 amount to be paid for the education of the pupil, and the board of 9 education of the district shall pay the amount so determined to the 10 treasurer of the college out of any money available for the current expenses of the district. Pupils attending such demonstration 11 12 schools for whom tuition is paid by the sending district shall be 13 counted in the determination of State aid for the school district in 14 the same manner as pupils attending schools in any school district 15 other than the sending district.

16 (cf: P.L.1994, c.48, s.67)

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- 69. Section 3 of P.L.1968, c.182 (C.18A:54A-3) is amended to read as follows:
- 3. The Legislature hereby finds and declares that there is a need for new programs and institutions capable of reaching and motivating the high-school dropout; that the experience gained by the creation of neighborhood education centers in other States indicates that those centers may be a partial answer to the problem of the high-school dropout; that the Commissioners of Education, Higher Education and Community Affairs should be authorized to establish such neighborhood education centers; and that the expenditure of public funds for those purposes is in the public interest.

30 (cf: P.L.1994, c.48, s.68)

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- 32 70. Section 5 of P.L.1968, c.182 (C.18A:54A-5) is amended to read as follows:
- 5. There is hereby created in but not of the Department of Community Affairs the Governor's Council on Neighborhood Education Centers, which shall consist of the Commissioner of
- Community Affairs [and], the Commissioner of Education [who],
- 38 <u>and the Chancellor of Higher Education, all of whom</u> shall be
- 39 members of the council for such times as they shall hold their
- 40 respective offices. The commissioner shall serve as the 41 administrator and chief executive officer of the council, and shall
- administrator and enter executive officer of the council, and share
- 42 have primary responsibility for the activities of the council. The
- 43 Commissioner of Education shall serve as the chairman of the
- 44 council, which shall meet at the call of said chairman.
- 45 (cf: P.L.1994, c.48, s.69)

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71. Section 7 of P.L.1968, c.182 (C.18A:54A-7) is amended to

read as follows: 1

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- 7. In order to carry out the purposes and provisions of this act, the commissioner, in addition to any powers granted to him elsewhere in this act, shall have the following powers:
- To make and enter into all contracts and agreements necessary or incidental to the discharge of his duties and the execution of his powers under this act;
- (b) To appoint or employ, subject to the provisions of Title 11 of the Revised Statutes, such personnel and employees as may be necessary in his judgment;
- (c) To receive and accept aid or contributions from any source, of money, property, labor or other things of value, to be held, used and applied to carry out the purposes of this act subject to any conditions upon which such grants and contributions may be made;
- To call upon and avail himself of, so far as may be practicable and within the limits of appropriations available therefor, the services of employees of the Departments of Community Affairs [and], Education and Higher Education;
- 19 To acquire by purchase, gift or lease, sell, lease and 20 otherwise deal with property, whether real or personal or mixed;
  - (f) To adopt such rules and regulations as may be necessary or convenient to carry out the provisions of this act; and
  - (g) To do all acts and things necessary or convenient to carry out the provisions of this act.

25 (cf: P.L.1994, c.48, s.70)

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72. N.J.S.18A:59-1 is amended to read as follows:

18A:59-1. Whenever moneys are made available for school purposes by any act of congress, except the act of congress referred to in Article 2 of this chapter, or any agency of the federal government, or made available or deposited in any manner in accordance with any law enacted by the congress of the United States, such moneys shall be apportioned by the commissioner under plans approved by the State board, if said moneys are for use in the public school system, or by the [Commission on Higher

- Education] chancellor, under plans approved by the Board of 36
- Higher Education, if said moneys are for use in higher education. 37
- 38 Such moneys shall be distributed as aid to the several districts or in 39
- any other manner designated for any educational purpose defined in
- 40 the federal statutes or in the regulations of federal agencies making
- allotments or in the laws of this State. 41
- 42 (cf: P.L.1994, c.48, s.71)

- 73. N.J.S.18A:59-2 is amended to read as follows:
- 45 18A:59-2. All moneys mentioned in N.J.S.18A:59-1 shall be considered trust funds and shall be distributed by the commissioner 46

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1 or by the [Commission on Higher Education] chancellor, as the

- 1 case may be, in conformity with said plans.
- 2 (cf: P.L.1994, c.48, s.72)

- 4 74. Section 2 of P.L.1973, c.163 (C.18A:60-7) is amended to read as follows:
- 6 2. As used in this act, the following words and phrases shall have the following meaning:
- 8 a. "Academic rank" means instructor, assistant professor, 9 associate professor and professor.
- b. "Faculty member" means any full-time member of the
- teaching staff appointed with academic rank. [Other] <u>Pursuant to</u>
- 12 <u>rules promulgated by the Board of Higher Education, other</u> full-time
- 13 professional persons shall be considered faculty members if they
- 14 concurrently hold academic rank.
- 15 (cf: P.L.1994, c.48, s.73)

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- 17 75. Section 5 of P.L. 1973, c.163 (C.18A:60-10) is amended to read as follows:
- 5. [It] <u>Under guidelines established by the Board of Higher</u>
- 20 Education it shall be the responsibility of the board of trustees and
- 21 the president of each State and county college, in conjunction with
- 22 their faculty to establish a formal procedure for the career
- development of all members of the professional staff including, but
- 24 not limited to, a systematic and regular evaluation for the purpose
- 25 of identifying any deficiencies, extending assistance for their
- 26 correction and improving instruction.
- 27 (cf: P.L.1994, c.48, s.74)

- 29 76. Section 1 of P.L.1986, c.194 (C.18A:61C-1) is amended to 30 read as follows:
- 1. The Commissioner of Education[, the Commission on Higher
- 32 Education, in consultation with the Presidents' Council, and the
- 33 <u>Chancellor of Higher Education jointly</u> shall establish a program to
- 34 promote increased cooperation between the State's high schools and
- institutions of higher education. The objective of this program shall be to increase the access of our State's able high school students to
- be to increase the access of our State's able high school students to the educational resources available in our institutions of higher
- 38 education. This program shall supplement the efforts of local
- 39 school districts to provide appropriate education to their students
- and shall not relieve a district of any obligation established by
- 41 statute or regulation.
- The program shall increase the availability of college-level
- 43 instruction for high school students through courses offered by
- 44 institutions of higher education at their campuses and in high
- schools. The program shall seek the involvement of all institutions
- of higher education, two-year and four-year, public and nonpublic,

- and all school districts, including those which are not located in close proximity to an appropriate institution of higher education.
- 3 (cf: P.L.1994, c.48, s.75)

- 5 77. Section 3 of P.L.1986, c.194 (C.18A:61C-3) is amended to fead as follows:
- 7 3. The Department of Education and the [Commission on]
- 8 Department of Higher Education each shall adopt, pursuant to the
- 9 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
- 10 seq.), rules and regulations necessary to implement the provisions
- 11 of this act.
- 12 (cf: P.L.1994, c.48, s.76)

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- 14 78. Section 1 of P.L.1986, c.193 (C.18A:61C-4) is amended to
- read as follows:
- 1. The chancellor of the Department of Higher Education in
- 17 cooperation with the Commissioner of the Department of
- 18 Education[, in consultation with the Commission on Higher
- 19 Education and the Presidents' Council,] shall establish a program to
- 20 provide courses for college credit on public high school campuses
- 21 to high school pupils, through institutions of higher education in
- this State.
- 23 (cf: P.L.1994, c.48, s.77)

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- 25 79. Section 4 of P.L.1986, c.193 (C.18A:61C-7) is amended to
- read as follows:
- 4. The [commissioner, in consultation with the Commission on
- Higher Education and the Presidents' Council, chancellor may limit
- 29 courses taught under the program to courses which are equivalent to
- 30 those offered by the institution of higher education to its regularly
- 31 admitted students.
- 32 (cf: P.L.1994, c.48, s.78)

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- 34 80. Section 5 of P.L.1986, c.193 (C.18A:61C-8) is amended to read as follows:
- 5. A public institution of higher education shall accept, pursuant
- 37 to standards established by the chancellor, the course credit of a
- 38 student who successfully participates in the program.
- 39 (cf: P.L.1994, c.48, s.79)

- 41 81. Section 6 of P.L.1986, c.193 (C.18A:61C-9) is amended to
- 42 read as follows:
- 6. The chancellor, in consultation with the commissioner, [in
- 44 consultation with the Commission on Higher Education and the
- 45 Presidents' Council,] and with the approval of the State Board of

- Higher Education, shall adopt rules and regulations in accordance
- 2 with the "Administrative Procedure Act," P.L.1968, c.410

1 (C.52:14B-1 et seq.) necessary for the operation of the program. 2 (cf: P.L.1994, c.48, s.80)

- 82. Section 2 of P.L.1994, c.160 (C.18A:61E-2) is amended to read as follows:
- 2. The [Commission on] <u>Department of</u> Higher Education shall appoint an advisory committee of experts which shall develop a "Campus Sexual Assault Victim's Bill of Rights" which affirms support for campus organizations which assist sexual assault victims and provides that the following rights shall be accorded to victims of sexual assaults that occur on the campus of any public or independent institution of higher education in the State and where the victim or alleged perpetrator is a student at the institution or when the victim is a student involved in an off-campus sexual assault.
  - a. The right to have any allegation of sexual assault treated seriously; the right to be treated with dignity; and the right to be notified of existing medical, counseling, mental health or student services for victims of sexual assault, both on campus and in the community whether or not the crime is reported to campus or civil authorities.

"Campus authorities" as used in this act shall mean any individuals or organizations specified in an institution's statement of campus security policy as the individuals or organizations to whom students and employees should report criminal offenses.

- b. The right to have any allegation of sexual assault investigated and adjudicated by the appropriate criminal and civil authorities of the jurisdiction in which the crime occurred, and the right to the full and prompt cooperation and assistance of campus personnel in notifying the proper authorities. The provisions of this subsection shall be in addition to any campus disciplinary proceedings which may take place.
- c. The right to be free from pressure from campus personnel to refrain from reporting crimes, or to report crimes as lesser offenses than the victims perceive the crimes to be, or to report crimes if the victim does not wish to do so.
- d. The right to be free from any suggestion that victims are responsible for the commission of crimes against them; to be free from any suggestion that victims were contributorily negligent or assumed the risk of being assaulted; to be free from any suggestion that victims must report the crimes to be assured of any other right guaranteed under this policy; and to be free from any suggestion that victims should refrain from reporting crimes in order to avoid unwanted personal publicity.
- e. The same right to legal assistance, and the right to have others present, in any campus disciplinary proceeding, that the institution permits to the accused; and the right to be notified of the outcome

1 of any disciplinary proceeding against the accused.

- f. The right to full, prompt, and victim-sensitive cooperation of campus personnel in obtaining, securing, and maintaining evidence, including a medical examination if it is necessary to preserve evidence of the assault.
- g. The right to be informed of, and assisted in exercising, any rights to be confidentially or anonymously tested for sexually transmitted diseases or human immunodeficiency virus; the right to be informed of, and assisted in exercising, any rights that may be provided by law to compel and disclose the results of testing of sexual assault suspects for communicable diseases.
- h. The right to have access to counseling under the same terms and conditions as apply to other students seeking such counseling from appropriate campus counseling services.
- i. The right to require campus personnel to take reasonable and necessary action to prevent further unwanted contact of victims with their alleged assailants, including but not limited to, notifying the victim of options for and available assistance in changing academic and living situations after an alleged sexual assault incident if so requested by the victim and if such changes are reasonably available.

(cf: P.L.1994, c.160, s.2)

- 83. Section 1 of P.L.1979, c.31 (C.18A:62-3) is amended to read as follows:
- 1. Each public institution of higher education in New Jersey may, pursuant to such rules and regulations as shall be promulgated by the Board of Higher Education, permit persons of the age of 65 or more years to enroll without the payment of any tuition charges in regularly scheduled courses; provided that available classroom space permits and that tuition paying students constitute the minimum number required for the course, provided that nothing herein shall preclude public institutions from requiring registration fees, subject to approval by the board, for individuals attending courses pursuant to waivers granted under this act.

36 (cf: P.L.1994, c.48, s.85)

- 38 84. Section 1 of P.L.1979, c.361 (C. 8A:62-4) is amended to read as follows:
  - 1. Persons who have been resident within this State for a period of 12 months prior to enrollment in a public institution of higher education are presumed to be domiciled in this State for tuition purposes. Persons who have been resident within this State for less than 12 months prior to enrollment are presumed to be nondomiciliaries for tuition purposes. Persons presumed to be nondomiciled or persons who are presumed to be domiciled, but whose domiciliary status is challenged by the institution, may demonstrate domicile according to rules and regulations established

- 1 for that purpose by the [Commission on] <u>Board of</u> Higher
- 2 Education. Residence established solely for the purpose of
- 3 attending a particular educational institution is not domicile for the
- 4 purposes of this act.
- 5 (cf: P.L.1994, c.48, s.86)

- 7 85. Section 77 of P.L.1991, c.187 (C.18A:62-15) is amended to 8 read as follows:
- 9 77. a. Every student enrolled as a full-time student at a public 10 or private institution of higher education in this State shall maintain 11 health insurance coverage which provides basic hospital benefits.
- The coverage shall be maintained throughout the period of the
- 13 student's enrollment.
- b. Every student enrolled as a full-time student shall present
- 15 evidence of the health insurance coverage required by subsection a.
- 16 of this section to the institution at least annually, in a manner
- 17 prescribed by the institution.
- c. The [State Department of Health] <u>Board of Higher Education</u>
- shall require all public and private institutions of higher education
- 20 in this State to offer health insurance coverage on a group or
- 21 individual basis for purchase by students who are required to
- 22 maintain the coverage pursuant to this section.
- d. The [Commissioner of Health] <u>Board of Higher Education</u>
- 24 shall adopt rules and regulations pursuant to the "Administrative
- 25 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to carry out
- 26 the purposes of subsections a., b. and c. of this section.
- e. The <u>Higher Education</u> Student Assistance [Board] <u>Authority</u>
- in [but not of] the Department of [the Treasury] <u>Higher Education</u>
- 29 shall adopt rules and regulations to require that a public or private
- 30 institution of higher education in this State consider the coverage
- 31 required pursuant to this section as an educational cost for purposes
- 32 of determining a student's eligibility for financial aid.
- f. Nothing in this section shall be construed to permit a hospital
- 34 in this State to deny access to hospital care to a full-time student
- 35 whose health insurance coverage required by this section lapses for
- 36 any reason.
- g. The provisions of this section shall not apply to a person who
- 38 is a participant in the REACH program established pursuant to
- 39 P.L.1987, c.282 (C.44:10-9 et seq.).
- 40 (cf: P.L.1994, c.48, s.87)

- 42 86. Section 6 of P.L.1992, c.49 (C.18A:62-21) is amended to 43 read as follows:
- 6. The [Commission on] <u>Board of</u> Higher Education shall
- 45 review the guidelines and procedures developed by the institutions,
- 46 in conjunction with the agencies or organizations sponsoring

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literacy tutoring programs, to provide assistance in making the

1 guidelines and procedures the same for all participating institutions. 2 (cf: P.L.1999, c.46, s.34) 3 87. N.J.S.18A:63-1 is amended to read as follows: 4 5 18A:63-1. Summer schools and extension courses for the 6 purpose of training and educating persons, in the science of 7 education and in the art of teaching elementary agriculture, manual 8 training, household economics and such other subjects as may be 9 prescribed, shall be established and maintained in the State colleges 10 and may be provided in such other places as shall be designated by 11 the Board of Higher Education. 12 (cf: P.L.1994, c.48, s.89) 13 14 88. N.J.S.18A:63-2 is amended to read as follows: 15 18A:63-2. The State colleges and State summer schools may charge such tuition and incidental fees in extension courses and 16 17 summer school courses as are approved by the Board of Higher 18 Education. 19 (cf: P.L.1994, c.48, s.90) 20 21 89. N.J.S.18A:64-1 is amended to read as follows: 22. 18A:64-1. The Legislature hereby finds that it is in the best 23 interest of the State that the State colleges shall be and continue to 24 be given a high degree of self-government and that the government 25 and conduct of the colleges shall be free of partisanship. 26 Legislature finds further that a decentralization of authority and decision-making to the boards of trustees and administrators of the 27 State colleges in the areas of personnel, budget execution, 28 29 purchasing and contracting will enhance the idea of self-30 government. Such colleges shall be maintained for the purpose of 31 providing higher education in the liberal arts and sciences and 32 various professional areas, including the science of education and 33 the art of teaching, at such places as may be provided by law. The 34 names of the colleges shall be designated by the board of trustees [subject to regulations of the Commission on Higher Education 35 36 concerning university status] with the approval of the Board of 37 Higher Education. The name of each of the existing State colleges 38 shall continue the same unless a new name is so designated. 39 (cf: P.L.1994, c.48, s.93) 40 90. N.J.S.18A:64-3 is amended to read as follows: 41 42 18A:64-3. [The composition and size of the board of trustees 43 shall be determined by the board; however, each board shall have 44 not less than seven nor more than 15 members. The members shall 45 be citizens of the State appointed by the Governor; except that the

Governor may appoint up to three alumni of the institution who are

not citizens of the State to serve as members of the board.

- Members shall be appointed with the advice and consent of the 2 Senate. Each board of trustees shall recommend potential new 3 members to the Governor.] Each board of trustees shall consist of 4 nine citizens of the State, not more than three of whom shall reside
- 5 in any one county and of whom at least two shall be women, who 6 shall be appointed by the Board of Higher Education, subject to the
- 7 approval of the Governor, except that the board may appoint up to
- 8 three alumni of the institution who are not citizens of the State to
- 9 serve as members of the board. In addition to the citizen members,
- 10 the Chancellor of Higher Education, or a designee, shall serve on
- 11 each board as an ex officio, nonvoting member. The terms of office
- 12 of appointed members shall be for six years beginning on July 1 and
- ending on June 30. Each member shall serve until his successor 13
- 14 shall have been appointed and qualified and vacancies shall be
- 15 filled in the same manner as the original appointments for the
- remainders of the unexpired terms. Any member of a board of 16
- trustees may be removed by the Governor for cause upon notice and 17
- 18 opportunity to be heard.
- 19 (cf: P.L.1999, c.324, s.1)

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- 91. Section 1 of P.L.1986, c.139 (C.18A:64-3.1) is amended to read as follows:
- The board of trustees of any State college established pursuant to chapter 64 of Title 18A of the New Jersey Statutes shall provide for the election of two student representatives as provided herein, who shall be full-time, regularly matriculated students in good academic standing, and who shall be 18 years of age or older and citizens of the United States, to be elected by the students in the manner provided herein to serve on the board of trustees of that college for terms of two years commencing at the next organization of the board.
- a. In order to implement the provisions of this section, each board of trustees shall schedule a public hearing on the question of the student election. After the public hearing, the board, at its regularly scheduled meeting in March following the effective date of this act, shall determine whether the students are to be elected by the student body at large or by the members of the student government association. Except that, for Thomas A. Edison State College, the method of the selection and the designation of eligible academic status of the student representatives shall be determined by the board of that college in consultation with the Board of Higher Education.
- b. For the first election held pursuant to this section, one student shall be elected for a one year term as a full voting member, and one student shall be elected for two years, but shall serve as an alternate member during the first year and as a voting member during the second year.

At each subsequent election, one student shall be elected for two years, but shall serve during the first year as an alternate member, and as a voting member during the second year.

Any vacancies which occur shall be filled by the student governing body for the unexpired term only.

- c. The standards for eligibility for student representatives on the board of trustees shall be the same as those required for other student government officers.
- d. The student members shall be entitled to full participation in all activities of the board except that they shall not participate in:
- (1) Any matter involving the employment, appointment, termination of employment, terms and conditions of employment, evaluation of the performance of, promotion or disciplining of any specific prospective officer or employee or current officer or employee employed or appointed by the board, unless all the individual employees or appointees whose rights could be adversely affected request in writing that the matter or matters be discussed at a public meeting.
- (2) Any matter involving the purchase, lease, acquisition or sale of real property with public funds, the setting of banking rates or investment of public funds, where it could adversely affect the public interest if discussion of these matters were disclosed.
- (3) Any pending or anticipated litigation in which the board is, or may become, a party, where it could adversely affect the public interest if discussion of these matters were disclosed, or any matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer.
- e. Upon assuming office, the students shall agree to adhere to such standards of responsibility and confidentiality as are established by the [board of trustees] <u>Board of Higher Education</u>.

32 (cf: P.L.1994, c.48, s.95)

- 92. N.J.S.18A:64-6 is amended to read as follows:
- 18A:64-6. The board of trustees of a State college shall, subject to the general policies, guidelines, and procedures set by the Board of Higher Education, have general supervision over and shall be vested with the conduct of the college. It shall, subject to the general policies, guidelines, and procedures set by the Board of Higher Education, have the power and duty to:
  - a. Adopt and use a corporate seal;
- b. Determine the educational curriculum and program of the college [consistent with the programmatic mission of the institution or approved by the Commission on Higher Education];
- 45 c. Determine policies for the organization, administration and 46 development of the college;
- d. Study the educational and financial needs of the college;

- annually acquaint the Governor and Legislature with the condition 1
- 2 of the college; and prepare, and after concurrence by and jointly
- 3 with the Board of Higher Education, present the annual budget to
- 4 the Governor[, the Division of Budget and Accounting in the
- Department of the Treasury] and the Legislature in accordance with 5
- 6 law;

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- 7 Disburse all moneys appropriated to the college by the 8 Legislature and all moneys received from tuition, fees, auxiliary
- 9 services and other sources;
  - Direct and control expenditures and transfers of funds appropriated to the college and tuition received by the college, in accordance with the provisions of the State budget and appropriation acts of the Legislature, reporting changes and additions thereto and transfers thereof to the Director of the Division of Budget and Accounting in the State Department of the Treasury and to the Chancellor of Higher Education and as to funds
- 16 17 received from other sources, direct and control expenditures and
- 18 transfers in accordance with the terms of any applicable trusts, gifts,
- 19 bequests, or other special provisions. All accounts of the college
- 20 shall be subject to audit by the State at any time;
- 21 g. In accordance with the provisions of the State budget and 22 appropriation acts of the Legislature, appoint and fix the 23 compensation of a president of the college, who shall be the 24 executive officer of the college and an ex officio member of the 25 board of trustees, without vote, and shall serve at the pleasure of the 26 board of trustees;
- 27 h. Notwithstanding the provisions of Title [11, Civil Service, of
- 28 the Revised] 11A of the New Jersey Statutes, upon nomination by
- 29 the president appoint a treasurer and such deans and other
- 30 professional members of the academic, administrative and teaching
- staffs as defined in section 13 of P.L.1986, c.42 (C.18A:64-21.2) as 31
- 32 shall be required and fix their compensation and terms of
- 33 employment in accordance with salary ranges and policies adopted
- 34 by the Board of Higher Education, and concurred in by the
- 35 Governor, which salary policies shall prescribe qualifications for
- 36 various classifications and shall limit the percentage of the
- 37 educational staff that may be in any given classification;
- 38 i. Upon nomination by the president, appoint, remove, promote
- 39 and transfer such other officers, agents or employees as may be
- 40 required for carrying out the purposes of the college and assign
- 41 their duties, determine their salaries and prescribe qualifications for
- 42 all positions, all in accordance with the provisions of Title 11, Civil
- 43 Service, of the Revised Statutes;
- 44 j. Grant diplomas, certificates and degrees;
- 45 k. Pursuant to the provisions of the "State College Contracts
- Law," P.L.1986, c.43 (C.18A:64-52 et seq.) enter into contracts and 46

- 1 agreements for the purchase of lands, buildings, equipment,
- 2 materials, supplies and services; enter into contracts and agreements
- 3 with the State or any of its political subdivisions or with the United
- 4 States, or with any public body, department or other agency of the
- 5 State or the United States or with any individual, firm, or
- 6 corporation, which are deemed necessary or advisable by the board
- 7 for carrying out the purposes of the college;

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- 8 l. If necessary, take and condemn land and other property in the 9 manner provided by the "Eminent Domain Act of 1971," P.L.1971, 10 c.361 (C.20:3-1 et seq.), whenever authorized by law to purchase 11 land or other property;
  - m. Adopt, after consultation with the president and faculty, bylaws and make and promulgate such rules, regulations and orders, not inconsistent with the provisions of this article, that are necessary and proper for the administration and operation of the college and the carrying out of its purposes;
  - n. Establish fees for room and board sufficient for the operation, maintenance, and rental of student housing and food service facilities;
  - o. Fix and determine, within guidelines established by the Board of Higher Education, tuition rates and other fees to be paid by students;
  - p. Accept from any government or governmental department, agency or other public or private body or from any other source grants or contributions of money or property, which the board may use for or in aid of any of its purposes;
  - q. Acquire by gift, purchase, condemnation or otherwise, own, lease, dispose of, use and operate property, whether real, personal or mixed, or any interest therein, which is necessary or desirable for college purposes;
  - r. Employ architects to plan buildings; secure bids for the construction of buildings and for the equipment thereof; make contracts for the construction of buildings and for equipment; and supervise the construction of buildings. All capital expenditures in excess of \$500,000 shall be subject to the approval of the Board of Higher Education;
- s. Manage and maintain, and provide for the payment of all charges and expenses in respect to all properties utilized by the college;
  - t. Borrow money for the needs of the college, as deemed requisite by the board, in such amounts, and for such time and upon such terms as may be determined by the board, provided that this borrowing shall not be deemed or construed to create or constitute a debt, liability, or a loan or pledge of the credit, or be payable out of property or funds, other than moneys appropriated for that purpose, of the State;
- 47 u. Authorize any new program, educational department or

- 1 school [consistent with the institution's programmatic mission or
- 2 approved by the commission] which will require, at the time of
- 3 establishment or thereafter, an additional expenditure of money, if
- the establishment thereof is approved by the Board of Higher 4
- 5 Education and provision is made therefor by law;
- 6 [(Deleted by amendment, P.L.1994, c.48)] Formulate and 7 submit to the Board of Higher Education an institutional plan
- 8 consistent with the rules and regulations of the Board of Higher
- 9 Education; and
- 10 w. Pursuant to the "State College Contracts Law," P.L.1986,
- 11 c.43 (C.18A:64-52 et seq.), award contracts and agreements for the
- 12 performance of any construction work or the furnishing of any
- 13 materials or supplies to the lowest responsible bidder whose bid,
- 14 conforming to the invitation for bids, will be most advantageous to
- 15 the State colleges.
- (cf: P.L.1994, c.48, s.96) 16

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- 93. N.J.S.18A:64-7 is amended to read as follows:
- 18A:64-7. The board of trustees of a State college, in addition to
- 20 the other powers and duties provided herein and within the general
- 21 policies and guidelines set by the Board of Higher Education, shall
- 22 have and exercise the powers, rights and privileges that are incident
- 23 to the proper government, conduct and management of the college,
- 24 and the control of its properties and funds and such powers granted
- 25 to the college or the board or reasonably implied, may be exercised
- 26 without recourse or reference to any department or agency of the
- 27 State, except as otherwise provided by this article or applicable law.
- 28 (cf: P.L.1994, c.48, s.97)

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- 94. N.J.S.18A:64-11 is amended to read as follows:
- 18A:64-11. The board of trustees of each State college is 31
- 32 authorized and empowered to conduct summer schools and
- 33 extension courses through the six State colleges for the purpose of
- 34 giving further training to the teachers in the public schools of this
- 35 State and to charge fees therefor to be fixed by the Board of Higher
- Education and to be collected by the treasurers of the several State 37 colleges.
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(cf: P.L.1994, c.48, s.98) 38

- 40 95. N.J.S.18A:64-13 is amended to read as follows:
- 41 18A:64-13. Students in each State college who are residents of
- 42 New Jersey shall be required to pay each year a minimum tuition
- 43 fee and nonresidents of the State shall pay an additional fee. Such
- fees and any increase of the minimum tuition fee shall be 45 determined by each college board of trustees <u>pursuant to guidelines</u>
- 46 set by the Board of Higher Education. The board of trustees may
- 47 waive the payment of the college's anticipated tuition revenues to

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- 1 accomplish mission-related or policy goals.
- 2 (cf: P.L.1994, c.48, s.99)

- 96. Section 4 of P.L.1983, c.469 (C.18A:64-13.4) is amended to read as follows:
- 3 4. The [Commissioner of Labor, in consultation with the
- 4 Presidents' Council, Board of Higher Education shall promulgate
- 5 rules and regulations necessary to effectuate the purposes of this
- 6 act. [Regulations of the State Board of Higher Education
- 7 implementing this act shall remain in full force and effect until
- 8 modified or repealed by the Commissioner of Labor.] Regulations
- 9 promulgated by the Commissioner of Labor implementing this act
- 10 shall remain in full force and effect until modified or repealed by
- the Board of Higher Education.
- 12 (cf: P.L.1994, c.48, s.100)

- 97. N.J.S.18A:64-18 is amended to read as follows:
- 18A:64-18. a. Moneys which are derived by the State colleges as room and board revenues from student housing and food service facilities and which are not pledged for the payment of principal and interest on bonds of this State and which are in excess of sums required for the operation, maintenance, and rental of such facilities shall be retained in a separate account by each college and may be expended by each college for the cost of operation, maintenance and rental of such facilities in subsequent years. The unexpended balance in any such account at the end of any fiscal year shall not lapse into the General Treasury.
- b. Moneys which are derived from student union building fees collected at a State college, which are in excess of the sums required for the operation, maintenance and rental of such a facility, shall be retained in a separate account by each college and may be expended by each college for the cost of operation, maintenance and rental of such facilities in subsequent years. The unexpended balance of any such account at the end of any fiscal year shall not lapse into the General Treasury.
- c. Moneys which are derived from the operation of parking facilities, and any other facilities financed by student fees, which are in excess of sums required for the operation and maintenance of such facilities at a State college, shall be retained in a separate account by each college and may be expended by each college for the cost of operation, maintenance and rental of such facilities in subsequent years. The unexpended balance of any such account at the end of any fiscal year shall not lapse into the General Treasury.
- d. No revenues received pursuant to this section shall be transferred from their respective accounts if contractual obligations between the college [and], the New Jersey Educational Facilities Authority and the Board of Higher Education prohibit these actions. (cf. P.L.1994, c.48, s.101)

1 98. Section 9 of P.L.1986, c.42 (C.18A:64-18.2) is amended to 2 read as follows:

3 9. All functions, powers and duties relating to the investment or 4 reinvestment of funds within the jurisdiction of the board of 5 trustees, including the purchase, sale or exchange of any investments or securities, [may] shall be exercised and performed 6 7 by the Director of the Division of Investment in the Department of 8 the Treasury in accordance with the provisions of P.L.1950, c.270 (C.52:18A-79 et seq.) [if so authorized by the board. Sections 10 9 10 and 11 of P.L.1986, c.42 (C.18A:64-18.3 and 18A:64-18.4) shall 11 only be applicable in the event of such an election]. Before any 12 investment, reinvestment, purchase, sale or exchange shall be made 13 by the director for or on behalf of the board of trustees, the Director 14 of the Division of Investment shall submit the details thereof to the 15 board, which shall, itself or by its finance committee, within 48 hours, exclusive of Sundays and public holidays, after the 16 17 submission to it, file with the director its written acceptance or 18 rejection of the proposed investment, reinvestment, purchase, sale 19 or exchange; and the director shall have authority to make the investment, reinvestment, purchase, sale or exchange for or on 20 21 behalf of the board, unless there shall have been filed with him a 22 written rejection thereof by the board or its finance committee as 23 herein provided. The board of trustees shall determine from time to 24 time the cash requirements of the various funds and accounts 25 established by it and the amount available for investment, all of 26 which shall be certified to the State Treasurer and the Director of the Division of Investment. All earnings on investments shall be 27 28 retained by each State college.

The finance committee of the board of trustees shall consist of three members of the board, who shall be appointed in the same manner and for the same term as other committees of the board are appointed.

(cf: P.L.1994, c.48, s.299)

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99. Section 12 of P.L.1986, c.42 (C.18A:64-21.1) is amended toread as follows:

12. The Governor shall continue to function as the public employer under the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.) and through the Office of Employee Relations act as the chief spokesperson [on behalf of the State colleges] with respect to all matters under negotiation.

- 42 [One representative of the State college sector shall be designated
- 43 by the Governor as a member of the negotiating team, upon
- recommendation by the State colleges.]
- 45 (cf: P.L.1994, c.48, s.102)

100. Section 4 of P.L.1982, c.16 (C.18A:64-29) is amended to

- 4. An auxiliary organization may engage only in such operations
- 5 and may serve only such functions as [are allowed by law and as]
- 6 shall be approved by the [board of trustees of the college] Board of
- 7 <u>Higher Education</u>. Such functions or operations may include, but
- 8 shall not be limited to:

read as follows:

- a. operation of student centers;
- b. operation of student pubs;
- c. management of student dormitories;
- d. operation of college bookstores.
- 13 (cf: P.L.1994, c.48, s.103)

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- 15 101. Section 9 of P.L.1982, c.16 (C.18A:64-34) is amended to read as follows:
- 9. An auxiliary organization shall maintain its own bank accounts and shall make such purchases as are necessary to its
- 19 operation, without regard to the provisions of P.L.1954, c.48
- 20 (C.52:34-6 et seq.), pursuant to regulations promulgated by the
- 21 Board of [Trustees] <u>Higher Education</u>.
- 22 (cf: P.L.1994, c.48, s.104)

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- 24 102. Section 11 of P.L.1982, c.16 (C.18A:64-36) is amended to read as follows:
- 26 11. An auxiliary organization may accept any grant, contract,
- 27 bequest, trust or gift unless the Board of [Trustees] Higher
- 28 <u>Education</u> determines that acceptance would be contrary to policies
- 29 of the [institution or inconsistent with public policy] <u>Board of</u>
- 30 <u>Higher Education</u>.
- 32
- 31 (cf: P.L.1994,c.48, s.105)

- 33 103. Section 17 of P.L.1982, c.16 (C.18A:64-42) is amended to read as follows:
- The [board of trustees] <u>Board of Higher Education</u> shall, prior to the operation of any auxiliary organization under this act:
- a. Institute with the approval of the Director of the Division of
- 38 Budget and Accounting a standard Statewide accounting and
- 39 reporting system for businesslike management of the operation of
- 40 auxiliary organizations.
- b. Implement financial standards which will tend to assure the
- 42 fiscal viability of auxiliary organizations. These standards shall
- 43 include proper provisions for professional management, adequate
- 44 working capital, adequate reserve funds for current operations and
- 45 capital replacements, insurance, and adequate provisions for new
- 46 business requirements.

- 1 c. Institute procedures to assure that transactions of the auxiliary 2 organizations are within the educational purposes of the college and 3 the Board of Higher Education.
- 4 d. Develop policies for the appropriation of surplus funds not 5 required to implement section 15 of P.L.1982, c.16 (C.18A:64-40). Uses of such funds shall be regularly reported to the board of 6

7 trustees of the college.

- 8 e. [Determine] Promulgate regulations determining which 9 college employees may also be employed by the auxiliary 10 organization and the terms and conditions of such employment.
- 11 f. Promulgate regulations for the effective enforcement of this 12
- 13 (cf: P.L.1994, c.48, s.106)

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- 15 104. Section 18 of P.L.1982, c.16 (C.18A:64-43) is amended to
- 16 read as follows: 17 A certified public accountant shall be selected by each
- 18 auxiliary organization. [The] Upon being notified of the certified public accountant selected by an auxiliary organization, the office 19
- 20 of the chancellor shall forward the applicable auditing and reporting
- 21 procedures to the selected certified public accountant. In
- 22 accordance with procedures prescribed by the Board of Higher
- 23 Education the certified public accountant shall annually audit the
- auxiliary organization's funds. Auxiliary organizations shall 24
- contract for and receive such audit annually, and shall submit the 25
- audit to the board of trustees of the college, and to the Board of 26
- 27 Higher Education and the Director of the Division of Budget and 28
- Accounting.
- 29 (cf: P.L.1994, c.48, s.107)

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- 105. Section 6 of P.L.1985, c.161 (C.18A:64-50) is amended to 31 32 read as follows:
- 33 6. The association shall encourage and aid all movements for the 34 improvement of education at the member institutions and shall
- make recommendations to the [Governor, Legislature, Commission 35
- 36 on Higher Education and Presidents' Council] Board of Higher
- 37 Education regarding the coordination of the member institutions
- 38 on matters of mutual interest and concern.
- 39 (cf: P.L.1999, c.46, s.39)

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- 41 106. Section 5 of P.L.1986, c.43 (C.18A:64-56) is amended to 42 read as follows:
- 43 Any purchase, contract or agreement of the character
- described in section 4 of P.L.1986, c.43 (C.18A:64-55) may be 45 made, negotiated or awarded by the State college by resolution at a
- public meeting of its board of trustees without public advertising for 46

1 bids or bidding therefor if:

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- a The subject matter thereof consists of:
  - (1) Professional services; or
- (2) Extraordinary unspecifiable services and products which cannot reasonably be described by written specifications, subject,
- 6 however, to [procedures] the rules and regulations of the Board of
- 7 <u>Higher Education</u> consistent with open public bidding whenever
- 8 possible; or (3) Materials or supplies which are not available
- 9 from more than one potential bidder, including without limitation
- 10 materials or supplies which are patented or copyrighted; or
  - (4) The doing of any work by employees of the State college; or
  - (5) The printing of all legal notices and legal briefs, records and appendices to be used in any legal proceeding to which the State college may be a party; or
  - (6) Textbooks, copyrighted materials, student produced publications and services incidental thereto, library materials including without limitation books, periodicals, newspapers, documents, pamphlets, photographs, reproductions, microfilms, pictorial or graphic works, musical scores, maps, charts, globes, sound recordings, slides, films, filmstrips, video and magnetic tapes, other printed or published matter and audiovisual and other materials of a similar nature, necessary binding or rebinding of library materials and specialized library services; or
  - (7) Food supplies and services, including food supplies and management contracts for student centers, dining rooms and cafeterias <u>pursuant to rules and regulations of the Board of Higher Education</u>; or
  - (8) The supplying of any product or the rendering of any service by the public utility which is subject to the jurisdiction of the Board of Public Utilities, in accordance with tariffs and schedules of charges made, charged and exacted, filed with that board; or
  - (9) Equipment repair service if in the nature of an extraordinary unspecifiable service and necessary parts furnished in connection with the services; or
  - (10) Specialized machinery or equipment of a technical nature which will not reasonably permit the drawing of specifications, and the procurement thereof without advertising is in the public interest; or
  - (11) Insurance, including the purchase of insurance coverage and consulting services, which exceptions shall be in accordance with the requirements for extraordinary unspecifiable services; or
  - (12) Publishing of legal notices in newspapers as required by law; or
  - (13) The acquisition of artifacts or other items of unique intrinsic, artistic or historic character; or
- 46 (14) The collection of amounts due on student loans, including 47 without limitation loans guaranteed by or made with funds of the

1 United States of America; or

- (15) Professional consulting services; or
- (16) Entertainment, including without limitation theatrical presentations, band and other concerts, movies and other audiovisual productions; or
- (17) Contracts employing funds created by student activities fees charged to students or otherwise raised by students, not under the direct control of the college and expended by student organizations; or
- (18) Printing, including without limitation catalogs, yearbooks and course announcements; or
  - (19) Data processing software programs, systems and service and the rental or lease of data processing equipment; or
  - (20) Personnel recruitment and advertising, including without limitation advertising seeking student enrollment; or
  - (21) Educational supplies, books, articles of clothing and other miscellaneous articles purchased by a State college bookstore for resale to college students and employees; or
- (22) Purchase or rental of graduation caps and gowns and award certificates or plaques.
  - b. It is to be made or entered into with the United States of America, the State of New Jersey, a county or municipality or any board, body, or officer, agency or authority or any other state or subdivision thereof.
  - c. The State college has advertised for bids pursuant to section 4 of P.L.1986, c.43 (C.18A:64-55) on two occasions and (i) has received no bids on both occasions in response to its advertisement, or (ii) has rejected the bids on two occasions because the State college has determined that they are not reasonable as to price, on the basis of cost estimates prepared for or by the State college prior to the advertising therefor, or have not been independently arrived at in open competition, or (iii) on one occasion no bids were received pursuant to (i) and on one occasion all bids were rejected pursuant to (ii), in whatever sequence; any contract or agreement may then be negotiated by a two-thirds affirmative vote of the authorized membership of the board of trustees authorizing the contract or agreement; provided that:
  - (1) A reasonable effort is just made by the contracting agent to determine that the same or equivalent materials or supplies at a cost which is lower than the negotiated price are not available from any agency or authority of the United States, the State of New Jersey or of the county in which the State college is located, or any municipality in close proximity to the State college;
- (2) The terms, conditions, restrictions and specifications set forth in the negotiated contract or agreement are not substantially different from those which were the subject of competitive bidding pursuant to section 4 of this article; and
- (3) Any minor amendment or modification of any of the terms,

conditions, restrictions and specifications, which were the subject of 1 2 competitive bidding pursuant to section 4 of P.L.1986, c.43 3 (C.18A:64-55), shall be stated in the resolution awarding the 4 contract or agreement; except that if on the second occasion the 5 bids received are rejected as unreasonable as to price, the State 6 college shall notify each responsible bidder submitting bids on the 7 second occasion of its intention to negotiate and afford each bidder 8 a reasonable opportunity to negotiate, but the State college shall not 9 award the contract or agreement unless the negotiated price is lower 10 than the lowest rejected bid price submitted on the second occasion 11 by a responsible bidder, is the lowest negotiated price offered by 12 any reasonable vendor, and is a reasonable price for the work, 13 materials, supplies or services. Whenever a State college shall 14 determine that a bid was not arrived at independently in open 15 competition pursuant to subsection c. (ii) of this section, it shall 16 thereupon notify the Attorney General of the facts upon which its 17 determination is based and, when appropriate, it may institute 18 appropriate proceedings in any State or federal court of competent 19 jurisdiction for a violation of any State or federal antitrust law or 20 laws relating to the unlawful restraint of trade.

21 (cf: P.L.1994, c.48, s.111)

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107. Section 7 of P.L.1986, c.43 (C.18A:64-58) is amended to read as follows:

No purchase, contract or agreement which is single in character or which necessarily or by reason of the quantities required to effectuate the purpose of the purchase, contract or agreement includes the furnishing of additional services or equipment or buying materials or supplies or the doing of additional work, shall be subdivided so as to bring it or any of the parts thereof under the maximum price or cost limitation set forth in P.L.1986, c.43 (C.18A:64-52 et seq.) or in a regulation of the Board of Higher Education, thus dispensing with the requirement of public advertising and bidding therefor. Where the doing of any work is included in or incident to the performance or completion of any project which is single in character or inclusive of the furnishing of additional work, materials or supplies or which requires the furnishing of more than one article of materials or supplies, all of the work, materials or supplies requisite for the completion of the project shall be included in one purchase, contract or agreement.

(cf: P.L.1994, c.48, s.112)

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108. Section 10 of P.L.1986, c.43 (C.18A:64-61) is amended to read as follows:

10. The board of trustees of two or more State colleges may provide jointly by agreement for the purchasing of work, materials, or supplies for their respective colleges, and also may, pursuant to regulations of the Board of Higher Education, enter into a joint

1 purchasing agreement with other units of State or local government. 2 (cf: P.L.1994, c.48, s.113) 3 4 109. Section 12 of P.L.1986, c.43 (C.18A:64-63) is amended to 5 read as follows: 6 12. Joint purchases and all agreements pertaining thereto shall 7 be subject to all provisions of law and the applicable rules and 8 regulations of the Board of Higher Education. 9 (cf: P.L.1994, c.48, s.114) 10 11 110. Section 14 of P.L. 1986, c.43 (C.18A:64-65) is amended to 12 read as follows: 13 14. All advertisements for bids shall be published in a legal 14 newspaper sufficiently in advance of the date fixed for receiving the 15 bids to promote competitive bidding but in no event less than 30 16 days prior to that date for construction projects requiring the approval of the Board of Higher Education and 10 days prior to that 17 18 date for any [construction projects or any] other contract or 19 purchase. The advertisement shall designate the manner of 20 submitting and of receiving the bids and the time and place at which 21 the bids will be received. If the published specifications provide for 22 receipt of bids by mail, those bids which are mailed to the State 23 college shall be sealed and shall be opened only at such time and 24 place as all bids received are unsealed and announced. At that time 25 and place, the contracting agent of the State college shall publicly 26 receive the bids and thereupon immediately proceed to unseal them 27 and publicly announce the contents, which announcement shall be 28 made in the presence of any parties bidding or their agents who are 29 then and there present. A proper record of the prices and terms shall 30 be made. No bids shall be received after the time designated in the 31 advertisement. 32 (cf: P.L.1994, c.48, s.115) 33 34 111. Section 24 of P.L.1986, c.43 (C.18A:64-75) is amended to 35 read as follows: 36 All plans and specifications for the erection, alteration, 37 improvement or repair of college buildings shall be drawn by or 38 under the supervision of an appropriate officer employed by the 39 college to whom these powers shall have been delegated by the 40 Board of Trustees. All capital expenditures in excess of \$500,000 41 shall be subject to the approval of the Board of Higher Education. (cf: P.L.1994, c.48, s.116) 42

- 44 112. Section 28 of P.L.1986, c.43 (C.18A:64-79) is amended to 45 read as follows:
- 28. A State college may only enter a contract exceeding 12 consecutive months for the:

a. Supplying of

- (1) Fuel for heating purposes for any term not exceeding in the aggregate three years; or
- (2) Fuel or oil for use in automobiles, autobuses, motor vehicles or equipment for any term not exceeding in the aggregate three years; or
- b. Plowing and removal of snow and ice for any term not exceeding in the aggregate three years; or
- c. Collection and disposal of garbage and refuse for any term not exceeding in the aggregate three years; or
- d. Data processing programs, systems and services or rental or lease of data processing equipment for any term of not more than five years; or
  - e. Insurance for any term of not more than three years; or
- f. Leasing or service of automobiles, motor vehicles, electronic communications equipment, machinery and equipment of every nature and kind for any term not exceeding in the aggregate five years; however, these contracts shall be entered into only subject to and in accordance with the rules and regulations promulgated by the Board of Higher Education; or
- g. Supplying of any product or rendering of any service by a telephone company which is subject to the jurisdiction of the Board of Public Utilities, for a term not exceeding five years; or
- h. Providing of food supplies and services, including food supplies and management contracts for student centers, dining rooms and cafeterias, for a term not exceeding three years; or
- i. Performance of work or services or the furnishing of materials or supplies for the purpose of conserving energy in buildings owned by, or operations conducted by, the contracting unit, the entire price of which is to be established as a percentage of the resultant savings in energy costs, for a term not exceeding 10 years; provided that a contract is entered into only subject to and in accordance with rules and regulations adopted by the Department of Energy establishing a methodology for computing energy cost savings; or
- j. Any single project for the construction, reconstruction or rehabilitation of a public building, structure or facility, or a public works project, including the retention of the services of an architect or engineer in connection with the project, for the length of time necessary for the completion of the actual construction; or
- k. The management and operation of bookstores for a term not exceeding five years.

All multiyear leases and contracts entered into pursuant to this section, except contracts for the leasing or servicing of equipment supplied by a telephone company which is subject to the jurisdiction of the Board of Public Utilities or contracts and agreements for the provision of work or the supplying of equipment to promote energy conservation and authorized pursuant to subsection i. of this section, shall contain a clause making them

- subject to the availability and appropriation annually of sufficient
- 2 funds to meet the extended obligation or contain an annual
- 3 cancellation clause.
- 4 (cf: P.L.1994, c.48, s.117)

- 113. N.J.S.18A:64A-1 is amended to read as follows:
- 7 18A:64A-1. As used in this chapter:
  - a. "Base year" means the fiscal year two years prior to that in which the budget is to be implemented; provided, however, for determining the level of State aid for fiscal 1982, the "base year" shall be the fiscal year three years prior to that in which the budget is to be implemented;
  - b. "Capital outlay expense" means those funds devoted to or required for the acquisition, landscaping or improvement of land; the acquisition, construction, reconstruction, improvement, remodeling, alteration, addition or enlargement of buildings or other structures; and the purchase of furniture, apparatus and other equipment;
  - c. "County college" means an educational institution established or to be established by one or more counties, offering programs of instruction, extending not more than two years beyond the high school, which may include but need not be limited to specialized or comprehensive curriculums, including college credit transfer courses, terminal courses in the liberal arts and sciences, and technical institute type programs;
  - d. "Educational and general costs" means expenditures of a county college <u>audited and approved</u> according to regulations established by the [State Treasurer] <u>Board of Higher Education</u>;
  - e. "Local bond law" means the local bond law, chapters 1 and 2 of Title 40A of the New Jersey Statutes (N.J.S.40A:1-1 et seq.);
  - f. "Operational expense" means those funds devoted to or required for the regular or ordinary expenses of the college, including administrative, maintenance, minor capital and salary expenses but excluding capital outlay expenses;
  - g. "Elected public official" means a person elected to a public office in the State of New Jersey other than an elected representative serving on a board of education pursuant to the provisions of N.J.S.18A:12-1 and section 1 of P.L.1977, c.30 (C.18A:54-16.1).
- 40 (cf: P.L.1994, c.48, s.119)

- 42 114. N.J.S.18A:64A-2 is amended to read as follows:
- 43 18A:64A-2. When the board of chosen freeholders of one or 44 more counties, after study and investigation, shall deem it advisable
- 45 for such county or counties to establish a county college, such board
- or boards of county freeholders may petition the [Commission on]
- 47 <u>Board of Higher Education for permission to establish and operate a</u>

county college. A report shall be attached to such petition and shall include information on the higher educational needs of the county or counties, a description of the proposed county college, the proposed curriculum, an estimate of the cost of establishing and maintaining such county college, and any other information or data deemed pertinent.

Upon receipt of the petition by the Board of Higher Education, it shall be referred to the chancellor who shall make an independent study as to the higher educational needs of the county or counties, the necessity or advisability of establishing the county college, and whether the county or counties could, with the State aid provided for, financially support the college. The chancellor shall submit a report containing his conclusions to the Board of Higher Education and to the petitioning board or boards of chosen freeholders.

The [commission] <u>Board of Higher Education</u>, after studying both the petition of the board or boards of chosen freeholders and the report of the chancellor, shall determine whether there is a need for such college and whether the county or counties have the financial capacity to support such college. If the [commission] <u>board</u> finds such a need to exist and further finds that establishing and maintaining such college is financially feasible, it shall approve the petition and shall so notify the board or boards of chosen freeholders.

(cf: P.L.1994, c.48, s.120)

### 115. N.J.S.18A:64A-3 is amended to read as follows

18A:64A-3. Whenever the board or boards of chosen freeholders receive notification that the [Commission on] <u>Board of</u> Higher Education approves the establishment of a county college, each participating board may provide by resolution for the establishment of a county college in accordance with the provisions of this chapter and the regulations of the Board of Higher Education. Prior to the final passage of said resolution, the board of chosen freeholders shall have published, in full, in a newspaper circulating in the county, the resolution together with the time and place of a public hearing to be had upon said resolution. Said publication shall be at least 10 days prior to the time fixed for the public hearing.

Within five days after passage, the resolution shall be published in full in a newspaper circulating in the county and a copy of said resolution shall be filed for public inspection with the clerk of the board of chosen freeholders and with the clerk of each municipality in said county. The resolution shall become effective in said county 45 days after passage unless there is filed with the county clerk within said 45 days, a petition requesting a referendum in said county signed by either five per cent or 10,000 of the registered voters of said county, whichever is lesser, or such a petition authorized by the governing body of a municipality or

municipalities representing in total at least 15% of the population of said county. If such petition is so filed, the proposal for the establishment of a county college shall be submitted to the registered voters of said county at the next general election.

Where a county college is to be established by more than one county, similar resolutions authorizing the establishment of such county college shall be passed by the board of chosen freeholders in each participating county. If a petition such as is described above is filed in one or more said participating counties, then the proposal for the establishment of a county college shall be submitted to the registered voters of the county or counties in which such petition or petitions are filed.

The county clerk of each participating county shall notify the [commission] chancellor and the board of chosen freeholders of each other participating county upon the elapse of 45 days after the passage of the resolution in said county whether the question of the establishment of a county college is to be submitted to the registered voters of said county at the next general election.

(cf: P.L.1994, c.48, s.121)

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## 116. N.J.S.18A:64A-4 is amended to read as follows:

18A:64A-4. If a proposal for the establishment of a county college is to be submitted to the registered voters of the county, the county clerk shall have published at least 10 days before said general election notice thereof in a newspaper circulating in the county and the county clerk shall have printed or cause to be printed on the official ballot to be used at such general election the following:

If you favor the proposition printed below, make a cross (X), plus (+) or check (!) mark in the square opposite the word "Yes." If you are opposed thereto, make a cross (X), plus (+) or check (!) mark in the square opposite the word "No."

Yes. Shall a county college be established in ......

No. pursuant to chapter 64A of Title 18A of the New Jersey Statutes?

If a county college is to be established in one county, the name of the county, and if it is to be established in more than one county, the names of the counties, should be inserted in the question.

In any county in which voting machines are used the question shall be placed upon the official ballots to be used upon the voting machines without the foregoing instructions to the voters and shall be voted upon by the use of such machines without marking as aforesaid.

If the question of the establishment of a county college is submitted to the people of the county, that county clerk shall send notice of the results of said election to the [commission] chancellor and the board of chosen freeholders of each of the participating

1 counties. 2 (cf: P.L.1994, c.48, s.122)

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117. N.J.S.18A:64A-5 is amended to read as follows:

18A:64A-5. If at said election the proposal for the establishment of the county college is approved by a majority of all the votes cast both for and against said question in the county, then the board of chosen freeholders shall proceed to establish a county college.

Where the county college is to be established by more than one county, then the boards of chosen freeholders of the participating counties shall not establish a county college until the [commission] chancellor notifies said boards that a similar resolution of the board of chosen freeholders in each participating county has become effective upon the elapse of the 45-day period or the proposal for the establishment of a county college has been approved by a majority of the registered voters of said county at a general election. (cf: P.L.1994, c.48, s.123)

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### 118. N.J.S.18A:64A-6 is amended to read as follows:

18A:64A-6. If a majority of the votes in a county are cast against a proposal for the establishment of a county college, the board of chosen freeholders of such county may not establish a county college unless thereafter the board:

- a. Submits a petition to the [Commission on] Board of Higher Education in accordance with the provisions of section 18A:64A-2,
- b. Submits a proposal for the establishment of a county college at a general election and has it approved by a majority of the votes of the county voting thereon.

The board of chosen freeholders shall not resubmit a proposal which has been defeated to the voters of the county before the third general election thereafter; however, an alternate proposal may be submitted at any general election.

34 (cf: P.L.1994, c.48, s.124)

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### 119. N.J.S.18A:64A-8 is amended to read as follows:

18A:64A-8. For each county college there shall be a board of trustees, consisting of the county superintendent of schools and 10 persons, eight of whom shall be appointed by the appointing authority of the county with the advice and consent of the board of chosen freeholders, at least two of whom shall be women and two of whom shall be appointed by the Board of Higher Education, subject to the approval of the Governor, according to criteria and for such initial terms as shall be established. However, no trustee shall be appointed after July 1, 1994 who is an employee of a constituent county. The president of the college shall serve as an ex officio member of the board of trustees without vote. In addition,

the student body of each county college shall be entitled to elect from the graduating class one representative to serve as a nonvoting member on the board of trustees for a term of one year commencing at the next organization of the board following graduation of his class. The Board of Higher Education shall by regulation prescribe the rights and duties of the student representative.

The appointing authority of the county shall establish a trustee search committee of not less than five members who shall be residents of the county. The members of the trustee search committee shall not be elected public officials and shall not be eligible for appointment to the board of trustees for a period of six months after their service on the trustee search committee. The trustee search committee shall nominate individuals according to criteria promulgated by the Board of Higher Education for consideration by the appointing authority of the county for appointment to the board of trustees.

When a county college is established by more than one county, the board of trustees shall be increased by two members for each additional participating county. The membership of the board of trustees shall be apportioned by the [commission] chancellor among the several counties as nearly as may be according to the number of inhabitants in each county as shown by the last federal census, officially promulgated in this State. Each apportionment shall continue in effect until a reapportionment shall become necessary by reason of the official promulgation of the next federal census or the enlargement of the board by the admission of one or more additional counties as provided for in section 18A:64A-24. Each county shall be entitled to have at least two members and the county superintendent of the schools of said county on the board of trustees.

(cf: P.L.1994, c.48, s.125)

120. N.J.S.18A:64A-9 is amended to read as follows:

18A:64A-9. Appointed members of the board of trustees shall have been residents of the county for a period of four years prior to said appointment, and no elected public official or employee of the county college shall serve as a voting member of the board. The term of office of appointed members, except for the first appointments, shall be for four years. Each member shall serve until his successor shall have been appointed and qualified.

Vacancies shall be filled in the same manner as the original appointment for the remainder of the unexpired term. Any appointed member may be removed by the board of chosen freeholders of the appointing county for cause upon notice and opportunity to be heard. Members shall serve without compensation but shall be entitled to be reimbursed for all reasonable and

1 necessary expenses.

A voting member of a board of trustees shall not be eligible to accept employment as an employee of the college at which he has served as a member of the board for a period of two years following resignation or expiration of his term as a member.

In the case of a county college established by one county, the terms of office of members initially appointed to the board of trustees by the appointing authority of the county shall be as follows: two persons shall receive terms of one year; two, terms of two years; two, terms of three years; and two, terms of four years.

In the case of a county college established by more than one county, the <u>chancellor shall fix the</u> terms of the members initially appointed to the board of trustees [shall be fixed] so that as nearly as possible, one-quarter of the appointed members will receive terms of four years, one-quarter terms of three years, one-quarter terms of two years and the remainder terms of one year. Such terms shall be allocated by the [commission] <u>chancellor</u> among the participating counties, in accordance with the number of members on the board of trustees apportioned to each county, starting with the terms of four years, by allocating one of such terms to each of the participating counties in alphabetical order of the names of such counties, and continuing, still in such order, with the terms of three years, the terms of two years and the terms of one year.

Members initially appointed to the board may serve from the time of their respective appointments, but the term of such office shall be deemed to commence as of November 1 of the year in which the appointment was made.

(cf: P.L.1994, c.48, s.126)

## 121. N.J.S.18A:64A-11 is amended to read as follows:

18A:64A-11. The board of trustees shall be a body corporate and shall be known as the "board of trustees of ......." (here insert the name of the county college).

The board of trustees, in accordance with the rules and regulations of the Board of Higher Education, shall have custody of and be responsible for the property of the college and shall be responsible for the management and control of said college. The board shall make an annual report to the [Commission on] chancellor in the manner prescribed by the Board of Higher Education and to the board of chosen freeholders of each participating county.

42 (cf: P.L.1994, c.48, s.127)

### 122. N.J.S.18A:64A-12 is amended to read as follows:

18A:64A-12. For the effectuation of the purposes of this chapter, the board of trustees of a county college in addition to such

- other powers expressly granted to it by [law] this chapter and
- 2 subject to the rules and regulations of the Board of Higher
- 3 <u>Education</u>, is hereby granted the following powers:
  - a. To adopt or change the name of the county college;
- 5 b. To adopt and use a corporate seal;
- 6 c. To sue and be sued;

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- 7 d. To determine the educational curriculum and program of the
- 8 college [consistent with the programmatic mission of the institution
- 9 or approved by the Commission on Higher Education];
  - e. To appoint and fix the compensation and term of office of a president of the college who shall be the executive officer of the college and an ex officio member of the board of trustees;
    - f. To appoint, upon nomination of the president, members of the administrative and teaching staffs and fix their compensation and terms of employment subject to the provisions of N.J.S.18A:64A-13.
  - g. To appoint or employ, upon nomination of the president, such other officers, agents and employees as may be required to carry out the provisions of this chapter and to fix and determine their qualifications, duties, compensation, terms of office and all other conditions and terms of employment and retention;
    - h. To fix and determine tuition rates and other fees to be paid by students;
      - i. To grant diplomas, certificates or degrees;
  - j. To enter into contracts and agreements with the State or any of its political subdivisions or with the United States, or with any public body, department or other agency of the State or the United States or with any individual, firm or corporation which are deemed necessary or advisable by the board for carrying out the provisions of this chapter;
  - k. To accept from any government or governmental department, agency or other public or private body or from any other source grants or contributions of money or property which the board may use for or in aid of any of its purposes;
  - l. To acquire (by gift, purchase, condemnation or otherwise), own, lease, use and operate property, whether real, personal or mixed, or any interest therein, which is necessary or desirable for college purposes;
  - m. To determine that any property owned by the county college is no longer necessary for college purposes and to sell the same at such price and in such manner and upon such terms and conditions
- 42 as shall be established by the [board] <u>Board of Higher Education</u>; 43 n. To exercise the right of eminent domain, pursuant to t
- n. To exercise the right of eminent domain, pursuant to the provisions of Title 20, Eminent Domain, of the Revised Statutes, to acquire any property or interest therein;
- o. To make and promulgate such rules and regulations, not

- 1 inconsistent with the provisions of this chapter or with the rules and
- 2 regulations [promulgated hereunder] of the Board of Higher
- 3 Education that are necessary and proper for the administration and
- 4 operation of a county college and to implement the provisions of
- 5 this chapter;
- p. To exercise all other powers, not inconsistent with the
   provisions of this chapter or with the rules and regulations
   [promulgated hereunder] of the Board of Higher Education which
- 9 may be reasonably necessary or incidental to the establishment,
- maintenance and operation of a county college; and
  - q. To establish and maintain a dedicated reserve fund for minor capital needs which in any given year shall not exceed 3% of the replacement value of the college's physical plant.
- 14 (cf: P.L.1999, c.46, s.41)

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### 123. N.J.S.18A:64A-14 is amended to read as follows:

18A:64A-14. Counties, municipalities, school districts or special schools may sell, give or lease any of their property, including county or municipal funds, to the board of trustees of a county college <u>pursuant to the rules and regulations of the Board of Higher</u> Education.

22 (cf: P.L.1994, c.48, s.129)

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#### 124. N.J.S.18A:64A-17 is amended to read as follows:

18A:64A-17. On or before February 1 in each year, the board of trustees of the county college shall prepare and deliver to each member of the board of school estimate an itemized statement of the amount of money estimated to be necessary for the operation and capital outlay expenses for the ensuing year. Said board of trustees shall, at the same time, fix a date, place and time for the holding of a public hearing by the board of school estimate with respect to said itemized statement of the amount of money estimated to be necessary for the operation and capital outlay expenses for the ensuing year and with respect to the various items and purposes for which said money is to be appropriated, which date shall be between February 1 and February 15 and which date shall be not less than seven days after the publication of said itemized statement as herein provided and shall cause notice of such public hearing and said statement to be published at least once in at least one newspaper published in the county not less than seven days prior to the date fixed for such public hearing, and said notice shall also set forth that said itemized statement will be on file and open to examination of the public, between reasonable hours to be fixed therein, and, at a place to be named therein, from the date of said publication until the date of the holding of said public hearing and said board of trustees shall cause said itemized statement to be on file and open to the examination of the public accordingly and to

be produced at said public hearing for the information of those attending the same.

On the date and at the time and place so fixed by the board of trustees for such public hearing, the board of school estimate shall at a public hearing grant the taxpayers and other interested persons an opportunity to present objections and to be heard with respect to said itemized statement of the amount of money estimated to be necessary for the operation and capital outlay expenses for the ensuing year and with respect to the various items and purposes for which said money is to be appropriated and at or after said public hearing but not later than February 15 of each year, the board of school estimate shall fix and determine, by official action taken at a public meeting of the board, the amount of money necessary for the operation and capital outlay expenses of the college for the ensuing year, exclusive of the amount to be received from the State and from other sources.

The board of school estimate shall, on or before February 15 of each year, make a certificate of such amount signed by at least a majority of its members. Copies thereof shall be delivered to the chancellor, to the board of trustees of the college and to each participating board of chosen freeholders.

In the case of a county college established by more than one county, the amount to be raised for the annual operation and capital outlay expenses shall be apportioned among the participating counties upon the basis of apportionment valuations, as defined in R.S.54:4-49. In the case of a county college joinder created pursuant to N.J.S.18A:64A-24 subsequent to the enactment of P.L.1998, c.140, the amount to be raised for the annual operation and capital outlay expenses may be apportioned among the participating counties upon the basis of apportionment valuations, as defined in R.S.54:4-49; or, upon the basis of unweighted student credit hours; or upon the basis of any combination of apportionment valuations and unweighted student credit hours. The certificate of the board of school estimate shall certify the proportioned part of the total to be raised by each participating county. In the case of a county college joinder created pursuant to N.J.S.18A:64A-24 subsequent to the enactment of P.L.1998, c.140, operational expenses shall include any facility use fee or other charge which may be agreed upon by the participating counties and the board of trustees upon the approval of a majority of the members of the board of school estimate.

(cf: P.L.1998, c.140, s.1)

#### 125. N.J.S.18A:64A-19 is amended to read as follows:

18A:64A-19. (1) Whenever the board of trustees of a county college shall decide that it is necessary to raise money for the purpose of acquiring or improving lands or buildings for use by the college or erecting, enlarging, improving, altering, reconstructing,

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furnishing or equipping buildings or other structures for use by the college, it may, in lieu of proceeding in accordance with N.J.S.18A:64A-16 and 18A:64A-17, at any time prepare and deliver to each member of the board of school estimate a statement of the estimated cost of such purpose and of the amount of money estimated by the board of trustees to be then needed for such purpose. If the amount of money so estimated shall include any funds expected to be received for said purpose as State or federal aid, such statement shall specify the amount and source of said funds and may include an agreement by the board of trustees to repay the county, out of the said funds when received, for any amounts appropriated by any county for the county college in anticipation of said funds. After receipt of such statement, the board of school estimate shall fix and determine the sum of money then needed for the purpose specified in said statement and the amount thereof to be raised by the participating county or counties which shall, if there be two or more such counties, be apportioned among them upon the basis of apportionment valuations as defined in R.S.54:4-49 and which may include amounts expected to be repaid as aforesaid by the board of trustees. In the case of a county college joinder created pursuant to N.J.S.18A:64A-24 subsequent to the enactment of P.L.1998, c.140, the amount to be raised may be apportioned among the participating counties upon the basis of apportionment valuations as defined in R.S.54:4-49; or, upon the basis of unweighted student credit hours; or upon the basis of any combination of apportionment valuations and unweighted student credit hours; or in proportion to the percentage of bonds to be issued by each county for the project as may be agreed upon by the participating counties and the board of trustees. The board of school estimate shall thereupon make a certificate of such sum and amount or amounts signed by at least a majority of its members, and copies thereof and of the statement received from the board of trustees shall be delivered to the chancellor, to the board of trustees and to the board of chosen freeholders of each participating county.

- (2) The board of chosen freeholders of a participating county upon receipt of any such certificate shall appropriate the amount certified therein for the purpose therein specified, or upon receipt of a certificate as provided in N.J.S.18A:64A-17 shall appropriate the amount of the capital outlay expenses certified therein, either:
  - (a) By the method provided for in N.J.S.18A:64A-18; or
- (b) By a bond ordinance authorizing the issuance of bonds or notes of the county to finance such appropriation and purpose adopted in accordance with the limitations and any exceptions thereto, and in the manner or mode of procedure, prescribed by the local bond law, and the sale and issuance of said bonds or notes pursuant to the local bond law; provided, however, that no down payment shall be required and the provisions of N.J.S.40A:2-11 of the local bond law shall not be applicable to such bond ordinance

and that the purpose for which the bonds or notes are to be issued may be stated and identified as and shall be the purpose specified in said certificate notwithstanding that the appropriation therefor may be sufficient only for planning or other preliminary or initial expenses in connection therewith or may be made in anticipation of State or federal aid expected to be received for said purpose and applied to repayment to the county.

- (3) The proceeds of the sale of such bonds or notes shall be paid to the treasurer of the county college and shall be paid out by him only on the warrants or orders of the board of trustees of the county college. The treasurer shall in no event disburse such proceeds, except to pay and retire any such notes and pay the expenses of issuing and selling such bonds or notes and for the purpose or purposes for which such bonds or notes were issued. If for any reason any part of such proceeds are not applied to or necessary for such purpose or purposes, the board of trustees of the county college may transfer the balance remaining unapplied to the capital outlay account of the county college.
- (4) Except with the concurrence and consent of the board of chosen freeholders of the county expressed by resolution, no amount shall be appropriated under this section which, if added to the amount of bonds or notes of the county for county college purposes outstanding or authorized but unissued at the date of such appropriation, shall exceed an amount equal to one half of one per cent of the equalized valuation basis of said county as shown on the annual debt statement of the county last filed pursuant to the local bond law.

(cf: P.L.1998, c.140, s.2)

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### 126. N.J.S.18A:64A-20 is amended to read as follows:

18A:64A-20. If the board of trustees shall determine that it is necessary in any school year to raise money in addition to the amount in its annual budget for such year for:

- (1) current expenses for the operation and maintenance of the college when the amount necessary therefor was underestimated in the budget;
- (2) repair or utilization of property destroyed or made unsuitable by accident or other unforeseen cause; or
- (3) meeting emergencies arising since the preparation of such budget;

the board shall prepare and deliver to each member of the board of school estimate a statement of the amount of money determined to be necessary therefor.

The board of school estimate shall meet within a reasonable time after the delivery of the statement and fix and determine the amount necessary for such purpose or purposes. In the case of a county college established by more than one county, the board shall apportion upon the basis of the apportionment valuations as defined

- in R.S.54:4-49, such amount among the participating counties. In the case of a county college joinder created pursuant to N.J.S.18A:64A-24 subsequent to the enactment of P.L.1998, c.140, the amount to be raised may be apportioned among the participating counties upon the basis of apportionment valuations, as defined in R.S.54:4-49; or, upon the basis of unweighted student credit hours; or upon the basis of any combination of apportionment valuations and unweighted student credit hours as determined by the board of school estimate. The board shall then certify the amount so determined and apportioned to the chancellor, to the board of trustees of the college and to each participating board of chosen
  - The board of chosen freeholders, upon receipt of such certificate, shall appropriate the amount certified therein and shall raise such amount in the manner provided for by N.J.S.18A:64A-18 and 18A:64A-19.

17 (cf: P.L.1998, c.140, s.3)

freeholders.

127. N.J.S.18A:64A-21 is amended to read as follows:

18A:64A-21. Notwithstanding the time limitations specified in N.J.S.18A:64A-17, during the calendar year in which the board or boards of chosen freeholders first establish a county college, the board of trustees of the county college may prepare and deliver to the board of school estimate of the college an estimate of the amount necessary to finance the county college until the first regular budget is adopted and available.

The board of school estimate shall meet within a reasonable time after the delivery of said estimate and shall fix and determine the amount necessary to so finance the county college and, if more than one county participated in establishing the county college, shall apportion said amount upon the basis of apportionment valuations as defined in R.S.54:4-49. The board shall then certify the amount so determined to the chancellor, the board of trustees of the college and to the board of chosen freeholders of each participating county.

The board of chosen freeholders shall, upon receipt of the certification, appropriate its share of said amount in the manner provided for by N.J.S.18A:64A-18 and 18A:64A-19.

38 (cf: P.L.1994, c.48, s.133)

128. N.J.S.18A:64A-22 is amended to read as follows:

18A:64A-22. [Notwithstanding any other law to the contrary, the Council of County Colleges may submit to the State Treasurer] The Board of Higher Education shall formulate annual budget requests for State support of county colleges. Within the limits of funds appropriated to the Board of Higher Education for such purposes and in accordance with rules and regulations prescribed by the Board of Higher Education, the board of trustees of a county

- 1 college may [based upon the itemized statement fixed and
- 2 determined pursuant to N.J.S.18A:64A-17] apply to the [State
- 3 Treasurer] <u>Board of Higher Education</u> and receive State support:
  - a. For capital projects <u>approved by the Board of Higher</u>
    <u>Education</u> in amounts not to exceed one-half of the cost of said capital projects, and
  - b. For operational costs to the extent of 43% but not to exceed 50% of the educational and general costs of the county colleges in the base year; provided, however, that for the purposes of determining State aid, only credit courses and noncredit remedial, developmental, general education development and adult basic education courses shall be included in calculating such costs. This sum shall be distributed to the county colleges by the [treasurer] Board of Higher Education in consultation with the Council of County Colleges according to a formula that includes categorical
    - No county college shall receive more than 50% of its projected educational and general costs through the provisions of this act.

support and differential funding based on program costs.

- Each county which operates a county college shall continue to provide moneys for the support of the college in an amount no less than those moneys provided in the year in which this act is enacted or 25% of the operational expense in the base State fiscal year, whichever is greater.
- State support for the operational expenses of county colleges shall be made within limits of State appropriation and only after an annual review and approval by the Board of Higher Education of the financial program for operation of each county college, including the charges to be made for student tuition and fees and the establishment of the county share of the costs.
- 30 (cf: P.L.1994, c.48, s.134)

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- 32 129. Section 2 of P.L.1971, c.12 (C.18A:64A-22.2) is amended 33 to read as follows:
- 2. Whenever the [State Treasurer] Board of Higher Education
- 35 shall determine that [he] it is unable to provide State support for a
- 36 capital project of a county college pursuant to N.J.S.18A:64A-22
- within the limit of available State appropriations, the chancellor
- 38 <u>shall certify to</u> the State Treasurer the amount of State support
- 39 recommended for the project and the amount available for the
- 40 project within the limit of State appropriations. Upon receipt of the
- 41 <u>certification</u>, the State Treasurer shall determine the amount of
- bonds and notes entitled to the benefits of this act and the "County"
- 43 College Capital Projects Fund Act," P.L.1997, c.360 (C.18A:72A-
- 44 12.2 et seq.) and not theretofore allocated to another capital project.
- The State Treasurer shall examine the certification and determine
- 46 the necessity or advisability of making available additional State

support for the capital project referred to in the certification. To the

- extent he determines additional support is necessary or advisable,
  he shall certify to the board of chosen freeholders of the county in
  which said capital project is located, the county college at which the
  capital project is located, and the New Jersey Educational Facilities
  Authority the amount of bonds or notes relating to the capital
  project which shall be entitled to the benefits of this act and the
  "County College Capital Projects Fund Act," P.L.1997, c.360
- 9 (C.18A:72A-12.2 et seq.), which amount shall not exceed the
- amount of bonds and notes entitled to the benefit of those acts and not theretofore allocated to another capital project. A copy of such
- certification shall be filed by the State Treasurer with the chancellor
- and with the Director of the Division of Local Finance.

14 (cf: P.L.1997, c.360, s.8)

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130. N.J.S.18A:64A-23 is amended to read as follows:

18A:64A-23. a. Each county college shall, to the extent its facilities will permit and subject to regulations of the Board of Higher Education, accept students who are residents of any other county in the State.

Any person desiring to enroll in a county college as a nonresident student shall apply to the chief fiscal officer of his county of residence for a certificate of residence showing that said person is a resident of said county. The chief fiscal officer of each county shall, upon application and submission to him of satisfactory evidence of such residence, issue said certificate provided that (1) the county does not sponsor a county college or contribute to the support of a county assisted college, or (2) the local county or county assisted college certifies that it does not offer the particular course or program of study desired by the applicant, or (3) the local county or county assisted college certifies that it cannot admit the applicant into a particular course or the desired program of study, pursuant to criteria established by the [Commission on] Board of Higher Education. If the chief fiscal officer of a county refuses to issue such a certificate, the applicant may appeal to the board of chosen freeholders of the county within 10 days of the receipt of notice of such refusal. The board of chosen freeholders shall make a determination after a hearing, upon 10 days' notice to such chief fiscal officer and the applicant, and such determination shall be final and binding on the county.

Upon his registration for each college year, the nonresident student shall file with the college such a certificate of residence issued not earlier than two months prior thereto and such certificate of residence shall be valid for the current or next academic year succeeding the date of issuance, as the case may be.

c. Any county college so admitting nonresident students shall charge to and collect from each county within the State which has

- issued a certificate or certificates of residence pursuant to 1 2 subsection b. and on the basis of which such nonresident students 3 are attending such college, the sending county's share of the 4 operating expenses of such county college, as certified by the board 5 of school estimate and as paid by the receiving county for resident 6 students, computed on a per full-time equated (FTE) student basis 7 and multiplied by cost ratios as determined by the [State Treasurer 8 pursuant to N.J.S.18A:64A-22] Board of Higher Education 9 various instructional categories. Any county college shall 10 additionally charge and collect the sum of \$1.00 per credit hour for 11 each student so enrolled to compensate for minor capital costs of 12 the college, which moneys shall be expended according to 13 regulations promulgated by the Board of Higher Education.
  - d. Within 10 days after the commencement of each college term, the county college shall charge the county's per FTE student share of operating expenses of such college for that term as aforesaid to each county which has issued a certificate or certificates of residence pursuant to subsection b., on the basis of which nonresident students are attending such county college. The amount so charged to the county issuing the certificate or certificates shall be paid within 30 days of the date of the billing.

22 (cf: P.L.1994, c.48, s.137)

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- 24 131. Section 4 of P.L.1983, c.470 (C.18A:64A-23.4) is amended 25 to read as follows:
- 26 4. The [Commissioner of Labor] Board of Higher Education 27 shall promulgate rules and regulations necessary to effectuate the 28 purposes of this act. [Regulations of the State Board of Higher 29 Education implementing this act shall remain in full force and effect 30 until modified or repealed by the Commissioner of Labor.]

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(cf: P.L.1994, c.48, s.138)

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- 132. N.J.S.18A:64A-24 is amended to read as follows:
- 33 34 18A:64A-24. If the board of trustees of a county college shall 35 determine that it is in the best interest of the college to allow one or 36 more additional counties to join in the operation of said county 37 college and the board or boards of chosen freeholders of the county 38 or counties then operating the county college shall approve, said 39 board of trustees and the chancellor, pursuant to the rules and 40 regulations of the Board of Higher Education, shall fix the terms 41 and conditions under which said additional county or counties may participate in the operation of the county college. 42 43 (cf: P.L.1994, c.48, s.139)

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45 Section 3 of P.L.1982, c.189 (C.18A:64A-25.3) is amended to read as follows: 46

- 3. a. Any purchase, contract or agreement for the performance of any work or the furnishing or hiring of materials or supplies, the cost or price of which, together with any sums expended for the performance of any work or services in connection with the same project or the furnishing of similar materials or supplies during the same fiscal year, paid with or out of college funds, does not exceed the total sum of \$25,000 or, commencing January 1, 2003, the amount determined pursuant to subsection b. of this section in any fiscal year may be made, negotiated and awarded by a contracting agent, when so authorized by resolution of the board of trustees of the county college, without public advertising for bids and bidding therefor.
  - b. Commencing January 1, 2003 and every two years thereafter, the Governor, in consultation with the Department of the Treasury, shall adjust the threshold amount set forth in subsection a. of this section in direct proportion to the rise or fall of the Consumer Price Index for all urban consumers in the New York and Northeastern New Jersey and the Philadelphia areas as reported by the United States Department of Labor. The adjustment shall become effective on July 1 of the year in which it is reported.
  - c. Any purchase, contract or agreement made pursuant to this section may be awarded for a period of 24 consecutive months, notwithstanding that such 24 -month period does not coincide with the fiscal year. The Department of Higher Education shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the fiscal year. (cf: P.L.2001, c.281, s.1)

- 134. Section 5 of P.L.1982, c.189 (C.18A:64A-25.5) is amended to read as follows:
- 5. Any purchase, contract or agreement of the character described in section 4 may be made, negotiated or awarded by the county college by resolution at a public meeting of its board of trustees without public advertising for bids or bidding therefor if:
  - a. The subject matter thereof consists of:
  - (1) Professional services; or
- (2) Extraordinary unspecifiable services and products which cannot reasonably be described by written specifications, subject however, to [procedures] the rules and regulations of the Board of Higher Education consistent with open public bidding whenever possible; or
- (3) Materials or supplies which are not available from more than one potential bidder, including without limitation materials or supplies which are patented or copyrighted; or
- 45 (4) The doing of any work by employees of the county college; 46 or
  - (5) The printing of all legal notices and legal briefs, records and

appendices to be used in any legal proceeding to which the county college may be a party; or

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- (6) Textbooks, copyrighted materials, student produced publications and services incidental thereto, library materials including without limitation books, periodicals, newspapers, documents, pamphlets, photographs, reproductions, microfilms, pictorial or graphic works, musical scores, maps, charts, globes, sound recordings, slides, films, filmstrips, video and magnetic tapes, other printed or published matter and audiovisual and other materials of a similar nature, necessary binding or rebinding of library materials and specialized library services; or
  - (7) Food supplies and services including food supplies and management contracts for student centers, dining rooms and cafeterias, pursuant to rules and regulations of the Board of Higher Education; or
  - (8) The supplying of any product or the rendering of any service by the public utility which is subject to the jurisdiction of the Board of Public Utilities, in accordance with tariffs and schedules of charges made, charged and exacted, filed with said board; or
  - (9) Equipment repair service if in the nature of an extraordinary unspecifiable service and necessary parts furnished in connection with such services; or
- (10) Specialized machinery or equipment of a technical nature which will not reasonably permit the drawing of specifications, and the procurement thereof without advertising is in the public interest; or
- (11) Insurance, including the purchase of insurance coverage and consulting services, which exceptions shall be in accordance with the requirements for extraordinary unspecifiable services; or
- (12) Publishing of legal notices in newspapers, as required by law; or
- 32 (13) The acquisition of artifacts or other items of unique 33 intrinsic, artistic or historic character; or
  - (14) The collection of amounts due on student loans, including without limitation loans guaranteed by or made with funds of the United States of America; or
    - (15) Professional consulting services; or
  - (16) Entertainment, including without limitation theatrical presentations, band and other concerts, movies and other audiovisual productions; or
- 41 (17) Contracts employing funds created by student activities 42 fees charged to students or otherwise raised by students, not under 43 the direct control of the college and expended by student 44 organizations; or
- 45 (18) Printing, including without limitation catalogs, yearbooks 46 and course announcements; or
- 47 (19) Providing goods or services for the use, support or 48 maintenance of proprietary computer hardware, software

1 peripherals and system development for the hardware; or

- (20) Personnel recruitment and advertising, including without limitation advertising seeking student enrollment; or
- (21) Educational supplies, books, articles of clothing and other miscellaneous articles purchased by a county college bookstore, or by a service or management company under contract with a county college to operate a county college book store for resale to college students and employees; or
- (22) Purchase or rental of graduation caps and gowns and award certificates or plaques; or
  - (23) Expenses for travel or conferences; or
- (24) Items available from vendors at costs below State contract pricing for the same product or service, which meets or exceeds the State contract terms or conditions.
- b. It is to be made or entered into with the United States of America, the State of New Jersey, a county or municipality or any board, body, or officer, agency or authority or any other state or subdivision thereof.
- c. The county college has advertised for bids pursuant to section 4 of P.L.1982, c.189 (C.18A:64A-25.4) on two occasions and (i) has received no bids on both occasions in response to its advertisement, or (ii) has rejected such bids on two occasions because the county college has determined that they are not reasonable as to price, on the basis of cost estimates prepared for or by the county college prior to the advertising therefor, or have not been independently arrived at in open competition, or (iii) on one occasion no bids were received pursuant to (i) and on one occasion all bids were rejected pursuant to (ii), in whatever sequence; any such contract or agreement may then be negotiated by a two-thirds affirmative vote of the authorized membership of the board of trustees authorizing such contract or agreement; provided, however, that:
- (1) A reasonable effort is made by the contracting agent to determine that the same or equivalent materials or supplies at a cost which is lower than the negotiated price are not available from any agency or authority of the United States, the State of New Jersey or from the county in which the county college is located, or any municipality in close proximity to the county college;
- (2) The terms, conditions, restrictions and specifications set forth in the negotiated contract or agreement are not substantially different from those which were the subject of competitive bidding pursuant to section 4 of P.L.1982, c.189 (C.18A:64A-25.4); and
- (3) Any relevant amendment or modification of any of the terms, conditions, restrictions and specifications, which were the subject of competitive bidding pursuant to section 4 of P.L.1982, c.189 (C.18A:64A-25.4), shall be stated in the resolution awarding such contract or agreement; provided, further, however, that if on the second occasion the bids received are rejected as unreasonable

as to price, the county college shall notify each responsible bidder 1 2 submitting bids on the second occasion of its intention to negotiate 3 and afford each such bidder a reasonable opportunity to negotiate, 4 but the county college shall not award such contract or agreement 5 unless the negotiated price is lower than the lowest rejected bid 6 price submitted on the second occasion by a responsible bidder, is 7 the lowest negotiated price offered by any responsible vendor, and 8 is a reasonable price for such work, materials, supplies or services.

Whenever a county college shall determine that a bid was not arrived at independently in open competition pursuant to subsection c. (ii) of this section, it shall thereupon notify the county prosecutor of the county in which the county college is located and the Attorney General of the facts upon which its determination is based and, when appropriate, it may institute appropriate proceedings in any State or federal court of competent jurisdiction for a violation of any State or federal antitrust law or laws relating to the unlawful restraint of trade.

18 (cf: P.L.2001, c.281, s.2)

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135. Section 7 of P.L.1982, c.189 (C.18A:64A-25.7) is amended to read as follows:

No purchase, contract or agreement which is single in character or which necessarily or by reason of the quantities required to effectuate the purpose of the purchase, contract or agreement includes the furnishing of additional services or equipment or buying materials or supplies or the doing of additional work, shall be subdivided so as to bring it or any of the parts thereof under the maximum price or cost limitation set forth in section 3 of P.L.1982, c.189 (C.18A:64A-25.3) or in a regulation of the Board of Higher Education, thus dispensing with the requirement of public advertising and bidding therefor. Where the doing of any work is included in or incident to the performance or completion of any project which is single in character or inclusive of the furnishing of additional work, materials or supplies or which requires the furnishing of more than one article of materials or supplies, all of the work, materials or supplies requisite for the completion of such project shall be included in one purchase, contract or agreement.

38 (cf: P.L.1994, c.48, s.143)

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- 136. Section 28 of P.L.1982, c.189 (C.18A:64A-25.28) is amended to read as follows:
- 28. Duration of certain contracts. A county college may only enter into a contract exceeding 24 consecutive months for the:
  - a. Supplying of:
- (1) Fuel for heating purposes for any term not exceeding in the aggregate three years; or
- (2) Fuel or oil for use in automobiles, autobuses, motor vehicles or equipment for any term not exceeding in the aggregate three

1 years; or

- b. Plowing and removal of snow and ice for any term not
   exceeding in the aggregate three years; or
  - c. Collection and disposal of garbage and refuse for any term not exceeding in the aggregate three years; or
  - d. Providing goods or services for the use, support or maintenance of proprietary computer hardware, software peripherals and system development for the hardware for any term of not more than five years; or
  - e. Insurance, including the purchase of insurance coverages, insurance consultant or administrative services, and including participation in a joint self-insurance fund, risk management programs or related services provided by a county college insurance group, or participation in an insurance fund established by a county pursuant to N.J.S.40A:10-6, for any term of not more than three years; or
  - f. Leasing or service of automobiles, motor vehicles, electronic communications equipment, machinery and equipment of every nature and kind for any term not exceeding in the aggregate five years; provided the contracts shall be entered into only subject to and in accordance with rules and regulations promulgated by the Board of Higher Education; or
  - g. Supplying of any product or rendering of any service by a company providing voice, data, transmission or switching services, for a term not exceeding five years; or
  - h. The providing of food supplies and services, including food supplies and management contracts for student centers, dining rooms and cafeterias, for a term not exceeding three years; or
  - i. The performance of work or services or the furnishing of materials or supplies for the purpose of conserving energy in buildings owned by, or operations conducted by, the contracting unit, the entire price of which is to be established as a percentage of the resultant savings in energy costs, for a term not exceeding 10 years; provided that a contract is entered into only subject to and in accordance with guidelines promulgated by the Board of Public Utilities establishing a methodology for computing energy cost savings; or
  - j. Any single project for the construction, reconstruction or rehabilitation of a public building, structure or facility, or a public works project including the retention of the services of an architect or engineer in connection with the project, for the length of time necessary for the completion of the actual construction; or
  - k. The management and operation of bookstores for a term not exceeding five years; or
  - l. Custodial or janitorial services for any term not exceeding in the aggregate three years; or
    - m. Child care services for a term not exceeding three years; or
  - n. Security services for a term not exceeding three years; or

- o. Ground maintenance services for a term not exceeding three years; or
- p. Laundering, dry-cleaning or rental of uniforms for a term not exceeding three years.

All multi-year leases and contracts entered into pursuant to this section, except contracts and agreements for the provision of work or the supplying of equipment to promote energy conservation and authorized pursuant to subsection i. of this section, and except contracts for insurance coverages, insurance consultant or administrative services, participation or membership in a joint self-insurance fund, risk management programs or related services of a county college insurance group, and participation in an insurance fund established by a county pursuant to N.J.S.40A:10-6 or a joint insurance fund established pursuant to P.L.1983, c.372 (C.40A:10-36 et seq.), shall contain a clause making them subject to the availability and appropriation annually of sufficient funds to meet the extended obligation or contain an annual cancellation clause.

the extended obligation or (cf: P.L.2001, c.281, s.7)

137. N.J.S.18A:64A-27 is amended to read as follows:

18A:64A-27. The council shall consist of the presidents and chairmen of the boards of trustees of the several county community colleges and of the county college commissions. A trustee board chairman may designate another member of the board as an alternate to attend and to vote at council meetings in the chairman's absence. The chancellor shall be an additional member ex officio without vote.

Members shall serve without compensation but shall be entitled to be reimbursed for all reasonable and necessary expenses.

(cf: P.L.1994, c.48, s.146)

(cf: P.L.1994, c.48, s.147)

138. N.J.S.18A:64A-28 is amended to read as follows:

18A:64A-28. The council shall organize annually <u>during the</u> month of <u>December</u> by the election of a chairman, vice chairman and such other officers as the council shall determine. Such officers shall serve until the following [annual organizational] <u>December</u> meeting and until their successors are elected and qualified. Vacancies in such offices shall be filled in the same manner for the unexpired terms only. The council may also meet at such other times and at such places within the State as it shall deem necessary.

139. Section 8 of P.L.1989, c.141 (C.18A:64A-28.4) is amended to read as follows:

8. The council shall encourage and aid movements which it deems necessary for the improvement of county college education and shall, from time to time, make recommendations to the

- 1 [Governor, Legislature and Commission on Higher Education]
- 2 <u>Board of Higher Education</u> regarding the coordination of the county
- 3 colleges on matters of mutual interest and concern.
- 4 (cf: P.L.1994, c.48, s.148)

- 6 140. N.J.S.18A:64A-29 is amended to read as follows:
- 7 18A:64A-29. [The] Under the guidance of the Board of Higher
- 8 Education and with assistance from its staff, the council will seek
- 9 to ensure acceptable and effective lines of development in
- 10 admissions policy, academic standards, programs, financing,
- 11 [including recommending to the State Treasurer a formula for the
- 12 allocation of annual appropriations among the county colleges and
- 13 making recommendations for capital funding,] and community
- 14 relations in the several county colleges.
- 15 The council will serve as a means of communication between the
- county colleges, and [act as] staff from the Board of Higher
- 17 Education will constitute for the council and for the individual
- 18 <u>county colleges</u> a resource center to aid them in planning, act as a
- 19 clearing house of information, and provide continuing field
- 20 services.
- 21 The council will act as an advisory body to the [Governor,
- 22 Legislature, Commission on Higher Education and Presidents'
- 23 Council] <u>Board of Higher Education</u> in the carrying out of [their
- respective] its duties and responsibilities deriving from this chapter.
- 25 (cf: P.L.1999, c.46, s.42)

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- 27 141. Section 1 of P.L.1974, c.89 (C.18A:64A-30) is amended 28 toread as follows:
- 1. The board of chosen freeholders of any county which has not established a county college may, with the consent of the
- 31 [Commission on] <u>Board of</u> Higher Education, establish a
- 32 community college agency.
- 33 (cf: P.L.1994, c.48, s.150)

- 35 142. Section 3 of P.L.1974, c.89 (C.18A:64A-32) is amended to read as follows:
- 38 county superintendent of schools and nine public members who are
- residents of the county and have resided therein for a period of four
- 40 years prior to their appointment having no official connection with
- 41 educational institutions contracting with the commission. No
- 42 elected public official shall serve as a voting member of the
- commission. The president of the commission shall be an ex officio
- 44 member of the commission without vote.
- Seven of the public members shall be appointed by the

appointing authority of the county, with the advice and consent of the board of chosen freeholders, and two of the members shall be appointed by the Board of Higher Education, subject to the approval of the Governor, for such initial terms as shall be established by the board. Members shall be appointed for terms of four years each, except that the initial appointments shall be made in four classes as nearly equal as possible in number, one class to serve for one year, one class to serve for two years, one class to serve for three years, and one class to serve for four years. The term of all members of the commission shall begin on July 1. Members initially appointed to the commission may serve from the time of their respective appointments, but the term of such office shall be deemed to commence as of July 1 of the year in which the appointment was made. Each member shall serve until his successor shall have been appointed and qualified. Vacancies shall be filled in the same manner as the original appointments and for the remainder of the unexpired terms. Any appointed member may be removed by the appointing authority of the county for cause upon notice and opportunity to be heard. The members of the commission shall serve without compensation for their services, but shall be entitled to receive reimbursement for all reasonable and necessary expenses incurred by virtue of services as a member of the commission.

A voting member of a community college commission shall not be eligible to accept employment of the college at which he has served as a member of the commission for a period of two years following resignation or expiration of his term as a member.

The appointing authority of the county shall establish a trustee search committee of not less than five members who shall be residents of the county. The members of the trustee search committee shall not be elected public officials and shall not be eligible for appointment to the board of trustees for a period of six months after their service on the trustee search committee. The trustee search committee shall nominate persons according to criteria promulgated by the Board of Higher Education for consideration by the appointing authority of the county for appointment to the board of trustees.

(cf: P.L.1994, c.48, s.151)

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143. Section 7 of P.L.1974, c.89 (C.18A:64A-36) is amended to read as follows:

7. The commission shall make an annual report on academic and fiscal affairs to the board of chosen freeholders and to the Board of Higher Education, and annually recommend the funds necessary to be included in the county budget pursuant to N.J.S.18A:64A-15 through 20 for the purpose of public higher education in accordance with the needs for support and facilities as determined by the commission. The first year's estimate of expenses shall be prepared and delivered pursuant to N.J.S.18A:64A-21.

1 (cf: P.L.1994, c.48, s.152)

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- 144. Section 8 of P.L.1974, c.89 (C.18A:64A-37) is amended to read as follows:
- 4 read as follows:
  5 8. [A] In accordance with rules and regulations adopted by the
- Board of Higher Education governing such commissions, a community college commission shall be eligible to receive State support for operational and capital costs pursuant to
- 9 N.J.S.18A:64A-22, and to the extent State concurrence may be
- 10 required, any federal support that may be available under the higher
- 11 education assistance acts or any other appropriate federal acts.
- Nothing in this act shall prevent the commission from receiving any other public funds that may be available.
- 14 (cf: P.L.1994, c.48, s.153)

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- 145. Section 1 of P.L.1982, c.42 (C.18A:64A-50) is amended to read as follows:
- 1. Notwithstanding any provisions of chapter 64A of Title 18A of the New Jersey Statutes to the contrary, any private institution of higher education and any post-secondary institute of a county board of vocational education may, prior to July 1, 1994, combine to form a county college <u>upon petition to and approval by the Board of Higher Education and</u> without the need of a referendum.
- 24 (cf: P.L.1994, c.48, s.154)

- 26 146. Section 6 of P.L.1982, c.42 (C.18A:64A-55) is amended to read as follows:
- read as follows:

  6. The board of trustees shall include seven public trustees,
- consisting of the county superintendent of schools, four members appointed by the board of chosen freeholders, and two citizens of
- 31 the county appointed by the [Governor] <u>Board of Higher Education</u>,
- and four trustees appointed by the board of governors from among
- 33 its members. However, no trustee shall be appointed after July 1,
- 34 1994 who is an employee of a constituent county. In addition, the
- 35 student body shall be entitled to elect from the graduating class one
- 36 representative to serve as a nonvoting member of the board of
- 37 trustees for a term of one year commencing at the next organization
- of the board following graduation of his class. The Board of Higher
- 39 Education shall by regulation prescribe the rights and duties of the
- 40 <u>student representative.</u>
- All appointive members shall be residents of the county for a 42 period of four years prior to appointment and no elected public
- 43 official or employee of the county college shall serve as a voting
- 44 member of the board. The terms of office of the appointive
- 45 members shall be four years, except for the first appointment.
- 46 Terms of those initially appointed by the chairman of the board of
- 47 chosen freeholders shall expire, respectively, one, two, three and

- 1 four years after appointment. Of those appointed by the [Governor]
- 2 Board of Higher Education, one person shall be appointed for a
- 3 term of two years and one for a term of four years. Of the members
- 4 appointed by the board of governors, one person shall be appointed
- 5 for a term of one year, one for a term of two years, one for a term of
- 6 three years, and one for a term of four years.
- 7 Each member shall serve until his successor is appointed and 8 qualified.
- 9 Vacancies shall be filled in the same manner as the original 10 appointment for the unexpired term. Upon notice and opportunity
- 11 to be heard, an appointee may be removed for cause by the body
- originally making the appointment. Members shall serve without 12
- compensation but shall be entitled to be reimbursed for all 13
- 14 reasonable and necessary expenses.
- 15 (cf: P.L.1994, c.48, s.155)
- 16 147. Section 8 of P.L.1982, c.42 (C.18A:64A-57) is amended to 17 read as follows:
- 18 8. The board of trustees shall have general supervision over and
- 19 be vested with the conduct of the college. [It] Subject to rules and
- 20 regulations of the Board of Higher Education, it shall have the
- 21 authority and responsibility to: 22
  - a. Adopt and use a corporate seal;
- 23 b. Sue or be sued;
- 24 c. Determine the educational curriculum and program of the 25 college;
  - d. With the advice and consent of the board of governors, upon expiration of the term of the current president of the private institution, appoint and fix the compensation and term of office of a president of the college, who shall be the executive officer of the
- 30 college;

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- e. Appoint, upon nomination of the president, members of the 31 32 administrative and teaching staff and fix their compensation and 33 terms of employment, subject to the provisions of general law;
  - Employ other officers, agents and employees, as may be required to carry out the provisions of this act and fix and determine their qualifications, duties, compensation, terms of office and all other conditions and terms of employment;
- 38 g. Fix and determine tuition rates and other fees to be paid by 39 students;
  - h. Grant diplomas, certificates or degrees;
- 41 i. Enter into contracts and agreements with the State or any of its
- 42 political subdivisions or with the United States, or with any public
- 43 body, department or other agency of the county, State or United
- 44 States, or with any individual firm or corporation, which is deemed
- 45 necessary or advisable by the board for carrying out the provisions
- 46 of this act;
- 47 j. Accept from any government or governmental department,

agency or other public or private body or from any other source grants or contributions of money or property, which the board of trustees may use for its purposes;

- k. Disburse all moneys appropriated to the college by the county and State, moneys received from tuition, fees, auxiliary services and other sources, and from or by the direction of the board of governors;
- 1. Direct and control the expenditures of the college as to funds received from the board of governors and other sources in accordance with the terms of any applicable trusts, gifts, bequests, or other special provisions;
- m. Acquire by gift, purchase, condemnation or otherwise, own, lease, use and operate property, whether real, personal or mixed, or any interest therein, which is necessary or desirable for college purposes;
- n. Determine that any property owned and controlled by the board of trustees of the county college is no longer necessary for college purposes and sell the same at the price and in the manner and upon the terms and conditions as shall be established by the [board] Board of Higher Education;
- o. Make and promulgate rules and regulations not inconsistent with the provisions of general law or of this act or with the rules and regulations [promulgated hereunder] of the Board of Higher Education that are necessary and proper for the administration or operation of the county college;
- p. Exercise all other powers not inconsistent with the provisions of this act [or with rules and regulations promulgated hereunder,] or with general law, or with the rules and regulations of the Board of Higher Education which may be reasonable, necessary or incidental to the establishment, maintenance and operation of a county college; and
- q. Establish and maintain a dedicated reserve fund for minor capital needs, which in any given year shall not exceed 3% of the replacement value of the college's physical plant.
- 35 (cf: P.L.1994, c.48, s.156)
- 37 148. Section 10 of P.L.1982, c.42 (C.18A:64A-59) is amended 38 to read as follows:
  - 10. In consideration of the utilization by the county for purposes of higher education of privately donated properties and funds and the prospect of future private donations, the State and the county by this act agree with the current board of trustees and its successor that:
  - a. If the property and funds controlled by the current trustees and its successor board of governors is not properly applied in accordance with the provisions of section 8 of this act for the purposes of higher education and in accordance with the terms of

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1 any applicable testament or trust or other special provisions; or 2 b. if the county shall not make provisions sufficient to enable 3 the current board of trustees and its successors to discharge its trust 4 to apply the trust assets as described in section 9 of this act for 5 public higher education through the conduct of a college with high 6 educational standards, then the board of governors, after consideration and on not less than 60 days' prior written notice to 7 the board of trustees and to the [Governor] Board of Higher 8 9 Education, shall have and may exercise the right to withhold or 10 withdraw the use of the properties and funds described in section 9 of this act or any part thereof, subject to adjudication by the courts 11 12 of the State and subject to their proper application for the purposes 13 of public higher education and in accordance with the terms of any 14 applicable testamentary trust or other special provision. 15 (cf: P.L.1994, c.48, s.157)

- 149. Section 12 of P.L.1982, c.42 (C.18A:64A-61) is amended 1 2 to read as follows:
- 3 12. In accordance with law, the board of trustees shall make an 4 annual report to the chancellor in the manner prescribed by the 5 Board of Higher Education and to the board of chosen freeholders
- 6 of the county.

7 (cf: P.L.1994, c.48, s.158)

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- 9 150. Section 27 of P.L.1982, c.42 (C.18A:64A-76) is amended 10 to read as follows:
- 11 27. This act shall not abrogate the powers of the Governor or the 12 Board of Higher Education to supervise and control the college in 13 accordance with existing law.
- 14 (cf: P.L.1994, c.48, s.159)

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- 16 151. Section 11 of P.L.1995, c.400 (C.18A:64E-22) is amended 17 to read as follows:
- 18 11. The board of trustees shall advise the Governor and
- 19 Legislature, in consultation with the [Commission on Higher
- Education and the President's Council and successor bodies] Board 20
- 21 of Higher Education, to the end that the facilities and services of the
- 22 university may be utilized so as to increase the efficiency of the
- 23 public education system and provide, maintain and improve upon
- the quality of higher education for the people of the State. The 24
- 25 board of trustees shall make recommendations to the Governor and
- the Legislature respecting the needs for the facilities and services of 26
- 27 the university as an educational instrumentality of the State for that 28 purpose.
- 29 (cf: P.L.1995, c.400, s.11)

- 152. Section 2 of P.L.1970, c.102 (C.18A:64G-2) is amended to 31 32 read as follows:
- 33 2. The Legislature and Governor of the State of New Jersey 34 hereby find that the establishment and operation of programs of 35 medical, dental, nursing, health related professions and health 36 sciences education is in the best interest of the State to provide greater numbers of trained medical personnel to assist in the 37 38 staffing of the hospitals and public institutions and agencies of the 39 State and to prepare greater numbers of students for the general 40 practice of medicine, dentistry, nursing and the health related 41 professions, and find, declare and affirm, as a matter of public 42 policy of the State, that it is the responsibility of the State to 43 provide funds necessary to establish and operate such programs of 44 education, in the most economical and efficient manner, and that, in 45 furtherance of such policy, the school of medicine heretofore 46 established by Rutgers, The State University, (hereinafter called the
- 47 "Rutgers Medical School") and the New Jersey College of Medicine

and Dentistry shall be combined into a single entity to be known as
 the University of Medicine and Dentistry of New Jersey.

The university shall be comprised of the Graduate School of Biomedical Sciences, the School of Health Related Professions, the New Jersey Dental School, the School of Osteopathic Medicine, the New Jersey Medical School and the Robert Wood Johnson Medical School, and all other departments or schools established by the university in accordance with [law] the review and approval procedures of the Board of Higher Education.

The Legislature and Governor further find and declare that the continuing development of the university as a premier academic health center, able to provide state of the art education, research and patient care services and able to fully participate in today's health-care environment, is in the best interest of the State. Because of the importance of each element of the health-care delivery system, it is the university's obligation to monitor, to identify and to coordinate with the appropriate State agencies and boards to meet the health-care manpower needs of New Jersey as they arise. A key element necessary to the achievement of many of these goals is the structural flexibility to form productive and varied relationships with other health-care organizations, research institutions and private individuals, firms and corporations.

The Legislature and Governor further find that such publicprivate relationships should be encouraged since these cooperative efforts will enable the university to supplement the resources available from the State and thereby provide the university with an economic and efficient means to develop and offer an appropriate range of health-care services.

(cf: P.L.1994, c.48, s.164)

- 31 153. Section 3 of P.L.1970, c.102 (C.18A:64G-3) is amended to read as follows:
  - 3. There is hereby established in the Department of Higher Education a body corporate and politic to be known as the "University of Medicine and Dentistry of New Jersey." The exercise by the university of the powers conferred by this act in the presentation and operation of programs of medical, dental, nursing and health related professions and health sciences education shall be deemed to be public and essential governmental functions necessary for the welfare of the State and the people of New Jersey. (cf: P.L.1994, c.48, s.165)

- 154. Section 22 of P.L.1981, c.325 (C.18A:64G-3.6) is amended to read as follows:
- 22. The general powers of supervision and control of the [Chairman of the Commission on Higher Education at the request of the Governor] Board of Higher Education over the University of

- Medicine and Dentistry of New Jersey include the power to visit the 1
- 2 university to examine into its manner of conducting its affairs and
- 3 to enforce an observance of its laws and regulations and the laws of
- 4 the State.
- 5 (cf: P.L.1994, c.48, s.166)

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- 7 155. Section 7 of P.L.1992, c.84 (C.18A:64G-3.9) is amended to 8 read as follows:
  - 7. a. Except in the case of existing university programs, the university shall award associate degrees only in new programs jointly proposed and implemented with institutions fully authorized and accredited to award degrees at that level.
  - b. For the awarding of the baccalaureate degree, the university shall develop and maintain joint degree programs for health related professions and new nursing education programs with fully authorized and accredited institutions and shall be limited to offering upper division courses. Exceptions may be made in
- 18 accordance with [the approval] duly adopted regulations of the
- 19 [Commission on] Board of Higher Education, except as provided in
- 20 this act. In instances where the university has been authorized to
- 21 offer a baccalaureate degree program jointly with another
- 22 institution, it may independently award a second baccalaureate
- 23 degree for that program for students who enter the program already
- 24 possessing a baccalaureate degree from a regionally accredited
- 25 college or university.
- (cf: P.L.1994, c.48, s.167) 26

- 28 156. Section 4 of P.L.1970, c.102 (C.18A:64G-4) is amended to read as follows:
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- 30 The government, control, conduct, management and administration of the university shall be vested in the board of 31
- 32 trustees of the university. The membership of the board of trustees
- 33 shall consist of the Chancellor of Higher Education and the
- 34 Commissioner of Health, who shall serve ex officio, without vote, 35 and 11 voting members, each of whom shall be appointed by the
- 36 Governor, with the advice and consent of the Senate, for a term of
- five years and shall serve until his successor is appointed and has 37
- 38 qualified. Any vacancies in the voting membership of the board
- 39 occurring other than by expiration of term shall be filled in the same
- 40 manner as the original appointment but for the unexpired term only.
- 41 Each voting member of the board of trustees before entering upon
- 42 his duties shall take and subscribe an oath to perform the duties of
- 43 his office faithfully, impartially and justly to the best of his ability.
- 44 A record of such oath shall be filed in the office of the Secretary of
- 45 State. Each voting member of the board may be removed from
- 46 office by the Governor, for cause, after a public hearing.
- 47 b. The members of the board of trustees shall meet at the call of

the Governor for purposes of organizing. The board shall thereafter meet at such times and places as it shall designate.

- c. The Governor shall designate one of the voting members as chairman of the board. The board shall select such other officers from among its members as shall be deemed necessary.
- d. The board shall have the power to appoint and regulate the duties, functions, powers and procedures of committees, standing or special, from its members and such advisory committees or bodies, as it may deem necessary or conducive to the efficient management and operation of the university, consistent with this act and other applicable statutes.
- 12 (cf: P.L.1994, c.48, s.168)

- 157. Section 6 of P.L.1970, c.102 (C.18A:64G-6) is amended to read as follows:
- 6. The board of trustees of the university, within the general policies and guidelines set by the Board of Higher Education, shall have the general supervision over and be vested with the conduct of the university, including its health care facilities regardless of the source of funding. It shall have the power and duty to:
  - (a) Adopt and use a corporate seal;
- (b) Determine the educational curriculum and program of the university;
- (c) Determine policies for the organization, administration, and development of the university;
- (d) Study the educational and financial needs of the university, annually acquaint the Governor and Legislature with the condition of the university, and prepare and submit an annual request for appropriation to the [Division of Budget and Accounting in the
- Department of the Treasury Board of Higher Education in accordance with law;
- 32 (e) Disburse all moneys appropriated to the university by the 33 Legislature and all moneys received from tuition, fees, auxiliary 34 services and other sources;
  - (f) Direct and control expenditures and transfers of funds appropriated to the university in accordance with the provisions of the State budget and appropriation acts of the Legislature, and, as to funds received from other sources, direct and control expenditures and transfers in accordance with the terms of any applicable trusts, gifts, bequests, or other special provisions, reporting changes and additions thereto and transfers thereof to the Director of the Division of Budget and Accounting in the Department of the Treasury and to the Chancellor of Higher Education. All accounts of the university shall be subject to audit by the State at any time;
  - (g) In accordance with the provisions of the State budget and appropriation acts of the Legislature, appoint and fix the compensation and term of office of a president of the university

who shall be the executive officer of the university;

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- (h) In accordance with the provisions of the State budget and appropriation acts of the Legislature, appoint, upon nomination of the president, such deans and other members of the academic, administrative and teaching staffs as shall be required and fix their compensation and terms of employment;
- (i) In accordance with the provisions of the State budget and appropriation acts of the Legislature, appoint, remove, promote and transfer such other officers, agents, or employees as may be required to carry out the provisions of this act and assign their duties, determine their salaries, and prescribe qualifications for all positions and in accordance with the salary schedules of the Civil Service Commission wherever possible;
- (j) Fix and determine, after consultation with the Board of Higher Education, tuition rates, and other fees to be paid by students;
  - (k) Grant diplomas, certificates or degrees;
- (1) Enter into contracts and agreements with the State or any of its political subdivisions or with the United States, or with any public body, department or other agency of the State or the United States or with any individual, firm or corporation which are deemed necessary or advisable by the board for carrying out the provisions of this act. A contract or agreement pursuant to this subsection may require a municipality to undertake obligations and duties to be performed subsequent to the expiration of the term of office of the elected governing body of such municipality which initially entered into or approved said contract or agreement, and the obligations and duties so incurred by such municipality shall be binding and of full force and effect, notwithstanding that the term of office of the elected governing body of such municipality which initially entered into or approved said contract or agreement, shall have expired;
- (m) Accept from any government or governmental department, agency or other public or private body or from any other source grants or contributions of money or property which the board may use for or in aid of any of its purposes;
- (n) (1) Acquire (by gift, purchase, condemnation or otherwise), own, lease, dispose of, use and operate property, whether real, personal or mixed, or any interest therein, which is necessary or desirable for university purposes;
- (2) Adopt standing operating rules and procedures for the purchase of all equipment, materials, supplies and services; however, no contract on behalf of the university shall be entered into for the purchase of services, materials, equipment and supplies, for doing of any work, or for the hiring of equipment or vehicles, where the sum to be expended exceeds \$12,500.00 or the amount determined by the Governor as provided herein, unless the university shall first publicly advertise for bids and shall award the contract to that responsible bidder whose bid, conforming to the

invitation for bids, will be most advantageous to the university, price and other factors considered. Such advertising shall not be required in those exceptions created by the board of trustees of the university, which shall be in substance those exceptions contained in sections 4 and 5 of P.L.1954, c.48 (C.52:34-9 and 10) or for the supplying of any product or the rendering of any service by a public utility subject to the jurisdiction of the Board of Public Utilities of this State and tariffs and schedules of the charges, made, charged, or exacted by the public utility for any such products to be supplied or services to be rendered are filed with the said board. Commencing January 1, 1985 and every two years thereafter, the Governor, in consultation with the Department of the Treasury, shall adjust the threshold amount set forth in this paragraph in direct proportion to the rise or fall of the consumer price index for all urban consumers in the New York City and the Philadelphia areas as reported by the United States Department of Labor. Governor shall notify the university of the adjustment. adjustment shall become effective on July 1 of the year in which it is reported. 

This subsection shall not prevent the university from having any work done by its own employees, nor shall it apply to repairs, or to the furnishing of materials, supplies or labor, or the hiring of equipment or vehicles, when the safety or protection of its or other public property or the public convenience requires or the exigency of the university's service will not admit of such advertisement. In such case, the university shall, by resolution passed by the affirmative vote of its board of trustees, declare the exigency or emergency to exist, and set forth in the resolution the nature and approximate amount to be expended; shall maintain appropriate records as to the reason for such awards; and shall report regularly to its board of trustees on all such purchases, the amounts and the reasons therefor;

- (3) Employ architects to plan buildings; secure bids for the construction of buildings and for the equipment thereof; make contracts for the construction of buildings and for equipment; and supervise the construction of buildings. All capital expenditures in excess of \$2,000,000 shall be subject to the approval of the Board of Higher Education except that commencing January 1, 2003 and every two years thereafter, the Governor, in consultation with the Department of the Treasury, shall adjust the threshold amount set forth in this paragraph in direct proportion to the rise or fall of the consumer price index for all urban consumers in the New York City and the Philadelphia areas as reported by the United States Department of Labor. The Governor shall notify the university of the adjustment. The adjustment shall become effective on July 1 of the year in which it is reported;
- (4) Manage and maintain, and provide for the payment of all charges on and expenses in respect of, all properties utilized by the

1 university; and

(5) Invest certain moneys in such obligations, securities and other investments as the board shall deem prudent, consistent with the purposes and provisions of this act and in accordance with State and federal law, as follows:

Investment in not for profit corporations or for profit corporations organized and operated pursuant to the provisions of subsection (v) of this section may utilize income realized from the sale or licensing of intellectual property as well as the reinvestment of earnings on intellectual property. Investment in not for profit corporations may also utilize income from the operation of faculty practice plans of the university and income from overhead grant fund recovery as permitted by federal law as well as other university funds except those specified in paragraph 5 of subsection (v) of this section.

- (o) Borrow money and to secure the same by a mortgage on its property or any part thereof, and to enter into any credit agreement for the needs of the university, as deemed requisite by the board, in such amounts and for such time and upon such terms as may be determined by the board, provided that no such borrowing shall be deemed or construed to create or constitute a debt, liability, or a loan or pledge of the credit or be payable out of property or funds, other than moneys appropriated for that purpose, of the State;
- (p) Exercise the right of eminent domain, pursuant to the provisions of the "Eminent Domain Act of 1971," P.L.1971, c.361 (C.20:3-1 et seq.), to acquire any property or interest therein;
- (q) Adopt bylaws and make and promulgate such rules, regulations and orders, not inconsistent with the provisions of this act as are necessary and proper for the administration and operation of the university and to implement the provisions of this act;
- (r) Authorize any new program, educational department or school [not inconsistent with the programmatic mission of the institution or approved by the Commission on Higher Education] which will require, at the time of establishment or thereafter, an additional expenditure of money, if the establishment thereof is approved by the Board of Higher Education and provision is made therefor by law;
- (s) Function as a public employer under the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.) and conduct all labor negotiations, and with the participation of the Governor's Office of Employee Relations act as the chief spokesperson with respect to all matters under negotiation;
- (t) Sue and be sued in its own name;
- 44 (u) [Retain independent counsel including representation by the 45 Attorney General in accordance with subsection h. of section 6 of 46 P.L.1994, c.48 (C.18A:3B-6)] Notwithstanding the provisions of

section 7 of P.L.1970, c.102 (C.18A:64G-7), retain independent counsel to represent a joint venture, subsidiary corporation, partnership or other jural entity entered into or owned wholly or in part by the university when the enterprise involves development, manufacture, or marketing of products, technology, or scientific information, and retain independent counsel to represent any separate corporation created by the university pursuant to paragraph (1) of subsection (v) of this section; however, the Attorney General shall represent the university as a venturer, partner, or in the case of a corporation, in its shareholder capacity curing the incorporation phase and thereafter;

- (v) (1) Participate as the general partner or as a limited partner, either directly or through a subsidiary corporation created by the university, in limited partnerships, general partnerships, or joint ventures engaged in the development, manufacture, or marketing of products, technology, scientific information or health care services and create or form for profit or not for profit corporations to engage in such activities; provided that any such participation shall be consistent with the mission of the university and the board shall have determined that such participation is prudent. Nothing herein shall be construed to authorize any change in the legal status of University Hospital;
- (2) The decision to participate in any activity described in paragraph (1) of subsection (v) of section 6 of P.L.1970, c.102 (C.18A:64G-6), including the creation or formation of for profit or not for profit corporations, shall be articulated in the minutes of the Board of Trustees meeting in which the action was approved. A true copy of the minutes shall be delivered to the Governor. No such action shall have affect until 30 days, Saturdays, Sundays and public holidays excepted, after the copy of the minutes shall have been delivered to the Governor. If, within the 30-day period, the Governor returns the minutes of the meeting with a veto of the action taken by the board, the action taken by the board shall be null and void and of no effect;
- (3) The provisions of P.L.1971, c.182 (C.52:13D-12 et seq.) shall continue to apply to the university, its employees and officers;
- (4) Nothing herein shall be deemed or construed to create or constitute a debt, liability, or a loan or pledge of the credit or be payable out of property or funds of the State;
- (5) Funds directly appropriated to the university from the State or derived from the university's academic programs or derived from payment for coverage provided by the self insurance fund for claims accruing prior to the effective date of this act shall not be utilized by the profit or not for profit corporations organized and operated pursuant to this subsection in the development, manufacture or marketing of products, technology or scientific information;
- (6) Employees of any joint venture, subsidiary corporation, partnership or other jural entity entered into or owned wholly or in

part by the university shall not be deemed public employees;

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- (7) A joint venture, subsidiary corporation, partnership or other jural entity entered into or owned wholly or in part by the university shall not be deemed an instrumentality of the State of New Jersey;
- (8) Income realized by the university as a result of participation in the development, manufacture or marketing of products, technology, or scientific information may be invested or reinvested pursuant to paragraph (5) of subsection (n) of section 6 of P.L.1970, c.102 (C.18A:64G-6) or any other provision of this act or State or federal law or retained by the board for use in furtherance of any of the purposes of this act or of other applicable statutes;
- (9) The board shall annually report to the <u>Chancellor of Higher Education and the</u> State Treasurer on the operation of all joint ventures, subsidiary corporations, partnerships or such other jural entities entered into or owned wholly or in part by the university;
- Procure and enter into contracts for any type of (w) (1) insurance and indemnify against loss or damage to property from any cause, including loss of use and occupancy, against death or injury of any person, against employees' liability, against any act of any member, officer, employee or servant of the university, whether part-time, full-time, compensated or non-compensated in the performance of the duties of his office or employment or any other In addition, the university shall carry its own insurable risk. liability insurance or maintain an actuarially sound program of self insurance. Any joint venture, subsidiary corporation, or partnership or such other jural entity entered into or owned wholly or in part by the university shall carry insurance or maintain reserves in such amounts as are determined by an actuary to be sufficient to meet its actual or accrued claims;
- 29 30 (2) Moneys in the fund known as the Self-Insurance Trust Fund 31 administered by the State Treasurer shall continue to be available to 32 the university solely to indemnify and defend claims against the 33 university and its employees, officers and servants but only to the 34 extent that [the University has elected on behalf of itself and its 35 employees to obtain representation from the Attorney General 36 pursuant to subsection h. of section 6 of P.L.1994, c.48 (C.18A:3B-37 6) and] such entity or individuals would have been entitled to 38 defense and indemnification pursuant to the "New Jersey Tort 39 Claims Act," N.J.S.59:1-1 et seq., as a State entity or State 40 employee but for the provision of subsection (t) of section 6 of 41 P.L.1970, c.102 (C.18A:64G-6). Any expenditure of such funds 42 shall be made only in accordance with the provisions of the "New 43 Jersey Tort Claims Act," N.J.S.59:1-1 et seq., including but not 44 limited to the provisions of chapters 10, 10A and 11 of Title 59 of 45 the New Jersey Statutes. Nothing herein shall be construed to 46 authorize the use of the Self-Insurance Trust Fund to indemnify or 47 insure in any way, directly or indirectly the activities of any joint

venture, partnership or corporation entered into or created by the university pursuant to paragraphs (1) and (2) of subsection (v) of section 6 of P.L.1970, c.102 (C.18A:64G-6); and

(x) Create auxiliary organizations subject to the provisions of P.L.1982, c.16 (C.18A:64-26 et seq.).

6 (cf: P.L.1999, c.46, s.43)

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- 158. Section 7 of P.L.1970, c.102 (C.18A:64G-7) is amended to read as follows:
- 7. The board of trustees, in addition to the other powers and duties provided herein, shall have and exercise the powers, rights and privileges that are incident to the proper government, conduct and management of the university and the control of its properties and funds and such powers granted to the university or the board or reasonably implied, may be exercised without recourse or reference to any department or agency of the State, except as otherwise provided by this act. In addition, the board may retain independent counsel with the approval of the Attorney General.

19 (cf: P.L.1994, c.48, s.170)

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- 159. Section 8 of P.L.1970, c.102 (C.18A:64G-8) is amended to read as follows:
- 22 23 8. All functions, powers and duties relating to the investment or 24 reinvestment of funds other than those funds specified in paragraph 25 (5) of subsection (n) of section 6 of P.L.1970, c.102 (C.18A:64G-6) 26 within the jurisdiction of the board of trustees including the 27 purchase, sale or exchange of any investments or securities [may] shall be exercised and performed by the Director of the Division of 28 29 Investment in accordance with the provisions of chapter 270 of the 30 laws of 1950 (C.52:18A-79 et seq.) [if so authorized by the board. Sections 9 and 10 of P.L.1970, c.102 (C.18A:64G-9 and 18A:64G-31 32 10) shall only be applicable in the event of such an election]. 33 Before any such investment, reinvestment, purchase, sale or 34 exchange shall be made by the director for or on behalf of the board 35 of trustees, the Director of the Division of Investment shall submit 36 the details thereof to the board, which shall, itself or by its finance committee, within 48 hours, exclusive of Sundays and public 37 holidays, after such submission to it, file with the director its 38 39 written acceptance or rejection of such proposed investment, 40 reinvestment, purchase, sale or exchange; and the director shall 41 have authority to make such investment, reinvestment, purchase, 42 sale or exchange for or on behalf of the board, unless there shall 43 have been filed with him a written rejection thereof by the board or its finance committee as herein provided. The board of trustees 44 45 shall determine from time to time the cash requirements of the various funds and accounts established by it and the amount 46

available for investment, all of which shall be certified to the State

- 1 Treasurer and the Director of the Division of Investment.
- 2 The finance committee of the board of trustees shall consist of
- 3 three members of the board who shall be appointed in the same
- 4 manner and for the same term as other committees of the board are
- 5 appointed.
- 6 (cf: P.L.1994, c.48, s.300)

- 8 160. Section 2 of P.L.1977, c.390 (C.18A:64H-2) is amended to read as follows:
- 2. There is hereby established the Advisory Graduate Medical Education Council of New Jersey, which shall be responsible to the
- 12 [Commission on] Board of Higher Education. The purpose of this
- council shall be to make recommendations for the support, through
- 14 federal, State and private funds, of graduate medical education
- programs in private nonprofit and public hospitals in the State, and
- to make recommendations for the development and implementation
- of new graduate medical education programs which will meet the
- needs of the citizens of the State. The functions of the council shall
- 19 include, but not be limited to:
- a. Obtaining and evaluating information concerning the graduate
   medical manpower needs of the citizens of the State;
  - b. Recommending standards and criteria for participation by private nonprofit and public hospitals in the State;
    - c. Reviewing individual institutional applications and recommending awards of support to particular institutions based on conformance with the identified needs of the citizens of the State and the standards and criteria recommended by the council;
    - d Annually reviewing the educational programs provided by participating hospitals;
- e. Annually reporting to the Governor and the Education Committees of the New Jersey Legislature on the council's activities pursuant to the provisions of this act.
- 33 (cf: P.L.1994, c.48, s.171)

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- 35 161. Section 3 of P.L.1977, c.390 (C.18A:64H-3) is amended to read as follows:
  - 3. As used in this act:
- a. "Council" means the Advisory Graduate Medical EducationCouncil of New Jersey.
- b. [(Deleted by amendment, P.L.1994, c.48).] <u>"Chancellor"</u> means the Chancellor of Higher Education.
- c. "Graduate medical education" means internship and residency
- 43 programs fully or provisionally approved by either the Council on
- 44 Medical Education of the American Medical Association and the
- 45 appropriate physicians specialty board or the Office of Education of
- 46 the American Osteopathic Association.
- d. "Medical" and "physician" refer to doctors of medicine and

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    doctors of osteopathy.
    (cf: P.L.1994, c.48, s.172)
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- 162. Section 4 of P.L.1977, c.390 (C.18A:64H-4) is amended to read as follows:
- The council shall consist of [14] 15 members, 11 voting 6 7 members and [three] four nonvoting members; four members of the 8 council shall be appointed by the Governor and 11 shall be ex 9 officio members. The appointments shall consist of three 10 representatives of the public and one student currently enrolled in a 11 graduate medical training program; the appointed members shall be 12 voting members of the council. The president of the University of 13 Medicine and Dentistry of New Jersey, who shall serve as 14 chairperson; a dean from one of the medical schools of the 15 University of Medicine and Dentistry of New Jersey, to be selected 16 by the president of the University of Medicine and Dentistry of 17 New Jersey; the dean of the School of Graduate Medical Education 18 of Seton Hall University; the president of the New Jersey Hospital 19 Association; the president of the Association of Hospital Directors 20 of Medical Education of New Jersey; the president of the New 21 Jersey Association of Osteopathic Physicians and Surgeons; the 22 president of the Medical Society of New Jersey or their designated 23 representatives shall be ex officio, voting members of the council. The Chancellor of Higher Education; the Commissioner of Health; 24 25 the president of the State Board of Medical Examiners and the their 26 Commissioner of Human Services or designated representatives shall be ex officio, nonvoting members. 27 28 appointed members shall serve for a three-year term or until a 29 successor is appointed. For those first appointed, two shall be 30 appointed for a one-year term; one shall be appointed for a two-year term; and one shall be appointed for a three-year term. 31 32 vacancies in the voting membership other than by expiration of term 33 shall be filled in the same manner as the original appointment but 34 for the unexpired term only. To assist the council in carrying out 35 the intent of this act:
  - a. The council may appoint advisory committees representative of the medical and health care professions, educators, and students, representatives of medical and health care facilities and consumers. The advisory committees shall provide advice and assistance to the council for the council's performance of its designated functions.
  - b. The council may employ an executive director and additional staff to provide expertise in the gathering and analysis of data and administration. The executive director shall have the right to speak on all matters at meetings of the council but shall have no vote. The council and the advisory committees shall serve without compensation, but shall be reimbursed for necessary expenses

1 incurred in the performance of their duties. 2 (cf: P.L.1994, c.48, s.173) 3 4 163. Section 5 of P.L.1977, c.390 (C.18A:64H-5). is amended to 5 read as follows: 6 5. The [Commission on] <u>Board of</u> Higher Education, upon the 7 advice of the Advisory Council, with the concurrence of the 8 Commissioner of Health, shall: 9 a. Plan for the development and implementation of graduate 10 medical education programs in the State; 11 b. Set standards for qualification for participation by public and 12 private nonprofit hospitals in the State; c. Establish standards for the use and expenditures of funds 13 14 appropriated pursuant to this act; d. Determine the number and type of graduate medical education 15 programs which should be supported in particular hospitals in 16 17 relation to total State needs. 18 (cf: P.L.1994, c.48, s.174) 19 20 164. Section 8 of P.L.1977, c.390 (C.18A:64H-8) is amended to read as follows: 21 22 8. The [Commission on] Board of Higher Education shall

25 (cf: P.L.1994, c.48, s.175)

this act.

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27 165. Section 3 of P.L.1981, c.148 (C.18A:64I-3) is amended to 28 read as follows:

promulgate such rules as are necessary to carry out the purpose of

3. The Board of [Trustees of Montclair State University] <u>Higher</u>
 Education shall include in its annual request for appropriations,

31 <u>submitted to the Governor pursuant to section 14 of P.L.</u>, c. (C.

32 )(now pending before the Legislature as this bill), a request for

33 such sums as may be necessary to maintain the New Jersey School

of Conservation. Such funding shall be separate from and in addition to the regular formula support provided to Montclair State

addition to the regular formula support provided to Montclair State
University and shall not limit the funding provided to higher

37 education as a sector.

38 (cf: P.L.1994, c.48, s.176)

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40 166. N.J.S.18A:65-14 is amended to read as follows:

41 18A:65-14. The membership of the board of governors shall be 42 classified as follows and consist of:

a. two ex officio members, without vote, serving by virtue of their respective offices during the terms thereof, viz.,

i. the chancellor, and

46 <u>ii.</u> the president of the corporation[, serving as an ex officio non-

1 voting member]; and

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- b. 11 voting members,
- i. six of whom shall be appointed by the Governor of the State,with the advice and consent of the Senate, and
  - ii. five of whom shall be appointed by the board of trustees, from among their members elected and serving under the provisions of subsection I.c. or I.d. of 18A:65-15.

8 All members shall serve for terms of six years, except that the 9 terms of those initially appointed by the Governor which began on 10 September 1, 1956, shall expire respectively (as designated by him) 11 one, two, three, four, five and six years after June 30, 1956, and terms of those initially appointed by the board of trustees which 12 began on September 1, 1956, shall expire respectively (as 13 14 designated by the board) two, three, four, five and six years after 15 June 30, 1956; all of whose respective successors shall be appointed 16 to serve six-year terms. Governors may succeed themselves for not 17 more than one additional term after having served one full six-year 18 term (including an initial term beginning on September 1, 1956, and 19 expiring on June 30, 1962).

20 (cf: P.L.1994, c.48, s.177)

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- 167. N.J.S.18A:65-15 is amended to read as follows:
- 23 18A:65-15. I. The membership of the board of trustees shall be classified as follows and consist of:
- 25 a. two ex officio trustees, without vote, serving by virtue of their 26 respective offices during the terms thereof, viz.,
  - i. the chancellor, and
- ii. the president of the corporation[, serving as an ex officio non-voting member];
- 30 b. 11 public trustees, appointed and to be appointed by the Governor of the State, with the advice and consent of the Senate, viz., i.five public trustees, serving under section 4 of chapter 49 of the Laws of 1945 for five-year terms expiring respectively, one, two, three, four, and five years after June 30, 1956, whose respective successors shall be appointed upon the expiration of such terms and annually thereafter to serve five-year terms; and
  - ii. six public trustees appointed governors under subsection b.i. of section 18A:65-14 and serving by virtue thereof for and during their respective initial and subsequent terms as governors;
- 40 c. not less than 12 nor more than 20 trustees who shall be alumni 41 or alumnae of Rutgers, The State University, as may be determined 42 from time to time by the board of trustees, elected by the board in accordance with such rules, regulations and schedules, and 43 44 modifications thereof, as may be prepared and adopted from time to 45 time by the board, the terms of such alumni trustees or alumnae 46 trustees to be six years for full terms, with power in the board to 47 provide for shorter or interim terms when deemed by it to be

advisable.

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- d. Charter trustees:
- i. in the number of trustees serving as such on August 31, 1956 without definite term, who shall continue to serve indefinitely; provided, that upon the occurrence of any vacancy among such charter trustees, no successor shall be elected to fill such vacancy until such time as the number of such trustees has been reduced below 25, and thereafter vacancies within that number shall be filled by the board subject to the following paragraph II; ii. two women elected by the board of trustees serving six-year terms expiring respectively on June 30, 1963 and 1965 and one woman elected by the board of trustees serving a five-year term expiring June 30, 1961, whose respective successors shall be elected by the board upon the expiration of such terms and thereafter to serve six-year terms.
  - II. All trustees elected or appointed for terms commencing on or after September 1, 1956, other than those serving ex officio pursuant to subsections I.a. and I.b.i. of this section, shall serve for terms of six years (subject to the provisions of subsection I.c. of this section and of subsection (a) of section 18A:65-16, and may succeed themselves for not more than one additional term after having served one full six-year term.
  - III. The ex officio members of the board of trustees as constituted on August 31, 1956, pursuant to the charter, statutes, or resolutions of the board from time to time adopted, ceased to be such members on August 31, 1956, with the exception of the president of the corporation who continued as ex officio trustee and ex officio governor, without voting power as hereinabove provided and the Commissioner of Education who so continued until July 1, 1967.

(cf: P.L.1994, c.48, s.178)

168. N.J.S.18A:65-16 is amended to read as follows:

18A:65-16. (a) The terms of all governors and trustees which are limited shall, unless otherwise expressly provided herein, commence on July 1 in the first year, and end on June 30 in the last year, of such term.

- (b) In case a governor or a trustee is elected president <u>or</u> <u>appointed chancellor</u> and he thereby becomes a nonvoting governor or trustee ex officio, a vacancy in his prior office as governor or trustee shall thereby occur.
- (c) In case a trustee is appointed a governor by the Governor of the State, and he thereby becomes a trustee during his term as governor, a vacancy in his prior office as trustee shall thereby occur.
- (d) Any vacancy occurring during the term of any governor or trustee (other than by the expiration of his term) shall be filled for the unexpired term only, in the same manner and subject to the

same provisions, as in the case of his appointment or election; 1 2 subject, however, to the provisions of subsection I.d. of section 3 18A:65-15.

4 (cf: P.L.1994, c.48, s.179)

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6 169. N.J.S.18A:65-17 is amended to read as follows:

No person, other than the chancellor or the 18A:65-17. president, shall be eligible to membership on the board of 9 governors, if he is a salaried official of the State of New Jersey, or 10 shall be eligible to membership on either the board of governors or the board of trustees, if he is receiving remuneration for services 12 from the corporation or the university. If any member of either board shall become ineligible by reason of the foregoing, a vacancy 14 in his prior office as governor or trustee, as the case may be, shall 15 thereby occur.

(cf: P.L.1994, c.48, s.180) 16

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42 43 170. N.J.S.18A:65-25 is amended to read as follows:

The board of governors shall have general supervision over and be vested with the conduct of the university. It shall have the authority and responsibility to:

- a. Determine policies for the organization, administration and development of the university;
- b. Study the educational and financial needs of the university, annually acquaint the Governor and Legislature with the condition of the university, and prepare and, jointly with the Board of Higher
- 27 Education, present the annual budget to the Governor[, the Division of Budget and Accounting in the Department of the 28
- 29 Treasury] and the Legislature, in accordance with law;
  - c. Disburse all moneys appropriated to the university by the Legislature, moneys received from tuition, fees, auxiliary services and other sources, and from or by direction of the board of trustees;
  - Direct and control expenditure and transfer of funds appropriated to the corporation and the university by the State in accordance with the provisions of the State budget and appropriation acts of the Legislature; and, as to funds received from the trustees and other sources, direct and control expenditures and transfers in accordance with the terms of any applicable trusts, gifts, bequests, or other special provisions, reporting changes and additions thereto and transfers thereof to the Director of the Division of Budget and Accounting in the State Department of the Treasury. All accounts of the university shall be subject to audit by the State at any time;
- 44 Borrow money for the needs of the corporation and the 45 university, as deemed requisite by the board, in such amounts and 46 for such time and upon such terms as may be determined by the 47 board, with the consent and advice of the board of trustees;

- provided, that no such borrowing shall be deemed or construed to create or constitute a debt, liability, or a loan or pledge of the credit, or be payable out of property or funds (other than moneys appropriated for that purpose) of the State;
  - f. 1. Purchase all lands, buildings, equipment, materials and supplies; and
  - 2. Employ architects to plan buildings; secure bids for the construction of buildings and for the equipment thereof; make contracts for the construction of buildings and for equipment; and supervise the construction of buildings;
  - g. Manage and maintain, and provide for the payment of all charges on and expenses in respect of, all properties utilized by the university;
  - h. In accordance with the provisions of the budget, have the sole power (subject to the provisions of section 18A:65-31) to elect, appoint, remove, promote or transfer all corporate, official, educational and civil administrative personnel, and fix and determine their salaries in accordance with salary schedules adopted by the board of governors and approved by the Board of Higher Education. Such salary schedules shall prescribe qualifications for the various classifications and shall limit the percentage of the educational staff that may be appointed or promoted to any given classification;
    - i. In accordance with the provisions of the budget, appoint, remove, promote and transfer all other officers, agents, or employees, assign their duties, determine their salaries, and prescribe qualifications for all positions, and in accordance with the salary schedules of the State Civil Service Commission wherever possible; and
- 30 Authorize any new educational department or school į. 31 [consistent with the institution's programmatic mission or approved 32 by the Commission on Higher Education] which will require, at the 33 time of establishment, or which may thereafter require, an 34 additional expenditure of money beyond that appropriated, if the 35 establishment thereof is approved by the Board of Higher Education 36 and provision is made therefor in the annual or a supplemental 37 appropriation act or a special act of the Legislature or otherwise.
- 38 (cf: P.L.1994, c.48, s.181)

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- 171. N.J.S.18A:65-27 is amended to read as follows:
- 41 18A:65-27. I. It is hereby declared to be the public policy of the 42 State of New Jersey that:
- a. the corporation and the university shall be and continue to be given a high degree of self-government and that the government and conduct of the corporation and the university shall be free of partisanship; and
- b. resources be and continue to be provided and funds be and

continue to be appropriated by the State adequate for the conduct of a State university with high educational standards and to meet the cost of increasing enrollment and the need for proper facilities.

- II. In consideration of the utilization by the State for the purposes of public higher education of privately donated properties and funds valued as at September 1, 1956 at approximately \$50,000,000, and the prospect of future private donations, the State by this chapter agrees with the board of trustees and its successors that:
- a. if the properties and funds controlled by the trustees shall not be properly applied in accordance with the provisions of subsection d. of section 18A:65-25 for the purpose of higher education and in accordance with the terms of any applicable testamentary, trust, or other special provision; or
  - b. if, without the consent of the board of trustees,
- (1) the university is not continued to be designated and maintained as the State University of New Jersey, or
  - (2) the name of the university shall be changed, or
- (3) a vacancy in the office of the president of the university shall be filled otherwise than by appointment of the board of governors with the advice and consent of the board of trustees, or
- (4) the provisions for the essential self-government of the university, viz., the provisions of sections 18A:65-12 to 18A:65-16, inclusive, 18A:65-19, 18A:65-24 to 18A:65-26, inclusive, 18A:65-28, subsection b. of 18A:65-29, 18A:65-30, subsection c. of 18A:65-31, 18A:65-33, 18A:65-6, 18A:65-9 and 18A:65-4, or any of them or of this section 18A:65-27, are amended or altered in any substantial respect or repealed; or
- c. if provision shall not be made by the State sufficient to enable the board of trustees to discharge its trust to apply the trust assets described in subsection 2 of section 18A:65-26 for public higher education through the conduct of a university with high educational standards, the board of trustees, after careful consideration and on not less than 60 days' prior written notice to the board of governors and to the [Governor] Board of Higher Education, shall have and may exercise the right to withhold or withdraw the use of the properties and funds above described in subsection 2 of section 18A:65-26, or any part of them, (aa) subject to adjudication by the courts of the State, and (bb) subject to their proper application for the purposes of public higher education and in accordance with the terms of any applicable testamentary, trust or other special provision. (cf: P.L.1994, c.48, s.182)

45 172. N.J.S.18A:65-33.1 is amended to read as follows:

18A:65-33.1. The corporation shall have the care, custody and control of such property as the State now has or shall hereafter

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acquire at the university, subject to the visitorial powers of the

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2 [Chairman of the Commission on Higher Education at the request of 3 the Governor] Board of Higher Education. (cf: P.L.1994, c.48, s.183) 4 5 6 173. N.J.S.18A:65-34 is amended to read as follows: 7 18A:65-34. The visitorial general powers of supervision and 8 control of the [Chairman of the Commission on Higher Education at 9 the request of the Governor] Board of Higher Education over 10 Rutgers, The State University, are continued and are defined as the 11 powers to visit the university to examine into its manner of conducting its affairs and to enforce an observance of its laws and 12 13 regulations and the laws of the State. 14 (cf: P.L.1994, c.48, s.184) 15 174. N.J.S.18A:65-35 is amended to read as follows: 16 17 The board of governors shall advise[, in 18 consultation with the Commission on Higher Education and the 19 Presidents' Council,] with the Board of Higher Education to the end 20 that the facilities and services of the university may be so utilized as 21 to increase the efficiency of the public school system and provide 22 higher education for the people of the State, and the Board of 23 Higher Education shall investigate and, jointly with the board of 24 governors, shall make recommendations to the Governor and the 25 Legislature[,] respecting the needs for the facilities and services[,] of the university[,] as an instrumentality of the State for said 26 27 purposes. 28 (cf: P.L.1994, c.48, s.185) 29 30 175. N.J.S.18A:65-61 is amended to read as follows: 31 18A:65-61. The care, custody and control of any building used 32 jointly by any State college and the corporation shall be vested in 33 the board of trustees of the State college or in the corporation, as 34 the case may be. The care, custody and control of any building of a 35 State college wholly utilized by the corporation shall be exercised 36 by the corporation subject to the visitorial power [granted herein] of 37 the Board of Higher Education and the care, custody and control of any building of the corporation wholly utilized for any State college 38 39 shall be exercised by the board of trustees of the State college. 40 (cf: P.L.1994, c.48, s.186) 41 42 176. Section 3 of P.L.1969, c.242 (C.18A:66-169) is amended to

44 3. As used in this act: 45 a. "Accumulated de

read as follows:

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a. "Accumulated deductions" means those contributions as

- 1 defined in N.J.S.18A:66-2 or in section 6 of P.L.1954, c.84 2 (C.43:15A-6).
- 3 b. "Base salary" means a participant's regular base or contractual 4 salary. It shall exclude bonus, overtime or other forms of extra 5 compensation such as (1) longevity lump sum payments, (2) lump 6 sum terminal sick leave or vacation pay, (3) the value of 7 maintenance, (4) individual pay adjustments made within or at the 8 conclusion of the participant's final year of service, (5) retroactive salary adjustments or other pay adjustments made in the 9 10 participant's final year of service unless such adjustment was made 11 as a result of a general pay adjustment for all personnel of the 12 department or institution, (6) any unscheduled individual 13 adjustment made in the final year to place the member at the 14 maximum salary level within his salary range and (7) any pay for 15 services rendered during the summer vacation period by a 16 participant who is required to work only 10 months of the year.
  - "Base annual salary" means the base salary upon which contributions by the member and his employer to the alternate benefit program were based during the last year of creditable service.
- 21 d. [(Deleted by amendment, P.L.1994, c.48)] "Board of Higher 22 Education" means the board described in section 6 of P.L. , c.
- 23 )(now pending before the Legislature as this bill) and the 24 agency responsible for the establishment of the alternate benefits
- 25 program of the State and county colleges.

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- e. "University of Medicine and Dentistry" means the University of 26 27 Medicine and Dentistry of New Jersey established pursuant to the 28 terms of section 3 of P.L.1970, c.102 (C.18A:64G-3).
- 29 f. "County colleges" means the colleges so defined in 30 N.J.S.18A:64A-1.
- 31 g. "Division of Pensions" means the division established in the 32 Department of the Treasury pursuant to section 1 of P.L.1955, c.70 33 (C.52:18A-95) and is the agency responsible for the administration 34 of the alternate benefit program of the Department of Higher 35 Education, the State and county colleges and for the administration 36 of the group life and disability insurances of all alternate benefit 37 programs established in the State for public employees.
- 38 h. "Full-time officers" and "full-time members of the faculty" 39 shall include the president, vice president, secretary and treasurer of Also included are employees of the 40 the respective school. 41 Department of Higher Education whose positions are so designated 42 by the Board of Higher Education. All other employees of the Department of Higher Education shall, if otherwise eligible, be
- 43 44 enrolled in the Public Employees' Retirement System or transferred
- 45 from the Teachers' Pension and Annuity Fund to that system. "Full-
- 46 time" shall also include eligible full-time officers and full-time
- 47 members of the faculty who are granted sabbaticals or leaves of

- 1 absence with pay where the compensation paid is 50% or more of
- 2 the base salary at the time the leave commences and the period of
- 3 eligibility terminates with the end of the school year following the
- 4 year in which the sabbatical began. "Part-time" shall be defined as
- 5 an appointment where the employee receives a salary or wages for a
- 6 period of less than 50% of the normal work week. These
- 7 definitions shall apply to teaching or administrative staff members
- 8 or to employees serving in a dual capacity where the appointment
- 9 includes teaching as well as administrative duties.
  - i. "Group Annuity Plan" refers to the Group Annuity Contract
- 11 R-134 between the Board of Trustees of the New Jersey Institute of
- 12 Technology and the Prudential Insurance Company of America.
- j. "Member" or "participant" means a full-time officer or a full-
- 14 time member of the faculty participating in the alternate benefit
- 15 program.

- 16 k. "New Jersey Institute of Technology" means the Newark
- 17 College of Engineering.
- 18 1. "Pension reserve" means those moneys as defined in
- 19 N.J.S.18A:66-2 or in section 6 of P.L.1954, c.84 (C.43:15A-6).
- 20 m. "Rutgers, The State University" means the institution of
- 21 higher education described in chapter 65 of Title 18A of the New
- 22 Jersey Statutes.
- 23 n. "State Colleges" means the colleges so described in chapter
- 24 64 of Title 18A of the New Jersey Statutes.
- o. "Mutual fund company" means an investment company or
- trust regulated by the federal "Investment Company Act of 1940,"
- 27 15 U.S.C. s. 80a-1 et seq.
- 28 (cf: P.L.1994, c.48, s.187)

- 30 177. Section 4 of P.L.1969, c.242 (C.18A:66-170) is amended to read as follows:
- 4. All full-time officers and all full-time members of the faculty
- of the University of Medicine and Dentistry of New Jersey, Rutgers,
- 34 The State University, the Newark College of Engineering, the State
- 35 and county colleges and all regularly appointed teaching and
- 36 administrative staff members in applicable positions, as determined
- 37 by the [Director of the Division of Pensions in the Department of
- the Treasury] Board of Higher Education, shall be eligible and shall
- 39 participate in the alternate benefit program, except those persons
- 40 appointed in a part-time or temporary capacity, physicians and
- 41 dentists holding employment in positions titled intern, resident or
- 42 fellow on or after the effective date of this amendatory act, persons
- 43 compensated on a fee basis, persons temporarily in the United
- 44 States under an F or J visa and members of the Teachers' Pension
- and Annuity Fund, the Public Employees' Retirement System, the
- 46 Police and Firemen's Retirement System or the Group Annuity Plan,
- 47 who did not elect to transfer to the alternate benefit program in

accordance with the provisions of chapter 64C or 65 of Title 18A of the New Jersey Statutes, P.L.1967, c.278 (C.18A:66-130 et seq.), or c.281 (C.18A:66-142 et seq.), or P.L.1968, c.181 (C.18A:66-154 et seq.). An eligible person who has been enrolled in the alternate benefit program for at least one year pursuant to this section may continue to be enrolled in the program, notwithstanding promotion or transfer to a position within the institution not otherwise eligible for the program.

Any person participating in the alternate benefit program shall be ineligible for membership in the Teachers' Pension and Annuity Fund, the Public Employees' Retirement System, the Police and Firemen's Retirement System or the Group Annuity Plan and any person electing to participate in the alternate benefit program shall thereby waive all rights and benefits provided by the Teachers' Pension and Annuity Fund, the Public Employees' Retirement System, the Police and Firemen's Retirement System or the Group Annuity Plan as a member of said fund, system or plan, except as herein and otherwise provided by law or under terms of the Group Annuity Plan.

Any person required to participate in the alternate benefit program by reason of employment, who at the time of such employment is a member of the Teachers' Pension and Annuity Fund, shall be permitted to transfer his membership in said fund to the Public Employees' Retirement System, by waiving all rights and benefits which would otherwise be provided by the alternate benefit program. Any such new employee who is a member of the Public Employees' Retirement System will be permitted to continue his membership in that system, by waiving all rights and benefits which would otherwise be provided by the alternate benefit program. Such waivers shall be accomplished by filing forms satisfactory to the Division of Pensions within 30 days of the beginning date of employment.

Any person receiving a benefit by reason of his retirement from any retirement or pension system of the State of New Jersey or any political subdivision thereof shall be ineligible to participate in the alternate benefit program.

No person eligible for participation in the alternate benefit program shall be eligible for, or receive, benefits under chapters 4 and 8B of Title 43 of the Revised Statutes.

The alternate benefit programs established pursuant to this act are deemed to be pension funds or retirement systems for purposes of P.L.1968, c.23 (C.43:3C-1 et seq.).

43 (cf: P.L.1994, c.48, s.188)

45 178. Section 6 of P.L.1969, c.242 (C.18A:66-172) is amended to 46 read as follows:

6. Participants in the alternate benefit program shall be allowed to allocate portions of their own contributions and the contributions

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of their employer, including amounts used by the employer to purchase an annuity pursuant to a salary reduction agreement under section 24 of P.L.1969, c.242 (C.18A:66-190), to accounts with two or more insurers or mutual fund companies designated pursuant to the provisions of section 3 of P.L.1993, c.385 (C.18A:66-172.1) as companies from which alternate benefit contracts may be purchased, and shall, subject to such rules and regulations as the Division of Pensions may adopt, be permitted to direct the withdrawal of such contributions from their account with one such company for deposit in an account with another such company. Since the establishment of the alternate benefit programs for the several public institutions of higher education in New Jersey is designed to provide mobility of pension credit from within the academic community in and outside the State, and since it is imperative that eligibility for participation in this program be of uniform application in the several schools, it shall be the responsibility of the [Director of the Division of Pensions] Board of Higher Education to establish regulations which shall provide for such uniformity.

20 (cf: P.L.1994, c.48, s.189)

22 179. Section 3 of P.L.1993, c.385 (C.18A:66-172.1) is amended 23 to read as follows:

3. There is established in but not of the Division of Pensions in the Department of the Treasury the Pension Provider Selection Board, which shall consist of the Director of the Division of Pensions or a representative of that director; the Director of the Division of Investment or a representative of that director; the Commissioner of the Department of Insurance or a representative of that commissioner; the Director of the Division of Purchase and Property or a representative of that director; the Chancellor or Higher Education and a person appointed by the [Director of the Division of Pensions] Chancellor of Higher Education who is an active participant or receiving a benefit from the alternate benefit program.

The Pension Provider Selection Board shall select through a competitive bidding process at least three unrelated insurance or mutual fund companies licensed or otherwise authorized to transact business in New Jersey from which alternate benefit contracts will be purchased. These new insurers or mutual fund companies shall be selected by competitive bidding in accordance with all applicable State laws and regulations not later than the 270th day following the effective date of P.L.1993, c.385 (C.18A:66-172.1 et al.). The selected carriers shall be authorized to receive contributions within 60 days of their selection. Each contract shall be awarded for a period not to exceed six years with a renewal option for a period not to exceed three years. All carriers shall be subject to a performance

- 1 review by the Pension Provider Selection Board every seven years
- 2 and must meet such standards as the Pension Provider Selection
- 3 Board shall establish by regulation in order to be renewed for
- 4 another term of seven years as carriers. Removal of a carrier for
- 5 cause during a seven-year term is not waived. In establishing by
- 6 regulation the criteria for the initial selection and any performance
  - review of a carrier, the Pension Provider Selection Board shall
- 8 consider, among other things, the following:

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- a. the portability of the contracts offered or to be offered by the company, based on the number of states in which the company provides contracts under similar plans;
- b. the efficacy of the contracts in the recruitment and retention of employees for the various State public institutions of higher education;
- c. the nature and extent of the rights and benefits to be provided by the contracts for participating employees and their beneficiaries;
- d. the relation of the rights and benefits to the amount of contributions to be made pursuant to the provisions of this article;
- e. the suitability of the rights and benefits to the needs and interests of participating employees and the various State public institutions of higher education;
- f. the ability of the company to provide the rights and benefits under such contracts;
- g. the financial soundness of the company, the extent of the company's financial commitment to the contracts, and whether the company meets the minimum financial criteria established by the Division of Pensions;
- h. the company's overall quality of service, its investment performance considering return on investments and risk, the administrative fee to be charged to participating employees, and the offering of a balanced array of investment opportunities; and
- i. the nature of the informational or promotional materials to be provided to prospective participants.
- The Pension Provider Selection Board may not designate a company which serves as a disbursement system for other providers or which charges third party administrative fees.
- A company that has been designated as of January 1, 1993 by the Division of Pensions as a designated provider shall continue to be so designated until its status as a designated provider is terminated for cause by the division or by the Pension Provider Selection Board.
- 42 (cf: P.L.1994, c.48, s.193)
- 44 180. Section 8 of P.L.1969, c.242 (C.18A:66-174) is amended to 45 read as follows:
- 8. (a) The University of Medicine and Dentistry of New Jersey,
- 47 Rutgers, The State University and the New Jersey Institute of
- 48 Technology shall reduce the compensation of each participant in the

alternate benefit program and pay over to the insurers or mutual fund companies for the benefit of the participant an employee contribution for the retirement annuity contract or contracts equal to 5% of the participant's base salary. The intervals for deductions or reductions and payments shall be determined by the respective school governing bodies.

The Division of Pensions shall provide for reductions from the compensation of each participant in the alternate benefit program employed by the Department of Higher Education, the State and county colleges of an employee contribution equal to 5% of the participant's base salary and pay this amount to the insurers or mutual fund companies for the individual's retirement annuity contract or contracts. The intervals for deductions or reductions and payments shall be determined by the Division of Pensions.

The Division of Pensions may require that all participant contributions be made in accordance with section 414(h) of the federal Internal Revenue Code (26 U.S.C. s.414(h)).

(b) Based on a certification to the Division of Pensions by the University of Medicine and Dentistry of New Jersey, Rutgers, The State University and the New Jersey Institute of Technology of the number and base salary of participants, the division shall authorize the State to make payment of the employer contributions to the alternate benefit program at a rate equal to 8% of the employee's base salary, which moneys shall be paid to the designated insurers or mutual fund companies for the benefit of each participant.

Based on a certification by the Division of Pensions of the number and base salary of participants employed by the Department of Higher Education, the State and county colleges, the State shall make payment of the employer contributions to the alternate benefit program at a rate equal to 8% of the employee's base salary, which moneys shall be paid to the designated insurers or mutual fund companies for the benefit of each participant.

- (c) For the member of the Public Employees' Retirement System employed by the county colleges, who is defined in the regulations of the [Division of Pensions] <u>Board of Higher Education</u> has a full-time faculty member and who is permitted to transfer his membership and does so, the State shall pay the employer contribution to the alternate benefit program at a rate equal to 8% of the member's base salary. If the member continues membership in the Public Employees' Retirement System, the State shall pay the employer contribution to the retirement system on his behalf and such employer contribution shall be at a rate equal to the normal contribution made by the State on behalf of nonveteran members of the Public Employees' Retirement System.
- (d) For any nonacademic employee of a county college, as defined in section 4 of P.L.1969, c.242 (C.18A:66-170), who is eligible for the program according to the regulations of the

- 1 [Director of the Division of Pensions] <u>Board of Higher Education</u>,
- 2 the county college shall pay the employer contribution to the
- 3 retirement system on the employee's behalf in the same manner as
- 4 the State, pursuant to this section.
- 5 (cf: P.L.1994, c.48, s.190)

- 7 181. Section 24 of P.L.1969, c.242 (C.18A:66-190) is amended 8 to read as follows:
- 9 24. The Board of Trustees of the University of Medicine and 10 Dentistry of New Jersey, the Board of Governors of Rutgers, The 11 State University, the Board of Trustees of the New Jersey Institute
- of Technology and the [boards of trustees of] Board of Higher
- 13 Education on behalf of the Department of Higher Education and the
- 14 State and county colleges, are hereby authorized to enter into
- 15 agreement with each employee participating in the alternate benefit
- 16 program whereby the employee agrees to take a reduction in salary
- with respect to amounts earned after the effective date of such agreement in return for the agreement of the respective institution to
- agreement in return for the agreement of the respective institution to use a corresponding amount to purchase an annuity for such
- use a corresponding amount to purchase an annuity for such employee so as to obtain the benefits afforded under section 403(b)
- 21 of the federal Internal Revenue Code, as amended. Any such
- agreement shall specify the amount of such reduction, the effective
- 23 date thereof, and shall be legally binding and irrevocable with
- 24 respect to amounts earned while the agreement is in effect;
- 25 provided, however, that such agreement may be terminated after it
- has been in effect for a period of not less than one year upon notice
- in writing by either party, and provided further that not more than
- one such agreement shall be entered into during any taxable year of
- 29 the employee. For the purposes of this section, any annuity or other
- 30 contract which meets the requirements of section 403(b) of the
- 31 federal Internal Revenue Code, as amended, may be utilized. The
- 32 amount of the reduction in salary under any agreement entered into
- 33 between the institutions and any employee pursuant to this section
- 34 shall not exceed the limitations set forth in P.L.93-406
- 35 (Employment Retirement Income Security Act of 1974) and Section
- 36 415(c) of the Internal Revenue Code of 1954 as amended for such37 year.
- 37 year
- Amounts payable pursuant to this section by an institution on behalf of an employee for a pay period shall be transmitted and credited not later than the fifth business day after the date on which
- 41 the employee is paid for that pay period.
- 42 (cf: P.L.1999, c.247, s.2)

- 44 182. Section 25 of P.L.1969, c.242 (C.18A:66-191) is amended 45 to read as follows:
- 25. No retirement, death or other benefit shall be payable by the State, the University of Medicine and Dentistry, Rutgers, The State

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University, the New Jersey Institute of Technology, the Board or 1 2 the Department of Higher Education or the Division of Pensions 3 under the alternate benefit program. Benefits shall be payable to 4 participating employees and their beneficiaries only by the 5 designated insurers or mutual fund companies under the terms of 6 the contracts. 7 (cf: P.L.1994, c.48, s.192) 8 9 183. N.J.S.18A:67-2 is amended to read as follows: 10 18A:67-2. No institution which proposes to offer courses of study above high school grade, which courses satisfy in whole or in 11 12 part the requirements for a college or university degree, shall adopt 13 or use any title or name commonly accepted as descriptive of 14 collegiate or university institutions without the approval of the 15 [Commission on] <u>Board of</u> Higher Education made under rules 16 relating to names and titles of institutions adopted by the 17 [commission] board. 18 (cf: P.L.1994, c.48, s.194) 19 20 184. N.J.S.18A:68-3 is amended to read as follows: 21 No corporation shall furnish instruction or a. 22 learning in the arts, sciences, or professions for the purposes of 23 admitting any person to the grade of a degree, or shall confer or participate in conferring a degree, giving to any person a diploma of 24 25 graduation or of proficiency in a course of study, in learning, or in 26 scientific arts or methods, within this State, until it shall have filed a certified copy of its certificate of incorporation with the 27 28 [Commission on] Board of Higher Education and obtained from the 29 [commission] board a license to carry on the business under such 30 rules as the [commission] board may prescribe. 31 b. The cost for consultants utilized by the [Commission on] Board of Higher Education and other out-of-pocket expenses 32 incurred by the [commission] board for licensure and related 33 34 reviews shall be paid by the institution seeking a license or license 35 renewal. 36 (cf: P.L.1999, c.46, s.44) 37 38 185. N.J.S.18A:68-4 is amended to read as follows: 18A:68-4. Any license issued under this article may be revoked 39 40 by the [Commission on] Board of Higher Education. (cf: P.L.1994, c.48, s.196) 41 42 43 186. N.J.S.18A:68-5 is amended to read as follows: 44 18A:68-5. When it shall appear that any corporation is carrying

on the business of such instruction or teaching, or conferring any

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- 1 such degree, or giving any such diploma without such license, the
- 2 [Commission on] <u>Board of</u> Higher Education, represented by the
- 3 Attorney General, may institute a civil action in the Superior Court
- 4 to restrain the corporation from the transaction of any such business
- 5 or the exercise of any such franchise within this State until it shall
- 6 have obtained such license or the approval of the [commission]
- 7 board. The court may proceed in the action in a summary manner
- 8 or otherwise. The costs in any such action, to be fixed by the court,
- 9 shall be paid by the corporation before the dissolution of any
- injunctive order or judgment.
- 11 (cf: P.L.1994, c.48, s.197)

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- 187. N.J.S.18A:68-6 is amended to read as follows:
- 14 18A:68-6. No school, corporation, association or institution of
- 15 learning conducted within this State [and licensed by the
- 16 Commission on Higher Education], nor any officer or member
- 17 thereof, in recognition of the attainment or proficiency of any
- 18 person in pursuing or graduating from any course or courses of
- 19 study, arts, or learning conducted by it or another such school
- corporation, association or institution, shall admit any such person to the grade of a degree by conferring, or participating in
- 22 conferring, any degree upon any person [unless that degree program
- 23 is consistent with the programmatic mission of the institution or is
- 24 approved by the commission] without first submitting the basis or
- 25 conditions thereof to the Board of Higher Education, and obtaining
- 26 <u>its approval thereof, and of the practice of conferring and bestowing</u>
- 27 <u>the degrees</u>.
- Nothing contained in this section shall apply to any school, corporation, association or institution of learning, or officer or
- member thereof, which was established and conducted within this
- 31 State on April 1, 1887, and was then in the course of admitting
- 32 persons to the grade of a degree by conferring the same upon them
- in recognition of their attainments or proficiencies, nor to any
- 34 school conducted under the public school system.
- 35 (cf: P.L.1994, c.48, s.198)

- 37 188. N.J.S.18A:68-7 is amended to read as follows:
- 38 18A:68-7. The approval given by the [Commission on] <u>Board of</u>
- 39 Higher Education of the basis or conditions for the admission to the
- 40 grade of a degree may be revoked for proper cause by the
- 41 [commission] board after hearing upon 20 days' notice of the time
- 42 and place of such hearing given to any such school, corporation,
- association or institution of learning by service upon any officer or
- 44 member thereof, and proof made at such hearing to the satisfaction
- of the [commission] board, that the standards presented for

- 1 admission to such grade of a degree or for the conferring of such
- degree are not being satisfactorily complied with by such school,
- 3 corporation, association or institution of learning, or by the officers
- 4 or members thereof. The [commission] <u>board</u> shall keep a record of
- 5 such approvals and revocations in a book to be provided and used
- 6 solely for that purpose, which book shall be kept at its office in
- 7 Trenton and may be inspected by any person upon request.
- 8 (cf: P.L.1994, c.48, s.199)
- 9 189. N.J.S.18A:68-9 is amended to read as follows:
- 10 18A:68-9. An officer or member of a school, corporation,
- 11 association or institution of learning who by vote or in any other
- 12 manner or capacity, or a school, corporation, association or
- institution of learning which shall admit or participate in admitting
- 14 a scholar, student, or subscriber to any grade of a degree by
- conferring or participating in conferring any degree upon him,
- contrary to the provisions of this chapter, or who shall sign any
- 17 certificate or diploma as evidence of the conferring of such degree
- shall be liable to a penalty of not more than \$300.00 for each
- 19 offense, to be enforced and collected by and in the name of the
- 20 [Commission on] <u>Board of</u> Higher Education in a summary
- 21 proceeding in accordance with chapter 58 of Title 2A of the New
- 22 Jersey Statutes, the penalty enforcement law. Process shall be either
- in the nature of a summons or warrant.
- 24 (cf: P.L.1994, c.48, s.200)

- 190. N.J.S.18A:68-11 is amended to read as follows:
- 27 18A:68-11. All moneys recovered under the provisions of this
- 28 article shall be payable by the Board of Higher Education to the
- 29 State Treasurer.
- 30 (cf: P.L.1994, c.48, s.201).

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- 32 191. Section 2 of P.L.1977, c.123 (C.18A:68-11.2) is amended 33 to read as follows:
  - 2. As used in this act:
- a. "Institution of higher education" means an institution of
- 36 collegiate grade in New Jersey approved or licensed by the
- 37 [Commission on] <u>Board of</u> Higher Education or otherwise
- 38 authorized under N.J.S.18A:68-6 and accredited by the Middle
- 39 States Association of Colleges and Secondary Schools.
- b. "Educational loan" means either (1) a loan which is made for
- 41 the purpose of defraying the cost of attendance by one or more
- 42 students at the institution of higher education making such loan or
- 43 (2) a loan to an employee of an institution of higher education for
- 44 the purpose of defraying the costs of post-secondary school
- 45 education of the employee or of the spouse or child of the
- 46 employee.
- 47 (cf: P.L.1994, c.48, s.202)

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2	192. N.J.S.18A:71A-2 is amended to read as follows:
3	18A:71A-2. As used in this act, unless the context indicates
4	another or different meaning, the following words shall have the
5	following meanings:
6	"Authority" means the Higher Education Student Assistance
7	Authority established pursuant to this act, or any body, entity,
8	commission, or department succeeding to the principal functions
9	thereof or to whom the powers conferred upon the authority by this
10	act shall be given by law.
11	"Board" means the governing body of the authority appointed or
12	elected pursuant to N.J.S.18A:71A-4 of this article.
13	"Bond" means bonds, notes or other obligations of the authority
14	issued pursuant to this act.
15	["Commission" means the New Jersey Commission on Higher
16	Education.]
17	"Chancellor" means the chancellor of the Department of Higher
18	Education.
19	"Department" means the Department of Higher Education.
20	"Eligible institution" means, unless otherwise defined by this act
21	or by the authority by regulation, an institution having a
22	participation agreement with the authority which is further defined
23	in 20 U.S.C. s.1071 et seq., and which includes an institution of
24	higher education, a proprietary institution of higher education, a
25	postsecondary vocational institution and a vocational school,
26	provided that the institution or school is licensed or approved by the
27	appropriate agency or department and accredited or preaccredited
28	by a nationally recognized accrediting association.  "Executive director" means the chief executive and
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31	administrative officer of the authority.  "Fund" means the Higher Education Student Assistance Fund.
32	"Lender" or "eligible lender" includes the authority and any
33	institution authorized to make loans under 20 U.S.C. s.1071 et seq.
34	which has entered into a participation agreement with the authority.
35	"Member" means an individual appointed or elected to the board
36	of the authority or serving ex-officio on the board.
37	"State college" means any college or university created pursuant
38	to chapter 64 of Title 18A of the New Jersey Statutes.
39	(cf: N.J.S.18A:71A-2)
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41	193. N.J.S.18A:71A-4 is amended to read as follows:
42	18A:71A-4 a. The Board of the Higher Education Student
43	Assistance Authority shall consist of 18 members as follows: the

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- State Treasurer, ex-officio, or a designee; the [chairperson] 44
- <u>Chancellor</u> of the [Commission on] <u>Department of</u> Higher 45
- 46 Education, ex-officio or a designee [from among the public

1 members of the commission]; the chairperson of the Board of 2 Directors of the Educational Opportunity Fund, ex-officio, or a 3 designee from among the public members of the board; five 4 representatives from eligible institutions in this State, including one 5 from Rutgers, the State University, one from either the New Jersey 6 Institute of Technology or the University of Medicine and Dentistry 7 of New Jersey, one from the county colleges, one from the State 8 colleges, and one from the independent institutions of higher 9 education in the State; two students from different collegiate 10 institutional sectors; seven public members who shall be residents 11 of this State, including one who shall represent a lender party to a 12 participation agreement with the authority; and the executive director of the authority, or designee, who shall be an ex-officio, 13

non-voting member of the board.

b. The seven public members, including the lender member, shall be appointed by the Governor with the advice and consent of the Senate. No more than four of the public members shall be members of the same political party. The institutional representatives shall be nominated by the respective institution in the case of Rutgers, the State University, New Jersey Institute of Technology, and University of Medicine and Dentistry of New The remaining institutional representatives shall be nominated by the respective sector association. Institutional representatives shall be appointed by the Governor with the advice and consent of the Senate. The student members shall be the individuals that the Student Advisory Committee elects as its chairperson and vice-chairperson. The Student Advisory Committee shall be created by the board to include students from all collegiate institutional sectors. The necessary appointments shall be made within 45 days of the enactment of P.L.1999, c.46 (N.J.S.18A:71A-1 et al.).

c. Public and institutional members of the board shall serve a term of four years and until a successor is appointed and qualified, except in the case of the first members so appointed, four of whom shall be appointed for a term of four years, four of whom shall be appointed for a term of three years, two of whom shall be appointed for a term of two years, and two of whom shall be appointed for a term of one year. Student members shall serve a term of office not to exceed two years. Any vacancy in the membership of the board, occurring otherwise than by expiration of term, shall be filled in the same manner as the original appointment or election was made, but for the unexpired term only.

43 44 (cf: N.J.S.18A:71A-4)

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

18A:71B-1 Unless otherwise restricted by the authority by regulation, "eligible institution" for purposes of this chapter only

- means an institution of higher education in this State that is licensed 1
- 2 by the [Commission on] Department of Higher Education and
- 3 accredited or preaccredited by a nationally recognized accrediting
- 4 Eligible institution shall also include certain
- 5 proprietary institutions but only for certain degree granting
- 6 programs as approved by the commission.
- 7 (cf: N.J.S.18A:71B-1)

- 9 195. N.J.S.18A:71B-13 is amended to read as follows:
- 10 Any revisions to criteria, methodology and 18A:71B-13 11 guidelines in effect at the date this act becomes effective shall, after
- 12 consultation with the [Commission on] Department of Higher
- 13 Education, be submitted to the Legislature by the authority, together
- 14 with appropriate supporting information, and the criteria,
- 15 methodology, and guidelines shall be deemed approved by the
- 16 Legislature at the end of 60 calendar days after the date on which
- 17 they are transmitted to the Legislature, or if the Legislature is not in
- 18 session on the sixtieth day, then on the next succeeding day on
- 19 which it is meeting, unless between the date of transmittal and the
- 20 end of the 60-day period the Legislature passes a concurrent
- 21 resolution rejecting the criteria, methodology and guidelines in
- 22 which case the criteria, methodology and guidelines then in effect
- 23 shall continue in effect.
  - (cf: N.J.S.18A:71B-13)

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- 196. N.J.S.18A:71B-21 is amended to read as follows:
- 27 18A:71B-21 a. The amount of a tuition aid grant awarded under
- 28 this article to any student attending an eligible institution shall be
- 29 established by the authority, but shall not exceed the maximum
- 30 amount of tuition normally charged at a public institution of higher
- education for students attending that institution or 50% of the 31
- 32 average tuition normally charged at the independent institutions of
- 33 higher education for students attending those institutions.
- 34 amount of a State tuition aid grant awarded under this act to any
- 35 student attending an institution of higher education in any state 36 other than New Jersey pursuant to this section shall not exceed \$500
- in an academic year. The amount of grant to be paid for each 37
- 38 semester or its equivalent shall be based on the financial need for
- 39 the grant, as determined by standards and procedures established by
- 40 the authority, and subject to the amount of appropriations available
- 41 therefor.
- 42 b. Appropriations for each program category of tuition aid grants shall be separately made by line item.
- 43
- 44 c. State tuition aid grants shall be awarded by the authority to all 45 eligible applicants without any limitation on the number to be
- 46 awarded in any year other than the amount of appropriations
- 47 available therefor. In the event that the amount appropriated is

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- 1 insufficient for full awards to all eligible applicants, the authority,
- 2 in consultation with the [Commission on] Department of Higher
- 3 Education, shall reduce awards equitably among eligible students
- 4 according to such procedures and guidelines as it shall establish.
- Any revisions of procedures and guidelines in effect as of the 5
- effective date of this act shall be submitted on or before March 1 of 6
- 7 the prebudget year by the executive director of the authority to the
- Joint Budget Oversight Committee of the Legislature, or its 8
- 9 successor, together with supporting information. The revised
- 10 criteria and guidelines may be approved or disapproved by the Joint
- 11 Budget Oversight Committee, or its successor, at any time;
- provided that if at the end of a 60-calendar day period after the date 12
- on which the revisions are transmitted to the committee, the 13
- 14 committee has taken no action, the proposed revised criteria and
- guidelines shall be deemed to be approved by the committee. 15
- 16 (cf: N.J.S.18A:71B-21)

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- 197. Section 2 of P.L.2001, c.442 (C.18A:71B-23.2) is amended to read as follows:
  - 2. As used in this act:

"Institution of higher education" means an institution of higher education licensed by the appropriate agency or department and accredited or preaccredited by a nationally recognized accrediting association. An institution of higher education shall also include certain proprietary institutions, but only for degree granting programs approved by the [Commission on] Department of Higher Education or other proprietary institutions as determined by the authority.

"Authority" means the Higher Education Student Assistance Authority established pursuant to N.J.S.18A:71A-1 et seq.

(cf: P.L.2001, c.442, s.2)

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- 198. N.J.S.18A:71B-30 is amended to read as follows:
- 18A:71B-30 a. The State Treasurer, in consultation with the 34
- 35 [commission] department, shall also provide for additional financial
- 36 incentives to be provided to holders of Garden State Savings Bonds
- 37 to encourage the enrollment of students at institutions of higher
- education located in the State of New Jersey. These financial 38
- 39 incentives shall be in such forms as determined by the State
- 40 Treasurer in consultation with issuing officials at the time of the
- authorization of the Garden State Savings Bonds and shall at a 41
- 42 minimum provide that each participating institution shall guarantee
- 43 that the value of Garden State Savings Bonds redeemed for the
- purposes of the payment of tuition, fees, and other educational costs 45 at the institution, shall, at the time of matriculation of the student,
- 46 be increased by not less than six percent of the face value of the
- 47 bonds at the time of redemption. Two percent of the incentive

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1 amount shall be paid by the State, and four percent by participating 2 institutions.

- b. Every public institution of higher education in New Jersey shall participate in the financial incentive program. Independent institutions of higher education in New Jersey may elect to participate in the program. Each independent institution which elects to participate shall enter into a contract with the Department of the Treasury which shall, at a minimum, define the terms of participation and establish conditions under which an institution may withdraw from the program. Any independent institution that withdraws from the program shall guarantee to provide the financial incentives in effect for all bonds purchased during the period in which the institution was a participant in the program.
  - c. The original purchaser and any member of the immediate family of the original purchaser of a Garden State Savings Bond shall be eligible for the financial incentive program established pursuant to this section.

(cf: N.J.S.18A:71B-30)

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- 199. N.J.S.18A:71B-33 is amended to read as follows:
- 21 18A:71B-33 The State Treasurer shall, in consultation with the
  - [commission] <u>department</u>, approve the following:
  - a. additional financial incentives as provided in this article;
  - b. limits that may be imposed on the amount of Garden State Savings Bonds that may be purchased by individual households;
    - c. minimum denominations to market the Garden State Savings Bonds so that they are affordable by individuals; however, each issue shall be offered with sufficient bonds at a purchase price of \$100 to satisfy demand.
- In addition, the State Treasurer shall evaluate the feasibility of staggered or periodic forms of payments for Garden State Savings Bonds and shall advise the issuing officials regarding the evaluation.
- 34 (cf: N.J.S.18A:71B-33)

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- 36 200. N.J.S.18A:71B-34 is amended to read as follows:
- 18A:71B-34 The [commission] <u>department</u> and the State
  Treasurer shall assess the effectiveness of the program and
  recommend any necessary changes to the issuing officials regarding
  future bond sales after the initial sale of Garden State Savings
  Bonds.
- 42 (cf: N.J.S.18A:71B-34)

- 44 201. N.J.S.18A:71B-36 is amended to read as follows:
- 45 18A:71B-36 As used in this article:
- "Account" means an individual trust account or savings account established in accordance with this article;

1 "Authority" means the Higher Education Student Assistance 2 Authority;

"Contributor" means the person or organization contributing to and maintaining an account and having the right to withdraw funds from the account before the account is disbursed to or for the benefit of the designated beneficiary;

"Designated beneficiary" means: a. the individual designated at the time the account is opened as the individual whose higher education expenses are expected to be paid from the account; b. the replacement beneficiary if the change in designated beneficiary would not result in a distribution that is included in federal gross income under section 529 of the federal Internal Revenue Code of 1986, 26 U.S.C.s.529; and c. in the case of an interest in the program purchased by a state or local government or an organization described in paragraph (3) of subsection (c) of section 501 of the federal Internal Revenue Code of 1986, 26 U.S.C.s.501 and exempt from taxation under subsection (a) of section 501 of the federal Internal Revenue Code of 1986, 26 U.S.C.s.501, as a part of a scholarship program operated by the government or organization, the individual receiving the interest as a scholarship;

"Higher education institution" means an eligible educational institution as defined in or for purposes of section 529 of the federal Internal Revenue Code of 1986, 26 U.S.C.s.529. Higher education institution shall include a proprietary institution if expenses for tuition at the institution would be considered qualified higher education expenses under section 529 of the federal Internal Revenue Code of 1986, 26 U.S.C.s.529, but only for degree granting programs licensed or approved by the [Commission on] Department of Higher Education or for other proprietary institutions as determined by the authority;

"Investment Manager" means the Division of Investment in the Department of the Treasury or the private entities authorized to do business in this State that may be designated by the authority to invest the funds of the trust pursuant to the terms of this article;

"Member of the family" means a member of the family as defined in or for purposes of section 529 of the federal Internal Revenue Code of 1986, 26 U.S.C.s.529;

"Nonqualified withdrawal" means a withdrawal from an account other than: a. a qualified withdrawal; b. a withdrawal made as the result of the death or disability of the designated beneficiary of an account; c. a withdrawal made on account of a scholarship (or allowance or payment described in subparagraph (B) or (C) of paragraph (1) of subsection (d) of section 135 of the federal Internal Revenue Code of 1986, 26 U.S.C.s.135) received by the designated beneficiary, but only to the extent of the amount of that scholarship, allowance or payment; d. a rollover or change in designated beneficiary which would not result in a distribution includible in

- 1 federal gross income under section 529 of the federal Internal
- 2 Revenue Code of 1986, 26 U.S.C.s.529; or e. any other withdrawal
- 3 if the failure of the program to impose a more than de minimis
- 4 penalty on the withdrawal would cause the program not to be a
- 5 qualified State tuition program under section 529 of the federal
- 6 Internal Revenue Code of 1986, 26 U.S.C.s.529;
  - "Program" means the "New Jersey Better Educational Savings Trust (NJBEST) Program" established pursuant to this article;

"Qualified higher education expenses" means expenses described in paragraph (3) of subsection (e) of section 529 of the federal Internal Revenue Code of 1986, 26 U.S.C.s.529 incurred in connection with the enrollment of a designated beneficiary at a higher education institution;

"Qualified withdrawal" means a withdrawal from an account to pay the qualified higher education expenses of the designated beneficiary of the account; but a withdrawal shall not be considered a qualified withdrawal if the failure of the program to impose a more than de minimis penalty on the withdrawal would cause the program not to qualify as a qualified State tuition program under section 529 of the federal Internal Revenue Code of 1986, U.S.C.s.529;

"Trust" means the "New Jersey Better Educational Savings Trust" established pursuant to N.J.S.18A:71B-37.

(cf: N.J.S.18A:71B-36)

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- 202. Section 3 of P.L.2001, c.262 (C.18A:71B-66) is amended to read as follows:
  - 3. As used in sections 1 through 17 of this act:

"Advance payment contract" means a contract entered into by the board and a purchaser pursuant to the provisions of this act;

"Board" means the Prepaid Higher Education Expense Board established pursuant to section 6 of this act;

"Eligible independent institution of higher education" means those institutions of higher education incorporated and located in this State, which, by virtue of law or character or license, are nonprofit educational institutions empowered to grant academic degrees and which provide a level of education which is equivalent to the education provided by the State's public institutions of higher education as attested by the receipt of and continuation of regional accreditation by the Middle States Association of Colleges and Schools, and which are eligible to receive State aid under the provisions of the Constitution of the United States and the Constitution of the State of New Jersey and whose students are eligible to receive benefits under section 529 of the federal Internal Revenue Code of 1986, 26 U.S.C. s.529. "Eligible independent institution of higher education" shall include a proprietary institution if expenses for tuition at the institution would be considered qualified higher education expenses under section 529 of

- the federal Internal Revenue Code of 1986, 26 U.S.C.s.529, but
- 2 only for degree granting programs licensed or approved by the
- 3 [Commission on] <u>Department of</u> Higher Education or for other
- 4 proprietary institutions as determined by the board. "Eligible
- 5 independent institution of higher education" does not include any
- 6 educational institution dedicated primarily to the preparation or
- 7 training of ministers, priests, rabbis, or other professional persons in
- 8 the field of religion;

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- "Fund" means the Prepaid Higher Education Expense Trust Fund established pursuant to section 5 of this act;
- "Institution of higher education" means an eligible educational institution as defined in or for purposes of section 529 of the federal Internal Revenue Code of 1986, 26 U.S.C.s.529;
- "Program" means the New Jersey Prepaid Higher Education Expense Program established pursuant to section 4 of this act;
- "Public institution of higher education" means Rutgers, The State University, the State colleges or universities established pursuant to
- chapter 64 of Title 18A of the New Jersey Statutes, the New Jersey
- 19 Institute of Technology, the University of Medicine and Dentistry
- of New Jersey, the county colleges and any other public university or college now or hereafter established or authorized by State law.
- or college now or hereafter established or authorized by State law.
  A public institution of higher education is an institution whose
- 23 students are eligible to receive benefits under section 529 of the
- 24 federal Internal Revenue Code of 1986, 26 U.S.C. s.529;
  - "Purchaser" means a person who makes or is obligated to make payments in accordance with an advance payment contract;
  - "Qualified beneficiary" means: a. a resident of this State at the time a purchaser enters into an advance payment contract on behalf of the resident; or b. a nonresident who is the child of a noncustodial parent who is a resident of the State at the time that the noncustodial parent enters into an advance payment contract on behalf of the child;
  - "Tuition" means the charges imposed by an institution of higher education for enrollment at the institution. The Prepaid Higher Education Expense Board shall determine whether mandatory fees charged by institutions of higher education shall be included in the definition of tuition.
- 38 (cf: P.L.2001, c.262, s.3)
- 39
- 40 203. Section 6 of P.L.2001, c.262 (C.18A:71B-69) is amended 41 to read as follows:
- 42 6. a. The Prepaid Higher Education Expense Board is
- established as a body corporate and politic in the [Executive Branch
- of State Government and for the purposes of complying with the
- 45 provisions of Article V, Section IV, paragraph 1 of the New Jersey
- 46 Constitution, the board is allocated in, but not of, the Department

- of [State] Higher Education. [Notwithstanding this allocation, the 1
- 2 board shall be independent of any supervision or control by the
- 3 department or by any board or officer thereof.]
- b. The board shall consist of [11] 10 members, including the 4
- 5 State Treasurer or a designee, the [executive director of the
- 6 Commission on Chancellor of the Department of
- 7 Education or a designee, the executive director of the Higher
- Education Student Assistance Authority or a designee[, the chair of 8
- 9 the New Jersey Presidents' Council or a designee]; and seven
- 10 members appointed by the Governor without regard for political
- 11 affiliation, one upon the recommendation of the Speaker of the
- 12 General Assembly, one upon the recommendation of the Minority
- 13 Leader of the General Assembly, one upon the recommendation of
- 14 the President of the Senate, and one upon the recommendation of
- 15 the Minority Leader of the Senate. Each member appointed by the
- 16 Governor shall possess knowledge, skill, and experience in the
- 17 areas of accounting, actuary, risk management or investment
- 18 Members appointed by the Governor shall serve management.
- 19 terms of three years, except that in making the initial appointments,
- 20 the Governor shall appoint two members to serve for one year, two
- 21 members to serve for two years, and three members to serve for
- 22 three years. Any member appointed to fill a vacancy on the board
- shall be appointed in a like manner and shall serve until a successor 23 24
- qualifies. Members of the board shall serve without compensation
- 25 but shall be reimbursed for any necessary expenses incurred in the 26 performance of their duties.
- 27 c. The Governor shall appoint a member of the board to serve as
- the initial chair of the board. Thereafter, the board shall elect a 28 29 chair annually. The board shall annually elect a board member to
- 30 serve as vice-chair and shall designate a secretary-treasurer who
- 31 need not be a member of the board. The secretary-treasurer shall
- 32 keep a record of the proceedings of the board and shall be the
- 33 custodian of all printed material filed with or by the board and of its
- 34 official seal. Notwithstanding the existence of vacancies on the
- 35 board, a majority of the members shall constitute a quorum. The
- 36 board shall take no official action in the absence of a quorum. The
- 37 board shall meet, at a minimum, on a quarterly basis at the call of
- 38 the chair.
- 39 Neither the members of the board, nor any officer or
- 40 employee of the board shall be liable personally for the debts,
- 41 liabilities or obligations of the program established pursuant to this
- 42
- 43 (cf: P.L.2001, c.262, s.6)

204. Section 8 of P.L.2001, c.262 (C.18A:71B-71) is amended

to read as follows:

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2 8. a. The board, acting with the approval of the State Investment 3 Council in the Division of Investment, shall establish a 4 comprehensive investment plan for the purposes of this act and 5 annually review the plan to assure that the program remains 6 actuarially sound. The comprehensive investment plan shall specify 7 the investment policies to be utilized by the board in its 8 administration of the fund. The board may place assets of the fund 9 in savings accounts or use the funds to purchase fixed or variable 10 life insurance or annuity contracts, securities, evidence of 11 indebtedness or other investment products, pursuant to the 12 comprehensive investment plan and in such proportions as may be 13 designated or approved under that plan. The board shall be subject 14 to the "prudent person" standard of care applicable to the Division 15 of Investment in the Department of the Treasury pursuant to subsection b. of section 11 of P.L.1950, c.270 (C.52:18A-89). The 16 17 insurance, annuity, savings or investment products shall be 18 underwritten and offered in compliance with the applicable federal 19 and State laws and regulations and by persons who are duly 20 authorized by applicable federal and State authorities.

b. The board may delegate responsibility for administration of the program to a person the board determines to be qualified. Directly or through the person, the board may contract, in accordance with the provisions of P.L.1954, c.48 (C.52:34-6 et seq.), with a private corporation or institution authorized to do business in this State to provide such services as may be a part of the program or as may be deemed necessary for implementation of the program, including, but not limited to, providing consolidated billing, individual and collective record keeping and accounting, asset purchase, control and safekeeping, investment management, marketing, administration, program operations, and other services deemed necessary and proper to carry out the purposes of this act. In the event that the board delegates a private entity as the investment manager, the assets of the fund shall be invested in accordance with an investment plan approved by the State Investment Council in the Division of Investment.

The board shall determine whether the services deemed necessary and proper to carry out the purposes of this act shall be provided by a single or multiple entities.

c. The board shall annually prepare or cause to be prepared a report setting forth in appropriate detail an accounting of the fund and a description of the financial condition of the program at the close of each fiscal year. The report shall be submitted to the Governor, the President of the Senate, the Speaker of the General

- 45 Assembly, the State Treasurer, the [executive director of the New
- 46 Jersey Commission on Chancellor of the Department of Higher
- Education and the executive director of the Higher Education 47

- 1 Student Assistance Authority on or before August 1 each year. In
- 2 addition, the board shall make the report available to purchasers of
- 3 advance payment contracts. The board shall provide to the
- 4 [Commission on] Department of Higher Education by August 1
- 5 each year complete advance payment contract sales information,
- 6 including projected higher education enrollments of qualified
- 7 beneficiaries.

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- d. The accounts of the funds shall be subject to annual audits by
- 9 the State Auditor or a designee. In addition, the board shall
- 10 commission an annual independent audit of the program. The
- 11 results of the independent audit shall be provided to the Governor,
- 12 the President of the Senate, the Speaker of the General Assembly,
- 13 the State Treasurer, the [executive director of the New Jersey
- 14 Commission on Chancellor of the Department of Higher Education
- and the executive director of the Higher Education Student
- 16 Assistance Authority. If the board delegates responsibility for the
- 17 administration of the comprehensive investment plan pursuant to
  - subsection b. of this section, the cost of the independent audit shall
  - be borne by that person.
    - e. The board may make available insurance coverage written exclusively for the purpose of protecting advance payment contracts, and the purchasers or beneficiaries thereof, which may be issued in the form of a group term life policy to purchasers of advance payment contracts.
    - f. Materials produced for the purpose of marketing the program shall be submitted to the board for review and approval. Marketing materials shall not be made available or distributed to the public prior to the materials being approved by the board. An institution of higher education may distribute marketing materials produced for the program. The State and the board shall not be liable for misrepresentation of the program by a marketing agent.
    - g. Statements, reports on distributions and information returns relating to accounts shall be prepared, distributed, and filed to the extent required by section 529 of the federal Internal Revenue Code of 1986, 26 U.S.C. s.529.
- 36 (cf: P.L.2001, c.262, s.8).

- 38 205. Section 16 of P.L.2001, c.262 (C.18A:71B-79) is amended 39 to read as follows:
- 40 16. a. A qualified beneficiary who graduates from high school 41 with a 3.0 cumulative grade point average on a 4.0 scale in an 42 academic program or a 3.2 cumulative grade point average on a 4.0 43 scale in a vocational-educational program, based upon grades in 44 core curriculum content subject areas as determined by the board, or 45 who graduates in the top 15% of his high school graduating class 46 shall be admitted to a public institution of higher education. In 47 order to be admitted to a public institution of higher education

- pursuant to this section, the qualified beneficiary shall meet all of the institution's requirements for admittance. This provision shall not be construed to promise or guarantee that a qualified beneficiary shall be admitted to a particular public institution of higher education.
- b. In order to effectuate the provisions of subsection a. of this
   section, the board, in consultation with the [Commission on]
   Department of Higher Education, shall develop a process to assist
   qualified beneficiaries in applying to all public institutions of higher
   education.

11 (cf: P.L.2001, c.262, s.16)

206. N.J.S.18A:71C-24 is amended to read as follows:

18A:71C-24 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] department or for other proprietary institutions as determined by the authority. (cf: N.J.S.18A:71C-24)

207. N.J.S.18A:72A-4 is amended to read as follows:

18A:72A-4 (a) There is hereby established in [but not of] the Department of [the Treasury] <u>Higher Education</u> a public body corporate and politic, with corporate succession to be known as the "New Jersey educational facilities authority." [Notwithstanding this allocation, the authority shall be independent of any supervision or control by the department or any officer thereof.] The authority shall constitute a political subdivision of the State established as an instrumentality exercising public and essential governmental functions, and the exercise by the authority of the powers conferred by this chapter shall be deemed and held to be an essential governmental function of the State.

(b) The authority shall consist of seven members, two of whom shall be the chairman of the [Commission on Higher Education] chancellor, ex officio, and the State Treasurer, ex officio, or when so designated by them, their deputies and five citizens of the State to be appointed by the Governor with the advice and consent of the Senate for terms of five years; provided that the terms of the members first appointed shall be arranged by the Governor so that one of such terms shall expire on April 30 in each successive year ensuing after such appointments. Each member shall hold office for the term of his appointment and shall continue to serve during the

term of his successor unless and until his successor shall have been appointed and qualified. Any vacancy among the members appointed by the Governor shall be filled by appointment for the unexpired term only. A member of the authority shall be eligible for reappointment.

- (c) Any member of the authority appointed by the Governor may be removed from office by the Governor for cause after a public hearing.
- (d) The members of the authority shall serve without compensation, but the authority may reimburse its members for necessary expenses incurred in the discharge of their duties.
- (e) The authority, upon the first appointment of its members and thereafter on or after April 30 in each year, shall annually elect from among its members a chairman and a vice chairman who shall hold office until April 30 next ensuing and shall continue to serve during the terms of their respective successors unless and until their respective successors shall have been appointed and qualified. The authority may also appoint, retain and employ, without regard to the provisions of Title 11, Civil Service, of the Revised Statutes, such officers, agents, employees and experts as it may require, and it shall determine their qualifications, terms of office, duties, services and compensation.
- (f) The powers of the authority shall be vested in the members thereof in office from time to time and a majority of the total authorized membership of the authority shall constitute a quorum at any meeting thereof. Action may be taken and motions and resolutions adopted by the authority at any meeting thereof by the affirmative vote of a majority of the members present, unless in any case the bylaws of the authority shall require a larger number. No vacancy in the membership of the authority shall impair the right of a quorum to exercise all the rights and perform all the duties of the authority.
- (g) Before the issuance of any bonds under the provisions of this chapter, the members and the officer of the authority charged with the handling of the authority's moneys shall be covered by a surety bond or bonds in a penal sum of not less than \$25,000.00 per person conditioned upon the faithful performance of the duties of their respective offices, and executed by a surety company authorized to transact business in the State of New Jersey as surety. Each such bond shall be submitted to the Attorney General for his approval and upon his approval shall be filed in the Office of the Secretary of State prior to the issuance of any bonds by the authority. At all times after the issuance of any bonds by the authority the officer of the authority and each member charged with the handling of the authority's moneys shall maintain such surety bonds in full force and effect. All costs of such surety bonds shall be borne by the authority.
  - (h) Notwithstanding any other law to the contrary, it shall not be

or constitute a conflict of interest for a trustee, director, officer or employee of a participating college to serve as a member of the authority; provided such trustee, director, officer or employee shall abstain from discussion, deliberation, action and vote by the authority under this chapter in specific respect to such participating college of which such member is a trustee, director, officer or employee.

(i) A true copy of the minutes of every meeting of the authority shall be forthwith delivered by and under the certification of the secretary thereof, to the Governor. No action taken at such meeting by the authority shall have force or effect until 10 days, Saturdays, Sundays and public holidays excepted, after such copy of the minutes shall have been so delivered. If, in said 10-day period, the Governor returns such copy of the minutes with veto of any action taken by the authority or any member thereof at such meeting, such action shall be null and of no effect. If the Governor shall not return the minutes within said 10-day period, any action therein recited shall have force and effect according to the wording thereof. At any time prior to the expiration of the said 10-day period, the Governor may sign a statement of approval of any such action of the authority, in which case the action so approved shall not thereafter be disapproved.

Notwithstanding the foregoing provisions of this subsection (i), with regard to the sale of bonds of the authority, the authority shall furnish to the Governor a certified copy of the minutes of the meeting at which the bonds are sold and the Governor shall indicate approval or disapproval of the action prior to the issuance of the bonds.

The powers conferred in this subsection (i) upon the Governor shall be exercised with due regard for the rights of the holders of bonds of the authority at any time outstanding, and nothing in, or done pursuant to, this subsection (i) shall in any way limit, restrict or alter the obligation or powers of the authority or any representative or officer of the authority to carry out and perform in every detail each and every covenant, agreement or contract at any time made or entered into by or on behalf of the authority with respect to its bonds or for the benefit, protection or security of the holders thereof.

39 (cf: P.L.1999, c.217, s.11)

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208. N.J.S.18A:72A-24 is amended to read as follows:

18A:72A-24. The [Governor] <u>Board of Higher Education</u>, or the <u>chancellor</u>, or their representatives, may visit, examine into and inspect, the authority as an institution under the educational supervision of the State, and may require, as often as desired, duly verified reports therefrom giving such information and in such form as the [Governor] <u>board or chancellor</u> shall prescribe.

(cf: P.L.1994, c.48, s.237)

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209. N.J.S.18A:72A-26 is amended to read as follows:

18A:72A-26. In order to provide new dormitories and to enable the construction and financing thereof, to refinance indebtedness hereafter created by the authority for the purpose of providing a dormitory or dormitories or additions or improvements thereto, or for any one or more of said purposes, but for no other purpose unless authorized by law, each of the following bodies shall have the powers hereafter enumerated to be exercised upon such terms and conditions, including the fixing of any consideration or rental to be paid or received, as it shall determine by resolution as to such property and each shall be subject to the performance of the duties hereafter enumerated, that is to say, the [treasurer] Board of Higher Education as to such as are located on land owned by, or owned by the State and held for, the Department of Higher Education or on lands of the institutions under the jurisdiction of the Department of <u>Higher Education</u> or by the authority, the board of governors of the university, the board of trustees of the New Jersey Institute of Technology or the University of Medicine and Dentistry of New Jersey, the board of trustees of a State college or the board of trustees of a county college as to such as are located on land owned by the university or by the particular college respectively, namely:

- a. The power to sell and to convey to the authority title in fee simple in any such land and any existing dormitories thereon owned by the Department of Higher Education or owned by the State and held for the department or of any of the institutions under the jurisdiction of the Department of Higher Education or owned by the board of trustees of a county college or the power to sell and to convey to the authority such title as the university or the college respectively may have in any such land and any existing dormitories thereon.
- b. The power to lease to the authority any land and any existing dormitories thereon so owned for a term or terms not exceeding 50 years each.
- c. The power to lease or sublease from the authority, and to make available, any such land and existing dormitories conveyed or leased to the authority under subsections a. and b. of this section, and any new dormitories erected upon such land or upon any other land owned by the authority, any rentals to be payable, as to the university or as to any such college from available funds other than moneys appropriated to it by the State.
- d. The power and duty, upon receipt of notice of any assignment by the authority of any lease or sublease made under subsection c. of this section, or of any of its rights under any such lease or sublease, to recognize and give effect to such assignment, and to pay to the assignee thereof rentals or other payments then due or

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1 which may become due under any such lease or sublease which has 2 been so assigned by the authority. 3 (cf: P.L.1994, c.48, s.238) 4 210. N.J.S.18A:72A-27.1 is amended to read as follows: 5 6 18A:72A-27.1. In addition to the powers and duties with respect 7 to dormitories given under N.J.S.18A:72A-26 and 18A:72A-27 the 8 [treasurer] Board of Higher Education, the board of governors of 9 the university, the board of trustees of the New Jersey Institute of 10 Technology, the board of trustees of a State college, the board of 11 trustees of a county college and the board of trustees of the 12 University of Medicine and Dentistry of New Jersey shall also have the same power and be subject to the same duties in relation to any 13 14 conveyance, lease or sublease made under subsection a., b., or c. of [section] N.J.S. 18A:72A-26, with respect to revenue producing 15 facilities; that is to say, structures or facilities which produce 16 17 revenues sufficient to pay the rentals due and to become due under 18 any lease or sublease made under subsection c. of [section] 19 N.J.S. 18A:72A-26 including, without limitation, student unions and 20 parking facilities. 21 (cf: P.L.1994, c.48, s.239) 22 23 211. Section 2 of P.L.1988, c.159 (C.18A:72A-27.3) is amended 24 to read as follows: 25 2. The board of trustees of the public institution of higher 26 education shall submit a copy of a resolution approving any non-27 revenue producing facility project to the President of the Senate and 28 the Speaker of the General Assembly and shall submit 29 informational copies of the proposal to the members of the Senate 30 Budget and Appropriations Committee and the Assembly 31 Appropriations Committee and to the [Commission on] Department 32 of Higher Education. The submission shall include all appropriate 33 supporting information including, but not limited to, a description 34 of the project, its impact, cost and construction schedule, and a 35 detailed explanation of the sources of revenue which will be 36 dedicated to the financing of the project. If the Legislature does not 37 disapprove the proposal by the adoption of a concurrent resolution 38 within 45 days, the proposal shall be deemed to be approved.

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212. N.J.S.18A:72A-29 is amended to read as follows:

(cf: P.L.1999, c.217, s.14)

18A:72A-29 All [lands and other assets real or personal presently titled in the name of the State Board of Higher Education or the State Department of Higher Education, which are occupied by a public institution of higher education shall be titled in the name of the State of New Jersey only. All conveyances, leases and

- subleases, pursuant to this chapter shall be made, executed and
- 2 delivered in the name of the State and shall be signed by the State
- 3 Treasurer and sealed with the seal of the State] powers conferred
- 4 and duties imposed upon the Board of Higher Education or the
- 5 Department of Higher Education pursuant to this chapter shall be
- 6 exercised and performed by resolution of that board and all
- 7 conveyances, leases and subleases, pursuant to this chapter shall be
- 8 made, executed and delivered in the name of the department and
- 9 shall be signed by the chancellor and sealed with the seal of the department.

To the extent not otherwise expressly provided under existing law, all powers and duties conferred upon the university pursuant to this chapter shall be exercised and performed by resolution of its board of governors and all powers and duties conferred upon any of said colleges pursuant to this chapter shall be exercised and performed by resolution of its board of trustees.

All conveyances, leases and subleases made pursuant to this chapter, when duly authorized by the university, shall be made, executed and delivered in the name of the university and shall be signed by its president or a vice president and sealed with the seal of the university and all conveyances, leases and subleases made pursuant to this chapter, when duly authorized by any of said colleges, shall be made, executed and delivered in the name of the college and shall be signed by the president or a vice president and sealed with the seal of the college.

26 (cf: P.L.1999, c.46, s.50)

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- 213. Section 5 of P.L.1997, c.238 (C.18A:72A-63) is amended to read as follows:
- 5. The use of a grant from the technology fund shall require a matching amount from an institution equal to the amount of the grant provided. The initial grants from the technology fund shall be allocated as follows:
- a. a minimum of \$12,600,000 for the acquisition of higher education technology infrastructure at the State colleges;
- b. a minimum of \$7,722,000 for the acquisition of higher education technology infrastructure at Rutgers, The State University;
- 39 c. a minimum of \$4,306,500 for the acquisition of higher 40 education technology infrastructure at the University of Medicine 41 and Dentistry of New Jersey;
  - d. a minimum of \$2,821,500 for the acquisition of higher education technology infrastructure at the New Jersey Institute of Technology;
- e. a minimum of \$12,600,000 for the acquisition of higher deducation technology infrastructure at the county colleges;
- f. a minimum of \$4,950,000 for the acquisition of higher

education technology infrastructure at private institutions of higher education;

- g. a maximum of \$5,000,000 for interconnectivity among the higher education institutions. Expenditures shall be based on an inter-institutional needs assessment. If, as a result of the needs assessment, less than \$5,000,000 is expended from the funds allocated in this subsection, the remaining funds shall be allocated among the institutions designated in subsections a. through f. of this section based on the percentage of the total funds allocated in each of the subsections a. through f.; and
- h. a minimum of \$5,000,000 for non-matching public library grants or for Statewide library technology initiatives through the New Jersey State Library.
- The [Commission on] <u>Department of Higher Education may</u> reallocate any balance in the amount authorized in subsections a. through g. of this section, which has not been approved by the commission for a grant within 18 months of the effective date of P.L.1997, c.238 (C.18A:72A-59 et seq.).
  - The [commission] <u>department</u> shall determine the allocation of moneys deposited into the technology fund resulting from the issuance by the authority of new bonds because of the retirement of bonds previously issued by the authority.
  - Acquisition of technology infrastructure funded by grants from the technology fund shall follow the principles of affirmative action and equal opportunity employment. In furtherance of these principles, the [commission] <u>department</u> shall continue its policy of encouraging institutions to solicit bids from, and award contracts to, minority and women-owned businesses.

29 (cf: P.L.1997, c.238, s.5)

- 31 214. Section 6 of P.L.1997, c.238 (C.18A:72A-64) is amended 32 to read as follows:
- 6. a. The governing board of a public or private institution of higher education may determine, by resolution, to apply for a grant from the technology fund. Upon adoption of the resolution, the board shall file an application with the [Commission on] Department of Higher Education, which application shall include a complete description of the technology infrastructure to be acquired and an identification of the sources of revenue to be used for the required institutional match.
  - b. The [commission] <u>department</u> shall review the application and, by resolution, approve or disapprove the grant. For each grant which is approved, the [commission] <u>department</u> shall establish the amount and shall forward a copy of the resolution along with the amount of the grant to the authority.
    - c. Each grant awarded under this act shall be contingent upon

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- 1 the recipient governing board entering into a contract or contracts
- 2 for the acquisition of technology infrastructure within one year of
- 3 the date on which the funds of the grant are made available to the
- 4 institution.
- 5 (cf: P.L.1997, c.238, s.6)

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- 7 215. Section 9 of P.L.1997, c.238 (C.18A:72A-67) is amended 8 to read as follows:
- 9 9. The authority shall not enter into an agreement with an
- 10 institution of higher education unless the [Commission on]
- 11 Department of Higher Education has [adopted a resolution which
- the acquisition of the higher education 12 approves approved
- 13 technology infrastructure by the institution.
- 14 (cf: P.L.1997, c.238, s.9)

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- 216. Section 11 of P.L.1997, c.238 (C.18A:72A-69) is amended 16 17 to read as follows:
- 18 In order to ensure the most effective utilization of the 19 moneys in the technology fund and to guide governing boards
- 20 which elect to apply for a grant, the [Commission on] Department
- 21 of Higher Education shall establish criteria for approval and shall
- 22 specify the information to be included in a grant application.
- 23 (cf: P.L.1997, c.238, s.11)

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- 25 217. Section 12 of P.L.1997, c.238 (C.18A:72A-70) is amended 26 to read as follows:
- 27 12. The [Commission on] Department of Higher Education, in 28 consultation with the New Jersey Educational Facilities Authority,
- 29 shall adopt, pursuant to the "Administrative Procedure Act,"
- 30 P.L.1968, c.410 (C.52:14B-1 et seq.), the rules and regulations
- 31 necessary to carry out the provisions of this act.
- 32 (cf: P.L.1997, c.238, s.12)

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- 34 218. Section 13 of P.L.1997, c.238 (C.18A:72A-71) is amended to read as follows:
- 35
- 36 The [Commission on] Department of Higher Education
- shall annually submit a report to the Governor and the Legislature 37
- 38 on the higher education technology infrastructure purchases at
- 39 public and private institutions of higher education, which have been
- 40 approved by the commission and financed by the New Jersey
- 41 Educational Facilities Authority pursuant to this act.
- 42 (cf: P.L.1997, c.238, s.13)

- 44 219. Section 4 of P.L.1999, c.217 (C.18A:72A-75) is amended 45 to read as follows:
- 4. The capital improvement fund shall be used to provide grants 46

- to New Jersey's four-year public and private institutions of higher 1 2 education for the cost, or a portion of the cost, of the renewal, 3 renovation. improvement, expansion, construction. and 4 reconstruction of facilities and technology infrastructure. Each 5 institution shall use the grants for existing renewal and renovations 6 needs at instructional, laboratory, communication, research, and 7 administrative facilities. An institution may use up to 5% of a grant 8 within student-support facilities for fire code renovations, health-9 safety code renovations and other State and federal code-related 10 renovations. If all such renewal and renovation is completed or is accounted for through other funding sources, or if an institution is 11 12 granted an exemption by the [Commission on] Department of Higher Education for the purpose of maximizing federal grant fund 13 14 recoveries or for the purpose of replacing a building when projected renewal and renovation costs exceed the projected cost of 15 replacement, then grant funds may be used for the improvement, 16 expansion, construction, and reconstruction of instructional, 17 laboratory, communication, and research facilities, or technology 18
  - As used in this act:

infrastructure.

"renewal and renovation" means making the changes necessary to address deferred capital maintenance needs, to meet all State and federal health, safety, fire, and building code standards, or to provide a safe and appropriate educational or working environment;

"student-support facilities" mean student resident halls, student dining facilities, student activity centers, and student health centers; and

"technology infrastructure" means video, voice, and data telecommunications equipment and linkages with a life expectancy of at least 10 years.

31 (cf: P.L.1999, c.217, s.4)

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- 220. Section 5 of P.L.1999, c.217 (C.18A:72A-76) is amended to read as follows:
- 35 5. a. An amount not to exceed \$550,000,000 in the capital 36 improvement fund shall be allocated as follows:
- 37 \$169,000,000 for Rutgers, The State University;
- 38 \$95,062,500 for the University of Medicine and Dentistry of 39 New Jersey;
- 40 \$60,937,500 for the New Jersey Institute of Technology;
- \$175,000,000 for the State colleges and universities; and 41
- 42 \$50,000,000 for the private institutions of higher education.
- 43 b. The [commission] department may reallocate any balance in
- 44 an amount authorized in subsection a. of this section which has not been approved by the [commission] department for grants within 24
- 46 months of the adoption of regulations by the [commission]

- department. The [commission] department may allocate any 1
- 2 additional moneys in the capital improvement fund to institutions
- for capital improvement projects as the [commission] department 3
- 4 determines and shall determine the allocation of moneys deposited
  - into the fund resulting from the issuance by the authority of new
- 6 bonds because of the retirement of bonds previously issued by the
- 7 authority.
- 8 c. The facilities and technology infrastructure funded by grants 9 from the capital improvement fund shall follow the principles of 10 affirmative action and equal opportunity employment. furtherance of these principles, the [commission] department shall
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- 12 continue its policy of encouraging institutions to solicit bids from,
- 13 and award contracts to, minority and women-owned businesses.
- 14 (cf: P.L.1999, c.217, s.5)

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- 221. Section 6 of P.L.1999, c.217 (C.18A:72A-77) is amended to read as follows:
- 6. a. The governing board of a four-year public or private institution of higher education may determine, by resolution, to apply for a grant from the capital improvement fund.
- 20 21 adoption of the resolution, the board shall file an application with
- 22 the [commission] department, which application shall include a
- 23 complete description of the project to be financed and an
- 24 identification of any additional sources of revenue to be used.
- 25 b. In order to ensure the most effective utilization of the moneys in the capital improvement fund and to guide governing boards 26
- 27 which elect to apply for a grant, the [commission] department shall
- 28 establish a list of grant criteria and shall specify the information to
- 29 be included in a grant application.
- 30 c. The [commission] <u>department</u> shall review the application
- 31 and, by resolution, approve or disapprove the grant. When a grant
- 32 is approved, the [commission] department shall establish the
- amount and shall forward a copy of the resolution along with the 33
- 34 amount of the grant to the authority.
- 35 d. The [commission] <u>department</u> shall submit to the Legislature 36 a copy of the resolution approving the grant along with the amount
- 37 of the grant. If the Legislature does not disapprove the grant by the
- 38 adoption of a concurrent resolution within 45 days, the grant shall
- 39 be deemed to be authorized.
- 40 e. When a grant is awarded pursuant to this act, it shall be
- 41 contingent upon the governing board of the recipient institution
- 42 entering into a contract or contracts for the commencement of the
- 43 renewal, renovation, improvement, expansion, construction, and
- 44 reconstruction of facilities and technology infrastructure within one
- 45 year of the date on which the funds for the grant are made available.

1 (cf: P.L.1999, c.217, s.6)

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- 3 222. Section 15 of P.L.1999, c.217 (C.18A:72A-80) is amended to read as follows:
- 5 15. The [Commission on] <u>Department of Higher Education</u>, in consultation with the New Jersey Educational Facilities Authority, shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the rules and regulations necessary to carry out the provisions of this act.
- 10 (cf: P.L.1999, c.217, s.15)

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- 12 223. Section 3 of P.L.1979, c.132 (C.18A:72B-17) is amended 13 to read as follows:
  - 3. As used in this act:
- a. "Eligible institution" or "institution" means only those 15 independent institutions of higher education incorporated and 16 located in this State, which, by virtue of law or character or license, 17 18 are nonprofit educational institutions empowered to grant academic 19 degrees and which provide a level of education which is equivalent 20 to the education provided by the State's public institutions of higher 21 education as attested by the receipt of and continuation of regional 22 accreditation by the Middle States Association of Colleges and 23 Schools, and which are eligible to receive State aid under the 24 provisions of the Constitution of the United States and the 25 Constitution of the State of New Jersey. "Eligible institution" does 26 not include any educational institution dedicated primarily to the 27 preparation or training of ministers, priests, rabbis, or other 28 professional persons in the field of religion.
- b. "New Jersey student" means any resident of this State as defined [pursuant to section 1 of P.L.1979, c.361 (C.18A:62-4)] by regulations of the Board of Higher Education.
  - c. "Academic year" means the normal period of attendance, excluding summer session, for a full-time undergraduate student to make a year's progress toward a degree.
  - d. "Full-time equivalent student in an eligible institution" means a unit of 32 undergraduate student credit hours.
  - e. "Undergraduate student" means a student enrolled in a program leading to an associate or baccalaureate degree, or to a certificate, diploma or its equivalent, awarded by the institution.
  - f. "Direct per student support for the State college sector" means the average direct net State support per budgeted full-time equivalent student at the State colleges. This average shall be derived from the General Appropriation Act for the pre-budget year by taking the sum of the total appropriation amounts for all State colleges, except Thomas A. Edison College of New Jersey, subtracting from that sum debt service and capital costs and the sum of anticipated revenues at the State colleges, except Edison College,

- 1 for tuitions, other student fees, School of Conservation, and
- 2 miscellaneous; and dividing the remainder by the total number of
- 3 budgeted full-time equivalent students at the State colleges, as
- 4 stipulated in language in said Appropriation Act.
- g. "Department" means the Department of [the Treasury] <u>Higher</u>Education.
- h. [(Deleted by amendment, P.L.1994, c.48)] "Board" means the Board of Higher Education.
- 9 i. "Pre-budget year" means the fiscal year preceding the year in which the budget is implemented.
- 11 (cf: P.L.1994, c.48, s.242)

- 13 224. Section 4 of P.L.1979, c.132 (C.18A:72B-18) is amended to read as follows:
  - 4. The [State Treasurer] <u>Board of Higher Education</u>, subject to the availability of appropriations, is authorized to contract with eligible independent colleges and universities in this State to provide educational services to New Jersey students. Payment to the institutions shall be based upon the number of full-time equivalent New Jersey undergraduates enrolled during the prebudget year in the independent institutions multiplied by 25% of the level of direct per student support for the State college sector during the pre-budget year. The total funding generated by the preceding formula shall be distributed as follows:
  - a. Ten percent of this total shall be divided equally among the eligible institutions. These "designated" amounts shall be awarded to each institution except in any instance where the amount of dollars designated for a particular institution under this section exceeds the total amount to be awarded to that institution under subsections b. and c. of this section. In such instances, the funds designated under subsection a. shall be reduced to equal the total of subsections b. and c., which shall be the amount awarded to the institution under this section. The difference between the amount designated and the amount awarded under this section shall be returned to the department.
  - b. Thirty-five percent shall be distributed on the basis of New Jersey students who received State financial aid or aid administered by such institutions of \$1,000.00 or more, in all cases exclusive of loans, during the pre-budget year.
  - c. Fifty-five percent shall be distributed on the basis of New Jersey full-time equivalent students, as herein defined, enrolled in such institutions during the pre-budget year.

The funds granted under this act may be used by the institutions for any purposes which they deem to be appropriate to maintaining or enhancing the quality of the academic offerings available to New Jersey students, except for purposes of sectarian instruction, the construction or maintenance of sectarian facilities, or for any other

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- sectarian purpose or activity. For the purposes of this act the number of full-time equivalent students at the eight State colleges for the 1979-80 academic year is 54,380.
- 4 (cf: P.L.1994, c.48, s.243)

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- 6 225. Section 5 of P.L.1979, c.132 (C.18A:72B-19) is amended to read as follows:
- 5. Funds received by an institution pursuant to this act shall be maintained in a separate ledger account. Each institution shall cause an audit of such account and of enrollment figures to be made
- annually by a certified public accountant and forwarded to the
- 12 [treasurer] board. The [treasurer] board shall have the right to audit
- institutional records pertaining to this act. Each institution also shall
- 14 furnish to the [treasurer] board a copy of its audited annual
- 15 financial statement.
- 16 (cf: P.L.1999, c.46, s.51)

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- 18 226. Section 6 of P.L.1979, c.132 (C.18A:72B-20) is amended 19 to read as follows:
- 20 6. In the event any institution shall expend such funds in violation of the provisions of this act or the rules or regulations of
- 22 the [treasurer] board, the [treasurer] board may suspend further aid
- 23 to such institutions and recover any such funds theretofore 24 misspent.
- 24 misspent.
- 25 (cf: P.L.1994, c.48, s.245)

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- 27 227. Section 8 of P.L.1979, c.132 (C.18A:72B-22) is amended to read as follows:
- 8. The [State Treasurer] <u>board</u> shall promulgate rules and adopt policies and make all determinations necessary for the proper administration and enforcement of the provisions of this act.
- 32 (cf: P.L.1994, c.48, s.246)

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- 34 228. Section 1 of P.L.1987, c.312 (C.18A:72B-25) is amended 35 to read as follows:
- 36 1. As used in this act:
  - a. "Board" means the Board of Higher Education;
- 38 <u>b.</u> "School" means the Morehouse School of Medicine in 39 Atlanta, Georgia.
- 40 (cf: P.L.1994, c.48, s.247)

- 42 229. Section 2 of 1987, c.312 (C.18A:72B-26) is amended to 43 read as follows:
- 2. The [State Treasurer] <u>Board of Higher Education</u> is authorized to contract with the Morehouse School of Medicine for
- 46 the acceptance of New Jersey residents to study medicine.

1 (cf: P.L.1994, c.48, s.248)

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- 3 230. Section 3 of P.L.191987, c.312 (C.18A:72B-27) is amended to read as follows:
- 5 3. Commencing with the first year class to be admitted for the
- 6 1987-88 academic year, the [treasurer] board shall contract with the
- 7 school for the acceptance of two to four medical students. The
- 8 students shall be residents of New Jersey who are from a
- 9 disadvantaged or minority background and are certified as eligible
- 10 by the [treasurer] Chancellor of Higher Education. Admission of
- eligible applicants is based solely on academic merit.
- 12 (cf: P.L.1994, c.48, s.249)

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- 14 231. Section 4 of P.L.1987, c.312 (C.18A:72B-28) is amended 15 to read as follows:
- 4. The [treasurer] <u>chancellor</u>, at his discretion, shall periodically review the school's admissions procedures and records to determine if these procedures comply with the terms of the contract.
- 19 (cf: P.L.1994, c.48, s.250)

(cf: P.L.1994, c.48, s.251)

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- 21 232. Section 6 of P.L.1987, c.312 (C.18A:72B-30) is amended 22 to read as follows:
- 6. The [treasurer] <u>board</u> shall pay to the school \$11,000.00 per year for each eligible student attending the school pursuant to this act, provided that the school charges the student only the tuition and fees required of resident students. Any showing of a discriminatory practice against a student admitted pursuant to this act in areas such as tuition, financial aid, the quality of instruction or housing or any other area is grounds for termination of the contract by the board.

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act.

- 32 233. Section 7 of P.L.1987, c.312 (C.18A:72B-31) is amended 33 to read as follows:
- 7. a. To be certified by the [treasurer] chancellor as eligible for admission to the school pursuant to this act, the applicant shall (1) be a resident of New Jersey for at least 12 months; and (2) enter into a written agreement to practice medicine for at least four years following the completion of training in an area of the State
- designated by the [Commissioner of Health] <u>chancellor</u> as one with a shortage of physicians.
- b. No student admitted to the study of medicine at a medical school within this State shall be certified by the [treasurer] chancellor as eligible for admission to the school pursuant to this
- c. Each agreement shall provide (1) that if the applicant fails to

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- complete medical school, the applicant is liable to reimburse the 1
- 2 [treasurer] board for the amount paid to the school to support his
- 3 education, plus interest in an amount equal to the current prevailing
- 4 market rate; and (2) that if the applicant, upon licensure as a
- 5 physician, fails to practice in the designated area for four years, the
- applicant is liable to reimburse the [treasurer] board for the amount 6
- 7 paid to the school to support his education, plus interest in an
- 8 amount equal to twice the current prevailing market rate. The
- 9 agreement shall also contain a clause under which the applicant
- 10 consents to the exercise of jurisdiction over the cause of action by
- 11 the courts of New Jersey and the execution of a judgment rendered
- 12 by the New Jersey courts in any jurisdiction.
- 13 The [treasurer] chancellor may waive the requirement of 14 reimbursement upon the death or disability of the individual.
- 15 (cf: P.L.1994, c.48, s.252)

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- 17 234. Section 8 of P.L.1987, c.312 (C.18A:72B-32) is amended 18 to read as follows:
- 19 8. The school, at a time agreed upon with the [treasurer] board,
- 20 shall implement a resident training program with a New Jersey
- 21 hospital, if it is determined that an appropriate out-of-State training
- 22 program is not available.
- 23 (cf: P.L.1994, c.48, s.253)

- 25 235. Section 2 of P.L.1979, c.39 (C.18A:72C-2) is amended to 26 read as follows:
- 27 2. Each institution awarded an Einstein Chair under this act shall
- 28 select an outstanding scholar to fill the chair on such terms and 29 conditions as may be agreed upon, subject to the approval of the
- 30 Chancellor of Higher Education, within the appropriations provided
- 31 for said chairs. Each person appointed to the Einstein Chair may be
- 32 granted tenure on appointment.
- 34
- 33 (cf: P.L.1994, c.48, s.254)

- 35 236. Section 2 of P.L.1980, c.154 (C.18A:72E-2) is amended to read as follows: 36
- 37 2. Subject to available appropriations, Seton Hall shall select an 38 outstanding scholar to fill the chair on such terms and conditions as
- 39 may be agreed upon, subject to the approval of the Chancellor of
- 40 Higher Education. The person appointed to the Hughes Chair may
- 41 be granted tenure on appointment.
- 42 43
- (cf: P.L.1994, c.48, s.270)
- 44 237. Section 3 of P.L.1984, c.189 (C.18A:72F-3) is amended to 45 read as follows:
- 3. As used in this act: 46

- 1 a. "Eligible discipline" means an academic discipline in which
- 2 minority individuals are underrepresented as determined by the
- 3 [Commission on] <u>Department of</u> Higher Education in consultation
- 4 with the Board of Directors of the Educational Opportunity Fund
- 5 [and the New Jersey Presidents' Council].
- 6 b. "Faculty member" means any person employed full-time by a
- 7 New Jersey college or university to perform primarily teaching,
- 8 research, or administrative duties for 10 or more months per
- 9 academic year.
- 10 c. "Minority" means any person who is a member of a racial-11 ethnic group that has been historically disadvantaged in obtaining 12 access to equal educational opportunities.
  - d. "Program" means the Minority Faculty Advancement Program created pursuant to this act.
    - e. (Deleted by amendment, P.L.1999, c.46.)
  - f. "Eligible student participant" means a minority student enrolled in a doctoral degree program in an eligible discipline, as defined in this section, at any New Jersey college or university that qualifies for and agrees to participate in the program.
- g. "New Jersey college or university" means any public or independent institution of higher education in the State licensed by
- 22 the [New Jersey Commission on] <u>Department of Higher Education</u>.
- 23 (cf: P.L.1999, c.46, s.54)

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- 25 238. Section 4 of P.L.1984, c.189 (C.18A:72F-4) is amended to read as follows:
- 4. a. There is established within the [New Jersey Commission
- on] <u>Department of</u> Higher Education a Minority Faculty Advancement Program.
- To increase the representation of doctorally trained minority
- 31 faculty and administrators at New Jersey colleges and universities,
- 32 the loan and loan redemption features of the Minority Faculty
- 33 Advancement Loan and Loan Redemption Program, established
- pursuant to P.L.1984, c.189, shall be phased out and replaced by
- 35 incentive hiring grants. Support, other than loans, for students
- 36 participating in the program shall continue through campus
- assistance grants. The [commission] <u>department</u> may enter into an
- 38 agreement with another agency or entity to administer or provide
- 39 services for this program.
- b. To be eligible for a campus assistance grant, a New Jersey
- 41 college or university shall enter into an agreement with the
- 42 [commission] department to provide support opportunities to
- 43 eligible student participants. Support opportunities may include,
- 44 but are not limited to: advising; mentoring; workshops and
- 45 colloquia.

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- c. To be eligible for an incentive hiring grant, a New Jersey 1 2 college or university shall enter into an agreement with the 3 [commission] department to provide loan redemption up to \$40,000 4 per individual as a benefit to newly hired minority faculty or administrators with doctoral degrees, regardless of whether the 5 doctorate was earned at an institution of higher education within or 6 7 outside of the State. No more than \$10,000 shall be redeemed for 8 an individual for each year of service as a faculty member or 9 administrator.
- 10 d. No student loans shall be originated or guaranteed under this 11 program after the effective date of P.L.1999, c.46 (N.J.S.18A:71A-1 12 et al.), to any person not already the recipient of a student loan made or guaranteed under the Minority Faculty Advancement Loan 13 14 and Loan Redemption Program, established pursuant to P.L.1984, 15 c.189. The Higher Education Student Assistance Authority shall 16 administer the loan and loan redemption components for persons participating prior to the effective date of P.L.1999, c.46 17 18 (N.J.S.18A:71A-1 et al.) until they have exhausted eligibility for 19 such assistance.
- 20 (cf: P.L.1999, c.46, s.55)

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- 22 239. Section 10 of P.L.1984, c.189 (C.18A:72F-10) is amended 23 to read as follows:
- 24 10. The impact of the program on the representation of New 25 Jersey college and university minority faculty members with 26 doctoral degrees in the designated disciplines shall be evaluated 27 periodically by the [Commission on] Department of Higher 28 Education in consultation with the Board of Directors of the New
- 29 Jersey Educational Opportunity Fund [and the New Jersey
- Presidents' Council]. 30
- 31 (cf: P.L.1999, c.46, s.61)

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- 33 240. Section 11 of P.L.1984, c.189 (C.18A:72F-11) is amended 34 to read as follows:
- 35 11. The [Commission on] <u>Department of</u> Higher Education 36 shall promulgate such rules and regulations in accordance with the 37 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et 38 seq.) as are necessary to carry out the purposes of this act. Rules 39 pertaining to loans and loan redemption pursuant to sections 5 40 through 9 of P.L.1984, c.189 (C.18A:72F-5 through 18A:72F-9)
- 41 shall be promulgated by the Higher Education Student Assistance
- 42 Authority.
- 43 (cf: P.L.1999, c.46, s.62)

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45 241. Section 18 of P.L.1999, c.46 (C.18A:72F-13) is amended to read as follows: 46

- 18. In any fiscal year, the [Commission on] Department of 1
- 2 Higher Education shall include in its proposed budget for that year
- 3 the amount identified by the authority needed to fund its
- 4 responsibilities under the "Minority Faculty Advancement Program
- Act," as well as any amounts needed to fund commission 5
- responsibilities under the "Minority Faculty Advancement Program 6
- 7 Act." Funding shall be subject to the amount of appropriations
- available therefor. 8
- 9 (cf: P.L.1999, c.46, s.18)

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- 11 242. Section 3 of P.L.1985, c.493 (C.18A:72H-3) is amended to 12 read as follows:
  - 3. As used in this act:
- 14 a. "Auditorily impaired" means a hearing impairment of such 15 severity that the individual depends primarily upon visual 16 communication.
- 17 b. "Competent authority" means any doctor of medicine or any 18 doctor of osteopathy licensed to practice medicine and surgery in 19 this State.
- 20 [(Deleted by amendment, P.L.1994, c.48).] "Department" 21 means the Department of Higher Education.
  - d. "Eligible student" means any student "admitted to a public or independent institution of higher education who is" suffering from a visual impairment, auditory impairment or a specific learning disability within guidelines established by the [Commission on] <u>Department of Higher Education pursuant to regulations</u>
- 26 27 promulgated under this act.
- 28 e. "Independent institution of higher education" means a college
- 29 or university incorporated and located in New Jersey, which by
- 30 virtue of law or character or license is a nonprofit educational
- institution authorized to grant academic degrees and which provides 31 32 a level of education which is equivalent to the education provided
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- by the State's public institutions of higher education, as attested by
- 34 the receipt of and continuation of regional accreditation by the
- 35 Middle States Association of Colleges and Schools, and which is
- 36 eligible to receive State aid under the provisions of the Constitution
- 37 of the United States and the Constitution of the State of New Jersey,
- 38 but does not include any educational institution dedicated primarily
- 39 to the education or training of ministers, priests, rabbis or other
- 40 professional persons in the field of religion.
- 41 "Learning disability" means a significant barrier to learning
- 42 caused by a disorder in one or more of the basic psychological
- 43 processes involved in understanding or in using language, spoken or
- 44 written, which disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical 45
- calculations. The disorder includes conditions such as perceptual 46
- 47 handicap, brain injury, minimal brain dysfunction, dyslexia, and

- developmental aphasia. This term shall not include learning problems which are primarily the result of visual, hearing, or motor handicaps, mental retardation, emotional disturbances, or environmental, cultural, or economic disadvantage.
  - g. "Program" means the Higher Education Services for Visually Impaired, Auditorily Impaired and Learning Disabled Students Program established pursuant to this act.
- h. "Public institution of higher education" means Rutgers, The State University, the New Jersey Institute of Technology, the University of Medicine and Dentistry of New Jersey, the State colleges and the county colleges.
  - i. "Support services" or "supportive services" means services that assist eligible students in obtaining a college education and include, but are not limited to, interpreters, note takers, and tutors.
- j. "Visually impaired" means a vision impairment where the better eye with correction does not exceed 20/200 or where there is a field defect in the better eye in which the diameter of the field is no greater than 20 degrees.
- 19 (cf: P.L.1994, c.48, s.282)

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- 21 243. Section 4 of P.L.1985, c.493 (C.18A:72H-4) is amended to read as follows:
- read as follows:
   4. There is established a Higher Education Services for Visually
   Impaired, Auditorily and Learning Disabled Students Program
- within the [Commission on] <u>Department of</u> Higher Education. The program shall provide appropriate support services for eligible
- students attending a public or independent institution of higher education within the State and promote research and development
- of techniques and approaches to offset handicapping conditions.
- 30 All appropriate public and private groups, organizations and
- 31 agencies shall be consulted in preparing programs and services for
- 32 these students.
- 33 (cf: P.L.1994, c.48, s.283)

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- 35 244. Section 6 of P.L.1985, c.493 (C.18A:72H-6) is amended to read as follows:
  - 6. The [Commission on Higher Education] <u>department</u>, through <u>the Chancellor of Higher Education</u>, shall:
    - a. Enter into agreements with any individual, agency or public or independent institution of higher education in this State, under which the individual, agency or institution shall undertake to provide direct support services to eligible students, provided these services do not duplicate or replace any services for which these students are currently eligible.
- b. Enter into contractual agreements with any public or independent institution of higher education to establish and maintain within that institution offices to facilitate the provision and

1 coordination of support services to eligible students.

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- c. Authorize the payment to those individuals, agencies and institutions as set forth in subsections a. and b. of this section of funds appropriated or otherwise made available to the department under this act or any other law, or from any other lawful source.
- d. Assess, evaluate and review the extent of the visual or auditory impairments or the learning disabilities which shall qualify students for eligibility for services pursuant to the regulations promulgated under this act.
- e. Develop and coordinate a comprehensive support plan for eligible students specifying the needs of the eligible students.
- f. Provide the supportive services outlined in the support plan, directly or through contractual agreements with individuals, institutions, agencies and others, as appropriate.
- g. Foster awareness of, and sensitivity to, the students' handicapping conditions through seminars, presentations, bulletins and other activities for instructional, administrative and other staff of public and independent higher educational institutions.
- h. Encourage and facilitate the use of a variety of instructional materials and methods by disseminating to professional staff of public and independent institutions of higher education information on techniques, materials and sources relating to curricular specialities.
- i. Annually review and report to the Governor and the State Legislature on the services and activities funded by the department each year under this act.
- 27 (cf: P.L.1994, c.48, s.284)

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- 29 245. Section 7 of P.L.1985, c.493 (C.18A:72H-7) is amended to read as follows:
- 31 7. To assist in fulfilling the duties and responsibilities relating to 32 this act, the [commission] chancellor shall appoint an advisory 33 board, which shall be broadly representative of those individuals 34 and organizations having an active interest in, and academic or practical knowledge and experience in, the abilities and needs of 35 36 visually impaired, auditorily impaired and learning disabled 37 students; the methods and techniques of evaluation of handicapping 38 conditions and curricular support development, including, without 39 representatives from professional organizations, parent/student organizations, institutional administrations, academic 40 personnel, student personnel services staff, and students. A 41 42 representative from the Departments of Labor and Human Services 43 shall serve on the advisory board.
- 44 (cf: P.L.1994, c.48, s.285)

46 246. Section 8 of P.L.1985, c.493 (C.18A:72H-8) is amended to read as follows:

8. The [commission] <u>chancellor</u> shall adopt rules and regulations

pursuant to the "Administrative Procedure Act," P.L.1968, c.410

(C.52:14B-1 et seq.) to implement the provisions of this act.

(cf: P.L.1994, c.48, s.286)

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5 6 247. Section 2 of P.L.1988, c.42 (C.18A:72K-2) is amended to 7 read as follows: 8 2. Douglass College shall select a distinguished scholar to fill 9 the chair for a term of up to two years upon such terms and 10 conditions as may be agreed upon subject to the approval of the 11 <u>Chancellor of Higher Education and</u> available appropriations. The purpose of the chair shall be to fund research, teaching and lectures 12 in Women's Studies by an outstanding scholar at Douglass College. 13 14 (cf: P.L.1994, c.48, s.287) 15 16 248. Section 2 of P.L.1991, c.435 (C.18A:72L-2) is amended to 17 read as follows: 18 2. Monmouth College shall select the individuals to fill the 19 professorship for such periods of time and upon such terms and 20 conditions as may be agreed upon, subject to the approval of the 21 Chancellor of Higher Education and available appropriations. The 22 incumbent of the research professorship shall devote his or her time to teaching, active research, educational policy analysis, program 23 24 development and public service. 25 (cf: P.L.1994, c.48, s.288) 26 27 249. Section 1 of P.L.1991, c.485 (C.18A:72M-1) is amended to 28 read as follows: 29 1. As used in this act: "Eligible discipline" means an academic discipline in which 30 minority individuals are underrepresented as determined by the 31 32 [Commission on] Department of Higher Education in consultation 33 with the Board of Directors of the Educational Opportunity Fund 34 [and the New Jersey Presidents' Council]. 35 "Minority" means any person who is a member of a racial-ethnic 36 group that has been historically disadvantaged in obtaining access 37 to equal educational opportunities. "Program" means the Minority Undergraduate Fellowship 38 39 Program established pursuant to this act. 40 (cf: P.L.1999, c.46, s.63) 41 42 250. Section 2 of P.L.1991, c.485 (C.18A:72M-2) is amended to 43 read as follows: 44 2. There is established a Minority Undergraduate Fellowship Program within the [Commission on] Department of Higher 45 Education. The purpose of the program is to identify academically 46

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- 1 talented minority undergraduate students who may be interested in
- 2 pursuing an academic career in an eligible discipline at a public or
- 3 independent institution of higher education within the State, and to
- 4 provide such students with the institutional and faculty support
- 5 necessary to assist them in reaching that goal. The [commission]
- 6 <u>department</u> may enter into an agreement with another agency or
- 7 entity to administer or provide services for this program
- 8 (cf: P.L.1999, c.46, s.64)

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- 10 251. Section 3 of P.L.1991, c.485 (C.18A:72M-3) is amended to read as follows:
- 12 3. The [Commission on] <u>Department of</u> Higher Education shall 13 establish policies and procedures for the nomination and selection 14 as program fellows of academically talented minority undergraduate 15 students who are in their junior year of study at a public or 16 independent college or university within the State. 17 selection of program fellows, the institution in which each student 18 who is selected is enrolled shall assign to the student a faculty 19 advisor who shall do the following:
  - a. Supervise a research project conducted by the fellow during the junior year or actively involve the student in a project which the advisor is conducting;
  - b. Supervise the fellow as an undergraduate teaching assistant in the fellow's senior year of study;
  - c. Accompany the fellow to the annual meeting of the professional association of the fellow's academic discipline; and
  - d. Assist the fellow in the selection of a graduate or professional school.
- 29 (cf: P.L.1999, c.46, s.65)

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- 31 252. Section 5 of P.L.1991, c.485 (C.18A:72M-5) is amended to read as follows:
- 5. The [Commission on] <u>Department of Higher Education in</u> consultation with the Board of Directors of the New Jersey
- 35 Educational Opportunity Fund [and the New Jersey Presidents'
- 36 Council] shall periodically evaluate the impact of the program.
- 37 (cf: P.L.1999, c.46, s.67)

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- 39 253. Section 6 of P.L.1991, c.485 (C.18A:72M-6) is amended to 40 read as follows:
- 6. The [Commission on] <u>Department of</u> Higher Education shall adopt rules and regulations pursuant to the "Administrative"
- 43 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to
- 44 effectuate the purposes of this act.
- 45 (cf: P.L.1999, c.46, s.68)

- 1 254. Section 7 of P.L.1991, c.485 (C.18A:72M-7) is amended to 2 read as follows:
- 7. The [commission] <u>department</u> may utilize funding received under the "Minority Faculty Advancement Program Act," P.L.1984, c.189 (C.18A:72F-1 et seq.) in making payments under this act.

6 (cf: P.L.1999, c.46, s.69)

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- 8 255. Section 1 of P.L.1987, c.222 (C.5:9-22.1) is amended to 9 read as follows:
- 10 1. For the purposes of P.L.1970, c.13 (C.5:9-1 et seq.), any program of education approved by the Department of Education or
- 12 [by institutions of higher education licensed by] the [Commission
- on] <u>Department of Higher Education which is intended</u>, in whole or
- in part, to serve citizens of this State of the age of 65 years or over,
- shall be considered eligible for State aid from the net proceeds of
- any State lottery, as shall be provided by law.
- 17 (cf: P.L.1994, c.48, s.295)

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- 256. Section 12 of 1991, c.375 (C.5:10-14.3) is amended to read as follows:
- 12. a. The State Treasurer shall establish a special fund to be known as the "Sports Authority Fund" and shall pay into the fund amounts from the General Fund as shall be necessary to pay the principal and interest on bonds or notes of the authority issued pursuant to this section and to pay any amounts due from the authority under any credit agreement entered into by the authority in connection with the bonds or notes, provided that all payments from the General Fund shall be subject to and dependent upon appropriations made from time to time for those purposes.
- b. (1) The State Treasurer and the authority are authorized to enter into agreements as shall be necessary to effectuate the purposes of this section, including without limitation, provisions for securing the payment of bonds or notes issued by the authority pursuant to subsection d. of this section and the interest thereon and providing for the investment of moneys in the fund; provided that the agreements shall be subject to approval by the presiding officers of both houses of the Legislature, and provided further that when the purposes of this section have been satisfied, and upon the earlier of:
- (a) the certification by the State Treasurer that the revenues of the authority are sufficient to satisfy the requirements of paragraphs (1), (2), (3), (4), (5) and (6) of subsection c. of section 6 of P.L.1971, c.137 (C.5:10-6) for the term of bonds or notes issued pursuant to subsection d. of this section; or
- 45 (b) the satisfaction of the requirements for the payment of bonds 46 or notes issued pursuant to P.L.1991, c.375 (C.5:10-3 et al.) or 47 pursuant to P.L.1997, c.273 (C.40:54D-25.1 et al.); the State

- Treasurer and the authority shall not, except for the refunding of 2 bonds or notes issued pursuant to subsection d. of this section which 3 produces debt service savings, enter into any further agreements
- 4 regarding payments by the State Treasurer into the "Sports 5 Authority Fund" for any reason, including but not limited to, the
- 6 financing or restructuring of the debt of the authority.

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- (2) The agreements shall indicate the nature and scope of the projects to be financed pursuant to this section.
- The agreements shall provide that with respect to the Atlantic City convention center project, the authority shall review all existing expert studies that present options as to the scope and nature of the project and the linkages between the project and the economic development of Atlantic City. Based upon its analysis of the available studies and such other expert studies as the authority may authorize, the authority shall report to the Legislature and include in the minutes of the authority its proposal for the development of the Atlantic City convention center. The report shall include an explanation for the selection of the project option proposed by the authority.
- c. Notwithstanding anything to the contrary in P.L.1991, c.375 (C.5:10-3 et al.), if and to the extent provided in any agreement between the State Treasurer and the authority, all or part of the revenues of the authority, other than luxury tax revenues or revenues of the Atlantic City convention center project and other than tourism related tax revenues or other revenues of the Wildwood convention center facility, in excess of the requirements of the resolutions authorizing or relating to the issuance of any of the authority's bonds or notes, except those issued pursuant to this section, shall be paid into the General Fund in repayment to the State for amounts previously paid by the State pursuant to this section with respect to the payment of principal and interest on bonds or notes issued for any of the purposes set forth in this section, except the purposes set forth in paragraphs (3), (4), (5), and (8) of subsection d. of this section, and any payments on account of any credit agreements with respect to the bonds or notes. Except as otherwise provided in this section, bonds or notes of the authority issued pursuant to this section shall be authorized, sold and issued in the manner and be entitled to the benefits, protection and provisions as apply to bonds and notes of the authority authorized to be issued pursuant to P.L.1971, c.137 (C.5:10-1 et seq.).
- d. In addition to its other powers to issue bonds and notes, the authority shall have power to issue from time to time bonds and notes payable from amounts in the Sports Authority Fund established pursuant to subsection a. of this section, as follows:
- (1) To provide sufficient funds to refund from time to time outstanding bonds or notes of the authority issued for the meadowlands complex or the Monmouth racetrack project authorized pursuant to paragraph (5) of subsection a. of section 6 of

- P.L.1971, c.137 (C.5:10-6), whether or not the bonds or notes or interest thereon have become due, to provide for the establishment of funds or reserves to secure payment of the bonds or notes or any other bonds or notes issued or to be issued for those purposes or interest thereon, and to provide for the payment of all other costs or expenses of the authority incident to or necessary to carry out the refunding; provided that the refunding bonds issued at any time pursuant to this paragraph shall not exceed that amount estimated to be necessary so that subsequent to the refunding, the revenues from the meadowlands complex or the Monmouth racetrack project, as the case may be, shall be sufficient to pay all costs payable from those revenues, as shall be estimated in a determination by the authority made in accordance with the agreement between the authority and the State Treasurer;
  - (2) To finance or refinance a capital program or programs for the meadowlands complex and the Monmouth racetrack project authorized pursuant to paragraph (5) of subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6), adopted by the authority to provide for major repairs, reconstruction and improvements which are legally mandated or otherwise needed to meet environmental or safety requirements, to prevent a loss of revenues, to augment revenues or to continue or enhance the operations of any of the facilities thereof, or to upgrade any of the facilities thereof;

- (3) To provide for the financing or refinancing of the facilities for Rutgers, The State University pursuant to paragraph (8) of subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6);
- (4) To provide for the financing or refinancing of the Atlantic City convention center project;
- (5) To finance or refinance feasibility studies for public projects consistent with the purposes of the authority;
- (6) To provide for the financing or refinancing of any other project of the authority, but only if and to the extent expressly authorized by law enacted subsequent to the enactment of P.L.1991, c.375 (C.5:10-3 et al.);
- (7) To provide for the financing of the facilities at institutions of higher education pursuant to paragraph (11) of subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6), based upon a list of projects recommended by the [Commission on] <u>Chancellor of Higher Education following a competitive application process, provided that the aggregate financing of the projects undertaken pursuant to this paragraph shall not exceed \$5,000,000; and</u>
- (8) To provide for the financing or refinancing of a convention center facility in the City of Wildwood pursuant to paragraph (12) of subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6).
- e. Bonds and notes authorized pursuant to this section shall be special obligations of the authority payable as herein provided. Bonds and notes shall not be deemed to constitute a debt or liability

- 1 of the State or a pledge of the faith and credit of the State but are
- 2 dependent for repayment upon appropriations as provided by law
- 3 from time to time. These bonds and notes and the interest thereon
- 4 may also be payable from the proceeds thereof set aside for that
- 5 purpose and income accruing therefrom.
- 6 (cf: P.L.1997, c.273, s.21)

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- 8 257. Section 8 of P.L.1977, c.166 (C.34:1-69.1a) is amended to read as follows:
- 9 read as follows:
  10 8. a. There shall be within the Division of the Deaf and Hard of

Hearing an Advisory Council on the Deaf and Hard of Hearing

- which shall consist of 18 members. One representative from each
- of the following shall be ex-officio members: Department of
- 14 Education, Department of Health, Department of Human Services,
- 15 Division of Vocational Rehabilitation Services in the Department of
- Labor, [Commission on] <u>Department of</u> Higher Education and the
- 17 Marie Katzenbach School for the Deaf. Twelve members shall be
- appointed by the Governor: one shall be a business person selected
- 19 from a list of candidates supplied by the New Jersey State Chamber
- 20 of Commerce, one lay citizen born of deaf parents, five citizens
- 21 who are deaf, two of whom shall be chosen from the professions
- 22 and three to be lay persons, and five citizens who are hard of
- 23 hearing. In considering the appointment of the five citizens who are
- 24 deaf the Governor shall give appropriate consideration to persons
- 25 recommended by profoundly deaf adults represented by the New
- 26 Jersey Association of the Deaf, Incorporated. In considering the
- 27 appointment of the five citizens who are hard of hearing, the
- 28 Governor shall give appropriate consideration to persons
- 29 recommended by hard of hearing adults represented by the
- 30 organization, Self Help for Hard of Hearing People, Inc. Each
- 31 appointive member shall serve for a term of three years and until his
- 32 successor is appointed and qualifies, except that of the members
- first appointed the Governor shall designate the appointee's terms so
- that two shall be appointed for terms of one year, two for terms of
- 35 two years and three for terms of three years.
- b. Members of the Advisory Council on the Deaf and Hard of
- 37 Hearing shall serve without compensation but shall be entitled to
- reimbursement for expenses incurred in performance of their duties.
- 39 Vacancies on the council shall be filled for the unexpired term.
- 40 Members may be removed by the Governor for cause.
- 41 (cf: P.L.1995, c.168, s.1)

- 43 258. Section 2 of P.L.1999, c.107 (C.34:15C-18) is amended to 44 read as follows:
- 45 2. a. There is created within the State Employment and Training
- 46 Commission, established pursuant to section 5 of P.L.1989, c.293
- 47 (C.34:15C-2) in the Department of Labor, a State Council for Adult

1 Literacy Education Services.

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2 b. The 27-member council shall consist of the following ex 3 officio members: the Commissioners of Labor, Human Services, 4 Education, Community Affairs, Corrections, Commerce and 5 Economic Development, [the Executive Director of the Commission 6 on] Higher Education, and the Executive Director of the State 7 Employment and Training Commission. The council shall also 8 include one member of the Senate appointed by the President 9 thereof and one member of the General Assembly appointed by the 10 Speaker thereof, who shall serve during the two-year legislative 11 session in which the appointment is made and who shall not be of 12 the same political party; and 17 public members as follows: five 13 public members appointed by the Governor including a member of 14 a Workforce Investment Board literacy committee, a State or 15 national adult education expert and three representatives of the 16 business community, at least one of whom shall represent a small 17 business; six public members appointed by the President of the 18 Senate including a student or former student who received adult 19 literacy services and a representative from each of the following: a 20 county college, a four-year institution of higher education, the State 21 Library or a local library, a Department of Education-funded adult 22 education provider of adult basic education programs, general 23 educational development programs or English as a second language 24 programs and a community-based organization which is an adult 25 education provider; and six public members appointed by the 26 Speaker of the General Assembly including a representative from 27 each of the following: a vocational school providing adult academic 28 education programs, a trade union, the New Jersey Network, the 29 New Jersey Association of Lifelong Learning, the Literacy 30 Volunteers of America and the New Jersey Education Association.

- c. The public members shall serve for terms of three years, but of the public members first appointed, six shall serve a term of three years, six shall serve a term of two years and five shall serve a term of one year. Each member shall hold office for the term of appointment and until his successor is appointed and qualified. A member appointed to fill a vacancy occurring in the membership of the board for any reason other than the expiration of the term shall have a term of appointment for the unexpired term only. All vacancies shall be filled in the same manner as the original appointment. A member may be appointed for any number of successive terms. A member may be removed from office by the Governor, for cause, after a hearing and may be suspended by the Governor pending the completion of the hearing.
- d. The members shall select annually a chairperson and a vice-chairperson, who shall be nongovernmental members of the council, and shall appoint an executive director. The executive director shall report to the chairperson of the council and be responsible for

administering the daily operations of the council. The executive director shall serve in the State unclassified service. The council may call to its assistance and avail itself of the services of the employees of any State, county or municipal department, board, bureau, commission or agency as it may require and as may be available to it for its purposes.

e. Members of the council shall serve without compensation, but shall be reimbursed for necessary expenses incurred in the performance of their duties as members, within the limits of funds appropriated or otherwise made available to the council for its purposes. Actions may be taken and motions and resolutions may be adopted by the council by an affirmative vote of a majority of the members.

14 (cf: P.L.1999, c.107, s.2)

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259. Section 1 of P.L.1999, c.223 (C.34:15C-21) is amended to read as follows:

1. a. There is created, in the New Jersey State Employment and Training Commission, a council which shall be known as the Council on Gender Parity in Labor and Education.

21 b. The council shall consist of 13 members who are individuals 22 with experience in the fields of labor, education, training or gender 23 equity. The 13 members shall include: four members appointed by 24 the Director of the Division on Women; four members appointed by 25 the Executive Director of the State Employment and Training 26 Commission; and five members who shall serve ex officio, one of whom shall be appointed by the Commissioner of Community 27 Affairs, one by the Commissioner of Education, one by the 28 29 Commissioner of Human Services, one by the Commissioner of Labor and one by the [Chairperson of the Commission on] 30 31 <u>Chancellor of the Department of Higher Education</u>. Not more than 32 half of the members appointed by the Director of the Division on 33 Women and not more than half of the members appointed by the Executive Director of the State Employment and Training 34 35 Commission shall be of the same political party. The members 36 appointed by the director and executive director shall serve for 37 terms of three years, except that of the eight members first 38 appointed by the director and the executive director, four shall be 39 appointed for three years, two shall be appointed for two years, and 40 two shall be appointed for one year. Each member shall hold office 41 for the term of appointment and until his successor is appointed and 42 qualified. A member appointed to fill a vacancy occurring in the 43 membership of the council for any reason other than the expiration 44 of the term shall have a term of appointment for the unexpired term 45 only. Vacancies shall be filled in the same manner as the original 46 appointment. A member may be appointed for any number of 47 successive terms. Any member appointed by the director or the

- executive director may be removed from the council by the director or the executive director, as the case may be, for cause, after a hearing and may be suspended by the director or the executive director pending the completion of the hearing.
  - c. Members of the council shall serve without compensation, but shall be reimbursed for necessary expenses incurred in the performance of their duties as members. Action may be taken and motions and resolutions may be adopted by the council at a council meeting by an affirmative vote of a majority of the members. The council shall elect from its members a chairperson who shall be a nongovernmental member of the council. Advanced notification for, and copies of the minutes of, each meeting of the council shall be filed with the Governor, the President of the Senate and the Speaker of the General Assembly.

15 (cf: P.L.1999, c.223, s.1)

- 17 260. Section 2 of P.L.1999, c.223 (C.34:15C-22) is amended to 18 read as follows:
  - 2. The Council shall:
  - a. Assess the effectiveness of State programs designed to provide gender equity in labor, education and training;
  - b. Make recommendations to the Commissioners of the Departments of Community Affairs, Education, Human Services and Labor, and the [Chairperson of the Commission on] <u>Chancellor of the Department of Higher Education regarding the needs, priorities, programs and policies related to access and equity for labor, education and workforce training throughout the State;</u>
    - c. Review current and proposed legislation and regulations pertaining to gender equity in labor, education and workforce training and make recommendations regarding possible legislation and regulations to the State Employment and Training Commission and the Division on Women;
    - d. Develop policies to insure that State agencies set benchmarks and integrate their data collection systems to assess progress toward achieving gender equity and take action to insure that appropriate data collection systems exist where needed;
    - e. Develop policies to promote linkages among individuals, schools, organizations and public agencies providing gender equity services and programs;
  - f. Educate and provide information to the public on the issues and current developments in gender equity by issuing reports and holding events such as conferences and symposia;
- g. Annually assess the implementation of the recommendations of the Gender Equity Task Force of the State Employment and Training Commission which were published in the reports of the task force entitled, "Leveling the Playing Field: Removing Barriers for Women in New Jersey's Employment and Training Programs,"

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1 and "Balancing the Equation: A Report on Gender Equity in 2 Education"; and

h. Submit an annual report to the Governor, the Legislature, the State Employment and Training Commission and the Division on Women of its assessments and recommendations made pursuant to this section.

(cf: P.L.1999, c.223, s.2)

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- 9 261. Section 2 of P.L.1951, c.216 (C.39:12-2) is amended to 10 read as follows:
- 11 No person shall engage in the business of conducting a 12 drivers' school without being licensed therefor by the Director of 13 Application therefor shall be in writing and Motor Vehicles. 14 contain such information therein as he shall require on initial and 15 renewal applications, including the applicant's Federal Tax Identification number, State tax identification number and proof of 16 17 workers' compensation insurance coverage by a mutual association 18 or stock company authorized to write coverage on such risks in this 19 State or written authorization by the Commissioner of Banking and 20 Insurance to self-insure for workers' compensation pursuant to 21 R.S.34:15-77. The applicant shall file a surety bond in the amount 22 of \$10,000 issued by a company authorized to transact surety 23 business in this State and payable to the division. A license shall 24 not be issued or renewed unless the applicant or an employee is a 25 qualified supervising instructor. For purposes of this section, a "qualified supervising instructor" shall mean a drivers' school 26 instructor who a. is currently licensed and has been licensed by the 27 division for at least two years prior to submission of the initial or 28 29 renewal application, b. has successfully provided a minimum of 30 500 hours of behind-the-wheel instruction, and c. has successfully 31 completed a three credit New Jersey driver education college course 32 offered by a college or university licensed by the [New Jersey 33 Commission on Department of Higher Education. The applicant 34 shall furnish, together with the application, satisfactory evidence 35 that the applicant or an employee is a qualified supervising 36 instructor as set forth herein, except that an applicant for license 37 renewal shall have one year after the date this act becomes effective 38 to furnish evidence of completion of a three credit New Jersey 39 driver education college course to the division. If the application is 40 approved, the applicant shall be granted a license to teach approved 41 courses in classroom and behind-the-wheel driver education upon 42 the payment of a fee of \$250.00; provided, however, no license fee 43 shall be charged for the issuance of a license to any board of 44 education, school board, public, private or parochial school, which 45 conducts a course in driver education, approved by the State 46 Department of Education. A license so issued shall be valid during

the calendar year. The annual fee for renewal shall be \$200. The

director shall issue a license certificate or license certificates to each licensee, one of which shall be displayed in each place of business of the licensee.

A public, parochial or private school or a drivers' school licensed by the director pursuant to this section shall be authorized to provide behind-the-wheel driving instruction.

Upon further application to the director, a drivers' school licensed by the director pursuant to this section may be approved by the director to conduct a State approved written drivers' examination, eye examination, or remedial training course, subject to a fee and annual renewal thereof in an amount which shall be determined by the director. The examinations and training course shall be administered pursuant to rules and regulations promulgated by the director and subject to oversight by the division. The authority of the director to suspend, revoke or deny issuance of an initial or renewal license to operate a drivers' school or an instructor's license, and to assess fines, pursuant to this chapter, shall apply to any violations related to the administration of a State approved written drivers' examination, eye examination or remedial training course.

In case of the loss, mutilation or destruction of a certificate, the director shall issue a duplicate upon proof of the facts and the payment of a fee of \$5.

(cf: P.L.2001, c.420, s.9)

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262. Section 19 of P.L.1971, c.199 (C.40A:12-19) is amended to read as follows:

19. When the governing body of a county or municipality shall determine by resolution that all or any part of a tract of land improved or unimproved is no longer needed for public purposes, the governing body may authorize the conveyance of such lands or any portion thereof to the State when so requested or approved by resolution of the State Board of Education or [any board of trustees or board of governors, as appropriate, of a public institution of higher education] the Board of Higher Education or to any board of education in the county or municipality or to a regional board of education of a regional school district or to a consolidated board of education of a consolidated school district or the board of education of any county vocational school, requesting or approving such conveyance by resolution, for a nominal consideration, to be used by the State for educational purposes, connected with the district board of education or the regional board of education or the consolidated board of education or the board of education of any county vocational school, and may cause the same to be duly conveyed by its proper officers accordingly. A prior dedication or use for park purposes of such land or any part thereof shall not be deemed to preclude a transfer and conveyance thereof under the

provisions of this section.
 (cf: P.L.1994, c.48, s.297)

- 263. Section 8 of P.L.1977, c.144 (C.45:2B-8) is amended to read as follows:
- 8. Every applicant for a certificate shall present to the board a written application for such certificate on a form to be provided by the board, together with the required fee, and satisfactory proof of the following:
  - a. That the applicant is at least 18 years of age;
    - b. That the applicant is of good moral character;
- c. That the applicant is a resident of this State or maintains an office in this State for the regular practice of public accounting or is employed in this State by a certified public accountant or firm of certified public accountants having an office in this State for the practice of public accounting;
- d. (1) That the applicant has a baccalaureate degree or its equivalent as determined by the [New Jersey Commission on] Department of Higher Education including such courses in accounting and related professional courses as the board may require, provided, that the board shall admit to the examination an individual who demonstrates to the board's satisfaction that he has acquired through experience and substantial formal higher education the equivalent of such baccalaureate degree;
- (2) That the applicant after July 1, 2000, and according to the rules established by the board, has at least 150 credit hours of education, including a baccalaureate or higher degree, from an institution of higher education acceptable to the board. The board shall promulgate rules or regulations to require the applicant's total educational program include an accounting concentration or its equivalent; and
- e. That the applicant has had in the aggregate the following experience:
- (1) At least two years in public accounting work in the office of a certified public accountant or a public accountant, or a firm of certified public accountants or a firm of public accountants; or
  - (2) (Deleted by amendment, P.L.1991, c.361).
- (3) At least four years accounting work in the employ of some state or any political subdivision thereof or of the United States; or
  - (4) At least four years in comparable accounting activity.
- The board may accept teaching experience or graduate or other study in courses related to accounting in lieu of the required experience.
- Evidence of such experience or study shall be submitted to the board in detail for its review and evaluation. Such evidence must demonstrate preparation for practice requiring the intensive, diversified application of accounting and auditing principles and

1 procedures.

2 The board may accept service in the Armed Forces of the United 3 States for experience credit on the basis of one month's credit for 4 each six months' service, with a maximum credit of eight months.

5 (cf: P.L.1995, c.267, s.1)

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- 264. Section 8 of P.L.1997, c.259 (C.45:2B-49) is amended to read as follows:
  - 8. Every applicant for examination for licensure as a certified public accountant shall present to the board a written application on a form to be provided by the board, together with the required fee, and satisfactory proof of the following:
    - a. That the applicant is at least 18 years of age;
    - b. That the applicant is of good moral character; and
- 15 That the applicant has at least 150 semester hours of education, including a baccalaureate or higher degree or its 16 equivalent, from an institution of higher education accredited by a 17 18 regional accrediting agency recognized by the [Commission on] 19 Department of Higher Education. The educational program shall 20 include a concentration in accounting or its equivalent and related 21 professional courses as determined by regulation of the board.
  - Notwithstanding the provisions of subsection c. of this section, an applicant who applies prior to July 1, 2005 shall qualify for examination for licensure if he has a baccalaureate degree or its equivalent from an institution of higher education acceptable to the board; provided, however, that no applicant shall be issued a license unless he has successfully completed at least the 150 semester hours of education required pursuant to subsection c. of this section.

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- 31 265. Section 3 of P.L.1979, c.46 (C.45:6-50) is amended to read 32 as follows:
  - 3. The board shall have the following additional powers and duties, under this act:
  - a. To examine, admit, and deny persons applying for admission to the practice of dental hygiene;
    - b. To issue licenses to practice dental hygiene;
- 38 c. To certify academic and clinical institutions and hospitals 39 which educate and train persons for the practice of dental hygiene or dental assisting in accordance with standards substantially 40 similar to those of the American Dental Association's Commission 41 42 on Accreditation of Dental and Dental Auxiliary Educational 43 Programs and Council on Hospital Dental Service and taking into
- 44 consideration the advice of the [New Jersey Commission on] New
- Jersey Department of Higher Education and the New Jersey 45
- 46 Department of Education;

(cf: P.L.2001, c.149, s.3)

47 d. To issue certificates of good standing to dental hygienists 1 who hold a valid subsisting license to practice in this State;

- e. To establish by rule or regulation, standards for the training and utilization of registered dental assistants and limited registered dental assistants;
- f. To establish and recognize councils and committees which may advise and make recommendations to the board on various aspects of the education and practice for dental hygienists, registered dental assistants, limited registered dental assistants or dental assistants;
- g. To prescribe expanded functions to be performed solely by dental hygienists and to be performed by dental hygienists, registered dental assistants and limited registered dental assistants under a single standard of proficiency necessary and proper to protect and promote the public health and welfare of the citizens of this State, and impose such restrictions and requirements, including the setting of educational prerequisites to the performance of such functions and the administration of examinations, as are necessary to insure adherence to the adopted standard of proficiency. Expansion and assignment of such functions, training and examination procedures shall be developed in consultation with the relevant advisory councils;
  - h. To adopt rules and regulations to achieve the objectives contemplated by this act, pursuant to the Administrative Procedure Act, P.L.1968, c.410 (C.52:14B-1 et seq.);
  - i. To do any and all other things which may be appropriate to achieve the objectives contemplated by this act, or which may be useful in executing any of the duties, powers or functions of the board

29 (cf: P.L.1995, c.367, s.2)

- 31 266. Section 2 of P.L.1968, c.401 (C.45:8B-2) is amended to 32 read as follows:
  - 2. As used in this act, unless the context clearly requires otherwise and except as in this act expressly otherwise provided:
  - (a) "Licensed marriage and family therapist" means an individual to whom a license has been issued pursuant to the provisions of this act, which license is in force and not suspended or revoked as of the particular time in question.
  - (b) The "practice of marriage and family therapy" means the rendering of professional marriage and family therapy services to individuals, couples and families, singly or in groups, whether in the general public or in organizations, either public or private, for a fee, monetary or otherwise. "Marriage and family therapy" is a specialized field of therapy which includes premarital counseling and therapy, pre- and post-divorce counseling and therapy, and family therapy. The practice of marriage and family therapy consists of the application of principles, methods and techniques of counseling and psychotherapy for the purpose of resolving

- 1 psychological conflict, modifying perception and behavior, altering 2 old attitudes and establishing new ones in the area of marriage and 3 family life. In its concern with the antecedents of marriage, with 4 the vicissitudes of marriage, and with the consequences of the 5 failure of marriage, marriage and family therapy keeps in sight its 6 objective of enabling clients to achieve the optimal adjustment 7 consistent with their welfare as individuals, as members of a family, 8 and as citizens in society.
  - (c) "Board" means the State Board of Marriage and Family Therapy Examiners acting as such under the provisions of this act.
  - (d) "Recognized educational institution" means any educational institution which grants the bachelor's, master's and doctor's degrees, or any one or more thereof, and which is recognized by the [Commission on] <u>Department of Higher Education or by any accrediting body acceptable to the State Board of Marriage and Family Therapy Examiners.</u>

17 (cf: P.L.1995, c.366, s.2)

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- 267. Section 4 of P.L.1981, c.142 (C.52:13D-17.2) is amended to read as follows:
- 4. a. As used in this section "person" means any State officer or employee subject to financial disclosure by law or executive order and any other State officer or employee with responsibility for matters affecting casino activity; any special State officer or employee with responsibility for matters affecting casino activity; the Governor; any member of the Legislature or any full-time member of the Judiciary; any full-time professional employee of the Office of the Governor, or the Legislature; members of the Casino Reinvestment Development Authority; the head of a principal department; the assistant or deputy heads of a principal department, including all assistant and deputy commissioners; the head of any division of a principal department; any member of the governing body, or the municipal judge or the municipal attorney of a municipality wherein a casino is located; any member of or attorney for the planning board or zoning board of adjustment of a municipality wherein a casino is located, or any professional planner, or consultant regularly employed or retained by such planning board or zoning board of adjustment.
  - b. No State officer or employee, nor any person, nor any member of the immediate family of any State officer or employee, or person, nor any partnership, firm or corporation with which any such State officer or employee or person is associated or in which he has an interest, nor any partner, officer, director or employee while he is associated with such partnership, firm, or corporation, shall hold, directly or indirectly, an interest in, or hold employment with, or represent, appear for, or negotiate on behalf of, any holder of, or applicant for, a casino license, or any holding or intermediary

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1 company with respect thereto, in connection with any cause, 2 application, or matter, except that (1) a State officer or employee 3 other than a State officer or employee included in the definition of 4 person, and (2) a member of the immediate family of a State officer 5 or employee, or of a person, may hold employment with the holder 6 of, or applicant for, a casino license if, in the judgment of the 7 Executive Commission on Ethical Standards, the Joint Legislative 8 Committee on Ethical Standards, or the Supreme Court, as 9 appropriate, such employment will not interfere with the 10 responsibilities of the State officer or employee, or person, and will 11 not create a conflict of interest, or reasonable risk of the public 12 perception of a conflict of interest, on the part of the State officer or 13 employee, or person. No special State officer or employee without 14 responsibility for matters affecting casino activity, excluding those 15 serving in the Departments of Education, Health and Senior 16 Services, and Human Services and the [Commission on] 17 Department of Higher Education, shall hold, directly or indirectly, 18 an interest in, or represent, appear for, or negotiate on behalf of, any 19 holder of, or applicant for, a casino license, or any holding or 20 intermediary company with respect thereto, in connection with any 21 cause, application, or matter. However, a special State officer or 22 employee without responsibility for matters affecting casino 23 activity may hold employment directly with any holder of or 24 applicant for a casino license or any holding or intermediary 25 company thereof and if so employed may hold, directly or 26 indirectly, an interest in, or represent, appear for, or negotiate on 27 behalf of, his employer, except as otherwise prohibited by law. 28

c. No person or any member of his immediate family, nor any partnership, firm or corporation with which such person is associated or in which he has an interest, nor any partner, officer, director or employee while he is associated with such partnership, firm or corporation, shall, within two years next subsequent to the termination of the office or employment of such person, hold, directly or indirectly, an interest in, or hold employment with, or represent, appear for or negotiate on behalf of, any holder of, or applicant for, a casino license in connection with any cause, application or matter, or any holding or intermediary company with respect to such holder of, or applicant for, a casino license in connection with any phase of casino development, permitting, licensure or any other matter whatsoever related to casino activity, except that:

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(1) a member of the immediate family of a person may hold employment with the holder of, or applicant for, a casino license if, in the judgment of the Executive Commission on Ethical Standards, the Joint Legislative Committee on Ethical Standards, or the Supreme Court, as appropriate, such employment will not interfere with the responsibilities of the person and will not create a conflict of interest, or reasonable risk of the public perception of a conflict of interest, on the part of the person;

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- (2) an employee who is terminated as a result of a reduction in the workforce at the agency where employed, other than an employee who held a policy-making management position at any time during the five years prior to termination of employment, may, at any time prior to the end of the two-year period, accept employment with the holder of, or applicant for, a casino license if, in the judgment of the Executive Commission on Ethical Standards, the Joint Legislative Committee on Ethical Standards, or the Supreme Court, as appropriate, such employment will not create a conflict of interest, or reasonable risk of the public perception of a conflict of interest, on the part of the employee. In no case shall the restrictions of this subsection apply to a secretarial or clerical employee. Nothing herein contained shall alter or amend the postemployment restrictions applicable to members and employees of the Casino Control Commission and employees and agents of the Division of Gaming Enforcement pursuant to subsection b. (2) of section 59 and to section 60 of P.L.1977, c.110 (C.5:12-59 and C.5:12-60); and
- (3) any partnership, firm or corporation engaged in the practice of law with which a former member of the Judiciary is associated, and any partner, officer, director or employee thereof, other than the former member, may represent, appear for or negotiate on behalf of any holder of, or applicant for, a casino license in connection with any cause, application or matter or any holding company or intermediary company with respect to such holder of, or applicant for, a casino license in connection with any phase of casino development, permitting, licensure or any other matter whatsoever related to casino activity, and the former member shall not be barred from association with such partnership, firm or corporation, if the former member: (1) is screened, for a period of two years next subsequent to the termination of the former member's employment, from personal participation in any such representation, appearance or negotiation; and (2) the former member is associated with the partnership, firm or corporation in a position considered "of counsel," which does not entail any equity interest in the partnership, firm or corporation.
- d. This section shall not apply to the spouse of a State officer or employee, which State officer or employee is without responsibility for matters affecting casino activity, who becomes the spouse subsequent to the State officer's or employee's appointment or employment as a State officer or employee and who is not individually or directly employed by a holder of, or applicant for, a casino license, or any holding or intermediary company.
- e. The Joint Legislative Committee on Ethical Standards and the Executive Commission on Ethical Standards, as appropriate, shall forthwith determine and publish, and periodically update, a list of

those positions in State government with responsibility for matters affecting casino activity.

- f. No person shall solicit or accept, directly or indirectly, any complimentary service or discount from any casino applicant or licensee which he knows or has reason to know is other than a service or discount that is offered to members of the general public in like circumstance.
- g. No person shall influence, or attempt to influence, by use of his official authority, the decision of the commission or the investigation of the division in any application for licensure or in any proceeding to enforce the provisions of this act or the regulations of the commission. Any such attempt shall be promptly reported to the Attorney General; provided, however, that nothing in this section shall be deemed to proscribe a request for information by any person concerning the status of any application for licensure or any proceeding to enforce the provisions of this act or the regulations of the commission.
- h. Any person who willfully violates the provisions of this section is a disorderly person and shall be subject to a fine not to exceed \$500.00 or imprisonment not to exceed six months, or both.

21 (cf: P.L.2001, c.75, s.1)

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- 268. Section 2 of P.L.1961, c.49 (C.52:14-17.26) is amended to read as follows:
  - 2. As used in this act:
  - (a) The term "State" means the State of New Jersey.
- (b) The term "commission" means the State Health Benefits Commission, created by section 3 of this act.
- (c) The term "employee" means an appointive or elective officer or full-time employee of the State of New Jersey. For the purposes of this act an employee of Rutgers, The State University of New Jersey, shall be deemed to be an employee of the State, and an employee of the New Jersey Institute of Technology shall be considered to be an employee of the State during such time as the Trustees of the Institute are party to a contractual agreement with the [State Treasurer] Board of Higher Education for the provision of educational services. The term "employee" shall further mean, for purposes of this act, a former employee of the South Jersey Port
- purposes of this act, a former employee of the South Jersey Port Corporation, who is employed by a subsidiary corporation or other
- 40 corporation, which has been established by the Delaware River Port
- 40 corporation, which has been established by the Delaware River Port
- 41 Authority pursuant to subdivision (m) of Article I of the compact
- 42 creating the Delaware River Port Authority (R.S.32:3-2), as defined
- 43 in section 3 of P.L.1997, c.150 (C.34:1B-146), and who is eligible
- 44 for continued membership in the Public Employees' Retirement
- 45 System pursuant to subsection j. of section 7 of P.L.1954, c.84
- 46 (C.43:15A-7).
- For the purposes of this act the term "employee" shall not

include persons employed on a short-term, seasonal, intermittent or emergency basis, persons compensated on a fee basis, persons having less than two months of continuous service or persons whose compensation from the State is limited to reimbursement of necessary expenses actually incurred in the discharge of their official duties. An employee paid on a 10-month basis, pursuant to an annual contract, will be deemed to have satisfied the two-month waiting period if the employee begins employment at the beginning of the contract year. The term "employee" shall also not include retired persons who are otherwise eligible for benefits under this act but who, although they meet the age eligibility requirement of Medicare, are not covered by the complete federal program. A determination by the commission that a person is an eligible employee within the meaning of this act shall be final and shall be binding on all parties.

- (d) The term "dependents" means an employee's spouse and the employee's unmarried children under the age of 23 years who live with the employee in a regular parent-child relationship. "Children" shall include stepchildren, legally adopted children and foster children provided they are reported for coverage and are wholly dependent upon the employee for support and maintenance. A spouse or child enlisting or inducted into military service shall not be considered a dependent during the military service. The term "dependents" shall not include spouses of retired persons who are otherwise eligible for the benefits under this act but who, although they meet the age eligibility requirement of Medicare, are not covered by the complete federal program.
- (e) The term "carrier" means a voluntary association, corporation or other organization, including a health maintenance organization as defined in section 2 of the "Health Maintenance Organizations Act," P.L.1973, c.337 (C.26:2J-2), which is lawfully engaged in providing or paying for or reimbursing the cost of, personal health services, including hospitalization, medical and surgical services, under insurance policies or contracts, membership or subscription contracts, or the like, in consideration of premiums or other periodic charges payable to the carrier.
- (f) The term "hospital" means (1) an institution operated pursuant to law which is primarily engaged in providing on its own premises, for compensation from its patients, medical diagnostic and major surgical facilities for the care and treatment of sick and injured persons on an inpatient basis, and which provides such facilities under the supervision of a staff of physicians and with 24 hour a day nursing service by registered graduate nurses, or (2) an institution not meeting all of the requirements of (1) but which is accredited as a hospital by the Joint Commission on Accreditation of Hospitals. In no event shall the term "hospital" include a convalescent nursing home or any institution or part thereof which is used principally as a convalescent facility, residential center for

the treatment and education of children with mental disorders, rest facility, nursing facility or facility for the aged or for the care of drug addicts or alcoholics.

- (g) The term "State managed care plan" means a health care plan under which comprehensive health care services and supplies are provided to eligible employees, retirees, and dependents: (1) through a group of doctors and other providers employed by the plan; or (2) through an individual practice association, preferred provider organization, or point of service plan under which services and supplies are furnished to plan participants through a network of doctors and other providers under contracts or agreements with the plan on a prepayment or reimbursement basis and which may provide for payment or reimbursement for services and supplies obtained outside the network. The plan may be provided on an insured basis through contracts with carriers or on a self-insured basis, and may be operated and administered by the State or by carriers under contracts with the State.
- (h) The term "Medicare" means the program established by the "Health Insurance for the Aged Act," Title XVIII of the "Social Security Act," Pub.L. 89-97 (42 U.S.C. s.1395 et seq.), as amended, or its successor plan or plans.
- (i) The term "traditional plan" means a health care plan which provides basic benefits, extended basic benefits and major medical expense benefits as set forth in section 5 of P.L.1961, c.49 (C.52:14-17.29) by indemnifying eligible employees, retirees, and dependents for expenses for covered health care services and supplies through payments to providers or reimbursements to participants.

29 (cf: P.L.1997, c.150, s.25)

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- 31 269. Section 1 of P.L.1995, c.92 (C.52:18A-113.2) is amended 32 to read as follows:
  - 1. a. The Department of Education, the [Commission on] Department of Higher Education, and the governing body of any public institution of higher education may enter into a written agreement with any of its employees to reduce the employee's annual salary for the purpose of investing in a tax-deferred annuity for the employee pursuant to section 403(b) of the federal Internal Revenue Code of 1954, as amended. Investments shall be (1) with an insurer or mutual fund company authorized to provide investment contracts under the alternate benefit program; (2) in investment contracts authorized under the program for supplemental retirement benefits which meet the requirements of section 403(b) of the federal Internal Revenue Code, as amended; and (3) on the same terms and conditions provided for participants in the alternate benefit program.
    - b. An agreement (1) shall specify the amount and the effective

- date of the reduction; (2) shall be subject to filing with and approval
- 2 by the State Treasurer or filing with and approval by the governing
- 3 body of the institution of public higher education, as appropriate;
- 4 and (3) shall be legally binding and irrevocable with respect to the
- 5 amounts earned while the agreement is in effect. The total amount
- 6 of the reduction in an employee's salary pursuant hereto, for any
- 7 calendar year, shall not, when added to the contributions made in
- 8 the year on behalf of the employee in accordance with section 7 of
- 9 P.L.1963, c.123 (C.52:18A-113), exceed the limitations set forth in
- Pub.L.93-406 (Employment Retirement Income Security Act of 11 1974) and section 415 (c) of the Internal Revenue Code (26
- 12 U.S.C.s.415 (c)).
  - c. An agreement may be terminated at any time upon written notice by either the employee or the employer. Termination shall take effect at the beginning of the payroll period whose first day is nearest to the 30th day following the day on which notification of termination was (1) received by the employer, in the event termination is initiated by the employee, or (2) sent to the employee, in the event termination is initiated by the employer.
  - d. Amounts payable pursuant to this section by an employer on behalf of an employee for a payroll period shall be transmitted and credited not later than the fifth business day after the date on which the employee is paid for that pay period.
  - (cf: P.L.1999, c.247, s.4)

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- 26 270. Section 1 of P.L.1996, c.77 (C.52:18A-113.6) is amended to read as follows:
  - 1. Employees of the Department of Education, the [Commission
- on] <u>Department of Higher Education</u>, or the governing body of any
- 30 public institution of higher education who are participants in the
- 31 Supplemental Annuity Collective Trust pursuant to section 403(b)
- of the federal Internal Revenue Code of 1954, as amended, may:
- a. transfer all or a portion of any funds that they may have
- 34 invested as participants in the Supplemental Annuity Collective
- 35 Trust to a tax-deferred annuity with an insurer or mutual fund
- 36 company authorized to provide investment contracts under the
- 37 alternate benefit program pursuant to the provisions of P.L.1995,
- 38 c.92 (C.52:18A-113.2 et seq.); or
- 39 b. transfer all or a portion of any funds that they may have
- 40 invested in a tax-deferred annuity with any authorized provider to

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1 the Supplemental Annuity Collective Trust. 2 (cf: P.L.1996, c.77, s.1) 3 4 271. Sections 1 through 33 and sections 301, 305 and 306 of 5 P.L.1994, c.48 (C.18A:3B-1 through 18A:3B-36 inclusive) are 6 repealed. 7 8 272. This act shall take effect on July 1, 2003. 9 10 **STATEMENT** 11 12 13 This bill establishes the Department of Higher Education as a 14 principal department in the executive branch of the State 15 government and repeals the "Higher Education Restructuring Act of 1994" under which the department was previously abolished. Both 16 17 the New Jersey Presidents' Council and the New Jersey Commission 18 on Higher Education are eliminated, and their duties and 19 responsibilities are transferred to the Board of Higher Education, 20 the Department of Higher Education and the Chancellor of Higher 21 Education, as appropriate. 22 The Board of Higher Education would consist of 16 members as 23 follows: the Chairman of the Board of Governors of Rutgers, The 24 State University; the Chairman of the Board of Trustees of The 25 New Jersey Institute of Technology; the Chairman of the New 26 Jersey Association of State Colleges and Universities; the Chairman of the Board of Trustees of the University of Medicine and 27 Dentistry of New Jersey; a representative trustee member of the 28 29 Council of County Colleges; the President of the State Board of 30 Education; a representative of the private colleges and universities 31 of New Jersey, to be designated by the Association of Independent 32 Colleges and Universities in New Jersey, with the approval of the 33 Governor; and nine citizens, residents of the State, of whom at least 34 two must be women, appointed by the Governor with the advice and 35 consent of the Senate for six-year terms. The chancellor and the 36 Commissioner of Education would be ex officio members, but 37 without vote. Under the bill, the board would have such duties and 38 39 responsibilities as developing and maintaining a comprehensive 40 master plan and establishing new colleges or divisions on the basis 41 of the plan; setting minimum admission standards; approving new 42 programs and degrees; coordinating budget requests and submitting 43 a combined request for appropriations annually to the Governor; 44 setting policy on salary and fringe benefits; licensing institutions of 45 higher education; exercising visitorial general powers of

The chief executive officer and administrator of the Department

supervision and control; and establishing guidelines for tuition rates

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and other student fees.

- 1 of Higher Education would be the chancellor, initially appointed by
- 2 the Governor with the advice and consent of the Senate for a five-
- 3 year term. Thereafter, the chancellor would be appointed by the
- 4 Board of Higher Education, subject to the approval of the Governor,
- 5 for a term of five years.
- 6 Several higher education agencies which were assigned to other
- 7 departments of State government under the Higher Education
- 8 Restructuring Act are transferred to the Department of Higher
- 9 Education, including the Higher Education Student Assistance
- 10 Authority, the Educational Opportunity Fund, and the Educational
- 11 Facilities Authority.