

# SENATE, No. 729

## STATE OF NEW JERSEY 216th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2014 SESSION

**Sponsored by:**

**Senator THOMAS H. KEAN, JR.**

**District 21 (Morris, Somerset and Union)**

**Senator JENNIFER BECK**

**District 11 (Monmouth)**

**Co-Sponsored by:**

**Senator A.R.Bucco**

**SYNOPSIS**

Transfers responsibility for establishment and enforcement of ethical standards for local officials and school officials to the State Ethics Commission.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT concerning local government ethics, revising various parts  
2 of the statutory law, and supplementing P.L.1991, c.393  
3 (C.18A:12-21 et seq.) and 40A of the New Jersey Statutes.  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
7

8 1. Section 2 of P.L.1991, c.393 (C.18A:12-22) is amended to  
9 read as follows:

10 2. The Legislature **[find]** finds and declares:

11 a. In our representative form of government it is essential that  
12 the conduct of members of local boards of education and local  
13 school administrators hold the respect and confidence of the people.  
14 These board members and administrators must avoid conduct which  
15 is in violation of their public trust or which creates a justifiable  
16 impression among the public that such trust is being violated.

17 b. To ensure and preserve public confidence, school board  
18 members and local school administrators should have the benefit of  
19 specific standards to guide their conduct and of some disciplinary  
20 mechanism to ensure the uniform maintenance of those standards  
21 among them.

22 c. It is also recognized that under a free government it is both  
23 necessary and desirable that all citizens, public officials included,  
24 should have certain specific interests in the decisions of  
25 government, and that the activities and conduct of public officials  
26 should not, therefore, be unduly circumscribed.

27 (cf: P.L.1991, c.393, s.2)  
28

29 2. Section 3 of P.L.1991, c.393 (C.18A:12-23) is amended to  
30 read as follows:

31 3. For the purposes of this act, unless the context clearly  
32 requires a different meaning:

33 "Administrator" means any officer, other than a board member,  
34 or employee of a local school district who (i) holds a position which  
35 requires a certificate that authorizes the holder to serve as school  
36 administrator, principal, or school business administrator; or (ii)  
37 holds a position which does not require that the person hold any  
38 type of certificate but is responsible for making recommendations  
39 regarding hiring or the purchase or acquisition of any property or  
40 services by the local school district; or (iii) holds a position which  
41 requires a certificate that authorizes the holder to serve as  
42 supervisor and who is responsible for making recommendations  
43 regarding hiring or the purchase or acquisition of any property or  
44 services by the local school district;

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

Matter underlined thus is new matter.

1 "Board member" means any person holding membership,  
2 whether by election or appointment, on any board of education  
3 other than the State Board of Education and any person holding  
4 membership on a charter school board of trustees;

5 "Business" means any corporation, partnership, firm, enterprise,  
6 franchise, association, trust, sole proprietorship, union, political  
7 organization, or other legal entity but shall not include a local  
8 school district or any other public entity;

9 "Cohabitant" means any person who resides with the school  
10 official;

11 "Commission" means the **【School】** State Ethics Commission  
12 established **【pursuant to section 7 of this act】 pursuant to the "New**  
13 Jersey Conflicts of Interest Law," P.L.1971, c.182 (C.52:13D-12 et  
14 seq.);

15 **【"Commissioner" means the Commissioner of Education;】**

16 "Financial disclosure statement" means the financial disclosure  
17 statement required to be filed by school officials pursuant to section  
18 6 of P.L.1991, c.393 (C.18A:12-26);

19 "Interest" means the ownership or control of more than 10% of  
20 the profits, assets, or stock of a business but shall not include the  
21 control of assets in a labor union;

22 "Local school district" means any local or regional school district  
23 established pursuant to chapter 8 or chapter 13 of Title 18A of the  
24 New Jersey Statutes, a charter school established pursuant to  
25 P.L.1995, c.426 (C.18A:36A-1 et seq.), and any jointure  
26 commission, county vocational school, county special services  
27 district, educational services commission, educational research and  
28 demonstration center, environmental education center, and  
29 educational information and resource center;

30 "Member of immediate family" means the spouse **【or dependent**  
31 **child】**, civil union partner, or domestic partner, or the child, parent,  
32 or sibling whether by blood, marriage or adoption, of a school  
33 official residing in the same household;

34 "Political organization" means a "political committee" or a  
35 "continuing political committee" as those terms are defined in "The  
36 New Jersey Campaign Contributions and Expenditures Reporting  
37 Act," P.L.1973, c.83 (C.19:44A-1 et seq.);

38 **【"Relative" means the spouse, natural or adopted child, parent,**  
39 **or sibling of a school;】** and

40 "School official" means a board member, an employee or officer  
41 of the New Jersey School Boards Association, but not including any  
42 member of the secretarial, clerical or maintenance staff of the  
43 association, or an administrator**【; and**

44 "Spouse" means the person to whom a school official is legally  
45 married under New Jersey law**【.**

46 (cf: P.L.1995, c.14, s.1)

1       3. Section 4 of P.L.1991, c.393 (C.18A:12-24) is amended to  
2 read as follows:

3       4. The State Ethics Commission shall promulgate a uniform  
4 ethics code to govern and guide the conduct of all school officials.  
5 The uniform ethics code shall include the following provisions:

6       a. No school official **【**or member of his immediate family**】**  
7 shall have an interest **【**in a business organization**】** , financial or  
8 otherwise, direct or indirect, or engage in any business, transaction,  
9 or professional activity, which is in substantial conflict with the  
10 proper discharge of his duties in the public interest;

11       b. No school official shall use or attempt to use his official  
12 position to secure unwarranted privileges**【,** or advantages **【**or  
13 employment**】** for himself **【,** members of his immediate family**】** or  
14 others;

15       c. No school official shall act in his official capacity in any  
16 matter **【**where**】** wherein he **【,** a member of his immediate family, or  
17 a business organization in which he has an interest,**】** has a direct or  
18 indirect financial **【involvement】** interest that might reasonably be  
19 expected to impair his objectivity or independence of judgment.  
20 **【**No school official shall act in his official capacity in any matter  
21 where he or a member of his immediate family has a personal  
22 involvement that is or creates some benefit to the school official or  
23 member of his immediate family**】**;

24       d. No school official shall undertake any employment or  
25 service, whether compensated or not, which might reasonably be  
26 expected to prejudice his independence of judgment in the exercise  
27 of his official duties;

28       e. No school official, or member of his immediate family, or  
29 cohabitant, or partner, or associate, or business organization in  
30 which he has an interest, shall directly or indirectly solicit or accept  
31 any gift, favor, loan, political contribution, service, employment,  
32 promise of future employment, or other thing of value **【**based upon  
33 an understanding that the gift, favor, loan, contribution, service,  
34 promise, or other thing of value was given or offered for the  
35 purpose of influencing him, directly or indirectly, in the discharge  
36 of his official duties**】** ,which solicitation or acceptance is related in  
37 any way to the school official's public duties. This provision shall  
38 not apply to the solicitation or acceptance of contributions to the  
39 campaign of an announced candidate for elective public office, if  
40 the school official has no knowledge or reason to believe that the  
41 campaign contribution, if accepted, was given with the intent to  
42 influence the school official in the discharge of his official duties;

43       f. No school official shall **【**use, or allow to be used, his public  
44 office or employment, or any information, not generally available to  
45 the members of the public, which he receives or acquires in the  
46 course of and by reason of his office or employment, for the

1 purpose of securing financial gain for himself, any member of his  
2 immediate family, or any business organization with which he is  
3 associated] willfully disclose to any person any information not  
4 generally available to members of the public which he receives or  
5 acquires in the course of and by reason of his official duties. No  
6 school official shall use, whether directly or indirectly, any  
7 information not generally available to members of the public which  
8 he receives or acquires in the course of and by reason of his official  
9 duties;

10 g. No school official or business organization in which he has  
11 an interest shall represent any person or party other than the school  
12 board or school district in connection with any cause, proceeding,  
13 application or other matter pending before the school district in  
14 which he serves or in any proceeding involving the school district  
15 in which he serves or, for officers or employees of the New Jersey  
16 School Boards Association, any school district. This provision shall  
17 not be deemed to prohibit representation within the context of  
18 official labor union or similar representational responsibilities;

19 h. No school official shall be deemed in conflict with these  
20 provisions if, by reason of his participation in any matter required  
21 to be voted upon, no material or monetary gain accrues to him as a  
22 member of any business, profession, occupation or group, to any  
23 greater extent than any gain could reasonably be expected to accrue  
24 to any other member of that business, profession, occupation or  
25 group;

26 i. No elected member shall be prohibited from making an  
27 inquiry for information on behalf of a constituent, if no fee, reward  
28 or other thing of value is promised to, given to or accepted by the  
29 member [or] , a member of his immediate family, or a cohabitant,  
30 whether directly or indirectly, in return therefor;

31 j. Nothing shall prohibit any school official, or members of his  
32 immediate family, from representing himself, or themselves, in  
33 negotiations or proceedings concerning his, or their, own interests;  
34 [and]

35 k. Employees of the New Jersey School Boards Association  
36 shall not be precluded from providing assistance, in the normal  
37 course of their duties, to boards of education in the negotiation of a  
38 collective bargaining agreement regardless of whether a member of  
39 their immediate family or cohabitant is a member of, or covered by,  
40 a collective bargaining agreement negotiated by a Statewide union  
41 with which a board of education is negotiating; and

42 l. No school official should knowingly act in any way that may  
43 reasonably be expected to create an impression or suspicion among  
44 the public having knowledge of his acts that he may be engaged in  
45 conduct violative of his trust as a school official.

46 (cf: P.L.1999, c.256, s.1)

1 4. Section 6 of P.L.1991, c.393 (C.18A:12-26) is amended to  
2 read as follows:

3 6. a. Each school official shall annually file a financial  
4 disclosure statement with the **【School】 State** Ethics Commission.  
5 **【All financial disclosure statements filed pursuant to this act shall**  
6 **include the following information which shall specify, where**  
7 **applicable, the name and address of each source and the school**  
8 **official's position:**

9 (1) Each source of income, earned or unearned, exceeding  
10 \$2,000 received by the school official or a member of his immediate  
11 family during the preceding calendar year. Individual client fees,  
12 customer receipts or commissions on transactions received through  
13 a business organization need not be separately reported as sources  
14 of income. If a publicly traded security or interest derived from a  
15 financial institution is the source of income, the security or interest  
16 derived from a financial institution need not be reported unless the  
17 school official or member of his immediate family has an interest in  
18 the business organization or financial institution;

19 (2) Each source of fees and honorariums having an aggregate  
20 amount exceeding \$250 from any single source for personal  
21 appearances, speeches or writings received by the school official or  
22 a member of his immediate family during the preceding calendar  
23 year;

24 (3) Each source of gifts, reimbursements or prepaid expenses  
25 having an aggregate value exceeding \$250 from any single source,  
26 excluding relatives, received by the school official or a member of  
27 his immediate family during the preceding calendar year; and

28 (4) The name and address of all business organizations in which  
29 the school official or a member of his immediate family had an  
30 interest during the preceding calendar year.】

31 b. The commission shall prescribe a financial disclosure  
32 statement form for filing purposes **【. Initial financial disclosure**  
33 **statements shall be filed within 90 days following the effective date**  
34 **of this act. Thereafter, statements shall be filed on or before April**  
35 **30th each year】 which shall be available for download from the**  
36 **commission's website. Financial disclosure statements shall be**  
37 **filed on or before May 15<sup>th</sup> each year, except that each school**  
38 **official shall file a financial disclosure statement within 120 days of**  
39 **taking office, being appointed, or commencing employment.**

40 c. All financial disclosure statements filed shall be public  
41 records and made available on the websites of the local school  
42 districts.

43 d. The commission shall impose a civil penalty for a failure to  
44 file an appropriate financial disclosure statement or form. The civil  
45 penalty shall be \$50 for each day of the violation, which penalty  
46 may be collected in a summary proceeding pursuant to the "Penalty

1 Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.).  
2 (cf: P.L.1991, c.393, s.6)

3

4 5. Section 13 of P.L.1991, c.393 (C.18A:12-33) is amended to  
5 read as follows:

6 13. a. Each newly elected or appointed board member shall  
7 complete during the first year of the member's first term a training  
8 program to be prepared and offered by the New Jersey School  
9 Boards Association, in consultation with the New Jersey  
10 Association of School Administrators, the New Jersey Principals  
11 and Supervisors Association, and the Department of Education,  
12 regarding the skills and knowledge necessary to serve as a local  
13 school board member. The training program shall include  
14 information regarding the school district monitoring system  
15 established pursuant to P.L.2005, c.235, the New Jersey Quality  
16 Single Accountability Continuum, and the five key components of  
17 school district effectiveness on which school districts are evaluated  
18 under the monitoring system: instruction and program; personnel;  
19 fiscal management; operations; and governance.

20 The board member shall complete a training program on school  
21 district governance in each of the subsequent two years of the board  
22 member's first term.

23 b. Within one year after each re-election or re-appointment to  
24 the board of education, the board member shall complete an  
25 advanced training program to be prepared and offered by the New  
26 Jersey School Boards Association. This advanced training program  
27 shall include information on relevant changes to New Jersey school  
28 law and other information deemed appropriate to enable the board  
29 member to serve more effectively.

30 c. The New Jersey School Boards Association shall examine  
31 options for providing training programs to school board members  
32 through alternative methods such as on-line or other distance  
33 learning media or through regional-based training.

34 d. Within one year after being newly elected or appointed or  
35 being re-elected or re-appointed to the board of education, a board  
36 member shall complete a training program on harassment,  
37 intimidation, and bullying in schools, including a school district's  
38 responsibilities under P.L.2002, c.83 (C.18A:37-13 et seq.). A  
39 board member shall be required to complete the program only once.

40 e. Training on harassment, intimidation, and bullying in  
41 schools shall be provided by the New Jersey School Boards  
42 Association, in consultation with recognized experts in school  
43 bullying from a cross section of academia, child advocacy  
44 organizations, nonprofit organizations, professional associations,  
45 and government agencies.

1 f. A school official shall complete a training program on  
2 ethical standards established by the State Ethics Commission at  
3 such times and intervals as required by the commission.

4 (cf: P.L.2010, c.122, s.6)

5  
6 6. Section 14 of P.L.1991, c.393 (C.18A:12-34) is amended to  
7 read as follows:

8 14. The **【State Board of Education】** State Ethics Commission  
9 may promulgate regulations pursuant to the "Administrative  
10 Procedures Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate  
11 the purposes of **【this act】** P.L.1991, c.393 (C.18A:21 et seq.) and  
12 P.L. , c. (C. ) (pending before the Legislature as this bill).

13 (cf: P.L.1991, c.393, s.14)

14  
15 7. Section 3 of P.L.1991, c.29 (C.40A:9-22.3) is amended to  
16 read as follows:

17 3. As used in this act:

18 a. **【"Board" means the Local Finance Board in the Division of**  
19 **Local Government Services in the Department of Community**  
20 **Affairs;】** (Deleted by amendment, P.L. , c. ) (pending before the  
21 Legislature as this bill)

22 b. "Business organization" means any corporation, partnership,  
23 firm, enterprise, franchise, association, trust, sole proprietorship,  
24 union or other legal entity;

25 c. "Governing body" means, in the case of a municipality, the  
26 commission, council, board or body, by whatever name it may be  
27 known, having charge of the finances of the municipality, and, in  
28 the case of a county, the board of chosen freeholders, or, in the case  
29 of a county having adopted the provisions of the "Optional County  
30 Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.), as defined in  
31 the form of government adopted by the county under that act;

32 d. "Interest" means the ownership or control of more than 10%  
33 of the profits, assets or stock of a business organization but shall  
34 not include the control of assets in a nonprofit entity or labor union;

35 e. "Local government agency" means any agency, board,  
36 governing body, including the chief executive officer, bureau,  
37 division, office, commission or other instrumentality within a  
38 county or municipality, and any independent local authority,  
39 including any entity created by more than one county or  
40 municipality, which performs functions other than of a purely  
41 advisory nature, but shall not include a school board;

42 f. "Local government employee" means any person, whether  
43 compensated or not, whether part-time or full-time, employed by or  
44 serving on a local government agency who is not a local  
45 government officer, but shall not mean any employee of a school  
46 district;



1 g. "Local government officer" means any person whether  
 2 compensated or not, whether part-time or full-time: (1) elected to  
 3 any office of a local government agency; (2) serving on a local  
 4 government agency which has the authority to enact ordinances,  
 5 approve development applications or grant zoning variances; (3)  
 6 who is a member of an independent municipal, county or regional  
 7 authority; or (4) who is a managerial executive or confidential  
 8 employee of a local government agency, as defined in section 3 of  
 9 the "New Jersey Employer-Employee Relations Act," P.L.1941,  
 10 c.100 (C.34:13A-3), but shall not mean any employee of a school  
 11 district or member of a school board;

12 h. **["Local government officer or employee" means a local**  
 13 **government officer or a local government employee;]** (Deleted by  
 14 amendment, P.L. , c. ) (pending before the Legislature as this  
 15 bill)

16 i. "Member of immediate family" means the spouse **[or**  
 17 **dependent child]**, civil union partner, domestic partner, child,  
 18 parent, or sibling, whether by blood, marriage or adoption, of a  
 19 local government officer or employee residing in the same  
 20 household;

21 j. "Cohabitant" means any person who resides with the local  
 22 government officer or employee;

23 k. "Commission" means the State Ethics Commission  
 24 established in but not of the New Jersey Department of Law and  
 25 Public Safety by the provisions of P.L.1971, c.182 (C.52:13D-12 et  
 26 seq.);

27 l. "Financial Disclosure Statement" means a comprehensive  
 28 statement of assets, liabilities, business interests and sources of  
 29 income which persons occupying certain positions in government  
 30 are required to file annually pursuant to statute, regulation, or  
 31 Executive Order;

32 m. "Party" means any group, government entity, association,  
 33 organization, firm, partnership, or corporation; and

34 n. "Relative" means an individual's spouse, civil union partner,  
 35 or domestic partner, or the individual's, spouse's, civil union  
 36 partner's, or domestic partner's parent, child, brother, sister, aunt,  
 37 uncle, niece, nephew, grandparent, grandchild, son-in-law,  
 38 daughter-in-law, stepparent, stepchild, stepbrother, stepsister, half-  
 39 brother, or half-sister, whether the relative is related by blood,  
 40 marriage, or adoption.

41 (cf: P.L.1991, c.29, s.3)

42  
 43 8. Section 4 of P.L.1991, c.29 (C.40A:9-22.4) is amended to  
 44 read as follows:

45 4. The **["Local Finance Board in the Division of Local**  
 46 **Government Services in the Department of Community Affairs]**  
 47 State Ethics Commission shall have jurisdiction to govern and guide

1 the conduct of local government officers or employees regarding  
2 violations of the provisions of this act, or the uniform local ethics  
3 code promulgated pursuant to section 28 of P.L. , c. (C. )  
4 (pending before the Legislature as this bill) **【**who are not otherwise  
5 regulated by a**】** or any supplemental county or municipal code of  
6 ethics promulgated by a county or municipal ethics board in  
7 accordance with the provisions of this act. Local government  
8 officers or employees serving a local government agency created by  
9 more than one county or municipality and officers or employees of  
10 county colleges established pursuant to N.J.S.18A:64A-1 et seq.  
11 shall be under the jurisdiction of the **【board】** commission. The  
12 **【board】** commission in interpreting and applying the provisions of  
13 this act shall recognize that under the principles of democracy,  
14 public officers and employees cannot and should not be expected to  
15 be without any personal interest in the decisions and policies of  
16 government; that citizens who are government officers and  
17 employees have a right to private interests of a personal, financial  
18 and economic nature; and that standards of conduct shall distinguish  
19 between those conflicts of interest which are legitimate and  
20 unavoidable in a free society and those conflicts of interest which  
21 are prejudicial and material and are, therefore, corruptive of  
22 democracy and free society.

23 (cf: P.L.1995, c.21, s.1)

24

25 9. Section 6 of P.L.1991, c.29 (C.40A:9-22.6) is amended to  
26 read as follows:

27 6. a. Local government officers and certain local government  
28 employees as designated by regulation shall annually file a financial  
29 disclosure statement. **【**All financial disclosure statements filed  
30 pursuant to this act shall include the following information which  
31 shall specify, where applicable, the name and address of each  
32 source and the local government officer's job title:

33 (1) Each source of income, earned or unearned, exceeding  
34 \$2,000 received by the local government officer or a member of his  
35 immediate family during the preceding calendar year. Individual  
36 client fees, customer receipts or commissions on transactions  
37 received through a business organization need not be separately  
38 reported as sources of income. If a publicly traded security is the  
39 source of income, the security need not be reported unless the local  
40 government officer or member of his immediate family has an  
41 interest in the business organization;

42 (2) Each source of fees and honorariums having an aggregate  
43 amount exceeding \$250 from any single source for personal  
44 appearances, speeches or writings received by the local government  
45 officer or a member of his immediate family during the preceding  
46 calendar year;

1 (3) Each source of gifts, reimbursements or prepaid expenses  
2 having an aggregate value exceeding \$400 from any single source,  
3 excluding relatives, received by the local government officer or a  
4 member of his immediate family during the preceding calendar  
5 year;

6 (4) The name and address of all business organizations in which  
7 the local government officer or a member of his immediate family  
8 had an interest during the preceding calendar year; and

9 (5) The address and brief description of all real property in the  
10 State in which the local government officer or a member of his  
11 immediate family held an interest during the preceding calendar  
12 year.】

13 b. The **【Local Finance Board】** State Ethics Commission shall  
14 prescribe a financial disclosure statement form for filing purposes  
15 which shall be available for download from the commission's  
16 Internet website. **【For counties and municipalities which have not**  
17 **established ethics boards, the board shall transmit sufficient copies**  
18 **of the forms to the municipal clerk in each municipality and the**  
19 **county clerk in each county for filing in accordance with this act.**  
20 **The municipal clerk shall make the forms available to the local**  
21 **government officers serving the municipality. The county clerk**  
22 **shall make the forms available to the local government officers**  
23 **serving the county.**

24 For counties and municipalities which have established ethics  
25 boards, the **【Local Finance Board】** State Ethics Commission shall  
26 transmit sufficient copies of the forms to the ethics boards for filing  
27 in accordance with this act. The ethics boards shall make the forms  
28 available to the local government officers within their jurisdiction.】

29 For local government officers serving **【the】** a municipality, the  
30 original statement shall be filed with the municipal clerk in the  
31 municipality in which the local government officer serves. For  
32 local government officers serving **【the】** a county, the original  
33 statement shall be filed with the county clerk in the county in which  
34 the local government officer serves. A copy of the statement shall  
35 be filed with the **【board】** commission. In **【counties or**  
36 **municipalities】** any county or municipality which **【have】** has  
37 established **【ethics boards】** an ethics board, a copy of the statement  
38 shall also be filed with the ethics board having jurisdiction over the  
39 local government officer. **【Local government officers shall file the**  
40 **initial financial disclosure statement within 90 days following the**  
41 **effective date of this act. Thereafter, statements】** A statement shall  
42 be filed on or before **【April 30th】** May 15th each year, except that  
43 each local government officer shall file a financial disclosure  
44 statement within **【30】** 120 days of taking office.

45 c. All financial disclosure statements filed shall be public  
46 records.

1 d. Failure to file the financial disclosure statement by the  
2 prescribed deadline shall result in a civil penalty of \$50 per day that  
3 the statement is late, which may be collected in a summary  
4 proceeding pursuant to the “Penalty Enforcement Law of 1999,”  
5 P.L.1999, c.274 (C.2A:58-10 et seq.).

6 (cf: P.L.2008, c.72, s.1)

7  
8 10. Section 8 of P.L.1991, c.29 (C.40A:9-22.8) is amended to  
9 read as follows:

10 8. A local government officer or employee not regulated by a  
11 county or municipal code of ethics may request and obtain from the  
12 **【Local Finance Board】** State Ethics Commission an advisory  
13 opinion as to whether any proposed activity or conduct would in its  
14 opinion constitute a violation of the provisions of this act or the  
15 uniform local ethics code promulgated pursuant to section 28 of  
16 P.L. , c. (C. ) (pending before the Legislature as this bill).  
17 Advisory opinions of the board shall not be made public, except  
18 when the **【board】** commission by the vote of two-thirds of all of its  
19 members directs that the opinion be made public. Public advisory  
20 opinions shall not disclose the name of the local government officer  
21 or employee unless the **【board】** commission in directing that the  
22 opinion be made public so determines.

23 (cf: P.L.1991, c.29, s.8)

24  
25 11. Section 10 of P.L.1991, c.29 (C.40A:9-22.10) is amended to  
26 read as follows:

27 10. a. **【An】** Any current or former appointed local government  
28 officer or employee found guilty by the **【Local Finance Board】**  
29 State Ethics Commission or a county or municipal ethics board of  
30 the violation of any provision of **【P.L.1991, c.29 (C.40A:9-22.1 et**  
31 **seq.)】** P.L. , c. (C. ) (pending before the Legislature as this  
32 bill) or of any code of ethics in effect pursuant to 【P.L.1991, c.29  
33 (C.40A:9-22.1 et seq.)】 P.L. , c. (C. ) (pending before the  
34 Legislature as this bill), shall be fined not less than 【\$100.00】 \$500  
35 nor more than 【\$500.00】 \$10,000, which penalty may be collected  
36 in a summary proceeding pursuant to 【"The Penalty】 the “Penalty  
37 Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.).  
38 The **【board】** commission or a county or municipal ethics board  
39 shall report its findings to the office or agency having the power of  
40 removal or discipline of the appointed local government officer or  
41 employee and may recommend that further disciplinary action be  
42 taken.

43 b. **【An】** Any current or former elected local government  
44 officer or employee found guilty by the **【Local Finance Board】**  
45 State Ethics Commission or a county or municipal ethics board of  
46 the violation of any provision of **【P.L.1991, c.29 (C.40A:9-22.1 et**

1 seq.)】 P.L. , c. (C. ) (pending before the Legislature as this  
 2 bill) or of any code of ethics in effect pursuant to 【P.L.1991, c.29  
 3 (C.40A:9-22.1 et seq.)】 P.L. , c. (C. ) (pending before the  
 4 Legislature as this bill), shall be fined not less than 【\$100.00】 \$500  
 5 nor more than 【\$500.00】 \$10,000, which penalty may be collected  
 6 in a summary proceeding pursuant to 【"The Penalty】 the "Penalty  
 7 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

8 c. The remedies provided herein are in addition to all other  
 9 criminal and civil remedies provided under the law.  
 10 (cf: P.L.1999, c.440, s.101)

11

12 12. Section 11 of P.L.1991, c.29 (C.40A:9-22.11) is amended to  
 13 read as follows:

14 11. The finding by the 【Local Finance Board】 State Ethics  
 15 Commission or a county or municipal ethics board that an appointed  
 16 local government officer or employee is guilty of the violation of  
 17 the provisions of this act, the uniform local ethics code promulgated  
 18 pursuant to section 28 of P.L. , c. (C. ) (pending before the  
 19 Legislature as this bill), or 【of】 any supplemental code of ethics in  
 20 effect pursuant to this act, shall be sufficient cause for his removal,  
 21 suspension, demotion or other disciplinary action by the officer or  
 22 agency having the power of removal or discipline. When a person  
 23 who is in the career service is charged with violating the provisions  
 24 of this act or any code of ethics in effect pursuant to this act, the  
 25 procedure leading to removal, suspension, demotion or other  
 26 disciplinary action shall be governed by any applicable procedures  
 27 of Title 11A of the New Jersey Statutes and the rules promulgated  
 28 pursuant thereto.

29 (cf: P.L.1991, c.29, s.11)

30

31 13. Section 15 of P.L.1991, c.29 (C.40A:9-22.15) is amended to  
 32 read as follows:

33 15. 【Within 90 days after】 After the establishment of a county  
 34 ethics board, that ethics board 【shall】 may promulgate, by  
 35 resolution, a county code of ethics for all local government officers  
 36 and employees serving the county, subject to the approval of the  
 37 State Ethics Commission. Local government officers and  
 38 employees serving a county independent authority shall be deemed  
 39 to be serving the county for purposes of this act.

40 The county code of ethics so promulgated shall be 【either  
 41 identical to the provisions set forth in section 5 of this act or more  
 42 restrictive, but shall not be less restrictive】 formulated with respect  
 43 to the particular needs and problems of the county to which said  
 44 code is to apply and, when applicable, shall be a supplement to the  
 45 uniform local ethics code promulgated pursuant to section 28 of  
 46 P.L. , c. (C. ) (pending before the Legislature as this bill).

1 Within 15 days following the promulgation thereof, the county code  
2 of ethics, and a notice of the date of the public hearing to be held  
3 thereon, shall be published in at least one newspaper circulating  
4 within the county and shall be distributed to the county clerk and to  
5 the heads of the local government agencies serving the county for  
6 circulation among the local government officers and employees  
7 serving the county. The county ethics board shall hold a public  
8 hearing on the county code of ethics not less than 30 days following  
9 its promulgation at which any local government officer or employee  
10 serving the county and any other person wishing to be heard shall  
11 be permitted to testify. As a result of the hearing, the ethics board  
12 may amend or supplement the county code of ethics as it deems  
13 necessary. **【If the county code of ethics is not identical to the**  
14 **provisions set forth in section 5 of this act, the】** The county ethics  
15 board shall thereafter submit the county code of ethics to the **【Local**  
16 **Finance Board】** State Ethics Commission for approval. The  
17 **【board】** commission shall approve or disapprove a county code of  
18 ethics within **【60】** 30 days following receipt. If the **【board】**  
19 commission fails to act within that period, the county code of ethics  
20 shall be deemed approved. A county code of ethics requiring  
21 **【board】** commission approval shall take effect for all local  
22 government officers and employees serving the county **【60】** 90  
23 days after approval by the **【board】** commission. **【A county code of**  
24 **ethics identical to the provisions set forth in section 5 of this act**  
25 **shall take effect 10 days after the public hearing thereon.】** The  
26 county ethics board shall forward a copy of the county code of  
27 ethics to the county clerk and shall make copies of the county code  
28 of ethics available to local government officers and employees  
29 serving the county.

30 (cf: P.L.1991, c.29, s.15)

31

32 14. Section 16 of P.L.1991, c.29 (C.40A:9-22.16) is amended to  
33 read as follows:

34 16. A county ethics board shall have the following powers:

35 a. To initiate, receive, hear and review complaints and hold  
36 hearings with regard to possible violations of the uniform local  
37 ethics code promulgated pursuant to section 28 of  
38 P.L. , c. (C. ) (pending before the Legislature as this bill), a  
39 supplemental county code of ethics or financial disclosure  
40 requirements by local government officers or employees serving the  
41 county;

42 b. To conduct investigations, hold hearings and issue  
43 subpoenas **【for the production of documents and the attendance of**  
44 **witnesses with respect to its investigation of any complaint or to the**  
45 **holding of a hearing】** to compel the attendance of witnesses and the  
46 production before it of such books and papers as it may deem

1 necessary, proper and relevant to the matter under investigation.  
2 The members of the board and the persons appointed by the board  
3 for that purpose are hereby empowered to administer oaths and  
4 examine witnesses under oath;

5 c. To forward to the county prosecutor or the Attorney General  
6 or other governmental body any information concerning violations  
7 of the uniform local ethics code promulgated pursuant to section 28  
8 of P.L. , c. (C. ) (pending before the Legislature as this  
9 bill), a supplemental county code of ethics or financial disclosure  
10 requirements by local government officers or employees serving the  
11 county which may become the subject of criminal prosecution or  
12 which may warrant the institution of other legal proceedings by the  
13 Attorney General;

14 d. To render advisory opinions to local government officers or  
15 employees serving the county as to whether a given set of facts and  
16 circumstances would constitute a violation of any provision of the  
17 uniform local ethics code promulgated pursuant to section 28 of  
18 P.L. , c. (C. ) (pending before the Legislature as this bill), a  
19 supplemental county code of ethics or financial disclosure  
20 requirements;

21 e. To enforce the provisions of the uniform local ethics code  
22 promulgated pursuant to section 28 of P.L. , c. (C. )  
23 (pending before the Legislature as this bill), a supplemental county  
24 code of ethics and financial disclosure requirements with regard to  
25 local government officers or employees serving the county and to  
26 impose penalties for the violation thereof as are authorized by this  
27 act; and

28 f. To adopt rules and regulations pursuant to the  
29 “Administrative Procedure Act”, P.L. 1968, c.410 (C.52:14B-1 et  
30 seq.) and to do other things as are necessary to implement the  
31 purposes of this act.

32 (cf: P.L.1991, c.29, s.16)

33

34 15. Section 17 of P.L.1991, c.29 (C.40A:9-22.17) is amended to  
35 read as follows:

36 17. A local government officer or employee serving the county  
37 may request and obtain from the county ethics board an advisory  
38 opinion as to whether any proposed activity or conduct would in its  
39 opinion constitute a violation of the uniform local ethics code  
40 promulgated pursuant to section 28 of P.L. , c. (C. )  
41 (pending before the Legislature as this bill), a supplemental county  
42 code of ethics , or any financial disclosure requirements. Advisory  
43 opinions of the county ethics board shall not be made public, except  
44 when the ethics board by the vote of two-thirds of all of its  
45 members directs that the opinion be made public. Public advisory  
46 opinions shall not disclose the name of the local government officer  
47 or employee unless the ethics board in directing that the opinion be

1 made public so determines. A final decision of the ethics board  
2 may be appealed to the State Ethics Commission within 30 days of  
3 the decision.

4 (cf: P.L.1991, c.29, s.17)

5

6 16. Section 18 of P.L.1991, c.29 (C.40A:9-22.18) is amended to  
7 read as follows:

8 18. The county ethics board, upon receipt of a signed written  
9 complaint by any person alleging that the conduct of any local  
10 government officer or employee serving the county is in conflict  
11 with the uniform local ethics code promulgated pursuant to section  
12 28 of P.L. , c. (C. ) (pending before the Legislature as this  
13 bill), a supplemental county code of ethics or any financial  
14 disclosure requirements shall acknowledge receipt of the complaint  
15 within 30 days of receipt and initiate an investigation concerning  
16 the facts and circumstances set forth in the complaint. The ethics  
17 board shall make a determination as to whether the complaint is  
18 within its jurisdiction or frivolous or without any reasonable factual  
19 basis. If the ethics board shall conclude that the complaint is  
20 outside its jurisdiction, frivolous or without factual basis, it shall  
21 reduce that conclusion to writing and shall transmit a copy thereof  
22 to the complainant and to the local government officer or employee  
23 against whom the complaint was filed. Otherwise the ethics board  
24 shall notify the local government officer or employee against whom  
25 the complaint was filed of the nature of the complaint and the facts  
26 and circumstances set forth therein. The officer or employee shall  
27 have the opportunity to present the ethics board with any statement  
28 or information concerning the complaint which he wishes.  
29 Thereafter, if the ethics board determines that a reasonable doubt  
30 exists as to whether the local government officer or employee is in  
31 conflict with the uniform local ethics code promulgated pursuant to  
32 section 28 of P.L. , c. (C. ) (pending before the Legislature  
33 as this bill), a supplemental county code of ethics or any financial  
34 disclosure requirements, it shall conduct a hearing in the manner  
35 prescribed by section 12 of this act, concerning the possible  
36 violation and any other facts and circumstances which may have  
37 come to its attention with respect to the conduct of the local  
38 government officer or employee. The ethics board shall render a  
39 decision as to whether the conduct of the officer or employee is in  
40 conflict with the uniform local ethics code promulgated pursuant to  
41 section 28 of P.L. , c. (C. ) (pending before the Legislature  
42 as this bill), a supplemental county code of ethics or any financial  
43 disclosure requirements. This decision shall be made by no less  
44 than two-thirds of all members of the ethics board. If the ethics  
45 board determines that the officer or employee is in conflict with the  
46 uniform local ethics code promulgated pursuant to section 28 of  
47 P.L. , c. (C. ) (pending before the Legislature as this bill), a



1 supplemental county code of ethics or any financial disclosure  
2 requirements, it may impose any penalties which it believes  
3 appropriate within the limitations of this act. A final decision of the  
4 ethics board may be appealed to the **Local Finance Board** State  
5 Ethics Commission within 30 days of the decision.  
6 (cf: P.L.1991, c.29, s.18)

7  
8 17. Section 21 of P.L.1991, c.29 (C.40A:9-22.21) is amended to  
9 read as follows:

10 21. **Within 90 days after** After the establishment of a  
11 municipal ethics board, that ethics board **shall** may promulgate by  
12 resolution a municipal code of ethics for all local government  
13 officers and employees serving the municipality , subject to the  
14 approval of the State Ethics Commission. Local government  
15 officers and employees serving a municipal independent authority  
16 shall be deemed to be serving the municipality for purposes of this  
17 act.

18 The municipal code of ethics so promulgated shall be **either**  
19 identical to the provisions set forth in section 5 of this act or more  
20 restrictive, but shall not be less restrictive **formulated with respect**  
21 to the particular needs and problems of the local municipality to  
22 which said code is to apply and, when applicable, shall be a  
23 supplement to the uniform local ethics code promulgated pursuant  
24 to section 28 of P.L. , c. (C. ) (pending before the  
25 Legislature as this bill). Within 15 days following the promulgation  
26 thereof, the municipal code of ethics, and a notice of the date of the  
27 public hearing to be held thereon, shall be published in at least one  
28 newspaper circulating within the municipality and shall be  
29 distributed to the municipal clerk and to the heads of the local  
30 government agencies serving the municipality for circulation among  
31 the local government officers and employees serving the  
32 municipality. The municipal ethics board shall hold a public  
33 hearing on the municipal code of ethics not less than 30 days  
34 following its promulgation at which any local government officer or  
35 employee serving the municipality and any other person wishing to  
36 be heard shall be permitted to testify. As a result of the hearing, the  
37 ethics board may amend or supplement the municipal code of ethics  
38 as it deems necessary. **If the municipal code of ethics is not**  
39 identical to the provisions set forth in section 5 of this act, **the** The  
40 municipal ethics board shall thereafter submit the municipal code of  
41 ethics to the **Local Finance Board** State Ethics Commission for  
42 approval. The **board** commission shall approve or disapprove a  
43 municipal code of ethics within **60** 90 days following receipt. If  
44 the **board** commission fails to act within that period, the  
45 municipal code of ethics shall be deemed approved. A municipal  
46 code of ethics requiring **board** commission approval shall take

1 effect for all local government officers and employees serving the  
2 municipality **【60】** 30 days after approval by the **【board】**  
3 commission. **【A municipal code of ethics identical to the**  
4 **provisions set forth in section 5 of this act shall take effect 10 days**  
5 **after the public hearing held thereon.】** The municipal ethics board  
6 shall forward a copy of the municipal code of ethics to the  
7 municipal clerk and shall make copies of the municipal code of  
8 ethics available to local government officers and employees serving  
9 the municipality.

10 (cf: P.L.1991, c.29, s.21)

11

12 18. Section 22 of P.L.1991, c.29 (C.40A:9-22.22) is amended to  
13 read as follows:

14 22. A municipal ethics board shall have the following powers:

15 a. To initiate, receive, hear and review complaints and hold  
16 hearings with regard to possible violations of the uniform local  
17 ethics code promulgated pursuant to section 28 of P.L. \_\_\_\_\_,  
18 c. (C. \_\_\_\_\_) (pending before the Legislature as this bill), a  
19 supplemental municipal code of ethics or financial disclosure  
20 requirements by local government officers or employees serving the  
21 municipality;

22 b. To conduct investigations, hold hearings, and issue  
23 subpoenas **【for the production of documents and the attendance of**  
24 **witnesses with respect to its investigation of any complaint or to the**  
25 **holding of a hearing】** to compel the attendance of witnesses and the  
26 production before it of such books and papers as it may deem  
27 necessary, proper and relevant to the matter under investigation.  
28 The members of the board and the persons appointed by the board  
29 for that purpose are hereby empowered to administer oaths and  
30 examine witnesses under oath;

31 c. To forward to the county prosecutor or the Attorney General  
32 or other governmental body any information concerning violations  
33 of the uniform local ethics code promulgated pursuant to section 28  
34 of P.L. \_\_\_\_\_, c. (C. \_\_\_\_\_) (pending before the Legislature as this  
35 bill), a supplemental municipal code of ethics or financial  
36 disclosure requirements by local government officers or employees  
37 serving the municipality which may become the subject of criminal  
38 prosecution or which may warrant the institution of other legal  
39 proceedings by the Attorney General;

40 d. To render advisory opinions to local government officers or  
41 employees serving the municipality as to whether a given set of  
42 facts and circumstances would constitute a violation of any  
43 provision of the uniform local ethics code promulgated pursuant to  
44 section 28 of P.L. \_\_\_\_\_, c. (C. \_\_\_\_\_) (pending before the Legislature  
45 as this bill), a supplemental municipal code of ethics or financial  
46 disclosure requirements;

1 e. To enforce the provisions of the uniform local ethics code  
2 promulgated pursuant to section 28 of P.L. , c. (C. )  
3 (pending before the Legislature as this bill), a supplemental  
4 municipal code of ethics and financial disclosure requirements with  
5 regard to local government officers or employees serving the  
6 municipality and to impose penalties for the violation thereof as are  
7 authorized by this act; and

8 f. To adopt rules and regulations pursuant to the  
9 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et  
10 seq.) and to do other things as are necessary to implement the  
11 purposes of this act.

12 (cf: P.L.1991, c.29, s.22)

13  
14 19. Section 23 of P.L.1991, c.29 (C.40A:9-22.23) is amended to  
15 read as follows:

16 23. A local government officer or employee serving the  
17 municipality may request and obtain from the municipal ethics  
18 board an advisory opinion as to whether any proposed activity or  
19 conduct would in its opinion constitute a violation of the uniform  
20 local ethics code promulgated pursuant to section 28 of P.L. , c.  
21 (C. ) (pending before the Legislature as this bill), a  
22 supplemental municipal code of ethics , or any financial disclosure  
23 requirements. Advisory opinions of the municipal ethics board  
24 shall not be made public, except when the ethics board by the vote  
25 of two-thirds of all of its members directs that the opinion be made  
26 public. Public advisory opinions shall not disclose the name of the  
27 local government officer or employee unless the ethics board in  
28 directing that the opinion be made public so determines. A final  
29 decision of the ethics board may be appealed to the State Ethics  
30 Commission within 30 days of the decision.

31 (cf: P.L.1991, c.29, s.23)

32  
33 20. Section 24 of P.L.1991, c.29 (C.40A:9-22.24) is amended to  
34 read as follows:

35 24. The municipal ethics board, upon receipt of a signed written  
36 complaint by any person alleging that the conduct of any local  
37 government officer or employee serving the municipality is in  
38 conflict with the uniform local ethics code promulgated pursuant to  
39 section 28 of P.L. , c. (C. ) (pending before the Legislature  
40 as this bill), a supplemental municipal code of ethics , or financial  
41 disclosure requirements, shall acknowledge receipt of the complaint  
42 within 30 days of receipt and initiate an investigation concerning  
43 the facts and circumstances set forth in the complaint. The ethics  
44 board shall make a determination as to whether the complaint is  
45 within its jurisdiction or frivolous or without any reasonable factual  
46 basis. If the ethics board shall conclude that the complaint is  
47 outside its jurisdiction, frivolous or without factual basis, it shall

1 reduce that conclusion to writing and shall transmit a copy thereof  
2 to the complainant and to the local government officer or employee  
3 against whom the complaint was filed. Otherwise the ethics board  
4 shall notify the local government officer or employee against whom  
5 the complaint was filed of the nature of the complaint and the facts  
6 and circumstances set forth therein. The officer or employee shall  
7 have the opportunity to present the ethics board with any statement  
8 or information concerning the complaint which he wishes.  
9 Thereafter, if the ethics board determines that a reasonable doubt  
10 exists as to whether the local government officer or employee is in  
11 conflict with the uniform local ethics code promulgated pursuant to  
12 section 28 of P.L. , c. (C. ) (pending before the Legislature  
13 as this bill), a supplemental municipal code of ethics , or any  
14 financial disclosure requirements, it shall conduct a hearing in the  
15 manner prescribed by section 12 of this act, concerning the possible  
16 violation and any other facts and circumstances which may have  
17 come to its attention with respect to the conduct of the local  
18 government officer or employee. The ethics board shall render a  
19 decision as to whether the conduct of the officer or employee is in  
20 conflict with the uniform local ethics code promulgated pursuant to  
21 section 28 of P.L. , c. (C. ) (pending before the Legislature  
22 as this bill), a supplemental municipal code of ethics , or any  
23 financial disclosure requirements. This decision shall be made by  
24 no less than two-thirds of all members of the ethics board.

25 If the ethics board determines that the officer or employee is in  
26 conflict with the uniform local ethics code promulgated pursuant to  
27 section 28 of P.L. , c. (C. ) (pending before the Legislature  
28 as this bill), a supplemental municipal code of ethics, or any  
29 financial disclosure requirements, it may impose any penalties  
30 which it believes appropriate within the limitations of this act. A  
31 final decision of the ethics board may be appealed to the [Local  
32 Finance Board] State Ethics Commission within 30 days of the  
33 decision.

34 (cf: P.L.1991, c.29, s.24)

35

36 21. (New section) a. Within 180 days following the effective  
37 date of P.L. , c. (C. ) (pending before the Legislature as this  
38 act), the State Ethics Commission shall promulgate a uniform code  
39 of ethics to govern and guide the conduct of all school officials.  
40 The ethics code promulgated pursuant to this subsection shall  
41 include the provisions of section 4 of P.L.1991, c.393 (C.18A:12-  
42 24).

43 b. A local school district may establish a supplemental code of  
44 ethics to address the particular needs and problems of the school  
45 district. A supplemental code of ethics established pursuant to this  
46 subsection shall become effective only upon its approval by the  
47 State Ethics Commission. A representative of a local school district

1 may consult with the State Ethics Commission at any time in  
2 connection with the preparation or revision of a supplemental code  
3 of ethics.

4  
5 22. (New section) a. In addition to the powers and duties set  
6 forth in P.L.1971, c.182 (C.52:13D-21 et seq.), the State Ethics  
7 Commission shall:

8 (1) Pursuant to the provisions of P.L.1971, c.182 (C.52:13D-12  
9 et seq.), have the power to conduct investigations, hold hearings,  
10 compel the attendance of witnesses and the production before it of  
11 such books and papers as it may deem necessary, proper and  
12 relevant to the matter under investigation. The members of the  
13 commission and the persons appointed by the commission for that  
14 purpose are hereby empowered to administer oaths and examine  
15 witnesses under oath;

16 (2) Be authorized to render advisory opinions as to whether a  
17 given set of facts and circumstances would, in its opinion, constitute  
18 a violation of the provisions of P.L.1991, c.393 (C.18A:12-21 et seq.),  
19 section 5 of P.L.2001, c.178 (C.18A:12-24.1), P.L. , c. (C. )  
20 (pending before the Legislature as this bill), or a  
21 code of ethics established by a local school district;

22 (3) Have jurisdiction to initiate, receive, hear, and review  
23 complaints regarding violations by any current or former school  
24 official, of the provisions of P.L.1991, c.393 (C.18A:12-21 et seq.),  
25 section 5 of P.L.2001, c.178 (C.18A:12-24.1), P.L. , c. (C. )  
26 (pending before the Legislature as this bill), or a code of ethics  
27 established by the State Ethics Commission or by a local school  
28 district.

29 An investigation regarding a violation committed during service  
30 by a school official shall be initiated by the commission not later  
31 than two years following the termination of service.

32 The commission shall have the authority to dismiss a complaint  
33 that it determines to be frivolous; and

34 (4) Conduct audits of the ethics policies, procedures and  
35 practices of local school districts to determine their compliance  
36 with the reporting, documentation, training and other ethics  
37 requirements contained in P.L.1991, c.393 (C.18A:12-21 et seq.),  
38 section 5 of P.L.2001, c.178 (C.18A:12-24.1), P.L. , c. (C. )  
39 (pending before the Legislature as this bill), or a code of ethics  
40 established by the State Ethics Commission or by a local school  
41 district, and require local school districts to correct any deficiencies  
42 identified by an audit.

43 b. Any current or former school official found guilty by the  
44 commission of violating any provision of P.L.1991, 393 (C.18A:12-  
45 21 et seq.), section 5 of P.L.2001, c.178 (C.18A:12-24.1), P.L. , c.  
46 (C. ) (pending before the Legislature as this bill), or a code of  
47 ethics established by the State Ethics Commission or a local school

1 district, shall be fined not less than \$500 nor more than \$10,000 per  
2 violation, which penalty may be collected in a summary proceeding  
3 pursuant to the "Penalty Enforcement Law of 1999," P.L.1999,  
4 c.274 (C.2A:58-10 et seq.).

5 A school official may be suspended from office or employment  
6 if the commission finds that the conduct constitutes a willful and  
7 continuous disregard of the provisions of P.L.1991, c.393  
8 (C.18A:12-21 et seq.), section 5 of P.L.2001, c.178 (C.18A:12-  
9 24.1), P.L. , c. (C. ) (pending before the Legislature as this  
10 bill), or a code of ethics established by the State Ethics Commission  
11 or the local school district.

12 The commission may order restitution, demotion, censure or  
13 reprimand.

14 c. The remedies provided herein are in addition to all other  
15 criminal and civil remedies provided under the law.

16

17 23. (New section) Violations of a code of ethics established  
18 pursuant to P.L.1991, c.393 (C.18A:12-21 et seq.), section 5 of  
19 P.L.2001, c.178 (C.18A:12-24.1), P.L. , c. (C. ) (pending  
20 before the Legislature as this bill), or a code of ethics established by  
21 the local school district shall be cause for removal, suspension,  
22 demotion or other disciplinary action by the board of education  
23 having the power of removal or discipline. No action for removal  
24 or discipline shall be taken under this subsection except upon the  
25 referral or with the approval of the State Ethics Commission and in  
26 accordance with the procedures governed by the applicable  
27 provisions of Title 18A of the New Jersey Statutes regarding tenure  
28 rights or Title 11A of the New Jersey Statutes.

29

30 24. (New section) No person shall induce or attempt to induce  
31 any school official to violate any provision of P.L.1991, c.393  
32 (C.18A:12-21 et seq.), section 5 of P.L.2001, c.178 (C.18A:12-  
33 24.1), P.L. , c. (C. ) (pending before the Legislature as this  
34 bill), or a code of ethics established by a local school district. Any  
35 person who willfully violates this section is a disorderly person, and  
36 shall be subject to a fine not to exceed \$500 or imprisonment not to  
37 exceed 6 months, or both. The commission shall refer these matters  
38 to appropriate law enforcement agencies.

39

40 25. (New section) No school official, subsequent to the  
41 termination of his office or employment in the local school district,  
42 shall represent, appear for, negotiate on behalf of, or provide  
43 information not generally available to members of the public or  
44 services to, or agree to represent, appear for, negotiate on behalf of,  
45 or provide information not generally available to members of the  
46 public or services to, whether by himself or through any  
47 partnership, firm, or corporation in which he has an interest or

1 through any partner, officer, or employee thereof, any person or  
2 party other than the local school district in connection with any  
3 cause, proceeding, application, or other matter with respect to  
4 which the school official shall have made any investigation,  
5 rendered any ruling, given any opinion, or been otherwise  
6 substantially and directly involved at any time during the course of  
7 his office or employment.

8  
9 26. (New section) When a quorum of a board of education or a  
10 board of trustees of a charter school invokes the doctrine of  
11 necessity, it shall use the following procedure:

12 a. Adopt a resolution setting forth that it is invoking the  
13 doctrine of necessity, the reason for doing so, and the specific  
14 nature of the conflict of interest;

15 b. Read the resolution at a regularly scheduled public meeting;  
16 and

17 c. Post a copy of the resolution for 30 days in the place where  
18 it posts other public notices.

19  
20 27. (New section) a. The School Ethics Commission  
21 established pursuant to section 7 of P.L.1991, c.393 (C.18A:12-27)  
22 is abolished and all of its functions, powers, and duties are  
23 transferred to and assumed by the State Ethics Commission.

24 b. Whenever, in any law, rule, regulation, order, contract,  
25 document, judicial or administrative proceeding or otherwise,  
26 reference is made to the School Ethics Commission, the same shall  
27 mean and refer to the State Ethics Commission.

28 c. All cases pending before the School Ethics Commission on  
29 the effective date of this act shall be transmitted to the State Ethics  
30 Commission for resolution consistent with the provisions of P.L. ,  
31 c. (C. ) (pending before the Legislature as this bill).

32 d. Initial decisions rendered on or after the effective date of  
33 this act in contested matters previously transmitted to the Office of  
34 Administrative Law by the State Ethics Commission shall be  
35 transmitted to the State Ethics Commission for final decision  
36 consistent with section 10 of P.L.1968, c.410 (C.52:14B-10).

37 e. This transfer shall be subject to the provisions of the "State  
38 Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).

39  
40 28. (New section) Local government officers or employees  
41 under the jurisdiction of the State Ethics Commission shall comply  
42 with the uniform local ethics code promulgated by the State Ethics  
43 Commission, which shall include the following provisions:

44 a. No local government officer or employee, member of his  
45 immediate family, relative, or cohabitant shall have an interest in a  
46 business organization or engage in any business, transaction, or

- 1 professional activity, which is in substantial conflict with the proper  
2 discharge of his duties in the public interest;
- 3 b. No independent local authority shall, for a period of one year  
4 next subsequent to the termination of office of a member of that  
5 authority:
- 6 (1) award any contract which is not publicly bid to a former  
7 member of that authority;
- 8 (2) allow a former member of that authority to represent, appear  
9 for or negotiate on behalf of any other party before that authority;  
10 or
- 11 (3) employ for compensation, except pursuant to open  
12 competitive examination in accordance with Title 11A of the New  
13 Jersey Statutes and the rules and regulations promulgated pursuant  
14 thereto, any former member of that authority.
- 15 The restrictions contained in this subsection shall also apply to  
16 any business organization in which the former authority member  
17 holds an interest.
- 18 c. No local government officer or employee shall use or  
19 attempt to use his official position to secure unwarranted privileges  
20 or advantages for himself or others;
- 21 d. No local government officer or employee shall act in his  
22 official capacity in any matter where he, a relative or cohabitant, or  
23 a business organization in which he has an interest, has a direct or  
24 indirect financial or personal involvement that might reasonably be  
25 expected to impair his objectivity or independence of judgment;
- 26 e. No local government officer or employee shall undertake  
27 any employment or service, whether compensated or not, which  
28 might reasonably be expected to impair his objectivity or  
29 independence of judgment in the exercise of his official duties;
- 30 f. No local government officer or employee, member of his  
31 immediate family, cohabitant, partner, associate, or business  
32 organization in which he has an interest, shall directly or indirectly  
33 solicit or accept any gift, favor, loan, political contribution, service,  
34 employment, promise of future employment, or other thing of value  
35 related in any way to the local government officer's or employee's  
36 public duties. This provision shall not apply to the solicitation or  
37 acceptance of contributions to the campaign of an announced  
38 candidate for elective public office, if the local government officer  
39 has no knowledge or reason to believe that the campaign  
40 contribution, if accepted, was given with the intent to influence the  
41 local government officer in the discharge of his official duties;
- 42 g. No local government officer or employee shall knowingly  
43 act in any way that might reasonably be expected to create an  
44 impression or suspicion among the public having knowledge of his  
45 acts that he may be engaged in conduct violative of his trust as a  
46 local government officer or employee;



- 1 h. No local government officer or employee shall use, or  
2 willfully disclose to any person, any information, not generally  
3 available to the members of the public, which he receives or  
4 acquires in the course of and by reason of his office or employment;
- 5 i. No local government officer or employee or business  
6 organization in which he has an interest shall represent , appear for,  
7 or negotiate on behalf of, or agree to represent, appear for, or  
8 negotiate on behalf of, any person or party other than the local  
9 government in connection with any cause, proceeding, application  
10 or other matter pending before any agency in the local government  
11 in which he serves. This provision shall not be deemed to prohibit  
12 one local government employee from representing another local  
13 government employee where the local government agency is the  
14 employer and the representation is within the context of official  
15 labor union or similar representational responsibilities;
- 16 j. No local government officer or employee or business  
17 organization in which he has an interest shall knowingly undertake  
18 or execute, in whole or in part, any contract, agreement, sale or  
19 purchase of the value of \$25 or more, made, entered into, awarded  
20 or granted by any agency in the local government in which he  
21 serves. The provisions of this subsection shall not apply to  
22 contracts, agreements, sales or purchases which are made or let  
23 after public notice and competitive bidding.
- 24 k. No local government officer or employee shall supervise, or  
25 exercise authority with regard to personnel actions over, a relative  
26 or cohabitant of the local government officer or employee;
- 27 l. No local government officer shall be deemed in conflict with  
28 these provisions if, by reason of his participation in the enactment  
29 of any ordinance, resolution or other matter required to be voted  
30 upon or which is subject to executive approval or veto, no material  
31 or monetary gain accrues to him as a member of any business,  
32 profession, occupation or group, to any greater extent than any gain  
33 could reasonably be expected to accrue to any other member of  
34 such business, profession, occupation or group;
- 35 m. No elected local government officer shall be prohibited from  
36 making an inquiry for information on behalf of a constituent, if no  
37 fee, reward or other thing of value is promised to, given to or  
38 accepted by the officer or a member of his immediate family,  
39 whether directly or indirectly, in return therefor; and
- 40 n. Nothing shall prohibit any local government officer or  
41 employee, or members of his immediate family, from representing  
42 himself, or themselves, in negotiations or proceedings concerning  
43 his, or their, own interests.
- 44
- 45 29. (New section) In addition to the powers and duties set forth  
46 in section 10 of P.L.1971, c.182 (C.52:13D-21), the State Ethics  
47 Commission may:

- 1 a. Initiate, receive, hear and review complaints and hold  
2 hearings with regarding to possible violations of  
3 P.L. , c. (C. ) (pending before the Legislature as this bill) or  
4 any code of ethics promulgated pursuant to this act by any current  
5 or former local government employee or local government officer.  
6 An investigation regarding a violation committed during service by  
7 a former local government employee or local government officer  
8 shall be initiated by the commission not later than two years  
9 following the termination of service;
- 10 b. Refer complaints received by the commission to a county or  
11 municipal ethics board with jurisdiction over the matter;
- 12 c. Conduct investigations, hold hearings, and issue subpoenas  
13 to compel the attendance of witnesses and the production before it  
14 of such books and papers as it may deem necessary, proper and  
15 relevant to the matter under investigation. The members of the  
16 commission and the persons appointed by the commission for that  
17 purpose are hereby empowered to administer oaths and examine  
18 witnesses under oath;
- 19 d. Hear and determine any appeal of a decision made by a  
20 county or municipal ethics board;
- 21 e. Forward to the county prosecutor or the Attorney General or  
22 other governmental body any information concerning violations of  
23 P.L. , c. (C. ) (pending before the Legislature as this bill)  
24 which may become the subject of criminal prosecution or which  
25 may warrant the institution of other legal proceedings by the  
26 Attorney General;
- 27 f. Render advisory opinions as to whether a given set of facts  
28 and circumstances would constitute a violation of this act or of a  
29 code of ethics promulgated pursuant to the provisions of P.L. ,  
30 c. (C. ) (pending before the Legislature as this bill);
- 31 g. Enforce the provisions of P.L. , c. (C. ) (pending  
32 before the Legislature as this bill) and impose penalties for the  
33 violation thereof;
- 34 h. Create a uniform local ethics code that establishes ethical  
35 standards applicable to all local government employees and local  
36 government officers;
- 37 i. Establish procedures ensuring that each local government  
38 employee or local government officer receives a copy of the  
39 uniform local ethics code. Each local government employee or  
40 local government officer shall certify that he or she has received the  
41 uniform local ethics code, reviewed it, and understands its  
42 provisions;
- 43 j. Establish an ethics training program for local government  
44 officers and employees that must be completed by local government  
45 officers and employees at such times and in such intervals as the  
46 commission shall require;

1 k. Conduct audits of the ethics policies, procedures and  
2 practices of local government agencies to determine their  
3 compliance with the reporting, documentation, training and other  
4 ethics requirements contained in P.L. , c. (C. ) (pending  
5 before the Legislature as this bill), a code of ethics, and any  
6 regulation adopted pursuant to P.L. , c. (C. ) (pending  
7 before the Legislature as this bill), and to require local government  
8 agencies to correct any deficiencies identified by an audit; and

9 l. Adopt rules and regulations pursuant to the "Administrative  
10 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) and to do  
11 other things as are necessary to implement the purposes of this act.  
12

13 30. The following sections are repealed:

14 Sections 5, 7, 8, 9, 10 and 11 of P.L.1991, c.393 (C.18A:12-25,  
15 C.18A:12-27, C.18A:12-28, C.18A:12-29, C.18A:12-30, C.18A:12-  
16 31);

17 Section 1 of P.L.2004, c.131 (C.18A:12-23.1);

18 Section 3 of P.L.2008, c.36 (C.18A:12-29.1); and

19 Sections 5, 7 and 9 of P.L.1991, c.29 (C.40A:9-22.5, C.40A:9-  
20 22.7, and C.40A:9-22.9).  
21

22 31. This act shall take effect immediately.  
23  
24

#### 25 STATEMENT

26  
27 Under the provisions of this bill, the State Ethics Commission  
28 will assume responsibility for promulgating new uniform ethics  
29 codes for local officials and school officials. The bill requires the  
30 commission to hear and adjudicate complaints of ethics violations  
31 against local officials and expedites the hearing procedure;  
32 currently, this is the responsibility of the Local Finance Board. The  
33 commission will also hear and adjudicate complaints of ethics  
34 violations against school officials. The School Ethics Commission,  
35 which currently performs that function, is abolished.

36 Penalties for ethical violations by local officials or school  
37 officials are strengthened under the bill to make the penalties  
38 similar to those contained in the "New Jersey Conflicts of Interest  
39 Law" which governs State officers and employees.

40 The bill also requires the State Ethics Commission to promulgate  
41 a financial disclosure form for the use of local officials and school  
42 officials, and to put it on their Internet website for convenient  
43 downloading.