

18A:64A-25.40 et al

LEGISLATIVE HISTORY CHECKLIST

NJSA: 18A:64A-25.40 et al (County Colleges-- permit joint insurance funds)

LAWS OF: 1988 CHAPTER: 144

BILL NO: A2021

SPONSOR(S): Lovevs

Date Introduced: Pre-filed

Committee: Assembly: Insurance

Senate: Education

Amended during passage: No

Date of Passage: Assembly: February 29, 1988

Senate: October 3, 1988

Date of Approval: November 1, 1988

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: Assembly Yes

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: ~~No~~ Yes

Following were printed:

Reports: No

Hearings: No

rdv

**P.L. 1988, CHAPTER 144, approved November 1, 1988**

**1988 Assembly No. 2021**

1 **AN ACT** concerning groups insurance for county colleges,  
2 supplementing chapter 64A of Title 18A of New Jersey  
3 **Statutes** and P.L. 1983, c. 372 (C. 40A:10-36 et seq.), and  
4 amending P.L. 1982, c. 189 and N.J.S. 40A:10-10.

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

8 1. (New section) In any county which has established an  
9 insurance fund pursuant to N.J.S. 40A:10-6 or is a joint member  
10 of a insurance fund pursuant to P.L. 1983, c. 372 (C. 40-1:10-36  
11 et seq.), the board of trustees of a county college located within  
12 that county may, at the option of the board of trustees, enter  
13 into a contract with the governing body of the county or joint  
14 insurance fund to participate in the county insurance fund or a  
15 joint insurance fund.

16 2. (New section) Any contract entered into between the board  
17 and the county governing body shall, at a minimum, specify the  
18 type and scope of coverage to be afforded, the premium basis  
19 for all insurance carried, the method of payment by the county  
20 college and the terms and conditions for withdrawal by the  
21 county college from the insurance fund.

22 3. (New section) Funds for premiums required by the contract  
23 between the board of trustees and the governing body of the  
24 fund shall be appropriated and paid as set forth in the contract  
25 in the same manner as appropriations are made for other  
26 expenses of the county college.

27 4. Section 28 of P.L. 1982, c. 189 (C. 18A:64A-25.28) is  
28 amended to read as follows:

29 28. Duration of certain contracts. A county college may only  
30 enter into a contract exceeding 12 consecutive months for the:

31 a. Supplying of:

32 (1) Fuel for heating purposes for any term not exceeding in  
33 the aggregate three years; or

**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.

b. Fuel or oil for use in automobiles, autobuses, motor vehicles or equipment for any term not exceeding in the aggregate three years; or

c. Plowing and removal of snow and ice for any term not exceeding in the aggregate three years; or

d. Collection and disposal of garbage and refuse for any term not exceeding in the aggregate three years; or

e. Data processing programs, systems and services or rental or lease of data processing equipment for any term of not more than five years; or

f. 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

g. 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, however, such contracts shall be entered into only subject to and in accordance with the rules and regulations promulgated by the Board of Higher Education; or

h. 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

i. 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

j. 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 rules and regulations adopted by the Department of Commerce, Energy and Economic Development establishing a methodology for computing energy cost savings; or

1 j. Any single project for the construction, reconstruction or  
2 rehabilitation of a public building, structure or facility, or a  
3 public works project including the retention of the services of an  
4 architect or engineer in connection with the project, for the  
5 length of time necessary for the completion of the actual  
6 construction; or

7 k. The management and operation of bookstores for a term  
8 not exceeding five years; or;

9 l. Custodial or janitorial services for any term not exceeding  
10 in the aggregate three years.

11 All multi-year leases and contracts entered into pursuant to  
12 this section, except contracts for the leasing or servicing of  
13 equipment supplied by a telephone company which is subject to  
14 the jurisdiction of the Board of Public Utilities, or contracts and  
15 agreements for the provision of work or the supplying of  
16 equipment to promote energy conservation and authorized  
17 pursuant to subsection i. of this section, and except contracts  
18 from insurance coverages, insurance consultant or  
19 administrative services, participation or membership in a joint  
20 self-insurance fund, risk management programs or related  
21 services of a county college insurance group, and participation  
22 in an insurance fund established by a county pursuant to N.J.S.  
23 40A:10-6 or a joint insurance fund established pursuant to P.L.  
24 1983, c. 372 (C. 40A:10-36 et seq.), shall contain a clause  
25 making them subject to the availability and appropriation  
26 annually of sufficient funds to meet the extended obligation or  
27 contain an annual cancellation clause.

(cf: P.L. 1985, c.204, s.8)

29 5. N.J.S. 40A:10-10 is amended to read as follows:

30 40A:10-10. Powers and authority of the commissioners. The  
31 commissioner shall have the following powers and authority:

32 a. Employ necessary clerical assistants, whose compensation  
33 shall be fixed and paid by the governing body of the local unit in  
34 the same manner as is that of other employees of the local unit;

35 b. Invest the fund and all additions and accretions thereto in  
36 such securities as they shall deem best suited for the purposes of  
37 this article;

38 c. Adopt rules and regulations for the control and investment  
39 of the fund;

1. **Keep on hand at all times sufficient money, or have the money invested in such securities as can be immediately sold for cash, for the payment of losses to any buildings or property of a local unit or of a county vocational school which participates in the fund pursuant to P.L. , c. (C. ) (now pending before the Legislature as Assembly Bill No. 2020 of 1983) or of a county college which participates in the fund pursuant to P.L. , c. (C. ) (now pending before the Legislature as this bill), or liability resulting from the operation of publicly owned motor vehicles, equipment or apparatus;**

11 e. **Fix reasonable rates of premium for all insurance carried by the insurance fund, and shall effect all insurance in the insurance fund or with any insurance company or companies authorized to do business in this State;**

15 f. **Premiums for insurance, whether carried in the insurance fund or placed with insurance companies, shall be paid to the commissioners by the board, commission, department, committee or officer having charge or control of the property insured;**

21 g. **All insurance upon property owned or controlled by a local unit or any of its departments, boards, agencies or commissions, or by a board of education of a participating county vocational school or by a board of trustees of a participating community college shall be placed and effected by the commissioners;**

25 h. **If provided by the rules and regulations of the commission, the secretary to the insurance fund commission shall be entrusted with the daily operation of the insurance fund and shall submit a report to the commissioners at least once a month. (cf: P.L. 1982, c.25, s.3)**

31 6. **(New section) For the purpose of the provisions of P.L. 1983, c. 372 (C. 40A:10-36 et seq.), "local unit" shall be deemed to include a county college.**

33 7. **This act shall take effect immediately.**

35 **INSURANCE**  
37 **Higher Education**

39 **Permits boards of trustees of county colleges to participate in county or joint insurance funds.**

## STATEMENT

1  
3 This bill permits county colleges to join a county insurance  
fund which has been created pursuant to N.J.S. 40A:10-6 or a  
5 joint insurance fund created pursuant to P.L. 1983, c. 372 (C.  
40A:10-36 et seq.), at the option of the county college. The  
7 board of trustees of the county college would be permitted to  
contract to join the fund. The contract would be required to  
9 specify the type and scope of coverage to be afforded, the  
premium basis for all insurance carried, the method of payment  
11 by the county college and the terms and conditions for  
withdrawal by the county college. Funds for premiums required  
13 to be appropriated and paid as set forth in the contract.

The bill also amends the "County College Contracts Law,"  
15 P.L. 1982, c. 189 (C. 18A:64A-25.1 et seq.) to permit the county  
college to enter into such a contract for a period of up to three  
17 years.

Currently, county colleges may enter into county college  
19 insurance groups for the purpose of self-insurance. This bill  
would permit the participation of the county college in a joint  
21 insurance fund established by the county or other public entity  
joint insurance funds. It is anticipated that participation in such  
23 a joint fund would result in premium savings for the county  
college.

25  
27 INSURANCE  
Higher Education

29 Permits boards of trustees of county colleges to participate in  
31 county or joint insurance funds.

**ASSEMBLY INSURANCE COMMITTEE**

**STATEMENT TO**

**ASSEMBLY, No. 2021**

**STATE OF NEW JERSEY**

**DATED: JANUARY 21, 1988**

**This bill permits county colleges to join, at their option, a county insurance fund which has been created pursuant to N.J.S. 40A:10-6 or a joint insurance fund created pursuant to N.J.S. 40A:10-36, if the county in which the county college is located has established such a fund. The board of trustees of the county college would be permitted to contract with the governing body of the county to join the fund. The contract would be required to specify the type and scope of coverage to be afforded, the premium basis for all insurance carried, the method of payment by the county college and the terms and conditions for withdrawal by the county college. Funds for premiums required by the contract would be required to be appropriated and paid as set forth in the contract.**

**The bill also amends the "County College Contracts Law," P. L. 1982, c. 189 (C. 18A:64A-25.1 et seq.) to permit the county college to enter into such a contract for a period of up to three years.**

**Currently, county colleges may enter into county college insurance groups for the purpose of self-insurance. This bill would permit the participation of the county college in a joint insurance fund established by the county. It is anticipated that participation in such a joint fund would result in premium savings for the county college.**

**This bill was pre-filed for introduction in the 1988 session pending technical review. As reported the bill includes the changes required by technical review which has been performed.**

SENATE EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2021

STATE OF NEW JERSEY

DATED: MAY 9, 1988

The Senate Education Committee favorably reports this bill without committee amendments.

This bill permits county colleges to join, at their option, a county insurance fund which has been created pursuant to N.J.S. 40A:10-6 or a joint insurance fund created pursuant to N.J.S. 40A:10-36, if the county in which the county college is located has established such a fund. The board of trustees of the county college would be permitted to contract with the governing body of the county to join the fund. The contract would be required to specify the type and scope of coverage to be afforded, the premium basis for all insurance carried, the method of payment by the county college and the terms and conditions for withdrawal by the county college. Funds for premiums required by the contract would be required to be appropriated and paid as set forth in the contract.

The bill also amends the "County College Contracts Law," P.L. 1982, c. 189 (C. 18A:64A-25.1 et seq.) to permit the county college to enter into such a contract for a period of up to three years.

Currently, county colleges may enter into county college insurance groups for the purpose of self-insurance. This bill would permit the participation of the county college in a joint insurance fund established by the county. It is anticipated that participation in such a joint fund would result in premium savings for the county college.



OFFICE OF THE GOVERNOR  
**NEWS RELEASE**

Governor Thomas H. Kean  
TRENTON, N.J. 08625  
Release: TUES., 11/1/88

**JOHN SAMERJAN**  
609-292-8956 OR 609-292-6000 EXT. 207

Governor Thomas H. Kean today signed the following legislation:

A-2020, sponsored by Assemblyman Ralph Loveys, R-Morris, permits boards of education of county vocational schools to participate in county or joint insurance funds.

A-2021, sponsored by Assemblyman Ralph Loveys, R-Morris, permits boards of trustees of county colleges to participate in county or joint insurance funds.

Both bills are effective immediately.

A-2630, sponsored by Assemblyman James Zangari, D-Essex, establishes a 45 day limit on when complaints against county or municipal law enforcement officers can be filed where the complaint is based on a violation of an internal rule or regulation of the law enforcement unit. The 45 day limit does not apply to complaints brought by private individuals.

The legislation is effective immediately.

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