

18A:18B-8

LEGISLATIVE HISTORY CHECKLIST

NJSA: 18A:18B-8 et al (County vocational schools-- provide joint insurance funds)

LAWS OF: 1988 CHAPTER: 143

BILL NO: A2020

SPONSOR(S): Loveys

Date Introduced: Pre-filed

Committee: Assembly: Insurance

Senate: Education

Amended during passage: No

Date of Passage: Assembly: February 8, 1988

Senate: September 26, 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 143, approved November 1, 1988

1988 Assembly No. 2020

AN ACT concerning group insurance for county vocational schools, supplementing P.L. 1983, c. 108 (C. 18A:18B-1 et seq.) and P.L. 1983, c. 372 (C. 40A:10-36 et seq.) and amending N.J.S. 18A:18A-42 and N.J.S. 40A:10-10.

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

1. (New section) In any county which has established an insurance fund pursuant to N.J.S. 40A:10-6 or is a member of a joint insurance fund pursuant to P.L. 1983, c. 372 (C. 40A:10-36 et seq.), the board of education of the county vocational school located within that county may, at the option of the board of education, enter into a contract with the governing body of the county or joint insurance fund to participate in the county insurance fund or a joint insurance fund as the case may be.

2. (New section) Any contract entered into between the board and the governing body of the fund shall, at a minimum, specify the type and scope of coverage to be afforded, the premium basis for all insurance carried, and the terms and conditions for withdrawal by the board of education from the insurance fund.

3. (New section) A board of education which enters into a contract pursuant to this act is authorized to pay the premiums required by that contract and shall include the funds necessary for the payment of these premiums as a current expense item in the annual school budget prepared and submitted to the board of school estimate pursuant to N.J.S. 18A:54-28.

4. N.J.S. 18A:18A-42 is amended to read as follows:

18A:18A-42. Any board of education may enter into a contract exceeding the fiscal year for the

a. Supplying of:

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

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 (8) Fuel or oil for use of automobiles, autobuses, motor
2 vehicles or equipment, for any term not exceeding in the
3 aggregate, three years;

4 (9) Thermal energy produced by a cogeneration facility, for
5 use for heating or air conditioning or both, for any term not
6 exceeding 20 years, when the contract is approved by the Board
7 of Public Utilities. For the purposes of this paragraph,
8 "cogeneration" means the simultaneous production in one
9 facility of electric power and other forms of useful energy such
10 as heating or process steam; or

11 b. Plowing and removal of snow and ice, for any term not
12 exceeding in the aggregate, three years; or

13 c. Collection and disposal of garbage and refuse, for any term
14 not exceeding in the aggregate, three years; or

15 d. Data processing service, for any term of not more than
16 five years; or

17 e. Insurance, including the purchase of insurance coverages,
18 insurance consultant or administrative services, and including
19 participation in a joint self-insurance fund, risk management
20 program or related services provided by a school board insurance
21 group, or participation in an insurance fund established by a
22 county pursuant to N.J.S. 40A:10-6, or a joint insurance fund
23 established pursuant to P.L. 1983, 372 (C. 40A:10-36 et seq.),
24 for any term of not more than three years; or

25 f. Leasing or servicing of automobiles, motor vehicles,
26 electronic communications equipment, machinery and equipment
27 of every nature and kind, for any term not exceeding in the
28 aggregate, five years; provided, however, such contracts shall be
29 entered into only subject to and in accordance with rules and
30 regulations promulgated by the State Board of Education; or

31 g. Supplying of any product or the rendering of any service by
32 a telephone company which is subject to the jurisdiction of the
33 Board of Public Utilities, for a term not exceeding five years; or

34 h. Materials, supplies or services that are required on a
35 recurring basis from year to year, for any term not exceeding in
36 the aggregate, two years; however, such contract may be
37 renewed yearly for a period not exceeding three additional years
38 without any further solicitation for bids or bidding upon a
39 finding by the board that the services are being performed in an

effective and efficient manner, or that the materials and supplies continue to meet the original specifications. If a board of education elects to renew an existing contract, the terms and conditions of the existing contract shall remain substantially unchanged and any increase in the contract cost over the three year period shall be no greater than a total of 20% over the initial cost; or

i. Driver education instruction conducted by private, licensed driver education schools, for any term not exceeding in the aggregate, three years; or

j. Performance of work or services or the furnishing of materials, supplies or equipment for the purpose of conserving energy in the buildings owned by any local board of education, the entire price of which shall be established as a percentage of the resultant savings in energy costs, for a term not to exceed 10 years; except that these contracts shall be entered into only subject to and in accordance with rules and regulations promulgated by the Department of Commerce, Energy and Economic Development pursuant to the "Administrative Procedure Act," P.L. 1968, c. 410 (C. 52:14B-1 et seq.), establishing a methodology for computing energy costs.

All multiyear leases and contracts entered into pursuant to this section 18A:18A-42, 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, 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 school board insurance group, participation in an insurance fund established by a county pursuant to N.J.S. 40A:10-6 or contracts for thermal energy authorized pursuant to subsection a. above, and contracts for the performance of work or services or the furnishing of materials, supplies or equipment to promote energy conservation authorized pursuant to subsection j. of this section, shall contain a clause making them subject to the availability and appropriation annually of sufficient funds as may be required to meet the extended obligation, or contain an annual cancellation clause.

(cf: P.L. 1984, c. 49 s.1)

4. N.J.S. 40A:1C-10 is amended to read as follows:

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

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

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

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

d. Keep on hand at all times sufficient money, or have the same invested in such securities as can be immediately sold for cash, for the payment of losses to any buildings or property of the local unit or of a county college which participates in the fund pursuant to P.L. , C. (c.) (now pending before the Legislature as Assembly Bill No. 2021 of 1988) or of a county vocational school 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;

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;

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;

g. All insurance upon property owned or controlled by a local unit or an 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 county college shall be placed and effected by the commissioners;

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)

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

7. This act shall take effect immediately.

INSURANCE

Education

Permits boards of education of county vocational schools to participate in county or joint insurance funds.

1 g. All insurance upon property owned or controlled by a local
 2 unit or an of its departments, boards, agencies or commissions,
 3 or by a board of education of a participating county vocational
 4 school or by a board of trustees of a participating county college
 5 shall be placed and effected by the commissioners;

6 h. If provided by the rules and regulations of the commission,
 7 the secretary to the insurance fund commission shall be
 8 entrusted with the daily operation of the insurance fund and
 9 shall submit a report to the commissioners at least once a month.

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STATEMENT

This bill permits county vocational schools to join a county
 insurance fund which has been created pursuant to N.J.S.
 40A:10-6 or a joint insurance fund created pursuant to P.L.
 1983, c. 372 (C. 40A:10-36 et seq.), at the option of the county
 vocational school. The board of education of the school would
 be permitted to contract with the governing body of 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 school and the terms and
 conditions for withdrawal by the school. 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 "Public School Contracts Law," P.L.
 1977, c. 114 (C. 18A:18-1 et seq.) to permit the county
 vocational school to enter into such a contract for a period of up
 to three years.

Currently, boards of education may join together in a school
 board insurance group for self-insurance purposes (P.L. 1983, c.
 108, C. 18A:18B-1 et seq.) and certain school boards may insure
 through municipal self-insurance funds (N.J.S. 18A:20-26). This
 bill would give them additional authority to join together with
 the county or to join a self-insurance fund.

INSURANCE**Education**

Permits boards of education of county vocational schools to participate in county or joint insurance funds.

ASSEMBLY INSURANCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2020

STATE OF NEW JERSEY

DATED: JANUARY 21, 1988

This bill permits county vocational schools, at their option, to join 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 school is located has established such a fund. The board of education of the school 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 school and the terms and conditions for withdrawal by the school. 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 "Public School Contracts Law," N.J.S. 18A:18A-1 et seq., to permit a county vocational school to enter into such a contract for a period of up to three years.

Currently, boards of education may join together in a school board insurance group for self-insurance purposes P.L. 1983, c. 108, (C. 18A:18B-1 et seq.) and certain school boards may insure through municipal self insurance funds (N.J.S. 18A:20-26). This would give them the additional authority to join together with the county in which they are located if the county has established a self-insurance fund.

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. 2020

STATE OF NEW JERSEY

DATED: MAY 9, 1988

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

This bill permits county vocational schools, at their option, to join 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 school is located has established such a fund. The board of education of the school 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 school and the terms and conditions for withdrawal by the school. 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 "Public School Contracts Law," N.J.S. 18A:18A-1 et seq., to permit a county vocational school to enter into such a contract for a period of up to three years.

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OFFICE OF THE GOVERNOR
NEWS RELEASE

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

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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