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§1
C.18A:64N-9.1
§2
C.18A:62-68
§§3-7
Note to s.1

P.L. 2023, CHAPTER 65, *approved June 30, 2023*
Senate, No. 3848 (*Second Reprint*)

(CORRECTED COPY)

1 AN ACT concerning public institutions of higher education and the
2 merger of Bloomfield College and Montclair State University,
3 and amending and supplementing various parts of the statutory
4 law.

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

8
9 1. (New section) The Legislature finds and declares that:

10 a. Bloomfield College is an independent institution of higher
11 education located in Bloomfield, New Jersey, originally established
12 by an act of the Legislature in 1871 as the “German Theological
13 School of Newark, New Jersey,” and which was later renamed
14 through an act of the Legislature first as the “Bloomfield
15 Theological Seminary” in 1913 and again in 1931 as “Bloomfield
16 College and Seminary.”

17 b. Bloomfield College is one of the most diverse liberal arts
18 colleges in the nation, with nearly 1,300 undergraduate students and
19 it is the State’s only four-year institution of higher education with
20 the federal designations of being a Minority Serving Institution
21 (MSI), a Hispanic-Serving Institution (HSI), and a Predominantly
22 Black Institution (PBI).

23 c. Bloomfield College is unable to continue operations as an
24 independent college due to significant financial challenges, which
25 have been further exacerbated by declining enrollment.

26 d. Due to Bloomfield College’s status as the State’s only MSI,
27 HSI and PBI, it is of great public importance to New Jersey’s
28 system of higher education that Bloomfield College continue
29 operations.

30 e. Montclair State University is a public institution of higher
31 education with its main campus located in Montclair, Little Falls,
32 and Clifton, New Jersey, and which has been designated by an act
33 of the Legislature as a public research university in the State.

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted June 12, 2023.

²Assembly AAP committee amendments adopted June 22, 2023

1 f. Montclair State University is comprised of 10 colleges and
2 schools that serve over 21,000 undergraduate and graduate students
3 in more than 300 doctoral, master's, and baccalaureate level
4 programs.

5 g. Montclair State University has been granted broad powers as
6 a public research university to undertake activities that are
7 necessary or desirable for university purposes, including the ability
8 to acquire property, enter into contracts, form entities, and make
9 decisions regarding the development of the university.

10 h. Recognizing the public importance of Bloomfield College,
11 and determining that it is both necessary and desirable for
12 university purposes, Montclair State University has entered into an
13 agreement with Bloomfield College for it to become a part of
14 Montclair State University.

15 i. The preservation of Bloomfield College's mission through an
16 alignment with Montclair State University is within the public
17 interest and has an important public purpose as it will preserve
18 Bloomfield College's mission.

19

20 2. (New section) a. ¹As used in this section, "authority" means
21 the New Jersey Educational Facilities Authority established
22 pursuant to N.J.S.18A:72A-4.

23 b.¹ The governing board of a public institution of higher
24 education may permit the use of any part of a building or facility of
25 the institution, or of its subsidiaries or affiliates, in whole or in part,
26 by one or more other public institutions of higher education in a
27 manner that the education of students in the various institutions of
28 higher education may be conducted cooperatively and made more
29 widely and efficiently available to the people of the State.

30 ¹[b.] Notwithstanding the provisions of this subsection, if the
31 building or facility of the institution is owned by the authority, the
32 governing board of the institution shall obtain the authority's prior
33 written consent to such use as permitted by this subsection.

34 c.¹ The care, custody, and control of any building ¹or facility¹
35 used jointly by two or more public institutions of higher education
36 pursuant to subsection ²[a.] b.² of this section shall remain vested
37 in the governing board ¹of the institution¹ which permits the use of
38 the building or facility.

39 ¹[c.] d.¹ The care, custody, and control of a building ¹[of a
40 public institution of higher education] or facility owned by a public
41 institution of higher education and¹ used wholly by a second public
42 institution of higher education shall be exercised by the second
43 institution of higher education, subject to the visitorial power of the
44 first institution.

45 ¹e. The care, custody, and control of a building or facility of a
46 public institution of higher education owned by the authority and
47 used wholly by a second public institution of higher education shall

1 be exercised by the second institution of higher education, subject
2 to the visitorial power of the first institution and the authority.¹

3
4 3. Section 1 of P.L.1871, c.18 is amended to read as follows:

5 1. **【Be it enacted by the Senate and General Assembly of the**
6 State of New Jersey, That Jonathan F. Stearns, Joseph Few Smith,
7 Charles A. Smith, George C. Seibert, Charles E. Knox, Thomas N.
8 McCarter, F. Wolcott Jackson, William F. Van Wagenen and Philip
9 Doremus and their successors, are hereby constituted a body
10 corporate and politic, in fact and in name, by the name of “The
11 German Theological School of Newark, New Jersey,” and by that
12 name shall have succession and be capable in law of taking and
13 holding, by gift, grant, devise or otherwise, and of holding and
14 conveying, both in law and in equity, and real or personal estate,
15 and may have a common seal and change the same at pleasure.】
16 “The German Theological School of Newark, New Jersey,” a body
17 politic and corporate in fact and in law, established pursuant to
18 P.L.1871, c.18, that name having been further changed to
19 “Bloomfield Theological Seminary,” pursuant to P.L. 1913, c. 265,
20 and the name having been further changed to the “Bloomfield
21 College and Seminary,” pursuant to P.L.1931, c.260, shall hereby
22 be known as “Bloomfield College.”

23 (cf: P.L.1871, c.18, s.1)

24
25 4. Section 2 of P.L.1871, c.18 is amended to read as follows:

26 2. **【And be it enacted, That the】** The government of the 【said】
27 corporation shall be vested in a board of 【directors】 trustees, which
28 shall consist of 【nine members, five of whom shall be clergymen,
29 and four laymen; the corporators above named shall be the first
30 board of directors of said corporation, and shall be divided into
31 three classes, to be numbered one, two, and three; the term of the
32 first shall expire in one, the second in two and the third in three
33 years from the first day of May last; Joseph Few Smith, Charles E.
34 Knox and Thomas N. McCarter, shall compose the first class;
35 Charles A. Smith, William F. Van Wagenen and Philip Doremus,
36 shall compose the second class, and Jonathan F. Stearns, George C.
37 Seibert and F. Wolcott Jackson, shall compose the third class; each
38 class of directors shall hereafter be chosen for and hold their office
39 during three years, and until a new election to supply the place of
40 such class】 not more than 39 persons of legal age all of whom shall
41 be elected by the board of trustees and one-third of whom are to be
42 elected each year. The organization of the initial board of trustees
43 shall be set forth in the corporation’s bylaws. The trustees shall be
44 appointed or elected in accordance with the corporation’s bylaws as
45 adopted and amended from time to time by the corporation’s board
46 of trustees, which shall include provisions for the qualifications for
47 trustees, terms, possible division into classes, and provisions for

1 removal of trustees from office. The trustees and their successors
2 shall manage and care for the estate of both real and personal
3 property of the corporation, and shall have the power to sell,
4 encumber as security for loans, or otherwise dispose of the property
5 in their discretion for the purpose of advancing the objectives of the
6 school, and shall also have power to adopt a constitution and all
7 necessary bylaws and ordinances for the management and
8 government of the school, provided they are not in conflict with the
9 laws of this State.

10 (cf: P.L.1871, c.18, s.2)

11

12 5. Section 3 of P.L.1871, c.18 is amended to read as follows:

13 3. **【**And be it enacted, That the Presbytery of Newark may
14 annually hereafter elect at its stated spring meeting, three directors
15 of said corporation to supply the place of the class which shall
16 expire in that year, and shall also have power to fill any vacancy
17 that may have happened by death, resignation or otherwise, in any
18 other class, such election to be held in such manner as the said
19 Presbytery of Newark shall direct; and any such election shall be
20 subject to review by the next General Assembly of the Presbyterian
21 Church in the United States of America; and in case the said general
22 assembly shall disapprove of such election, the offices of the
23 director or directors disapproved of, shall thereupon become vacant;
24 the board of directors shall also have power to fill all vacancies in
25 their own board which may happen from year to year, and such
26 appointment shall be valid until the first day of May then next
27 following, or until the election of a successor by the Presbytery as
28 aforesaid. **】**

29 a. Whenever deemed by the board of trustees to be in the best
30 interest of the corporation, it shall be lawful for the board of
31 trustees to approve the sale or other disposition of the corporation,
32 or of all or substantially all of the assets of the corporation, in
33 accordance with State law. Upon dissolution of the corporation or
34 the winding up of its affairs, the assets of the corporation shall be
35 distributed as set forth in the corporation's bylaws, provided that
36 the distribution shall be for one or more exempt purposes within the
37 meaning of paragraph (3) of subsection (c) of section 501 of the
38 federal Internal Revenue Code of 1986, 26 U.S.C. s.501(c)(3),
39 consistent with the educational purposes of the corporation, or shall
40 be distributed to the federal government, or to a state or local
41 government, for a public purpose.

42 b. Nothing contained within sections 1 through 5 of P.L.1871,
43 c.18 shall be construed to impair, annul, or affect any vested rights,
44 grants, charter rights, privileges, exemptions, immunities, powers,
45 prerogatives, franchises, or advantages heretofore obtained or
46 enjoyed by the corporation or any constituent unit thereof, under
47 authority of its charter or any act of this State or under any grant,
48 deed, conveyance, transfer, lease, estate, remainder, expectancy,

1 trust, gift, donation, legacy, devise, endowment, or fund, all of
2 which are hereby ratified and confirmed, and all of which shall
3 survive and shall continue to vest in the corporation and in any
4 nonprofit entity that merges or consolidates with the corporation,
5 along with the assumption of all of the liabilities that have not been
6 satisfied by the corporation prior to the merger or consolidation, or
7 any nonprofit entity that obtains substantially all of the assets of the
8 corporation or, in the event of a merger or consolidation,
9 substantially all of the assets of the successor of the corporation,
10 upon the dissolution or the winding up of the affairs of the
11 corporation or its successor.

12 (cf: P.L.1871, c.18, s.3)

13

14 6. Section 4 of P.L.1871, c.18 is amended to read as follows:

15 4. **【**And be it enacted, That the said directors and their
16 successors shall have the management and care of the estate, both
17 real and personal of said corporation, and shall have power to sell
18 or otherwise dispose of the same in their discretion, for the purpose
19 of advancing the objects of said school, and shall also have power
20 to adopt a constitution and all necessary by-laws and ordinances for
21 the management and government of said school; provided, the same
22 be not in conflict with the laws and constitution of this State or of
23 the United States**】** Without limiting or impinging upon the powers
24 currently vested in the corporation pursuant to sections 1 through 5
25 of P.L.1871, c.18, the corporation may merge or consolidate with
26 one or more other nonprofit corporations formed under Title 15A of
27 the New Jersey Statutes and operated primarily for educational
28 purposes and exempt under paragraph (3) of subsection (c) of
29 section 501 of the federal Internal Revenue Code of 1986, 26
30 U.S.C. s.501(c)(3), as the board of trustees may determine, but
31 consistent with the public purposes of the corporation.

32 (cf: P.L.1871, c.18, s.4)

33

34 7. Section 5 of P.L.1871, c.18 is amended to read as follows:

35 5. **【**And be it enacted, That, whenever from a cessation of
36 German immigration, or from any other cause, it may be deemed
37 inexpedient longer to maintain said institution as a distinctive
38 German theological school, it shall be lawful for the directors, with
39 the approval of the Presbytery of Newark, and of the General
40 Assembly of the Presbyterian Church of the United States, to use
41 the property and funds of said corporation for any other branch of
42 theological and collegiate or collegiate education, or transfer its
43 property and funds to any other theological seminary; and in case of
44 such transfer of all the property of said corporation to another
45 seminary or seminaries, the corporate power hereby granted shall
46 cease, and said corporation shall be thereby dissolved.**】** The
47 corporation may have a member or members, the powers and
48 qualifications for which shall be set forth in the bylaws of the

1 corporation and which shall comply with the provisions of
2 N.J.S.15A:1-1 et seq.
3 (cf: P.L.1951, c.178)

4
5 8. Section 1 of P.L.2010, c.99 (C.18A:64-86) is amended to read
6 as follows:

7 1. As used in **[this act]** P.L.2010, c.99 (C.18A:64-86 set seq.):

8 "Board of trustees" or "trustees" means the board of trustees
9 established pursuant to the bylaws of the **[State]** public college risk
10 management group to govern or manage the risk management
11 programs, joint liability funds, and related services of the group.

12 "Certified audit" means an audit upon which an auditor expresses
13 a professional opinion that the accompanying statements present
14 fairly the financial position of a joint liability fund in conformity
15 with generally accepted accounting principles consistently applied,
16 and includes tests of the accounting records and other auditing
17 procedures as considered necessary in the circumstances.

18 "Commissioner" means the Commissioner of Banking and
19 Insurance.

20 "Contributions" means the moneys paid by a member of a
21 **[State]** public college risk management group in amounts as may
22 be set by the board of trustees or other officers as provided in the
23 group's bylaws for the purposes of participating in a joint liability
24 fund or funds, or securing risk management programs or related
25 services.

26 "Joint liability fund" or "fund" means a joint liability fund
27 established by a **[State]** public college risk management group
28 pursuant to **[this act]** P.L.2010, c.99 (C.18A:64-86 et seq.). The
29 joint liability fund is a fund of public moneys from contributions
30 made by members of a **[State]** public college risk management
31 group for the purpose of securing insurance, risk management
32 programs, or related services as authorized by this act.

33 **["State college" means any of the State colleges or universities**
34 **established pursuant to chapter 64 of Title 18A of the New Jersey**
35 **Statutes.]**

36 **["State]** Public college risk management group" or "group"
37 means an association formed by two or more **[State colleges]** four-
38 year public institutions of higher education for the development,
39 administration, and provision of risk management programs, joint
40 liability funds for the payment of liabilities incurred by the **[State**
41 **colleges]** institutions and not funded by the State of New Jersey
42 pursuant to the provisions of the "New Jersey Tort Claims Act,"
43 N.J.S.59:1-1 et seq., and related services.

44 "Risk management program" means a plan, and activities carried
45 out under the plan, by a **[State]** public college risk management
46 group to reduce risk of loss with respect to liabilities incurred by
47 the **[State colleges]** four-year public institutions of higher

1 education, including safety engineering and other loss prevention
2 and control techniques. A risk management program also includes
3 the administration of one or more joint liability funds, including the
4 processing and defense of claims brought against or on behalf of
5 members of the group.

6 (cf: P.L.2010, c.99, s.1)

7

8 9. Section 2 of P.L.2010, c.99 (C.18A:64-87) is amended to read
9 as follows:

10 2. A **【State college】** four-year public institution of higher
11 education is authorized to insure, contract or provide for any
12 insurable interest of the **【State college】** institution in the manner
13 authorized by section 3 of **【this act】** P.L.2010, c.99 (C.18A:64-86
14 et seq.), for the following:

15 a. Any loss or damage to its property, real or personal, motor
16 vehicles, equipment or apparatus;

17 b. Loss or damage from liability as established by the "New
18 Jersey Contractual Liability Act," N.J.S.59:13-1 et seq.;

19 c. Loss or damage from liability as established by the workers'
20 compensation law, R.S.34:15-1 et seq.; and

21 d. Expenses of defending any claim against the **【State college】**
22 institution, trustee, officer, employee or servant arising out of and in
23 the course of the performance of their duties, whether or not
24 liability exists on the claim, not eligible for defense and
25 indemnification by the State of New Jersey in accordance with the
26 provisions of the "New Jersey Tort Claims Act," N.J.S.59:1-1 et
27 seq.

28 (cf: P.L.2010, c.99, s.2)

29

30 10. Section 3 of P.L.2010, c.99 (C.18A:64-88) is amended to
31 read as follows:

32 3. a. Any two or more **【State colleges】** four-year public
33 institutions of higher education may form and become members of a
34 **【State】** public college risk management group. A **【State college】**
35 four-year public institution of higher education may take this action
36 by resolution of the governing board of **【trustees of】** the **【State**
37 **college】** institution. Through membership in a **【State】** public
38 college risk management group, a **【State college】** four-year public
39 institution of higher education may participate in any joint liability
40 funds, risk management programs or related services offered or
41 provided by the group. The group shall have the power to establish
42 funds for coverages authorized in section 2 of **【this act】** P.L.2010,
43 c.99 (C.18A:64-86 et seq.) and to jointly purchase insurance or
44 coverages under a master policy or contract of insurance for
45 participating members. The group shall have the power to take other
46 actions necessary to developing, administering, and providing risk

1 management programs, joint liability funds, joint insurance
2 purchases, and related services.

3 b. The bylaws of the **【State】** public college risk management
4 group shall provide that any **【State college】** four-year public
5 institution of higher education may join the group, provided it
6 agrees to comply with the standards for membership, including risk
7 management programs, which shall be established by the group, and
8 may be a member as long as it complies with the standards for
9 membership.

10 c. A **【State】** public college risk management group may sue or
11 be sued for the liabilities and coverages authorized by section 2 of
12 **【this act】** P.L.2010, c.99 (C.18A:64-86 et seq.) and shall appoint a
13 natural person residing in this State or a corporation authorized to
14 do business in this State as its agent for service of process. The
15 group shall notify the commissioner and the Office of the Attorney
16 General of the appointment.

17 d. A **【State】** public college risk management group shall not be
18 considered or deemed to be an insurance company or an insurer
19 under the laws of this State and the development, administration or
20 provision by a group of joint liability funds, risk management
21 programs, and related services shall not constitute the transaction of
22 insurance or the conducting of an insurance business. A group shall
23 not be subject to the provisions of Title 17, Subtitle 3 of the
24 Revised Statutes.

25 (cf: P.L.2010, c.99, s.3)

26

27 11. Section 4 of P.L.2010, c.99 (C.18A:64-89) is amended to
28 read as follows:

29 4. a. The bylaws of a **【State】** public college risk management
30 group shall:

31 (1) set forth a statement of purposes of the group;

32 (2) set forth provisions for organization of the group, including
33 governance by a board of trustees;

34 (3) provide for the delivery of risk management programs in
35 conjunction with any joint liability fund which the board of trustees
36 shall establish;

37 (4) set forth procedures to enforce the collection of any
38 contributions or payments in default;

39 (5) set forth membership standards as required in section 3 of
40 **【this act】** P.L.2010, c.99 (C.18A:64-86 et seq.);

41 (6) require that, for each joint liability fund, a contract or
42 contracts of specific and aggregate excess insurance or reinsurance
43 is maintained, if available, unless otherwise recommended by the
44 trustees upon the advice and report of an independent actuary;

45 (7) set forth procedures for:

46 (a) withdrawal from the group and a fund by a member;

- 1 (b) termination of the group or fund and disposition of assets;
2 and
3 (c) determining the obligations, if any, of a member in the event
4 that the group is unable to pay indemnification obligations and
5 expenses payable from a fund administered by it;
6 (8) require an annual certified audit to be prepared and filed
7 with the commissioner;
8 (9) require that any joint liability fund be developed and
9 operated in accordance with accepted and sound actuarial practices;
10 (10) provide that any expenditure of moneys in a fund be in
11 furtherance of the purpose of the fund; and
12 (11) set forth other provisions as desired for operation and
13 governance of the group.
- 14 b. The bylaws of a **[State]** public college risk management
15 group shall provide for governance of the group by a board of
16 trustees selected in accordance with the provisions of the bylaws.
17 The bylaws shall provide for trustee powers and duties and shall
18 include, but not be limited to, the following powers of the board of
19 trustees:
- 20 (1) to determine and establish contributions and rates, loss
21 reserves, surplus, limits of coverage, limits of excess or reinsurance,
22 coverage documents, dividends and other financial and operating
23 policies of the group or fund;
24 (2) to invest moneys held in trust under a fund in investments
25 which are approved for investment by regulation of the State
26 Investment Council for surplus moneys of the State;
27 (3) to purchase, acquire, hold, lease, sell and convey real and
28 personal property, all of which property shall be exempt from
29 taxation under chapter 4 of Title 54 of the Revised Statutes;
30 (4) to collect and disburse all money due to or payable by the
31 group, or authorize such collection and disbursement;
32 (5) to enter into contracts with other persons or with public
33 bodies of this State for any professional, administrative or other
34 services as may be necessary to carry out the purposes of the group
35 or any fund;
36 (6) to purchase and serve as the master policyholders, if desired,
37 for any insurance, including excess or reinsurance; and
38 (7) to do all other things necessary and proper to carry out the
39 purposes for which the group is established.

40 (cf: P.L.2010, c.99, s.4)

41

42 12. Section 5 of P.L.2010, c.99 (C.18A:64-90) is amended to
43 read as follows:

44 5. a. The board of trustees of a **[State]** public college risk
45 management group shall have not less than three or more than 15
46 trustees. A trustee shall be a natural person 18 years of age or older
47 who is a resident of this State. A majority of the trustees of a group
48 shall be members or employees of member **[State colleges]**

1 institutions of higher education, provided that a trustee who ceases
2 to be a member or employee of a **【State college】** four-year public
3 institution of higher education may be allowed to serve for not more
4 than 90 days following cessation without violating this provision.

5 b. A trustee shall not be paid a salary, except that the written
6 trust instrument may provide for reimbursement for actual expenses
7 incurred on behalf of the fund and for compensation not to exceed
8 \$200 for any day or portion of a day spent at a meeting of the
9 trustees. Except as otherwise provided in this act, a trustee shall not
10 enter into any contract with the group or receive any moneys or
11 other compensation or thing of value whatsoever from the group for
12 services performed for or on behalf of the group.

13 (cf: P.L.2010, c.99, s.5)

14
15 13. Section 6 of P.L.2010, c.99 (C.18A:64-91) is amended to
16 read as follows:

17 6. a. A **【State】** public college risk management group, or any
18 joint liability fund of the group, shall not begin functioning as a
19 means of providing coverage or protection for or among its
20 members until the group's bylaws have been filed with and
21 approved by the commissioner. The commissioner may disapprove
22 the bylaws only if the bylaws do not conform with the provisions of
23 **【this act】** P.L.2010, c.99 (C.18A:64-86 et seq.). The commissioner
24 shall set forth the reasons for disapproval in writing. If the
25 commissioner fails to approve or disapprove the bylaws within 60
26 days following filing of the bylaws with the commissioner, the
27 bylaws shall be deemed approved. The reasonable costs of the
28 commissioner's review of the bylaws shall be chargeable to the
29 **【State】** colleges seeking to establish the group.

30 b. A **【State】** public college risk management group shall file an
31 annual report, on a form to be prescribed by the commissioner, and
32 shall include a financial statement of the group's assets and
33 liabilities, the claims paid during the preceding 12 months, current
34 reserves, incurred losses, and any other information that the
35 commissioner may require.

36 c. The commissioner shall have authority to examine the
37 books, records and affairs of any **【State】** public college risk
38 management group or any of its liability funds at a time to be fixed
39 by the commissioner. The reasonable costs of any examination or
40 review shall be chargeable to the **【State】** public college risk
41 management group.

42 d. If at any time the commissioner determines that the **【State】**
43 public college risk management group has experienced a
44 deterioration in its financial condition which adversely affects or
45 will adversely affect its ability to pay expected losses, the
46 commissioner may:

1 (1) require an increase in the reserves of the group as required
2 by section 4 of **[this act]** P.L.2010, c.99 (C.18A:64-86 et seq.); or

3 (2) require the purchase of excess insurance or reinsurance.
4 (cf: P.L.2010, c.99, s.6)

5
6 14. Section 7 of P.L.2010, c.99 (C.18A:64-92) is amended to
7 read as follows:

8 7. Funds for premiums required by the contract between the
9 governing body of the **[State college]** four-year public institution
10 of higher education and the board of trustees of the **[State]** public
11 college risk management group shall be appropriated and paid as set
12 forth in the contract in the same manner as appropriations are made
13 for other expenses of the **[State college]** four-year public institution
14 of higher education.

15 (cf: P.L.2010, c.99, s.7)

16
17 15. Section 8 of P.L.2010, c.99 (C.18A:64-93) is amended to
18 read as follows:

19 8. The Commissioner of Banking and Insurance shall
20 promulgate rules and regulations necessary to effectuate the
21 purposes of this act pursuant to the "Administrative Procedure Act,"
22 P.L.1968, c.410 (C.52:14B-1 et seq.). The rules and regulations
23 shall include, but not be limited to, the establishment, operation,
24 modification and dissolution of a **[State]** public college joint
25 liability fund established pursuant to the provisions of **[this act]**
26 P.L.2010, c.99 (C.18A:64-86 et seq.).

27 (cf: P.L.2010, c.99, s.8)

28
29 16. Section 9 of P.L.2017, c.178 (C.18A:64N-9) is amended to
30 read as follows:

31 9. The board of trustees of Montclair State University shall
32 have the general supervision over and be vested with the conduct of
33 the university. It shall have the power and duty to:

34 a. Adopt **[and]**, use , and modify, as it deems appropriate, its
35 **[a]** corporate seal;

36 b. Determine the educational curriculum and program of the
37 university , including approving the establishment of new
38 educational programs, departments, or schools, and the
39 discontinuance of existing educational programs, departments, or
40 schools at the university, provided that the action is consistent with
41 the university's programmatic mission and that the action is
42 reviewed by the New Jersey President's Council pursuant to
43 subsection c. of section 8 of P.L.1994, c.48 (C.18A:3B-8) or
44 approved by the Secretary of Higher Education pursuant to
45 subsection f. of section 14 of P.L.1994, c.48 (C.18A:3B-14), as
46 applicable;

- 1 c. Determine policies for the organization, administration, and
2 development of the university;
- 3 d. Study the educational and financial needs of the university,
4 annually acquaint the Governor and Legislature with the condition
5 of the university, and prepare and submit an annual request for
6 appropriation to the Division of Budget and Accounting in the
7 Department of the Treasury in accordance with law;
- 8 e. Disburse all moneys appropriated to the university by the
9 Legislature and all moneys received from tuition, fees, auxiliary
10 services and other sources;
- 11 f. Direct and control expenditures and transfers of funds
12 appropriated to the university in accordance with the provisions of
13 the State budget and appropriation acts of the Legislature, and, as to
14 funds received from other sources, direct and control expenditures
15 and transfers in accordance with the terms of any applicable trusts,
16 gifts, bequests, or other special provisions, reporting changes and
17 additions thereto and transfers thereof to the Director of the
18 Division of Budget and Accounting in the Department of the
19 Treasury. All accounts of the university shall be subject to audit by
20 the State at any time;
- 21 g. In accordance with the provisions of the State budget and
22 appropriation acts of the Legislature, appoint and fix the
23 compensation and term of office of a president of the university
24 who shall be the executive officer of the university and an ex officio
25 member of the board of trustees, without vote, and shall serve at the
26 pleasure of the board of trustees;
- 27 h. In accordance with the provisions of the State budget and
28 appropriation acts of the Legislature, appoint, upon nomination of
29 the president, such deans and other members of the academic,
30 administrative, and teaching staffs as shall be required and fix their
31 compensation and terms of employment;
- 32 i. Consistent with the provisions of its budget, this act and any
33 and all controlling collective bargaining agreements, have the
34 power, upon nomination or recommendation of the president, to
35 appoint, remove, promote and transfer all other officers, agents, or
36 employees which may be required to carry out the provisions of this
37 act and prescribe qualifications for those positions, and assign
38 requisite duties and determine and fix respective compensation for
39 those positions in accordance with duly adopted salary program
40 parameters;
- 41 j. Grant diplomas, certificates or degrees;
- 42 k. Enter into contracts and agreements with the State or any of
43 its political subdivisions or with the United States, or with any
44 public body, department or other agency of the State or the United
45 States, including any public institution of higher education in the
46 State or their subsidiaries or affiliates, or with any individual, firm
47 or corporation which are deemed necessary or advisable by the
48 board for carrying out the provisions of this act. A contract or
49 agreement pursuant to this subsection may require a municipality to
50 undertake obligations and duties to be performed subsequent to the

- 1 expiration of the term of office of the elected governing body of
2 such municipality which initially entered into or approved said
3 contract or agreement, and the obligations and duties so incurred by
4 such municipality shall be binding and of full force and effect,
5 notwithstanding that the term of office of the elected governing
6 body of such municipality which initially entered into or approved
7 said contract or agreement, shall have expired;
- 8 l. Exercise the right of eminent domain, pursuant to the
9 provisions of the "Eminent Domain Act of 1971," P.L.1971, c.361
10 (C.20:3-1 et seq.), to acquire any property or interest therein;
- 11 m. Adopt, after consultation with the president and faculty,
12 bylaws and make and promulgate such rules, regulations, and
13 orders, not inconsistent with the provisions of this act as are
14 necessary and proper for the administration and operation of the
15 university and the carrying out of its purposes;
- 16 n. Establish fees for room and board sufficient for the
17 operation, maintenance, and rental of student housing and food
18 services facilities;
- 19 o. Fix and determine tuition rates and other fees to be paid by
20 students;
- 21 p. Accept from any government or governmental department,
22 agency or other public or private body or from any other source
23 grants or contributions of money or property which the board may
24 use for or in aid of any of its purposes;
- 25 q. Acquire, by gift, purchase, condemnation or otherwise, own,
26 lease, dispose of, use and operate property, whether real, personal
27 or mixed, or any interest therein, which is necessary or desirable for
28 university purposes;
- 29 r. Employ architects to plan buildings; secure bids for the
30 construction of buildings and for the equipment thereof; make
31 contracts for the construction of buildings and for equipment; and
32 supervise the construction of buildings;
- 33 s. Manage and maintain, and provide for the payment of all
34 charges on and expenses in respect of, all properties utilized by the
35 university;
- 36 t. Borrow money and to secure the same by a mortgage on its
37 property or any part thereof, and to enter into any credit agreement
38 for the needs of the university, as deemed requisite by the board, in
39 such amounts and for such time and upon such terms as may be
40 determined by the board, provided that no such borrowing shall be
41 deemed or construed to create or constitute a debt, liability, or a
42 loan or pledge of the credit or be payable out of property or funds,
43 other than moneys appropriated for that purpose, of the State;
- 44 u. Authorize any other new program, educational department or
45 school **【consistent with the programmatic mission of the institution
46 or approved by the Secretary of Higher Education】**;
- 47 v. Adopt standing operating rules and procedures for the
48 purchase of all equipment, materials, supplies and services;
49 however, no contract on behalf of the university shall be entered
50 into for the purchase of services, materials, equipment and supplies,

1 for the performance of any work, or for the hiring of equipment or
2 vehicles, where the sum to be expended exceeds \$33,000 or the
3 amount determined by the Governor as provided herein, unless the
4 university shall first publicly advertise for bids and shall award the
5 contract to that responsible bidder whose bid, conforming to the
6 invitation for bids, will be most advantageous to the university,
7 price and other factors considered. Such advertising shall not be
8 required in those exceptions created by the board of trustees of the
9 university, which shall be in substance those exceptions contained
10 in sections 4 and 5 of P.L.1954, c.48 (C.52:34-9 and 10) and section
11 5 of P.L.1986, c.43 (C.18A:64-56) or for the supplying of any
12 product or the rendering of any service by a public utility subject to
13 the jurisdiction of the Board of Public Utilities of this State and
14 tariffs and schedules of the charges made, charged, or exacted by
15 the public utility for any such products to be supplied or services to
16 be rendered are filed with the said board.

17 Commencing July 1, 2017 and every two years thereafter, the
18 Governor, in consultation with the Department of the Treasury,
19 shall adjust the threshold amount set forth in this paragraph in direct
20 proportion to the rise or fall of the consumer price index for all
21 urban consumers in the New York City and the Philadelphia areas
22 as reported by the United States Department of Labor. The
23 Governor shall notify the university of the adjustment. The
24 adjustment shall become effective on July 1 of the year in which it
25 is reported.

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

39 w. Invest certain moneys in such obligations, securities and
40 other investments as the board shall deem prudent, consistent with
41 the purposes and provisions of this act and in accordance with State
42 and federal law, as follows:

43 Investment in **【not-for-profit】** nonprofit corporations or for-
44 profit corporations organized and operated pursuant to the
45 provisions of subsection x. of this section may utilize income
46 realized from the sale or licensing of intellectual property as well as
47 the reinvestment of earnings on intellectual property. Investment in
48 **【not-for-profit】** nonprofit corporations may also utilize income
49 from overhead grant fund recovery as permitted by federal law as

1 well as other university funds except those specified in paragraph 5
2 of subsection x. of this section;

3 x. (1) Participate as the general partner or as a limited partner,
4 either directly or through a subsidiary corporation created by the
5 university, in limited partnerships, general partnerships, or joint
6 ventures to support ²any purpose related to the university such
7 purposes² including, but not limited to, those engaged in the
8 development, manufacture, or marketing of products, technology,
9 scientific information or services and create or form for-profit or
10 **not-for-profit** nonprofit corporations to engage in such activities;
11 provided that ²:

12 (a)² any such participation shall be consistent with the mission
13 of the university ²**and** ;

14 (b)² the board shall have determined that such participation is
15 prudent ²; and

16 (c) unit work performed by employees of the university
17 represented by one of the existing executive branch Statewide
18 collective negotiations units is not transferred to the subsidiary
19 corporation, limited partnership, general partnership, or joint venture
20 created pursuant to this subsection or to persons employed by such
21 subsidiary corporation, limited partnership, general partnership, or
22 joint venture²;

23 (2) The decision to participate in any activity described in
24 paragraph (1) of this subsection, including the creation or formation
25 of for-profit or **not-for-profit** nonprofit corporations, shall be
26 articulated in the minutes of the board of trustees meeting in which
27 the action was approved;

28 (3) The provisions of P.L.1971, c.182 (C.52:13D-12 et seq.)
29 shall continue to apply to the university, its employees, and
30 officers;

31 (4) Nothing herein shall be deemed or construed to create or
32 constitute a debt, liability, or a loan or pledge of the credit or be
33 payable out of property or funds of the State;

34 (5) Funds directly appropriated to the university from the State
35 or derived from the university's academic programs shall not be
36 utilized by the for-profit or **not-for-profit** nonprofit corporations
37 organized and operated pursuant to this subsection in the
38 development, manufacture, or marketing of products, technology or
39 scientific information;

40 (6) Employees of any joint venture, subsidiary corporation,
41 partnership, or other jural entity formed, entered into, or owned
42 wholly or in part by the university shall not be deemed public
43 employees, however, any public employees of the university who
44 may be assigned to support any joint venture, subsidiary
45 corporation, partnership, or other jural entity formed, entered into,
46 or owned wholly or in part by the university shall continue to be
47 deemed public employees;

- 1 (7) A joint venture, subsidiary corporation, partnership, or other
2 jural entity entered into or owned wholly or in part by the university
3 shall not be deemed an instrumentality of the State of New Jersey;
- 4 (8) Income realized by the university [as a result of
5 participation in the development, manufacture, or marketing of
6 products, technology, or scientific information] pursuant to this
7 subsection may be invested [or], reinvested [pursuant to subsection
8 w. of this section or any other provision] , or retained by the board
9 in accordance with the provisions of this act or State or federal law
10 [or retained by the board] for use in furtherance of any of the
11 purposes of this act or of other applicable statutes;
- 12 (9) The board shall annually report to the State Treasurer on the
13 operation of all joint ventures, subsidiary corporations,
14 partnerships, or such other jural entities entered into or owned
15 wholly or in part by the university; and
- 16 (10) This subsection shall apply if a joint venture, subsidiary
17 corporation, partnership, or other jural entity entered into or owned
18 wholly or in part by the university, is expressly formed, created, or
19 owned by the university pursuant to the authority set forth in this
20 subsection. Further, this subsection shall in no way be construed to
21 prohibit or limit the university from separately pursuing any other
22 activities permitted by the authority granted under this act, or
23 separately utilizing any other powers expressly authorized by this
24 act for any activity consistent with the university's institutional
25 mission, including to participate as the general partner or as a
26 limited partner, either directly or through a subsidiary corporation
27 created by the university, in limited partnerships, general
28 partnerships, or joint ventures, otherwise than pursuant to this
29 subsection;
- 30 y. Sue and be sued in its own name;
- 31 z. Retain independent counsel including representation by the
32 Attorney General in accordance with subsection h. of section 6 of
33 P.L.1994, c.48 (C.18A:3B-6) and, notwithstanding any other
34 provision of law to the contrary, if the university elects not to be
35 represented by the Attorney General in any matter in which the
36 university is solely responsible for any potential liability, it shall be
37 permitted to do so upon notice to the Attorney General;
- 38 aa. (1) Procure and enter into contracts for any type of
39 insurance and indemnify and defend against loss or damage to
40 property from any cause, including loss of use and occupancy,
41 against death or injury of any person, against employees' liability,
42 against any act of any member, officer, employee or servant of the
43 university, whether part-time, full-time, compensated or non-
44 compensated in the performance of the duties of his office or
45 employment or any other insurable risk. In addition, the university
46 shall carry its own liability insurance or maintain an actuarially
47 sound program of self insurance. Any joint venture, subsidiary
48 corporation, or partnership or such other jural entity entered into or
49 owned wholly or in part by the university shall carry insurance or

- 1 maintain reserves in such amounts as are determined by an actuary
2 to be sufficient to meet its actual or accrued claims;
- 3 (2) Moneys in the fund known as the Self-Insurance Trust Fund
4 administered by the State Treasurer shall continue to be available to
5 the university solely to indemnify and defend claims against the
6 university and its employees, officers and servants but only to the
7 extent that the university has elected on behalf of itself and its
8 employees to obtain representation from the Attorney General
9 pursuant to subsection h. of section 6 of P.L.1994, c.48
10 (C.18A:3B-6) and such entity or individuals would have been
11 entitled to defense and indemnification pursuant to the "New Jersey
12 Tort Claims Act," N.J.S.59:1-1 et seq., as a State entity or State
13 employee but for the provision of subsection z. of this section. Any
14 expenditure of such funds shall be made only in accordance with
15 the provisions of the "New Jersey Tort Claims Act," N.J.S.59:1-1 et
16 seq., including but not limited to the provisions of chapters 10, 10A
17 and 11 of Title 59 of the New Jersey Statutes. Nothing herein shall
18 be construed to authorize the use of the Self-Insurance Trust Fund
19 to indemnify or insure in any way, directly or indirectly the
20 activities of any joint venture, partnership or corporation entered
21 into or created by the university pursuant to subsection x. of this
22 section;
- 23 bb. Create auxiliary organizations subject to the provisions of
24 P.L.1982, c.16 (C.18A:64-26 et seq.);
- 25 cc. Adopt a code of ethics that complies with the requirements
26 of all statutes applicable to the institution, including, but not
27 limited, to
28 the "Higher Education Restructuring Act of 1994," P.L.1994, c.48
29 (C.18A:3B-1 et al.), the "New Jersey Conflicts of Interest Law,"
30 P.L.1971, c.182 (C.52:13D-12 et seq.), regulations of the State
31 Ethics Commission, and any applicable executive orders; **[and]**
- 32 dd. Establish a procedure for the confidential, anonymous
33 submission of employee concerns regarding alleged wrongdoing at
34 the university; ¹and¹
- 35 ee. Merge or consolidate, including through ¹or with¹ subsidiary
36 corporations created by the university, with one or more other
37 nonprofit corporations formed and operated primarily for
38 educational purposes and exempt under paragraph (3) of subsection
39 (c) of section 501 of the federal Internal Revenue Code of 1986 ¹[.]
40 (¹26 U.S.C. s.501(c)(3)¹)¹, as the board of trustees may determine,
41 but consistent with the public purposes of the corporation, and shall
42 assume any vested rights, grants, charter rights, privileges,
43 exemptions, immunities, powers, prerogatives, franchises or
44 advantages, debts, or liabilities of the nonprofit corporation ¹[; and
45 ff. Have final authority to determine controversies and disputes
46 concerning tenure and personnel matters of employees not classified
47 under Title 11A of the New Jersey Statutes. Any matter arising
48 under this subsection may be assigned to an administrative law
49 judge, an independent hearing officer or a subcommittee of the

1 board of trustees for hearing and initial decision by the board,
2 except for tenure hearings pursuant to N.J.S.18A:6-18. Any
3 hearings conducted pursuant to this subsection shall conform to the
4 requirements of the "Administrative Procedure Act," P.L.1968,
5 c.410 (C.52:14B-1 et seq.). The final administrative decision of the
6 board of trustees is appealable to the Superior Court, Appellate
7 Division].

8 A merger or consolidation with a subsidiary corporation created
9 by the university pursuant to this subsection ²occurring after the
10 effective date of P.L. , c. (C.) (pending before the Legislature as
11 this bill)² shall not require approval of the Office of the Attorney
12 General¹.

13 (cf: P.L.2017, c.178, s.9
14

15 17. Section 11 of P.L.2017, c.178 (C.18A:64N-11) is amended
16 to read as follows:

17 11. a. The university is authorized to be a participating
18 contracting unit in a cooperative pricing system ¹or a joint
19 purchasing agreement¹ established ¹[by any municipal, county, or
20 State public agency, instrumentality of the State, public institution
21 of higher education in the State, or any subsidiary or affiliate of a
22 public institution of higher education in the State, or any federal
23 supply schedule]¹ pursuant to the laws of this State.

24 b. The university may make purchases and contract for services
25 through the use of a nationally-recognized and accepted cooperative
26 purchasing agreement, including a cooperative purchasing
27 agreement in existence as of the effective date of P.L.2016, c.50
28 (C.18A:64-63.1 et al.), in accordance with the provisions of
29 paragraph (3) of subsection b. of section 7 of P.L.1996, c.16
30 (C.52:34-6.2).

31 c. The State Treasurer may promulgate rules and regulations
32 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
33 (C.52:14B-1 et seq.), which are necessary to effectuate the purposes
34 of this section.

35 (cf: P.L.2017, c.178, s.11)
36

37 18. Section 16 of P.L.2017, c.178 (C.18A:64N-16) is amended to
38 read as follows:

39 16. No trustee or officer of the university shall be personally
40 liable for any debt, obligation, or other liability of the university or
41 incurred by or on behalf of the university or any constituent unit,
42 subsidiary, or affiliate thereof.

43 (cf: P.L.2017, c.178, s.16)
44

45 19. Section 21 of P.L.2017, c.178 (C.18A:64N-21) is amended
46 to read as follows:

47 21. Upon the establishment of the body corporate and politic
48 known as Montclair State University:

- 1 a. All appropriations, grants, debt service, research funds, and
2 other monies available to Montclair State University prior to the
3 effective date of **【this act】** P.L.2017, c.178 (C.18A:64N-1 et seq.)
4 and to become available shall be transferred to the university by the
5 Director of the Division of Budget and Accounting in the
6 Department of the Treasury and shall be available for the objects
7 and purposes for which appropriated, subject to any terms,
8 restrictions, limitations or other requirements imposed by the State
9 budget;
- 10 b. All other grants, gifts, other moneys and property available
11 to Montclair State University prior to the effective date of **【this act】**
12 P.L.2017, c.178 (C.18A:64N-1 et seq.) and to become available to
13 or for Montclair State University shall be transferred to the
14 university and shall be available for the objects and purposes of the
15 university, subject to any terms, restrictions, limitations or other
16 requirements imposed by State and federal law or otherwise;
- 17 c. All employees of Montclair State University prior to ¹and
18 following¹ the effective date of **【this act】** P.L.2017, c.178
19 (C.18A:64N-1 et seq.) shall become employees of the university.
20 Nothing in this act shall be construed so as to deprive any person of
21 any right of tenure or under any retirement system or to any
22 pension, disability, social security or similar benefit, to which the
23 person is entitled by law or contractually. All persons employed at
24 Montclair State University shall continue to be represented by the
25 majority representative that represented them on ²and after² the
26 effective date of **【this act, shall continue to be represented by the**
27 **executive branch Statewide collective negotiations units they were**
28 **in on the effective date of this act】** P.L.2017, c.178 (C.18A:64N-1
29 et seq.) ¹, shall continue to be represented by the executive branch
30 Statewide collective negotiations units they were in on ²and after²
31 the effective date of P.L.2017, c.178 (C.18A:64N-1 et seq.)¹, and
32 shall continue to be covered by the collective negotiations
33 agreements that were in effect on ²and after² the effective date of
34 **【this act】** P.L.2017, c.178 (C.18A:64N-1 et seq.) ¹**【until such time**
35 **as a successor agreement is established】**¹. **【Pursuant to section 12**
36 **of P.L.1986, c.42 (C.18A:64-21.1), the Governor】** ¹**【Montclair**
37 **State University】** Pursuant to section 12 of P.L.1986, c.42
38 (C.18A:64-21.1), the Governor¹ shall **【continue to】** ¹continue to¹
39 function as the public employer under the "New Jersey Employer-
40 Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.), for
41 persons employed at Montclair State University. **【The executive**
42 **branch Statewide collective negotiations units referenced in this**
43 **section are the units specified in subsection b. of section 1 of**
44 **P.L.2005, c.142 (C.34:13A-5.10).】** ¹For the purposes of this
45 section, "executive branch Statewide collective negotiations units"
46 mean the units specified in subsection b. of section 1 of P.L.2005,
47 c.142 (C.34:13A-5.10).¹ The employees of Montclair State

1 University employed on the effective date of **【this act】** P.L.2017,
2 c.178 (C.18A:64N-1 et seq.) shall not be considered new employees
3 for any purpose and shall retain any accrued seniority, rank, and
4 tenure, which shall be applied when determining eligibility for all
5 benefits, including all paid leave time, longevity increases,
6 promotions and health benefits. Nothing in **【this act】** P.L.2017,
7 c.178 (C.18A:64N-1 et seq.) shall be construed to deprive any
8 person employed at Montclair State University of any tenure rights
9 or to in any manner affect the tenure, rank, or academic track of any
10 employees holding a faculty position. Such tenure, rank and
11 academic track shall continue to be through Montclair State
12 University and shall be held or granted pursuant to the authority of
13 the board of trustees of Montclair State University for all current
14 and future employees employed at Montclair State University.
15 Nothing in **【this act】** P.L.2017, c.178 (C.18A:64N-1 et seq.) shall
16 be construed to deprive any officers or employees employed at
17 Montclair State University of their rights, privileges, obligations or
18 status under any pension, retirement, health benefits system, civil
19 service law or any other law of this State;

20 d. All files, papers, records, equipment and other personal
21 property of Montclair State University shall be transferred to the
22 university; **【and】**

23 e. All orders, rules or regulations theretofore made or
24 promulgated by Montclair State University shall continue in full
25 force and effect as the orders, rules and regulations of the university
26 until amended or repealed by the university; and

27 f. Any person who becomes an employee of Montclair State
28 University or a subsidiary corporation of the university other than a
29 subsidiary corporation expressly formed pursuant to subsection
30 '【ee.】 x. ¹ of section 9 of P.L.2017, c.178 (C.18A:64N-9) through a
31 merger or consolidation with another entity, shall be deemed a
32 public employee and shall, as applicable, become a member of the
33 '【university's】 Statewide¹ collective negotiations unit which
34 encompasses the employee's position and shall be represented by
35 the majority representatives of that unit.

36 (cf: P.L.2017, c.178, s.21)

37
38 20. Section 24 of P.L.2017, c.178 (C.18A:64N-24) is amended to
39 read as follows:

40 24. a. The general powers of supervision and control of the
41 Secretary of Higher Education at the request of the Governor over
42 Montclair State University include the power to visit the university
43 to examine into its manner of conducting its affairs and to enforce
44 an observance of **【its laws and regulations and】** the laws of the
45 State.

46 b. Notwithstanding any other provision of law to the contrary,
47 Montclair State University, through its board of trustees, shall have
48 the care, custody, control, and title of such property ¹【as the State

1 now has or shall hereafter acquire at the university] acquired
2 through a merger or consolidation occurring on or after the effective
3 date of P.L. , c. (C.) (pending before the Legislature as this
4 bill), including through or with a subsidiary corporation created by
5 the university, with one or more other nonprofit corporations
6 formed and operated primarily for educational purposes and exempt
7 under paragraph (3) of subsection (c) of section 501 of the Internal
8 Revenue Code [.] (26 U.S.C. s.501(c)(3))¹, subject to the visitorial
9 powers of the Secretary of Higher Education at the request of the
10 Governor. ¹Any transfer of property owned by the New Jersey
11 Educational Facilities Authority to the university shall be in
12 accordance with subsection (g) of N.J.S.18A:72A-5.¹
13 (cf: P.L.2017, c.178, s.24)

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19

21. This act shall take effect immediately.

20 Provides for merger of Bloomfield College with Montclair State
21 University; expands powers and property of Montclair State
22 University; and expands State college risk management group.

SENATE, No. 3848

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED MAY 15, 2023

Sponsored by:

Senator M. TERESA RUIZ

District 29 (Essex)

Senator RENEE C. BURGESS

District 28 (Essex)

Co-Sponsored by:

Senators Johnson and Sarlo

SYNOPSIS

Provides for merger of Bloomfield College with Montclair State University; expands powers and property of Montclair State University; and expands State college risk management group.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/5/2023)

1 AN ACT concerning public institutions of higher education and the
2 merger of Bloomfield College and Montclair State University, and
3 amending and supplementing various parts of the statutory law.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. (New section) The Legislature finds and declares that:

9 a. Bloomfield College is an independent institution of higher
10 education located in Bloomfield, New Jersey, originally established
11 by an act of the Legislature in 1871 as the “German Theological
12 School of Newark, New Jersey,” and which was later renamed
13 through an act of the Legislature first as the “Bloomfield Theological
14 Seminary” in 1913 and again in 1931 as “Bloomfield College and
15 Seminary.”

16 b. Bloomfield College is one of the most diverse liberal arts
17 colleges in the nation, with nearly 1,300 undergraduate students and
18 it is the State’s only four-year institution of higher education with the
19 federal designations of being a Minority Serving Institution (MSI), a
20 Hispanic-Serving Institution (HSI), and a Predominantly Black
21 Institution (PBI).

22 c. Bloomfield College is unable to continue operations as an
23 independent college due to significant financial challenges, which
24 have been further exacerbated by declining enrollment.

25 d. Due to Bloomfield College’s status as the State’s only MSI,
26 HSI and PBI, it is of great public importance to New Jersey’s system
27 of higher education that Bloomfield College continue operations.

28 e. Montclair State University is a public institution of higher
29 education with its main campus located in Montclair, Little Falls, and
30 Clifton, New Jersey, and which has been designated by an act of the
31 Legislature as a public research university in the State.

32 f. Montclair State University is comprised of 10 colleges and
33 schools that serve over 21,000 undergraduate and graduate students
34 in more than 300 doctoral, master’s, and baccalaureate level
35 programs.

36 g. Montclair State University has been granted broad powers as a
37 public research university to undertake activities that are necessary
38 or desirable for university purposes, including the ability to acquire
39 property, enter into contracts, form entities, and make decisions
40 regarding the development of the university.

41 h. Recognizing the public importance of Bloomfield College, and
42 determining that it is both necessary and desirable for university
43 purposes, Montclair State University has entered into an agreement
44 with Bloomfield College for it to become a part of Montclair State
45 University.

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 i. The preservation of Bloomfield College's mission through an
2 alignment with Montclair State University is within the public
3 interest and has an important public purpose as it will preserve
4 Bloomfield College's mission.

5
6 2. (New section) a. The governing board of a public institution
7 of higher education may permit the use of any part of a building or
8 facility of the institution, or of its subsidiaries or affiliates, in whole
9 or in part, by one or more other public institutions of higher education
10 in a manner that the education of students in the various institutions
11 of higher education may be conducted cooperatively and made more
12 widely and efficiently available to the people of the State.

13 b. The care, custody, and control of any building used jointly by
14 two or more public institutions of higher education pursuant to
15 subsection a. of this section shall remain vested in the governing
16 board which permits the use of the building or facility.

17 c. The care, custody, and control of a building of a public
18 institution of higher education used wholly by a second public
19 institution of higher education shall be exercised by the second
20 institution of higher education, subject to the visitorial power of the
21 first institution.

22

23 3. Section 1 of P.L.1871, c.18 is amended to read as follows:

24 1. **Be it enacted by the Senate and General Assembly of the State**
25 **of New Jersey, That Jonathan F. Stearns, Joseph Few Smith, Charles**
26 **A. Smith, George C. Seibert, Charles E. Knox, Thomas N. McCarter,**
27 **F. Wolcott Jackson, William F. Van Wagenen and Philip Doremus**
28 **and their successors, are hereby constituted a body corporate and**
29 **politic, in fact and in name, by the name of "The German Theological**
30 **School of Newark, New Jersey," and by that name shall have**
31 **succession and be capable in law of taking and holding, by gift, grant,**
32 **devise or otherwise, and of holding and conveying, both in law and**
33 **in equity, and real or personal estate, and may have a common seal**
34 **and change the same at pleasure.** "The German Theological School
35 of Newark, New Jersey," a body politic and corporate in fact and in
36 law, established pursuant to P.L.1871, c.18, that name having been
37 further changed to "Bloomfield Theological Seminary," pursuant to
38 P.L. 1913, c. 265, and the name having been further changed to the
39 "Bloomfield College and Seminary," pursuant to P.L.1931, c.260,
40 shall hereby be known as "Bloomfield College."

41 (cf: P.L.1871, c.18, s.1)

42

43 4. Section 2 of P.L.1871, c.18 is amended to read as follows:

44 2. **And be it enacted, That the** The government of the **said**
45 corporation shall be vested in a board of **directors** trustees, which
46 shall consist of **nine** members, five of whom shall be clergymen,
47 and four laymen; the corporators above named shall be the first board
48 of directors of said corporation, and shall be divided into three

1 classes, to be numbered one, two, and three; the term of the first shall
2 expire in one, the second in two and the third in three years from the
3 first day of May last; Joseph Few Smith, Charles E. Knox and
4 Thomas N. McCarter, shall compose the first class; Charles A. Smith,
5 William F. Van Wagenen and Philip Doremus, shall compose the
6 second class, and Jonathan F. Stearns, George C. Seibert and F.
7 Wolcott Jackson, shall compose the third class; each class of
8 directors shall hereafter be chosen for and hold their office during
9 three years, and until a new election to supply the place of such class **]**
10 not more than 39 persons of legal age all of whom shall be elected by
11 the board of trustees and one-third of whom are to be elected each
12 year. The organization of the initial board of trustees shall be set forth
13 in the corporation's bylaws. The trustees shall be appointed or elected
14 in accordance with the corporation's bylaws as adopted and amended
15 from time to time by the corporation's board of trustees, which shall
16 include provisions for the qualifications for trustees, terms, possible
17 division into classes, and provisions for removal of trustees from
18 office. The trustees and their successors shall manage and care for
19 the estate of both real and personal property of the corporation, and
20 shall have the power to sell, encumber as security for loans, or
21 otherwise dispose of the property in their discretion for the purpose
22 of advancing the objectives of the school, and shall also have power
23 to adopt a constitution and all necessary bylaws and ordinances for
24 the management and government of the school, provided they are not
25 in conflict with the laws of this State.

26 (cf: P.L.1871, c.18, s.2)

27

28 5. Section 3 of P.L.1871, c.18 is amended to read as follows:

29 3. **]** And be it enacted, That the Presbytery of Newark may
30 annually hereafter elect at its stated spring meeting, three directors of
31 said corporation to supply the place of the class which shall expire in
32 that year, and shall also have power to fill any vacancy that may have
33 happened by death, resignation or otherwise, in any other class, such
34 election to be held in such manner as the said Presbytery of Newark
35 shall direct; and any such election shall be subject to review by the
36 next General Assembly of the Presbyterian Church in the United
37 States of America; and in case the said general assembly shall
38 disapprove of such election, the offices of the director or directors
39 disapproved of, shall thereupon become vacant; the board of directors
40 shall also have power to fill all vacancies in their own board which
41 may happen from year to year, and such appointment shall be valid
42 until the first day of May then next following, or until the election of
43 a successor by the Presbytery as aforesaid. **]**

44 a. Whenever deemed by the board of trustees to be in the best
45 interest of the corporation, it shall be lawful for the board of trustees
46 to approve the sale or other disposition of the corporation, or of all
47 or substantially all of the assets of the corporation, in accordance with
48 State law. Upon dissolution of the corporation or the winding up of
49 its affairs, the assets of the corporation shall be distributed as set forth

1 in the corporation's bylaws, provided that the distribution shall be for
2 one or more exempt purposes within the meaning of paragraph (3) of
3 subsection (c) of section 501 of the federal Internal Revenue Code of
4 1986, 26 U.S.C. s.501(c)(3), consistent with the educational purposes
5 of the corporation, or shall be distributed to the federal government,
6 or to a state or local government, for a public purpose.

7 b. Nothing contained within sections 1 through 5 of P.L.1871,
8 c.18 shall be construed to impair, annul, or affect any vested rights,
9 grants, charter rights, privileges, exemptions, immunities, powers,
10 prerogatives, franchises, or advantages heretofore obtained or
11 enjoyed by the corporation or any constituent unit thereof, under
12 authority of its charter or any act of this State or under any grant,
13 deed, conveyance, transfer, lease, estate, remainder, expectancy,
14 trust, gift, donation, legacy, devise, endowment, or fund, all of which
15 are hereby ratified and confirmed, and all of which shall survive and
16 shall continue to vest in the corporation and in any nonprofit entity
17 that merges or consolidates with the corporation, along with the
18 assumption of all of the liabilities that have not been satisfied by the
19 corporation prior to the merger or consolidation, or any nonprofit
20 entity that obtains substantially all of the assets of the corporation or,
21 in the event of a merger or consolidation, substantially all of the
22 assets of the successor of the corporation, upon the dissolution or the
23 winding up of the affairs of the corporation or its successor.

24 (cf: P.L.1871, c.18, s.3)

25
26 6. Section 4 of P.L.1871, c.18 is amended to read as follows:

27 4. **【**And be it enacted, That the said directors and their successors
28 shall have the management and care of the estate, both real and
29 personal of said corporation, and shall have power to sell or otherwise
30 dispose of the same in their discretion, for the purpose of advancing
31 the objects of said school, and shall also have power to adopt a
32 constitution and all necessary by-laws and ordinances for the
33 management and government of said school; provided, the same be
34 not in conflict with the laws and constitution of this State or of the
35 United States**】** Without limiting or impinging upon the powers
36 currently vested in the corporation pursuant to sections 1 through 5
37 of P.L.1871, c.18, the corporation may merge or consolidate with one
38 or more other nonprofit corporations formed under Title 15A of the
39 New Jersey Statutes and operated primarily for educational purposes
40 and exempt under paragraph (3) of subsection (c) of section 501 of
41 the federal Internal Revenue Code of 1986, 26 U.S.C. s.501(c)(3), as
42 the board of trustees may determine, but consistent with the public
43 purposes of the corporation.

44 (cf: P.L.1871, c.18, s.4)

45
46 7. Section 5 of P.L.1871, c.18 is amended to read as follows:

47 5. **【**And be it enacted, That, whenever from a cessation of German
48 immigration, or from any other cause, it may be deemed inexpedient
49 longer to maintain said institution as a distinctive German theological

1 school, it shall be lawful for the directors, with the approval of the
2 Presbytery of Newark, and of the General Assembly of the
3 Presbyterian Church of the United States, to use the property and
4 funds of said corporation for any other branch of theological and
5 collegiate or collegiate education, or transfer its property and funds
6 to any other theological seminary; and in case of such transfer of all
7 the property of said corporation to another seminary or seminaries,
8 the corporate power hereby granted shall cease, and said corporation
9 shall be thereby dissolved. **】** The corporation may have a member or
10 members, the powers and qualifications for which shall be set forth
11 in the bylaws of the corporation and which shall comply with the
12 provisions of N.J.S.15A:1-1 et seq.
13 (cf: P.L.1951, c.178)

14

15 8. Section 1 of P.L.2010, c.99 (C.18A:64-86) is amended to read
16 as follows:

17 1. As used in **】** P.L.2010, c.99 (C.18A:64-86 set seq.):

18 "Board of trustees" or "trustees" means the board of trustees
19 established pursuant to the bylaws of the **】** public college risk
20 management group to govern or manage the risk management
21 programs, joint liability funds, and related services of the group.

22 "Certified audit" means an audit upon which an auditor expresses
23 a professional opinion that the accompanying statements present
24 fairly the financial position of a joint liability fund in conformity with
25 generally accepted accounting principles consistently applied, and
26 includes tests of the accounting records and other auditing procedures
27 as considered necessary in the circumstances.

28 "Commissioner" means the Commissioner of Banking and
29 Insurance.

30 "Contributions" means the moneys paid by a member of a **】**
31 public college risk management group in amounts as may be set by
32 the board of trustees or other officers as provided in the group's
33 bylaws for the purposes of participating in a joint liability fund or
34 funds, or securing risk management programs or related services.

35 "Joint liability fund" or "fund" means a joint liability fund
36 established by a **】** public college risk management group
37 pursuant to **】** P.L.2010, c.99 (C.18A:64-86 et seq.). The
38 joint liability fund is a fund of public moneys from contributions
39 made by members of a **】** public college risk management group
40 for the purpose of securing insurance, risk management programs, or
41 related services as authorized by this act.

42 **】** "State college" means any of the State colleges or universities
43 established pursuant to chapter 64 of Title 18A of the New Jersey
44 Statutes. **】**

45 **】** Public college risk management group" or "group" means
46 an association formed by two or more **】** four-year
47 public institutions of higher education for the development,
48 administration, and provision of risk management programs, joint

1 liability funds for the payment of liabilities incurred by the **【State**
2 **colleges】** institutions and not funded by the State of New Jersey
3 pursuant to the provisions of the "New Jersey Tort Claims Act,"
4 N.J.S.59:1-1 et seq., and related services.

5 "Risk management program" means a plan, and activities carried
6 out under the plan, by a **【State】** public college risk management
7 group to reduce risk of loss with respect to liabilities incurred by the
8 **【State colleges】** four-year public institutions of higher education,
9 including safety engineering and other loss prevention and control
10 techniques. A risk management program also includes the
11 administration of one or more joint liability funds, including the
12 processing and defense of claims brought against or on behalf of
13 members of the group.

14 (cf: P.L.2010, c.99, s.1)

15

16 9. Section 2 of P.L.2010, c.99 (C.18A:64-87) is amended to read
17 as follows:

18 2. A **【State college】** four-year public institution of higher
19 education is authorized to insure, contract or provide for any
20 insurable interest of the **【State college】** institution in the manner
21 authorized by section 3 of **【this act】** P.L.2010, c.99 (C.18A:64-86 et
22 seq.), for the following:

23 a. Any loss or damage to its property, real or personal, motor
24 vehicles, equipment or apparatus;

25 b. Loss or damage from liability as established by the "New
26 Jersey Contractual Liability Act," N.J.S.59:13-1 et seq.;

27 c. Loss or damage from liability as established by the workers'
28 compensation law, R.S.34:15-1 et seq.; and

29 d. Expenses of defending any claim against the **【State college】**
30 institution, trustee, officer, employee or servant arising out of and in
31 the course of the performance of their duties, whether or not liability
32 exists on the claim, not eligible for defense and indemnification by
33 the State of New Jersey in accordance with the provisions of the
34 "New Jersey Tort Claims Act," N.J.S.59:1-1 et seq.

35 (cf: P.L.2010, c.99, s.2)

36

37 10. Section 3 of P.L.2010, c.99 (C.18A:64-88) is amended to read
38 as follows:

39 3. a. Any two or more **【State colleges】** four-year public
40 institutions of higher education may form and become members of a
41 **【State】** public college risk management group. A **【State college】**
42 four-year public institution of higher education may take this action
43 by resolution of the governing board of **【trustees of】** the **【State**
44 **college】** institution. Through membership in a **【State】** public college
45 risk management group, a **【State college】** four-year public institution
46 of higher education may participate in any joint liability funds, risk
47 management programs or related services offered or provided by the
48 group. The group shall have the power to establish funds for

1 coverages authorized in section 2 of **【this act】** P.L.2010, c.99
2 (C.18A:64-86 et seq.) and to jointly purchase insurance or coverages
3 under a master policy or contract of insurance for participating
4 members. The group shall have the power to take other actions
5 necessary to developing, administering, and providing risk
6 management programs, joint liability funds, joint insurance
7 purchases, and related services.

8 b. The bylaws of the **【State】** public college risk management
9 group shall provide that any **【State college】** four-year public
10 institution of higher education may join the group, provided it agrees
11 to comply with the standards for membership, including risk
12 management programs, which shall be established by the group, and
13 may be a member as long as it complies with the standards for
14 membership.

15 c. A **【State】** public college risk management group may sue or
16 be sued for the liabilities and coverages authorized by section 2 of
17 **【this act】** P.L.2010, c.99 (C.18A:64-86 et seq.) and shall appoint a
18 natural person residing in this State or a corporation authorized to do
19 business in this State as its agent for service of process. The group
20 shall notify the commissioner and the Office of the Attorney General
21 of the appointment.

22 d. A **【State】** public college risk management group shall not be
23 considered or deemed to be an insurance company or an insurer under
24 the laws of this State and the development, administration or
25 provision by a group of joint liability funds, risk management
26 programs, and related services shall not constitute the transaction of
27 insurance or the conducting of an insurance business. A group shall
28 not be subject to the provisions of Title 17, Subtitle 3 of the Revised
29 Statutes.

30 (cf: P.L.2010, c.99, s.3)

31

32 11. Section 4 of P.L.2010, c.99 (C.18A:64-89) is amended to read
33 as follows:

34 4. a. The bylaws of a **【State】** public college risk management
35 group shall:

36 (1) set forth a statement of purposes of the group;

37 (2) set forth provisions for organization of the group, including
38 governance by a board of trustees;

39 (3) provide for the delivery of risk management programs in
40 conjunction with any joint liability fund which the board of trustees
41 shall establish;

42 (4) set forth procedures to enforce the collection of any
43 contributions or payments in default;

44 (5) set forth membership standards as required in section 3 of
45 **【this act】** P.L.2010, c.99 (C.18A:64-86 et seq.);

46 (6) require that, for each joint liability fund, a contract or
47 contracts of specific and aggregate excess insurance or reinsurance is

1 maintained, if available, unless otherwise recommended by the
2 trustees upon the advice and report of an independent actuary;

3 (7) set forth procedures for:

4 (a) withdrawal from the group and a fund by a member;

5 (b) termination of the group or fund and disposition of assets; and

6 (c) determining the obligations, if any, of a member in the event
7 that the group is unable to pay indemnification obligations and
8 expenses payable from a fund administered by it;

9 (8) require an annual certified audit to be prepared and filed with
10 the commissioner;

11 (9) require that any joint liability fund be developed and operated
12 in accordance with accepted and sound actuarial practices;

13 (10) provide that any expenditure of moneys in a fund be in
14 furtherance of the purpose of the fund; and

15 (11) set forth other provisions as desired for operation and
16 governance of the group.

17 b. The bylaws of a **【State】** public college risk management
18 group shall provide for governance of the group by a board of trustees
19 selected in accordance with the provisions of the bylaws. The bylaws
20 shall provide for trustee powers and duties and shall include, but not
21 be limited to, the following powers of the board of trustees:

22 (1) to determine and establish contributions and rates, loss
23 reserves, surplus, limits of coverage, limits of excess or reinsurance,
24 coverage documents, dividends and other financial and operating
25 policies of the group or fund;

26 (2) to invest moneys held in trust under a fund in investments
27 which are approved for investment by regulation of the State
28 Investment Council for surplus moneys of the State;

29 (3) to purchase, acquire, hold, lease, sell and convey real and
30 personal property, all of which property shall be exempt from
31 taxation under chapter 4 of Title 54 of the Revised Statutes;

32 (4) to collect and disburse all money due to or payable by the
33 group, or authorize such collection and disbursement;

34 (5) to enter into contracts with other persons or with public bodies
35 of this State for any professional, administrative or other services as
36 may be necessary to carry out the purposes of the group or any fund;

37 (6) to purchase and serve as the master policyholders, if desired,
38 for any insurance, including excess or reinsurance; and

39 (7) to do all other things necessary and proper to carry out the
40 purposes for which the group is established.

41 (cf: P.L.2010, c.99, s.4)

42

43 12. Section 5 of P.L.2010, c.99 (C.18A:64-90) is amended to read
44 as follows:

45 5. a. The board of trustees of a **【State】** public college risk
46 management group shall have not less than three or more than 15
47 trustees. A trustee shall be a natural person 18 years of age or older
48 who is a resident of this State. A majority of the trustees of a group
49 shall be members or employees of member **【State colleges】**

1 institutions of higher education, provided that a trustee who ceases to
2 be a member or employee of a **【State college】** four-year public
3 institution of higher education may be allowed to serve for not more
4 than 90 days following cessation without violating this provision.

5 b. A trustee shall not be paid a salary, except that the written
6 trust instrument may provide for reimbursement for actual expenses
7 incurred on behalf of the fund and for compensation not to exceed
8 \$200 for any day or portion of a day spent at a meeting of the trustees.
9 Except as otherwise provided in this act, a trustee shall not enter into
10 any contract with the group or receive any moneys or other
11 compensation or thing of value whatsoever from the group for
12 services performed for or on behalf of the group.

13 (cf: P.L.2010, c.99, s.5)

14
15 13. Section 6 of P.L.2010, c.99 (C.18A:64-91) is amended to read
16 as follows:

17 6. a. A **【State】** public college risk management group, or any joint
18 liability fund of the group, shall not begin functioning as a means of
19 providing coverage or protection for or among its members until the
20 group's bylaws have been filed with and approved by the
21 commissioner. The commissioner may disapprove the bylaws only
22 if the bylaws do not conform with the provisions of **【this act】**
23 P.L.2010, c.99 (C.18A:64-86 et seq.). The commissioner shall set
24 forth the reasons for disapproval in writing. If the commissioner fails
25 to approve or disapprove the bylaws within 60 days following filing
26 of the bylaws with the commissioner, the bylaws shall be deemed
27 approved. The reasonable costs of the commissioner's review of the
28 bylaws shall be chargeable to the **【State】** colleges seeking to
29 establish the group.

30 b. A **【State】** public college risk management group shall file an
31 annual report, on a form to be prescribed by the commissioner, and
32 shall include a financial statement of the group's assets and liabilities,
33 the claims paid during the preceding 12 months, current reserves,
34 incurred losses, and any other information that the commissioner may
35 require.

36 c. The commissioner shall have authority to examine the books,
37 records and affairs of any **【State】** public college risk management
38 group or any of its liability funds at a time to be fixed by the
39 commissioner. The reasonable costs of any examination or review
40 shall be chargeable to the **【State】** public college risk management
41 group.

42 d. If at any time the commissioner determines that the **【State】**
43 public college risk management group has experienced a
44 deterioration in its financial condition which adversely affects or will
45 adversely affect its ability to pay expected losses, the commissioner
46 may:

47 (1) require an increase in the reserves of the group as required by
48 section 4 of **【this act】** P.L.2010, c.99 (C.18A:64-86 et seq.); or

1 (2) require the purchase of excess insurance or reinsurance.
2 (cf: P.L.2010, c.99, s.6)

3
4 14. Section 7 of P.L.2010, c.99 (C.18A:64-92) is amended to read
5 as follows:

6 7. Funds for premiums required by the contract between the
7 governing body of the **【State college】** four-year public institution of
8 higher education and the board of trustees of the **【State】** public
9 college risk management group shall be appropriated and paid as set
10 forth in the contract in the same manner as appropriations are made
11 for other expenses of the **【State college】** four-year public institution
12 of higher education.

13 (cf: P.L.2010, c.99, s.7)

14
15 15. Section 8 of P.L.2010, c.99 (C.18A:64-93) is amended to read
16 as follows:

17 8. The Commissioner of Banking and Insurance shall
18 promulgate rules and regulations necessary to effectuate the purposes
19 of this act pursuant to the "Administrative Procedure Act," P.L.1968,
20 c.410 (C.52:14B-1 et seq.). The rules and regulations shall include,
21 but not be limited to, the establishment, operation, modification and
22 dissolution of a **【State】** public college joint liability fund established
23 pursuant to the provisions of **【this act】** P.L.2010, c.99 (C.18A:64-86
24 et seq.).

25 (cf: P.L.2010, c.99, s.8)

26
27 16. Section 9 of P.L.2017, c.178 (C.18A:64N-9) is amended to
28 read as follows:

29 9. The board of trustees of Montclair State University shall have
30 the general supervision over and be vested with the conduct of the
31 university. It shall have the power and duty to:

32 a. Adopt **【and】**, use , and modify, as it deems appropriate, its
33 **【a】** corporate seal;

34 b. Determine the educational curriculum and program of the
35 university , including approving the establishment of new
36 educational programs, departments, or schools, and the
37 discontinuance of existing educational programs, departments, or
38 schools at the university, provided that the action is consistent with
39 the university's programmatic mission and that the action is reviewed
40 by the New Jersey President's Council pursuant to subsection c. of
41 section 8 of P.L.1994, c.48(C.18A:3B-8) or approved by the
42 Secretary of Higher Education pursuant to subsection f. of section 14
43 of P.L.1994, c.48(C.18A:3B-14), as applicable;

44 c. Determine policies for the organization, administration, and
45 development of the university;

46 d. Study the educational and financial needs of the university,
47 annually acquaint the Governor and Legislature with the condition of
48 the university, and prepare and submit an annual request for

- 1 appropriation to the Division of Budget and Accounting in the
2 Department of the Treasury in accordance with law;
- 3 e. Disburse all moneys appropriated to the university by the
4 Legislature and all moneys received from tuition, fees, auxiliary
5 services and other sources;
- 6 f. Direct and control expenditures and transfers of funds
7 appropriated to the university in accordance with the provisions of
8 the State budget and appropriation acts of the Legislature, and, as to
9 funds received from other sources, direct and control expenditures
10 and transfers in accordance with the terms of any applicable trusts,
11 gifts, bequests, or other special provisions, reporting changes and
12 additions thereto and transfers thereof to the Director of the Division
13 of Budget and Accounting in the Department of the Treasury. All
14 accounts of the university shall be subject to audit by the State at any
15 time;
- 16 g. In accordance with the provisions of the State budget and
17 appropriation acts of the Legislature, appoint and fix the
18 compensation and term of office of a president of the university who
19 shall be the executive officer of the university and an ex officio
20 member of the board of trustees, without vote, and shall serve at the
21 pleasure of the board of trustees;
- 22 h. In accordance with the provisions of the State budget and
23 appropriation acts of the Legislature, appoint, upon nomination of the
24 president, such deans and other members of the academic,
25 administrative, and teaching staffs as shall be required and fix their
26 compensation and terms of employment;
- 27 i. Consistent with the provisions of its budget, this act and any
28 and all controlling collective bargaining agreements, have the power,
29 upon nomination or recommendation of the president, to appoint,
30 remove, promote and transfer all other officers, agents, or employees
31 which may be required to carry out the provisions of this act and
32 prescribe qualifications for those positions, and assign requisite
33 duties and determine and fix respective compensation for those
34 positions in accordance with duly adopted salary program
35 parameters;
- 36 j. Grant diplomas, certificates or degrees;
- 37 k. Enter into contracts and agreements with the State or any of
38 its political subdivisions or with the United States, or with any public
39 body, department or other agency of the State or the United States,
40 including any public institution of higher education in the State or
41 their subsidiaries or affiliates, or with any individual, firm or
42 corporation which are deemed necessary or advisable by the board
43 for carrying out the provisions of this act. A contract or agreement
44 pursuant to this subsection may require a municipality to undertake
45 obligations and duties to be performed subsequent to the expiration
46 of the term of office of the elected governing body of such
47 municipality which initially entered into or approved said contract or
48 agreement, and the obligations and duties so incurred by such
49 municipality shall be binding and of full force and effect,
50 notwithstanding that the term of office of the elected governing body

- 1 of such municipality which initially entered into or approved said
2 contract or agreement, shall have expired;
- 3 l. Exercise the right of eminent domain, pursuant to the
4 provisions of the "Eminent Domain Act of 1971," P.L.1971, c.361
5 (C.20:3-1 et seq.), to acquire any property or interest therein;
- 6 m. Adopt, after consultation with the president and faculty,
7 bylaws and make and promulgate such rules, regulations, and orders,
8 not inconsistent with the provisions of this act as are necessary and
9 proper for the administration and operation of the university and the
10 carrying out of its purposes;
- 11 n. Establish fees for room and board sufficient for the operation,
12 maintenance, and rental of student housing and food services
13 facilities;
- 14 o. Fix and determine tuition rates and other fees to be paid by
15 students;
- 16 p. Accept from any government or governmental department,
17 agency or other public or private body or from any other source
18 grants or contributions of money or property which the board may
19 use for or in aid of any of its purposes;
- 20 q. Acquire, by gift, purchase, condemnation or otherwise, own,
21 lease, dispose of, use and operate property, whether real, personal or
22 mixed, or any interest therein, which is necessary or desirable for
23 university purposes;
- 24 r. Employ architects to plan buildings; secure bids for the
25 construction of buildings and for the equipment thereof; make
26 contracts for the construction of buildings and for equipment; and
27 supervise the construction of buildings;
- 28 s. Manage and maintain, and provide for the payment of all
29 charges on and expenses in respect of, all properties utilized by the
30 university;
- 31 t. Borrow money and to secure the same by a mortgage on its
32 property or any part thereof, and to enter into any credit agreement
33 for the needs of the university, as deemed requisite by the board, in
34 such amounts and for such time and upon such terms as may be
35 determined by the board, provided that no such borrowing shall be
36 deemed or construed to create or constitute a debt, liability, or a loan
37 or pledge of the credit or be payable out of property or funds, other
38 than moneys appropriated for that purpose, of the State;
- 39 u. Authorize any other new program, educational department or
40 school **【consistent with the programmatic mission of the institution
41 or approved by the Secretary of Higher Education】**;
- 42 v. Adopt standing operating rules and procedures for the
43 purchase of all equipment, materials, supplies and services; however,
44 no contract on behalf of the university shall be entered into for the
45 purchase of services, materials, equipment and supplies, for the
46 performance of any work, or for the hiring of equipment or vehicles,
47 where the sum to be expended exceeds \$33,000 or the amount
48 determined by the Governor as provided herein, unless the university
49 shall first publicly advertise for bids and shall award the contract to
50 that responsible bidder whose bid, conforming to the invitation for
51 bids, will be most advantageous to the university, price and other

1 factors considered. Such advertising shall not be required in those
2 exceptions created by the board of trustees of the university, which
3 shall be in substance those exceptions contained in sections 4 and 5
4 of P.L.1954, c.48 (C.52:34-9 and 10) and section 5 of P.L.1986, c.43
5 (C.18A:64-56) or for the supplying of any product or the rendering
6 of any service by a public utility subject to the jurisdiction of the
7 Board of Public Utilities of this State and tariffs and schedules of the
8 charges made, charged, or exacted by the public utility for any such
9 products to be supplied or services to be rendered are filed with the
10 said board.

11 Commencing July 1, 2017 and every two years thereafter, the
12 Governor, in consultation with the Department of the Treasury, shall
13 adjust the threshold amount set forth in this paragraph in direct
14 proportion to the rise or fall of the consumer price index for all urban
15 consumers in the New York City and the Philadelphia areas as
16 reported by the United States Department of Labor. The Governor
17 shall notify the university of the adjustment. The adjustment shall
18 become effective on July 1 of the year in which it is reported.

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

31 w. Invest certain moneys in such obligations, securities and other
32 investments as the board shall deem prudent, consistent with the
33 purposes and provisions of this act and in accordance with State and
34 federal law, as follows:

35 Investment in **【not-for-profit】 nonprofit** corporations or for-profit
36 corporations organized and operated pursuant to the provisions of
37 subsection x. of this section may utilize income realized from the sale
38 or licensing of intellectual property as well as the reinvestment of
39 earnings on intellectual property. Investment in **【not-for-profit】**
40 **nonprofit** corporations may also utilize income from overhead grant
41 fund recovery as permitted by federal law as well as other university
42 funds except those specified in paragraph 5 of subsection x. of this
43 section;

44 x. (1) Participate as the general partner or as a limited partner,
45 either directly or through a subsidiary corporation created by the
46 university, in limited partnerships, general partnerships, or joint
47 ventures to support any purpose related to the university including,
48 but not limited to, those engaged in the development, manufacture,
49 or marketing of products, technology, scientific information or
50 services and create or form for-profit or **【not-for-profit】 nonprofit**
51 corporations to engage in such activities; provided that any such

1 participation shall be consistent with the mission of the university
2 and the board shall have determined that such participation is
3 prudent;

4 (2) The decision to participate in any activity described in
5 paragraph (1) of this subsection, including the creation or formation
6 of for-profit or **[not-for-profit]** nonprofit corporations, shall be
7 articulated in the minutes of the board of trustees meeting in which
8 the action was approved;

9 (3) The provisions of P.L.1971, c.182 (C.52:13D-12 et seq.) shall
10 continue to apply to the university, its employees, and officers;

11 (4) Nothing herein shall be deemed or construed to create or
12 constitute a debt, liability, or a loan or pledge of the credit or be
13 payable out of property or funds of the State;

14 (5) Funds directly appropriated to the university from the State or
15 derived from the university's academic programs shall not be utilized
16 by the for-profit or **[not-for-profit]** nonprofit corporations organized
17 and operated pursuant to this subsection in the development,
18 manufacture, or marketing of products, technology or scientific
19 information;

20 (6) Employees of any joint venture, subsidiary corporation,
21 partnership, or other jural entity formed, entered into, or owned
22 wholly or in part by the university shall not be deemed public
23 employees, however, any public employees of the university who
24 may be assigned to support any joint venture, subsidiary corporation,
25 partnership, or other jural entity formed, entered into, or owned
26 wholly or in part by the university shall continue to be deemed public
27 employees;

28 (7) A joint venture, subsidiary corporation, partnership, or other
29 jural entity entered into or owned wholly or in part by the university
30 shall not be deemed an instrumentality of the State of New Jersey;

31 (8) Income realized by the university **[as a result of participation**
32 **in the development, manufacture, or marketing of products,**
33 **technology, or scientific information]** pursuant to this subsection
34 may be invested [or], reinvested [pursuant to subsection w. of this
35 section or any other provision] , or retained by the board in
36 accordance with the provisions of this act or State or federal law [or
37 retained by the board] for use in furtherance of any of the purposes
38 of this act or of other applicable statutes;

39 (9) The board shall annually report to the State Treasurer on the
40 operation of all joint ventures, subsidiary corporations, partnerships,
41 or such other jural entities entered into or owned wholly or in part by
42 the university; and

43 (10) This subsection shall apply if a joint venture, subsidiary
44 corporation, partnership, or other jural entity entered into or owned
45 wholly or in part by the university, is expressly formed, created, or
46 owned by the university pursuant to the authority set forth in this
47 subsection. Further, this subsection shall in no way be construed to
48 prohibit or limit the university from separately pursuing any other
49 activities permitted by the authority granted under this act, or
50 separately utilizing any other powers expressly authorized by this act

1 for any activity consistent with the university's institutional mission,
2 including to participate as the general partner or as a limited partner,
3 either directly or through a subsidiary corporation created by the
4 university, in limited partnerships, general partnerships, or joint
5 ventures, otherwise than pursuant to this subsection;

6 y. Sue and be sued in its own name;

7 z. Retain independent counsel including representation by the
8 Attorney General in accordance with subsection h. of section 6 of
9 P.L.1994, c.48 (C.18A:3B-6) and, notwithstanding any other
10 provision of law to the contrary, if the university elects not to be
11 represented by the Attorney General in any matter in which the
12 university is solely responsible for any potential liability, it shall be
13 permitted to do so upon notice to the Attorney General;

14 aa. (1) Procure and enter into contracts for any type of insurance
15 and indemnify and defend against loss or damage to property from
16 any cause, including loss of use and occupancy, against death or
17 injury of any person, against employees' liability, against any act of
18 any member, officer, employee or servant of the university, whether
19 part-time, full-time, compensated or non-compensated in the
20 performance of the duties of his office or employment or any other
21 insurable risk. In addition, the university shall carry its own liability
22 insurance or maintain an actuarially sound program of self insurance.
23 Any joint venture, subsidiary corporation, or partnership or such
24 other jural entity entered into or owned wholly or in part by the
25 university shall carry insurance or maintain reserves in such amounts
26 as are determined by an actuary to be sufficient to meet its actual or
27 accrued claims;

28 (2) Moneys in the fund known as the Self-Insurance Trust Fund
29 administered by the State Treasurer shall continue to be available to
30 the university solely to indemnify and defend claims against the
31 university and its employees, officers and servants but only to the
32 extent that the university has elected on behalf of itself and its
33 employees to obtain representation from the Attorney General
34 pursuant to subsection h. of section 6 of P.L.1994, c.48 (C.18A:3B-
35 6) and such entity or individuals would have been entitled to defense
36 and indemnification pursuant to the "New Jersey Tort Claims Act,"
37 N.J.S.59:1-1 et seq., as a State entity or State employee but for the
38 provision of subsection z. of this section. Any expenditure of such
39 funds shall be made only in accordance with the provisions of the
40 "New Jersey Tort Claims Act," N.J.S.59:1-1 et seq., including but not
41 limited to the provisions of chapters 10, 10A and 11 of Title 59 of
42 the New Jersey Statutes. Nothing herein shall be construed to
43 authorize the use of the Self-Insurance Trust Fund to indemnify or
44 insure in any way, directly or indirectly the activities of any joint
45 venture, partnership or corporation entered into or created by the
46 university pursuant to subsection x. of this section;

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

49 cc. Adopt a code of ethics that complies with the requirements of
50 all statutes applicable to the institution, including, but not limited, to

1 the "Higher Education Restructuring Act of 1994," P.L.1994, c.48
2 (C.18A:3B-1 et al.), the "New Jersey Conflicts of Interest Law,"
3 P.L.1971, c.182 (C.52:13D-12 et seq.), regulations of the State Ethics
4 Commission, and any applicable executive orders; **[and]**

5 dd. Establish a procedure for the confidential, anonymous
6 submission of employee concerns regarding alleged wrongdoing at
7 the university;

8 ee. Merge or consolidate, including through subsidiary
9 corporations created by the university, with one or more other
10 nonprofit corporations formed and operated primarily for educational
11 purposes and exempt under paragraph (3) of subsection (c) of section
12 501 of the federal Internal Revenue Code of 1986, 26 U.S.C.
13 s.501(c)(3), as the board of trustees may determine, but consistent
14 with the public purposes of the corporation, and shall assume any
15 vested rights, grants, charter rights, privileges, exemptions,
16 immunities, powers, prerogatives, franchises or advantages, debts, or
17 liabilities of the nonprofit corporation; and

18 ff. Have final authority to determine controversies and disputes
19 concerning tenure and personnel matters of employees not classified
20 under Title 11A of the New Jersey Statutes. Any matter arising under
21 this subsection may be assigned to an administrative law judge, an
22 independent hearing officer or a subcommittee of the board of
23 trustees for hearing and initial decision by the board, except for
24 tenure hearings pursuant to N.J.S.18A:6-18. Any hearings conducted
25 pursuant to this subsection shall conform to the requirements of the
26 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
27 seq.). The final administrative decision of the board of trustees is
28 appealable to the Superior Court, Appellate Division.

29 (cf: P.L.2017, c.178, s.9)

30

31 17. Section 11 of P.L.2017, c.178 (C.18A:64N-11) is amended to
32 read as follows:

33 11. a. The university is authorized to be a participating contracting
34 unit in a cooperative pricing system established by any municipal,
35 county, or State public agency, instrumentality of the State, public
36 institution of higher education in the State, or any subsidiary or
37 affiliate of a public institution of higher education in the State, or any
38 federal supply schedule pursuant to the laws of this State.

39 b. The university may make purchases and contract for services
40 through the use of a nationally-recognized and accepted cooperative
41 purchasing agreement, including a cooperative purchasing agreement
42 in existence as of the effective date of P.L.2016, c.50 (C.18A:64-63.1
43 et al.), in accordance with the provisions of paragraph (3) of
44 subsection b. of section 7 of P.L.1996, c.16 (C.52:34-6.2).

45 c. The State Treasurer may promulgate rules and regulations
46 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
47 (C.52:14B-1 et seq.), which are necessary to effectuate the purposes
48 of this section.

49 (cf: P.L.2017, c.178, s.11)

1 18. Section 16 of P.L.2017, c.178 (C.18A:64N-16) is amended to
2 read as follows:

3 16. No trustee or officer of the university shall be personally
4 liable for any debt, obligation, or other liability of the university or
5 incurred by or on behalf of the university or any constituent unit,
6 subsidiary, or affiliate thereof.
7 (cf: P.L.2017, c.178, s.16)
8

9 19. Section 21 of P.L.2017, c.178 (C.18A:64N-21) is amended to
10 read as follows:

11 21. Upon the establishment of the body corporate and politic
12 known as Montclair State University:

13 a. All appropriations, grants, debt service, research funds, and
14 other monies available to Montclair State University prior to the
15 effective date of **[this act]** P.L.2017, c.178 (C.18A:64N-1 et seq.)
16 and to become available shall be transferred to the university by the
17 Director of the Division of Budget and Accounting in the Department
18 of the Treasury and shall be available for the objects and purposes
19 for which appropriated, subject to any terms, restrictions, limitations
20 or other requirements imposed by the State budget;

21 b. All other grants, gifts, other moneys and property available to
22 Montclair State University prior to the effective date of **[this act]**
23 P.L.2017, c.178 (C.18A:64N-1 et seq.) and to become available to or
24 for Montclair State University shall be transferred to the university
25 and shall be available for the objects and purposes of the university,
26 subject to any terms, restrictions, limitations or other requirements
27 imposed by State and federal law or otherwise;

28 c. All employees of Montclair State University prior to the
29 effective date of **[this act]** P.L.2017, c.178 (C.18A:64N-1 et seq.)
30 shall become employees of the university. Nothing in this act shall
31 be construed so as to deprive any person of any right of tenure or
32 under any retirement system or to any pension, disability, social
33 security or similar benefit, to which the person is entitled by law or
34 contractually. All persons employed at Montclair State University
35 shall continue to be represented by the majority representative that
36 represented them on the effective date of **[this act]**, shall continue to
37 be represented by the executive branch Statewide collective
38 negotiations units they were in on the effective date of this act **[**
39 P.L.2017, c.178 (C.18A:64N-1 et seq.), and shall continue to be
40 covered by the collective negotiations agreements that were in effect
41 on the effective date of **[this act]** P.L.2017, c.178 (C.18A:64N-1 et
42 seq.) until such time as a successor agreement is established.
43 **[Pursuant to section 12 of P.L.1986, c.42 (C.18A:64-21.1), the**
44 **Governor]** Montclair State University shall **[continue to]** function as
45 the public employer under the "New Jersey Employer-Employee
46 Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.), for persons
47 employed at Montclair State University. **[The executive branch**
48 **Statewide collective negotiations units referenced in this section are**

1 the units specified in subsection b. of section 1 of P.L.2005, c.142
2 (C.34:13A-5.10).**】** The employees of Montclair State University
3 employed on the effective date of **【this act】** P.L.2017, c.178
4 (C.18A:64N-1 et seq.) shall not be considered new employees for any
5 purpose and shall retain any accrued seniority, rank, and tenure,
6 which shall be applied when determining eligibility for all benefits,
7 including all paid leave time, longevity increases, promotions and
8 health benefits. Nothing in **【this act】** P.L.2017, c.178 (C.18A:64N-
9 1 et seq.) shall be construed to deprive any person employed at
10 Montclair State University of any tenure rights or to in any manner
11 affect the tenure, rank, or academic track of any employees holding
12 a faculty position. Such tenure, rank and academic track shall
13 continue to be through Montclair State University and shall be held
14 or granted pursuant to the authority of the board of trustees of
15 Montclair State University for all current and future employees
16 employed at Montclair State University. Nothing in **【this act】**
17 P.L.2017, c.178 (C.18A:64N-1 et seq.) shall be construed to deprive
18 any officers or employees employed at Montclair State University of
19 their rights, privileges, obligations or status under any pension,
20 retirement, health benefits system, civil service law or any other law
21 of this State;

22 d. All files, papers, records, equipment and other personal
23 property of Montclair State University shall be transferred to the
24 university; **【and】**

25 e. All orders, rules or regulations theretofore made or
26 promulgated by Montclair State University shall continue in full
27 force and effect as the orders, rules and regulations of the university
28 until amended or repealed by the university; and

29 f. Any person who becomes an employee of Montclair State
30 University or a subsidiary corporation of the university other than a
31 subsidiary corporation expressly formed pursuant to subsection ee.
32 of section 9 of P.L.2017, c.178 (C.18A:64N-9) through a merger or
33 consolidation with another entity, shall be deemed a public employee
34 and shall, as applicable, become a member of the university's
35 collective negotiations unit which encompasses the employee's
36 position and shall be represented by the majority representatives of
37 that unit.

38 (cf: P.L.2017, c.178, s.21)

39

40 20. Section 24 of P.L.2017, c.178 (C.18A:64N-24) is amended to
41 read as follows:

42 24. a. The general powers of supervision and control of the
43 Secretary of Higher Education at the request of the Governor over
44 Montclair State University include the power to visit the university
45 to examine into its manner of conducting its affairs and to enforce an
46 observance of **【its laws and regulations and】** the laws of the State.

47 b. Notwithstanding any other provision of law to the contrary,
48 Montclair State University, through its board of trustees, shall have

1 the care, custody, control, and title of such property as the State now
2 has or shall hereafter acquire at the university, subject to the visitorial
3 powers of the Secretary of Higher Education at the request of the
4 Governor.

5 (cf: P.L.2017, c.178, s.24)

6

7 21. This act shall take effect immediately.

8

9

10

STATEMENT

11

12 This bill provides for the merger of Bloomfield College with
13 Montclair State University, expands the powers and property of
14 Montclair State University, and expands the State college risk
15 management group.

16 The bill provides a pathway for Bloomfield College, an
17 independent college, to become a school of Montclair State
18 University. The bill updates the law that established Bloomfield
19 College to reflect the current governance structure of Bloomfield
20 College. The bill further permits the college to organize as a
21 nonprofit corporation under Title 15A of the New Jersey Statutes and
22 to merge or consolidate with another nonprofit corporation formed
23 and operated primarily for educational purposes.

24 The State is the current owner of most of the land, including its
25 buildings and structures, at Montclair State University in the
26 townships of Montclair, Little Falls, and Clifton. The State leases
27 this property to the institution. The bill transfers property owned by
28 the State at Montclair State University to the university. Specifically,
29 under the bill, Montclair State University will have the care, custody,
30 control, and title of any property the State now has or will hereafter
31 acquire at the university, subject to the visitorial powers of the
32 Secretary of Higher Education at the request of the Governor.

33 The bill makes numerous changes, clarifications, and additions to
34 the powers and duties of the board of trustees of Montclair State
35 University including the power or duty to:

- 36 • modify its corporate seal;
- 37 • approve the establishment or discontinuance of educational
38 programs, departments, or schools;
- 39 • enter into contracts and agreements with other public
40 institutions of higher education and their subsidiaries and
41 affiliates;
- 42 • merge or consolidate, including through subsidiary
43 corporations created by the university, with one or more other
44 nonprofit corporations; and
- 45 • have final authority to determine controversies and disputes
46 concerning tenure and personnel matter of employees not
47 classified under Title 11A of the New Jersey Statutes.

48 Additionally, the bill provides that:

- 1 • any public employees of the university who may be assigned
- 2 to support any joint venture, subsidiary corporation,
- 3 partnership, or other jural entity of the university will
- 4 continue to be deemed public employees; and
- 5 • the university may elect to not be represented by the Attorney
- 6 General in any matter in which the university is solely
- 7 responsible for any potential liability.

8 The bill amends the law that authorizes Montclair State University
9 to be a participating contracting unit in a cooperative pricing system.
10 Under the bill, a pricing system may be established by any municipal,
11 county, or State public agency, instrumentality of the State, public
12 institution of higher education in the State, or any subsidiary or
13 affiliate of a public institution of higher education in the State, or any
14 federal supply schedule.

15 The bill extends the law protecting any trustee or officer of
16 Montclair State University from personal liability for any debt,
17 obligation, or liability of the university to any debt, obligation, or
18 liability incurred by or on behalf of a university subsidiary or
19 affiliate.

20 The bill permits cooperative use of the buildings or facilities of
21 public institutions of higher education, or of its subsidiaries or
22 affiliates, with one or more other public institutions of higher
23 education.

24 Current law authorizes two or more State colleges or universities to
25 form a State college risk management group and to participate in joint
26 liability funds, risk management programs, and related services
27 provided by the group, subject to certain regulatory oversight by the
28 Commissioner of Banking and Insurance. This bill renames the groups
29 as “public” college risk management groups and permits all four-year
30 public institutions of higher education to enter into these groups and
31 programs

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 3848

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 22, 2023

The Assembly Appropriations Committee reports favorably and with committee amendments Senate Bill No. 3848 (1R).

This amended bill provides for the merger of Bloomfield College with Montclair State University, expands the powers and property of Montclair State University, and expands the State college risk management group.

The amended bill provides a pathway for Bloomfield College, an independent college, to become a school of Montclair State University. The bill updates the law that established Bloomfield College to reflect the current governance structure of Bloomfield College. The bill further permits the college to merge or consolidate with another nonprofit corporation formed and operated primarily for educational purposes.

Under the amended bill, Montclair State University will have the care, custody, control, and title of any property the institution acquires as part of a merger or consolidation with another nonprofit corporation formed and operated primarily for educational purposes, subject to the visitorial powers of the Secretary of Higher Education at the request of the Governor and the conveyance terms for any property owned by the New Jersey Educational Facilities Authority.

Additionally, the amended bill makes numerous changes, clarifications, and additions to the powers and duties of the board of trustees of Montclair State University, including the power or duty to:

- modify its corporate seal;
- approve the establishment or discontinuance of educational programs, departments, or schools;
- enter into contracts and agreements with other public institutions of higher education and their subsidiaries and affiliates; and
- merge or consolidate, including through or with subsidiary corporations created by the university, with one or more other nonprofit corporations.

Additionally, the amended bill provides that:

- any public employees of the university who may be assigned to support any joint venture, subsidiary corporation, partnership, or other jural entity of the university will continue to be deemed public employees; and
- the university may elect to not be represented by the Attorney General in any matter in which the university is solely responsible for any potential liability.

The amended bill authorizes Montclair State University to be a participating contracting unit in a joint purchasing agreement.

The amended bill also extends the law protecting any trustee or officer of Montclair State University from personal liability for any debt, obligation, or liability of the university to any debt, obligation, or liability incurred by or on behalf of a university subsidiary or affiliate.

The amended bill further permits cooperative use of the buildings or facilities of public institutions of higher education, or of its subsidiaries or affiliates, with one or more other public institutions of higher education, subject to certain requirements established by the New Jersey Educational Facilities Authority.

Current law authorizes two or more State colleges or universities to form a State college risk management group and to participate in joint liability funds, risk management programs, and related services provided by the group, subject to certain regulatory oversight by the Commissioner of Banking and Insurance. This bill renames the groups as “public” college risk management groups and permits all four-year public institutions of higher education to enter into these groups and programs.

Finally, the amended bill maintains the current structure for the Statewide collective negotiations units at Montclair State University, and clarifies that any person who becomes an employee of Montclair State University or a subsidiary corporation of the university through a merger or consolidation with another entity, is to be deemed a public employee, become a member of the Statewide collective negotiations unit which encompasses the employee’s position as applicable, and be represented by the majority representatives of that unit.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- specify that unit work performed by employees of Montclair State University is not transferred to a subsidiary corporation, limited partnership, general partnership, or joint venture or to persons employed by those entities;
- clarify that mergers or consolidations with subsidiary corporations created by the university after the effective date of this bill will not require the approval of the Office of the Attorney General;
- clarify that any employee of Montclair State University is to continue to be covered by collective negotiations agreements

that were in effect on and after the effective date of P.L.2017, c.178; and

- make a technical change.

FISCAL IMPACT:

The Office of Legislative Services does not have sufficient information to make a comprehensive analysis of the fiscal impact of this bill. Bloomfield College publicly released a summary of the Agreement and Plan of Merger but notes that the full agreement will not be made available until the merger has been executed. The summary provided by Bloomfield College does not include information on the anticipated costs of the proposed merger. Similarly, Montclair State University has not publicly released information on the anticipated costs of the proposed merger.

Bloomfield College's assets and liabilities will be assumed by Montclair State upon the merger. Bloomfield College listed \$35.7 million in total liabilities, including \$32.5 million in long-term debt, in its FY 2022 financial statements. Its assets totaled \$93.9 million, including \$62.5 million in property and equipment and \$31.3 million in non-property assets.

About 1,200 Bloomfield College students are expected to become part of Montclair State University after the merger, and between 120 and 130 Bloomfield College employees will transition to employment at Montclair State University.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 3848

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 12, 2023

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 3848 and with committee amendments.

As amended, this bill provides for the merger of Bloomfield College with Montclair State University, expands the powers and property of Montclair State University, and expands the State college risk management group.

The amended bill provides a pathway for Bloomfield College, an independent college, to become a school of Montclair State University. The bill updates the law that established Bloomfield College to reflect the current governance structure of Bloomfield College. The bill further permits the college to merge or consolidate with another nonprofit corporation formed and operated primarily for educational purposes.

Under the amended bill, Montclair State University will have the care, custody, control, and title of any property the institution acquires as part of a merger or consolidation with another nonprofit corporation formed and operated primarily for educational purposes, subject to the visitorial powers of the Secretary of Higher Education at the request of the Governor and the conveyance terms for any property owned by the New Jersey Educational Facilities Authority.

The amended bill makes numerous changes, clarifications, and additions to the powers and duties of the board of trustees of Montclair State University including the power or duty to:

- modify its corporate seal;
- approve the establishment or discontinuance of educational programs, departments, or schools;
- enter into contracts and agreements with other public institutions of higher education and their subsidiaries and affiliates; and
- merge or consolidate, including through or with subsidiary corporations created by the university, with one or more other nonprofit corporations.

Additionally, the amended bill provides that:

- any public employees of the university who may be assigned to support any joint venture, subsidiary corporation, partnership,

or other jural entity of the university will continue to be deemed public employees; and

- the university may elect to not be represented by the Attorney General in any matter in which the university is solely responsible for any potential liability.

The amended bill authorizes Montclair State University to be a participating contracting unit in a joint purchasing agreement.

The amended bill extends the law protecting any trustee or officer of Montclair State University from personal liability for any debt, obligation, or liability of the university to any debt, obligation, or liability incurred by or on behalf of a university subsidiary or affiliate.

The amended bill permits cooperative use of the buildings or facilities of public institutions of higher education, or of its subsidiaries or affiliates, with one or more other public institutions of higher education, subject to certain requirements established by the New Jersey Educational Facilities Authority.

Current law authorizes two or more State colleges or universities to form a State college risk management group and to participate in joint liability funds, risk management programs, and related services provided by the group, subject to certain regulatory oversight by the Commissioner of Banking and Insurance. This bill renames the groups as “public” college risk management groups and permits all four-year public institutions of higher education to enter into these groups and programs.

Finally, the amended bill maintains the current structure for the statewide collective negotiations units at Montclair State University, and clarifies that any person who becomes an employee of Montclair State University or a subsidiary corporation of the university through a merger or consolidation with another entity, shall be deemed a public employee, become a member of the statewide collective negotiations unit which encompasses the employee’s position as applicable, and be represented by the majority representatives of that unit.

COMMITTEE AMENDMENTS:

The committee amendments:

- revise provisions concerning the care, custody, and control of buildings and facilities owned by public institutions of higher education and the New Jersey Educational Facilities Authority;
- specify that a merger or consolidation under the bill is not subject to the approval of the Office of the Attorney General;
- remove a provision that granted Montclair State University’s board of trustees the final authority to determine controversies and disputes concerning tenure and personnel matters of employees not classified under Title11A of the New Jersey Statutes;
- authorize the university to be a participating contracting unit in a joint purchasing agreement;

- revise a provision of current law on the university's authority to be a participating contracting unit in a cooperative pricing system;
- remove provisions concerning labor relations and revert the language to current law;
- clarify that employees who become an employee of Montclair State University through a merger or consolidation with another entity are to become a member of the Statewide collective negotiations unit; and
- revise provisions concerning the transfer of land owned by the State and the New Jersey Educational Facilities Authority.

FISCAL IMPACT:

The Office of Legislative Services does not have sufficient information to make a comprehensive analysis of the fiscal impact of this bill. Bloomfield College publicly released a summary of the Agreement and Plan of Merger but notes that the full agreement will not be made available until the merger has been executed. The summary provided by Bloomfield College does not include information on the anticipated costs of the proposed merger. Similarly, Montclair State University has not publicly released information on the anticipated costs of the proposed merger.

Bloomfield College's assets and liabilities will be assumed by Montclair State upon the merger. Bloomfield College listed \$35.7 million in total liabilities, including \$32.5 million in long-term debt, in its FY 2022 financial statements. Its assets totaled \$93.9 million, including \$62.5 million in property and equipment and \$31.3 million in non-property assets.

About 1,200 Bloomfield College students are expected to become part of Montclair State University after the merger, and between 120 and 130 Bloomfield College employees will transition to employment at Montclair State.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 3848

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 22, 2023

The Assembly Appropriations Committee reports favorably and with committee amendments Senate Bill No. 3848 (1R).

This amended bill provides for the merger of Bloomfield College with Montclair State University, expands the powers and property of Montclair State University, and expands the State college risk management group.

The amended bill provides a pathway for Bloomfield College, an independent college, to become a school of Montclair State University. The bill updates the law that established Bloomfield College to reflect the current governance structure of Bloomfield College. The bill further permits the college to merge or consolidate with another nonprofit corporation formed and operated primarily for educational purposes.

Under the amended bill, Montclair State University will have the care, custody, control, and title of any property the institution acquires as part of a merger or consolidation with another nonprofit corporation formed and operated primarily for educational purposes, subject to the visitorial powers of the Secretary of Higher Education at the request of the Governor and the conveyance terms for any property owned by the New Jersey Educational Facilities Authority.

Additionally, the amended bill makes numerous changes, clarifications, and additions to the powers and duties of the board of trustees of Montclair State University, including the power or duty to:

- modify its corporate seal;
- approve the establishment or discontinuance of educational programs, departments, or schools;
- enter into contracts and agreements with other public institutions of higher education and their subsidiaries and affiliates; and
- merge or consolidate, including through or with subsidiary corporations created by the university, with one or more other nonprofit corporations.

Additionally, the amended bill provides that:

- any public employees of the university who may be assigned to support any joint venture, subsidiary corporation, partnership, or other jural entity of the university will continue to be deemed public employees; and
- the university may elect to not be represented by the Attorney General in any matter in which the university is solely responsible for any potential liability.

The amended bill authorizes Montclair State University to be a participating contracting unit in a joint purchasing agreement.

The amended bill also extends the law protecting any trustee or officer of Montclair State University from personal liability for any debt, obligation, or liability of the university to any debt, obligation, or liability incurred by or on behalf of a university subsidiary or affiliate.

The amended bill further permits cooperative use of the buildings or facilities of public institutions of higher education, or of its subsidiaries or affiliates, with one or more other public institutions of higher education, subject to certain requirements established by the New Jersey Educational Facilities Authority.

Current law authorizes two or more State colleges or universities to form a State college risk management group and to participate in joint liability funds, risk management programs, and related services provided by the group, subject to certain regulatory oversight by the Commissioner of Banking and Insurance. This bill renames the groups as “public” college risk management groups and permits all four-year public institutions of higher education to enter into these groups and programs.

Finally, the amended bill maintains the current structure for the Statewide collective negotiations units at Montclair State University, and clarifies that any person who becomes an employee of Montclair State University or a subsidiary corporation of the university through a merger or consolidation with another entity, is to be deemed a public employee, become a member of the Statewide collective negotiations unit which encompasses the employee’s position as applicable, and be represented by the majority representatives of that unit.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- specify that unit work performed by employees of Montclair State University is not transferred to a subsidiary corporation, limited partnership, general partnership, or joint venture or to persons employed by those entities;
- clarify that mergers or consolidations with subsidiary corporations created by the university after the effective date of this bill will not require the approval of the Office of the Attorney General;
- clarify that any employee of Montclair State University is to continue to be covered by collective negotiations agreements

that were in effect on and after the effective date of P.L.2017, c.178; and

- make a technical change.

FISCAL IMPACT:

The Office of Legislative Services does not have sufficient information to make a comprehensive analysis of the fiscal impact of this bill. Bloomfield College publicly released a summary of the Agreement and Plan of Merger but notes that the full agreement will not be made available until the merger has been executed. The summary provided by Bloomfield College does not include information on the anticipated costs of the proposed merger. Similarly, Montclair State University has not publicly released information on the anticipated costs of the proposed merger.

Bloomfield College's assets and liabilities will be assumed by Montclair State upon the merger. Bloomfield College listed \$35.7 million in total liabilities, including \$32.5 million in long-term debt, in its FY 2022 financial statements. Its assets totaled \$93.9 million, including \$62.5 million in property and equipment and \$31.3 million in non-property assets.

About 1,200 Bloomfield College students are expected to become part of Montclair State University after the merger, and between 120 and 130 Bloomfield College employees will transition to employment at Montclair State University.

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

SENATE, No. 3848

STATE OF NEW JERSEY 220th LEGISLATURE

DATED: JUNE 30, 2023

SUMMARY

- Synopsis:** Provides for merger of Bloomfield College with Montclair State University; expands powers and property of Montclair State University; expands State college risk management group.
- Type of Impact:** Annual State cost increases; annual cost and revenue increases to Montclair State University.
- Agencies Affected:** Montclair State University; Department of the Treasury.

Office of Legislative Services Estimate	
Annual State Cost Increase	Indeterminate
Annual Montclair State University Cost Increase	Indeterminate
Annual Montclair State University Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) does not have sufficient information to make a comprehensive analysis of the fiscal impact of this bill. Bloomfield College publicly released a summary of the Agreement and Plan of Merger but notes that the full agreement will not be made available until the merger has been executed. The summary provided by Bloomfield College does not include information on the anticipated costs of the proposed merger. Similarly, Montclair State University has not publicly released information on the anticipated costs of the proposed merger.
- Bloomfield College's assets and liabilities will be assumed by Montclair State upon the merger. Bloomfield College listed \$35.7 million in total liabilities, including \$32.5 million in long-term debt, in its FY 2022 financial statements. Its assets totaled \$93.9 million, including \$62.5 million in property and equipment and \$31.3 million in non-property assets.
- About 1,200 Bloomfield College students are expected to become part of Montclair State University after the merger, and between 120 and 130 Bloomfield College employees will transition to employment at Montclair State University.

BILL DESCRIPTION

This bill provides for the merger of Bloomfield College with Montclair State University, expands the powers and property of Montclair State University, and expands the State college risk management group.

The bill provides a pathway for Bloomfield College, an independent college, to become a school of Montclair State University and permits the college to merge or consolidate with another nonprofit corporation operated primarily for educational purposes.

Montclair State University will have the control and title of any property the institution acquires as part of the merger.

The bill makes numerous changes to the powers and duties of the board of trustees of Montclair State University, including the power to merge or consolidate with one or more other nonprofit corporations.

Additionally, the bill provides that any public employees of the university who may be assigned to support any related entity of the university will continue to be deemed public employees.

Current law authorizes two or more State colleges or universities to form a State college risk management group and to participate in joint liability funds and risk management programs provided by the group. This bill permits all four-year public institutions of higher education to enter into these groups and programs.

The bill maintains the current structure for the Statewide collective negotiations units at Montclair State University and clarifies that any person who becomes an employee of the university is to be deemed a public employee, becomes a member of the Statewide collective negotiations unit which encompasses the employee's position, and is to be represented by the majority representatives of that unit.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS does not have sufficient information to make a comprehensive analysis of the fiscal impact of this bill. Bloomfield College publicly released a summary of the Agreement and Plan of Merger but notes that the full agreement will not be made available until the merger has been executed. The summary provided by Bloomfield College does not include information on the anticipated costs of the proposed merger. Similarly, Montclair State University has not publicly released information on the anticipated costs of the proposed merger.

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About 1,200 Bloomfield College students are expected to become part of Montclair State after the merger. The revenues that these students provide to Bloomfield College will become annual revenues of Montclair State University. The university will also incur additional annual costs to educate these students and provide other ancillary services.

Between 120 and 130 Bloomfield College employees will transition to employment at Montclair State University and will become State employees with eligibility for various State benefits, including the State Health Benefits Program, resulting in an indeterminate increase in annual State costs. Other Bloomfield College faculty and employees not offered positions at Montclair State University will receive severance.

Section: Education

*Analyst: Sarah Haimowitz
Lead Research Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

SENATE, No. 3848

STATE OF NEW JERSEY 220th LEGISLATURE

DATED: JUNE 30, 2023

SUMMARY

- Synopsis:** Provides for merger of Bloomfield College with Montclair State University; expands powers and property of Montclair State University; expands State college risk management group.
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The bill makes numerous changes to the powers and duties of the board of trustees of Montclair State University, including the power to merge or consolidate with one or more other nonprofit corporations.

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Current law authorizes two or more State colleges or universities to form a State college risk management group and to participate in joint liability funds and risk management programs provided by the group. This bill permits all four-year public institutions of higher education to enter into these groups and programs.

The bill maintains the current structure for the Statewide collective negotiations units at Montclair State University and clarifies that any person who becomes an employee of the university is to be deemed a public employee, becomes a member of the Statewide collective negotiations unit which encompasses the employee's position, and is to be represented by the majority representatives of that unit.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS does not have sufficient information to make a comprehensive analysis of the fiscal impact of this bill. Bloomfield College publicly released a summary of the Agreement and Plan of Merger but notes that the full agreement will not be made available until the merger has been executed. The summary provided by Bloomfield College does not include information on the anticipated costs of the proposed merger. Similarly, Montclair State University has not publicly released information on the anticipated costs of the proposed merger.

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Section: Education

*Analyst: Sarah Haimowitz
Lead Research Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

ASSEMBLY, No. 5470

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED MAY 18, 2023

Sponsored by:

Assemblywoman BRITNEE N. TIMBERLAKE

District 34 (Essex and Passaic)

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex)

Assemblywoman MILA M. JASEY

District 27 (Essex and Morris)

Co-Sponsored by:

**Assemblyman Giblin, Assemblywomen Reynolds-Jackson, Carter and
Assemblyman Umba**

SYNOPSIS

Provides for merger of Bloomfield College with Montclair State University; expands powers and property of Montclair State University; and expands State college risk management group.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/5/2023)

A5470 TIMBERLAKE, PINTOR MARIN

2

1 AN ACT concerning public institutions of higher education and the
2 merger of Bloomfield College and Montclair State University, and
3 amending and supplementing various parts of the statutory law.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. (New section) The Legislature finds and declares that:

9 a. Bloomfield College is an independent institution of higher
10 education located in Bloomfield, New Jersey, originally established
11 by an act of the Legislature in 1871 as the “German Theological
12 School of Newark, New Jersey,” and which was later renamed
13 through an act of the Legislature first as the “Bloomfield Theological
14 Seminary” in 1913 and again in 1931 as “Bloomfield College and
15 Seminary.”

16 b. Bloomfield College is one of the most diverse liberal arts
17 colleges in the nation, with nearly 1,300 undergraduate students and
18 it is the State’s only four-year institution of higher education with the
19 federal designations of being a Minority Serving Institution (MSI), a
20 Hispanic-Serving Institution (HSI), and a Predominantly Black
21 Institution (PBI).

22 c. Bloomfield College is unable to continue operations as an
23 independent college due to significant financial challenges, which
24 have been further exacerbated by declining enrollment.

25 d. Due to Bloomfield College’s status as the State’s only MSI,
26 HSI and PBI, it is of great public importance to New Jersey’s system
27 of higher education that Bloomfield College continue operations.

28 e. Montclair State University is a public institution of higher
29 education with its main campus located in Montclair, Little Falls, and
30 Clifton, New Jersey, and which has been designated by an act of the
31 Legislature as a public research university in the State.

32 f. Montclair State University is comprised of 10 colleges and
33 schools that serve over 21,000 undergraduate and graduate students
34 in more than 300 doctoral, master’s, and baccalaureate level
35 programs.

36 g. Montclair State University has been granted broad powers as a
37 public research university to undertake activities that are necessary
38 or desirable for university purposes, including the ability to acquire
39 property, enter into contracts, form entities, and make decisions
40 regarding the development of the university.

41 h. Recognizing the public importance of Bloomfield College, and
42 determining that it is both necessary and desirable for university
43 purposes, Montclair State University has entered into an agreement
44 with Bloomfield College for it to become a part of Montclair State
45 University.

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 i. The preservation of Bloomfield College’s mission through an
2 alignment with Montclair State University is within the public
3 interest and has an important public purpose as it will preserve
4 Bloomfield College’s mission.

5
6 2. (New section) a. The governing board of a public institution of
7 higher education may permit the use of any part of a building or
8 facility of the institutions, or of its subsidiaries or affiliates, in whole
9 or in part, by one or more other public institution of higher education
10 in a manner that the education of students in the various institutions
11 of higher education may be conducted cooperatively and made more
12 widely and efficiently available to the people of the State.

13 b. The care, custody, and control of any building used jointly by
14 two or more public institutions of higher education pursuant to
15 subsection a. of this section shall remain vested in the governing
16 board which permits the use of the building or facility.

17 c. The care, custody, and control of a building of a public
18 institution of higher education used wholly by a second public
19 institution of higher education shall be exercised by the second
20 institution of higher education, subject to the visitorial power of the
21 first institution.

22
23 3. Section 1 of P.L.1871, c.18 is amended to read as follows:

24 1. **【**Be it enacted by the Senate and General Assembly of the State
25 of New Jersey, That Jonathan F. Stearns, Joseph Few Smith, Charles
26 A. Smith, George C. Seibert, Charles E. Knox, Thomas N. McCarter,
27 F. Wolcott Jackson, William F. Van Wagenen and Philip Doremus
28 and their successors, are hereby constituted a body corporate and
29 politic, in fact and in name, by the name of “The German Theological
30 School of Newark, New Jersey,” and by that name shall have
31 succession and be capable in law of taking and holding, by gift, grant,
32 devise or otherwise, and of holding and conveying, both in law and
33 in equity, and real or personal estate, and may have a common seal
34 and change the same at pleasure.**】** “The German Theological School
35 of Newark, New Jersey,” a body politic and corporate in fact and in
36 law, established pursuant to P.L.1871, c.18, that name having been
37 further changed to “Bloomfield Theological Seminary,” pursuant to
38 P.L. 1913, c. 265, and the name having been further changed to the
39 “Bloomfield College and Seminary,” pursuant to P.L.1931, c.260,
40 shall hereby be known as “Bloomfield College.”

41 (cf: P.L.1871, c.18, s.1)

42
43 4. Section 2 of P.L.1871, c.18 is amended to read as follows:

44 2. **【**And be it enacted, That the**】** The government of the **【said】**
45 corporation shall be vested in a board of **【directors】** trustees, which
46 shall consist of **【nine members, five of whom shall be clergymen,**
47 and four laymen; the corporators above named shall be the first board

A5470 TIMBERLAKE, PINTOR MARIN

4

1 of directors of said corporation, and shall be divided into three
2 classes, to be numbered one, two, and three; the term of the first shall
3 expire in one, the second in two and the third in three years from the
4 first day of May last; Joseph Few Smith, Charles E. Knox and
5 Thomas N. McCarter, shall compose the first class; Charles A. Smith,
6 William F. Van Wagenen and Philip Doremus, shall compose the
7 second class, and Jonathan F. Stearns, George C. Seibert and F.
8 Wolcott Jackson, shall compose the third class; each class of
9 directors shall hereafter be chosen for and hold their office during
10 three years, and until a new election to supply the place of such class
11 not more than 39 persons of legal age all of whom shall be elected by
12 the board of trustees and one-third of whom are to be elected each
13 year. The organization of the initial board of trustees shall be set forth
14 in the corporation's bylaws. The trustees shall be appointed or elected
15 in accordance with the corporation's bylaws as adopted and amended
16 from time to time by the corporation's board of trustees, which shall
17 include provisions for the qualifications for trustees, terms, possible
18 division into classes, and provisions for removal of trustees from
19 office. The trustees and their successors shall manage and care for
20 the estate of both real and personal property of the corporation, and
21 shall have the power to sell, encumber as security for loans, or
22 otherwise dispose of the property in their discretion for the purpose
23 of advancing the objectives of the school, and shall also have power
24 to adopt a constitution and all necessary bylaws and ordinances for
25 the management and government of the school, provided they are not
26 in conflict with the laws of this State.

27 (cf: P.L.1871, c.18, s.2)

28

29 5. Section 3 of P.L.1871, c.18 is amended to read as follows:

30 3. **【**And be it enacted, That the Presbytery of Newark may
31 annually hereafter elect at its stated spring meeting, three directors of
32 said corporation to supply the place of the class which shall expire in
33 that year, and shall also have power to fill any vacancy that may have
34 happened by death, resignation or otherwise, in any other class, such
35 election to be held in such manner as the said Presbytery of Newark
36 shall direct; and any such election shall be subject to review by the
37 next General Assembly of the Presbyterian Church in the United
38 States of America; and in case the said general assembly shall
39 disapprove of such election, the offices of the director or directors
40 disapproved of, shall thereupon become vacant; the board of directors
41 shall also have power to fill all vacancies in their own board which
42 may happen from year to year, and such appointment shall be valid
43 until the first day of May then next following, or until the election of
44 a successor by the Presbytery as aforesaid. **】**

45 a. Whenever deemed by the board of trustees to be in the best
46 interest of the corporation, it shall be lawful for the board of trustees
47 to approve the sale or other disposition of the corporation, or of all
48 or substantially all of the assets of the corporation, in accordance with

1 State law. Upon dissolution of the corporation or the winding up of
2 its affairs, the assets of the corporation shall be distributed as set forth
3 in the corporation's bylaws, provided that the distribution shall be for
4 one or more exempt purposes within the meaning of paragraph (3) of
5 subsection (c) of section 501 of the federal Internal Revenue Code of
6 1986, 26 U.S.C. s.501(c)(3), consistent with the educational purposes
7 of the corporation, or shall be distributed to the federal government,
8 or to a state or local government, for a public purpose.

9 b. Nothing contained within sections 1 through 5 of P.L.1871,
10 c.18 shall be construed to impair, annul, or affect any vested rights,
11 grants, charter rights, privileges, exemptions, immunities, powers,
12 prerogatives, franchises, or advantages heretofore obtained or
13 enjoyed by the corporation or any constituent unit thereof, under
14 authority of its charter or any act of this State or under any grant,
15 deed, conveyance, transfer, lease, estate, remainder, expectancy,
16 trust, gift, donation, legacy, devise, endowment, or fund, all of which
17 are hereby ratified and confirmed, and all of which shall survive and
18 shall continue to vest in the corporation and in any nonprofit entity
19 that merges or consolidates with the corporation, along with the
20 assumption of all of the liabilities that have not been satisfied by the
21 corporation prior to the merger or consolidation, or any nonprofit
22 entity that obtains substantially all of the assets of the corporation or,
23 in the event of a merger or consolidation, substantially all of the
24 assets of the successor of the corporation, upon the dissolution or the
25 winding up of the affairs of the corporation or its successor.

26 (cf: P.L.1871, c.18, s.3)

27
28 6. Section 4 of P.L.1871, c.18 is amended to read as follows:

29 4. **【**And be it enacted, That the said directors and their successors
30 shall have the management and care of the estate, both real and
31 personal of said corporation, and shall have power to sell or otherwise
32 dispose of the same in their discretion, for the purpose of advancing
33 the objects of said school, and shall also have power to adopt a
34 constitution and all necessary by-laws and ordinances for the
35 management and government of said school; provided, the same be
36 not in conflict with the laws and constitution of this State or of the
37 United States**】** Without limiting or impinging upon the powers
38 currently vested in the corporation pursuant to sections 1 through 5
39 of P.L.1871, c.18, the corporation may merge or consolidate with one
40 or more other nonprofit corporations formed under Title 15A of the
41 New Jersey Statutes and operated primarily for educational purposes
42 and exempt under paragraph (3) of subsection (c) of section 501 of
43 the federal Internal Revenue Code of 1986, 26 U.S.C. s.501(c)(3), as
44 the board of trustees may determine, but consistent with the public
45 purposes of the corporation.

46 (cf: P.L.1871, c.18, s.4)

47
48 7. Section 5 of P.L.1871, c.18 is amended to read as follows:

1 5. **【**And be it enacted, That, whenever from a cessation of German
2 immigration, or from any other cause, it may be deemed inexpedient
3 longer to maintain said institution as a distinctive German theological
4 school, it shall be lawful for the directors, with the approval of the
5 Presbytery of Newark, and of the General Assembly of the
6 Presbyterian Church of the United States, to use the property and
7 funds of said corporation for any other branch of theological and
8 collegiate or collegiate education, or transfer its property and funds
9 to any other theological seminary; and in case of such transfer of all
10 the property of said corporation to another seminary or seminaries,
11 the corporate power hereby granted shall cease, and said corporation
12 shall be thereby dissolved.**】** The corporation may have a member or
13 members, the powers and qualifications for which shall be set forth
14 in the bylaws of the corporation and which shall comply with the
15 provisions of N.J.S.15A:1-1 et seq.
16 (cf: P.L.1951, c.178)

17
18 8. Section 1 of P.L.2010, c.99 (C.18A:64-86) is amended to read
19 as follows:

20 1. As used in **【**this act**】** P.L.2010, c.99 (C.18A:64-86 set seq.):

21 "Board of trustees" or "trustees" means the board of trustees
22 established pursuant to the bylaws of the **【**State**】** public college risk
23 management group to govern or manage the risk management
24 programs, joint liability funds, and related services of the group.

25 "Certified audit" means an audit upon which an auditor expresses
26 a professional opinion that the accompanying statements present
27 fairly the financial position of a joint liability fund in conformity with
28 generally accepted accounting principles consistently applied, and
29 includes tests of the accounting records and other auditing procedures
30 as considered necessary in the circumstances.

31 "Commissioner" means the Commissioner of Banking and
32 Insurance.

33 "Contributions" means the moneys paid by a member of a **【**State**】**
34 public college risk management group in amounts as may be set by
35 the board of trustees or other officers as provided in the group's
36 bylaws for the purposes of participating in a joint liability fund or
37 funds, or securing risk management programs or related services.

38 "Joint liability fund" or "fund" means a joint liability fund
39 established by a **【**State**】** public college risk management group
40 pursuant to **【**this act**】** P.L.2010, c.99 (C.18A:64-86 et seq.). The
41 joint liability fund is a fund of public moneys from contributions
42 made by members of a **【**State**】** public college risk management group
43 for the purpose of securing insurance, risk management programs, or
44 related services as authorized by this act.

45 **【**"State college" means any of the State colleges or universities
46 established pursuant to chapter 64 of Title 18A of the New Jersey
47 Statutes.**】**

1 "【State】 Public college risk management group" or "group" means
2 an association formed by two or more 【State colleges】 four-year
3 public institutions of higher education for the development,
4 administration, and provision of risk management programs, joint
5 liability funds for the payment of liabilities incurred by the 【State
6 colleges】 institutions and not funded by the State of New Jersey
7 pursuant to the provisions of the "New Jersey Tort Claims Act,"
8 N.J.S.59:1-1 et seq., and related services.

9 "Risk management program" means a plan, and activities carried
10 out under the plan, by a 【State】 public college risk management
11 group to reduce risk of loss with respect to liabilities incurred by the
12 【State colleges】 four-year public institutions of higher education,
13 including safety engineering and other loss prevention and control
14 techniques. A risk management program also includes the
15 administration of one or more joint liability funds, including the
16 processing and defense of claims brought against or on behalf of
17 members of the group.
18 (cf: P.L.2010, c.99, s.1)

19
20 9. Section 2 of P.L.2010, c.99 (C.18A:64-87) is amended to read
21 as follows:

22 2. A 【State college】 four-year public institution of higher
23 education is authorized to insure, contract or provide for any
24 insurable interest of the 【State college】 institution in the manner
25 authorized by section 3 of 【this act】 P.L.2010, c.99 (C.18A:64-86 et
26 seq.), for the following:

27 a. Any loss or damage to its property, real or personal, motor
28 vehicles, equipment or apparatus;

29 b. Loss or damage from liability as established by the "New
30 Jersey Contractual Liability Act," N.J.S.59:13-1 et seq.;

31 c. Loss or damage from liability as established by the workers'
32 compensation law, R.S.34:15-1 et seq.; and

33 d. Expenses of defending any claim against the 【State college】
34 institution, trustee, officer, employee or servant arising out of and in
35 the course of the performance of their duties, whether or not liability
36 exists on the claim, not eligible for defense and indemnification by
37 the State of New Jersey in accordance with the provisions of the
38 "New Jersey Tort Claims Act," N.J.S.59:1-1 et seq.

39 (cf: P.L.2010, c.99, s.2)

40
41 10. Section 3 of P.L.2010, c.99 (C.18A:64-88) is amended to read
42 as follows:

43 3. a. Any two or more 【State colleges】 four-year public
44 institutions of higher education may form and become members of a
45 【State】 public college risk management group. A 【State college】
46 four-year public institution of higher education may take this action
47 by resolution of the governing board of 【trustees of】 the 【State

1 college] institution. Through membership in a [State] public college
2 risk management group, a [State college] four-year public institution
3 of higher education may participate in any joint liability funds, risk
4 management programs or related services offered or provided by the
5 group. The group shall have the power to establish funds for
6 coverages authorized in section 2 of [this act] P.L.2010, c.99
7 (C.18A:64-86 et seq.) and to jointly purchase insurance or coverages
8 under a master policy or contract of insurance for participating
9 members. The group shall have the power to take other actions
10 necessary to developing, administering, and providing risk
11 management programs, joint liability funds, joint insurance
12 purchases, and related services.

13 b. The bylaws of the [State] public college risk management
14 group shall provide that any [State college] four-year public
15 institution of higher education may join the group, provided it agrees
16 to comply with the standards for membership, including risk
17 management programs, which shall be established by the group, and
18 may be a member as long as it complies with the standards for
19 membership.

20 c. A [State] public college risk management group may sue or
21 be sued for the liabilities and coverages authorized by section 2 of
22 [this act] P.L.2010, c.99 (C.18A:64-86 et seq.) and shall appoint a
23 natural person residing in this State or a corporation authorized to do
24 business in this State as its agent for service of process. The group
25 shall notify the commissioner and the Office of the Attorney General
26 of the appointment.

27 d. A [State] public college risk management group shall not be
28 considered or deemed to be an insurance company or an insurer under
29 the laws of this State and the development, administration or
30 provision by a group of joint liability funds, risk management
31 programs, and related services shall not constitute the transaction of
32 insurance or the conducting of an insurance business. A group shall
33 not be subject to the provisions of Title 17, Subtitle 3 of the Revised
34 Statutes.

35 (cf: P.L.2010, c.99, s.3)

36
37 11. Section 4 of P.L.2010, c.99 (C.18A:64-89) is amended to read
38 as follows:

39 4. a. The bylaws of a [State] public college risk management
40 group shall:

41 (1) set forth a statement of purposes of the group;

42 (2) set forth provisions for organization of the group, including
43 governance by a board of trustees;

44 (3) provide for the delivery of risk management programs in
45 conjunction with any joint liability fund which the board of trustees
46 shall establish;

- 1 (4) set forth procedures to enforce the collection of any
2 contributions or payments in default;
- 3 (5) set forth membership standards as required in section 3 of
4 **【this act】** P.L.2010, c.99 (C.18A:64-86 et seq.);
- 5 (6) require that, for each joint liability fund, a contract or
6 contracts of specific and aggregate excess insurance or reinsurance is
7 maintained, if available, unless otherwise recommended by the
8 trustees upon the advice and report of an independent actuary;
- 9 (7) set forth procedures for:
- 10 (a) withdrawal from the group and a fund by a member;
- 11 (b) termination of the group or fund and disposition of assets; and
- 12 (c) determining the obligations, if any, of a member in the event
13 that the group is unable to pay indemnification obligations and
14 expenses payable from a fund administered by it;
- 15 (8) require an annual certified audit to be prepared and filed with
16 the commissioner;
- 17 (9) require that any joint liability fund be developed and operated
18 in accordance with accepted and sound actuarial practices;
- 19 (10) provide that any expenditure of moneys in a fund be in
20 furtherance of the purpose of the fund; and
- 21 (11) set forth other provisions as desired for operation and
22 governance of the group.
- 23 b. The bylaws of a **【State】** public college risk management
24 group shall provide for governance of the group by a board of trustees
25 selected in accordance with the provisions of the bylaws. The bylaws
26 shall provide for trustee powers and duties and shall include, but not
27 be limited to, the following powers of the board of trustees:
- 28 (1) to determine and establish contributions and rates, loss
29 reserves, surplus, limits of coverage, limits of excess or reinsurance,
30 coverage documents, dividends and other financial and operating
31 policies of the group or fund;
- 32 (2) to invest moneys held in trust under a fund in investments
33 which are approved for investment by regulation of the State
34 Investment Council for surplus moneys of the State;
- 35 (3) to purchase, acquire, hold, lease, sell and convey real and
36 personal property, all of which property shall be exempt from
37 taxation under chapter 4 of Title 54 of the Revised Statutes;
- 38 (4) to collect and disburse all money due to or payable by the
39 group, or authorize such collection and disbursement;
- 40 (5) to enter into contracts with other persons or with public bodies
41 of this State for any professional, administrative or other services as
42 may be necessary to carry out the purposes of the group or any fund;
- 43 (6) to purchase and serve as the master policyholders, if desired,
44 for any insurance, including excess or reinsurance; and
- 45 (7) to do all other things necessary and proper to carry out the
46 purposes for which the group is established.
- 47 (cf: P.L.2010, c.99, s.4)

1 12. Section 5 of P.L.2010, c.99 (C.18A:64-90) is amended to read
2 as follows:

3 5. a. The board of trustees of a **【State】** public college risk
4 management group shall have not less than three or more than 15
5 trustees. A trustee shall be a natural person 18 years of age or older
6 who is a resident of this State. A majority of the trustees of a group
7 shall be members or employees of member **【State colleges】**
8 institutions of higher education, provided that a trustee who ceases to
9 be a member or employee of a **【State college】** four-year public
10 institution of higher education may be allowed to serve for not more
11 than 90 days following cessation without violating this provision.

12 b. A trustee shall not be paid a salary, except that the written
13 trust instrument may provide for reimbursement for actual expenses
14 incurred on behalf of the fund and for compensation not to exceed
15 \$200 for any day or portion of a day spent at a meeting of the trustees.
16 Except as otherwise provided in this act, a trustee shall not enter into
17 any contract with the group or receive any moneys or other
18 compensation or thing of value whatsoever from the group for
19 services performed for or on behalf of the group.

20 (cf: P.L.2010, c.99, s.5)

21

22 13. Section 6 of P.L.2010, c.99 (C.18A:64-91) is amended to read
23 as follows:

24 6. a. A **【State】** public college risk management group, or any joint
25 liability fund of the group, shall not begin functioning as a means of
26 providing coverage or protection for or among its members until the
27 group's bylaws have been filed with and approved by the
28 commissioner. The commissioner may disapprove the bylaws only
29 if the bylaws do not conform with the provisions of **【this act】**
30 P.L.2010, c.99 (C.18A:64-86 et seq.). The commissioner shall set
31 forth the reasons for disapproval in writing. If the commissioner fails
32 to approve or disapprove the bylaws within 60 days following filing
33 of the bylaws with the commissioner, the bylaws shall be deemed
34 approved. The reasonable costs of the commissioner's review of the
35 bylaws shall be chargeable to the **【State】** colleges seeking to
36 establish the group.

37 b. A **【State】** public college risk management group shall file an
38 annual report, on a form to be prescribed by the commissioner, and
39 shall include a financial statement of the group's assets and liabilities,
40 the claims paid during the preceding 12 months, current reserves,
41 incurred losses, and any other information that the commissioner may
42 require.

43 c. The commissioner shall have authority to examine the books,
44 records and affairs of any **【State】** public college risk management
45 group or any of its liability funds at a time to be fixed by the
46 commissioner. The reasonable costs of any examination or review

1 shall be chargeable to the **【State】** public college risk management
2 group.

3 d. If at any time the commissioner determines that the **【State】**
4 public college risk management group has experienced a
5 deterioration in its financial condition which adversely affects or will
6 adversely affect its ability to pay expected losses, the commissioner
7 may:

8 (1) require an increase in the reserves of the group as required by
9 section 4 of **【this act】** P.L.2010, c.99 (C.18A:64-86 et seq.); or

10 (2) require the purchase of excess insurance or reinsurance.
11 (cf: P.L.2010, c.99, s.6)

12

13 14. Section 7 of P.L.2010, c.99 (C.18A:64-92) is amended to read
14 as follows:

15 7. Funds for premiums required by the contract between the
16 governing body of the **【State college】** four-year public institution of
17 higher education and the board of trustees of the **【State】** public
18 college risk management group shall be appropriated and paid as set
19 forth in the contract in the same manner as appropriations are made
20 for other expenses of the **【State college】** four-year public institution
21 of higher education.

22 (cf: P.L.2010, c.99, s.7)

23

24 15. Section 8 of P.L.2010, c.99 (C.18A:64-93) is amended to read
25 as follows:

26 8. The Commissioner of Banking and Insurance shall
27 promulgate rules and regulations necessary to effectuate the purposes
28 of this act pursuant to the "Administrative Procedure Act," P.L.1968,
29 c.410 (C.52:14B-1 et seq.). The rules and regulations shall include,
30 but not be limited to, the establishment, operation, modification and
31 dissolution of a **【State】** public college joint liability fund established
32 pursuant to the provisions of **【this act】** P.L.2010, c.99 (C.18A:64-86
33 et seq.).

34 (cf: P.L.2010, c.99, s.8)

35

36 16. Section 9 of P.L.2017, c.178 (C.18A:64N-9) is amended to
37 read as follows:

38 9. The board of trustees of Montclair State University shall have
39 the general supervision over and be vested with the conduct of the
40 university. It shall have the power and duty to:

41 a. Adopt **【and】** , use , and modify, as it deems appropriate, its
42 **【a】** corporate seal;

43 b. Determine the educational curriculum and program of the
44 university , including approving the establishment of new
45 educational programs, departments, or schools, and the
46 discontinuance of existing educational programs, departments, or
47 schools at the university, provided that the action is consistent with

1 the university's programmatic mission and that the action is reviewed
2 by the New Jersey President's Council pursuant to subsection c. of
3 section 8 of P.L.1994, c.48(C.18A:3B-8) or approved by the
4 Secretary of Higher Education pursuant to subsection f. of section 14
5 of P.L.1994, c.48(C.18A:3B-14), as applicable;

6 c. Determine policies for the organization, administration, and
7 development of the university;

8 d. Study the educational and financial needs of the university,
9 annually acquaint the Governor and Legislature with the condition of
10 the university, and prepare and submit an annual request for
11 appropriation to the Division of Budget and Accounting in the
12 Department of the Treasury in accordance with law;

13 e. Disburse all moneys appropriated to the university by the
14 Legislature and all moneys received from tuition, fees, auxiliary
15 services and other sources;

16 f. Direct and control expenditures and transfers of funds
17 appropriated to the university in accordance with the provisions of
18 the State budget and appropriation acts of the Legislature, and, as to
19 funds received from other sources, direct and control expenditures
20 and transfers in accordance with the terms of any applicable trusts,
21 gifts, bequests, or other special provisions, reporting changes and
22 additions thereto and transfers thereof to the Director of the Division
23 of Budget and Accounting in the Department of the Treasury. All
24 accounts of the university shall be subject to audit by the State at any
25 time;

26 g. In accordance with the provisions of the State budget and
27 appropriation acts of the Legislature, appoint and fix the
28 compensation and term of office of a president of the university who
29 shall be the executive officer of the university and an ex officio
30 member of the board of trustees, without vote, and shall serve at the
31 pleasure of the board of trustees;

32 h. In accordance with the provisions of the State budget and
33 appropriation acts of the Legislature, appoint, upon nomination of the
34 president, such deans and other members of the academic,
35 administrative, and teaching staffs as shall be required and fix their
36 compensation and terms of employment;

37 i. Consistent with the provisions of its budget, this act and any
38 and all controlling collective bargaining agreements, have the power,
39 upon nomination or recommendation of the president, to appoint,
40 remove, promote and transfer all other officers, agents, or employees
41 which may be required to carry out the provisions of this act and
42 prescribe qualifications for those positions, and assign requisite
43 duties and determine and fix respective compensation for those
44 positions in accordance with duly adopted salary program
45 parameters;

46 j. Grant diplomas, certificates or degrees;

47 k. Enter into contracts and agreements with the State or any of
48 its political subdivisions or with the United States, or with any public
49 body, department or other agency of the State or the United States,
50 including any public institution of higher education in the State or

1 their subsidiaries or affiliates, or with any individual, firm or
2 corporation which are deemed necessary or advisable by the board
3 for carrying out the provisions of this act. A contract or agreement
4 pursuant to this subsection may require a municipality to undertake
5 obligations and duties to be performed subsequent to the expiration
6 of the term of office of the elected governing body of such
7 municipality which initially entered into or approved said contract or
8 agreement, and the obligations and duties so incurred by such
9 municipality shall be binding and of full force and effect,
10 notwithstanding that the term of office of the elected governing body
11 of such municipality which initially entered into or approved said
12 contract or agreement, shall have expired;

13 l. Exercise the right of eminent domain, pursuant to the
14 provisions of the "Eminent Domain Act of 1971," P.L.1971, c.361
15 (C.20:3-1 et seq.), to acquire any property or interest therein;

16 m. Adopt, after consultation with the president and faculty,
17 bylaws and make and promulgate such rules, regulations, and orders,
18 not inconsistent with the provisions of this act as are necessary and
19 proper for the administration and operation of the university and the
20 carrying out of its purposes;

21 n. Establish fees for room and board sufficient for the operation,
22 maintenance, and rental of student housing and food services
23 facilities;

24 o. Fix and determine tuition rates and other fees to be paid by
25 students;

26 p. Accept from any government or governmental department,
27 agency or other public or private body or from any other source
28 grants or contributions of money or property which the board may
29 use for or in aid of any of its purposes;

30 q. Acquire, by gift, purchase, condemnation or otherwise, own,
31 lease, dispose of, use and operate property, whether real, personal or
32 mixed, or any interest therein, which is necessary or desirable for
33 university purposes;

34 r. Employ architects to plan buildings; secure bids for the
35 construction of buildings and for the equipment thereof; make
36 contracts for the construction of buildings and for equipment; and
37 supervise the construction of buildings;

38 s. Manage and maintain, and provide for the payment of all
39 charges on and expenses in respect of, all properties utilized by the
40 university;

41 t. Borrow money and to secure the same by a mortgage on its
42 property or any part thereof, and to enter into any credit agreement
43 for the needs of the university, as deemed requisite by the board, in
44 such amounts and for such time and upon such terms as may be
45 determined by the board, provided that no such borrowing shall be
46 deemed or construed to create or constitute a debt, liability, or a loan
47 or pledge of the credit or be payable out of property or funds, other
48 than moneys appropriated for that purpose, of the State;

1 u. Authorize any other new program, educational department or
2 school [consistent with the programmatic mission of the institution
3 or approved by the Secretary of Higher Education];

4 v. Adopt standing operating rules and procedures for the
5 purchase of all equipment, materials, supplies and services; however,
6 no contract on behalf of the university shall be entered into for the
7 purchase of services, materials, equipment and supplies, for the
8 performance of any work, or for the hiring of equipment or vehicles,
9 where the sum to be expended exceeds \$33,000 or the amount
10 determined by the Governor as provided herein, unless the university
11 shall first publicly advertise for bids and shall award the contract to
12 that responsible bidder whose bid, conforming to the invitation for
13 bids, will be most advantageous to the university, price and other
14 factors considered. Such advertising shall not be required in those
15 exceptions created by the board of trustees of the university, which
16 shall be in substance those exceptions contained in sections 4 and 5
17 of P.L.1954, c.48 (C.52:34-9 and 10) and section 5 of P.L.1986, c.43
18 (C.18A:64-56) or for the supplying of any product or the rendering
19 of any service by a public utility subject to the jurisdiction of the
20 Board of Public Utilities of this State and tariffs and schedules of the
21 charges made, charged, or exacted by the public utility for any such
22 products to be supplied or services to be rendered are filed with the
23 said board.

24 Commencing July 1, 2017 and every two years thereafter, the
25 Governor, in consultation with the Department of the Treasury, shall
26 adjust the threshold amount set forth in this paragraph in direct
27 proportion to the rise or fall of the consumer price index for all urban
28 consumers in the New York City and the Philadelphia areas as
29 reported by the United States Department of Labor. The Governor
30 shall notify the university of the adjustment. The adjustment shall
31 become effective on July 1 of the year in which it is reported.

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

44 w. Invest certain moneys in such obligations, securities and other
45 investments as the board shall deem prudent, consistent with the
46 purposes and provisions of this act and in accordance with State and
47 federal law, as follows:

48 Investment in [not-for-profit] nonprofit corporations or for-profit
49 corporations organized and operated pursuant to the provisions of
50 subsection x. of this section may utilize income realized from the sale

1 or licensing of intellectual property as well as the reinvestment of
2 earnings on intellectual property. Investment in **【not-for-profit】**
3 nonprofit corporations may also utilize income from overhead grant
4 fund recovery as permitted by federal law as well as other university
5 funds except those specified in paragraph 5 of subsection x. of this
6 section;

7 x. (1) Participate as the general partner or as a limited partner,
8 either directly or through a subsidiary corporation created by the
9 university, in limited partnerships, general partnerships, or joint
10 ventures to support any purpose related to the university including,
11 but not limited to, those engaged in the development, manufacture,
12 or marketing of products, technology, scientific information or
13 services and create or form for-profit or **【not-for-profit】** nonprofit
14 corporations to engage in such activities; provided that any such
15 participation shall be consistent with the mission of the university
16 and the board shall have determined that such participation is
17 prudent;

18 (2) The decision to participate in any activity described in
19 paragraph (1) of this subsection, including the creation or formation
20 of for-profit or **【not-for-profit】** nonprofit corporations, shall be
21 articulated in the minutes of the board of trustees meeting in which
22 the action was approved;

23 (3) The provisions of P.L.1971, c.182 (C.52:13D-12 et seq.) shall
24 continue to apply to the university, its employees, and officers;

25 (4) Nothing herein shall be deemed or construed to create or
26 constitute a debt, liability, or a loan or pledge of the credit or be
27 payable out of property or funds of the State;

28 (5) Funds directly appropriated to the university from the State or
29 derived from the university's academic programs shall not be utilized
30 by the for-profit or **【not-for-profit】** nonprofit corporations organized
31 and operated pursuant to this subsection in the development,
32 manufacture, or marketing of products, technology or scientific
33 information;

34 (6) Employees of any joint venture, subsidiary corporation,
35 partnership, or other jural entity formed, entered into, or owned
36 wholly or in part by the university shall not be deemed public
37 employees, however, any public employees of the university who
38 may be assigned to support any joint venture, subsidiary corporation,
39 partnership, or other jural entity formed, entered into, or owned
40 wholly or in part by the university shall continue to be deemed public
41 employees;

42 (7) A joint venture, subsidiary corporation, partnership, or other
43 jural entity entered into or owned wholly or in part by the university
44 shall not be deemed an instrumentality of the State of New Jersey;

45 (8) Income realized by the university **【as a result of participation**
46 **in the development, manufacture, or marketing of products,**
47 **technology, or scientific information】** pursuant to this subsection
48 may be invested **【or】**, reinvested **【pursuant to subsection w. of this**
49 section or any other provision】 , or retained by the board in

1 accordance with the provisions of this act or State or federal law **【**or
2 retained by the board**】** for use in furtherance of any of the purposes
3 of this act or of other applicable statutes;

4 (9) The board shall annually report to the State Treasurer on the
5 operation of all joint ventures, subsidiary corporations, partnerships,
6 or such other jural entities entered into or owned wholly or in part by
7 the university; and

8 (10) This subsection shall apply if a joint venture, subsidiary
9 corporation, partnership, or other jural entity entered into or owned
10 wholly or in part by the university, is expressly formed, created, or
11 owned by the university pursuant to the authority set forth in this
12 subsection. Further, this subsection shall in no way be construed to
13 prohibit or limit the university from separately pursuing any other
14 activities permitted by the authority granted under this act, or
15 separately utilizing any other powers expressly authorized by this act
16 for any activity consistent with the university's institutional mission,
17 including to participate as the general partner or as a limited partner,
18 either directly or through a subsidiary corporation created by the
19 university, in limited partnerships, general partnerships, or joint
20 ventures, otherwise than pursuant to this subsection;

21 y. Sue and be sued in its own name;

22 z. Retain independent counsel including representation by the
23 Attorney General in accordance with subsection h. of section 6 of
24 P.L.1994, c.48 (C.18A:3B-6) and, notwithstanding any other
25 provision of law to the contrary, if the university elects not to be
26 represented by the Attorney General in any matter in which the
27 university is solely responsible for any potential liability, it shall be
28 permitted to do so upon notice to the Attorney General;

29 aa. (1) Procure and enter into contracts for any type of insurance
30 and indemnify and defend against loss or damage to property from
31 any cause, including loss of use and occupancy, against death or
32 injury of any person, against employees' liability, against any act of
33 any member, officer, employee or servant of the university, whether
34 part-time, full-time, compensated or non-compensated in the
35 performance of the duties of his office or employment or any other
36 insurable risk. In addition, the university shall carry its own liability
37 insurance or maintain an actuarially sound program of self insurance.
38 Any joint venture, subsidiary corporation, or partnership or such
39 other jural entity entered into or owned wholly or in part by the
40 university shall carry insurance or maintain reserves in such amounts
41 as are determined by an actuary to be sufficient to meet its actual or
42 accrued claims;

43 (2) Moneys in the fund known as the Self-Insurance Trust Fund
44 administered by the State Treasurer shall continue to be available to
45 the university solely to indemnify and defend claims against the
46 university and its employees, officers and servants but only to the
47 extent that the university has elected on behalf of itself and its
48 employees to obtain representation from the Attorney General
49 pursuant to subsection h. of section 6 of P.L.1994, c.48 (C.18A:3B-
50 6) and such entity or individuals would have been entitled to defense

1 and indemnification pursuant to the "New Jersey Tort Claims Act,"
2 N.J.S.59:1-1 et seq., as a State entity or State employee but for the
3 provision of subsection z. of this section. Any expenditure of such
4 funds shall be made only in accordance with the provisions of the
5 "New Jersey Tort Claims Act," N.J.S.59:1-1 et seq., including but not
6 limited to the provisions of chapters 10, 10A and 11 of Title 59 of
7 the New Jersey Statutes. Nothing herein shall be construed to
8 authorize the use of the Self-Insurance Trust Fund to indemnify or
9 insure in any way, directly or indirectly the activities of any joint
10 venture, partnership or corporation entered into or created by the
11 university pursuant to subsection x. of this section;

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

14 cc. Adopt a code of ethics that complies with the requirements of
15 all statutes applicable to the institution, including, but not limited, to
16 the "Higher Education Restructuring Act of 1994," P.L.1994, c.48
17 (C.18A:3B-1 et al.), the "New Jersey Conflicts of Interest Law,"
18 P.L.1971, c.182 (C.52:13D-12 et seq.), regulations of the State Ethics
19 Commission, and any applicable executive orders; **[and]**

20 dd. Establish a procedure for the confidential, anonymous
21 submission of employee concerns regarding alleged wrongdoing at
22 the university;

23 ee. Merge or consolidate, including through subsidiary
24 corporations created by the university, with one or more other
25 nonprofit corporations formed and operated primarily for educational
26 purposes and exempt under paragraph (3) of subsection (c) of section
27 501 of the federal Internal Revenue Code of 1986, 26 U.S.C.
28 s.501(c)(3), as the board of trustees may determine, but consistent
29 with the public purposes of the corporation, and shall assume any
30 vested rights, grants, charter rights, privileges, exemptions,
31 immunities, powers, prerogatives, franchises or advantages, debts, or
32 liabilities of the nonprofit corporation; and

33 ff. Have final authority to determine controversies and disputes
34 concerning tenure and personnel matters of employees not classified
35 under Title 11A of the New Jersey Statutes. Any matter arising under
36 this subsection may be assigned to an administrative law judge, an
37 independent hearing officer or a subcommittee of the board of
38 trustees for hearing and initial decision by the board, except for
39 tenure hearings pursuant to N.J.S.18A:6-18. Any hearings conducted
40 pursuant to this subsection shall conform to the requirements of the
41 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
42 seq.). The final administrative decision of the board of trustees is
43 appealable to the Superior Court, Appellate Division.

44 (cf: P.L.2017, c.178, s.9)

45

46 17. Section 11 of P.L.2017, c.178 (C.18A:64N-11) is amended to
47 read as follows:

48 11. a. The university is authorized to be a participating contracting
49 unit in a cooperative pricing system established by any municipal,
50 county, or State public agency, instrumentality of the State, public

1 institution of higher education in the State, or any subsidiary or
2 affiliate of a public institution of higher education in the State, or any
3 federal supply schedule pursuant to the laws of this State.

4 b. The university may make purchases and contract for services
5 through the use of a nationally-recognized and accepted cooperative
6 purchasing agreement, including a cooperative purchasing agreement
7 in existence as of the effective date of P.L.2016, c.50 (C.18A:64-63.1
8 et al.), in accordance with the provisions of paragraph (3) of
9 subsection b. of section 7 of P.L.1996, c.16 (C.52:34-6.2).

10 c. The State Treasurer may promulgate rules and regulations
11 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
12 (C.52:14B-1 et seq.), which are necessary to effectuate the purposes
13 of this section.

14 (cf: P.L.2017, c.178, s.11)

15

16 18. Section 16 of P.L.2017, c.178 (C.18A:64N-16) is amended to
17 read as follows:

18 16. No trustee or officer of the university shall be personally
19 liable for any debt, obligation, or other liability of the university or
20 incurred by or on behalf of the university or any constituent unit,
21 subsidiary, or affiliate thereof.

22 (cf: P.L.2017, c.178, s.16)

23

24 19. Section 21 of P.L.2017, c.178 (C.18A:64N-21) is amended to
25 read as follows:

26 21. Upon the establishment of the body corporate and politic
27 known as Montclair State University:

28 a. All appropriations, grants, debt service, research funds, and
29 other monies available to Montclair State University prior to the
30 effective date of **[this act]** P.L.2017, c.178 (C.18A:64N-1 et seq.)
31 and to become available shall be transferred to the university by the
32 Director of the Division of Budget and Accounting in the Department
33 of the Treasury and shall be available for the objects and purposes
34 for which appropriated, subject to any terms, restrictions, limitations
35 or other requirements imposed by the State budget;

36 b. All other grants, gifts, other moneys and property available to
37 Montclair State University prior to the effective date of **[this act]**
38 P.L.2017, c.178 (C.18A:64N-1 et seq.) and to become available to or
39 for Montclair State University shall be transferred to the university
40 and shall be available for the objects and purposes of the university,
41 subject to any terms, restrictions, limitations or other requirements
42 imposed by State and federal law or otherwise;

43 c. All employees of Montclair State University prior to the
44 effective date of **[this act]** P.L.2017, c.178 (C.18A:64N-1 et seq.)
45 shall become employees of the university. Nothing in this act shall
46 be construed so as to deprive any person of any right of tenure or
47 under any retirement system or to any pension, disability, social
48 security or similar benefit, to which the person is entitled by law or

1 contractually. All persons employed at Montclair State University
2 shall continue to be represented by the majority representative that
3 represented them on the effective date of **[this act, shall continue to**
4 **be represented by the executive branch Statewide collective**
5 **negotiations units they were in on the effective date of this act]**
6 P.L.2017, c.178 (C.18A:64N-1 et seq.), and shall continue to be
7 covered by the collective negotiations agreements that were in effect
8 on the effective date of **[this act]** P.L.2017, c.178 (C.18A:64N-1 et
9 seq.) until such time as a successor agreement is established.
10 **[Pursuant to section 12 of P.L.1986, c.42 (C.18A:64-21.1), the**
11 **Governor]** Montclair State University shall **[continue to]** function as
12 the public employer under the "New Jersey Employer-Employee
13 Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.), for persons
14 employed at Montclair State University. **[The executive branch**
15 **Statewide collective negotiations units referenced in this section are**
16 **the units specified in subsection b. of section 1 of P.L.2005, c.142**
17 **(C.34:13A-5.10).]** The employees of Montclair State University
18 employed on the effective date of **[this act]** P.L.2017, c.178
19 (C.18A:64N-1 et seq.) shall not be considered new employees for any
20 purpose and shall retain any accrued seniority, rank, and tenure,
21 which shall be applied when determining eligibility for all benefits,
22 including all paid leave time, longevity increases, promotions and
23 health benefits. Nothing in **[this act]** P.L.2017, c.178 (C.18A:64N-
24 1 et seq.) shall be construed to deprive any person employed at
25 Montclair State University of any tenure rights or to in any manner
26 affect the tenure, rank, or academic track of any employees holding
27 a faculty position. Such tenure, rank and academic track shall
28 continue to be through Montclair State University and shall be held
29 or granted pursuant to the authority of the board of trustees of
30 Montclair State University for all current and future employees
31 employed at Montclair State University. Nothing in **[this act]**
32 P.L.2017, c.178 (C.18A:64N-1 et seq.) shall be construed to deprive
33 any officers or employees employed at Montclair State University of
34 their rights, privileges, obligations or status under any pension,
35 retirement, health benefits system, civil service law or any other law
36 of this State;

37 d. All files, papers, records, equipment and other personal
38 property of Montclair State University shall be transferred to the
39 university; **[and]**

40 e. All orders, rules or regulations theretofore made or
41 promulgated by Montclair State University shall continue in full
42 force and effect as the orders, rules and regulations of the university
43 until amended or repealed by the university; and

44 f. Any person who becomes an employee of Montclair State
45 University or a subsidiary corporation of the university other than a
46 subsidiary corporation expressly formed pursuant to subsection ee.
47 of section 9 of P.L.2017, c.178 (C.18A:64N-9) through a merger or

1 consolidation with another entity, shall be deemed a public employee
2 and shall, as applicable, become a member of the university's
3 collective negotiations unit which encompasses the employee's
4 position and shall be represented by the majority representatives of
5 that unit.

6 (cf: P.L.2017, c.178, s.21)

7

8 20. Section 24 of P.L.2017, c.178 (C.18A:64N-24) is amended to
9 read as follows:

10 24. a. The general powers of supervision and control of the
11 Secretary of Higher Education at the request of the Governor over
12 Montclair State University include the power to visit the university
13 to examine into its manner of conducting its affairs and to enforce an
14 observance of **its laws and regulations and** the laws of the State.

15 b. Notwithstanding any other provision of law to the contrary,
16 Montclair State University, through its board of trustees, shall have
17 the care, custody, control, and title of such property as the State now
18 has or shall hereafter acquire at the university, subject to the visitorial
19 powers of the Secretary of Higher Education at the request of the
20 Governor.

21 (cf: P.L.2017, c.178, s.24)

22

23 21. This act shall take effect immediately.

24

25

26

STATEMENT

27

28 This bill provides for the merger of Bloomfield College with
29 Montclair State University, expands the powers and property of
30 Montclair State University, and expands the State college risk
31 management group.

32 The bill provides a pathway for Bloomfield College, an
33 independent college, to become a school of Montclair State
34 University. The bill updates the law that established Bloomfield
35 College to reflect the current governance structure of Bloomfield
36 College. The bill further permits the college to organize as a
37 nonprofit corporation under Title 15A of the New Jersey Statutes and
38 to merge or consolidate with another nonprofit corporation formed
39 and operated primarily for educational purposes.

40 The State is the current owner of most of the land, including its
41 buildings and structures, at Montclair State University in the
42 townships of Montclair, Little Falls, and Clifton. The State leases
43 this property to the institution. The bill transfers property owned by
44 the State at Montclair State University to the university. Specifically,
45 under the bill, Montclair State University will have the care, custody,
46 control, and title of any property the State now has or will hereafter
47 acquire at the university, subject to the visitorial powers of the
48 Secretary of Higher Education at the request of the Governor.

1 The bill makes numerous changes, clarifications, and additions to
2 the powers and duties of the board of trustees of Montclair State
3 University including the power or duty to:

- 4 • modify its corporate seal;
- 5 • approve the establishment or discontinuance of educational
6 programs, departments, or schools;
- 7 • enter into contracts and agreements with other public
8 institutions of higher education and their subsidiaries and
9 affiliates;
- 10 • merge or consolidate, including through subsidiary
11 corporations created by the university, with one or more other
12 nonprofit corporations; and
- 13 • have final authority to determine controversies and disputes
14 concerning tenure and personnel matter of employees not
15 classified under Title 11A of the New Jersey Statutes.

16 Additionally, the bill provides that:

- 17 • any public employees of the university who may be assigned
18 to support any joint venture, subsidiary corporation,
19 partnership, or other jural entity of the university will
20 continue to be deemed public employees; and
- 21 • the university may elect to not be represented by the Attorney
22 General in any matter in which the university is solely
23 responsible for any potential liability.

24 The bill amends the law that authorizes Montclair State University
25 to be a participating contracting unit in a cooperative pricing system.
26 Under the bill, a pricing system may be established by any municipal,
27 county, or State public agency, instrumentality of the State, public
28 institution of higher education in the State, or any subsidiary or
29 affiliate of a public institution of higher education in the State, or any
30 federal supply schedule.

31 The bill extends the law protecting any trustee or officer of
32 Montclair State University from personal liability for any debt,
33 obligation, or liability of the university to any debt, obligation, or
34 liability incurred by or on behalf of a university subsidiary or
35 affiliate.

36 The bill permits cooperative use of the buildings or facilities of
37 public institutions of higher education, or of its subsidiaries or
38 affiliates, with one or more other public institutions of higher
39 education.

40 Current law authorizes two or more State colleges or universities to
41 form a State college risk management group and to participate in joint
42 liability funds, risk management programs, and related services
43 provided by the group, subject to certain regulatory oversight by the
44 Commissioner of Banking and Insurance. This bill renames the groups
45 as “public” college risk management groups and permits all four-year
46 public institutions of higher education to enter into these groups and
47 programs.

ASSEMBLY, No. 5470

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED MAY 18, 2023

Sponsored by:

Assemblywoman BRITNEE N. TIMBERLAKE

District 34 (Essex and Passaic)

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex)

Assemblywoman MILA M. JASEY

District 27 (Essex and Morris)

Co-Sponsored by:

**Assemblyman Giblin, Assemblywomen Reynolds-Jackson, Carter and
Assemblyman Umba**

SYNOPSIS

Provides for merger of Bloomfield College with Montclair State University; expands powers and property of Montclair State University; and expands State college risk management group.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/5/2023)

A5470 TIMBERLAKE, PINTOR MARIN

2

1 AN ACT concerning public institutions of higher education and the
2 merger of Bloomfield College and Montclair State University, and
3 amending and supplementing various parts of the statutory law.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. (New section) The Legislature finds and declares that:

9 a. Bloomfield College is an independent institution of higher
10 education located in Bloomfield, New Jersey, originally established
11 by an act of the Legislature in 1871 as the “German Theological
12 School of Newark, New Jersey,” and which was later renamed
13 through an act of the Legislature first as the “Bloomfield Theological
14 Seminary” in 1913 and again in 1931 as “Bloomfield College and
15 Seminary.”

16 b. Bloomfield College is one of the most diverse liberal arts
17 colleges in the nation, with nearly 1,300 undergraduate students and
18 it is the State’s only four-year institution of higher education with the
19 federal designations of being a Minority Serving Institution (MSI), a
20 Hispanic-Serving Institution (HSI), and a Predominantly Black
21 Institution (PBI).

22 c. Bloomfield College is unable to continue operations as an
23 independent college due to significant financial challenges, which
24 have been further exacerbated by declining enrollment.

25 d. Due to Bloomfield College’s status as the State’s only MSI,
26 HSI and PBI, it is of great public importance to New Jersey’s system
27 of higher education that Bloomfield College continue operations.

28 e. Montclair State University is a public institution of higher
29 education with its main campus located in Montclair, Little Falls, and
30 Clifton, New Jersey, and which has been designated by an act of the
31 Legislature as a public research university in the State.

32 f. Montclair State University is comprised of 10 colleges and
33 schools that serve over 21,000 undergraduate and graduate students
34 in more than 300 doctoral, master’s, and baccalaureate level
35 programs.

36 g. Montclair State University has been granted broad powers as a
37 public research university to undertake activities that are necessary
38 or desirable for university purposes, including the ability to acquire
39 property, enter into contracts, form entities, and make decisions
40 regarding the development of the university.

41 h. Recognizing the public importance of Bloomfield College, and
42 determining that it is both necessary and desirable for university
43 purposes, Montclair State University has entered into an agreement
44 with Bloomfield College for it to become a part of Montclair State
45 University.

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 i. The preservation of Bloomfield College’s mission through an
2 alignment with Montclair State University is within the public
3 interest and has an important public purpose as it will preserve
4 Bloomfield College’s mission.

5
6 2. (New section) a. The governing board of a public institution of
7 higher education may permit the use of any part of a building or
8 facility of the institutions, or of its subsidiaries or affiliates, in whole
9 or in part, by one or more other public institution of higher education
10 in a manner that the education of students in the various institutions
11 of higher education may be conducted cooperatively and made more
12 widely and efficiently available to the people of the State.

13 b. The care, custody, and control of any building used jointly by
14 two or more public institutions of higher education pursuant to
15 subsection a. of this section shall remain vested in the governing
16 board which permits the use of the building or facility.

17 c. The care, custody, and control of a building of a public
18 institution of higher education used wholly by a second public
19 institution of higher education shall be exercised by the second
20 institution of higher education, subject to the visitorial power of the
21 first institution.

22
23 3. Section 1 of P.L.1871, c.18 is amended to read as follows:

24 1. **【**Be it enacted by the Senate and General Assembly of the State
25 of New Jersey, That Jonathan F. Stearns, Joseph Few Smith, Charles
26 A. Smith, George C. Seibert, Charles E. Knox, Thomas N. McCarter,
27 F. Wolcott Jackson, William F. Van Wagenen and Philip Doremus
28 and their successors, are hereby constituted a body corporate and
29 politic, in fact and in name, by the name of “The German Theological
30 School of Newark, New Jersey,” and by that name shall have
31 succession and be capable in law of taking and holding, by gift, grant,
32 devise or otherwise, and of holding and conveying, both in law and
33 in equity, and real or personal estate, and may have a common seal
34 and change the same at pleasure.**】** “The German Theological School
35 of Newark, New Jersey,” a body politic and corporate in fact and in
36 law, established pursuant to P.L.1871, c.18, that name having been
37 further changed to “Bloomfield Theological Seminary,” pursuant to
38 P.L. 1913, c. 265, and the name having been further changed to the
39 “Bloomfield College and Seminary,” pursuant to P.L.1931, c.260,
40 shall hereby be known as “Bloomfield College.”

41 (cf: P.L.1871, c.18, s.1)

42
43 4. Section 2 of P.L.1871, c.18 is amended to read as follows:

44 2. **【**And be it enacted, That the**】** The government of the **【said】**
45 corporation shall be vested in a board of **【directors】** trustees, which
46 shall consist of **【nine** members, five of whom shall be clergymen,
47 and four laymen; the corporators above named shall be the first board

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4

1 of directors of said corporation, and shall be divided into three
2 classes, to be numbered one, two, and three; the term of the first shall
3 expire in one, the second in two and the third in three years from the
4 first day of May last; Joseph Few Smith, Charles E. Knox and
5 Thomas N. McCarter, shall compose the first class; Charles A. Smith,
6 William F. Van Wagenen and Philip Doremus, shall compose the
7 second class, and Jonathan F. Stearns, George C. Seibert and F.
8 Wolcott Jackson, shall compose the third class; each class of
9 directors shall hereafter be chosen for and hold their office during
10 three years, and until a new election to supply the place of such class
11 not more than 39 persons of legal age all of whom shall be elected by
12 the board of trustees and one-third of whom are to be elected each
13 year. The organization of the initial board of trustees shall be set forth
14 in the corporation's bylaws. The trustees shall be appointed or elected
15 in accordance with the corporation's bylaws as adopted and amended
16 from time to time by the corporation's board of trustees, which shall
17 include provisions for the qualifications for trustees, terms, possible
18 division into classes, and provisions for removal of trustees from
19 office. The trustees and their successors shall manage and care for
20 the estate of both real and personal property of the corporation, and
21 shall have the power to sell, encumber as security for loans, or
22 otherwise dispose of the property in their discretion for the purpose
23 of advancing the objectives of the school, and shall also have power
24 to adopt a constitution and all necessary bylaws and ordinances for
25 the management and government of the school, provided they are not
26 in conflict with the laws of this State.

27 (cf: P.L.1871, c.18, s.2)

28

29 5. Section 3 of P.L.1871, c.18 is amended to read as follows:

30 3. **【**And be it enacted, That the Presbytery of Newark may
31 annually hereafter elect at its stated spring meeting, three directors of
32 said corporation to supply the place of the class which shall expire in
33 that year, and shall also have power to fill any vacancy that may have
34 happened by death, resignation or otherwise, in any other class, such
35 election to be held in such manner as the said Presbytery of Newark
36 shall direct; and any such election shall be subject to review by the
37 next General Assembly of the Presbyterian Church in the United
38 States of America; and in case the said general assembly shall
39 disapprove of such election, the offices of the director or directors
40 disapproved of, shall thereupon become vacant; the board of directors
41 shall also have power to fill all vacancies in their own board which
42 may happen from year to year, and such appointment shall be valid
43 until the first day of May then next following, or until the election of
44 a successor by the Presbytery as aforesaid. **】**

45 a. Whenever deemed by the board of trustees to be in the best
46 interest of the corporation, it shall be lawful for the board of trustees
47 to approve the sale or other disposition of the corporation, or of all
48 or substantially all of the assets of the corporation, in accordance with

1 State law. Upon dissolution of the corporation or the winding up of
2 its affairs, the assets of the corporation shall be distributed as set forth
3 in the corporation's bylaws, provided that the distribution shall be for
4 one or more exempt purposes within the meaning of paragraph (3) of
5 subsection (c) of section 501 of the federal Internal Revenue Code of
6 1986, 26 U.S.C. s.501(c)(3), consistent with the educational purposes
7 of the corporation, or shall be distributed to the federal government,
8 or to a state or local government, for a public purpose.

9 b. Nothing contained within sections 1 through 5 of P.L.1871,
10 c.18 shall be construed to impair, annul, or affect any vested rights,
11 grants, charter rights, privileges, exemptions, immunities, powers,
12 prerogatives, franchises, or advantages heretofore obtained or
13 enjoyed by the corporation or any constituent unit thereof, under
14 authority of its charter or any act of this State or under any grant,
15 deed, conveyance, transfer, lease, estate, remainder, expectancy,
16 trust, gift, donation, legacy, devise, endowment, or fund, all of which
17 are hereby ratified and confirmed, and all of which shall survive and
18 shall continue to vest in the corporation and in any nonprofit entity
19 that merges or consolidates with the corporation, along with the
20 assumption of all of the liabilities that have not been satisfied by the
21 corporation prior to the merger or consolidation, or any nonprofit
22 entity that obtains substantially all of the assets of the corporation or,
23 in the event of a merger or consolidation, substantially all of the
24 assets of the successor of the corporation, upon the dissolution or the
25 winding up of the affairs of the corporation or its successor.

26 (cf: P.L.1871, c.18, s.3)

27
28 6. Section 4 of P.L.1871, c.18 is amended to read as follows:

29 4. **【**And be it enacted, That the said directors and their successors
30 shall have the management and care of the estate, both real and
31 personal of said corporation, and shall have power to sell or otherwise
32 dispose of the same in their discretion, for the purpose of advancing
33 the objects of said school, and shall also have power to adopt a
34 constitution and all necessary by-laws and ordinances for the
35 management and government of said school; provided, the same be
36 not in conflict with the laws and constitution of this State or of the
37 United States**】** Without limiting or impinging upon the powers
38 currently vested in the corporation pursuant to sections 1 through 5
39 of P.L.1871, c.18, the corporation may merge or consolidate with one
40 or more other nonprofit corporations formed under Title 15A of the
41 New Jersey Statutes and operated primarily for educational purposes
42 and exempt under paragraph (3) of subsection (c) of section 501 of
43 the federal Internal Revenue Code of 1986, 26 U.S.C. s.501(c)(3), as
44 the board of trustees may determine, but consistent with the public
45 purposes of the corporation.

46 (cf: P.L.1871, c.18, s.4)

47
48 7. Section 5 of P.L.1871, c.18 is amended to read as follows:

1 5. **【**And be it enacted, That, whenever from a cessation of German
2 immigration, or from any other cause, it may be deemed inexpedient
3 longer to maintain said institution as a distinctive German theological
4 school, it shall be lawful for the directors, with the approval of the
5 Presbytery of Newark, and of the General Assembly of the
6 Presbyterian Church of the United States, to use the property and
7 funds of said corporation for any other branch of theological and
8 collegiate or collegiate education, or transfer its property and funds
9 to any other theological seminary; and in case of such transfer of all
10 the property of said corporation to another seminary or seminaries,
11 the corporate power hereby granted shall cease, and said corporation
12 shall be thereby dissolved.**】** The corporation may have a member or
13 members, the powers and qualifications for which shall be set forth
14 in the bylaws of the corporation and which shall comply with the
15 provisions of N.J.S.15A:1-1 et seq.
16 (cf: P.L.1951, c.178)

17
18 8. Section 1 of P.L.2010, c.99 (C.18A:64-86) is amended to read
19 as follows:

20 1. As used in **【**this act**】** P.L.2010, c.99 (C.18A:64-86 set seq.):

21 "Board of trustees" or "trustees" means the board of trustees
22 established pursuant to the bylaws of the **【**State**】** public college risk
23 management group to govern or manage the risk management
24 programs, joint liability funds, and related services of the group.

25 "Certified audit" means an audit upon which an auditor expresses
26 a professional opinion that the accompanying statements present
27 fairly the financial position of a joint liability fund in conformity with
28 generally accepted accounting principles consistently applied, and
29 includes tests of the accounting records and other auditing procedures
30 as considered necessary in the circumstances.

31 "Commissioner" means the Commissioner of Banking and
32 Insurance.

33 "Contributions" means the moneys paid by a member of a **【**State**】**
34 public college risk management group in amounts as may be set by
35 the board of trustees or other officers as provided in the group's
36 bylaws for the purposes of participating in a joint liability fund or
37 funds, or securing risk management programs or related services.

38 "Joint liability fund" or "fund" means a joint liability fund
39 established by a **【**State**】** public college risk management group
40 pursuant to **【**this act**】** P.L.2010, c.99 (C.18A:64-86 et seq.). The
41 joint liability fund is a fund of public moneys from contributions
42 made by members of a **【**State**】** public college risk management group
43 for the purpose of securing insurance, risk management programs, or
44 related services as authorized by this act.

45 **【**"State college" means any of the State colleges or universities
46 established pursuant to chapter 64 of Title 18A of the New Jersey
47 Statutes.**】**

1 "【State】 Public college risk management group" or "group" means
2 an association formed by two or more 【State colleges】 four-year
3 public institutions of higher education for the development,
4 administration, and provision of risk management programs, joint
5 liability funds for the payment of liabilities incurred by the 【State
6 colleges】 institutions and not funded by the State of New Jersey
7 pursuant to the provisions of the "New Jersey Tort Claims Act,"
8 N.J.S.59:1-1 et seq., and related services.

9 "Risk management program" means a plan, and activities carried
10 out under the plan, by a 【State】 public college risk management
11 group to reduce risk of loss with respect to liabilities incurred by the
12 【State colleges】 four-year public institutions of higher education,
13 including safety engineering and other loss prevention and control
14 techniques. A risk management program also includes the
15 administration of one or more joint liability funds, including the
16 processing and defense of claims brought against or on behalf of
17 members of the group.
18 (cf: P.L.2010, c.99, s.1)

19
20 9. Section 2 of P.L.2010, c.99 (C.18A:64-87) is amended to read
21 as follows:

22 2. A 【State college】 four-year public institution of higher
23 education is authorized to insure, contract or provide for any
24 insurable interest of the 【State college】 institution in the manner
25 authorized by section 3 of 【this act】 P.L.2010, c.99 (C.18A:64-86 et
26 seq.), for the following:

27 a. Any loss or damage to its property, real or personal, motor
28 vehicles, equipment or apparatus;

29 b. Loss or damage from liability as established by the "New
30 Jersey Contractual Liability Act," N.J.S.59:13-1 et seq.;

31 c. Loss or damage from liability as established by the workers'
32 compensation law, R.S.34:15-1 et seq.; and

33 d. Expenses of defending any claim against the 【State college】
34 institution, trustee, officer, employee or servant arising out of and in
35 the course of the performance of their duties, whether or not liability
36 exists on the claim, not eligible for defense and indemnification by
37 the State of New Jersey in accordance with the provisions of the
38 "New Jersey Tort Claims Act," N.J.S.59:1-1 et seq.

39 (cf: P.L.2010, c.99, s.2)

40
41 10. Section 3 of P.L.2010, c.99 (C.18A:64-88) is amended to read
42 as follows:

43 3. a. Any two or more 【State colleges】 four-year public
44 institutions of higher education may form and become members of a
45 【State】 public college risk management group. A 【State college】
46 four-year public institution of higher education may take this action
47 by resolution of the governing board of 【trustees of】 the 【State

1 college] institution. Through membership in a [State] public college
2 risk management group, a [State college] four-year public institution
3 of higher education may participate in any joint liability funds, risk
4 management programs or related services offered or provided by the
5 group. The group shall have the power to establish funds for
6 coverages authorized in section 2 of [this act] P.L.2010, c.99
7 (C.18A:64-86 et seq.) and to jointly purchase insurance or coverages
8 under a master policy or contract of insurance for participating
9 members. The group shall have the power to take other actions
10 necessary to developing, administering, and providing risk
11 management programs, joint liability funds, joint insurance
12 purchases, and related services.

13 b. The bylaws of the [State] public college risk management
14 group shall provide that any [State college] four-year public
15 institution of higher education may join the group, provided it agrees
16 to comply with the standards for membership, including risk
17 management programs, which shall be established by the group, and
18 may be a member as long as it complies with the standards for
19 membership.

20 c. A [State] public college risk management group may sue or
21 be sued for the liabilities and coverages authorized by section 2 of
22 [this act] P.L.2010, c.99 (C.18A:64-86 et seq.) and shall appoint a
23 natural person residing in this State or a corporation authorized to do
24 business in this State as its agent for service of process. The group
25 shall notify the commissioner and the Office of the Attorney General
26 of the appointment.

27 d. A [State] public college risk management group shall not be
28 considered or deemed to be an insurance company or an insurer under
29 the laws of this State and the development, administration or
30 provision by a group of joint liability funds, risk management
31 programs, and related services shall not constitute the transaction of
32 insurance or the conducting of an insurance business. A group shall
33 not be subject to the provisions of Title 17, Subtitle 3 of the Revised
34 Statutes.

35 (cf: P.L.2010, c.99, s.3)

36
37 11. Section 4 of P.L.2010, c.99 (C.18A:64-89) is amended to read
38 as follows:

39 4. a. The bylaws of a [State] public college risk management
40 group shall:

41 (1) set forth a statement of purposes of the group;

42 (2) set forth provisions for organization of the group, including
43 governance by a board of trustees;

44 (3) provide for the delivery of risk management programs in
45 conjunction with any joint liability fund which the board of trustees
46 shall establish;

- 1 (4) set forth procedures to enforce the collection of any
- 2 contributions or payments in default;
- 3 (5) set forth membership standards as required in section 3 of
- 4 **【this act】** P.L.2010, c.99 (C.18A:64-86 et seq.);
- 5 (6) require that, for each joint liability fund, a contract or
- 6 contracts of specific and aggregate excess insurance or reinsurance is
- 7 maintained, if available, unless otherwise recommended by the
- 8 trustees upon the advice and report of an independent actuary;
- 9 (7) set forth procedures for:
- 10 (a) withdrawal from the group and a fund by a member;
- 11 (b) termination of the group or fund and disposition of assets; and
- 12 (c) determining the obligations, if any, of a member in the event
- 13 that the group is unable to pay indemnification obligations and
- 14 expenses payable from a fund administered by it;
- 15 (8) require an annual certified audit to be prepared and filed with
- 16 the commissioner;
- 17 (9) require that any joint liability fund be developed and operated
- 18 in accordance with accepted and sound actuarial practices;
- 19 (10) provide that any expenditure of moneys in a fund be in
- 20 furtherance of the purpose of the fund; and
- 21 (11) set forth other provisions as desired for operation and
- 22 governance of the group.
- 23 b. The bylaws of a **【State】** public college risk management
- 24 group shall provide for governance of the group by a board of trustees
- 25 selected in accordance with the provisions of the bylaws. The bylaws
- 26 shall provide for trustee powers and duties and shall include, but not
- 27 be limited to, the following powers of the board of trustees:
- 28 (1) to determine and establish contributions and rates, loss
- 29 reserves, surplus, limits of coverage, limits of excess or reinsurance,
- 30 coverage documents, dividends and other financial and operating
- 31 policies of the group or fund;
- 32 (2) to invest moneys held in trust under a fund in investments
- 33 which are approved for investment by regulation of the State
- 34 Investment Council for surplus moneys of the State;
- 35 (3) to purchase, acquire, hold, lease, sell and convey real and
- 36 personal property, all of which property shall be exempt from
- 37 taxation under chapter 4 of Title 54 of the Revised Statutes;
- 38 (4) to collect and disburse all money due to or payable by the
- 39 group, or authorize such collection and disbursement;
- 40 (5) to enter into contracts with other persons or with public bodies
- 41 of this State for any professional, administrative or other services as
- 42 may be necessary to carry out the purposes of the group or any fund;
- 43 (6) to purchase and serve as the master policyholders, if desired,
- 44 for any insurance, including excess or reinsurance; and
- 45 (7) to do all other things necessary and proper to carry out the
- 46 purposes for which the group is established.
- 47 (cf: P.L.2010, c.99, s.4)

1 12. Section 5 of P.L.2010, c.99 (C.18A:64-90) is amended to read
2 as follows:

3 5. a. The board of trustees of a **【State】** public college risk
4 management group shall have not less than three or more than 15
5 trustees. A trustee shall be a natural person 18 years of age or older
6 who is a resident of this State. A majority of the trustees of a group
7 shall be members or employees of member **【State colleges】**
8 institutions of higher education, provided that a trustee who ceases to
9 be a member or employee of a **【State college】** four-year public
10 institution of higher education may be allowed to serve for not more
11 than 90 days following cessation without violating this provision.

12 b. A trustee shall not be paid a salary, except that the written
13 trust instrument may provide for reimbursement for actual expenses
14 incurred on behalf of the fund and for compensation not to exceed
15 \$200 for any day or portion of a day spent at a meeting of the trustees.
16 Except as otherwise provided in this act, a trustee shall not enter into
17 any contract with the group or receive any moneys or other
18 compensation or thing of value whatsoever from the group for
19 services performed for or on behalf of the group.

20 (cf: P.L.2010, c.99, s.5)

21

22 13. Section 6 of P.L.2010, c.99 (C.18A:64-91) is amended to read
23 as follows:

24 6. a. A **【State】** public college risk management group, or any joint
25 liability fund of the group, shall not begin functioning as a means of
26 providing coverage or protection for or among its members until the
27 group's bylaws have been filed with and approved by the
28 commissioner. The commissioner may disapprove the bylaws only
29 if the bylaws do not conform with the provisions of **【this act】**
30 P.L.2010, c.99 (C.18A:64-86 et seq.). The commissioner shall set
31 forth the reasons for disapproval in writing. If the commissioner fails
32 to approve or disapprove the bylaws within 60 days following filing
33 of the bylaws with the commissioner, the bylaws shall be deemed
34 approved. The reasonable costs of the commissioner's review of the
35 bylaws shall be chargeable to the **【State】** colleges seeking to
36 establish the group.

37 b. A **【State】** public college risk management group shall file an
38 annual report, on a form to be prescribed by the commissioner, and
39 shall include a financial statement of the group's assets and liabilities,
40 the claims paid during the preceding 12 months, current reserves,
41 incurred losses, and any other information that the commissioner may
42 require.

43 c. The commissioner shall have authority to examine the books,
44 records and affairs of any **【State】** public college risk management
45 group or any of its liability funds at a time to be fixed by the
46 commissioner. The reasonable costs of any examination or review

1 shall be chargeable to the **【State】** public college risk management
2 group.

3 d. If at any time the commissioner determines that the **【State】**
4 public college risk management group has experienced a
5 deterioration in its financial condition which adversely affects or will
6 adversely affect its ability to pay expected losses, the commissioner
7 may:

8 (1) require an increase in the reserves of the group as required by
9 section 4 of **【this act】** P.L.2010, c.99 (C.18A:64-86 et seq.); or

10 (2) require the purchase of excess insurance or reinsurance.
11 (cf: P.L.2010, c.99, s.6)

12

13 14. Section 7 of P.L.2010, c.99 (C.18A:64-92) is amended to read
14 as follows:

15 7. Funds for premiums required by the contract between the
16 governing body of the **【State college】** four-year public institution of
17 higher education and the board of trustees of the **【State】** public
18 college risk management group shall be appropriated and paid as set
19 forth in the contract in the same manner as appropriations are made
20 for other expenses of the **【State college】** four-year public institution
21 of higher education.

22 (cf: P.L.2010, c.99, s.7)

23

24 15. Section 8 of P.L.2010, c.99 (C.18A:64-93) is amended to read
25 as follows:

26 8. The Commissioner of Banking and Insurance shall
27 promulgate rules and regulations necessary to effectuate the purposes
28 of this act pursuant to the "Administrative Procedure Act," P.L.1968,
29 c.410 (C.52:14B-1 et seq.). The rules and regulations shall include,
30 but not be limited to, the establishment, operation, modification and
31 dissolution of a **【State】** public college joint liability fund established
32 pursuant to the provisions of **【this act】** P.L.2010, c.99 (C.18A:64-86
33 et seq.).

34 (cf: P.L.2010, c.99, s.8)

35

36 16. Section 9 of P.L.2017, c.178 (C.18A:64N-9) is amended to
37 read as follows:

38 9. The board of trustees of Montclair State University shall have
39 the general supervision over and be vested with the conduct of the
40 university. It shall have the power and duty to:

41 a. Adopt **【and】** , use , and modify, as it deems appropriate, its
42 **【a】** corporate seal;

43 b. Determine the educational curriculum and program of the
44 university , including approving the establishment of new
45 educational programs, departments, or schools, and the
46 discontinuance of existing educational programs, departments, or
47 schools at the university, provided that the action is consistent with

1 the university's programmatic mission and that the action is reviewed
2 by the New Jersey President's Council pursuant to subsection c. of
3 section 8 of P.L.1994, c.48(C.18A:3B-8) or approved by the
4 Secretary of Higher Education pursuant to subsection f. of section 14
5 of P.L.1994, c.48(C.18A:3B-14), as applicable;

6 c. Determine policies for the organization, administration, and
7 development of the university;

8 d. Study the educational and financial needs of the university,
9 annually acquaint the Governor and Legislature with the condition of
10 the university, and prepare and submit an annual request for
11 appropriation to the Division of Budget and Accounting in the
12 Department of the Treasury in accordance with law;

13 e. Disburse all moneys appropriated to the university by the
14 Legislature and all moneys received from tuition, fees, auxiliary
15 services and other sources;

16 f. Direct and control expenditures and transfers of funds
17 appropriated to the university in accordance with the provisions of
18 the State budget and appropriation acts of the Legislature, and, as to
19 funds received from other sources, direct and control expenditures
20 and transfers in accordance with the terms of any applicable trusts,
21 gifts, bequests, or other special provisions, reporting changes and
22 additions thereto and transfers thereof to the Director of the Division
23 of Budget and Accounting in the Department of the Treasury. All
24 accounts of the university shall be subject to audit by the State at any
25 time;

26 g. In accordance with the provisions of the State budget and
27 appropriation acts of the Legislature, appoint and fix the
28 compensation and term of office of a president of the university who
29 shall be the executive officer of the university and an ex officio
30 member of the board of trustees, without vote, and shall serve at the
31 pleasure of the board of trustees;

32 h. In accordance with the provisions of the State budget and
33 appropriation acts of the Legislature, appoint, upon nomination of the
34 president, such deans and other members of the academic,
35 administrative, and teaching staffs as shall be required and fix their
36 compensation and terms of employment;

37 i. Consistent with the provisions of its budget, this act and any
38 and all controlling collective bargaining agreements, have the power,
39 upon nomination or recommendation of the president, to appoint,
40 remove, promote and transfer all other officers, agents, or employees
41 which may be required to carry out the provisions of this act and
42 prescribe qualifications for those positions, and assign requisite
43 duties and determine and fix respective compensation for those
44 positions in accordance with duly adopted salary program
45 parameters;

46 j. Grant diplomas, certificates or degrees;

47 k. Enter into contracts and agreements with the State or any of
48 its political subdivisions or with the United States, or with any public
49 body, department or other agency of the State or the United States,
50 including any public institution of higher education in the State or

1 their subsidiaries or affiliates, or with any individual, firm or
2 corporation which are deemed necessary or advisable by the board
3 for carrying out the provisions of this act. A contract or agreement
4 pursuant to this subsection may require a municipality to undertake
5 obligations and duties to be performed subsequent to the expiration
6 of the term of office of the elected governing body of such
7 municipality which initially entered into or approved said contract or
8 agreement, and the obligations and duties so incurred by such
9 municipality shall be binding and of full force and effect,
10 notwithstanding that the term of office of the elected governing body
11 of such municipality which initially entered into or approved said
12 contract or agreement, shall have expired;

13 l. Exercise the right of eminent domain, pursuant to the
14 provisions of the "Eminent Domain Act of 1971," P.L.1971, c.361
15 (C.20:3-1 et seq.), to acquire any property or interest therein;

16 m. Adopt, after consultation with the president and faculty,
17 bylaws and make and promulgate such rules, regulations, and orders,
18 not inconsistent with the provisions of this act as are necessary and
19 proper for the administration and operation of the university and the
20 carrying out of its purposes;

21 n. Establish fees for room and board sufficient for the operation,
22 maintenance, and rental of student housing and food services
23 facilities;

24 o. Fix and determine tuition rates and other fees to be paid by
25 students;

26 p. Accept from any government or governmental department,
27 agency or other public or private body or from any other source
28 grants or contributions of money or property which the board may
29 use for or in aid of any of its purposes;

30 q. Acquire, by gift, purchase, condemnation or otherwise, own,
31 lease, dispose of, use and operate property, whether real, personal or
32 mixed, or any interest therein, which is necessary or desirable for
33 university purposes;

34 r. Employ architects to plan buildings; secure bids for the
35 construction of buildings and for the equipment thereof; make
36 contracts for the construction of buildings and for equipment; and
37 supervise the construction of buildings;

38 s. Manage and maintain, and provide for the payment of all
39 charges on and expenses in respect of, all properties utilized by the
40 university;

41 t. Borrow money and to secure the same by a mortgage on its
42 property or any part thereof, and to enter into any credit agreement
43 for the needs of the university, as deemed requisite by the board, in
44 such amounts and for such time and upon such terms as may be
45 determined by the board, provided that no such borrowing shall be
46 deemed or construed to create or constitute a debt, liability, or a loan
47 or pledge of the credit or be payable out of property or funds, other
48 than moneys appropriated for that purpose, of the State;

1 u. Authorize any other new program, educational department or
2 school [consistent with the programmatic mission of the institution
3 or approved by the Secretary of Higher Education];

4 v. Adopt standing operating rules and procedures for the
5 purchase of all equipment, materials, supplies and services; however,
6 no contract on behalf of the university shall be entered into for the
7 purchase of services, materials, equipment and supplies, for the
8 performance of any work, or for the hiring of equipment or vehicles,
9 where the sum to be expended exceeds \$33,000 or the amount
10 determined by the Governor as provided herein, unless the university
11 shall first publicly advertise for bids and shall award the contract to
12 that responsible bidder whose bid, conforming to the invitation for
13 bids, will be most advantageous to the university, price and other
14 factors considered. Such advertising shall not be required in those
15 exceptions created by the board of trustees of the university, which
16 shall be in substance those exceptions contained in sections 4 and 5
17 of P.L.1954, c.48 (C.52:34-9 and 10) and section 5 of P.L.1986, c.43
18 (C.18A:64-56) or for the supplying of any product or the rendering
19 of any service by a public utility subject to the jurisdiction of the
20 Board of Public Utilities of this State and tariffs and schedules of the
21 charges made, charged, or exacted by the public utility for any such
22 products to be supplied or services to be rendered are filed with the
23 said board.

24 Commencing July 1, 2017 and every two years thereafter, the
25 Governor, in consultation with the Department of the Treasury, shall
26 adjust the threshold amount set forth in this paragraph in direct
27 proportion to the rise or fall of the consumer price index for all urban
28 consumers in the New York City and the Philadelphia areas as
29 reported by the United States Department of Labor. The Governor
30 shall notify the university of the adjustment. The adjustment shall
31 become effective on July 1 of the year in which it is reported.

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

44 w. Invest certain moneys in such obligations, securities and other
45 investments as the board shall deem prudent, consistent with the
46 purposes and provisions of this act and in accordance with State and
47 federal law, as follows:

48 Investment in [not-for-profit] nonprofit corporations or for-profit
49 corporations organized and operated pursuant to the provisions of
50 subsection x. of this section may utilize income realized from the sale

1 or licensing of intellectual property as well as the reinvestment of
2 earnings on intellectual property. Investment in **【not-for-profit】**
3 nonprofit corporations may also utilize income from overhead grant
4 fund recovery as permitted by federal law as well as other university
5 funds except those specified in paragraph 5 of subsection x. of this
6 section;

7 x. (1) Participate as the general partner or as a limited partner,
8 either directly or through a subsidiary corporation created by the
9 university, in limited partnerships, general partnerships, or joint
10 ventures to support any purpose related to the university including,
11 but not limited to, those engaged in the development, manufacture,
12 or marketing of products, technology, scientific information or
13 services and create or form for-profit or **【not-for-profit】** nonprofit
14 corporations to engage in such activities; provided that any such
15 participation shall be consistent with the mission of the university
16 and the board shall have determined that such participation is
17 prudent;

18 (2) The decision to participate in any activity described in
19 paragraph (1) of this subsection, including the creation or formation
20 of for-profit or **【not-for-profit】** nonprofit corporations, shall be
21 articulated in the minutes of the board of trustees meeting in which
22 the action was approved;

23 (3) The provisions of P.L.1971, c.182 (C.52:13D-12 et seq.) shall
24 continue to apply to the university, its employees, and officers;

25 (4) Nothing herein shall be deemed or construed to create or
26 constitute a debt, liability, or a loan or pledge of the credit or be
27 payable out of property or funds of the State;

28 (5) Funds directly appropriated to the university from the State or
29 derived from the university's academic programs shall not be utilized
30 by the for-profit or **【not-for-profit】** nonprofit corporations organized
31 and operated pursuant to this subsection in the development,
32 manufacture, or marketing of products, technology or scientific
33 information;

34 (6) Employees of any joint venture, subsidiary corporation,
35 partnership, or other jural entity formed, entered into, or owned
36 wholly or in part by the university shall not be deemed public
37 employees, however, any public employees of the university who
38 may be assigned to support any joint venture, subsidiary corporation,
39 partnership, or other jural entity formed, entered into, or owned
40 wholly or in part by the university shall continue to be deemed public
41 employees;

42 (7) A joint venture, subsidiary corporation, partnership, or other
43 jural entity entered into or owned wholly or in part by the university
44 shall not be deemed an instrumentality of the State of New Jersey;

45 (8) Income realized by the university **【as a result of participation**
46 **in the development, manufacture, or marketing of products,**
47 **technology, or scientific information】** pursuant to this subsection
48 may be invested **【or】**, reinvested **【pursuant to subsection w. of this**
49 section or any other provision】 , or retained by the board in

1 accordance with the provisions of this act or State or federal law **【**or
2 retained by the board**】** for use in furtherance of any of the purposes
3 of this act or of other applicable statutes;

4 (9) The board shall annually report to the State Treasurer on the
5 operation of all joint ventures, subsidiary corporations, partnerships,
6 or such other jural entities entered into or owned wholly or in part by
7 the university; and

8 (10) This subsection shall apply if a joint venture, subsidiary
9 corporation, partnership, or other jural entity entered into or owned
10 wholly or in part by the university, is expressly formed, created, or
11 owned by the university pursuant to the authority set forth in this
12 subsection. Further, this subsection shall in no way be construed to
13 prohibit or limit the university from separately pursuing any other
14 activities permitted by the authority granted under this act, or
15 separately utilizing any other powers expressly authorized by this act
16 for any activity consistent with the university's institutional mission,
17 including to participate as the general partner or as a limited partner,
18 either directly or through a subsidiary corporation created by the
19 university, in limited partnerships, general partnerships, or joint
20 ventures, otherwise than pursuant to this subsection;

21 y. Sue and be sued in its own name;

22 z. Retain independent counsel including representation by the
23 Attorney General in accordance with subsection h. of section 6 of
24 P.L.1994, c.48 (C.18A:3B-6) and, notwithstanding any other
25 provision of law to the contrary, if the university elects not to be
26 represented by the Attorney General in any matter in which the
27 university is solely responsible for any potential liability, it shall be
28 permitted to do so upon notice to the Attorney General;

29 aa. (1) Procure and enter into contracts for any type of insurance
30 and indemnify and defend against loss or damage to property from
31 any cause, including loss of use and occupancy, against death or
32 injury of any person, against employees' liability, against any act of
33 any member, officer, employee or servant of the university, whether
34 part-time, full-time, compensated or non-compensated in the
35 performance of the duties of his office or employment or any other
36 insurable risk. In addition, the university shall carry its own liability
37 insurance or maintain an actuarially sound program of self insurance.
38 Any joint venture, subsidiary corporation, or partnership or such
39 other jural entity entered into or owned wholly or in part by the
40 university shall carry insurance or maintain reserves in such amounts
41 as are determined by an actuary to be sufficient to meet its actual or
42 accrued claims;

43 (2) Moneys in the fund known as the Self-Insurance Trust Fund
44 administered by the State Treasurer shall continue to be available to
45 the university solely to indemnify and defend claims against the
46 university and its employees, officers and servants but only to the
47 extent that the university has elected on behalf of itself and its
48 employees to obtain representation from the Attorney General
49 pursuant to subsection h. of section 6 of P.L.1994, c.48 (C.18A:3B-
50 6) and such entity or individuals would have been entitled to defense

1 and indemnification pursuant to the "New Jersey Tort Claims Act,"
2 N.J.S.59:1-1 et seq., as a State entity or State employee but for the
3 provision of subsection z. of this section. Any expenditure of such
4 funds shall be made only in accordance with the provisions of the
5 "New Jersey Tort Claims Act," N.J.S.59:1-1 et seq., including but not
6 limited to the provisions of chapters 10, 10A and 11 of Title 59 of
7 the New Jersey Statutes. Nothing herein shall be construed to
8 authorize the use of the Self-Insurance Trust Fund to indemnify or
9 insure in any way, directly or indirectly the activities of any joint
10 venture, partnership or corporation entered into or created by the
11 university pursuant to subsection x. of this section;

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

14 cc. Adopt a code of ethics that complies with the requirements of
15 all statutes applicable to the institution, including, but not limited, to
16 the "Higher Education Restructuring Act of 1994," P.L.1994, c.48
17 (C.18A:3B-1 et al.), the "New Jersey Conflicts of Interest Law,"
18 P.L.1971, c.182 (C.52:13D-12 et seq.), regulations of the State Ethics
19 Commission, and any applicable executive orders; **[and]**

20 dd. Establish a procedure for the confidential, anonymous
21 submission of employee concerns regarding alleged wrongdoing at
22 the university;

23 ee. Merge or consolidate, including through subsidiary
24 corporations created by the university, with one or more other
25 nonprofit corporations formed and operated primarily for educational
26 purposes and exempt under paragraph (3) of subsection (c) of section
27 501 of the federal Internal Revenue Code of 1986, 26 U.S.C.
28 s.501(c)(3), as the board of trustees may determine, but consistent
29 with the public purposes of the corporation, and shall assume any
30 vested rights, grants, charter rights, privileges, exemptions,
31 immunities, powers, prerogatives, franchises or advantages, debts, or
32 liabilities of the nonprofit corporation; and

33 ff. Have final authority to determine controversies and disputes
34 concerning tenure and personnel matters of employees not classified
35 under Title 11A of the New Jersey Statutes. Any matter arising under
36 this subsection may be assigned to an administrative law judge, an
37 independent hearing officer or a subcommittee of the board of
38 trustees for hearing and initial decision by the board, except for
39 tenure hearings pursuant to N.J.S.18A:6-18. Any hearings conducted
40 pursuant to this subsection shall conform to the requirements of the
41 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
42 seq.). The final administrative decision of the board of trustees is
43 appealable to the Superior Court, Appellate Division.

44 (cf: P.L.2017, c.178, s.9)

45

46 17. Section 11 of P.L.2017, c.178 (C.18A:64N-11) is amended to
47 read as follows:

48 11. a. The university is authorized to be a participating contracting
49 unit in a cooperative pricing system established by any municipal,
50 county, or State public agency, instrumentality of the State, public

1 institution of higher education in the State, or any subsidiary or
2 affiliate of a public institution of higher education in the State, or any
3 federal supply schedule pursuant to the laws of this State.

4 b. The university may make purchases and contract for services
5 through the use of a nationally-recognized and accepted cooperative
6 purchasing agreement, including a cooperative purchasing agreement
7 in existence as of the effective date of P.L.2016, c.50 (C.18A:64-63.1
8 et al.), in accordance with the provisions of paragraph (3) of
9 subsection b. of section 7 of P.L.1996, c.16 (C.52:34-6.2).

10 c. The State Treasurer may promulgate rules and regulations
11 pursuant to the "Administrative Procedure Act," P.L.1968, c.410
12 (C.52:14B-1 et seq.), which are necessary to effectuate the purposes
13 of this section.

14 (cf: P.L.2017, c.178, s.11)

15

16 18. Section 16 of P.L.2017, c.178 (C.18A:64N-16) is amended to
17 read as follows:

18 16. No trustee or officer of the university shall be personally
19 liable for any debt, obligation, or other liability of the university or
20 incurred by or on behalf of the university or any constituent unit,
21 subsidiary, or affiliate thereof.

22 (cf: P.L.2017, c.178, s.16)

23

24 19. Section 21 of P.L.2017, c.178 (C.18A:64N-21) is amended to
25 read as follows:

26 21. Upon the establishment of the body corporate and politic
27 known as Montclair State University:

28 a. All appropriations, grants, debt service, research funds, and
29 other monies available to Montclair State University prior to the
30 effective date of **[this act]** P.L.2017, c.178 (C.18A:64N-1 et seq.)
31 and to become available shall be transferred to the university by the
32 Director of the Division of Budget and Accounting in the Department
33 of the Treasury and shall be available for the objects and purposes
34 for which appropriated, subject to any terms, restrictions, limitations
35 or other requirements imposed by the State budget;

36 b. All other grants, gifts, other moneys and property available to
37 Montclair State University prior to the effective date of **[this act]**
38 P.L.2017, c.178 (C.18A:64N-1 et seq.) and to become available to or
39 for Montclair State University shall be transferred to the university
40 and shall be available for the objects and purposes of the university,
41 subject to any terms, restrictions, limitations or other requirements
42 imposed by State and federal law or otherwise;

43 c. All employees of Montclair State University prior to the
44 effective date of **[this act]** P.L.2017, c.178 (C.18A:64N-1 et seq.)
45 shall become employees of the university. Nothing in this act shall
46 be construed so as to deprive any person of any right of tenure or
47 under any retirement system or to any pension, disability, social
48 security or similar benefit, to which the person is entitled by law or

1 contractually. All persons employed at Montclair State University
2 shall continue to be represented by the majority representative that
3 represented them on the effective date of **[this act, shall continue to**
4 **be represented by the executive branch Statewide collective**
5 **negotiations units they were in on the effective date of this act]**
6 P.L.2017, c.178 (C.18A:64N-1 et seq.), and shall continue to be
7 covered by the collective negotiations agreements that were in effect
8 on the effective date of **[this act]** P.L.2017, c.178 (C.18A:64N-1 et
9 seq.) until such time as a successor agreement is established.
10 **[Pursuant to section 12 of P.L.1986, c.42 (C.18A:64-21.1), the**
11 **Governor]** Montclair State University shall [continue to] function as
12 the public employer under the "New Jersey Employer-Employee
13 Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.), for persons
14 employed at Montclair State University. [The executive branch
15 Statewide collective negotiations units referenced in this section are
16 the units specified in subsection b. of section 1 of P.L.2005, c.142
17 (C.34:13A-5.10).] The employees of Montclair State University
18 employed on the effective date of **[this act]** P.L.2017, c.178
19 (C.18A:64N-1 et seq.) shall not be considered new employees for any
20 purpose and shall retain any accrued seniority, rank, and tenure,
21 which shall be applied when determining eligibility for all benefits,
22 including all paid leave time, longevity increases, promotions and
23 health benefits. Nothing in **[this act]** P.L.2017, c.178 (C.18A:64N-
24 1 et seq.) shall be construed to deprive any person employed at
25 Montclair State University of any tenure rights or to in any manner
26 affect the tenure, rank, or academic track of any employees holding
27 a faculty position. Such tenure, rank and academic track shall
28 continue to be through Montclair State University and shall be held
29 or granted pursuant to the authority of the board of trustees of
30 Montclair State University for all current and future employees
31 employed at Montclair State University. Nothing in **[this act]**
32 P.L.2017, c.178 (C.18A:64N-1 et seq.) shall be construed to deprive
33 any officers or employees employed at Montclair State University of
34 their rights, privileges, obligations or status under any pension,
35 retirement, health benefits system, civil service law or any other law
36 of this State;

37 d. All files, papers, records, equipment and other personal
38 property of Montclair State University shall be transferred to the
39 university; **[and]**

40 e. All orders, rules or regulations theretofore made or
41 promulgated by Montclair State University shall continue in full
42 force and effect as the orders, rules and regulations of the university
43 until amended or repealed by the university; and

44 f. Any person who becomes an employee of Montclair State
45 University or a subsidiary corporation of the university other than a
46 subsidiary corporation expressly formed pursuant to subsection ee.
47 of section 9 of P.L.2017, c.178 (C.18A:64N-9) through a merger or

1 consolidation with another entity, shall be deemed a public employee
2 and shall, as applicable, become a member of the university's
3 collective negotiations unit which encompasses the employee's
4 position and shall be represented by the majority representatives of
5 that unit.

6 (cf: P.L.2017, c.178, s.21)

7

8 20. Section 24 of P.L.2017, c.178 (C.18A:64N-24) is amended to
9 read as follows:

10 24. a. The general powers of supervision and control of the
11 Secretary of Higher Education at the request of the Governor over
12 Montclair State University include the power to visit the university
13 to examine into its manner of conducting its affairs and to enforce an
14 observance of **its laws and regulations and** the laws of the State.

15 b. Notwithstanding any other provision of law to the contrary,
16 Montclair State University, through its board of trustees, shall have
17 the care, custody, control, and title of such property as the State now
18 has or shall hereafter acquire at the university, subject to the visitorial
19 powers of the Secretary of Higher Education at the request of the
20 Governor.

21 (cf: P.L.2017, c.178, s.24)

22

23 21. This act shall take effect immediately.

24

25

26

STATEMENT

27

28 This bill provides for the merger of Bloomfield College with
29 Montclair State University, expands the powers and property of
30 Montclair State University, and expands the State college risk
31 management group.

32 The bill provides a pathway for Bloomfield College, an
33 independent college, to become a school of Montclair State
34 University. The bill updates the law that established Bloomfield
35 College to reflect the current governance structure of Bloomfield
36 College. The bill further permits the college to organize as a
37 nonprofit corporation under Title 15A of the New Jersey Statutes and
38 to merge or consolidate with another nonprofit corporation formed
39 and operated primarily for educational purposes.

40 The State is the current owner of most of the land, including its
41 buildings and structures, at Montclair State University in the
42 townships of Montclair, Little Falls, and Clifton. The State leases
43 this property to the institution. The bill transfers property owned by
44 the State at Montclair State University to the university. Specifically,
45 under the bill, Montclair State University will have the care, custody,
46 control, and title of any property the State now has or will hereafter
47 acquire at the university, subject to the visitorial powers of the
48 Secretary of Higher Education at the request of the Governor.

1 The bill makes numerous changes, clarifications, and additions to
2 the powers and duties of the board of trustees of Montclair State
3 University including the power or duty to:

- 4 • modify its corporate seal;
- 5 • approve the establishment or discontinuance of educational
6 programs, departments, or schools;
- 7 • enter into contracts and agreements with other public
8 institutions of higher education and their subsidiaries and
9 affiliates;
- 10 • merge or consolidate, including through subsidiary
11 corporations created by the university, with one or more other
12 nonprofit corporations; and
- 13 • have final authority to determine controversies and disputes
14 concerning tenure and personnel matter of employees not
15 classified under Title 11A of the New Jersey Statutes.

16 Additionally, the bill provides that:

- 17 • any public employees of the university who may be assigned
18 to support any joint venture, subsidiary corporation,
19 partnership, or other jural entity of the university will
20 continue to be deemed public employees; and
- 21 • the university may elect to not be represented by the Attorney
22 General in any matter in which the university is solely
23 responsible for any potential liability.

24 The bill amends the law that authorizes Montclair State University
25 to be a participating contracting unit in a cooperative pricing system.
26 Under the bill, a pricing system may be established by any municipal,
27 county, or State public agency, instrumentality of the State, public
28 institution of higher education in the State, or any subsidiary or
29 affiliate of a public institution of higher education in the State, or any
30 federal supply schedule.

31 The bill extends the law protecting any trustee or officer of
32 Montclair State University from personal liability for any debt,
33 obligation, or liability of the university to any debt, obligation, or
34 liability incurred by or on behalf of a university subsidiary or
35 affiliate.

36 The bill permits cooperative use of the buildings or facilities of
37 public institutions of higher education, or of its subsidiaries or
38 affiliates, with one or more other public institutions of higher
39 education.

40 Current law authorizes two or more State colleges or universities to
41 form a State college risk management group and to participate in joint
42 liability funds, risk management programs, and related services
43 provided by the group, subject to certain regulatory oversight by the
44 Commissioner of Banking and Insurance. This bill renames the groups
45 as “public” college risk management groups and permits all four-year
46 public institutions of higher education to enter into these groups and
47 programs.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 5470

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 22, 2023

The Assembly Appropriations Committee reports favorably and with committee amendments Assembly Bill No. 5470 (1R).

This amended bill provides for the merger of Bloomfield College with Montclair State University, expands the powers and property of Montclair State University, and expands the State college risk management group.

The amended bill provides a pathway for Bloomfield College, an independent college, to become a school of Montclair State University. The bill updates the law that established Bloomfield College to reflect the current governance structure of Bloomfield College. The bill further permits the college to merge or consolidate with another nonprofit corporation formed and operated primarily for educational purposes.

Under the amended bill, Montclair State University will have the care, custody, control, and title of any property the institution acquires as part of a merger or consolidation with another nonprofit corporation formed and operated primarily for educational purposes, subject to the visitorial powers of the Secretary of Higher Education at the request of the Governor and the conveyance terms for any property owned by the New Jersey Educational Facilities Authority.

Additionally, the amended bill makes numerous changes, clarifications, and additions to the powers and duties of the board of trustees of Montclair State University, including the power or duty to:

- modify its corporate seal;
- approve the establishment or discontinuance of educational programs, departments, or schools;
- enter into contracts and agreements with other public institutions of higher education and their subsidiaries and affiliates; and
- merge or consolidate, including through or with subsidiary corporations created by the university, with one or more other nonprofit corporations.

Additionally, the amended bill provides that:

- any public employees of the university who may be assigned to support any joint venture, subsidiary corporation, partnership, or other jural entity of the university will continue to be deemed public employees; and
- the university may elect to not be represented by the Attorney General in any matter in which the university is solely responsible for any potential liability.

The amended bill authorizes Montclair State University to be a participating contracting unit in a joint purchasing agreement.

The amended bill also extends the law protecting any trustee or officer of Montclair State University from personal liability for any debt, obligation, or liability of the university to any debt, obligation, or liability incurred by or on behalf of a university subsidiary or affiliate.

The amended bill further permits cooperative use of the buildings or facilities of public institutions of higher education, or of its subsidiaries or affiliates, with one or more other public institutions of higher education, subject to certain requirements established by the New Jersey Educational Facilities Authority.

Current law authorizes two or more State colleges or universities to form a State college risk management group and to participate in joint liability funds, risk management programs, and related services provided by the group, subject to certain regulatory oversight by the Commissioner of Banking and Insurance. This bill renames the groups as “public” college risk management groups and permits all four-year public institutions of higher education to enter into these groups and programs.

Finally, the amended bill maintains the current structure for the Statewide collective negotiations units at Montclair State University, and clarifies that any person who becomes an employee of Montclair State University or a subsidiary corporation of the university through a merger or consolidation with another entity, is to be deemed a public employee, become a member of the Statewide collective negotiations unit which encompasses the employee’s position as applicable, and be represented by the majority representatives of that unit.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

- specify that unit work performed by employees of Montclair State University is not transferred to a subsidiary corporation, limited partnership, general partnership, or joint venture or to persons employed by those entities;
- clarify that mergers or consolidations with subsidiary corporations created by the university after the effective date of this bill will not require the approval of the Office of the Attorney General;
- clarify that any employee of Montclair State University is to continue to be covered by collective negotiations agreements

that were in effect on and after the effective date of P.L.2017, c.178; and

- make various technical changes.

FISCAL IMPACT:

The Office of Legislative Services does not have sufficient information to make a comprehensive analysis of the fiscal impact of this bill. Bloomfield College publicly released a summary of the Agreement and Plan of Merger but notes that the full agreement will not be made available until the merger has been executed. The summary provided by Bloomfield College does not include information on the anticipated costs of the proposed merger. Similarly, Montclair State University has not publicly released information on the anticipated costs of the proposed merger.

Bloomfield College's assets and liabilities will be assumed by Montclair State upon the merger. Bloomfield College listed \$35.7 million in total liabilities, including \$32.5 million in long-term debt, in its FY 2022 financial statements. Its assets totaled \$93.9 million, including \$62.5 million in property and equipment and \$31.3 million in non-property assets.

About 1,200 Bloomfield College students are expected to become part of Montclair State University after the merger, and between 120 and 130 Bloomfield College employees will transition to employment at Montclair State University.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 5470

with committee amendments

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- any public employees of the university who may be assigned to support any joint venture, subsidiary corporation, partnership, or other jural entity of the university will continue to be deemed public employees; and
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- clarify that any employee of Montclair State University is to continue to be covered by collective negotiations agreements

that were in effect on and after the effective date of P.L.2017, c.178; and

- make various technical changes.

FISCAL IMPACT:

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About 1,200 Bloomfield College students are expected to become part of Montclair State University after the merger, and between 120 and 130 Bloomfield College employees will transition to employment at Montclair State University.

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

ASSEMBLY, No. 5470

STATE OF NEW JERSEY 220th LEGISLATURE

DATED: JUNE 30, 2023

SUMMARY

- Synopsis:** Provides for merger of Bloomfield College with Montclair State University; expands powers and property of Montclair State University; expands State college risk management group.
- Type of Impact:** Annual State cost increases; annual cost and revenue increases to Montclair State University.
- Agencies Affected:** Montclair State University; Department of the Treasury.

Office of Legislative Services Estimate	
Annual State Cost Increase	Indeterminate
Annual Montclair State University Cost Increase	Indeterminate
Annual Montclair State University Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) does not have sufficient information to make a comprehensive analysis of the fiscal impact of this bill. Bloomfield College publicly released a summary of the Agreement and Plan of Merger but notes that the full agreement will not be made available until the merger has been executed. The summary provided by Bloomfield College does not include information on the anticipated costs of the proposed merger. Similarly, Montclair State University has not publicly released information on the anticipated costs of the proposed merger.
- Bloomfield College's assets and liabilities will be assumed by Montclair State upon the merger. Bloomfield College listed \$35.7 million in total liabilities, including \$32.5 million in long-term debt, in its FY 2022 financial statements. Its assets totaled \$93.9 million, including \$62.5 million in property and equipment and \$31.3 million in non-property assets.
- About 1,200 Bloomfield College students are expected to become part of Montclair State University after the merger, and between 120 and 130 Bloomfield College employees will transition to employment at Montclair State University.

BILL DESCRIPTION

This bill provides for the merger of Bloomfield College with Montclair State University, expands the powers and property of Montclair State University, and expands the State college risk management group.

The bill provides a pathway for Bloomfield College, an independent college, to become a school of Montclair State University and permits the college to merge or consolidate with another nonprofit corporation operated primarily for educational purposes.

Montclair State University will have the control and title of any property the institution acquires as part of the merger.

The bill makes numerous changes to the powers and duties of the board of trustees of Montclair State University, including the power to merge or consolidate with one or more other nonprofit corporations.

Additionally, the bill provides that any public employees of the university who may be assigned to support any related entity of the university will continue to be deemed public employees.

Current law authorizes two or more State colleges or universities to form a State college risk management group and to participate in joint liability funds and risk management programs provided by the group. This bill permits all four-year public institutions of higher education to enter into these groups and programs.

The bill maintains the current structure for the Statewide collective negotiations units at Montclair State University and clarifies that any person who becomes an employee of the university is to be deemed a public employee, becomes a member of the Statewide collective negotiations unit which encompasses the employee's position, and is to be represented by the majority representatives of that unit.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS does not have sufficient information to make a comprehensive analysis of the fiscal impact of this bill. Bloomfield College publicly released a summary of the Agreement and Plan of Merger but notes that the full agreement will not be made available until the merger has been executed. The summary provided by Bloomfield College does not include information on the anticipated costs of the proposed merger. Similarly, Montclair State University has not publicly released information on the anticipated costs of the proposed merger.

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About 1,200 Bloomfield College students are expected to become part of Montclair State after the merger. The revenues that these students provide to Bloomfield College will become annual revenues of Montclair State University. The university will also incur additional annual costs to educate these students and provide other ancillary services.

Between 120 and 130 Bloomfield College employees will transition to employment at Montclair State University and will become State employees with eligibility for various State benefits, including the State Health Benefits Program, resulting in an indeterminate increase in annual State costs. Other Bloomfield College faculty and employees not offered positions at Montclair State University will receive severance.

Section: Education

*Analyst: Sarah Haimowitz
Lead Research Analyst*

*Approved: Thomas Koenig
Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).

Governor Murphy Takes Action on Legislation

06/30/2023

TRENTON – Today, Governor Murphy signed the following bill into law:

S-3848/A-5470 (Ruiz, Burgess/Timberlake, Pintor Marin, Jasey) - Provides for merger of Bloomfield College with Montclair State University; expands powers and property of Mor State University; and expands State college risk management group