

18A 64A-1 et al

LEGISLATIVE HISTORY CHECKLIST

NJSA 18A:64A-1 et al (County colleges -- various amendments)

LAWS 1981 CHAPTER 329

Bill No. S219

Sponsor(s) Feldman and others

Date Introduced Pre-filed

Committee: Assembly Education

Senate Education; Revenue, Finance & Appropriations

Amended during passage Yes ~~XX~~ Amendments denoted by asterisks

according to Governor's recommendations  
Date of Passage: Assembly June 15, 1981 Re-enacted 11-30-81

Senate November 10, 1980 Re-enacted 11-23-81

Date of approval December 14, 1981

Following statements are attached if available:

Sponsor statement Yes ~~XX~~No

Committee Statement: Assembly Yes ~~XX~~No

Senate Yes ~~XX~~No 2-25-80 & 10-6-80

Fiscal Note Yes ~~XX~~No

Veto Message Yes ~~XX~~No

Message on signing Yes ~~XX~~No

Following were printed:

Reports Yes ~~XX~~No

Hearings ~~XX~~ No

Report, referred to in sponsors' statement:

974.90 New Jersey. Commission to Study the Mission, Financing and  
C697 Governance of the County Colleges  
1979a Excellence and the open door: an essential partnership...  
March, 1979. Trenton, 1979

974.90 Rutgers University. New Brunswick, N.J.  
c697 Bureau of Government Research.  
1979a New Jersey County colleges and local government.  
V.2 March, 1979. New Brunswick, 1979  
PP

NOV 1982

SENATE, No. 219

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1980 SESSION

By Senators FELDMAN, DWYER, LIPMAN, HAMILTON,  
VREELAND and FRIEDLAND

AN ACT concerning county colleges, and amending sections 18A:64A-1, 18A:64A-8, 18A:64A-9, 18A:64A-12, 18A:64A-22 and 18A:64A-23 of the New Jersey Statutes, P. L. 1968, c. 180 and P. L. 1974, c. 89 and repealing section 10 of P. L. 1974, c. 89.

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

1 1. N. J. S. 18A:64A-1 is amended to read as follows:

2 18A:64A-1. As used in this chapter:

3 **[a. "County college" means an educational institution estab-**  
4 **lished or to be established by one or more counties, offering pro-**  
5 **grams of instruction, extending not more than 2 years beyond the**  
6 **high school, which may include but need not be limited to special-**  
7 **ized or comprehensive curriculums, including college credit trans-**  
8 **fer courses, terminal courses in the liberal arts and sciences, and**  
9 **technical institute type programs;]**

10 a. "Base year" means the fiscal year 3 years prior to that in  
11 which the budget is to be implemented;

12 b. "Capital outlay expense" means those funds devoted to or  
13 required for the acquisition, landscaping or improvement of land;  
14 the acquisition, construction, reconstruction, improvement, re-  
15 modeling, alteration, addition or enlargement of buildings or other  
16 structures; and the purchase of furniture, apparatus and other  
17 equipment;

18 **[c. "Operation expense" means those funds devoted to or re-**  
19 **quired for the regular or ordinary expenses of the college, includ-**  
20 **ing administrative, maintenance and salary expenses but excluding**  
21 **capital outlay expenses;]**

22 c. "County college" means an educational institution established  
23 or to be established by one or more counties, offering programs of

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

24 *instruction, extending not more than 2 years beyond the high school,*  
 25 *which may include but need not be limited to specialized or com-*  
 26 *prehensive curriculums, including college credit transfer courses,*  
 27 *terminal courses in the liberal arts and sciences, and technical in-*  
 28 *stitute type programs;*

29 *d. "Educational and general costs" means expenditures of a*  
 30 *county college audited and approved according to regulations estab-*  
 31 *lished by the Board of Higher Education;*

32 *e. "Gross per student support for the State college sector"*  
 33 *means the average gross State appropriation per budgeted full*  
 34 *time equivalent student at the State colleges. This average shall*  
 35 *be derived from the general appropriations act for each fiscal year*  
 36 *of adjustment by taking the sum of the total appropriation amounts*  
 37 *for State colleges, except Edison college, subtracting from that sum*  
 38 *debt service and capital costs, and dividing the remainder by the*  
 39 *total number of budgeted full time equivalent students at the State*  
 40 *colleges as stipulated in language in the appropriations act for the*  
 41 *year of adjustment;*

42 **[d.]** *f. "Local bond law" means the local bond law, chapters*  
 43 *1 and 2 of Title 40A of the New Jersey Statutes (N. J. S. 40A:1-1*  
 44 *et seq.).*

45 *g. "Operation expense" means those funds devoted to or re-*  
 46 *quired for the regular or ordinary expenses of the college, includ-*  
 47 *ing administrative, maintenance and salary expenses but excluding*  
 48 *capital outlay expenses.*

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

2 18A:64A-8. For each county college there shall be a board of  
 3 trustees, consisting of **[**the county superintendent of schools and  
 4 **eight]** *nine persons* **[to]** *seven of whom shall be appointed by the*  
 5 *director of the board of chosen freeholders or the county executive*  
 6 *with the advice and consent of* **[that]** *the board and two of whom*  
 7 *shall be appointed by the State Board of Higher Education, accord-*  
 8 *ing to criteria and for such initial terms as shall be established.*  
 9 *The president of the college shall serve as an ex officio member of*  
 10 *the board of trustees without vote.*

11 *The board of chosen freeholders shall establish a trustee search*  
 12 *committee of not less than five members who shall be residents of*  
 13 *the county. The members of the trustee search committee shall not*  
 14 *be elected public officials and shall not be eligible for appointment*  
 15 *to the board of trustees for a period of 6 months after their service*  
 16 *on the trustee search committee. The trustee search committee*  
 17 *shall nominate individuals according to criteria promulgated by*  
 18 *the Board of Higher Education for consideration by the board of*

19 *chosen freeholders or county executive for appointment to the board*  
20 *of trustees.*

21 When a county college is established by more than one county,  
22 the board of trustees shall be increased by two members for each  
23 additional participating county. The membership of the board of  
24 trustees shall be apportioned by the chancellor among the several  
25 counties as nearly as may be according to the number of inhabitants  
26 in each county as shown by the last Federal census, officially pro-  
27 mulgated in this State. Each apportionment shall continue in effect  
28 until a reapportionment shall become necessary by reason of the  
29 official promulgation of the next Federal census or the enlargement  
30 of the board by the admission of one or more additional counties as  
31 provided for in section 18A :64A-24. Each county shall be entitled  
32 to have at least one member and the county superintendent of the  
33 schools of said county on the board of trustees.

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

2 18A :64A-9. Appointed members of the board of trustees shall  
3 [be citizens of the United States who] have been residents of the  
4 county [appointing them] for a period of 4 years prior to said ap-  
5 pointment, *and no elected public official or employee of the county*  
6 *college shall serve as a voting member of the board.* The term of  
7 office of appointed members, except for the first appointments, shall  
8 be for 4 years. Each member shall serve until his successor shall  
9 have been appointed and qualified.

10 Vacancies shall be filled in the same manner as the original  
11 appointment for the remainder of the unexpired term. Any ap-  
12 pointed member may be removed by the board of chosen free-  
13 holders of the appointing county for cause upon notice and oppor-  
14 tunity to be heard. Members shall serve without compensation but  
15 shall be entitled to be reimbursed for all reasonable and necessary  
16 expenses.

17 *A voting member of a board of trustees shall not be eligible to*  
18 *accept employment as an employee of the college at which he has*  
18A *served as a member of the board for a period of 2 years following*  
19 *resignation or expiration of his term as a member.*

20 In the case of a county college established by one county, the  
21 term of office of members initially appointed to the board of trus-  
22 tees *by the director of the board of chosen freeholders or the county*  
23 *executive* shall be as follows: two persons shall receive terms of  
24 1 year; two, terms of 2 years; two, terms of 3 years and [2] one,  
25 terms of 4 years.

26 In the case of a county college established by more than one  
27 county, the chancellor shall fix the terms of the members initially

28 appointed to the board of trustees so that as nearly as possible,  
29 one-quarter of the appointed members will receive terms of 4 years,  
30 one-quarter terms of 3 years, one-quarter terms of 2 years and the  
31 remainder terms of 1 year. Such terms shall be allocated by the  
32 chancellor among the participating counties, in accordance with the  
33 number of members on the board of trustees appointed to each  
34 county, starting with the terms of 4 years, by allocating one of such  
35 terms to each of the participating counties in alphabetical order of  
36 the names of such counties, and continuing, still in such order, with  
37 the terms of 3 years, the terms of 2 years and the terms of 1 year.

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

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

2 18A :64A-12. For the effectuation of the purposes of this chapter,  
3 the board of trustees of a county college in addition to such other  
4 powers expressly granted to it by this chapter and subject to the  
5 rules and regulations of the Board of Higher Education, is hereby  
6 granted the following powers :

- 7 a. To adopt or change the name of the county college ;
- 8 b. To adopt and use a corporate seal ;
- 9 c. To sue and be sued ;
- 10 d. To determine the educational curriculum and program of the  
11 college ;
- 12 e. To appoint and fix the compensation and term of office of a  
13 president of the college who shall be the executive officer of the  
14 college and an ex officio member of the board of trustees ;
- 15 f. To appoint, upon nomination of the president, members of the  
16 administrative and teaching staffs and fix their compensation and  
17 terms of employment subject to the provisions of section  
18 18A :64A-13 ;
- 19 g. To appoint or employ such other officers, agents and em-  
20 ployees as may be required to carry out the provisions of this  
21 chapter and to fix and determine their qualifications, duties, com-  
22 pensation, terms of office and all other conditions and terms of em-  
23 ployment and retention ;
- 24 h. To fix and determine tuition rates and other fees to be paid by  
25 students ;
- 26 i. To grant diplomas, certificates or degrees ;
- 27 j. To enter into contracts and agreements with the State or any  
28 of its political subdivisions or with the United States, or with any  
29 public body, department or other agency of the State or the United

30 States or with any individual firm or corporation which are deemed  
31 necessary or advisable by the board for carrying out the provisions  
32 of this chapter ;

33 k. To accept from any government or governmental department,  
34 agency or other public or private body or from any other source  
35 grants or contributions of money or property which the board may  
36 use for or in aid of any of its purposes ;

37 l. To acquire (by gift, purchase, condemnation or otherwise),  
38 own, lease, use and operate property, whether real, personal or  
39 mixed, or any interest therein, which is necessary or desirable for  
40 college purposes ;

41 m. To determine that any property owned by the county college  
42 is no longer necessary for college purposes and to sell the same at  
43 such price and in such manner and upon such terms and conditions  
44 as shall be established by the board of higher education ;

45 n. To exercise the right of eminent domain, pursuant to the pro-  
46 visions of Title 20 Eminent Domain, of the Revised Statutes, to  
47 acquire any property or interest therein ;

48 o. To make and promulgate such rules and regulations, not in-  
49 consistent with the provisions of this chapter or with the rules and  
50 regulations of the board of higher education, that are necessary  
51 and proper for the administration and operation of a county  
52 college and to implement the provisions of this chapter ; and

53 p. To exercise all other powers, not inconsistent with the pro-  
54 visions of this chapter or with the rules and regulations of the  
55 Board of Higher Education, which may be reasonably necessary  
56 or incidental to the establishment, maintenance and operation of  
57 a county college.

58 *q. To establish and maintain a dedicated reserve fund for minor*  
59 *capital needs which in any given year shall not exceed 3% of the*  
60 *replacement value of the college's physical plant.*

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

2 18A :64A-22. Annual budget requests for State support of  
3 colleges. The Board of Higher Education shall formulate annual  
4 budget requests for State support of county colleges. Within the  
5 limits of funds appropriated to the Board of Higher Education for  
6 such purposes and in accordance with rules and regulations pre-  
7 scribed by the Board of Higher Education, the board of trustees  
8 of a county college may apply to the Board of Higher Education  
9 and receive State support :

10 a. For capital projects approved by the Board of Higher Educa-  
11 tion in amounts not to exceed one-half of the cost of said capital  
12 projects, and

13 [b. For operational costs to the extent of one-half thereof or  
14 \$725.00 per equated full-time student, including such students resi-  
15 dent in other counties, whichever is the lesser amount. For the  
16 purposes of determining State aid, only those students enrolled  
17 in credit courses and noncredit remedial, developmental, general  
18 education development and adult basic education courses, shall be  
19 included in calculating the number of equated full-time students.]

20 *b. For operational costs to the extent of 43% but not to exceed*  
21 *50% of the educational and general costs of the county colleges in*  
22 *the base year adjusted for the 2 fiscal years following the base year*  
23 *according to the percent change in the level of gross per student*  
24 *support for the State college sector. This sum shall be distributed*  
25 *to the county colleges by the Board of Higher Education as follows:*

26 *(1) Up to 20% shall be distributed as categorical support accord-*  
27 *ing to such categories as shall be developed by the Board of Higher*  
28 *Education including but not limited to program development,*  
29 *special projects, plant operations and maintenance and minor capi-*  
30 *tal. Categorical support shall be expended by the college in the*  
31 *category in which it is allocated. Moneys allocated for the minor*  
32 *capital shall be matched by county government contributions.*

33 *(2) The balance shall be distributed on a differential basis ac-*  
34 *cording to program classifications promulgated by the Board of*  
35 *Higher Education. The differential distribution shall reflect the*  
36 *high cost of health related and technical programs and provide in-*  
37 *creased levels of support accordingly.*

38 *No county college shall receive more than 50% of its projected*  
39 *educational and general costs through the provisions of this act.*

40 *If a county college maintains a total full time equivalent student*  
41 *enrollment (FTE) equal to the audited enrollment for the 1979*  
42 *fiscal year, the college shall not receive in a subsequent budget year*  
43 *an amount in State aid less than it received in the 1979 fiscal year.*  
44 *If a college's enrollment for any budget year is projected to de-*  
45 *crease compared to the 1979 fiscal year, the college shall receive in*  
46 *State aid an amount equal to its projected enrollment for the budget*  
47 *year multiplied by \$700.00 or the amount allocated by the Board*  
48 *of Higher Education pursuant to paragraphs (1) and (2) of sub-*  
49 *section b. of this section, whichever is greater.*

50 *Should the projected enrollment at the county colleges decline by*  
51 *more than 10% between the base year and the budget year, a pro-*  
52 *portional reduction shall be made in the amount of educational and*  
53 *general costs of the county colleges in the base year prior to adjust-*  
54 *ments for inflation.*

55 *Each county which operates a county college shall continue to*  
56 *provide moneys for the support of the college in an amount no less*  
57 *than those moneys provided in the year in which this act is enacted*  
58 *or 25% of the operation expense in the base year, whichever is*  
59 *greater.*

60 State support for the operational costs of county colleges shall be  
61 made within limits of State appropriation and only after an annual  
62 review and approval by the Board of Higher Education of the  
63 financial program for operation of the county college, including the  
64 charges to be made for student tuition and fees and the establish-  
65 ment of the county share of said costs.

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

2 18A :64A-23. a. Each county college shall, to the extent its  
3 facilities will permit and subject to regulations of the Board of  
4 Higher Education, accept students who are residents of any other  
5 county in the State.

6 b. Any person desiring to enroll in a county college as a non-  
7 resident student shall apply to the chief fiscal officer of his county  
8 of residence for a certificate of residence showing that said person  
9 is a resident of said county. The chief fiscal officer of each county  
10 shall, upon application and submission to him of satisfactory  
11 evidence of such residence, issue said certificate provided that (1)  
12 the county does not sponsor a county college or contribute to the  
13 support of a county assisted college, or (2) the local county or  
14 county assisted college certifies that it does not offer the particu-  
15 lar course or the curriculum desired by the applicant, or (3) the  
16 local county or county assisted college certifies that it cannot admit  
17 the applicant into a particular course or the desired curriculum,  
18 pursuant to criteria established by the Board of Higher Education.  
19 If the chief fiscal officer of a county refuses to issue such a cer-  
20 tificate, the applicant may appeal to the board of chosen free-  
21 holders of the county within 10 days of the receipt of notice of  
22 such refusal. The board of chosen freeholders shall make a deter-  
23 mination after a hearing, upon 10 days' notice to such chief fiscal  
24 officer and the applicant, and such determination shall be final and  
25 binding on the county.

26 Upon his registration for each college year, the nonresident  
27 student shall file with the college such a certificate of residence  
28 issued not earlier than 2 months prior thereto and such certificate  
29 of residence shall be valid for the current or next academic year  
30 succeeding the date of issuance, as the case may be.

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

33 issued a certificate or certificates of residence pursuant to subsec-  
 34 tion (b) and on the basis of which such nonresident students are  
 35 attending such college, the sending county's share of the operating  
 36 expenses of such county college, as certified by the board of school  
 37 estimate and as paid by the receiving county for resident students,  
 38 computed on a per full-time equated (FTE) student basis *and*  
 39 *multiplied by cost ratios as determined by the Board of Higher*  
 40 *Education for various instructional categories. Any county college*  
 41 *shall additionally charge and collect the sum of \$1.00 per credit*  
 42 *hour for each student so enrolled to compensate for minor capital*  
 43 *costs of the college, which moneys shall be expended according to*  
 44 *regulations promulgated by the Board of Higher Education.*

45 d. Within 10 days after the commencement of each college term,  
 46 the county college shall charge the county's per FTE student share  
 47 of operating expenses of such college for that term as aforesaid to  
 48 each county which has issued a certificate or certificates of resi-  
 49 dence pursuant to subsection (b), on the basis of which nonresi-  
 50 dent students are attending such county college. The amount so  
 51 charged to the county issuing the certificate or certificates shall be  
 52 paid within 30 days of the date of the billing.

1 7. Section 3 of P. L. 1974, c. 89 (C. 18A:64A-32) is amended to  
 2 read as follows:

3 3. The community college commission shall consist of: [one  
 4 representative each nominated by the respective boards of trustees  
 5 of each of the accredited colleges, whether public or private, the  
 6 principal campus of which is located in the county; one representa-  
 7 tive from the county vocational-technical school board nominated  
 8 by that board; the county superintendent of schools; and four]  
 9 *nine* public members who are residents of the county *and have*  
 10 *resided therein for a period of 4 years prior to their appointment*  
 11 *having no official connection with [the] educational institutions*  
 12 *[hereinbefore mentioned] contracting with the commission. No*  
 13 *elected public official shall serve as a voting member of the com-*  
 14 *mission. The president of the commission shall be an ex officio*  
 15 *member of the commission without vote. [Except for the county*  
 16 *superintendent of schools, all appointments] Seven of the members*  
 17 *shall be [made] appointed by the director of the board of chosen*  
 18 *freeholders or the county executive, with the advice and consent of*  
 19 *that board, and two of the members shall be appointed by the State*  
 20 *Board of Higher Education for such initial terms as shall be estab-*  
 21 *lished by the board. Members shall be appointed for terms of*  
 22 *4 years each, except that the initial appointments shall be made*  
 23 *in four classes as nearly equal as possible in number, one class to*

24 serve for 1 year, one class to serve for 2 years, one class to serve  
25 for 3 years, and one class to serve for 4 years. The term of all  
26 members of the commission shall begin on July 1. Members  
27 initially appointed to the commission may serve from the time of  
28 their respective appointments, but the term of such office shall be  
29 deemed to commence as of July 1 of the year in which the appoint-  
30 ment was made. Each member shall serve until his successor shall  
31 have been appointed and qualified. Vacancies shall be filled in the  
32 same manner as the original appointments and for the remainder  
33 of the unexpired terms. The members of the commission shall  
34 serve without compensation for their services, but shall be entitled  
35 to receive reimbursement for all reasonable and necessary expenses  
36 incurred by virtue of services as a member of the commission.

37 *A voting member of a community college commission shall not be*  
38 *eligible to accept employment of the college at which he has served*  
39 *as a member of the commission for a period of 2 years following*  
40 *resignation or expiration of his term as a member.*

41 *The board of chosen freeholders shall establish a trustee search*  
42 *committee of not less than five members who shall be residents of*  
43 *the county. The members of the trustee search committee shall not*  
44 *be elected public officials and shall not be eligible for appointment*  
45 *to the board of trustees for a period of 6 months after their service*  
46 *on the trustee search committee. The trustee search committee shall*  
47 *nominate persons according to criteria promulgated by the Board*  
48 *of Higher Education for consideration by the board of chosen free-*  
49 *holders or county executive for appointment to the board of trustees.*

1 8. Section 4 of P. L. 1974, c. 89 (C. 18A :64A-33) is amended to  
2 read as follows:

3 4. When a community college commission is established by more  
4 than one county, the number of public members shall be increased  
5 by two for each additional participating county. [Each county shall  
6 also be represented by a member nominated by the county's voca-  
7 tional-technical school board and the county superintendent of  
8 schools.]

1 9. Section 2 of P. L. 1968, c. 180 (C. 18A :64B-6) is amended to  
2 read as follows:

3 2. The coordinating agency for higher education shall consist  
4 of [two residents of the county nominated by the governing board  
5 of the county assisted college; two residents of the county nomi-  
6 nated by the governing board of each public educational institution,  
7 other than a high school or a State college, located in the county and  
8 offering terminal programs of instruction above the level of a high

9 school to high school graduate; the county superintendent of  
 10 schools; and six] *nine* residents of the county *who have resided*  
 11 *therein for a period of 4 years prior to their appointment* having  
 12 no present official connection with the educational institutions  
 12A [hereinbefore mentioned. In the event the coordinating agency  
 13 contracts for services with any other post-secondary institutions,  
 14 each such institution may nominate a resident of the county to  
 15 serve as a nonvoting member of the coordinating agency] *contract-*  
 16 *ing with the agency. No elected public official shall serve as a voting*  
 17 *member of the coordinating agency. The executive director of the*  
 18 *coordinating agency shall be an ex officio member of the agency*  
 19 *without vote.*

20 [Except for the county superintendent of schools, all appoint-  
 21 ments] *Seven of the members shall be [made] appointed by the*  
 22 [chairman] *director of the board of chosen freeholders or the*  
 23 *county executive with the advice and consent of that board and two*  
 24 *of the members shall be appointed by the State Board of Higher*  
 25 *Education for such initial terms as shall be established by the board.*  
 26 *Members shall be appointed for terms of 4 years each. Terms of*  
 27 *all members of the agency shall begin on November 1. Each mem-*  
 28 *ber shall serve until his successor shall have been appointed and*  
 29 *qualified. Vacancies shall be filled in the same manner as the*  
 30 *original appointment for the remainder of the unexpired term.*  
 31 *The members of the agency shall serve without compensation for*  
 32 *their services, but shall be entitled to receive reimbursement for all*  
 33 *reasonable and necessary expenses incurred by virtue of service*  
 34 *of the member for the agency.*

35 *A voting member of the coordinating agency shall not be eligible*  
 36 *to accept employment as an employee of the college at which he has*  
 37 *served as a member of the coordinating agency for a period of 2*  
 38 *years following resignation or expiration of his term as a member.*

39 *The board of chosen freeholders shall establish a trustee search*  
 40 *committee of not less than five members who shall be residents of*  
 41 *the county. The members of the trustee search committee shall not*  
 42 *be elected public officials and shall not be eligible for appointment*  
 43 *to the board of trustees for a period of 6 months after their service*  
 44 *on the trustee search committee. The trustee search committee*  
 45 *shall nominate persons according to criteria promulgated by the*  
 46 *Board of Higher Education for consideration by the board of chosen*  
 47 *freeholders or county executive for appointment to the board of*  
 48 *trustees.*

1 10. Section 10 of P. L. 1974, c. 89 (C. 18A:64A-39) is repealed.

1 11. This act shall take effect immediately.

## STATEMENT

This bill makes various changes in the County College Act to implement many of the recommendations of the "Commission to Study the Mission, Financing and Governance of the County Colleges." These recommendations have been endorsed by the Council of County Colleges and the Board of Higher Education.

The bill revises the method of determining State support for the operational costs of the county college from one based on the number of full-time equivalent students to one based on a percentage of the audited and approved educational and general costs. The bill also establishes a new method of distributing State aid. Twenty percent will be distributed as categorical support for program development, special projects, plant operations and maintenance, minor capital and the balance will be distributed on a differential basis according to program cost classifications as determined by the Board of Higher Education.

The bill also revises the composition of the board of trustees of county colleges, community college commissions and coordinating agencies for higher education to provide for the appointment of two members by the Board of Higher Education and requires the establishment of a search committee to nominate persons for appointment.

The bill further clarifies that the county executive shall act as the appointing authority in lieu of the director of the board of chosen freeholders in counties which have adopted the Optional County Charter Law; that the president of a county college shall be a nonvoting member of the board of trustees, commission or coordinating agency; and that no elected public official or employee of a county college shall serve as a voting member of the board and that no voting member shall be eligible to accept employment as an employee of the college for a period of 2 years following resignation or expiration of his term.

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SENATE EDUCATION COMMITTEE

STATEMENT TO

**SENATE, No. 219**

with Senate committee amendments

**STATE OF NEW JERSEY**

DATED: FEBRUARY 25, 1980

PROVISIONS:

This bill with the proposed amendments provides for changes in governance and financing of the county college system.

*Governance*

1. The county superintendent of schools is eliminated as a member of the boards of trustees of the colleges.
2. Two members of the boards of trustees of the colleges shall be appointed by the State Board of Higher Education.
3. The college president will serve as a non-voting ex officio member of the board.
4. A 5-member trustee search committee, appointed by the freeholders will nominate individuals for consideration as trustees by the chief executive officer of the county.
  - a. The members of the search committee may not be elected public officials.
  - b. They may not be appointed to the board of trustees for 6 months after service.
5. No elected public official and no employee of the college may serve on the board.
6. No board member may accept employment by the college for 2 years after leave the board.

*Financing*

1. Boards are authorized to maintain a reserve fund equal to 3% of plant replacement value.
2. State will fund between 43% and 50% of educational and general costs distributed as follows:
  - a. 20% as categorical aid (for program development, minor capital, etc.).
  - b. 80%—by program costs.
3. The counties shall contribute at least the amount they are now providing or 25% of costs, whichever is greater.
4. In the case of non-residents attending a college the county of residence shall pay the receiving college according to program cost and \$1.00 per credit for each student for minor capital.

## FISCAL IMPLICATIONS:

The bill as amended provides for a phase-in of the new funding formula. This is done by adjusting the "base year" on which aid is calculated.

PROJECTED STATE AID FOR COUNTY COLLEGES  
UNDER REVISED FUNDING PROVISIONS OF S-219

Fiscal Year (Budget Year)	Projected State Aid (000)	Fiscal Year (Base Year)	Expenditure Base (000)
FY1981	\$54,017	FY1978*	\$125,622
FY1982	\$58,809	FY1979*	\$136,767
FY1983	\$67,332	FY1981**	\$156,585
FY1984	\$72,044	FY1982**	\$167,545
FY1985	\$77,088	FY1983**	\$179,274

\* Three year "lag" between the base year and the budget year.

\* Two year "lag" between the base year and the budget year.

Comparisons: Fiscal Year 1979 actual State aid (1)\$49,748,000.

Fiscal Year 1980 actual State aid (1)\$51,111,000.

Fiscal Year 1981 State aid per Governor's budget

(1)\$51,070,000.

(1) Includes minor capital.

## BACKGROUND:

This legislation is the result of recommendations made by the Commission to Study the Mission, Financing and Governance of the County Colleges. The commission was established by the Board of Higher Education on January 27, 1978. The report was completed in March 1979.

The major change recommended by the commission is for a change in the funding formula of the colleges.

"The commission identified four drawbacks to the present funding approach:

1. It is not equitable with regard to other sectors of public higher education;
2. It is primarily an enrollment driven system;
3. It does not systematically provide for inflationary increases in State support; and
4. It does not recognize program cost differences."

The result has been a declining level of State support for the overall county college system, and some inequities in funding within the system.

TABLE 3

Contribution of State, County, and Tuition to Total Educational and General Revenues ('000s)													
Total E & G	FY67	FY68	FY69	FY70	FY71	FY72	FY73	FY74	FY75	FY76	FY77	FY78	†FY79
Revenues*	2,405	6,469	19,091	35,881	48,803	60,525	72,865	81,109	99,502	111,662	119,047	134,764	142,850
State	1,001	2,975	8,637	15,945	20,583	24,418	27,336	29,662	32,838	31,877	33,780	46,971	47,950
County	680	1,281	5,384	8,523	12,096	16,554	22,262	26,495	32,344	38,915	42,151	43,020	‡46,498
Tuition	703	1,930	5,315	9,689	13,741	26,961	19,502	22,776	27,740	32,756	36,825	38,076	41,426
State (%)	41.7	45.0	45.3	44.4	42.2	40.3	37.5	36.6	33.0	28.5	28.4	35.0	33.5
County (%)	28.7	22.0	28.2	23.8	24.8	27.5	30.7	32.7	32.5	34.9	35.4	32.0	32.5
Tuition (%)	29.2	29.8	27.8	27.0	28.2	28.1	26.8	28.1	28.9	29.3	30.9	28.0	29.0

† Estimated operating budget for FY79 assuring inflation increase of 6%.

‡ Estimated county support required given current State support fixed at \$700/FTE and fixed tuition at \$500/student given current enrollment.

\* Note: Total Educational and General Revenues were used since they deemed to be more reliable. Operating expenses are slightly smaller because they do not include student loan funds which are real-expenses derived from Total E & G Revenues.

#### PROPOSED AMENDMENTS:

These amendments were developed by committee staff and Governor's counsel with the technical assistance of the staff of the Department of Higher Education. In essence, they provide:

1. A phase-in of the new formula. The Commission recommended a 5-year phase-in which was not included in S 219.
2. The elimination of the inflationary adjustment provisions (p. 6, section 5, lines 22-24).
3. Elimination of a save harmless provision.
4. Technical corrections in the governance section.
5. Restoration of the county superintendent to the county college Boards of Trustees.

#### POSITIONS ON THE PROPOSED LEGISLATION:

The revised S 219 is supported by:

The Chancellor of Higher Education.

The Board of Higher Education.

The Council of County Colleges.

The N. J. Association of Counties.

The New Jersey Education Association.

N. J. Association of Colleges and Universities.

N. J. County College Presidents Association.

SENATE REVENUE, FINANCE AND APPROPRIATIONS  
COMMITTEE

STATEMENT TO  
**SENATE, No. 219**

[OFFICIAL COPY REPRINT]  
with committee amendments

**STATE OF NEW JERSEY**

DATED: OCTOBER 6, 1980

Senate Bill No. 219 (OCR) amends those sections of law dealing with the governance and financing of the county college system.

As proposed by this bill, the boards of trustees would consist of 13 persons:

- County Superintendent of schools;
- 10 persons for 4 year terms of which 8 persons, two of whom shall be women, shall be appointed by the appointing authority of the county with the advice and consent of the board of freeholders; and two members shall be appointed by the State Board of Higher Education;
- The college president, ex-offices without vote;
- A member of the graduating class elected by the student body for a 1 year term, as a non-voting member of the board beginning at the next organization of the board following graduation.

No elected official or employee of the college can serve as a voting member of the board. Further, no voting member of the board can be employed by the college at which he was a board member for 2 years following resignation or expiration of his term.

The nominees for membership on the board of trustees shall be named by a 5 member search committee. The members of the committee cannot be elected public officials or be eligible for appointment as a trustee for 6 months after completing service as a member of the search committee.

State aid to county colleges for operational costs is now determined by multiplying the number of full-time equivalent students by \$725.00. Under the provisions of this bill, the State would pay beginning in fiscal year 1982 between 43% and 50% of specified operational costs of the colleges in a base year. Of that total, not more than 20% is to be distributed as categorical support and the remainder, a minimum of

80%, for program costs based on an analysis of those costs. For fiscal year 1981-82 and 1982-83 State aid for operational expenses is to be the greater of a college's budgeted enrollment multiplied by \$725.00 or the amount allocated by the Board of Higher Education pursuant to sections 5 and 6 of this bill.

The county must continue to support its college in an amount no less than the greater of the amount it provided in the year in which this bill is enacted or 25% of the operation expense in the base State fiscal year.

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ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 219

[SECOND OFFICIAL COPY REPRINT]

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: MARCH 23, 1981

PROVISIONS:

This bill with the proposed amendments provides for changes in governance and financing of the county college system.

GOVERNANCE:

1. Two members of the boards of trustees of the college shall be appointed by the State Board of Higher Education.
2. The college president will serve as a non-voting ex officio member of the board.
3. A 5-member trustee search committee, appointed by the freeholders will nominate individuals for consideration as trustees by the chief executive officer of the county.
  - a. The members of the search committee may not be elected public officials.
  - b. They may not be appointed to the board of trustees for 6 months after service.
4. No elected public official other than members of local boards of education and no employee of the college may serve on the board.
5. No board member may accept employment by the college for 2 years after leaving the board.

FINANCING:

1. Boards are authorized to maintain a reserve fund equal to 3% of plant replacement value.
2. State will fund between 43% and 50% of educational and general costs distributed according to a formula which includes categorical funding and differential funding based on program costs.
3. The counties shall contribute at least the amount they are now providing or 25% of costs, whichever is greater.
4. In the case of non-residents attending a college the county of residence shall pay the receiving college according to program cost and \$1.00 per credit for each student for minor capital.

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**FISCAL IMPLICATIONS:**

The bill as amended provides for a phase-in of the new funding formula. This is done by adjusting the "base year" on which aid is calculated.

**PROJECTED STATE AID  
UNDER S 219 2ND OCR ACA**

FY 1982 .....	59,225
FY 1983 .....	67,332
FY 1984 .....	72,044
FY 1985 .....	77,088

The large increase in FY 1983 occurs because the "base year" on which aid is calculated is changed from 3 years prior to the budget year to 2 years prior to the budget year.

**COMPARISON:**

FY 1981—actual .....	52,562,500
FY 1982—Governor's budget ..	52,562,500
Cost of S 219 2nd OCR ACA in FY 1982—\$6.6 million.	

**BACKGROUND:**

This legislation is the result of recommendations made by the Commission to Study the Mission, Financing and Governance of the County Colleges. The commission was established by the Board of Higher Education on January 27, 1978. The report was completed in March 1979.

The major change recommended by the commission is for a change in the funding formula of the colleges.

"The commission identified four drawbacks to the present funding approach:

1. It is not equitable with regard to other sectors of public higher education;
2. It is primarily an enrollment driven system;
3. It does not systematically provide for inflationary increases in State support; and
4. It does not recognize program cost differences."

The result has been a declining level of State support for the overall county college system, and some inequities in funding within the system.

TABLE 3

Contribution of State, County and Tuition to Total Educational and General Revenues ('000s)													
Total E & G Revenues*	FY67	FY68	FY69	FY70	FY71	FY72	FY73	FY74	FY75	FY76	FY77	FY78	†FY79
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County	680	1,281	5,334	8,523	12,096	16,554	22,262	26,495	32,344	38,915	42,151	43,020	46,498
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State (%)	41.7	45.0	45.3	44.4	42.2	40.3	37.5	36.6	33.0	28.5	28.4	35.0	33.5
County (%)	28.7	22.0	28.2	23.8	21.8	27.5	30.7	32.7	32.5	34.9	35.4	32.0	32.5
Tuition (%)	29.2	29.8	27.8	27.0	28.2	28.1	26.8	28.1	28.9	29.3	30.9	23.0	29.0

† Estimated operating budget for FY79 assuming inflation increase of 6%.

‡ Estimated county support required given current State support fixed at \$700/FTE and fixed tuition at \$500/student given current enrollment.

\* Note: Total Educational and General Revenues were used since they deemed to be more reliable. Operating expenses are slightly smaller because they do not include student loan funds which are real-expenses derived from Total E & G Revenues.

#### COMMITTEE AMENDMENTS:

The amendments adopted by the Assembly Education Committee provide:

1. The funding formula (Section 5) provided that 20% of the funds be distributed as categorical aid and 80% of the funds to be based on program cost. This has been eliminated. Instead the formula will be determined by the State Board of Higher Education in consultation with the Council of County Colleges. The formula will still include both categorical and differential funding based on program costs. The purpose of this amendment is to provide greater flexibility and greater responsiveness to State funding levels.

2. The bill originally precluded any elected officials from serving on a county college board of trustees. Then elected school board members were excluded; however, appointed school board members could serve. The committee has amended this bill to allow any school board member to serve on a county college board of trustees. (Section 1)

3. The amendments to Section 9 are purely technical in nature.

#### POSITIONS ON THE PROPOSED LEGISLATION:

The revised S 219 2nd OCR ACA is supported by:

The Chancellor of Higher Education.

The Board of Higher Education.

The Council of County Colleges.

The New Jersey Association of Counties.

The New Jersey Education Association.

New Jersey Association of Colleges and Universities.

New Jersey County College Presidents Association.

FISCAL NOTE TO  
**SENATE, No. 219**  
[SECOND OFFICIAL COPY REPRINT]

**STATE OF NEW JERSEY**

DATED: DECEMBER 19, 1980

The Second Official Reprint of Senate Bill No. 219 of 1980 revises certain sections of the statutes pertaining to county colleges.

The Department of Higher Education estimates that enactment of this legislation would generate costs in State Aid to county colleges in the amount of \$52.5 million for fiscal 1981 and \$59.2 million for fiscal 1982 and \$67.3 million for fiscal 1983.

The Division of Budget and Accounting points out that the above amounts are total costs, not increases.

The Office of Legislative Services suggests that the overall increase in State Aid for fiscal 1982 would be a minimum of \$6.6 million, a minimum of \$14.7 million in fiscal 1983 and a minimum of \$19.4 million in fiscal 1984.

The Office of Legislative Services points out that this legislation directs that no county can reduce its aid to county colleges below the level now appropriated.

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In compliance with written request received, there is hereby submitted a fiscal estimate for the above bill, pursuant to P. L. 1980, c. 67.

SENATE COMMITTEE AMENDMENTS TO  
**SENATE, No. 219**  
[OFFICIAL COPY REPRINT]

**STATE OF NEW JERSEY**

ADOPTED: OCTOBER 6, 1980

Amend page 11, section 11, line 1, after section 11 insert new section as follows:

“12. For the fiscal years 1982 and 1983 each college shall receive in State aid for operational expenses an amount equal to its budgeted enrollment for the fiscal year multiplied by \$725.00, or the amount allocated by the Board of Higher Education pursuant to sections 5 and 6 of this act, whichever is the greater.”

Amend page 11, section 12, line 1, omit “12”, insert “13”.

STATE OF NEW JERSEY  
EXECUTIVE DEPARTMENT  
November 12, 1981  
SENATE BILL NO. 219 (3rd OCR)

To the Senate:

Pursuant to Article V, Section I, paragraph 14(b) of the Constitution, I herewith return Senate Bill No. 219 (3rd OCR) with my objections for re-consideration.

This bill revises various aspects of the governance of county colleges and the formula by which State aid is allocated. The bill is based on the work of the Commission to Study the Mission, Financing and Governance of the County Colleges. The bill provides for a State presence on County College governing bodies and moves the colleges away from an enrollment-driven budget formula to one which is based on academic quality. I have endorsed these changes and believe that their adoption will improve the quality of education offered by our County Colleges.

However, I am returning this bill because I believe that the selection of State representatives to a County College Board, Commission or Coordinating Agency, delegated to the State Board of Higher Education, should be subject to the review and approval of the Governor. A similar procedure, whereby the State Board makes appointments to State College Boards of Trustees, subject to the Governor's approval, has been in place for several years.

Accordingly, I herewith return Senate Bill No. 219 (3rd OCR) for re-consideration and recommend that it be amended as follows:

Page 3, section 2, line 10: After "Education," insert "subject to the approval of the Governor,"

Page 9, section 7, line 22: After "Education" insert ", subject to the approval of the Governor,"

Page 11, section 9, line 26: After "Education" insert ", subject to the approval of the Governor,"

Respectfully,

/s/ Brendan Byrne

GOVERNOR

[seal]

Attest:

/s/ Harold L. Hodes

CHIEF OF STAFF. SECRETARY

FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

DECEMBER 14, 1981

ROBERT DOWD

Governor Brendan Byrne today signed S-219, sponsored by Senator Matthew Feldman (D-Bergen) revising several aspects of the governance of county colleges and the formula by which aid is allocated.

S-219, expands the membership of county college boards of trustees to include two members appointed by the State Board of Higher Education with the approval of the Governor. Also elected public officials and county college employees may not serve on these boards.

The legislation helps shift state aid to county colleges away from an enrollment-based state aid formula toward one based on academic quality. It replaces the current state aid formula with one that calls for between 43 and 50 percent of the college operating costs --- subject to the limits of state appropriations. This new formula is intended to provide incentives for offering vocational and technical subjects.

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