18A:12-24

LEGISLATIVE HISTORY CHECK

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LAWS OF: 1999 **CHAPTER:** 256

NJSA: 18A:12-24 (Eliminates prohibition against school official acting on certain matters)

BILL NO: A2636

SPONSOR(S): Impreveduto and Malone

DATE INTRODUCED: November 16, 1998

COMMITTEE: ASSEMBLY: Education

SENATE: Education

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: ASSEMBLY: June 24, 1999

SENATE: June 24, 1999

DATE OF APPROVAL: October 15, 1999

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL: First Reprint

(Amendments during passage denoted by superscript numbers)

SPONSORS STATEMENT: (Begins on page 3 of original bill) Yes

COMMITTEE STATEMENT: <u>ASSEMBLY</u>: <u>Yes</u>

SENATE: Yes

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 102 or refdesk@njstatelib.org

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

P.L. 1999, CHAPTER 256, approved October 15, 1999 Assembly, No. 2636 (First Reprint)

1 **AN ACT** concerning school board members and amending P.L.1991, c.393.

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

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- 7 1. Section 4 of P.L.1991, c.393(C.18A:12-24) is amended to read 8 as follows:
- 4. a. No school official or member of his immediate family shall have an interest in a business organization or engage in any business, transaction, or professional activity, which is in substantial conflict with the proper discharge of his duties in the public interest;
 - b. No school official shall use or attempt to use his official position to secure unwarranted privileges, advantages or employment for himself, members of his immediate family or others;
- 16 c. No school official shall act in his official capacity in any matter where he, a member of his immediate family, or a business 17 18 organization in which he has an interest, has a direct or indirect financial [or personal] involvement that might reasonably be expected 19 to impair his objectivity or independence of judgment¹. No school 20 21 official shall act in his official capacity in any matter where he or a 22 member of his immediate family has a personal involvement that is or 23 creates some benefit to the school official or member of his immediate 24 family¹;
 - d. No school official shall undertake any employment or service, whether compensated or not, which might reasonably be expected to prejudice his independence of judgment in the exercise of his official duties;
- 29 e. No school official, or member of his immediate family, or 30 business organization in which he has an interest, shall solicit or accept any gift, favor, loan, political contribution, service, promise of future 31 32 employment, or other thing of value based upon an understanding that the gift, favor, loan, contribution, service, promise, or other thing of 33 34 value was given or offered for the purpose of influencing him, directly or indirectly, in the discharge of his official duties. This provision 35 shall not apply to the solicitation or acceptance of contributions to the 36 37 campaign of an announced candidate for elective public office, if the 38 school official has no knowledge or reason to believe that the 39 campaign contribution, if accepted, was given with the intent to 40 influence the school official in the discharge of his official duties;

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:

¹ Senate SED committee amendments adopted June 7, 1999.

- f. No school official shall use, or allow to be used, his public office or employment, or any information, not generally available to the members of the public, which he receives or acquires in the course of and by reason of his office or employment, for the purpose of securing financial gain for himself, any member of his immediate family, or any business organization with which he is associated;
- g. No school official or business organization in which he has an interest shall represent any person or party other than the school board or school district in connection with any cause, proceeding, application or other matter pending before the school district in which he serves or in any proceeding involving the school district in which he serves or, for officers or employees of the New Jersey School Boards Association, any school district. This provision shall not be deemed to prohibit representation within the context of official labor union or similar representational responsibilities;
- h. No school official shall be deemed in conflict with these provisions if, by reason of his participation in any matter required to be voted upon, no material or monetary gain accrues to him as a member of any business, profession, occupation or group, to any greater extent than any gain could reasonably be expected to accrue to any other member of that business, profession, occupation or group;
- i. No elected member shall be prohibited from making an inquiry for information on behalf of a constituent, if no fee, reward or other thing of value is promised to, given to or accepted by the member or a member of his immediate family, whether directly or indirectly, in return therefor;
- j. Nothing shall prohibit any school official, or members of his immediate family, from representing himself, or themselves, in negotiations or proceedings concerning his, or their, own interests; and
- k. Employees of the New Jersey School Boards Association shall not be precluded from providing assistance, in the normal course of their duties, to boards of education in the negotiation of a collective bargaining agreement regardless of whether a member of their immediate family is a member of, or covered by, a collective bargaining agreement negotiated by a Statewide union with which a board of education is negotiating.
- 37 (cf: P.L.1995, c.14, s.2)

2. This act shall take effect immediately.

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44 Eliminates prohibition against a school official acting on certain 45 matters.

ASSEMBLY, No. 2636

STATE OF NEW JERSEY

208th LEGISLATURE

INTRODUCED NOVEMBER 16, 1998

Sponsored by:

Assemblyman ANTHONY IMPREVEDUTO
District 32 (Bergen and Hudson)
Assemblyman JOSEPH R. MALONE, III
District 30 (Burlington, Monmouth and Ocean)

SYNOPSIS

Eliminates prohibition against a school official acting on certain matters.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** concerning school board members and amending P.L.1991, c.393.

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

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- 7 1. Section 4 of P.L. 1991, c.393(C.18A:12-24) is amended to read 8 as follows:
- 4. a. No school official or member of his immediate family shall have an interest in a business organization or engage in any business, transaction, or professional activity, which is in substantial conflict with the proper discharge of his duties in the public interest;
 - b. No school official shall use or attempt to use his official position to secure unwarranted privileges, advantages or employment for himself, members of his immediate family or others;
 - c. No school official shall act in his official capacity in any matter where he, a member of his immediate family, or a business organization in which he has an interest, has a direct or indirect financial [or personal] involvement that might reasonably be expected to impair his objectivity or independence of judgment;
 - d. No school official shall undertake any employment or service, whether compensated or not, which might reasonably be expected to prejudice his independence of judgment in the exercise of his official duties:
- e. 25 No school official, or member of his immediate family, or business organization in which he has an interest, shall solicit or accept 26 27 any gift, favor, loan, political contribution, service, promise of future 28 employment, or other thing of value based upon an understanding that 29 the gift, favor, loan, contribution, service, promise, or other thing of 30 value was given or offered for the purpose of influencing him, directly or indirectly, in the discharge of his official duties. This provision 31 32 shall not apply to the solicitation or acceptance of contributions to the 33 campaign of an announced candidate for elective public office, if the 34 school official has no knowledge or reason to believe that the 35 campaign contribution, if accepted, was given with the intent to 36 influence the school official in the discharge of his official duties;
- f. No school official shall use, or allow to be used, his public office or employment, or any information, not generally available to the members of the public, which he receives or acquires in the course of and by reason of his office or employment, for the purpose of securing financial gain for himself, any member of his immediate family, or any business organization with which he is associated;
- g. No school official or business organization in which he has an

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

A2636 IMPREVEDUTO, MALONE

interest shall represent any person or party other than the school board or school district in connection with any cause, proceeding, application or other matter pending before the school district in which he serves or in any proceeding involving the school district in which he serves or, for officers or employees of the New Jersey School Boards Association, any school district. This provision shall not be deemed to prohibit representation within the context of official labor union or similar representational responsibilities;

- h. No school official shall be deemed in conflict with these provisions if, by reason of his participation in any matter required to be voted upon, no material or monetary gain accrues to him as a member of any business, profession, occupation or group, to any greater extent than any gain could reasonably be expected to accrue to any other member of that business, profession, occupation or group;
- i. No elected member shall be prohibited from making an inquiry for information on behalf of a constituent, if no fee, reward or other thing of value is promised to, given to or accepted by the member or a member of his immediate family, whether directly or indirectly, in return therefor;
- j. Nothing shall prohibit any school official, or members of his immediate family, from representing himself, or themselves, in negotiations or proceedings concerning his, or their, own interests; and
- k. Employees of the New Jersey School Boards Association shall not be precluded from providing assistance, in the normal course of their duties, to boards of education in the negotiation of a collective bargaining agreement regardless of whether a member of their immediate family is a member of, or covered by, a collective bargaining agreement negotiated by a Statewide union with which a board of education is negotiating.

30 (cf: P.L.1995, c.14, s.2)

2. This act shall take effect immediately.

STATEMENT

This bill deletes the language in N.J.S.A.18A:12-24c of the "School Ethics Act," which prohibits a school official from acting in his official capacity in any matter where he has a personal involvement that might reasonably be expected to impair his objectivity or independence of judgement. The School Ethics Commission, which is authorized to adjudicate school ethic matters, currently interprets what is prohibited under this language on a case by case basis and has not established any consistent guidelines. The purpose of the bill is to avoid arbitrary applications of the law.

ASSEMBLY EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2636

STATE OF NEW JERSEY

DATED: NOVEMBER 16, 1998

The Assembly Education Committee favorably reports Assembly Bill No. 2636.

This bill deletes language currently included in the "School Ethics Act," P.L.1993, c.393, which prohibits a school board member, an employee or officer of the New Jersey School Boards Association, or a school district administrator from acting in his official capacity in any matter in which he, a member of his immediate family, or a business organization in which he has an interest, has a direct or indirect personal involvement that might reasonably be expected to impair the school official's objectivity or independence of judgment. Under the "School Ethics Act" it is the School Ethics Commission which initially determines on a case by case basis what personal involvement might reasonably impair the objectivity of a school official and no guidelines have been established by the commission as a reference point for school officials. The removal of the personal involvement language will eliminate the potential for the arbitrary application of this standard by the commission.

SENATE EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2636

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 7, 1999

The Senate Education Committee reports favorably Assembly Bill No. 2636.

As amended, this bill provides that no school official shall act in his official capacity in any matter where he or a member of his immediate family has a personal involvement that is or creates some benefit to the school official or member of his immediate family.

The committee amended the bill to establish a definition of personal involvement.

PO BOX 004 TRENTON, NJ 08625

Office of the Governor NEWS RELEASE

CONTACT: Jayne O'Connor Stephanie Bell 609-777-2600

RELEASE: October 15, 1999

Governor Christie Whitman today signed the following legislation:

A-1447, sponsored by Assembly Speaker Jack Collins, requires legislative counsel to provide prime sponsors of legislation with advice of legal defects at the same time the counsel provides a ritten response to a request for a confidential written opinion on a bill.

A-170, sponsored by Assembly Members John Kelly (R-Bergen/Essex/Passaic) and Louis Romano (D-Hudson), eliminates the dual-licensing requirement for rooming and boarding houses and it increases the fee that may be charged by the Department of Community Affairs to license rooming and boarding houses.

A-1670, sponsored by Assemblywomen Marion Crecco (R-Essex/Passaic) and Charlotte Vandervalk (R-Bergen) and Senator Diane Allen (R- Burlington/Camden), establishes the neighborhood-Based Child Care Incentive Demonstration Program. This program expands the availability of safe, affordable child care to low and middle income families by encouraging the use of volunteer networks in the delivery of neighborhood-based child care services. The demonstration program, administered by the Department of Human Services, will operate in five counties, two of which will be in municipalities targeted by the Governor's Urban Coordinating Council.

A-2023, sponsored by Assembly Members Arline Friscia (D-Middlesex) and Reed Gusciora (D-Mercer), requires public employers to promptly pay amounts due certain employee annuity programs to ensure there is no loss of interest earnings. This bill would ensure that amounts payable by an employer on behalf of an employee be transmitted on, and credited as of, the fifth day after the employee is paid for that pay period.

A-3025, sponsored by Assemblymen Jerry Green (D- Middlesex/Somerset/Union) and John Kelly (R-Bergen/Essex/Passaic) and Senators Andrew Ciesla (R-Monmouth/Ocean) and John Matheussen (R-Camden/Gloucester), makes various changes to the "Map Filing Law." The bill eliminates the requirement that outside tract line monuments be installed by the developer prior to filing a map and it requires the developer to post a guarantee, to ensure that that developer eventually installs the outbound monuments.

A-307, sponsored by Assemblywoman Nia Gill (D-Essex) and LeRoy J. Jones, Jr. (D-Essex), allows senior citizens with personal lines of insurance to designate third parties to receive insurance cancellation and nonrenewal notices. Envelopes including such information must be labeled clearly "Important Insurance Policy Information; Open Immediately."

A-2636, sponsored by Assembly Members Anthony Impreveduto (D- Bergen/Hudson) and Joseph R. Malone III (R- Burlington/Monmouth/Ocean), eliminates prohibition against a school official action on certain matters. The bill specifically defines "personal involvement" and provides that no school official can act in his official capacity in any matter where he or a member of his immediate family has a personal involvement that is or creates some benefit to the official or his family member.

A-2050, sponsored by Assembly Members Nicholas Felice (R-Bergen/Passaic) and Carol Murphy (R-Essex/Morris/Passaic) and Senator Peter Inverso (R-Mercer/Middlesex), clarifies sales and use tax imposition upon prepaid telephone calling cards. The bill requires that sellers collect sales tax for the value of the card and remit it to the state.

A-2255, sponsored by Assemblymen Christopher "Kip" Bateman (R- Morris/Somerset) and Neil Cohen (D-Union) and Senator Peter Inverso (R-Mercer/Middlesex), makes certain changes in the "New Jersey Licensed Lenders Act." The bill changes the definition of "principal amount" as applied to secondary mortgage loans. The bill prohibits including the amount of discount points in the amount to be financed. In addition, the bill increases the cap on the application fee for sales finance companies from \$300 to \$500.

A-2302, sponsored by Assemblymen Nicholas Asselta (R-Cape May/Atlantic/Cumberland) and Jack Gibson (R-Cape May/Atlantic/Cumberland) and Senators James Cafiero (R-Cape May/Atlantic/Cumberland) and John Matheussen (R-Camden/Gloucester), provides immunities and other benefits to personnel who participate in search and rescue teams. The bill also ensures that members of search and rescue teams accrue their employment benefits while working with the teams.

A-2393, sponsored by Assemblymen Christopher "Kip" Bateman (R- Morris/Somerset) and Neil Cohen (D-Union) and Senator Walter Kavanaugh (R-Morris/Somerset), simplifies certain banking procedures to conform the state's laws to federal ones.

A-2469, sponsored by Assembly Speaker Jack Collins (R-Salem/Cumberland/Gloucester) and Assemblyman Neil Cohen (D-Union), makes permanent the \$5 instant rebate program for purchases of trigger locks that the Governor introduced as part of her anti- school violence initiatives.

A-2806, sponsored by Assemblymen Alan Augustine (R-Middlesex/Morris/Somerset/Union) and Christopher "Kip" Bateman (R- Morris/Somerset) and Senator Walter Kavanaugh (R-Morris/Somerset), provides standards for retention of records of certain financial institutions. The bill will assist regulators in their supervisory role as well as prevent fraud against financial institutions.

A-3040, sponsored by Assemblymen Paul DiGaetano (R-Bergen/Essex/Passaic) and Neil Cohen (D-Union), clarifies the tenant rebate provisions of the NJ SAVER and Homestead Rebate Act. The clarification ensures that benefits provided to tenants who are 65 years of age or older, or who are eligible to claim a deduction as a blind or disabled taxpayer, are equal to the benefits provided to other eligible tenants.

A-722, sponsored by Assembly Members Paul Kramer (R-Mercer/Middlesex) and Barbara Wright (R-Mercer/Middlesex), establishes a regulatory scheme for certain private facilities under contract with

the Department of Corrections. The bill enhances communications between halfway houses and municipal officials and residents and supplements the criteria used to determine whether an inmate is eligible for a halfway house. Primarily, the bill establishes: community relations advisory boards, a procedure for notifying local law enforcement officials of an inmates transfer to their community, supplements the department's regulations regarding the procedure for reporting an escape and codifies and supplements the department's regulations that set forth criteria used to determine whether an inmate is eligible for a halfway house.