

18A:3B-1

LEGISLATIVE HISTORY CHECKLIST  
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("Higher Education Restructuring  
Act of 1994")

NJSA: 18A:3B-1

LAWS OF: 1994 CHAPTER: 48

BILL NO: S1118

SPONSOR(S): Ewing and others

DATE INTRODUCED: May 16, 1994

COMMITTEE: ASSEMBLY ---

SENATE: Budget; Education

AMENDED DURING PASSAGE: Yes Amendments during passage  
Second reprint enacted denoted by superscript numbers

DATE OF PASSAGE: ASSEMBLY: June 16, 1994

SENATE: June 13, 1994

DATE OF APPROVAL: June 23, 1994

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: No

SENATE: Yes 6-6-94 (2)

FISCAL NOTE: Yes

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: Yes

HEARINGS: ~~No~~ Yes

974.90 New Jersey. Governor's Advisory Panel on Higher Education.  
C697 Restructuring.  
1994 Report..., Trenton, 1994.

See newspaper clippings--attached:

'Book slams shut on Higher Education department," 6-25-95. Asbury Park Press.

"Whitman abolishes Department of Higher Education," 6-25-95, The Press.

"Higher Ed Department out," 6-24-94, Bergen Record.

974.90 New Jersey. Legislature. Senate Education Committee.  
C697 Public hearing on S1118, held 5-26-95, 5-27-94, Trenton, 1994.  
1994b

NEWSPAPER ARTICLE:

"Kean urges closer look," The Star-Ledger, 3-27-94.

[SECOND REPRINT]

SENATE, No. 1118

STATE OF NEW JERSEY

INTRODUCED MAY 16, 1994

By Senators EWING, BENNETT, Littell, Cardinale, Ciesla,  
Bubba, Haines, LaRossa, Inverso, Scott and Singer

1 AN ACT concerning the governance of higher education,  
2 abolishing the State Department of Higher Education and  
3 revising parts of the statutory law.

4

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

7 1. (New section) This act shall be known and may be cited as  
8 the "Higher Education Restructuring Act of 1994."

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

10 a. the institutions of higher education are one of the most  
11 valuable and underutilized resources in the State; and

12 b. the elimination of unnecessary State oversight and its  
13 accompanying bureaucracy will serve to unleash the creativity  
14 and innovation of these institutions; and

15 c. the restructuring of higher education must ensure that  
16 student aid programs are not only preserved but strengthened and  
17 that the State continue to foster and encourage programs to  
18 promote diversity and accessibility; and

19 d. the institutions of higher education in the State shall be  
20 responsible for achieving the Statewide goals of affordability and  
21 accessibility for all students, institutional excellence, and  
22 effectiveness in addressing the societal and economic needs of  
23 the State; and

24 e. in order to provide institutions with the ability to fulfill  
25 their mission and Statewide goals, greater decision making and  
26 accountability must be placed at the institutional level and  
27 structures must be established to ensure cooperation among  
28 institutions and coordination at the State level<sup>1</sup>; and

29 f. the State benefits from a coordinated system of higher  
30 education that includes public and private institutions which offer  
31 a variety of programs with a range of choices and which  
32 addresses the needs of the State including its citizens and  
33 employers<sup>1</sup>.

34 3. (New section) For the purposes of this act, unless the  
35 context clearly requires a different meaning:

36 "Commission" means the New Jersey Commission on Higher  
37 Education established by this act;

38 "Council" means the New Jersey Presidents' Council  
39 established by this act;

40 "Programmatic Mission" means all program offerings  
41 consistent within those levels of academic degrees or certificates

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:

<sup>1</sup> Senate SED committee amendments adopted June 6, 1994.

<sup>2</sup> Senate SBA committee amendments adopted June 6, 1994.

1 that the institution has been authorized to grant by the State  
2 Board of Higher Education prior to the effective date of this act  
3 or approved thereafter by the commission.

4 <sup>1</sup>"Public Research University" means Rutgers, the State  
5 University of New Jersey, The University of Medicine and  
6 Dentistry of New Jersey and the New Jersey Institute of  
7 Technology.<sup>1</sup>

8 "State college" means any of the State colleges established  
9 pursuant to chapter 64 of Title 18A of the New Jersey Statutes  
10 including any State college designated as a teaching university.

11 4. (New section) The Department of Higher Education created  
12 by P.L.1967, c.271 (C.18A:3-1 et seq.) is abolished as a principal  
13 department in the Executive Branch of State Government and all  
14 of its functions, powers and duties, except as herein otherwise  
15 provided, are terminated.

16 5. (New section) The offices and terms of the Chancellor of  
17 Higher Education, vice-chancellor, the assistant chancellors and  
18 the directors of the various divisions and offices of the  
19 Department of Higher Education, except as herein otherwise  
20 provided, shall terminate upon the effective date of this act.

21 6. (New section) The governing board of each public  
22 institution of higher education shall have the following general  
23 powers and duties to fulfill its mission and the Statewide goals in  
24 cooperation with other institutions and the State coordinating  
25 structures:

26 a. To develop an institutional plan and to determine the  
27 programs and degree levels to be offered by the institution  
28 consistent with this plan and the institution's programmatic  
29 mission;

30 b. To have authority over all matters concerning the  
31 supervision and operations of the institution including fiscal  
32 affairs, the employment and compensation of staff not classified  
33 under Title 11A of the New Jersey Statutes, and capital  
34 improvements in accordance with law;

35 c. To set tuition and fees <sup>1</sup>; however, prior to the date of the  
36 adoption of a tuition or fee schedule or an overall institutional  
37 budget, and with reasonable notice thereof, the governing board  
38 shall conduct a public hearing at such times and places as will  
39 provide those members of the college community who wish to  
40 testify with an opportunity to be heard<sup>1</sup>;

41 d. To establish admission standards and requirements and  
42 standards for granting diplomas, certificates and degrees;

43 e. To recommend for appointment by the Governor, members  
44 to the institution's governing board. The recommendation shall  
45 be made with regard to the mission of the institution and the  
46 diversity of the community to be served;

47 f. To have final authority to determine controversies and  
48 disputes concerning tenure, personnel matters of employees not  
49 classified under Title 11A of the New Jersey Statutes, and other  
50 issues arising under Title 18A of the New Jersey Statutes  
51 involving higher education except as otherwise provided herein.  
52 Any hearings conducted pursuant to this section shall conform to  
53 the requirements of the "Administrative Procedures Act,"  
54 P.L.1968, c.410 (C.52:14B-1 et seq.). The final administrative

1 decision of a governing board of a public institution of higher  
2 education is appealable to the Superior Court, Appellate Division;

3 g. To invest and reinvest the funds of the institution <sup>1</sup>;  
4 however, institutions which invest the funds of the institution  
5 through the Director of the Division of Investment in the  
6 Department of the Treasury on or before the effective date of  
7 this act shall continue to do so, unless this requirement is waived  
8 by the State Treasurer on an annual basis, which waiver shall not  
9 be unreasonably withheld<sup>1</sup>;

10 h. To retain legal counsel of the institution's choosing. State  
11 entities may choose representation by the Attorney General;  
12 however, as to claims of a tortious nature, the institution shall  
13 elect within <sup>1</sup>[30] <sup>75</sup><sup>1</sup> days of the effective date of this act  
14 whether it, and its employees, shall be represented in all such  
15 matters by the Attorney General. If the institution elects not to  
16 be represented by the Attorney General, it shall be considered  
17 and its employees considered employees of a sue and be sued  
18 entity for the purposes of the "New Jersey Tort Claims Act"  
19 only. The institution shall be required in that circumstance to  
20 provide its employees with defense and indemnification  
21 consistent with the terms and conditions of the Tort Claims Act  
22 in lieu of the defense and indemnification that such employees  
23 would otherwise seek and be entitled to from the Attorney  
24 General pursuant to N.J.S.59:10-1 et seq. and P.L.1972, c.48  
25 (C.59:10A-1 et seq.);

26 i. To be accountable to the public for fulfillment of the  
27 institution's mission and Statewide goals and for effective  
28 management of the institution;

29 j. To submit a request for State support to the Division of  
30 Budget and Accounting in the Department of the Treasury and to  
31 the Commission in accordance with the provisions of this act <sup>1</sup>;

32 k. To have prepared and made available to the public an annual  
33 financial statement, and a statement setting forth generally the  
34 monies expended for government relations, public relations and  
35 legal costs<sup>1 2</sup>;

36 l. To have prepared an annual independent financial audit,  
37 which audit and any management letters regarding that audit  
38 shall be deemed public documents<sup>2</sup>.

39 These powers and duties are in addition to and not a limitation  
40 of the specific powers and duties provided for the governing  
41 board of each public institution under chapters 64, 64A, 64G or  
42 64E of Title 18A of the New Jersey Statutes. If the provisions of  
43 this section are inconsistent with these specific powers and  
44 duties, the specific powers and duties shall govern.

45 7. (New section) There is established a body corporate and  
46 politic, with corporate succession, to be known as the "New  
47 Jersey Presidents' Council." Each president of a public  
48 institution of higher education in the State and of an independent  
49 institution which receives direct State aid shall be a member of  
50 the Council and shall serve ex officio.

51 8. (New section) The Council shall have the responsibility,  
52 consistent with State and federal law, to:

53 a. provide public information and research on higher education  
54 issues;

- 1 b. review and make recommendations to the commission  
2 concerning proposals for new programs that exceed the  
3 programmatic mission of an institution or that change the  
4 programmatic mission of an institution;
- 5 c. review and comment on proposals for new programs that  
6 demand significant added resources or raise significant issues of  
7 duplication but do not exceed the programmatic mission of the  
8 institution or require a change in the programmatic mission <sup>1</sup>. If  
9 the council determines that a proposed new program is unduly  
10 expensive or unduly duplicative, the council shall refer that  
11 proposal to the commission for review; however, unless the  
12 commission disapproves of that program within 60 days of its  
13 referral, the program shall be deemed approved<sup>1</sup>;
- 14 d. encourage the formation of regional or other alliances  
15 among institutions including interinstitutional transfers, program  
16 articulation, cooperative programs and shared resources <sup>1</sup>and  
17 develop criteria for "full faith and credit" transfer agreements  
18 between county colleges and other institutions of higher  
19 education<sup>1</sup>. The council shall also keep institutions apprised of  
20 the discontinuance of programs at other institutions and each  
21 president shall notify the council of any such action;
- 22 e. advise and assist the commission in developing and updating  
23 a plan for higher education in the State including, but not limited  
24 to, the establishment of new institutions, closure of existing  
25 institutions and consolidation of institutions;
- 26 f. provide policy recommendations on statewide higher  
27 education issues;
- 28 g. recommend to the Governor, Legislature and commission on  
29 policy and overall levels of funding for student aid programs  
30 necessary to ensure accessibility to higher education;
- 31 h. transmit to the Governor, Legislature and commission a  
32 general budget policy statement regarding overall State funding  
33 levels;
- 34 i. upon referral from the commission pursuant to this act  
35 provide recommendations concerning institutional licensure and  
36 university status; <sup>1</sup>and<sup>1</sup>
- 37 j. appoint subcommittees consisting of the presidents of the  
38 institutions of the various higher education sectors to decide  
39 matters, within the authority of the council. The presidents of  
40 the independent institutions shall develop a unified request for  
41 State support under chapter 72B of Title 18A of the New Jersey  
42 Statutes. The presidents of the county college sector shall  
43 develop a unified request for State support under chapter 64A of  
44 Title 18A of the New Jersey Statutes <sup>1</sup>[.] ;and<sup>1</sup>
- 45 k. consult with other intitutions of higher education which do  
46 not receive direct State aid when actions of the council directly  
47 affect such institutions.
- 48 9. (New section) The council shall have perpetual succession  
49 and shall have the following powers:
- 50 a. To make, amend, and repeal rules and by-laws for its own  
51 governance and guidance not inconsistent with State or federal  
52 law;
- 53 b. To adopt an official seal and alter the same at pleasure;
- 54 c. To maintain an office at such place or places within the

1 State as it may designate; and

2 d. To sue and be sued in its own name and to retain legal  
3 counsel of its choosing.

4 10. (New section) For the purposes of funding the necessary  
5 expenses of the council, the various institutions shall pay the  
6 expenses incurred by its respective president, and shall  
7 appropriate annually such sums for dues as may be assessed by a  
8 two-thirds vote of the council. The dues may be made upon a  
9 graduated scale based upon a two thirds vote of the council.

10 11. (New section) a. The council shall organize within 60 days  
11 of the effective date of this act. Thereafter the council shall  
12 organize annually during the month of February and meet at  
13 other times as may be necessary, but not less than twice during  
14 the course of the year. Although the council is a purely advisory  
15 body, it shall be subject to the provisions of the "Open Public  
16 Meetings Act," P.L.1975, c.231 (C.10:4-6 et seq.);

17 b. The council may select such officers as may be necessary  
18 for the transaction of business.

19 12. (New section) a. There shall be established an executive  
20 board which performs such duties as determined by the council.  
21 The executive board shall be composed of <sup>1</sup>[13] 14<sup>1</sup> members as  
22 follows:

23 The president of Rutgers, the State University;

24 The president of the University of Medicine and Dentistry of  
25 New Jersey;

26 The president of New Jersey Institute of Technology;

27 Three presidents of State Colleges who shall be selected by the  
28 presidents of this sector;

29 <sup>1</sup>[Four] Five<sup>1</sup> presidents of county colleges who shall be  
30 selected by the presidents of this sector;

31 Three presidents of independent institutions who shall be  
32 selected by the presidents of this sector.

33 b. The chair of the executive board shall be rotated among the  
34 following: one of the<sup>1</sup> presidents of Rutgers, the State  
35 University of New Jersey, the president of the University of  
36 Medicine and Dentistry of New Jersey, and the president of New  
37 Jersey Institute of Technology; a president selected by the  
38 presidents of the State Colleges; a president selected by the  
39 presidents of the county colleges; and a president selected by the  
40 presidents of the independent institutions. The chair of the  
41 executive board shall serve for a two year period. Biennially, the  
42 executive board shall select the chair in the manner provided  
43 above <sup>1</sup>, but not necessarily in the order provided above<sup>1</sup>.

44 13. (New section) a. There is established the New Jersey  
45 Commission on Higher Education which shall consist of 9  
46 members: <sup>1</sup>[8] 6<sup>1</sup> public members, to be appointed by the  
47 Governor with the advice and consent of the Senate<sup>1</sup> without  
48 regard for political affiliation, two public members to be  
49 appointed by the Governor, one upon the recommendation of the  
50 President of the Senate and one upon the recommendation of the  
51 Speaker of the General Assembly,<sup>1</sup> and the chairperson of the  
52 New Jersey Presidents' Council, ex officio. <sup>1</sup>The public  
53 members shall reflect the diversity of the State.<sup>1</sup>  
54 Notwithstanding the above, for a period of four years from

1 July 1, 1994 the commission shall consist of 15 members, as  
2 follows: <sup>1</sup>[14] 10<sup>1</sup> public members, <sup>1</sup>appointed by the Governor  
3 with the advice and consent of the Senate without regard for  
4 political affiliation,<sup>1</sup> six of whom shall have experience as a  
5 current member of the governing board of an institution of higher  
6 education <sup>1</sup>, four public members to be appointed by the  
7 Governor, two upon the recommendation of the President of the  
8 Senate and two upon the recommendation of the Speaker of the  
9 General Assembly,<sup>1</sup> and the chairperson of the New Jersey  
10 Presidents' Council, ex officio <sup>1</sup>[;] . The executive director of  
11 the commission shall be an ex-officio, non-voting member of the  
12 commission. In addition, the Governor shall appoint two students  
13 in attendance at public or independent institutions of higher  
14 education in the State from recommendations submitted by  
15 student government associations of New Jersey colleges and  
16 universities, who shall serve for a one year term on the  
17 commission as non-voting members.<sup>1</sup>

18 b. Public members who are not experienced as governing board  
19 members shall serve for a term of six years from the date of  
20 their appointment and until their successors are appointed and  
21 qualified; except that of the initial appointees who are not  
22 serving on the governing board of an institution: one shall serve a  
23 term of one year; one shall serve a term of two years; one shall  
24 serve a term of three years; one shall serve a term of four years;  
25 two shall serve a term of five years; and two shall serve a term  
26 of six years. A public member who does not have experience as a  
27 current member of a governing board shall serve until the  
28 member's successor is appointed and qualified. <sup>2</sup>[<sup>1</sup>The term of  
29 members appointed upon the recommendation of the presiding  
30 officers of the Legislature shall be co-terminous with the two  
31 year legislative session.<sup>1</sup>]<sup>2</sup>

32 Any vacancy shall be filled in the same manner as the original  
33 appointment but only for the balance of the unexpired term. The  
34 Commission members shall serve without compensation but shall  
35 be reimbursed for necessary expenses incurred in the  
36 performance of their duties. No commission member shall be  
37 appointed for more than two consecutive six year terms.

38 c. The Governor shall make the necessary appointments within  
39 15 days of the effective date of this act <sup>1</sup>[and shall designate the  
40 chairman of the commission, who shall serve at the pleasure of  
41 the governor, from among those public members who are not  
42 serving on the board of trustees of an institution]<sup>1</sup>. The  
43 commission shall hold its first meeting within 30 days of the  
44 <sup>1</sup>[effective date of this act] appointment and qualification in  
45 office of its members, at which time the Governor shall appoint,  
46 for a two year term, the chairman of the commission from  
47 among those public members not serving on the board of trustees  
48 of an institution. Upon the completion of the chairman's term,  
49 and every two years thereafter, the commission shall elect, from  
50 among those public members who are not serving on the board of  
51 trustees of an institution, a chairman who shall serve a two year  
52 term. The chairman may be removed by the Governor for cause  
53 after an opportunity to be heard<sup>1</sup>.

54 d. The commission shall be established in the Executive Branch

1 of the State Government and for the purposes of complying with  
2 the provisions of Article V, Section IV, paragraph 1 of the New  
3 Jersey Constitution, the commission is allocated in but not of the  
4 Department of State, but notwithstanding this allocation, the  
5 commission shall be independent of any supervision or control by  
6 the department or by any board or officer thereof. The  
7 commission shall submit its budget request directly to the  
8 Division of Budget and Accounting in the Department of the  
9 Treasury.

10 e. The commission shall appoint an executive director and such  
11 other personnel as may be deemed necessary. The executive  
12 director and professional staff shall serve at the commission's  
13 pleasure and shall receive such compensation as provided by law.

14 f. The Attorney General shall provide legal representation to  
15 the commission.

16 14. (New section) The commission shall be responsible for:

17 a. Statewide planning for higher education including research  
18 on higher education issues and the development of a  
19 comprehensive master plan, including, but not limited to, the  
20 establishment of new institutions, closure of existing institutions,  
21 and consolidation of institutions, which plan shall be long range in  
22 nature and regularly revised and updated. The council may  
23 request the commission to conduct a study of a particular issue.  
24 The commission may require from institutions of higher education  
25 such reports or other information as may be necessary to enable  
26 the commission to perform its duties;

27 b. advocacy on behalf of higher education including informing  
28 the public of the needs and accomplishments of higher education  
29 in New Jersey;

30 c. making recommendations to the Governor and Legislature  
31 on higher education initiatives and incentive programs of  
32 statewide significance;

33 d. final administrative decisions over institutional licensure  
34 and university status giving due consideration to the  
35 accreditation status of the institution. The commission shall  
36 furnish the Presidents' Council with any pertinent information  
37 compiled on behalf of the subject institution and the council shall  
38 then make recommendations to the commission concerning the  
39 licensure of the institution or university status within sixty days  
40 of receipt of the information;

41 e. adopting a code of ethics applicable to institutions of higher  
42 education;

43 f. final administrative decisions over new academic programs  
44 that go beyond the programmatic mission of the institution and  
45 final administrative decisions over a change in the programmatic  
46 mission of an institution;

47 g. reviewing requests for State support from the institutions in  
48 relation to the mission of the institution and statewide goals and  
49 proposing a coordinated budget policy statement to the Governor  
50 and Legislature;

51 h. communicating with the State Board of Education and  
52 Commissioner of Education to advance public education at all  
53 levels including articulation between the public schools and  
54 higher education community;



- 1 i. applying for and accepting grants from the federal  
2 government, or any agency thereof, or grants, gifts or other  
3 contributions from any foundation, corporation, association or  
4 individual, and complying with the terms, conditions and  
5 limitations thereof, for the purpose of advancing higher  
6 education. Any money so received may be expended by the  
7 commission upon warrant of the director of the Office of  
8 Management and Budget in the Department of Treasury on  
9 vouchers certified by the executive director of the commission;
- 10 j. acting as the lead agency of communication with the federal  
11 government concerning higher education issues;
- 12 k. exercising all of the powers and duties previously exercised  
13 by the Board of Higher Education, the Department of Higher  
14 Education, and the Chancellor of Higher Education, under the  
15 "New Jersey Higher Education and Building Construction Bond  
16 Act of 1971," (P.L.1971, c.164), the "New Jersey Medical  
17 Education Facilities Bond Act of 1977," (P.L.1977, c.235), the  
18 "Jobs, Science and Technology Bond Act of 1984," (P.L.1984,  
19 c.99) and the "Jobs, Education and Competitiveness Bond Act of  
20 1988" (P.L.1988, c.78), the "Higher Education Equipment Leasing  
21 Fund Act," (P.L.1992, c.136), the "Higher Education Facilities  
22 Trust Fund Act," (P.L.1993,c.375) and the "N.J. CLASS Loan  
23 Program," (P.L.1991, c.268); and
- 24 l. exercising any other power or responsibility necessary in  
25 order to carry out the provisions of this act.
- 26 15. (New section) The commission shall adopt rules and  
27 regulations, pursuant to the "Administrative Procedures Act,"  
28 P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to carry out the  
29 provisions of this act. Regulations adopted by the State Board of  
30 Higher Education pertaining to:
- 31 a. licensing of institutions and university status;  
32 b. outside employment for employees of public institutions and  
33 State agencies and Code of Ethics;  
34 c. residency requirements for tuition purposes;  
35 d. personnel policies which affect the terms and conditions of  
36 employment including classification and compensation plans  
37 adopted pursuant thereto;  
38 e. tenure and multi-year contracts;  
39 f. rights and procedures in a reduction in force;  
40 g. student trustee policies; and  
41 h. regulations concerning early retirement programs and  
42 length of the academic year
- 43 shall continue with full force and effect under the authority of  
44 the Commission for a period of one year from the effective date  
45 of this act or until amended, continued or repealed by the  
46 commission pursuant to law.
- 47 16. (New section) a. The commission shall report to the  
48 Legislature and Governor within six months of the effective date  
49 of this act on recommendations concerning the collective  
50 bargaining process and the civil service classification of certain  
51 institutional employees.
- 52 b. The commission shall make recommendation to the  
53 Legislature and Governor regarding the following within one year  
54 of the effective date of this act:

- 1 (1) articulation between higher education and elementary and  
2 secondary education;
- 3 (2) the manner in which the administration of student  
4 assistance programs may be modernized and made more efficient  
5 including the privatization of student loan administration and the  
6 merger of the Student Assistance Board and the New Jersey  
7 Higher Education Assistance Authority;
- 8 (3) the manner in which higher education is funded including  
9 mission-based funding, multi-year funding and tuition  
10 establishment.
- 11 c. The commission may request assistance from any agency of  
12 State government or may seek assistance from outside  
13 consultants, foundations or other organization in order to conduct  
14 any study that may be required under this section subject to  
15 available appropriations.
- 16 17. (New section) a. The Office of Student Assistance; the  
17 Office of Information Services; the Office of Operational  
18 Integrity and the Office of Student Loan Accounting in the  
19 Department of Higher Education, or their successors, together  
20 with all their functions, powers and duties, except as herein  
21 otherwise provided, are continued and transferred to and  
22 constituted as the Office of Student Assistance in but not of the  
23 Department of the Treasury. Notwithstanding this allocation, the  
24 office shall not be subject to the supervision or control of the  
25 Department of the Treasury or any of its officers or employees.  
26 The Office of Student Assistance shall administer the student  
27 assistance programs established under the Student Assistance  
28 Board and the Higher Education Assistance Authority as well as  
29 other student assistance programs as determined by law.
- 30 b. The Governor shall appoint an individual to serve as  
31 Executive Director of Student Assistance Programs. The  
32 executive director shall be located in the Office of Student  
33 Assistance and shall serve at the pleasure of the Governor. The  
34 executive director shall be the appointing authority and shall be  
35 responsible for the general supervision of the Office of Student  
36 Assistance <sup>1</sup>created pursuant to this section<sup>1</sup> and the Higher  
37 Education Assistance Authority <sup>1</sup>[created pursuant to this  
38 section]<sup>1</sup>. The executive director shall also be responsible for the  
39 administration of the student assistance programs under the  
40 Student Assistance Board and the Higher Education Assistance  
41 Authority. The executive director shall regularly consult with  
42 the Commission on Higher Education concerning student  
43 assistance matters.
- 44 c. Whenever, in any law, rule, regulation, order, contract,  
45 document, judicial or administrative proceeding or otherwise,  
46 reference is made to the Office of Student Assistance; the Office  
47 of Information Services; Office of Operational Integrity, or  
48 Office of Student Loan Accounting in the Department of Higher  
49 Education, the same shall mean and refer to the Office of  
50 Student Assistance in but not of the Department of the Treasury.
- 51 d. This transfer shall be subject to the provisions of the State  
52 Agency Transfer Act, P.L.1971, c.375 (C.52:14D-1 et seq.)
- 53 e. The Department of Treasury shall render administrative  
54 assistance, including but not limited to personnel and fiscal

1 assistance, to the office upon the request of the Office of  
2 Student Assistance. The cost and expense of any services  
3 rendered shall be paid by the office.

4 f. The Executive Director of Student Assistance Programs  
5 shall develop such rules and regulations in accordance with the  
6 "Administrative Procedures Act," P.L.1968, c.410 (C.52:14B-1 et  
7 seq.) as are necessary to implement the provisions of this act.

8 g. Regulations adopted by the State Board of Higher Education  
9 in order to implement or administer any student assistance  
10 program shall continue with full force and effect under the  
11 authority of the Executive Director of Student Assistance  
12 Programs or the State Treasurer, as appropriate, until amended  
13 or repealed pursuant to law.

14 18. (New section) a. All functions, powers and duties now  
15 vested in the Student Assistance Board in the Department of  
16 Higher Education are transferred to and assumed by the Student  
17 Assistance Board in but not of the Department of Treasury.

18 b. Whenever, in any law, rule, regulation, order, contract,  
19 document, judicial or administrative proceeding or otherwise,  
20 reference is made to the Student Assistance Board in the  
21 Department of Higher Education, the same shall mean and refer  
22 to the Student Assistance Board in but not of the Department of  
23 the Treasury.

24 c. Nothing in this act shall be construed to limit the power of  
25 the Student Assistance Board or to alter the terms and conditions  
26 of loans or grants made to students through the board.

27 d. This transfer shall be subject to the provisions of the State  
28 Agency Transfer Act, P.L.1971, c.375 (C.52:14D-1 et seq.)

29 e. The Department of Treasury shall render administrative  
30 assistance, including but not limited to, personnel and fiscal  
31 assistance, to the board upon the request of the board. The cost  
32 and expense of any services rendered shall be paid by the board.

33 f. The present members of the board shall hold their office for  
34 the duration of their respective terms.

35 19. (New section) a. All functions, powers and duties now  
36 vested in the Educational Opportunity Fund or the board of  
37 directors thereof in the Department of Higher Education are  
38 transferred to and assumed by the Educational Opportunity Fund  
39 and the board of directors thereof under the Commission on  
40 Higher Education in but not of the Department of State.

41 b. Whenever, in any law, rule, regulation, order, contract,  
42 document, judicial or administrative proceeding or otherwise,  
43 reference is made to the Educational Opportunity Fund or the  
44 board of directors thereof in the Department of Higher  
45 Education, the same shall mean and refer to the Educational  
46 Opportunity Fund or the board of directors thereof in the  
47 Commission on Higher Education in but not of the Department of  
48 State.

49 c. Nothing in this act shall be construed to limit the authority  
50 of the Educational Opportunity Fund, or the board of directors  
51 thereof, or to alter the terms and conditions of grants made to  
52 students by the fund.

53 d. This transfer shall be subject to the provisions of the State  
54 Agency Transfer Act, P.L.1971, c.375 (C.52:14D-1 et seq.).

1 e. The present members of the board of directors, other than  
2 the Chancellor of Higher Education, shall hold their office for the  
3 duration of their respective terms.

4 20. (New section) a. All functions, powers and duties now  
5 vested in the Higher Education Assistance Authority or the  
6 officers thereof in the Department of Higher Education are  
7 transferred to and assumed by the Higher Education Assistance  
8 Authority and the officers thereof in but not of the Department  
9 of Treasury.

10 b. Whenever, in any law, rule, regulation, order, contract,  
11 document, judicial or administrative proceeding or otherwise,  
12 reference is made to the Higher Education Assistance Authority  
13 or the officers thereof in the Department of Higher Education,  
14 the same shall mean and refer to the Higher Education Assistance  
15 Authority or the officers thereof in but not of the Department of  
16 the Treasury.

17 c. Nothing in this act shall be construed to limit the power of  
18 the Higher Education Assistance Authority or to alter the terms  
19 and conditions of loans made to students by the authority.  
20 Nothing in this act shall be construed to alter the terms,  
21 conditions, rights or remedies of any obligation issued by the  
22 authority.

23 d. This transfer shall be subject to the provisions of the State  
24 Agency Transfer Act, P.L.1971, c.375 (C.52:14D-1 et seq.).

25 e. The Department of Treasury shall render administrative  
26 assistance, including but not limited to, personnel and fiscal  
27 assistance, to the authority upon the request of the authority.  
28 The cost and expense of any services rendered shall be paid by  
29 the authority.

30 f. The present members of the authority shall hold their office  
31 for the duration of their respective terms.

32 21. (New section) a. All functions, powers and duties now  
33 vested in the Educational Facilities Authority or the officers  
34 thereof in the Department of Higher Education are transferred to  
35 and assumed by the Educational Facilities Authority and the  
36 officers thereof in but not of the Department of Treasury.

37 b. Whenever, in any law, rule, regulation, order, contract,  
38 document, judicial or administrative proceeding or otherwise,  
39 reference is made to the Educational Facilities Authority or the  
40 board of directors thereof in the Department of Higher  
41 Education, the same shall mean and refer to the Educational  
42 Facilities Authority or the board of directors thereof in but not  
43 of the Department of the Treasury.

44 c. Nothing in this act shall be construed to limit the power of  
45 the Educational Facilities Authority or to alter the terms and  
46 conditions of loans made by the authority. Nothing in this act  
47 shall be construed to alter the terms, conditions, rights or  
48 remedies of any obligation issued by the authority.

49 d. This transfer shall be subject to the provisions of the State  
50 Agency Transfer Act, P.L.1971, c.375 (C.52:14D-1 et seq.)

51 e. The Department of Treasury shall render administrative  
52 assistance, including but not limited to personnel and fiscal  
53 assistance, to the authority upon the request of the authority.  
54 The cost and expense of any services rendered shall be paid by

1 the authority.

2 f. The present members of the authority shall hold their office  
3 for the duration of their respective terms.

4 22. (New section) The functions, powers and duties of the  
5 State Board of Higher Education, including the approval of  
6 projects, under the "Jobs, Education and Competitiveness Bond  
7 Act of 1988," (P.L.1988, c.78) shall, following July 1, 1994, be  
8 exercised by the New Jersey Commission on Higher Education.

9 Any final action taken by the State Board of Higher Education  
10 prior to July 1, 1994 including the approval of any project under  
11 this bond act shall be unaffected by the provisions of P.L. , c.  
12 (C. ) (now pending before the legislature as this bill) and such  
13 final action is hereby ratified and confirmed.

14 23. (New section) The functions, powers and duties of the  
15 State Board of Higher Education, including the approval of the  
16 equipment purchase and allocation of funds, under the "Higher  
17 Education Equipment Leasing Fund Act," P.L.1993, c.136  
18 (C.18A:72A-40 et seq.) shall, following July 1, 1994, be exercised  
19 by the New Jersey Commission on Higher Education.

20 Any final action taken by the State Board of Higher Education  
21 prior to July 1, 1994, including the approval of an equipment  
22 purchase or allocation of funds, under this bond act shall be  
23 unaffected by the provisions of P.L. , c. (C. ) (now pending  
24 before the legislature as this bill) and such final action is hereby  
25 ratified and confirmed.

26 24. (New section) The functions, powers and duties of the  
27 State Board of Higher Education, including the approval of the  
28 equipment purchase and allocation of funds, under the "Higher  
29 Education Facilities Trust Fund Act," P.L.1993, c.375  
30 (C.18A:72A-49 et seq.) shall, following July 1, 1994, be exercised  
31 by the New Jersey Commission on Higher Education.

32 Any final action taken by the State Board of Higher Education  
33 prior to July 1, 1994, including the approval of grants or  
34 allocation of funds, under this bond act shall be unaffected by the  
35 provisions of P.L. , c. (C. ) (now pending before the  
36 legislature as this bill) and is hereby ratified and confirmed. The  
37 membership of the "Higher Education Facilities Trust Fund  
38 Board" shall include the chair and vice-chair of the New Jersey  
39 Commission on Higher Education in the place of the members of  
40 the State Board of Higher Education and the Chancellor of Higher  
41 Education.

42 25. (New section) The functions, powers and duties of the  
43 State Board of Higher Education under the "Jobs, Science and  
44 Technology Bond Act," P.L.1984, c.99 shall, following July 1,  
45 1994, be exercised by the New Jersey Commission on Higher  
46 Education.

47 Any final action taken by the State Board of Higher Education  
48 prior to July 1, 1994 under this bond act shall be unaffected by  
49 the provisions of P.L. , c. (C. ) (now pending before the  
50 legislature as this bill) and is hereby ratified and confirmed.

51 Regulations of the State Board of Higher Education concerning  
52 this bond act shall be continued under authority of the  
53 Commission until amended or repealed by the Commission.

54 26. (New section) This act shall not be construed to impair any

1 vested rights, grants, charter rights, privileges, exemptions,  
2 immunities, powers, prerogatives, franchises or advantages  
3 continued, granted or obtained by Rutgers, the State University  
4 under the "Rutgers, the State University Law," N.J.S.18A:65-1 et  
5 seq., nor shall this act be construed to impose additional powers,  
6 duties or responsibilities upon Rutgers, the State University not  
7 contained within N.J.S.18A:65-1 et seq.

8 27. (New section) For the purposes of complying with the  
9 provisions of Article V, Section IV, Paragraph 1 of the New  
10 Jersey Constitution, any State institution of higher education  
11 which was allocated to the Department of Higher Education or  
12 other department of State government shall be allocated to the  
13 Department of State upon the effective date of this act.  
14 Notwithstanding this allocation, any such institution shall be  
15 independent of any supervision or control of the Department of  
16 State or any board, commission or officer thereof and the  
17 allocation shall not in any way affect the principles of  
18 institutional autonomy established in this act.

19 28. (New section) This act is a revision law and the provisions  
20 hereof not inconsistent with prior laws shall be construed as a  
21 continuation of such prior laws and its enactment shall not:

22 a. affect the tenure, compensation and pension rights, if any,  
23 of the lawful holder thereof, in any position not specifically  
24 abolished herein, upon the effective date of this act;

25 b. alter the term of any member of any board, commission or  
26 public body, not specifically abolished herein, lawfully in office  
27 as of the effective date of this act, or require the reappointment  
28 thereof;

29 c. require the resubmission to the voters of any proposal  
30 adopted by such voters prior to the effective date of this act.

31 29. (New section) All petitions, controversies and disputes  
32 pending before the State Board of Higher Education or the  
33 Chancellor of Higher Education and not disposed of as of the  
34 effective date of this act shall be decided by the Commission  
35 under the law under which the action arose as though this act had  
36 not been enacted. The commission shall have all necessary  
37 powers to render a final administrative decision in accordance  
38 with the "Administrative Procedures Act," P.L.1968, c.410  
39 (C.52:14B-1 et seq.) in regard to these controversies and  
40 disputes. This section shall not be construed to grant to the  
41 Commission general authority to render final administrative  
42 decisions on matters arising under the laws governing higher  
43 education except as otherwise specifically provided herein.

44 30. (New section) The Department of Treasury in consultation  
45 with the Department of Personnel shall be responsible for any  
46 administrative, fiscal and personnel actions necessary to  
47 implement the provisions of this act.

48 31. (New section) <sup>1a.1</sup> The council and commission established  
49 under this act shall <sup>1</sup>submit an interim<sup>1</sup> report to the Governor  
50 and Legislature on or before July 1, 1996 with an assessment of  
51 the restructuring of higher education embodied in this act and  
52 recommendations concerning the modification of this structure.

53 <sup>1b.</sup> On or before July 1, 1999, the council and the commission  
54 shall submit a comprehensive report to the Governor and the

1 Legislature, including, for each public institution of higher  
2 education: a profile of the student body including graduation  
3 rates, SAT or other test scores, the percentage of New Jersey  
4 residents in the student body, the number of scholarship students  
5 and the number of Education Opportunity Fund students in  
6 attendance; a profile of the faculty including the ratio of full to  
7 part time faculty members, and major research and public service  
8 activities; a profile of the trustees or governors as applicable;  
9 and, a profile of each institution, including degree and certificate  
10 programs, status of accreditation, major capital projects and any  
11 other information which the commission and the council deem  
12 appropriate. The report shall include an assessment of the  
13 restructuring of higher education and may include  
14 recommendations as to the modification or alteration of this  
15 structure.<sup>1</sup>

16 32. (New section) The powers conferred in this act upon the  
17 commission shall be exercised with due regard for the rights of  
18 the holders of bonds of this State or any authority thereof, at any  
19 time outstanding, and nothing in, or done pursuant to this act,  
20 shall in any way limit, restrict, or alter the obligation or powers  
21 of the State or its authorities to carry out and perform in every  
22 detail each and every covenant, agreement or contract at any  
23 time made or entered into by, or on behalf of the State or any  
24 authority thereof with respect to its bonds or for the benefit,  
25 protection or security of the holders thereof.

26 33. (New section) Notwithstanding the provisions of any law  
27 to the contrary, any former employee of the Department of  
28 Higher Education who was a participant in the alternate benefits  
29 program, P.L.1969, c.242 (C.18A:66-168 et seq.), and who has  
30 continued in uninterrupted service with the State may continue to  
31 participate in the alternate benefits program on the same terms  
32 as other eligible employees.

33 34. N.J.A.18A:1-1 is amended to read as follows:

34 18A:1-1. As used in this title, unless the context requires  
35 another meaning, the following words and phrases shall have the  
36 following meaning:

37 "Academic year" means the period between the time school  
38 opens in any school district or under any board of education after  
39 the general summer vacation until the next succeeding summer  
40 vacation;

41 "All purpose regional district" shall have the meaning assigned  
42 to it in subsection a. of section 18A:13-2;

43 "Board" means the board of education;

44 ["Chancellor" means the chancellor of the department of  
45 higher education;]

46 "Commissioner" means the commissioner of education;

47 "County superintendent" means the county superintendent of  
48 schools;

49 "Department" means the state department of education;

50 "District" means a school district;

51 "Employee" includes the holder of any position or employment;

52 "Employment" includes employment in a position;

53 "Full membership" of any board or body means the number of  
54 members of the board or body when all the members' seats are

1 filled and a "majority of the full membership" of any board or  
2 body means a majority of such number;

3 "Higher education" means that education which is provided by  
4 any or all of the public institutions of higher education as herein  
5 defined and any or all equivalent private institutions;

6 "Limited purpose regional district" shall have the meaning  
7 assigned to it in subsection b. of section 18A:13-2;

8 "Local school district" means any school district comprising  
9 within its territorial boundaries the territory comprised in one or  
10 more municipalities, except a regional school district;

11 "Private school" means a school, under college grade, which  
12 does not derive its support entirely or in part from public funds;

13 "Public institution of higher education" shall have the meaning  
14 assigned to it in section 18A:62-1;

15 "Public school" means a school, under college grade, which  
16 derives its support entirely or in part from public funds;

17 "Public school system" means the system of public schools of  
18 the state;

19 "Residence" means domicile, unless a temporary residence is  
20 indicated;

21 "School nurse" shall mean and include any school nurse, school  
22 nurse supervisor, head school nurse, chief school nurse, school  
23 nurse coordinator or any other nurse performing school nursing  
24 services in the public schools;

25 "State board" means the state board of education;

26 "Teaching staff member" means a member of the professional  
27 staff of any district or regional board of education, or any board  
28 of education of a county vocational school, holding office,  
29 position or employment of such character that the qualifications,  
30 for such office, position or employment, require him to hold a  
31 valid and effective standard, provisional or emergency  
32 certificate, appropriate to his office, position or employment,  
33 issued by the state board of examiners and includes a school  
34 nurse.

35 (cf: N.J.S.18A:1-1)

36 35. Section 1 of P.L.1969, c.178 (C.18A:3-14.1) is amended to  
37 read as follows:

38 1. The [Board of Higher Education] Office of Student  
39 Assistance shall prepare on an annual basis a concise report which  
40 lists all sources of financial assistance, including but not limited  
41 to scholarships and loans, available to citizens of this State who  
42 now attend or who plan to attend any institution of higher  
43 education. The report shall supply the name and address of each  
44 source, identify the form of the financial assistance, and indicate  
45 that the source of funds is public or private.

46 (cf: P.L.1969, c.178, s.1)

47 36. Section 3 of P.L.1986, c.87 (C.18A:3-15.3) is amended to  
48 read as follows:

49 3. A person shall not append to his name any letters in the  
50 same form designated by the [Board of] Commission on Higher  
51 Education as entitled to the protection accorded to an academic  
52 degree unless the person has received from a duly authorized  
53 institution of higher education the degree or certificate for which  
54 the letters are registered. For the purposes of this section, a



1 duly authorized institution of higher education means an in-State  
2 institution licensed by the [Board of] Commission on Higher  
3 Education or an out-of-State institution licensed by the  
4 appropriate state agency and regionally accredited or seeking  
5 accreditation by the appropriate accrediting body recognized by  
6 the Council on Postsecondary Education or the United States  
7 Department of Education.

8 (cf: P.L.1986, c.87, s.3)

9 37. Section 4 of P.L.1986, c.87 (C.18A:3-15.4) is amended to  
10 read as follows:

11 4. An in-State university, college, business, trade or vocational  
12 school may not offer, advertise, or by agreement with an  
13 out-of-State institution, offer or advertise any academic degree  
14 from any out-of-State university, college, business, trade or  
15 vocational school when three-quarters or more of the degree  
16 requirements are obtained by course work completed at the  
17 institution in New Jersey unless the degree program is consistent  
18 with the programmatic mission of the institution or has been  
19 approved by the [Board of] Commission on Higher Education or is  
20 a degree program at an institution specifically exempted from  
21 the provisions of N.J.S.18A:68-6.

22 (cf: P.L.1986, c.87, s.4)

23 38. Section 2 of P.L.1987, c.53 (C.18A:3-19.2) is amended to  
24 read as follows:

25 2. Every institution of higher education licensed <sup>1</sup>[or  
26 approved]<sup>1</sup> by the [State Board of] Commission on Higher  
27 Education to award an academic degree shall disclose the  
28 amount, terms, restrictions and requirements attached to or  
29 made a part of any gift of value in excess of \$100,000.00 made to  
30 the institution by a foreign government, foreign legal entity or  
31 foreign person in any one fiscal year. If the foreign government,  
32 foreign legal entity or foreign person makes more than one gift to  
33 an institution, and the total value of those gifts in any one fiscal  
34 year exceeds \$100,000.00, the institution shall report all of the  
35 gifts received.

36 (cf: P.L.1987, c.53, s.2)

37 39. Section 3 of P.L.1987, c.53 (C.18A:3-19.3) is amended to  
38 read as follows:

39 3. This information shall be forwarded to the Department of  
40 [Higher Education] Treasury no later than 30 days after the last  
41 day of the fiscal year. The information shall include:

- 42 a. The amount of the gift.
- 43 b. The date on which it was received.
- 44 c. Full details of any conditions, matching provisions, or  
45 designation of the gift for a specific purpose.
- 46 d. The name of the foreign government in the case of a gift by  
47 a foreign government; the name of the foreign entity in the case  
48 of a gift by a foreign entity; and the name of the foreign country  
49 in which a foreign person is located or resides in the case of a  
50 gift by a foreign person.

- 51 e. The purpose or purposes for which the gift will be used.

52 (cf: P.L.1987, c.53, s.3)

53 40. Section 2 of P.L.1991, c.388 (C.18A:3-25) is amended to  
54 read as follows:

1       2. The [Chancellor of Higher Education] Attorney General  
2 shall develop a "Pledge's Bill of Rights" which outlines  
3 acceptable and unacceptable behavior and activities in regard to  
4 the pledge or rushing activities of college and university  
5 fraternities and sororities and other similar campus  
6 organizations. In developing the bill of rights, the [chancellor]  
7 Attorney General shall review the existing pledge and anti-hazing  
8 policies and procedures of public and independent institutions of  
9 higher education within the State and shall, as appropriate,  
10 incorporate those policies into the bill of rights. The [chancellor]  
11 Attorney General shall make the "Pledge's Bill of Rights"  
12 available to each institution of higher education within the State.

13 (cf: P.L.1991,c.388,s.2)

14       41. Section 3 of P.L.1991, c.388 (C.18A:3-26) is amended to  
15 read as follows:

16       3. The bill of rights developed by the [chancellor] Attorney  
17 General pursuant to section 2 of [this act] P.L.1991, c.388  
18 (C.18A:3-25) shall include information on the criminal penalties  
19 for hazing and aggravated hazing established pursuant to  
20 P.L.1980, c.169 (C.2C:40-3 et seq.).

21 (cf: P.L.1991,c.388,s.3)

22       42. Section 3 of P.L.1984, c.149 (C.18A:3A-3) is amended to  
23 read as follows:

24       3. a. There is established in, but not of, the Department of  
25 [Higher Education] State the New Jersey Institute on Conflict  
26 Resolution and Peace Studies, hereafter referred to as the  
27 Institute.

28       b. The Institute shall be under the direct management and  
29 supervision of the [Chancellor of Higher Education] Secretary of  
30 State, who shall, by rules and regulations promulgated pursuant to  
31 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1  
32 et seq.), provide for its organization and methods of proceeding,  
33 so as to fulfill the purposes prescribed in section 4 of this act.

34       c. The [Chancellor] secretary may at any time, and from time  
35 to time, enter into agreements with any public or private  
36 institution of higher learning in this State, under which such  
37 institution shall undertake to carry out any of the functions or  
38 projects of the Institute, pursuant to section 4 of [this act]  
39 P.L.1984, c.149 (C.18A:3A-4); and in consideration of such  
40 undertaking the [Chancellor] secretary may authorize the  
41 payment to such institution of funds appropriated or otherwise  
42 made available to the Institute under this act or any other law, or  
43 from any other lawful source, and which are determined by him  
44 to be necessary or appropriate for the funding of the function or  
45 project so undertaken.

46 (cf: P.L.1984, c.149, s.3)

47       43. Section 6 of P.L.1984, c.149 (C.18A:3A-6) is amended to  
48 read as follows:

49       6. To assist him in the organization of the Institute, and in  
50 fulfilling his other duties and responsibilities under [this act]  
51 P.L.1984, c.149 (C.18A:3A-1 et seq.), the [Chancellor] secretary  
52 shall appoint an advisory board, which shall be broadly  
53 representative of those organizations and individuals having  
54 active interest in, and academic or practical knowledge and

1 experience in, the methods and techniques of conflict resolution  
2 and the peaceful settlement of disputes; including, without  
3 limitation, representatives of religious, cultural and academic  
4 organizations, and persons actively engaged in the promotion of  
5 international and intercultural understanding, the study or  
6 conduct of foreign relations, and the advancement of world peace.  
7 (cf: P.L.1984, c.149, s.6)

8 44. N.J.S.18A:4-3 is amended to read as follows:

9 18A:4-3. The State Board of Education shall consist of [the  
10 Chancellor of Higher Education who shall be a member ex officio  
11 without vote and the chairman of the Board of Higher Education  
12 or his designee, who shall be a citizen member of the board of  
13 higher education, and 12] 13 members who shall be citizens of the  
14 State who have resided therein for not less than 5 years  
15 immediately preceding their appointment, not less than three of  
16 whom shall be women and not more than one of whom shall be  
17 appointed from the residents of any one county.

18 (cf: P.L.1973, c.93, s.1)

19 45. Section 2 of P.L.1991, c.193 (C.18A:4A-2) is amended to  
20 read as follows:

21 2. a. The New Jersey Commission on Holocaust Education is  
22 created and established in the Executive Branch of the State  
23 Government. For the purposes of complying with the provisions  
24 of Article V, Section IV, paragraph 1 of the New Jersey  
25 Constitution, the commission is allocated within the Department  
26 of Education, but notwithstanding this allocation, the commission  
27 shall be independent of any supervision or control by the  
28 department or any board or officer thereof.

29 The commission shall consist of 21 members, including the  
30 Commissioner of Education and the [Chancellor of Higher  
31 Education] chair of the executive board of the Presidents's  
32 Council, serving ex officio, and 19 public members.

33 Public members shall be appointed as follows: three public  
34 members shall be appointed by the President of the Senate; three  
35 public members shall be appointed by the Speaker of the General  
36 Assembly; and 13 public members shall be appointed by the  
37 Governor, no less than six of whom shall at the time of their  
38 appointment be members of the New Jersey Advisory Council on  
39 Holocaust Education, created pursuant to Executive Order No. 17  
40 of 1982 and continued pursuant to Executive Order No. 87 of  
41 1984, Executive Order No. 168 of 1987 and Executive Order No.  
42 225 of 1990, and further continued pursuant to Executive Order  
43 No. 14 of 1990. The public members shall be residents of this  
44 State, chosen with due regard to broad geographic representation  
45 and ethnic diversity, who have served prominently as  
46 spokespersons for, or as leaders of organizations which serve  
47 members of religious, ethnic, national heritage or social groups  
48 which were subjected to genocide, torture, wrongful deprivation  
49 of liberty or property, officially imposed or sanctioned violence,  
50 and other forms of human rights violations and persecution at the  
51 hands of the Nazis and their collaborators during the Nazi era, or  
52 they shall be residents who are experienced in the field of  
53 Holocaust education.

54 b. Each public member of the commission shall serve for a

1 term of three years, except that of the initial members so  
2 appointed: one member appointed by the President of the Senate,  
3 one member appointed by the Speaker of the General Assembly,  
4 and four members appointed by the Governor shall serve for  
5 terms of one year; one member appointed by the President of the  
6 Senate, one member appointed by the Speaker of the General  
7 Assembly, and four members appointed by the Governor shall  
8 serve for terms of two years; and one member appointed by the  
9 President of the Senate, one member appointed by the Speaker of  
10 the General Assembly, and five members appointed by the  
11 Governor shall serve for terms of three years. Public members  
12 shall be eligible for reappointment. They shall serve until their  
13 successors are appointed and qualified, and the term of the  
14 successor of any incumbent shall be calculated from the  
15 expiration of the term of that incumbent. A vacancy occurring  
16 other than by expiration of term shall be filled in the same  
17 manner as the original appointment but for the unexpired term  
18 only.

19 c. The members of the commission shall serve without  
20 compensation, but they shall be entitled to reimbursement for all  
21 necessary expenses incurred in the performance of their duties.

22 d. The commission shall annually elect a chairman from among  
23 its members. It shall meet upon the call of the chairman or of a  
24 majority of the commission members. The presence of a majority  
25 of the authorized membership of the commission shall be required  
26 for the conduct of official business.

27 e. The commission shall appoint an executive director, who  
28 shall serve at its pleasure and shall be a person qualified by  
29 training and experience to perform the duties of the office.

30 (cf: P.L.1991, c.193, s.2)

31 46. N.J.S.18A:6-3 is amended to read as follows:

32 18A:6-3. Regular courses of instruction in the constitution of  
33 the United States shall be given in all public schools and in all  
34 private schools, attendance at which is a sufficient compliance  
35 with the compulsory educational requirements of this title in this  
36 state, which instruction shall begin not later than the opening of  
37 the seventh grade in public schools and of the equivalent grade in  
38 private schools and shall continue in the high school course and in  
39 courses of state colleges and universities and the educational  
40 departments of the state and municipal institutions [to the extent  
41 to be determined, by rule, by the commissioner or by the  
42 chancellor, as the case may be].

43 (cf: N.J.S.18A:6-3)

44 47. N.J.S.18A:6-4 is amended to read as follows:

45 18A:6-4. The board, body or person in charge of each  
46 educational institution, except an institution of higher education,  
47 receiving support or aid from the state and of each private school  
48 shall report, annually on or before August 1, to the commissioner,  
49 in the manner and form required by him, and the board, body or  
50 person in charge of each educational institution of higher learning  
51 receiving support or aid from the state shall report in like manner  
52 to the [chancellor] Commission on Higher Education, such  
53 statistics relating to the conduct of such institution or school as  
54 he may require but no private school shall be required to report

1 concerning its expenses or finances nor shall any such report  
2 made by it be published or made public.

3 (cf: N.J.S.18A:6-4)

4 48. N.J.S.18A:6-18 is amended to read as follows:

5 18A:6-18. No professor, associate professor, assistant  
6 professor, instructor, supervisor, registrar, teacher or other  
7 persons employed in a teaching capacity, in any State college,  
8 county college or industrial school who is under tenure during  
9 good behavior and efficiency shall be dismissed or subject to  
10 reduction of salary, except for inefficiency, incapacity, conduct  
11 unbecoming a teacher or other just cause. Written charge of the  
12 cause or causes preferred against an individual shall be signed by  
13 the person or persons making the same and filed with the board of  
14 trustees of said college or school. Upon determination that the  
15 matter is a contested case, the board shall assign the matter for  
16 hearing and initial decision <sup>1</sup>[either to a subcommittee of three  
17 of its members or]<sup>1</sup> to the Office of Administrative Law. A final  
18 decision shall be rendered by the full board of trustees. The  
19 person charged may be represented by counsel at all times and  
20 have compulsory process to compel the attendance of witnesses  
21 to testify therein, as provided by law. [Appeals from a decision  
22 of the board of trustees shall be made on the record to the  
23 Chancellor of Higher Education]. Contested case hearing shall  
24 be conducted under rules and regulations established pursuant to  
25 "The Administrative Procedure Act," P.L.1968, c.410  
26 (C.52:14B-1 et seq.) and P.L.1978, c.67 (C.52:14F-1 et seq.).  
27 (cf: P.L.1981, c.181, s.1)

28 49. N.J.S.18A:6-19 is amended to read as follows:

29 18A:6-19. Any member of any board of education, governing  
30 board or of any other board or any person, lawfully authorized to  
31 hold a hearing, may administer oaths to witnesses in such hearing,  
32 in any dispute or controversy under the school laws or the rules of  
33 the commissioner or of the state board [or of the higher  
34 education board or of the chancellor], of which they or he have  
35 jurisdiction.

36 Any person who has been so sworn and who shall testify falsely  
37 at such hearing shall be guilty of a misdemeanor.

38 (cf: N.J.S.18A:6-19)

39 50. N.J.S.18A:6-20 is amended to read as follows:

40 18A:6-20. Any party to any dispute or controversy or charged  
41 therein, may be represented by counsel at any hearing held in or  
42 concerning the same and shall have the right to testify, and  
43 produce witnesses to testify on his behalf and to cross-examine  
44 witnesses produced against him, and to have compulsory process  
45 by subpoena to compel the attendance of witnesses to testify and  
46 to produce books and documents in such hearing when issued by  
47 (a) the president of the board of education, if the hearing is to be  
48 held before such board, or (b) the commissioner, if the hearing is  
49 to be held before him or on his behalf, or (c) the president and  
50 secretary of the state board, if the hearing is to be held before  
51 such board or before one of its committees, or (d) the chairman  
52 of the board of trustees of the state or county college or  
53 industrial school, if the hearing is to be held before such board [,  
54 or (e) the chairman and secretary of the higher education board,

1 if the hearing is to be held before such board or before one of its  
2 committees or before the chancellor].

3 The subpoena shall be served in the same manner as subpoenas  
4 issued out of the superior court are served.

5 (cf: N.J.S.18A:6-20)

6 51. N.J.S.18A:6-26 is amended to read as follows:

7 18A:6-26. The state board and the commissioner with the  
8 approval of the state board [and the board of higher education  
9 and the chancellor with the approval of the board of higher  
10 education] and any other board or body having jurisdiction over  
11 the prosecution and hearing of controversies and disputes under  
12 the school laws or any rules made thereunder shall have power to  
13 make rules governing the prosecution and hearing of  
14 controversies and disputes, under the school laws and the rules  
15 governing the particular prosecution or dispute when exercising  
16 original or appellate jurisdiction therein.

17 (cf: N.J.S.18A:6-26)

18 52. N.J.S.18A:6-27 is amended to read as follows:

19 18A:6-27. Any party aggrieved by any determination of the  
20 commissioner may appeal from his determination to the state  
21 board.

22 [Any party aggrieved by any determination of a board of  
23 trustees of any state college, county college or industrial school  
24 may appeal from such determination to the chancellor.

25 Any party aggrieved by any determination of the chancellor  
26 may appeal from such determination to the board of higher  
27 education.]

28 (cf: N.J.S.18A:6-27)

29 53. N.J.S.18A:6-28 is amended to read as follows:

30 18A:6-28. An appeal to the state board [or the board of higher  
31 education] shall be taken in the manner prescribed by rules of the  
32 [respective] board, within 30 days after the decision appealed  
33 from is filed, and [such] the board shall have power to hear and  
34 determine any such appeal.

35 (cf: N.J.S.18A:6-28)

36 54. N.J.S.18A:6-29 is amended to read as follows:

37 18A:6-29. The state board [or the board of higher education]  
38 may refer the hearing of any appeal, taken to it in the manner  
39 pursuant to law, to a committee of not less than three of its  
40 members, which committee shall hear the same and report  
41 thereon, recommending its conclusions, to the board and the  
42 board shall thereupon decide the appeal by resolution in open  
43 meeting.

44 (cf: N.J.S.18A:6-29)

45 55. Section 8 of P.L.1975, c.212 (C.18A:7A-8) is amended to  
46 read as follows:

47 8. The State board after consultation with the commissioner  
48 and review by the Joint Committee on the Public Schools shall,  
49 from time to time, but at least once every 5 years, review and  
50 update the State goals and standards established pursuant to this  
51 act. In reviewing and updating these goals and standards, the  
52 State board shall consult with, and be assisted by, (a) the  
53 Commissioner of Labor [and Industry] who, in consultation with  
54 employer and employee groups, shall report annually to the State

1 board projecting labor needs and describing employment  
2 qualifications in New Jersey, (b) the [Chancellor of Higher  
3 Education who] Presidents' Council, which, in consultation with  
4 the institutions of higher education in the State, shall report  
5 annually to the State board on entry requirements and anticipated  
6 enrollment levels, (c) the Commissioner of Health who shall  
7 report annually to the State board on the current and projected  
8 health needs in New Jersey, (d) the Commissioner of Institutions  
9 and Agencies who shall report annually to the State board on the  
10 education of pupils under the jurisdiction of the department, and  
11 (e) such other employees and officers of the State as may be able  
12 to assist the State board in its activities pursuant to this section.

13 (cf: P.L.1975, c.212, s.8)

14 56. Section 12 of P.L.1979, c.207 (C.18A:7B-8) is amended to  
15 read as follows:

16 12. There is hereby created and established in the Department  
17 of Corrections an Office of Education to be headed by a Director  
18 of Educational Services who shall supervise the educational  
19 programs in all State facilities operated by that department and  
20 shall approve all personnel to be hired for such programs.

21 The director shall hold the appropriate certificate issued by the  
22 State Board of Examiners and shall be qualified by training and  
23 experience for his position and shall be appointed by the  
24 Commissioner of Corrections. He shall serve at the pleasure of  
25 the commissioner and shall receive such salary as shall be fixed  
26 by the commissioner.

27 The director shall establish primary, secondary, and vocational  
28 programs which meet the educational needs of school age persons  
29 for whom the department is responsible. Appropriate credit and  
30 certification shall be given for the successful completion of such  
31 programs.

32 Within any available appropriation, the program of education  
33 shall include adult, post-secondary and college programs offered  
34 by institutions licensed by the Department of Education or the  
35 [Department of] Commission on Higher Education.

36 (cf: P.L.1979, c.207, s.12)

37 57. Section 13 of P.L.1979, c.207 (C.18A:7B-9) is amended to  
38 read as follows:

39 13. There is hereby created and established in the Department  
40 of Human Services an Office of Education to be headed by a  
41 Director of Educational Services who shall supervise the  
42 educational programs in all the State facilities operated by or  
43 under contract with that department and shall approve all  
44 personnel hired by the State for such programs.

45 The director shall hold the appropriate certificate issued by the  
46 State Board of Examiners and shall be qualified by training and  
47 experience for his position and shall be appointed by the  
48 Commissioner of Human Services. He shall serve at the pleasure  
49 of the commissioner and shall receive such salary as shall be  
50 fixed by the commissioner.

51 The director shall establish primary, secondary, and vocational  
52 programs which meet the educational needs of school age persons  
53 for whom the department is responsible. Appropriate credit and  
54 certification shall be given for the successful completion of such

1 programs.

2 Within any available appropriation, the program of education  
3 shall include adult, post-secondary and college programs offered  
4 by institutions licensed by the Department of Education or the  
5 [Department of] Commission on Higher Education.

6 (cf: P.L.1979, c.207, s.13)

7 58. Section 34 of P.L.1991, c.62 (C.18A:7D-28.3) is amended to  
8 read as follows:

9 34. Notwithstanding any statute, rule or regulation  
10 promulgated by the State Board of Education, special needs  
11 districts may contract with New Jersey colleges and universities  
12 to provide in school, after school and special academic programs  
13 and services to assist the districts in providing a thorough and  
14 efficient education. The [Chancellor of Higher Education]  
15 Presidents' Council shall prepare on or before July 1 of each year  
16 a report of programs and services available from New Jersey  
17 colleges and universities to assist special needs districts. The  
18 report shall be distributed to the commissioner and to the special  
19 needs districts.

20 (cf: P.L.1991, c.62, s.34)

21 59. N.J.S.18A:18A-2 is amended to read as follows:

22 18A:18A-2. As used in this chapter, unless the context  
23 otherwise indicates:

24 a. "Board of education" means and includes the board of  
25 education of any local school district, consolidated school  
26 district, regional school district, county vocational school and any  
27 other board of education or other similar body other than the  
28 State Board of Education [or the State Board of Higher  
29 Education], the Commission on Higher Education or the  
30 Presidents' Council, established and operating under the  
31 provisions of Title 18A of the New Jersey Statutes and having  
32 authority to make purchases and to enter into contracts,  
33 agreements or leases for the performance of any work or the  
34 furnishing or hiring of any materials, supplies, equipment or  
35 services usually required, the cost or contract price is to be paid  
36 with or out of board funds.

37 b. "Contracting agent" means the secretary, business  
38 administrator or the business manager of the board of education  
39 having the power to prepare advertisements, to advertise for and  
40 receive bids and to make awards for the board of education in  
41 connection with purchases, contracts or agreements as permitted  
42 by this chapter, but if there be no secretary, business  
43 administrator or business manager such officer, committees or  
44 employees to whom such power has been delegated by the board  
45 of education.

46 c. "Contracts" for the purpose of this chapter means contracts  
47 or agreements for the performance of work or the furnishing or  
48 hiring of services, materials, or supplies as distinguished from  
49 contracts of employment.

50 d. "District" means and includes any local school district,  
51 consolidated school district, regional school district, county  
52 vocational school and any other board of education or other  
53 similar body other than the State board, established under the  
54 provisions of Title 18A of the New Jersey Statutes.



1 e. "Legal newspaper" means a newspaper circulating in the  
2 district, printed and published in the English language at least  
3 once a week for at least 1 year continuously.

4 f. "Materials" includes goods and property subject to article 2  
5 of Title 12A of the New Jersey Statutes, apparatus, or any other  
6 tangible thing, except real property or any interest therein.

7 g. "Extraordinary unspecifiable services" means services  
8 which are specialized and qualitative in nature requiring  
9 expertise, extensive training and proven reputation in the field of  
10 endeavor.

11 h. "Professional services" means services rendered or  
12 performed by a person authorized by law to practice a recognized  
13 profession and whose practice is regulated by law and the  
14 performance of which services requires knowledge of an advanced  
15 type in a field of learning acquired by a prolonged formal course  
16 of specialized instruction and study as distinguished from general  
17 academic instruction or apprenticeship and training. Professional  
18 services also means services rendered in the performance of work  
19 that is original and creative in character in a recognized field of  
20 artistic endeavor.

21 i. "Project" means any work, undertaking, construction or  
22 alteration.

23 j. "Purchases" are transactions, for a valuable consideration,  
24 creating or acquiring an interest in goods, services and property,  
25 except real property or any interest therein.

26 k. "Work" includes services and any other activity of a  
27 tangible or intangible nature performed or assumed pursuant to a  
28 contract or agreement with a board of education.

29 (cf: P.L.1977, c.114, s.1).

30 60. Section 1 of P.L.1973, c.267 (C.18A:28-16) is amended to  
31 read as follows:

32 1. Whenever an Educational Services Commission, a Jointure  
33 Commission, the Commissioner of Education, the State Board of  
34 Education, [the Chancellor, the State Board of Higher Education  
35 or] the board of trustees of any State college, or any officer,  
36 board or commission under his, its or their authority shall  
37 undertake the operation of any school previously operated by a  
38 school district in this State, all accumulated sick leave, tenure  
39 and pension rights of all teaching staff members in said school  
40 shall be recognized and preserved by the agency assuming  
41 operational control of the school, and any periods of prior  
42 employment in such school district shall count toward the  
43 acquisition of tenure to the same extent as if all of such  
44 employment had been under the Educational Services  
45 Commission, Jointure Commission, the Commissioner of  
46 Education, the State Board of Education, [the Chancellor, the  
47 State Board of Higher Education] or the board of trustees of any  
48 State college, as the case may be.

49 (cf: P.L.1973, c.267, s.1)

50 61. Section 2 of P.L.1973, c.267 (C.18A:28-17) is amended to  
51 read as follows:

52 2. Whenever the local board of education of any school district  
53 in this State shall undertake the operation of any school  
54 previously operated by an Educational Services Commission, a

1 Jointure Commission, the Commissioner of Education, the State  
2 Board of Education, [the Chancellor, the State Board of Higher  
3 Education or] the board of trustees of any State college, or any  
4 officer, board or commission under his, its or their authority, all  
5 accumulated sick leave, tenure and pension rights of all teaching  
6 staff members in said school, shall be recognized and preserved  
7 by the board assuming operational control of the school, and any  
8 periods of prior employment, by said Educational Services  
9 Commission, Jointure Commission, Commissioner of Education,  
10 State Board of Education or board of trustees of any State  
11 college, or any officer, board or commission under his, its or their  
12 authority, shall count toward the acquisition of tenure to the  
13 same extent as if all of such employment had been in such school  
14 district.

15 (cf: P.L.1973, c.267, s.2)

16 62. Section 3 of P.L.1973, c.267 (C.18A:28-18) is amended to  
17 read as follows:

18 3. For the academic year following any transfer of  
19 operational control under section 1 or section 2 of [this act]  
20 P.L.1973, c.267 (C.18A:28-16 and 18A:28-17), both the local  
21 school board and the Educational Services Commission, Jointure  
22 Commission, Commissioner of Education, State Board of  
23 Education, [Chancellor, State Board of Higher Education] or the  
24 board of trustees of a State college, as the case may be, shall  
25 comply with the notice requirements of P.L.1971, c.436  
26 (C.18A:27-10 et seq.), to the same extent as if each had been the  
27 employer of all teaching staff members of the school in question  
28 during the academic year preceding the transfer of operational  
29 control.

30 (cf: P.L.1973, c.267, s.3)

31 63. Section 9 of P.L.1974, c.197 (C.18A:35-23) is amended to  
32 read as follows:

33 9. The Commissioner of Education [and the Chancellor of  
34 Higher Education] shall, with the approval of [their respective  
35 boards] the State Board of Education promulgate rules and  
36 regulations, establish procedures, employ personnel, and take all  
37 other necessary steps to insure the implementation of the  
38 provisions of this act.

39 (cf: P.L.1974, c.197, s.9)

40 64. Section 10 of P.L.1974, c.197 (C.18A:35-24) is amended to  
41 read as follows:

42 10. The State Board of Education [and the State Board of  
43 Higher Education] shall [jointly] establish a State Advisory  
44 Committee on Bilingual Education to assist the Department of  
45 Education [and the Department of Higher Education] in the  
46 formulation of policies and procedures relating to this act. The  
47 State Advisory Committee on Bilingual Education shall include  
48 representatives of the language communities served, institutions  
49 of higher education, local school boards, school administrators,  
50 teachers and laymen knowledgeable in the field of bilingual  
51 education.

52 (cf: P.L.1974, c.197, s.10)

53 65. Section 11 of P.L.1974, c.197 (C.18A:35-25) is amended to  
54 read as follows:

1 11. The [Board of] Commission on Higher Education with the  
2 advice of the State Advisory Committee on Bilingual Education  
3 shall [provide] recommend to the treasurer that financial support  
4 be provided to institutions of higher education for career  
5 development programs and the training of professionals serving  
6 bilingual populations with emphasis on effective utilization of  
7 existing facilities.

8 (cf: P.L.1974, c.197, s.11)

9 66. Section 12 of P.L.1974, c.197 (C.18A:35-26) is amended to  
10 read as follows:

11 12. The State [board and the State Board of Higher] Board of  
12 Education shall develop resources, programs, curriculum and  
13 instructional materials and undertake such other activities as will  
14 enable boards of education to provide programs pursuant to this  
15 act [; the boards shall, where appropriate, jointly or cooperatively  
16 undertake such activities].

17 (cf: P.L.1974, c.197, s.12)

18 67. N.J.S.18A:38-24 is amended to read as follows:

19 N.J.S.18A:38-24. Any pupil may with the consent of the board  
20 of education of the district in which he resides and of the  
21 commissioner be admitted to any demonstration school  
22 maintained in connection with any state college. The board of  
23 education of the district and the board of trustees of the state  
24 college [, with the approval of the board of higher education,]  
25 shall determine the amount to be paid for the education of the  
26 pupil, and the board of education of the district shall pay the  
27 amount so determined to the treasurer of the college out of any  
28 money available for the current expenses of the district. Pupils  
29 attending such demonstration schools for whom tuition is paid by  
30 the sending district shall be counted in the determination of state  
31 aid for the school district in the same manner as pupils attending  
32 schools in any school district other than the sending district.

33 (cf: N.J.S.18A:38-24)

34 68. Section 3 of P.L.1968, c.182 (C.18A:54A-3) is amended to  
35 read as follows:

36 3. The Legislature hereby finds and declares that there is a  
37 need for new programs and institutions capable of reaching and  
38 motivating the high-school dropout; that the experience gained  
39 by the creation of neighborhood education centers in other States  
40 indicates that those centers may be a partial answer to the  
41 problem of the high-school dropout; that the Commissioners of  
42 Education [, Higher Education] and Community Affairs should be  
43 authorized to establish such neighborhood education centers; and  
44 that the expenditure of public funds for those purposes is in the  
45 public interest.

46 (cf: P.L.1968, c.182, s.3)

47 69. Section 5 of P.L.1968, c.182 (C.18A:54A-5) is amended to  
48 read as follows:

49 5. There is hereby created in but not of the Department of  
50 Community Affairs the Governor's Council on Neighborhood  
51 Education Centers, which shall consist of the Commissioner of  
52 Community Affairs [,] and the Commissioner of Education [, and  
53 the Chancellor of Higher Education, all of whom] who shall be  
54 members of the council for such times as they shall hold their

1 respective offices. The commissioner shall serve as the  
2 administrator and chief executive officer of the council, and shall  
3 have primary responsibility for the activities of the council. The  
4 Commissioner of Education shall serve as the chairman of the  
5 council, which shall meet at the call of said chairman.

6 (cf: P.L.1968, c.182, s.5)

7 70. Section 7 of P.L.1968, c.182 (C.18A:54A-7) is amended to  
8 read as follows:

9 7. In order to carry out the purposes and provisions of this act,  
10 the commissioner, in addition to any powers granted to him  
11 elsewhere in this act, shall have the following powers:

12 (a) To make and enter into all contracts and agreements  
13 necessary or incidental to the discharge of his duties and the  
14 execution of his powers under this act;

15 (b) To appoint or employ, subject to the provisions of Title 11  
16 of the Revised Statutes, such personnel and employees as may be  
17 necessary in his judgment;

18 (c) To receive and accept aid or contributions from any source,  
19 of money, property, labor or other things of value, to be held,  
20 used and applied to carry out the purposes of this act subject to  
21 any conditions upon which such grants and contributions may be  
22 made;

23 (d) To call upon and avail himself of, so far as may be  
24 practicable and within the limits of appropriations available  
25 therefor, the services of employees of the Departments of  
26 Community Affairs [,] and Education [and Higher Education];

27 (e) To acquire by purchase, gift or lease, sell, lease and  
28 otherwise deal with property, whether real or personal or mixed;

29 (f) To adopt such rules and regulations as may be necessary or  
30 convenient to carry out the provisions of this act; and

31 (g) To do all acts and things necessary or convenient to carry  
32 out the provisions of this act.

33 (cf: P.L.1968, c.182, s.7)

34 71. N.J.S.18A:59-1 is amended to read as follows:

35 18A:59-1. Whenever moneys are made available for school  
36 purposes by any act of congress, except the act of congress  
37 referred to in article 2 of this chapter, or any agency of the  
38 federal government, or made available or deposited in any  
39 manner in accordance with any law enacted by the congress of  
40 the United States, such moneys shall be apportioned by the  
41 commissioner under plans approved by the state board, if said  
42 moneys are for use in the public school system, or by the  
43 [chancellor, under plans approved by the board of higher  
44 education] Commission on Higher Education, if said moneys are  
45 for use in higher education. Such moneys shall be distributed as  
46 aid to the several districts or in any other manner designated for  
47 any educational purpose defined in the federal statutes or in the  
48 regulations of federal agencies making allotments or in the laws  
49 of this state.

50 (cf: N.J.S.18A:59-1)

51 72. N.J.S.18A:59-2 is amended to read as follows:

52 18A:59-2. All moneys mentioned in [section] N.J.S.18A:59-1  
53 shall be considered trust funds and shall be distributed by the  
54 commissioner or by the [chancellor] Commission on Higher

1 Education, as the case may be, in conformity with said plans.

2 (cf: N.J.S.18A:59-2)

3 73. Section 2 of P.L.1973, c.163 (C.18A:60-7) is amended to  
4 read as follows:

5 2. As used in this act, the following words and phrases shall  
6 have the following meaning:

7 a. "Academic rank" means instructor, assistant professor,  
8 associate professor and professor.

9 b. "Faculty member" means any full-time member of the  
10 teaching staff appointed with academic rank. [Pursuant to rules  
11 promulgated by the State Board of Higher Education, other]  
12 Other full-time professional persons shall be considered faculty  
13 members if they concurrently hold academic rank.

14 (cf: P.L.1973, c.163, s.2)

15 74. Section 5 of P.L.1973, c.163 (C.18A:60-10) is amended to  
16 read as follows:

17 5. [Under guidelines established by the State Board of Higher  
18 Education it] It shall be the responsibility of the board of trustees  
19 and the president of each State and county college, in conjunction  
20 with their faculty to establish a formal procedure for the career  
21 development of all members of the professional staff including,  
22 but not limited to, a systematic and regular evaluation for the  
23 purpose of identifying any deficiencies, extending assistance for  
24 their correction and improving instruction.

25 (cf: P.L.1973, c.163, s.5)

26 75. Section 1 of P.L.1986, c.194 (C.18A:61C-1) is amended to  
27 read as follows:

28 1. The Commissioner of Education [and the Chancellor of  
29 Higher Education jointly], the Commission on Higher Education,  
30 in consultation with the Presidents' Council, shall establish a  
31 program to promote increased cooperation between the State's  
32 high schools and institutions of higher education. The objective  
33 of this program shall be to increase the access of our State's able  
34 high school students to the educational resources available in our  
35 institutions of higher education. This program shall supplement  
36 the efforts of local school districts to provide appropriate  
37 education to their students and shall not relieve a district of any  
38 obligation established by statute or regulation.

39 The program shall increase the availability of college-level  
40 instruction for high school students through courses offered by  
41 institutions of higher education at their campuses and in high  
42 schools. The program shall seek the involvement of all  
43 institutions of higher education, two-year and four-year, public  
44 and nonpublic, and all school districts, including those which are  
45 not located in close proximity to an appropriate institution of  
46 higher education.

47 (cf: P.L.1986, c.194, s.1)

48 76. Section 3 of P.L.1986, c.194 (C.18A:61C-3) is amended to  
49 read as follows:

50 3. The Department of Education and the [Department of]  
51 Commission on Higher Education each shall adopt, pursuant to  
52 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1  
53 et seq.), rules and regulations necessary to implement the  
54 provisions of this act.

55 (cf: P.L.1986, c.194, s.3)

1 77. Section 1 of P.L.1986, c.193 (C.18A:61C-4) is amended to  
2 read as follows:

3 1. The [Chancellor of the State Department of Higher  
4 Education in cooperation with the] Commissioner of the  
5 Department of Education, in consultation with the Commission on  
6 Higher Education and the Presidents' Council, shall establish a  
7 program to provide courses for college credit on public high  
8 school campuses to high school pupils, through institutions of  
9 higher education in this State.

10 (cf: P.L.1986, c.193, s.1)

11 78. Section 4 of P.L.1986, c.193 (C.18A:61C-7) is amended to  
12 read as follows:

13 4. The [chancellor] commissioner, in consultation with the  
14 Commission on Higher Education and the Presidents' Council,  
15 may limit courses taught under the program to courses which are  
16 equivalent to those offered by the institution of higher education  
17 to its regularly admitted students.

18 (cf: P.L.1986, c.193, s.4)

19 79. Section 5 of P.L.1986, c.193 (C.18A:61C-8) is amended to  
20 read as follows:

21 5. A public institution of higher education shall accept  
22 [pursuant to standards established by the chancellor,] the course  
23 credit of a student who successfully participates in the program.

24 (cf: P.L.1986, c.193, s.5)

25 80. Section 6 of P.L.1986, c.193 (C.18A:61C-9) is amended to  
26 read as follows:

27 6. The [chancellor, in consultation with the] commissioner, in  
28 consultation with the Commission on Higher Education and the  
29 Presidents' Council, and with the approval of the State Board of  
30 [Higher] Education, shall adopt rules and regulations in  
31 accordance with the "Administrative Procedure Act," P.L.1968,  
32 c.410 (C.52:14B-1 et seq.) necessary for the operation of the  
33 program.

34 (cf: P.L.1986, c.193, s.6)

35 81. Section 1 of P.L.1988, c.158 (C.18A:61D-1) is amended to  
36 read as follows:

37 1. Every public and independent institution of higher education  
38 in this State shall, as a condition of admission or continued  
39 enrollment, require every graduate and undergraduate student  
40 who is 30 years of age or less and is enrolled full-time or  
41 part-time in a program or course of study leading to an academic  
42 degree, to submit to the institution a valid immunization record  
43 which documents the administration of all required  
44 immunizations against vaccine-preventable disease, or evidence  
45 of immunity from these diseases, in accordance with regulations  
46 promulgated by the [State Board of Higher Education]  
47 Department of Health. The institution shall keep the records on  
48 file in such form and manner as prescribed by the [State board]  
49 department.

50 (cf: P.L.1988, c.158, s.1)

51 82. Section 2 of P.L.1988, c.158 (C.18A:61D-2) is amended to  
52 read as follows:

53 2. An institution may, in accordance with regulations  
54 promulgated by the [State board] department, exempt from the

1 requirements of section 1 of [this act] P.L.1988, c.158  
2 (C.18A:61D-1) any student who attended an elementary or  
3 secondary school located in this State.

4 (cf: P.L.1988, c.158, s.2)

5 83. Section 4 of P.L.1988, c.158 (C.18A:61D-4) is amended to  
6 read as follows:

7 4. A student who submits to the institution a written  
8 statement that an immunization is medically contraindicated  
9 shall submit a valid immunization record of other administered  
10 immunizations in accordance with regulations promulgated by the  
11 [State board] department.

12 (cf: P.L.1988, c.158, s.4)

13 84. Section 6 of P.L.1988, c.158 (C.18A:61D-6) is amended to  
14 read as follows:

15 6. The [State Board of Higher Education, in consultation with  
16 the Department] Commissioner of Health, shall, pursuant to the  
17 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
18 seq.), promulgate rules and regulations necessary to effectuate  
19 the provisions of this act.

20 (cf: P.L.1988, c.158, s.6)

21 85. Section 1 of P.L.1979, c.31 (C.18A:62-3) is amended to  
22 read as follows:

23 1. Each public institution of higher education in New Jersey  
24 may [, pursuant to such rules and regulations as shall be  
25 promulgated by the State Board of Higher Education,] permit  
26 persons of the age of 65 or more years to enroll without the  
27 payment of any tuition charges in regularly scheduled courses;  
28 provided that available classroom space permits and that tuition  
29 paying students constitute the minimum number required for the  
30 course, provided that nothing herein shall preclude public  
31 institutions from requiring registration fees [, subject to approval  
32 by the State Board,] for individuals attending courses pursuant to  
33 waivers granted under this act.

34 (cf: P.L.1982, c.137, s.1)

35 86. Section 1 of P.L.1979, c.361 (C.18A:62-4) is amended to  
36 read as follows:

37 1. Persons who have been resident within this State for a  
38 period of 12 months prior to enrollment in a public institution of  
39 higher education are presumed to be domiciled in this State for  
40 tuition purposes. Persons who have been resident within this  
41 State for less than 12 months prior to enrollment are presumed to  
42 be nondomiciliaries for tuition purposes. Persons presumed to be  
43 nondomiciled or persons who are presumed to be domiciled, but  
44 whose domiciliary status is challenged by the institution, may  
45 demonstrate domicile according to rules and regulations  
46 established for that purpose by the [Board of] Commission on  
47 Higher Education. Residence established solely for the purpose  
48 of attending a particular educational institution is not domicile  
49 for the purposes of this act.

50 (cf: P.L.1979, c.361, s.1)

51 87. Section 77 of P.L.1991, c.187 (C.18A:62-15) is amended to  
52 read as follows:

53 77. a. Every student enrolled as a full-time student at a  
54 public or private institution of higher education in this State shall

- 1 maintain health insurance coverage which provides basic hospital  
2 benefits. The coverage shall be maintained throughout the period  
3 of the student's enrollment.
- 4 b. Every student enrolled as a full-time student shall present  
5 evidence of the health insurance coverage required by subsection  
6 a. of this section to the institution at least annually, in a manner  
7 prescribed by the institution.
- 8 c. The State [Board of Higher Education] Department of  
9 Health shall require all public and private institutions of higher  
10 education in this State to offer health insurance coverage on a  
11 group or individual basis for purchase by students who are  
12 required to maintain the coverage pursuant to this section.
- 13 d. The [State Board of Higher Education] Commissioner of  
14 Health shall adopt rules and regulations pursuant to the  
15 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
16 seq.) to carry out the purposes of subsections a., b. and c. of this  
17 section.
- 18 e. The Student Assistance Board in but not of the Department  
19 of [Higher Education] Treasury shall adopt rules and regulations  
20 to require that a public or private institution of higher education  
21 in this State consider the coverage required pursuant to this  
22 section as an educational cost for purposes of determining a  
23 student's eligibility for financial aid.
- 24 f. Nothing in this section shall be construed to permit a  
25 hospital in this State to deny access to hospital care to a  
26 full-time student whose health insurance coverage required by  
27 this section lapses for any reason.
- 28 g. The provisions of this section shall not apply to a person  
29 who is a participant in the REACH program established pursuant  
30 to P.L.1987, c.282 (C.44:10-9 et seq.).  
31 (cf: P.L.1991, c.187, s.77)
- 32 88. Section 6 of P.L.1992, c.49 (C.18A:62-21) is amended to  
33 read as follows:
- 34 6. The [State Board of Higher Education] Presidents' Council  
35 shall review the guidelines and procedures developed by the  
36 institutions, in conjunction with the agencies or organizations  
37 sponsoring literacy tutoring programs, to provide assistance in  
38 making the guidelines and procedures the same for all  
39 participating institutions.  
40 (cf: P.L.1992, c.49, s.6)
- 41 89. N.J.S.18A:63-1 is amended to read as follows:  
42 18A:63-1. Summer schools and extension courses for the  
43 purpose of training and educating persons, in the science of  
44 education and in the art of teaching elementary agriculture,  
45 manual training, household economics and such other subjects as  
46 may be prescribed, shall be established and maintained in the  
47 state colleges [and may be provided in such other places as shall  
48 be designated by the board of higher education].  
49 (cf: N.J.S.18A:63-1)
- 50 90. N.J.S.18A:63-2 is amended to read as follows:  
51 18A:63-2. The state colleges and state summer schools may  
52 charge [such] tuition and incidental fees in extension courses and  
53 summer school courses [as are approved by the board of higher  
54 education].  
55 (cf: N.J.S.18A:63-2)



1 91. Section 2 of P.L.1971, c.191 (C.18A:63A-2) is amended to  
2 read as follows:

3 2. The State [Board of Higher Education] Treasurer is hereby  
4 authorized to contract with any and all accredited schools of  
5 veterinary medicine in the United States for the acceptance of  
6 students who are residents of New Jersey for at least 12 months  
7 and desire to study veterinary medicine, and beginning  
8 September, 1971, to expend annually within the limits of  
9 available appropriations such sums as are necessary to accomplish  
10 the intent of this act.

11 (cf: P.L.1971, c.191, s.2)

12 92. Section 3 of P.L.1971, c.191 (C.18A:63A-3) is amended to  
13 read as follows:

14 3. All such contracts shall only be entered into by the [New  
15 Jersey State Board of Higher Education] Treasurer on behalf of  
16 the State with the advice and consent of an advisory committee  
17 consisting of the following: (1) Dean of the College of  
18 Agriculture and Environmental Science or his designee; (2)  
19 President of the New Jersey Veterinary Medical Association; (3)  
20 Secretary of the New Jersey Veterinary Medical Examining Board  
21 and (4) four New Jersey veterinarians appointed by the Governor  
22 for terms of 4 years each. The first four appointees shall be  
23 appointed one for 1 year, one for 2 years, one for 3 years and one  
24 for 4 years, as designated by the Governor.

25 (cf: P.L.1971, c.191, s.3)

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

27 18A:64-1. The Legislature hereby finds that it is in the best  
28 interest of the State that the State colleges shall be and continue  
29 to be given a high degree of self-government and that the  
30 government and conduct of the colleges shall be free of  
31 partisanship. The Legislature finds further that a  
32 decentralization of authority and decision-making to the boards  
33 of trustees and administrators of the State colleges [in the areas  
34 of personnel, budget execution, purchasing and contracting] will  
35 enhance the idea of self-government. Such colleges shall be  
36 maintained for the purpose of providing higher education in the  
37 liberal arts and sciences and various professional areas, including  
38 the science of education and the art of teaching, at such places  
39 as may be provided by law. The names of the colleges shall be  
40 designated by the board of trustees [with the approval of the  
41 board of higher education] subject to regulations of the  
42 commission on higher education concerning university status.  
43 The name of each of the existing State colleges shall continue the  
44 same unless a new name is so designated.

45 (cf: P.L. 1986, c.42, s.2)

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

47 18A:64-3. [Each such board of trustees shall consist of nine  
48 citizens of the State, not more than three of whom shall reside in  
49 any one county and of whom at least two shall be women, who  
50 shall be appointed by the Board of Higher Education, subject to  
51 the approval of the Governor. In addition to the citizen members,  
52 the Chancellor of Higher Education, or the chancellor's designee,  
53 shall serve on each board as an ex officio, nonvoting member.]  
54 The composition and size of the board of trustees shall be

1 determined by the board; however, each board shall have not less  
2 than seven nor more than 15 members. The members shall be  
3 citizens of the State appointed by the Governor <sup>1</sup>with the advice  
4 and consent of the Senate<sup>1</sup>. Each board of trustees shall  
5 recommend potential new members to the Governor. The terms  
6 of office of appointed members shall be for six years beginning on  
7 July 1 and ending on June 30 [, except that of the members first  
8 appointed, two shall be appointed for terms expiring June 30,  
9 1967; two for terms expiring June 30, 1968; two for terms  
10 expiring June 30, 1969; one for a term expiring June 30, 1970; one  
11 for a term expiring June 30, 1971; and one for a term expiring  
12 June 30, 1972]. Each member shall serve until his successor shall  
13 have been appointed and qualified and vacancies shall be filled in  
14 the same manner as the original appointments for the remainders  
15 of the unexpired terms. Any member of a board of trustees may  
16 be removed by the Governor for cause upon notice and  
17 opportunity to be heard.

18 (cf: P.L.1986, c.42, s.3)

19 95. Section 1 of P.L.1986, c.139 (C.18A:64-3.1) is amended to  
20 read as follows:

21 1. The board of trustees of any State college established  
22 pursuant to chapter 64 of Title 18A of the New Jersey Statutes  
23 shall provide for the election of two student representatives as  
24 provided herein, who shall be full-time, regularly matriculated  
25 students in good academic standing, and who shall be 18 years of  
26 age or older and citizens of the United States, to be elected by  
27 the students in the manner provided herein to serve on the board  
28 of trustees of that college for terms of two years commencing at  
29 the next organization of the board.

30 a. In order to implement the provisions of this section, each  
31 board of trustees shall schedule a public hearing on the question  
32 of the student election. After the public hearing, the board, at  
33 its regularly scheduled meeting in March following the effective  
34 date of this act, shall determine whether the students are to be  
35 elected by the student body at large or by the members of the  
36 student government association. Except that, for Thomas A.  
37 Edison State College, the method of the selection and the  
38 designation of eligible academic status of the student  
39 representatives shall be determined by the board of that college  
40 [in consultation with the State Board of Higher Education].

41 b. For the first election held pursuant to this section, one  
42 student shall be elected for a one year term as a full voting  
43 member, and one student shall be elected for two years, but shall  
44 serve as an alternate member during the first year and as a  
45 voting member during the second year.

46 At each subsequent election, one student shall be elected for  
47 two years, but shall serve during the first year as an alternate  
48 member, and as a voting member during the second year.

49 Any vacancies which occur shall be filled by the student  
50 governing body for the unexpired term only.

51 c. The standards for eligibility for student representatives on  
52 the board of trustees shall be the same as those required for  
53 other student government officers.

54 d. The student members shall be entitled to full participation

1 in all activities of the board except that they shall not  
2 participate in:

3 (1) Any matter involving the employment, appointment,  
4 termination of employment, terms and conditions of employment,  
5 evaluation of the performance of, promotion or disciplining of  
6 any specific prospective officer or employee or current officer or  
7 employee employed or appointed by the board, unless all the  
8 individual employees or appointees whose rights could be  
9 adversely affected request in writing that the matter or matters  
10 be discussed at a public meeting.

11 (2) Any matter involving the purchase, lease, acquisition or  
12 sale of real property with public funds, the setting of banking  
13 rates or investment of public funds, where it could adversely  
14 affect the public interest if discussion of these matters were  
15 disclosed.

16 (3) Any pending or anticipated litigation in which the board is,  
17 or may become, a party, where it could adversely affect the  
18 public interest if discussion of these matters were disclosed, or  
19 any matters falling within the attorney-client privilege, to the  
20 extent that confidentiality is required in order for the attorney to  
21 exercise his ethical duties as a lawyer.

22 e. Upon assuming office, the students shall agree to adhere to  
23 such standards of responsibility and confidentiality as are  
24 established by the [State Board of Higher Education] board of  
25 trustees.

26 (cf: P.L.1988, c.82, s.1).

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

28 18A:64-6. The board of trustees of a State college shall [,  
29 subject to the general policies, guidelines, and procedures set by  
30 the Board of Higher Education,] have general supervision over and  
31 shall be vested with the conduct of the college. It shall [, subject  
32 to the general policies, guidelines, and procedures set by the  
33 Board of Higher Education,] have the power and duty to:

34 a. Adopt and use a corporate seal;

35 b. Determine the educational curriculum and program of the  
36 college consistent with the programmatic mission of the  
37 institution or approved by the Commission on Higher Education;

38 c. Determine policies for the organization, administration and  
39 development of the college;

40 d. Study the educational and financial needs of the college;  
41 annually acquaint the Governor and Legislature with the  
42 condition of the college; and prepare [, and after concurrence by  
43 and jointly with the Board of Higher Education,] and present the  
44 annual budget to the Governor, the Division of Budget and  
45 Accounting in the Department of Treasury and the Legislature in  
46 accordance with law;

47 e. Disburse all moneys appropriated to the college by the  
48 Legislature and all moneys received from tuition, fees, auxiliary  
49 services and other sources;

50 f. Direct and control expenditures and transfers of funds  
51 appropriated to the college and tuition received by the college, in  
52 accordance with the provisions of the State budget and  
53 appropriation acts of the Legislature, reporting changes and  
54 additions thereto and transfers thereof to the Director of the

- 1 Division of Budget and Accounting in the State Department of  
2 the Treasury [and to the Chancellor of Higher Education] and as  
3 to funds received from other sources, direct and control  
4 expenditures and transfers in accordance with the terms of any  
5 applicable trusts, gifts, bequests, or other special provisions. All  
6 accounts of the college shall be subject to audit by the State at  
7 any time;
- 8 g. In accordance with the provisions of the State budget and  
9 appropriation acts of the Legislature, appoint and fix the  
10 compensation of a president of the college, who shall be the  
11 executive officer of the college and an ex officio member of the  
12 board of trustees, without vote, and shall serve at the pleasure of  
13 the board of trustees;
- 14 h. Notwithstanding the provisions of Title 11, Civil Service, of  
15 the Revised Statutes, upon nomination by the president appoint a  
16 treasurer and such deans and other professional members of the  
17 academic, administrative and teaching staffs as defined in  
18 section 13 of P.L.1986, c.42 (C.18A:64-21.2) as shall be required  
19 and fix their compensation and terms of employment in  
20 accordance with salary ranges and policies [adopted by the Board  
21 of Higher Education, and concurred in by the Governor,] which  
22 [salary policies] shall prescribe qualifications for various  
23 classifications and shall limit the percentage of the educational  
24 staff that may be in any given classification;
- 25 i. Upon nomination by the president, appoint, remove, promote  
26 and transfer such other officers, agents or employees as may be  
27 required for carrying out the purposes of the college and assign  
28 their duties, determine their salaries and prescribe qualifications  
29 for all positions, all in accordance with the provisions of Title 11,  
30 Civil Service, of the Revised Statutes;
- 31 j. Grant diplomas, certificates and degrees;
- 32 k. Pursuant to the provisions of the "State College Contracts  
33 Law," P.L.1986, c.43 (C.18A:64-52 et seq.) enter into contracts  
34 and agreements for the purchase of lands, buildings, equipment,  
35 materials, supplies and services; enter into contracts and  
36 agreements with the State or any of its political subdivisions or  
37 with the United States, or with any public body, department or  
38 other agency of the State or the United States or with any  
39 individual, firm, or corporation, which are deemed necessary or  
40 advisable by the board for carrying out the purposes of the  
41 college;
- 42 l. If necessary, take and condemn land and other property in  
43 the manner provided by the "Eminent Domain Act of 1971,"  
44 P.L.1971, c.361 (C.20:3-1 et seq.), whenever authorized by law to  
45 purchase land or other property;
- 46 m. Adopt, after consultation with the president and faculty,  
47 bylaws and make and promulgate such rules, regulations and  
48 orders, not inconsistent with the provisions of this article, that  
49 are necessary and proper for the administration and operation of  
50 the college and the carrying out of its purposes;
- 51 n. Establish fees for room and board sufficient for the  
52 operation, maintenance, and rental of student housing and food  
53 service facilities;
- 54 o. Fix and determine [, within guidelines established by the

- 1 Board of Higher Education,] tuition rates and other fees to be  
2 paid by students;
- 3 p. Accept from any government or governmental department,  
4 agency or other public or private body or from any other source  
5 grants or contributions of money or property, which the board  
6 may use for or in aid of any of its purposes;
- 7 q. Acquire by gift, purchase, condemnation or otherwise, own,  
8 lease, dispose of, use and operate property, whether real,  
9 personal or mixed, or any interest therein, which is necessary or  
10 desirable for college purposes;
- 11 r. Employ architects to plan buildings; secure bids for the  
12 construction of buildings and for the equipment thereof; make  
13 contracts for the construction of buildings and for equipment; and  
14 supervise the construction of buildings. [All capital expenditures  
15 in excess of \$500,000.00 shall be subject to the approval of the  
16 Board of Higher Education];
- 17 s. Manage and maintain, and provide for the payment of all  
18 charges and expenses in respect to all properties utilized by the  
19 college;
- 20 t. Borrow money for the needs of the college, as deemed  
21 requisite by the board, in such amounts, and for such time and  
22 upon such terms as may be determined by the board, provided  
23 that this borrowing shall not be deemed or construed to create or  
24 constitute a debt, liability, or a loan or pledge of the credit, or be  
25 payable out of property or funds, other than moneys appropriated  
26 for that purpose, of the State;
- 27 u. Authorize any new program, educational department or  
28 school [which will require, at the time of establishment or  
29 thereafter, an additional expenditure of money, if the  
30 establishment thereof is approved by the Board of Higher  
31 Education and provision is made therefor by law] consistent with  
32 the institution's programmatic mission or approved by the  
33 commission;
- 34 v. [Formulate and submit to the Board of Higher Education an  
35 institutional plan consistent with the rules and regulations of the  
36 Board of Higher Education] deleted by amendment, P.L. , c.  
37 (C. ) (now pending before the Legislature as this bill); and
- 38 w. Pursuant to the "State College Contracts Law," P.L.1986,  
39 c.43 (C.18A:64-52 et seq.), award contracts and agreements for  
40 the performance of any construction work or the furnishing of  
41 any materials or supplies to the lowest responsible bidder whose  
42 bid, conforming to the invitation for bids, will be most  
43 advantageous to the State colleges.  
44 (cf: P.L.1992, c.61, s.1)
- 45 97. N.J.S.18A:64-7 is amended to read as follows:  
46 18A:64-7. The board of trustees of a state college, in addition  
47 to the other powers and duties provided herein [and within the  
48 general policies and guidelines set by the board of higher  
49 education], shall have and exercise the powers, rights and  
50 privileges that are incident to the proper government, conduct  
51 and management of the college, and the control of its properties  
52 and funds and such powers granted to the college or the board or  
53 reasonably implied, may be exercised without recourse or  
54 reference to any department or agency of the state, except as

1 otherwise provided by this article or applicable law.

2 (cf: N.J.S.18A:64-7)

3 98. N.J.S.18A:64-11 is amended to read as follows:

4 18A:64-11. The board of trustees of each state college is  
5 authorized and empowered to conduct summer schools and  
6 extension courses through the six state colleges for the purpose  
7 of giving further training to the teachers in the public schools of  
8 this state and to charge fees therefor [to be fixed by the board of  
9 higher education and] to be collected by the treasurers of the  
10 several state colleges.

11 (cf: N.J.S.18A:64-11)

12 99. N.J.S.18A:64-13 is amended to read as follows:

13 18A:64-13. Students in each State college who are residents of  
14 New Jersey shall be required to pay each year a minimum tuition  
15 fee and nonresidents of the State shall pay an additional fee.  
16 Such fees and any increase of the minimum tuition fee shall be  
17 determined by each college board of trustees [pursuant to  
18 guidelines set by the Board of Higher Education]. The board of  
19 trustees may waive the payment of the college's anticipated  
20 tuition revenues to accomplish mission-related or policy goals.

21 (cf: P.L.1986, c.42, s.5)

22 100. Section 4 of P.L.1983, c.469 (C.18A:64-13.4) is amended  
23 to read as follows:

24 4. The [Board of Higher Education] Commissioner of Labor, in  
25 consultation with the Presidents' Council, shall promulgate rules  
26 and regulations necessary to effectuate the purposes of this act.  
27 Regulations of the State Board of Higher Education implementing  
28 this act shall remain in full force and effect until modified or  
29 repealed by the Commissioner of Labor.

30 (cf: P.L.1983, c.469, s.4)

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

32 18A:64-18. a. Moneys which are derived by the State colleges  
33 as room and board revenues from student housing and food  
34 service facilities and which are not pledged for the payment of  
35 principal and interest on bonds of this State and which are in  
36 excess of sums required for the operation, maintenance, and  
37 rental of such facilities shall be retained in a separate account by  
38 each college and may be expended by each college for the cost of  
39 operation, maintenance and rental of such facilities in subsequent  
40 years. The unexpended balance in any such account at the end of  
41 any fiscal year shall not lapse into the General Treasury.

42 b. Moneys which are derived from student union building fees  
43 collected at a State college, which are in excess of the sums  
44 required for the operation, maintenance and rental of such a  
45 facility, shall be retained in a separate account by each college  
46 and may be expended by each college for the cost of operation,  
47 maintenance and rental of such facilities in subsequent years.  
48 The unexpended balance of any such account at the end of any  
49 fiscal year shall not lapse into the General Treasury.

50 c. Moneys which are derived from the operation of parking  
51 facilities, and any other facilities financed by student fees, which  
52 are in excess of sums required for the operation and maintenance  
53 of such facilities at a State college, shall be retained in a  
54 separate account by each college and may be expended by each

1 college for the cost of operation, maintenance and rental of such  
2 facilities in subsequent years. The unexpended balance of any  
3 such account at the end of any fiscal year shall not lapse into the  
4 General Treasury.

5 d. No revenues received pursuant to this section shall be  
6 transferred from their respective accounts if contractual  
7 obligations between the college [,] and the New Jersey  
8 Educational Facilities Authority [and the Board of Higher  
9 Education] prohibit these actions.

10 (cf: P.L.1986, c.42, s.7)

11 102. Section 12 of P.L.1986, c.42 (C.18A:64-21.1) is amended  
12 to read as follows:

13 12. The Governor shall continue to function as the public  
14 employer under the "New Jersey Employer-Employee Relations  
15 Act," P.L.1941, c.100 (C.34:13A-1 et seq.) and through the Office  
16 of Employee Relations act as the chief spokesperson on behalf of  
17 the State colleges with respect to all matters under negotiation.  
18 One representative of the State college sector shall be designated  
19 by the Governor as a member of the negotiating team, upon  
20 recommendation by the State colleges.

21 (cf: P.L.1986, c.42, s.12)

22 103. Section 4 of P.L.1982, c.16 (C.18A:64-29) is amended to  
23 read as follows:

24 4. An auxiliary organization may engage only in such  
25 operations and may serve only such functions as are allowed by  
26 law and as shall be approved by the [Board of Higher Education]  
27 board of trustees of the college. Such functions or operations  
28 may include, but shall not be limited to:

- 29 a. operation of student centers;
- 30 b. operation of student pubs;
- 31 c. management of student dormitories;
- 32 d. operation of college bookstores.

33 (cf: P.L.1982, c.16, s.4)

34 104. Section 9 of P.L.1982, c.16 (C.18A:64-34) is amended to  
35 read as follows:

36 9. An auxiliary organization shall maintain its own bank  
37 accounts and shall make such purchases as are necessary to its  
38 operation, without regard to the provisions of P.L.1954, c.48  
39 (C.52:34-6 et seq.), pursuant to regulations promulgated by the  
40 Board of [Higher Education] Trustees.

41 (cf: P.L.1982, c.16, s.9)

42 105. Section 11 of P.L.1982, s.16 (C.18A:64-36) is amended to  
43 read as follows:

44 11. An auxiliary organization may accept any grant, contract,  
45 bequest, trust or gift unless the Board of [Higher Education]  
46 Trustees determines that acceptance would be contrary to  
47 policies of the [Board of Higher Education] institution or  
48 inconsistent with public policy.

49 (cf: P.L. 1982, c.16, s.11)

50 106. Section 17 of P.L.1982, c.16 (C.18A:64-42) is amended to  
51 read as follows:

52 17. The [Board of Higher Education] board of trustees shall,  
53 prior to the operation of any auxiliary organization under this act:

- 54 a. Institute with the approval of the Director of the Division

1 of Budget and Accounting a standard Statewide accounting and  
2 reporting system for businesslike management of the operation of  
3 auxiliary organizations.

4 b. Implement financial standards which will tend to assure the  
5 fiscal viability of auxiliary organizations. These standards shall  
6 include proper provisions for professional management, adequate  
7 working capital, adequate reserve funds for current operations  
8 and capital replacements, insurance, and adequate provisions for  
9 new business requirements.

10 c. Institute procedures to assure that transactions of the  
11 auxiliary organizations are within the educational purposes of the  
12 college [and the Board of Higher Education].

13 d. Develop policies for the appropriation of surplus funds not  
14 required to implement section 15 of P.L.1982, c.16  
15 (C.18A:64-40). Uses of such funds shall be regularly reported to  
16 the board of trustees of the college.

17 e. [Promulgate regulations determining] Determine which  
18 college employees may also be employed by the auxiliary  
19 organization and the terms and conditions of such employment.

20 [f. Promulgate regulations for the effective enforcement of  
21 this act.]

22 (cf: P.L.1982, c.16, s.17)

23 107. Section 18 of P.L.1982, c.16 (C.18A:64-43) is amended to  
24 read as follows:

25 18. A certified public accountant shall be selected by each  
26 auxiliary organization. [Upon being notified of the certified  
27 public accountant selected by an auxiliary organization, the  
28 office of the chancellor shall forward the applicable auditing and  
29 reporting procedures to the selected certified public accountant.  
30 In accordance with procedures prescribed by the Board of Higher  
31 Education the] The certified public accountant shall annually  
32 audit the auxiliary organization's funds. Auxiliary organizations  
33 shall contract for and receive such audit annually, and shall  
34 submit the audit to the board of trustees of the college , and to  
35 the [Board of Higher Education and the] Director of the Division  
36 of Budget and Accounting.

37 (cf: P.L.1982, c.16, s.18)

38 108. Section 2 of P.L.1985, c.161 (C.18A:64-46) is amended to  
39 read as follows:

40 2. The association shall consist of nine voting members to be  
41 appointed as follows: one member from each of the State college  
42 boards of trustees, appointed by the members thereof. In  
43 addition [, the Chancellor of Higher Education and] the presidents  
44 of the State colleges shall serve as ex officio, nonvoting members.

45 Members shall serve without compensation but shall be entitled  
46 to be reimbursed for all reasonable and necessary expenses.

47 (cf: P.L.1985, c.161, s.2)

48 109. Section 6 of P.L.1985, c.161 (C.18A:64-50) is amended to  
49 read as follows:

50 6. The association shall encourage and aid all movements for  
51 the improvement of State college education and shall, from time  
52 to time, make recommendations to the [Board of Higher  
53 Education] Governor, Legislature, Commission on Higher  
54 Education and Presidents' Council regarding the coordination of



1 the State colleges on matters of mutual interest and concern.

2 (cf: P.L.1985, c.161, s.6)

3 110. Section 3 of P.L.1986, c.43 (C.18A:64-54) is amended to  
4 read as follows:

5 3. a. Any purchase, contract or agreement for the  
6 performance of any work or the furnishing or hiring of materials  
7 or supplies, the cost or price of which, together with any sums  
8 expended for the performance of any work or services in  
9 connection with the same project or the furnishing of similar  
10 materials or supplies during the same fiscal year, paid with or out  
11 of college funds, does not exceed the total sum of \$7,500.00 or,  
12 commencing January 1, 1985, the amount determined pursuant to  
13 subsection b. of this section, in any fiscal year may be made,  
14 negotiated and awarded by a contracting agent, when so  
15 authorized by resolution of the board of trustees of the State  
16 college without public advertising for bids and bidding therefor.

17 b. Commencing January 1, 1985 and every two years  
18 thereafter, the Governor, in consultation with the Department of  
19 the Treasury, shall adjust the threshold amount set forth in  
20 subsection a. of this section in direct proportion to the rise or fall  
21 of the Consumer Price Index for all urban consumers in the New  
22 York and Northeastern New Jersey and the Philadelphia areas, as  
23 reported by the United States Department of Labor. The  
24 adjustment shall become effective on July 1 of the year in which  
25 it is reported.

26 c. Any purchase, contract or agreement made pursuant to this  
27 section may be awarded for a period of 12 consecutive months,  
28 notwithstanding that the 12-month period does not coincide with  
29 the fiscal year. [The Department of Higher Education shall adopt  
30 and promulgate rules and regulations concerning the methods of  
31 accounting for all contracts that do not coincide with the fiscal  
32 year.]

33 (cf: P.L.1986, c.43, s.3)

34 111. Section 5 of P.L.1986, c.43 (C.18A:64-56) is amended to  
35 read as follows:

36 5. Any purchase, contract or agreement of the character  
37 described in section 4 of [this article] P.L.1986, c.43  
38 (C.18A:64-55) may be made, negotiated or awarded by the State  
39 college by resolution at a public meeting of its board of trustees  
40 without public advertising for bids or bidding therefor if:

41 a. The subject matter thereof consists of:

42 (1) Professional services; or

43 (2) Extraordinary unspecifiable services and products which  
44 cannot reasonably be described by written specifications, subject,  
45 however, to [the rules and regulations of the Board of Higher  
46 Education] procedures consistent with open public bidding  
47 whenever possible; or

48 (3) Materials or supplies which are not available from more  
49 than one potential bidder, including without limitation materials  
50 or supplies which are patented or copyrighted; or

51 (4) The doing of any work by employees of the State college; or

52 (5) The printing of all legal notices and legal briefs, records  
53 and appendices to be used in any legal proceeding to which the  
54 State college may be a party; or

- 1 (6) Textbooks, copyrighted materials, student produced  
2 publications and services incidental thereto, library materials  
3 including without limitation books, periodicals, newspapers,  
4 documents, pamphlets, photographs, reproductions, microfilms,  
5 pictorial or graphic works, musical scores, maps, charts, globes,  
6 sound recordings, slides, films, filmstrips, video and magnetic  
7 tapes, other printed or published matter and audiovisual and other  
8 materials of a similar nature, necessary binding or rebinding of  
9 library materials and specialized library services; or
- 10 (7) Food supplies and services, including food supplies and  
11 management contracts for student centers, dining rooms and  
12 cafeterias [pursuant to rules and regulations of the Board of  
13 Higher Education]; or
- 14 (8) The supplying of any product or the rendering of any  
15 service by the public utility which is subject to the jurisdiction of  
16 the Board of Public Utilities, in accordance with tariffs and  
17 schedules of charges made, charged and exacted, filed with that  
18 board; or
- 19 (9) Equipment repair service if in the nature of an  
20 extraordinary unspecifiable service and necessary parts furnished  
21 in connection with the services; or
- 22 (10) Specialized machinery or equipment of a technical nature  
23 which will not reasonably permit the drawing of specifications,  
24 and the procurement thereof without advertising is in the public  
25 interest; or
- 26 (11) Insurance, including the purchase of insurance coverage  
27 and consulting services, which exceptions shall be in accordance  
28 with the requirements for extraordinary unspecifiable services; or
- 29 (12) Publishing of legal notices in newspapers as required by  
30 law; or
- 31 (13) The acquisition of artifacts or other items of unique  
32 intrinsic, artistic or historic character; or
- 33 (14) The collection of amounts due on student loans, including  
34 without limitation loans guaranteed by or made with funds of the  
35 United States of America; or
- 36 (15) Professional consulting services; or
- 37 (16) Entertainment, including without limitation theatrical  
38 presentations, band and other concerts, movies and other  
39 audiovisual productions; or
- 40 (17) Contracts employing funds created by student activities  
41 fees charged to students or otherwise raised by students, not  
42 under the direct control of the college and expended by student  
43 organizations; or
- 44 (18) Printing, including without limitation catalogs, yearbooks  
45 and course announcements; or
- 46 (19) Data processing software programs, systems and service  
47 and the rental or lease of data processing equipment; or
- 48 (20) Personnel recruitment and advertising, including without  
49 limitation advertising seeking student enrollment; or
- 50 (21) Educational supplies, books, articles of clothing and other  
51 miscellaneous articles purchased by a State college bookstore for  
52 resale to college students and employees; or
- 53 (22) Purchase or rental of graduation caps and gowns and award  
54 certificates or plaques.

1 b. It is to be made or entered into with the United States of  
2 America, the State of New Jersey, a county or municipality or  
3 any board, body, or officer, agency or authority or any other  
4 state or subdivision thereof.

5 c. The State college has advertised for bids pursuant to section  
6 4 of [this article] P.L.1986, c.43 (C.18A:64-55) on two occasions  
7 and (i) has received no bids on both occasions in response to its  
8 advertisement, or (ii) has rejected the bids on two occasions  
9 because the State college has determined that they are not  
10 reasonable as to price, on the basis of cost estimates prepared for  
11 or by the State college prior to the advertising therefor, or have  
12 not been independently arrived at in open competition, or (iii) on  
13 one occasion no bids were received pursuant to (i) and on one  
14 occasion all bids were rejected pursuant to (ii), in whatever  
15 sequence; any contract or agreement may then be negotiated by a  
16 two-thirds affirmative vote of the authorized membership of the  
17 board of trustees authorizing the contract or agreement; provided  
18 that:

19 (1) A reasonable effort is just made by the contracting agent  
20 to determine that the same or equivalent materials or supplies at  
21 a cost which is lower than the negotiated price are not available  
22 from any agency or authority of the United States, the State of  
23 New Jersey or of the county in which the State college is located,  
24 or any municipality in close proximity to the State college;

25 (2) The terms, conditions, restrictions and specifications set  
26 forth in the negotiated contract or agreement are not  
27 substantially different from those which were the subject of  
28 competitive bidding pursuant to section 4 of this article; and

29 (3) Any minor amendment or modification of any of the terms,  
30 conditions, restrictions and specifications, which were the subject  
31 of competitive bidding pursuant to section 4 of [this act]  
32 P.L.1986, c.43 (C.18A:64-55), shall be stated in the resolution  
33 awarding the contract or agreement; except that if on the second  
34 occasion the bids received are rejected as unreasonable as to  
35 price, the State college shall notify each responsible bidder  
36 submitting bids on the second occasion of its intention to  
37 negotiate and afford each bidder a reasonable opportunity to  
38 negotiate, but the State college shall not award the contract or  
39 agreement unless the negotiated price is lower than the lowest  
40 rejected bid price submitted on the second occasion by a  
41 responsible bidder, is the lowest negotiated price offered by any  
42 reasonable vendor, and is a reasonable price for the work,  
43 materials, supplies or services. Whenever a State college shall  
44 determine that a bid was not arrived at independently in open  
45 competition pursuant to subsection c. (ii) of [section 5 of] this  
46 [article] section, it shall thereupon notify the Attorney General  
47 of the facts upon which its determination is based and, when  
48 appropriate, it may institute appropriate proceedings in any State  
49 or federal court of competent jurisdiction for a violation of any  
50 State or federal antitrust law or laws relating to the unlawful  
51 restraint of trade.

52 (cf: P.L.1986, c.43, s.5)

53 112. Section 7 of P.L.1986, c.43 (C.18A:64-58) is amended to  
54 read as follows:

1 7. No purchase, contract or agreement which is single in  
2 character or which necessarily or by reason of the quantities  
3 required to effectuate the purpose of the purchase, contract or  
4 agreement includes the furnishing of additional services or  
5 equipment or buying materials or supplies or the doing of  
6 additional work, shall be subdivided so as to bring it or any of the  
7 parts thereof under the maximum price or cost limitation set  
8 forth in [this article or in a regulation of the Board of Higher  
9 Education] P.L.1986, c.43 (C.18A:64-52 et seq.), thus dispensing  
10 with the requirement of public advertising and bidding therefor.  
11 Where the doing of any work is included in or incident to the  
12 performance or completion of any project which is single in  
13 character or inclusive of the furnishing of additional work,  
14 materials or supplies or which requires the furnishing of more  
15 than one article of materials or supplies, all of the work,  
16 materials or supplies requisite for the completion of the project  
17 shall be included in one purchase, contract or agreement.

18 (cf: P.L.1986, c.43, s.7)

19 113. Section 10 of P.L.1986, c.43 (C.18A:64-61) is amended to  
20 read as follows:

21 10. The board of trustees of two or more State colleges may  
22 provide jointly by agreement for the purchasing of work,  
23 materials, or supplies for their respective colleges, and also may  
24 [, pursuant to regulations of the Board of Higher Education,]  
25 enter into a joint purchasing agreement with other units of State  
26 or local government.

27 (cf: P.L.1986, c.43, s.10)

28 114. Section 12 of P.L.1986, c.43 (C.18A:64-63) is amended to  
29 read as follows:

30 12. Joint purchases and all agreements pertaining thereto shall  
31 be subject to all provisions of law [and the applicable rules and  
32 regulations of the Board of Higher Education].

33 (cf: P.L.1986, c.43, s.12)

34 115. Section 14 of P.L.1986, c.43 (C.18A:64-65) is amended to  
35 read as follows:

36 14. All advertisements for bids shall be published in a legal  
37 newspaper sufficiently in advance of the date fixed for receiving  
38 the bids to promote competitive bidding but in no event less than  
39 [30 days prior to that date for construction projects requiring the  
40 approval of the State Board of Higher Education and] 10 days  
41 prior to that date for any construction projects or any other  
42 contract or purchase. The advertisement shall designate the  
43 manner of submitting and of receiving the bids and the time and  
44 place at which the bids will be received. If the published  
45 specifications provide for receipt of bids by mail, those bids  
46 which are mailed to the State college shall be sealed and shall be  
47 opened only at such time and place as all bids received are  
48 unsealed and announced. At that time and place, the contracting  
49 agent of the State college shall publicly receive the bids and  
50 thereupon immediately proceed to unseal them and publicly  
51 announce the contents, which announcement shall be made in the  
52 presence of any parties bidding or their agents who are then and  
53 there present. A proper record of the prices and terms shall be  
54 made. No bids shall be received after the time designated in the

1 advertisement.

2 (cf: P.L.1993, c.60, s.1)

3 116. Section 24 of P.L.1986, c.43 (C.18A:64-75) is amended to  
4 read as follows:

5 24. All plans and specifications for the erection, alteration,  
6 improvement or repair of college buildings shall be drawn by or  
7 under the supervision of an appropriate officer employed by the  
8 college to whom these powers shall have been delegated by the  
9 Board of Trustees. [All capital expenditures in excess of  
10 \$500,000.00 shall be subject to the approval of the Board of  
11 Higher Education.]

12 (cf: P.L.1986, c.43, s.24)

13 117. Section 28 of P.L.1986, c.43 (C.18A:64-79) is amended to  
14 read as follows:

15 28. A State college may only enter a contract exceeding 12  
16 consecutive months for the:

17 a. Supplying of

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

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

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

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

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

30 e. Insurance for any term of not more than three years; or

31 f. Leasing or service of automobiles, motor vehicles,  
32 electronic communications equipment, machinery and equipment  
33 of every nature and kind for any term not exceeding in the  
34 aggregate five years [; however, these contracts shall be entered  
35 into only subject to and in accordance with the rules and  
36 regulations promulgated by the Board of Higher Education]; or

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

40 h. Providing of food supplies and services, including food  
41 supplies and management contracts for student centers, dining  
42 rooms and cafeterias, for a term not exceeding three years; or

43 i. Performance of work or services or the furnishing of  
44 materials or supplies for the purpose of conserving energy in  
45 buildings owned by, or operations conducted by, the contracting  
46 unit, the entire price of which is to be established as a  
47 percentage of the resultant savings in energy costs, for a term  
48 not exceeding 10 years; provided that a contract is entered into  
49 only subject to and in accordance with rules and regulations  
50 adopted by the Department of Energy establishing a methodology  
51 for computing energy cost savings; or

52 j. Any single project for the construction, reconstruction or  
53 rehabilitation of a public building, structure or facility, or a  
54 public works project, including the retention of the services of an

1 architect or engineer in connection with the project, for the  
2 length of time necessary for the completion of the actual  
3 construction; or

4 k. The management and operation of bookstores for a term not  
5 exceeding five years.

6 All multiyear leases and contracts entered into pursuant to this  
7 section, except contracts for the leasing or servicing of  
8 equipment supplied by a telephone company which is subject to  
9 the jurisdiction of the Board of Public Utilities or contracts and  
10 agreements for the provision of work or the supplying of  
11 equipment to promote energy conservation and authorized  
12 pursuant to subsection i. of this section, shall contain a clause  
13 making them subject to the availability and appropriation  
14 annually of sufficient funds to meet the extended obligation or  
15 contain an annual cancellation clause.

16 (cf: P.L.1986, c.43, s.28)

17 118. Section 30 of P.L.1986, c.43 (C.18A:64-81) is amended to  
18 read as follows:

19 30. No action for damages shall lie against the Board of Higher  
20 Education, the Commission on Higher Education, the Presidents'  
21 Council, any State official, any State college or its board of  
22 trustees or any of its officers because of any action taken by  
23 virtue of the provisions of this article.

24 (cf: P.L.1986, c.43, s.30)

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

26 18A:64A-1. As used in this chapter:

27 a. "Base year" means the fiscal year 2 years prior to that in  
28 which the budget is to be implemented; provided, however, for  
29 determining the level of State aid for fiscal 1982, the "base year"  
30 shall be the fiscal year 3 years prior to that in which the budget  
31 is to be implemented;

32 b. "Capital outlay expense" means those funds devoted to or  
33 required for the acquisition, landscaping or improvement of land;  
34 the acquisition, construction, reconstruction, improvement,  
35 remodeling, alteration, addition or enlargement of buildings or  
36 other structures; and the purchase of furniture, apparatus and  
37 other equipment;

38 c. "County college" means an educational institution  
39 established or to be established by one or more counties, offering  
40 programs of instruction, extending not more than two years  
41 beyond the high school, which may include but need not be  
42 limited to specialized or comprehensive curriculums, including  
43 college credit transfer courses, terminal courses in the liberal  
44 arts and sciences, and technical institute type programs;

45 d. "Educational and general costs" means expenditures of a  
46 county college [audited and approved] according to regulations  
47 established by the [Board of Higher Education] State Treasurer;

48 e. "Local bond law" means the local bond law, chapters 1 and  
49 2 of Title 40A of the New Jersey Statutes (N.J.S.40A:1-1 et seq.);

50 f. "Operational expense" means those funds devoted to or  
51 required for the regular or ordinary expenses of the college,  
52 including administrative, maintenance, minor capital and salary  
53 expenses but excluding capital outlay expenses;

54 g. "Elected public official" means a person elected to a public

1 office in the State of New Jersey other than an elected  
2 representative serving on a board of education pursuant to the  
3 provisions of N.J.S.18A:12-1 and section 1 of P.L.1977, c.30  
4 (C.18A:54-16.1).

5 (cf: P.L.1983, c.518, s.1)

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

7 18A:64A-2. When the board of chosen freeholders of one or  
8 more counties, after study and investigation, shall deem it  
9 advisable for such county or counties to establish a county  
10 college, such board or boards of county freeholders may petition  
11 the [board of] commission on higher education for permission to  
12 establish and operate a county college. A report shall be attached  
13 to such petition and shall include information on the higher  
14 educational needs of the county or counties, a description of the  
15 proposed county college, the proposed curriculum, an estimate of  
16 the cost of establishing and maintaining such county college, and  
17 any other information or data deemed pertinent.

18 [Upon receipt of such petition by the board of higher education,  
19 it shall be referred to the chancellor who shall make an  
20 independent study as to the higher educational needs of the  
21 county or counties, the necessity or advisability of establishing  
22 such county college, and whether the county or counties could,  
23 with the state aid provided for in this chapter, financially support  
24 such college. The chancellor shall submit a report containing his  
25 conclusions to the board of higher education and to the  
26 petitioning board or boards of chosen freeholders.]

27 The [board of higher education, after studying both the petition  
28 of the board or boards of chosen freeholders and the report of the  
29 chancellor,] commission shall determine whether there is a need  
30 for such college and whether the county or counties have the  
31 financial capacity to support such college. If the [board of higher  
32 education] commission finds such a need to exist and further finds  
33 that establishing and maintaining such college is financially  
34 feasible, it shall approve the petition and shall so notify the board  
35 or boards of chosen freeholders.

36 (cf: N.J.S.18A:64A-2)

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

38 18A:64A-3. Whenever the board or boards of chosen  
39 freeholders receive notification that the [board of] commission on  
40 higher education approves the establishment of a county college,  
41 each participating board may provide by resolution for the  
42 establishment of a county college in accordance with the  
43 provisions of this chapter [and the regulations of the board of  
44 higher education]. Prior to the final passage of said resolution,  
45 the board of chosen freeholders shall have published, in full, in a  
46 newspaper circulating in the county, the resolution together with  
47 the time and place of a public hearing to be had upon said  
48 resolution. Said publication shall be at least 10 days prior to the  
49 time fixed for the public hearing.

50 Within five days after passage, the resolution shall be published  
51 in full in a newspaper circulating in the county and a copy of said  
52 resolution shall be filed for public inspection with the clerk of the  
53 board of chosen freeholders and with the clerk of each  
54 municipality in said county. The resolution shall become

1 effective in said county 45 days after passage unless there is filed  
2 with the county clerk within said 45 days, a petition requesting a  
3 referendum in said county signed by either five per cent or 10,000  
4 of the registered voters of said county, whichever is lesser, or  
5 such a petition authorized by the governing body of a  
6 municipality or municipalities representing in total at least 15%  
7 of the population of said county. If such petition is so filed, the  
8 proposal for the establishment of a county college shall be  
9 submitted to the registered voters of said county at the next  
10 general election.

11 Where a county college is to be established by more than one  
12 county, similar resolutions authorizing the establishment of such  
13 county college shall be passed by the board of chosen freeholders  
14 in each participating county. If a petition such as is described  
15 above is filed in one or more said participating counties, then the  
16 proposal for the establishment of a county college shall be  
17 submitted to the registered voters of the county or counties in  
18 which such petition or petitions are filed.

19 The county clerk of each participating county shall notify the  
20 [chancellor] commission and the board of chosen freeholders of  
21 each other participating county upon the elapse of 45 days after  
22 the passage of the resolution in said county whether the question  
23 of the establishment of a county college is to be submitted to the  
24 registered voters of said county at the next general election.

25 (cf: N.J.S.18A:64A-3)

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

27 18A:64A-4. If a proposal for the establishment of a county  
28 college is to be submitted to the registered voters of the county,  
29 the county clerk shall have published at least 10 days before said  
30 general election notice thereof in a newspaper circulating in the  
31 county and the county clerk shall have printed or cause to be  
32 printed on the official ballot to be used at such general election  
33 the following:

34 If you favor the proposition printed below, make a cross (X),  
35 plus (+) or check (✓) mark in the square opposite the word "Yes."  
36 If you are opposed thereto, make a cross (X), plus (+) or check (✓)  
37 mark in the square opposite the word "No."

38 Yes. Shall a county college be established in .....

39 No. pursuant to chapter 64A of Title 18A of the New Jersey  
40 Statutes?

41 If a county college is to be established in one county, the name  
42 of the county, and if it is to be established in more than one  
43 county, the names of the counties, should be inserted in the  
44 question.

45 In any county in which voting machines are used the question  
46 shall be placed upon the official ballots to be used upon the  
47 voting machines without the foregoing instructions to the voters  
48 and shall be voted upon by the use of such machines without  
49 marking as aforesaid.

50 If the question of the establishment of a county college is  
51 submitted to the people of the county, that county clerk shall  
52 send notice of the results of said election to the [chancellor]  
53 commission and the board of chosen freeholders of each of the  
54 participating counties.

55 (cf: N.J.S.18A:64A-4)



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

2 18A:64A-5. If at said election the proposal for the  
3 establishment of the county college is approved by a majority of  
4 all the votes cast both for and against said question in the county,  
5 then the board of chosen freeholders shall proceed to establish a  
6 county college.

7 Where the county college is to be established by more than one  
8 county, then the boards of chosen freeholders of the participating  
9 counties shall not establish a county college until the [chancellor]  
10 commission notifies said boards that a similar resolution of the  
11 board of chosen freeholders in each participating county has  
12 become effective upon the elapse of the 45-day period or the  
13 proposal for the establishment of a county college has been  
14 approved by a majority of the registered voters of said county at  
15 a general election.

16 (cf: N.J.S.18A:64A-5)

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

18 18A:64A-6. If a majority of the votes in a county are cast  
19 against a proposal for the establishment of a county college, the  
20 board of chosen freeholders of such county may not establish a  
21 county college unless thereafter the board:

22 a. Submits a petition to the [board of] commission on higher  
23 education in accordance with the provisions of section  
24 18A:64A-2, and

25 b. Submits a proposal for the establishment of a county college  
26 at a general election and has it approved by a majority of the  
27 votes of the county voting thereon.

28 The board of chosen freeholders shall not resubmit a proposal  
29 which has been defeated to the voters of the county before the  
30 third general election thereafter; however, an alternate proposal  
31 may be submitted at any general election.

32 (cf: N.J.S.18A:64A-6)

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

34 18A:64A-8. For each county college there shall be a board of  
35 trustees, consisting of the county superintendent of schools and  
36 10 persons, eight of whom shall be appointed by the appointing  
37 authority of the county with the advice and consent of the board  
38 of chosen freeholders, at least two of whom shall be women and  
39 two of whom shall be appointed by the [State Board of Higher  
40 Education, subject to the approval of the] Governor, according to  
41 criteria and for such initial terms as shall be established.  
42 However, no trustee shall be appointed after July 1, 1994 who is  
43 an employee of a constituent county. The president of the  
44 college shall serve as an ex officio member of the board of  
45 trustees without vote. In addition, the student body of each  
46 county college shall be entitled to elect from the graduating class  
47 one representative to serve as a non-voting member on the board  
48 of trustees for a term of 1 year commencing at the next  
49 organization of the board following graduation of his class. [The  
50 State Board of Higher Education shall by regulation prescribe the  
51 rights and duties of the student representative.]

52 The appointing authority of the county shall establish a trustee  
53 search committee of not less than five members who shall be  
54 residents of the county. The members of the trustee search

1 committee shall not be elected public officials and shall not be  
2 eligible for appointment to the board of trustees for a period of 6  
3 months after their service on the trustee search committee. The  
4 trustee search committee shall nominate individuals [according to  
5 criteria promulgated by the Board of Higher Education] for  
6 consideration by the appointing authority of the county for  
7 appointment to the board of trustees.

8 When a county college is established by more than one county,  
9 the board of trustees shall be increased by two members for each  
10 additional participating county. The membership of the board of  
11 trustees shall be apportioned by the [chancellor] commission  
12 among the several counties as nearly as may be according to the  
13 number of inhabitants in each county as shown by the last Federal  
14 census, officially promulgated in this State. Each apportionment  
15 shall continue in effect until a reapportionment shall become  
16 necessary by reason of the official promulgation of the next  
17 Federal census or the enlargement of the board by the admission  
18 of one or more additional counties as provided for in section  
19 18A:64A-24. Each county shall be entitled to have at least two  
20 members and the county superintendent of the schools of said  
21 county on the board of trustees.

22 (cf: P.L.1981, c.329, s.2)

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

24 18A:64A-9. Appointed members of the board of trustees shall  
25 have been residents of the county for a period of 4 years prior to  
26 said appointment, and no elected public official or employee of  
27 the county college shall serve as a voting member of the board.  
28 The term of office of appointed members, except for the first  
29 appointments, shall be for 4 years. Each member shall serve until  
30 his successor shall have been appointed and qualified.

31 Vacancies shall be filled in the same manner as the original  
32 appointment for the remainder of the unexpired term. Any  
33 appointed member may be removed by the board of chosen  
34 freeholders of the appointing county for cause upon notice and  
35 opportunity to be heard. Members shall serve without  
36 compensation but shall be entitled to be reimbursed for all  
37 reasonable and necessary expenses.

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

42 In the case of a county college established by one county, the  
43 terms of office of members initially appointed to the board of  
44 trustees by the appointing authority of the county shall be as  
45 follows:

46 two persons shall receive terms of 1 year; two, terms of 2 years;  
47 two, terms of 3 years; and two, terms of 4 years.

48 In the case of a county college established by more than one  
49 county, the [chancellor shall fix the] terms of the members  
50 initially appointed to the board of trustees shall be fixed so that  
51 as nearly as possible, one-quarter of the appointed members will  
52 receive terms of 4 years, one-quarter terms of 3 years,  
53 one-quarter terms of 2 years and the remainder terms of 1 year.  
54 Such terms shall be allocated by the [chancellor] commission

1 among the participating counties, in accordance with the number  
2 of members on the board of trustees apportioned to each county,  
3 starting with the terms of 4 years, by allocating one of such  
4 terms to each of the participating counties in alphabetical order  
5 of the names of such counties, and continuing, still in such order,  
6 with the terms of 3 years, the terms of 2 years and the terms of 1  
7 year.

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

12 (cf: P.L.1981, c.329, s.3)

13 127. N.J.S.18A:64A-11 is amended to read as follows:

14 18A:64A-11. The board of trustees shall be a body corporate  
15 and shall be known as the "board of trustees of " (here insert the  
16 name of the county college).

17 The board of trustees [, in accordance with the rules and  
18 regulations of the board of higher education,] shall have custody  
19 of and be responsible for the property of the college and shall be  
20 responsible for the management and control of said college. The  
21 board shall make an annual report to the [chancellor in the  
22 manner prescribed by the board of] commission on higher  
23 education and to the board of chosen freeholders of each  
24 participating county.

25 (cf: N.J.S.18A:64A-11)

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

27 18A:64A-12. For the effectuation of the purposes of this  
28 chapter, the board of trustees of a county college in addition to  
29 such other powers expressly granted to it [by this chapter and  
30 subject to the rules and regulations of the Board of Higher  
31 Education] by law, is hereby granted the following powers:

32 a. To adopt or change the name of the county college;

33 b. To adopt and use a corporate seal;

34 c. To sue and be sued;

35 d. To determine the educational curriculum and program of  
36 the college consistent with the programmatic mission of the  
37 institution or approved by the Commission on Higher Education;

38 e. To appoint and fix the compensation and term of office of a  
39 president of the college who shall be the executive officer of the  
40 college and an ex officio member of the board of trustees;

41 f. To appoint, upon nomination of the president, members of  
42 the administrative and teaching staffs and fix their compensation  
43 and terms of employment subject to the provisions of [section]  
44 N.J.S. 18A:64A-13;

45 g. To appoint or employ such other officers, agents and  
46 employees as may be required to carry out the provisions of this  
47 chapter and to fix and determine their qualifications, duties,  
48 compensation, terms of office and all other conditions and terms  
49 of employment and retention;

50 h. To fix and determine tuition rates and other fees to be paid  
51 by students;

52 i. To grant diplomas, certificates or degrees;

53 j. To enter into contracts and agreements with the State or  
54 any of its political subdivisions or with the United States, or with

1 any public body, department or other agency of the State or the  
2 United States or with any individual, firm or corporation which  
3 are deemed necessary or advisable by the board for carrying out  
4 the provisions of this chapter;

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

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

13 m. To determine that any property owned by the county  
14 college is no longer necessary for college purposes and to sell the  
15 same at such price and in such manner and upon such terms and  
16 conditions as shall be established by the board [of higher  
17 education];

18 n. To exercise the right of eminent domain, pursuant to the  
19 provisions of Title 20, Eminent Domain, of the Revised Statutes,  
20 to acquire any property or interest therein;

21 o. To make and promulgate such rules and regulations, not  
22 inconsistent with the provisions of this chapter or with the rules  
23 and regulations [of the board of higher education,] promulgated  
24 hereunder that are necessary and proper for the administration  
25 and operation of a county college and to implement the provisions  
26 of this chapter; [and]

27 p. To exercise all other powers, not inconsistent with the  
28 provisions of this chapter or with the rules and regulations [of the  
29 Board of Higher Education,] promulgated hereunder which may be  
30 reasonably necessary or incidental to the establishment,  
31 maintenance and operation of a county college; and

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

35 (cf: P.L.1981, c.329, s.4)

36 129. N.J.S.18A:64A-14 is amended to read as follows:

37 18A:64A-14. Counties, municipalities, school districts or  
38 special schools may sell, give or lease any of their property,  
39 including county or municipal funds, to the board of trustees of a  
40 county college [pursuant to the rules and regulations of the board  
41 of higher education].

42 (cf: N.J.S.18A:64A-14)

43 130. N.J.S.18A:64A-17 is amended to read as follows:

44 18A:64A-17. On or before February 1 in each year, the board  
45 of trustees of the county college shall prepare and deliver to each  
46 member of the board of school estimate an itemized statement of  
47 the amount of money estimated to be necessary for the operation  
48 and capital outlay expenses for the ensuing year. Said board of  
49 trustees shall, at the same time, fix a date, place and time for  
50 the holding of a public hearing by the board of school estimate  
51 with respect to said itemized statement of the amount of money  
52 estimated to be necessary for the operation and capital outlay  
53 expenses for the ensuing year and with respect to the various  
54 items and purposes for which said money is to be appropriated,

1 which date shall be between February 1 and February 15 and  
2 which date shall be not less than seven days after the publication  
3 of said itemized statement as herein provided and shall cause  
4 notice of such public hearing and said statement to be published  
5 at least once in at least one newspaper published in the county  
6 not less than seven days prior to the date fixed for such public  
7 hearing, and said notice shall also set forth that said itemized  
8 statement will be on file and open to examination of the public,  
9 between reasonable hours to be fixed therein, and, at a place to  
10 be named therein, from the date of said publication until the date  
11 of the holding of said public hearing and said board of trustees  
12 shall cause said itemized statement to be on file and open to the  
13 examination of the public accordingly and to be produced at said  
14 public hearing for the information of those attending the same.

15 On the date and at the time and place so fixed by the board of  
16 trustees for such public hearing, the board of school estimate  
17 shall at a public hearing grant the taxpayers and other interested  
18 persons an opportunity to present objections and to be heard with  
19 respect to said itemized statement of the amount of money  
20 estimated to be necessary for the operation and capital outlay  
21 expenses for the ensuing year and with respect to the various  
22 items and purposes for which said money is to be appropriated  
23 and at or after said public hearing but not later than February 15  
24 of each year, the board of school estimate shall fix and  
25 determine, by official action taken at a public meeting of the  
26 board, the amount of money necessary for the operation and  
27 capital outlay expenses of the college for the ensuing year,  
28 exclusive of the amount to be received from the state and from  
29 other sources.

30 The board of school estimate shall, on or before February 15 of  
31 each year, make a certificate of such amount signed by at least a  
32 majority of its members. Copies thereof shall be delivered [to  
33 the chancellor,] to the board of trustees of the college and to  
34 each participating board of chosen freeholders.

35 In the case of a county college established by more than one  
36 county, the amount to be raised for the annual operation and  
37 capital outlay expenses shall be apportioned among the  
38 participating counties upon the basis of appropriation valuations,  
39 as defined in [section] R.S.54:4-49 [of the Revised Statutes]. In  
40 such case, the certificate of the board of school estimate shall  
41 certify the proportioned part of the total to be raised by each  
42 participating county.

43 (cf: N.J.S.18A:64A-17)

44 131. N.J.S.18A:64A-19 is amended to read as follows:

45 18A:64A-19. (1) Whenever the board of trustees of a county  
46 college shall decide that it is necessary to raise money for the  
47 purpose of acquiring or improving lands or buildings for use by the  
48 college or erecting, enlarging, improving, altering,  
49 reconstructing, furnishing or equipping buildings or other  
50 structures for use by the college, it may, in lieu of proceeding in  
51 accordance with [sections] N.J.S.18A:64A-16 and 18A:64A-17, at  
52 any time prepare and deliver to each member of the board of  
53 school estimate a statement of the estimated cost of such  
54 purpose and of the amount of money estimated by the board of

1 trustees to be then needed for such purpose. If the amount of  
2 money so estimated shall include any funds expected to be  
3 received for said purpose as state or federal aid, such statement  
4 shall specify the amount and source of said funds and may include  
5 an agreement by the board of trustees to repay the county, out of  
6 the said funds when received, for any amounts appropriated by  
7 any county for the county college in anticipation of said funds.  
8 After receipt of such statement, the board of school estimate  
9 shall fix and determine the sum of money then needed for the  
10 purpose specified in said statement and the amount thereof to be  
11 raised by the participating county or counties which shall, if  
12 there be two or more such counties, be apportioned among them  
13 upon the basis of apportionment valuations as defined in [section]  
14 R.S.54:4-49 [of the Revised Statutes] and which may include  
15 amounts expected to be repaid as aforesaid by the board of  
16 trustees. The board of school estimate shall thereupon make a  
17 certificate of such sum and amount or amounts signed by at least  
18 a majority of its members, and copies thereof and of the  
19 statement received from the board of trustees shall be delivered  
20 [to the chancellor,] to the board of trustees and to the board of  
21 chosen freeholders of each participating county.

22 (2) The board of chosen freeholders of a participating county  
23 upon receipt of any such certificate shall appropriate the amount  
24 certified therein for the purpose therein specified, or upon  
25 receipt of a certificate as provided in [section] N.J.S.18A:64A-17  
26 shall appropriate the amount of the capital outlay expenses  
27 certified therein, either:

28 (a) By the method provided for in [section] N.J.S.18A:64-18; or

29 (b) By a bond ordinance authorizing the issuance of bonds or  
30 notes of the county to finance such appropriation and purpose  
31 adopted in accordance with the limitations and any exceptions  
32 thereto, and in the manner or mode of procedure, prescribed by  
33 the local bond law, and the sale and issuance of said bonds or  
34 notes pursuant to the local bond law; provided, however, that no  
35 down payment shall be required and the provisions of [section]  
36 N.J.S.40A:2-11 of the local bond law shall not be applicable to  
37 such bond ordinance and that the purpose for which the bonds or  
38 notes are to be issued may be stated and identified as and shall be  
39 the purpose specified in said certificate notwithstanding that the  
40 appropriation therefor may be sufficient only for planning or  
41 other preliminary or initial expenses in connection therewith or  
42 may be made in anticipation of state or federal aid expected to  
43 be received for said purpose and applied to repayment to the  
44 county.

45 (3) The proceeds of the sale of such bonds or notes shall be paid  
46 to the treasurer of the county college and shall be paid out by  
47 him only on the warrants or orders of the board of trustees of the  
48 county college. The treasurer shall in no event disburse such  
49 proceeds, except to pay and retire any such notes and pay the  
50 expenses of issuing and selling such bonds or notes and for the  
51 purpose or purposes for which such bonds or notes were issued. If  
52 for any reason any part of such proceeds are not applied to or  
53 necessary for such purpose or purposes, the board of trustees of  
54 the county college may transfer the balance remaining unapplied

1 to the capital outlay account of the county college.

2 (4) Except with the concurrence and consent of the board of  
3 chosen freeholders of the county expressed by resolution, no  
4 amount shall be appropriated under this section which, if added to  
5 the amount of bonds or notes of the county for county college  
6 purposes outstanding or authorized but unissued at the date of  
7 such appropriation, shall exceed an amount equal to one half of  
8 one per cent of the equalized valuation basis of said county as  
9 shown on the annual debt statement of the county last filed  
10 pursuant to the local bond law.

11 (cf: N.J.S.18A:64A-19)

12 132. N.J.S.18A: 64A-20 is amended to read as follows:

13 18A:64A-20. If the board of trustees shall determine that it is  
14 necessary in any school year to raise money in addition to the  
15 amount in its annual budget for such year for:

16 (1) current expenses for the operation and maintenance of the  
17 college when the amount necessary therefor was underestimated  
18 in the budget;

19 (2) repair or utilization of property destroyed or made  
20 unsuitable by accident or other unforeseen cause; or

21 (3) meeting emergencies arising since the preparation of such  
22 budget;

23 the board shall prepare and deliver to each member of the  
24 board of school estimate a statement of the amount of money  
25 determined to be necessary therefor.

26 The board of school estimate shall meet within a reasonable  
27 time after the delivery of the statement and fix and determine  
28 the amount necessary for such purpose or purposes. In the case  
29 of a county college established by more than one county, the  
30 board shall apportion upon the basis of the apportionment  
31 valuations as defined in [section] R.S.54:4-49 of the Revised  
32 Statutes, such amount among the participating counties. The  
33 board shall then certify the amount so determined and  
34 apportioned to [chancellor,] the board of trustees of the college  
35 and to each participating board of chosen freeholders.

36 The board of chosen freeholders, upon receipt of such  
37 certificate, shall appropriate the amount certified therein and  
38 shall raise such amount in the manner provided for by [sections]  
39 N.J.S.18A:64A-18 and 18A:64A-19.

40 (cf: N.J.S.18A:64A-20)

41 133. N.J.S.18A:64A-21 is amended to read as follows:

42 18A:64A-21. Notwithstanding the time limitations specified in  
43 [section] N.J.S.18A:64A-17, during the calendar year in which the  
44 board or boards of chosen freeholders first establish a county  
45 college, the board of trustees of the county college may prepare  
46 and deliver to the board of school estimate of the college an  
47 estimate of the amount necessary to finance the county college  
48 until the first regular budget is adopted and available.

49 The board of school estimate shall meet within a reasonable  
50 time after the delivery of said estimate and shall fix and  
51 determine the amount necessary to so finance the county college  
52 and, if more than one county participated in establishing the  
53 county college, shall apportion said amount upon the basis of  
54 apportionment valuations as defined in [section] R.S.54:4-49 [of

1 the Revised Statutes]. The board shall then certify the amount so  
2 determined to [the chancellor,] the board of trustees of the  
3 college and to the board of chosen freeholders of each  
4 participating county.

5 The board of chosen freeholders shall, upon receipt of the  
6 certification, appropriate its share of said amount in the manner  
7 provided for by [sections] N.J.S.18A:64A-18 and 18A:64A-19.  
8 (cf: N.J.S.18A:64A-21)

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

10 18A:64A-22. [The Board of Higher Education shall formulate]  
11 Notwithstanding any other law to the contrary, the Council of  
12 County Colleges may submit to the State Treasurer annual budget  
13 requests for State support of county colleges. Within the limits  
14 of funds appropriated [to the Board of Higher Education] for such  
15 purposes [and in accordance with rules and regulations prescribed  
16 by the Board of Higher Education], the board of trustees of a  
17 county college may based upon the itemized statement fixed and  
18 determined pursuant to N.J.S.18A:64A-17 apply to the [Board of  
19 Higher Education] State Treasurer and receive State support:

20 a. For capital projects [approved by the Board of Higher  
21 Education] in amounts not to exceed one-half of the cost of said  
22 capital projects, and

23 b. For operational costs to the extent of 43% but not to  
24 exceed 50% of the educational and general costs of the county  
25 colleges in the base year; provided, however, that for the  
26 purposes of determining State aid, only credit courses and  
27 noncredit remedial, developmental, general education  
28 development and adult basic education courses shall be included  
29 in calculating such costs. This sum shall be distributed to the  
30 county colleges by the [Board of Higher Education] treasurer in  
31 consultation with the Council of County Colleges according to a  
32 formula that includes categorical support and differential funding  
33 based on program costs.

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

36 Each county which operates a county college shall continue to  
37 provide moneys for the support of the college in an amount no  
38 less than those moneys provided in the year in which this act is  
39 enacted or 25% of the operational expense in the base State  
40 fiscal year, whichever is greater.

41 State support for the operational expenses of county colleges  
42 shall be made within limits of State appropriation [and only after  
43 an annual review and approval by the Board of Higher Education  
44 of the financial program for operation of each county college,  
45 including the charges to be made for student tuition and fees and  
46 the establishment of the county share of said costs].

47 (cf: P.L.1981, c.329, s.5)

48 135. Section 1 of P.L.1971, c.12 (C:18A:64A-22.1) is amended  
49 to read as follows:

50 1. Whenever the funds appropriated [to the board of higher  
51 education] are insufficient to satisfy the State's share of capital  
52 projects for county colleges pursuant to N.J.S.18A:64A-22,  
53 additional State support for such projects shall be made available  
54 to counties in which county colleges are located for the payment



1 of interest and principal on bonds entitled to the benefits of this  
2 act and interest on notes issued in anticipation thereof, provided  
3 that the total principal amount of such bonds shall not exceed  
4 \$80,000,000.00.

5 (cf: P.L.1985, c.136, s.1)

6 136. Section 2 of P.L.1971, c.12 (C.18A:64A-22.2) is amended  
7 to read as follows:

8 2. Whenever the [board of higher education] State Treasurer  
9 shall determine that it is unable to provide State support for a  
10 capital project of a county college pursuant to N.J.S.18A:64A-22  
11 within the limit of available State appropriations, the [chancellor  
12 shall certify to the] State Treasurer [the amount of State support  
13 recommended for such project and the amount available for such  
14 project within the limit of State appropriations. Upon receipt of  
15 any such certification, the State Treasurer] shall determine the  
16 amount of bonds entitled to the benefits of this act and not  
17 theretofore allocated to another capital project. The State  
18 Treasurer shall [examine such certification and] determine the  
19 necessity or advisability of making available additional State  
20 support for the capital project [referred to in such certification].  
21 To the extent he determines additional support is necessary or  
22 advisable, he shall certify to the board of chosen freeholders of  
23 the county in which said capital project is located the amount of  
24 bonds which shall be entitled to the benefits of this act, which  
25 amount shall not exceed the amount of bonds entitled to the  
26 benefit of this act and not theretofore allocated to another  
27 capital project. A copy of such certification shall be filed by the  
28 State Treasurer [with the chancellor and] with the Director of the  
29 Division of Local Finance.

30 (cf: P.L.1971, c.12, s.2)

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

32 18A:64A-23. a. Each county college shall, to the extent its  
33 facilities will permit [and subject to regulations of the Board of  
34 Higher Education,] accept students who are residents of any other  
35 county in the State.

36 b. Any person desiring to enroll in a county college as a  
37 nonresident student shall apply to the chief fiscal officer of his  
38 county of residence for a certificate of residence showing that  
39 said person is a resident of said county. The chief fiscal officer  
40 of each county shall, upon application and submission to him of  
41 satisfactory evidence of such residence, issue said certificate  
42 provided that (1) the county does not sponsor a county college or  
43 contribute to the support of a county assisted college, or (2) the  
44 local county or county assisted college certifies that it does not  
45 offer the particular course or program of study desired by the  
46 applicant, or (3) the local county or county assisted college  
47 certifies that it cannot admit the applicant into a particular  
48 course or the desired program of study, pursuant to criteria  
49 established by the [Board of] Commission on Higher Education. If  
50 the chief fiscal officer of a county refuses to issue such a  
51 certificate, the applicant may appeal to the board of chosen  
52 freeholders of the county within 10 days of the receipt of notice  
53 of such refusal. The board of chosen freeholders shall make a  
54 determination after a hearing, upon 10 days' notice to such chief  
55 fiscal officer and the applicant, and such determination shall be

1 final and binding on the county.

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

8 c. Any county college so admitting nonresident students shall  
9 charge to and collect from each county within the State which  
10 has issued a certificate or certificates of residence pursuant to  
11 subsection (b) and on the basis of which such nonresident students  
12 are attending such college, the sending county's share of the  
13 operating expenses of such county college, as certified by the  
14 board of school estimate and as paid by the receiving county for  
15 resident students, computed on a per full-time equated (FTE)  
16 student basis and multiplied by cost ratios as determined by the  
17 [Board of Higher Education] State Treasurer pursuant to  
18 N.J.S.18A:64A-22 for various instructional categories. Any  
19 county college shall additionally charge and collect the sum of  
20 \$1.00 per credit hour for each student so enrolled to compensate  
21 for minor capital costs of the college [, which moneys shall be  
22 expended according to regulations promulgated by the Board of  
23 Higher Education].

24 d. Within 10 days after the commencement of each college  
25 term, the county college shall charge the county's per FTE  
26 student share of operating expenses of such college for that term  
27 as aforesaid to each county which has issued a certificate or  
28 certificates of residence pursuant to subsection (b), on the basis  
29 of which nonresident students are attending such county college.  
30 The amount so charged to the county issuing the certificate or  
31 certificates shall be paid within 30 days of the date of the billing.  
32 (cf: P.L.1981, c.329, s.6)

33 138. Section 4 of P.L.1983, c.470 (C.18A:64A-23.4) is amended  
34 to read as follows:

35 4. The [Board of Higher Education] Commissioner of Labor  
36 shall promulgate rules and regulations necessary to effectuate  
37 the purposes of this act. Regulations of the State Board of Higher  
38 Education implementing this act shall remain in full force and  
39 effect until modified or repealed by the Commissioner of Labor.

40 (cf: P.L.1983, c.470, s.4)

41 139. N.J.S.18A:64A-24 is amended to read as follows:

42 18A: 64A-24. If the board of trustees of a county college shall  
43 determine that it is in the best interest of the college to allow  
44 one or more additional counties to join in the operation of said  
45 county college and the board or boards of chosen freeholders of  
46 the county or counties then operating the county college shall  
47 approve, said board of trustees [and the chancellor, pursuant to  
48 the rules and regulations of the board of higher education,] shall  
49 fix the terms and conditions under which said additional county or  
50 counties may participate in the operation of the county college.

51 (cf: N.J.S.18A:64A-24)

52 140. Section 2 of P.L.1982, c.189 (C.18A:64A-25.2) is amended  
53 to read as follows:

54 2. As used in this article, unless the context otherwise  
55 indicates:

- 1 a. "Board of trustees" means the board of trustees of a county  
2 college and the community college commission of a community  
3 college agency;
- 4 b. "County college" means any body corporate known as  
5 (1) the board of trustees of a county college established  
6 pursuant to chapter 64A of Title 18A of the New Jersey Statutes,  
7 or  
8 (2) the community college commission of a community college  
9 agency established pursuant P.L.1974, c.89 (C.18A:64A-30 et  
10 seq.), or  
11 (3) the coordinating agency for higher education of a county  
12 established pursuant to P.L.1968, c.180 (C.18A:64B-5 et seq.);
- 13 c. "Contracting agent" means the business officer of the  
14 county college having the power to prepare advertisements to  
15 advertise for and receive bids and to make awards for the county  
16 college in connection with the purchases, contracts or  
17 agreements permitted by this article, or such officer, committee  
18 or employee to whom such power has been delegated by the  
19 county college;
- 20 d. "Contracts" mean contracts or agreements for the  
21 performance of work or the furnishing or hiring of services,  
22 materials or supplies as distinguished from contracts of  
23 employment;
- 24 e. "Legal newspaper" means a newspaper circulating in the  
25 county or counties in which the county college has been  
26 established, printed and published in the English language at least  
27 once a week for at least 1 year continuously;
- 28 f. "Materials" include goods and property subject to chapter 2  
29 of Title 12A of the New Jersey Statutes, apparatus or any other  
30 tangible thing except real property or any interest therein;
- 31 g. "Extraordinary unspecifiable services" mean services or  
32 products which cannot be reasonably described by written  
33 specifications;
- 34 h. "Professional services" mean services rendered or  
35 performed by a person authorized by law to practice a recognized  
36 profession and whose practice is regulated by law and the  
37 performance of which services requires knowledge of an advanced  
38 type in a field of learning acquired by a prolonged formal course  
39 of specialized instruction and study as distinguished from general  
40 academic instruction or apprenticeship and training. Professional  
41 services also mean services rendered in the performance of work  
42 that is original and creative in character in a recognized field of  
43 artistic endeavor;
- 44 i. "Project" means any work, undertaking, construction or  
45 alteration;
- 46 j. "Purchases" are transactions, for a valuable consideration,  
47 creating or acquiring an interest in goods, services and property,  
48 except real property or any interest therein;
- 49 k. "Work" includes services and any other activity of a  
50 tangible or intangible nature performed or assumed pursuant to a  
51 contract or agreement with a county college.  
52 (cf: P.L.1982, c.189, s.2)
- 53 141. Section 3 of P.L.1982, c.189 (C.18A:64A-25.3) is amended  
54 to read as follows:

1       3. a. Any purchase, contract or agreement for the  
2 performance of any work or the furnishing or hiring of materials  
3 or supplies, the cost or price of which, together with any sums  
4 expended for the performance of any work or services in  
5 connection with the same project or the furnishing of similar  
6 materials or supplies during the same fiscal year, paid with or out  
7 of college funds, does not exceed the total sum of \$7,500.00 or,  
8 commencing January 1, 1985, the amount determined pursuant to  
9 subsection b. of this section in any fiscal year may be made,  
10 negotiated and awarded by a contracting agent, when so  
11 authorized by resolution of the board of trustees of the county  
12 college, without public advertising for bids and bidding therefor.

13       b. Commencing January 1, 1985 and every two years  
14 thereafter, the Governor, in consultation with the Department of  
15 the Treasury, shall adjust the threshold amount set forth in  
16 subsection a. of this section in direct proportion to the rise or fall  
17 of the Consumer Price Index for all urban consumers in the New  
18 York and Northeastern New Jersey and the Philadelphia areas as  
19 reported by the United States Department of Labor. The  
20 adjustment shall become effective on July 1 of the year in which  
21 it is reported.

22       c. Any purchase, contract or agreement made pursuant to this  
23 section may be awarded for a period of 12 consecutive months,  
24 notwithstanding that such 12-month period does not coincide with  
25 the fiscal year. [The Department of Higher Education shall adopt  
26 and promulgate rules and regulations concerning the methods of  
27 accounting for all contracts that do not coincide with the fiscal  
28 year.]

29 (cf: P.L.1984, c.241, s.1)

30       142. Section 5 of P.L.1982, c.189 (C.18A:64A-25.5) is amended  
31 to read as follows:

32       5. Any purchase, contract or agreement of the character  
33 described in section may be made, negotiated or awarded by the  
34 county college by resolution at a public meeting of its board of  
35 trustees without public advertising for bids or bidding therefor if:

36       a. The subject matter thereof consists of:

37       (1) Professional services; or

38       (2) Extraordinary unspecifiable services and products which  
39 cannot reasonably be described by written specifications, subject  
40 however, to [the rules and regulations of the Board of Higher  
41 Education] procedures consistent with open public bidding  
42 whenever possible; or

43       (3) Materials or supplies which are not available from more  
44 than one potential bidder, including without limitation materials  
45 or supplies which are patented or copyrighted; or

46       (4) The doing of any work by employees of the county college;  
47 or

48       (5) The printing of all legal notices and legal briefs, records and  
49 appendices to be used in any legal proceeding to which the county  
50 college may be a party; or

51       (6) Textbooks, copyrighted materials, student produced  
52 publications and services incidental thereto, library materials  
53 including without limitation books, periodicals, newspapers,  
54 documents, pamphlets, photographs, reproductions, microfilms,

- 1 pictorial or graphic works, musical scores, maps, charts, globes,  
2 sound recordings, slides, films, filmstrips, video and magnetic  
3 tapes, other printed or published matter and audiovisual and other  
4 materials of a similar nature, necessary binding or rebinding of  
5 library materials and specialized library services; or  
6 (7) Food supplies and services including food supplies and  
7 management contracts for student centers, dining rooms and  
8 cafeterias [, pursuant to rules and regulations of the Board of  
9 Higher Education]; or  
10 (8) The supplying of any product or the rendering of any service  
11 by the public utility which is subject to the jurisdiction of the  
12 Board of Public Utilities, in accordance with tariffs and schedules  
13 of charges made, charged and exacted, filed with said board; or  
14 (9) Equipment repair service if in the nature of an  
15 extraordinary unspecifiable service and necessary parts furnished  
16 in connection with such services; or  
17 (10) Specialized machinery or equipment of a technical nature  
18 which will not reasonably permit the drawing of specifications,  
19 and the procurement thereof without advertising is in the public  
20 interest; or  
21 (11) Insurance, including the purchase of insurance coverage  
22 and consulting services, which exceptions shall be in accordance  
23 with the requirements for extraordinary unspecifiable services; or  
24 (12) Publishing of legal notices in newspapers, as required by  
25 law; or  
26 (13) The acquisition of artifacts or other items of unique  
27 intrinsic, artistic or historic character; or  
28 (14) The collection of amounts due on student loans, including  
29 without limitation loans guaranteed by or made with funds of the  
30 United States of America; or  
31 (15) Professional consulting services; or  
32 (16) Entertainment, including without limitation theatrical  
33 presentations, band and other concerts, movies and other  
34 audiovisual productions; or  
35 (17) Contracts employing funds created by student activities  
36 fees charged to students or otherwise raised by students, not  
37 under the direct control of the college and expended by student  
38 organizations; or  
39 (18) Printing, including without limitation catalogs, yearbooks  
40 and course announcements; or  
41 (19) Data processing, software programs, systems and service  
42 and the rental or lease of data processing equipment; or  
43 (20) Personnel recruitment and advertising, including without  
44 limitation advertising seeking student enrollment; or  
45 (21) Educational supplies, books, articles of clothing and other  
46 miscellaneous articles purchased by a county college bookstore,  
47 or by a service or management company under contract with a  
48 county college to operate a county college book store for resale  
49 to college students and employees; or  
50 (22) Purchase or rental of graduation caps and gowns and award  
51 certificates or plaques.  
52 b. It is to be made or entered into with the United States of  
53 America, the State of New Jersey, a county or municipality or  
54 any board, body, or officer, agency or authority or any other

1 state or subdivision thereof.

2 c. The county college has advertised for bids pursuant to  
3 section 4 of P.L.1982, c.189 (C.18A:64A-25.4) on two occasions  
4 and (i) has received no bids on both occasions in response to its  
5 advertisement, or (ii) has rejected such bids on two occasions  
6 because the county college has determined that they are not  
7 reasonable as to price, on the basis of cost estimates prepared for  
8 or by the county college prior to the advertising therefor, or have  
9 not been independently arrived at in open competition, or (iii) on  
10 one occasion no bids were received pursuant to (i) and on one  
11 occasion all bids were rejected pursuant to (ii), in whatever  
12 sequence; any such contract or agreement may then be  
13 negotiated by a two-thirds affirmative vote of the authorized  
14 membership of the board of trustees authorizing such contract or  
15 agreement; provided, however, that:

16 (1) A reasonable effort is just made by the contracting agent to  
17 determine that the same or equivalent materials or supplies at a  
18 cost which is lower than the negotiated price are not available  
19 from any agency or authority of the United States, the State of  
20 New Jersey or of the county in which the county college is  
21 located, or any municipality in close proximity to the county  
22 college;

23 (2) The terms, conditions, restrictions and specifications set  
24 forth in the negotiated contract or agreement are not  
25 substantially different from those which were the subject of  
26 competitive bidding pursuant to section 4 of P.L.1982, c.189  
27 (C.18A:64A-25.4); and

28 (3) Any minor amendment or modification of any of the terms,  
29 conditions, restrictions and specifications, which were the subject  
30 of competitive bidding pursuant to section 4 of [this act]  
31 P.L.1982, c.189 (C.18A:64A-25.4), shall be stated in the  
32 resolution awarding such contract or agreement; provided,  
33 further, however, that if on the second occasion the bids received  
34 are rejected as unreasonable as to price, the county college shall  
35 notify each responsible bidder submitting bids on the second  
36 occasion of its intention to negotiate and afford each such bidder  
37 a reasonable opportunity to negotiate, but the county college  
38 shall not award such contract or agreement unless the negotiated  
39 price is lower than the lowest rejected bid price submitted on the  
40 second occasion by a responsible bidder is the lowest negotiated  
41 price offered by any responsible vendor, and is a reasonable price  
42 for such work, materials, supplies or services.

43 Whenever a county college shall determine that a bid was not  
44 arrived at independently in open competition pursuant to  
45 subsection c. (ii) of this section [5], it shall thereupon notify the  
46 county prosecutor of the county in which the county college is  
47 located and the Attorney General of the facts upon which its  
48 determination is based and, when appropriate, it may institute  
49 appropriate proceedings in any State or federal court of  
50 competent jurisdiction for a violation of any State or federal  
51 antitrust law or laws relating to the unlawful restraint of trade.

52 (cf: P.L.1984, c.241, s.3)

53 143. Section 7 of P.L.1982, c.189 (C.18A:64A-25.7) is amended  
54 to read as follows:

1 7. No purchase, contract or agreement which is single in  
2 character or which necessarily or by reason of the quantities  
3 required to effectuate the purpose of the purchase, contract or  
4 agreement includes the furnishing of additional services or  
5 equipment or buying materials or supplies or the doing of  
6 additional work, shall be subdivided so as to bring it or any of the  
7 parts thereof under the maximum price or cost limitation set  
8 forth in section 3 [or in a regulation of the Board of Higher  
9 Education] of P.L.1982, c.189 (C.18A:64A-25.3), thus dispensing  
10 with the requirement of public advertising and bidding therefor.  
11 Where the doing of any work is included in or incident to the  
12 performance or completion of any project which is single in  
13 character or inclusive of the furnishing of additional work,  
14 materials or supplies or which requires the furnishing of more  
15 than one article of materials or supplies, all of the work,  
16 materials or supplies requisite for the completion of such project  
17 shall be included in one purchase, contract or agreement.

18 (cf: P.L.1982, c.189, s.7)

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

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

23 a. Supplying of:

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

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

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

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

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

36 e. Insurance, including the purchase of insurance coverages,  
37 insurance consultant or administrative services, and including  
38 participation in a joint self-insurance fund, risk management  
39 programs or related services provided by a county college  
40 insurance group, or participation in an insurance fund established  
41 by a county pursuant to N.J.S.40A:10-6, for any term of not more  
42 than three years; or

43 f. Leasing or service of automobiles, motor vehicles,  
44 electronic communications equipment, machinery and equipment  
45 of every nature and kind for any term not exceeding in the  
46 aggregate five years [; provided, however, such contracts shall be  
47 entered into only subject to and in accordance with the rules and  
48 regulations promulgated by the Board of Higher Education]; or

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

52 h. The providing of food supplies and services, including food  
53 supplies and management contracts for student centers, dining  
54 rooms and cafeterias, for a term not exceeding three years; or

1 i. The performance of work or services or the furnishing of  
2 materials or supplies for the purpose of conserving energy in  
3 buildings owned by, or operations conducted by, the contracting  
4 unit, the entire price of which is to be established as a  
5 percentage of the resultant savings in energy costs, for a term  
6 not exceeding 10 years; provided that a contract is entered into  
7 only subject to and in accordance with rules and regulations  
8 adopted by the Department of Commerce, Energy and Economic  
9 Development establishing a methodology for computing energy  
10 cost savings; or

11 j. Any single project for the construction, reconstruction or  
12 rehabilitation of a public building, structure or facility, or a  
13 public works project including the retention of the services of an  
14 architect or engineer in connection with the project, for the  
15 length of time necessary for the completion of the actual  
16 construction; or

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

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

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

38 (cf: P.L.1988, c.144, s.4)

39 145. Section 30 of P.L.1982, c.189 (C.18A:64A-25.30) is  
40 amended to read as follows:

41 30. No action for damages shall lie against the Board of Higher  
42 Education, the Commission on Higher Education, the Presidents'  
43 Council, any State official, any county college or its board of  
44 trustees or any of its officers because of any action taken by  
45 virtue of the provisions of this article.

46 (cf: P.L.1982, c.189, s.30)

47 146. N.J.S.18A:64A-27 is amended to read as follows:

48 18A:64A-27. The council shall consist of the presidents and  
49 chairmen of the boards of trustees of the several county  
50 community colleges and of the county college commissions. A  
51 trustee board chairman may designate another member of the  
52 board as an alternate to attend and to vote at council meetings in  
53 the chairman's absence. [The Chancellor shall ex officio be an  
54 additional member without vote.]



1 Members shall serve without compensation but shall be entitled  
2 to be reimbursed for all reasonable and necessary expenses.

3 (cf: P.L.1989, c.141, s.4)

4 147. N.J.S.18A:64A-28 is amended to read as follows:

5 18A:64A-28. The council shall organize annually [during the  
6 month of December] by the election of a chairman, vice chairman  
7 and such other officers as the council shall determine. Such  
8 officers shall serve until the following [December] annual  
9 organizational meeting and until their successors are elected and  
10 qualified. Vacancies in such offices shall be filled in the same  
11 manner for the unexpired terms only. The council may also meet  
12 at such other times and at such places within the State as it shall  
13 deem necessary.

14 (cf: P.L.1985, c.173, s.3)

15 148. Section 8 of P.L.1989, c.141 (C.18A:64A-28.4) is amended  
16 to read as follows:

17 8. The council shall encourage and aid movements which it  
18 deems necessary for the improvement of county college  
19 education and shall, from time to time, make recommendations  
20 to the [Board of Higher Education] Governor, Legislature and  
21 Commission on Higher Education regarding the coordination of  
22 the county colleges on matters of mutual interest and concern.

23 (cf: P.L.1989, c.141, s.8)

24 149. N.J.S.18A:64A-29 is amended to read as follows:

25 18A:64A-29. [Under the guidance of the board of higher  
26 education and with assistance from its staff, the] The council will  
27 seek to ensure acceptable and effective lines of development in  
28 admissions policy, academic standards, programs, financing, and  
29 community relations in the several county colleges.

30 The council will serve as a means of communication between  
31 the county colleges, and [staff from the board of higher education  
32 will constitute for the council and for the individual county  
33 colleges] act as a resource center to aid them in planning, act as  
34 a clearing house of information, and provide continuing field  
35 services.

36 The council will act as an advisory body to the [board of higher  
37 education] Governor, Legislature, Commission on Higher  
38 Education and Presidents' Council in the carrying out of [its]  
39 their respective duties and responsibilities deriving from this  
40 chapter.

41 (cf: N.J.S.18A:64A-29)

42 150. Section 1 of P.L.1974, c.89 (C.18A:64A-30) is amended to  
43 read as follows:

44 1. The board of chosen freeholders of any county which has not  
45 established a county college may, with the consent of the [Board  
46 of] Commission on Higher Education, establish a community  
47 college agency.

48 (cf: P.L.1974, c.89, s.1)

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

51 3. The community college commission shall consist of the  
52 county superintendent of schools and nine public members who  
53 are residents of the county and have resided therein for a period  
54 of 4 years prior to their appointment having no official

1 connection with educational institutions contracting with the  
2 commission. No elected public official shall serve as a voting  
3 member of the commission. The president of the commission  
4 shall be an ex officio member of the commission without vote.

5 Seven of the public members shall be appointed by the  
6 appointing authority of the county, with the advice and consent  
7 of the board of chosen freeholders, and two of the members shall  
8 be appointed by the [State Board of Higher Education, subject to  
9 the approval of the] Governor, for such initial terms as shall be  
10 established by the board. Members shall be appointed for terms  
11 of 4 years each, except that the initial appointments shall be  
12 made in four classes as nearly equal as possible in number, one  
13 class to serve for one year, one class to serve for two years, one  
14 class to serve for three years, and one class to serve for four  
15 years. The term of all members of the commission shall begin on  
16 July 1. Members initially appointed to the commission may serve  
17 from the time of their respective appointments, but the term of  
18 such office shall be deemed to commence as of July 1 of the year  
19 in which the appointment was made. Each member shall serve  
20 until his successor shall have been appointed and qualified.  
21 Vacancies shall be filled in the same manner as the original  
22 appointments and for the remainder of the unexpired terms. Any  
23 appointed member may be removed by the appointing authority of  
24 the county for cause upon notice and opportunity to be heard.  
25 The members of the commission shall serve without compensation  
26 for their services, but shall be entitled to receive reimbursement  
27 for all reasonable and necessary expenses incurred by virtue of  
28 services as a member of the commission.

29 A voting member of a community college commission shall not  
30 be eligible to accept employment of the college at which he has  
31 served as a member of the commission for a period of two years  
32 following resignation or expiration of his term as a member.

33 The appointing authority of the county shall establish a trustee  
34 search committee of not less than five members who shall be  
35 residents of the county. The members of the trustee search  
36 committee shall not be elected public officials and shall not be  
37 eligible for appointment to the board of trustees for a period of  
38 six months after their service on the trustee search committee.

39 The trustee search committee shall nominate persons [according  
40 to criteria promulgated by the Board of Higher Education] for  
41 consideration by the appointing authority of the county for  
42 appointment to the board of trustees.

43 (cf: P.L.1983, c.518, s.2)

44 152. Section 7 of P.L.1974, c.89 (C.18A:64A-36) is amended to  
45 read as follows:

46 7. The commission shall make an annual report on academic  
47 and fiscal affairs to the board of chosen freeholders [and to the  
48 Board of Higher Education], and annually recommend the funds  
49 necessary to be included in the county budget pursuant to  
50 N.J.S.18A:64A-15 through 20 for the purpose of public higher  
51 education in accordance with the needs for support and facilities  
52 as determined by the commission. The first year's estimate of  
53 expenses shall be prepared and delivered pursuant to  
54 N.J.S.18A:64A-21.

55 (cf: P.L.1974, c.89, s.7)

1 153. Section 8 of P.L.1974, c.89 (C.18A:64A-37) is amended to  
2 read as follows:

3 8. [In accordance with rules and regulations adopted by the  
4 Board of Higher Education governing such commissions, a] A  
5 community college commission shall be eligible to receive State  
6 support for operational and capital costs pursuant to  
7 N.J.S.18A:64A-22, and to the extent State concurrence may be  
8 required, any Federal support that may be available under the  
9 higher education assistance acts or any other appropriate Federal  
10 acts. Nothing in this act shall prevent the commission from  
11 receiving any other public funds that may be available.

12 (cf: P.L.1974, c.89, s.8)

13 154. Section 1 of P.L.1982, c.42 (C.18A:64A-50) is amended to  
14 read as follows:

15 1. Notwithstanding any provisions of chapter 64A of Title 18A  
16 of the New Jersey Statutes to the contrary, any private  
17 institution of higher education and any post-secondary institute  
18 of a county board of vocational education may, prior to July 1,  
19 1994, combine to form a county college [upon petition to and  
20 approval by the State Board of Higher Education and] without the  
21 need of a referendum.

22 (cf: P.L.1982, c.42, s.1)

23 155. Section 6 of P.L.1982, c.42 (C.18A:64A-55) is amended to  
24 read as follows:

25 6. The board of trustees shall include seven public trustees,  
26 consisting of the county superintendent of schools, four members  
27 appointed by the board of chosen freeholders, and two citizens of  
28 the county appointed by the [State Board of Higher Education]  
29 Governor, and four trustees appointed by the board of governors  
30 from among its members. However, no trustee shall be appointed  
31 after July 1, 1994 who is an employee of a constituent county. In  
32 addition, the student body shall be entitled to elect from the  
33 graduating class one representative to serve as a nonvoting  
34 member of the board of trustees for a term of 1 year  
35 commencing at the next organization of the board following  
36 graduation of his class. [The State Board of Higher Education  
37 shall by regulation prescribe the rights and duties of the student  
38 representative.]

39 All appointive members shall be residents of the county for a  
40 period of 4 years prior to appointment and no elected public  
41 official or employee of the county college shall serve as a voting  
42 member of the board. The terms of office of the appointive  
43 members shall be 4 years, except for the first appointment.  
44 Terms of those initially appointed by the chairman of the board  
45 of chosen freeholders shall expire, respectively, 1, 2, 3 and 4  
46 years after appointment. Of those appointed by the [State Board  
47 of Higher Education] Governor, one person shall be appointed for  
48 a term of 2 years and one for a term of 4 years. Of the members  
49 appointed by the board of governors, one person shall be  
50 appointed for a term of 1 year, one for a term of 2 years, one for  
51 a term of 3 years, and one for a term of 4 years.

52 Each member shall serve until his successor is appointed and  
53 qualified.

54 Vacancies shall be filled in the same manner as the original  
55 appointment for the unexpired term. Upon notice and

1 opportunity to be heard, an appointee may be removed for cause  
2 by the body originally making the appointment. Members shall  
3 serve without compensation but shall be entitled to be reimbursed  
4 for all reasonable and necessary expenses.

5 (cf: P.L.1982, c.42, s.6)

6 156. Section 8 of P.L.1982, c.42 (C.18A:64A-57) is amended to  
7 read as follows:

8 8. The board of trustees shall have general supervision over  
9 and be vested with the conduct of the college. [Subject to rules  
10 and regulations of the Board of Higher Education, it] It shall have  
11 the authority and responsibility to:

12 a. Adopt and use a corporate seal;

13 b. Sue or be sued;

14 c. Determine the educational curriculum and program of the  
15 college;

16 d. With the advice and consent of the board of governors, upon  
17 expiration of the term of the current president of the private  
18 institution, appoint and fix the compensation and term of office  
19 of a president of the college, who shall be the executive officer  
20 of the college;

21 e. Appoint, upon nomination of the president, members of the  
22 administrative and teaching staff and fix their compensation and  
23 terms of employment, subject to the provisions of general law;

24 f. Employ other officers, agents and employees, as may be  
25 required to carry out the provisions of this act and fix and  
26 determine their qualifications, duties, compensation, terms of  
27 office and all other conditions and terms of employment;

28 g. Fix and determine tuition rates and other fees to be paid by  
29 students;

30 h. Grant diplomas, certificates or degrees;

31 i. Enter into contracts and agreements with the State or any  
32 of its political subdivisions or with the United States, or with any  
33 public body, department or other agency of the county, State or  
34 United States, or with any individual firm or corporation, which is  
35 deemed necessary or advisable by the board for carrying out the  
36 provisions of this act;

37 j. Accept from any government or governmental department,  
38 agency or other public or private body or from any other source  
39 grants or contributions of money or property, which the board of  
40 trustees may use for its purposes;

41 k. Disburse all moneys appropriated to the college by the  
42 county and State, moneys received from tuition, fees, auxiliary  
43 services and other sources, and from or by the direction of the  
44 board of governors;

45 l. Direct and control the expenditures of the college as to  
46 funds received from the board of governors and other sources in  
47 accordance with the terms of any applicable trusts, gifts,  
48 bequests, or other special provisions;

49 m. Acquire by gift, purchase, condemnation or otherwise, own,  
50 lease, use and operate property, whether real, personal or mixed,  
51 or any interest therein, which is necessary or desirable for  
52 college purposes;

53 n. Determine that any property owned and controlled by the  
54 board of trustees of the county college is no longer necessary for  
55 college purposes and sell the same at the price and in the manner

1 and upon the terms and conditions as shall be established by the  
2 [Board of Higher Education] board;

3 o. Make and promulgate rules and regulations not inconsistent  
4 with the provisions of general law or of this act or with the rules  
5 and regulations [of the Board of Higher Education] promulgated  
6 hereunder that are necessary and proper for the administration or  
7 operation of the county college;

8 p. Exercise all other powers not inconsistent with the  
9 provisions of this act or with rules and regulations promulgated  
10 hereunder, or with general law, [or with the rules and regulations  
11 of the Board of Higher Education,] which may be reasonable,  
12 necessary or incidental to the establishment, maintenance and  
13 operation of a county college; and

14 q. Establish and maintain a dedicated reserve fund for minor  
15 capital needs, which in any given year shall not exceed 3% of the  
16 replacement value of the college's physical plant.

17 (cf: P.L.1982, c.42, s.8)

18 157. Section 10 of P.L.1982, c.42 (C.18A:64A-59) is amended  
19 to read as follows:

20 10. In consideration of the utilization by the county for  
21 purposes of higher education of privately donated properties and  
22 funds and the prospect of future private donations, the State and  
23 the county by this act agree with the current board of trustees  
24 and its successor that:

25 a. If the property and funds controlled by the current trustees  
26 and its successor board of governors is not properly applied in  
27 accordance with the provisions of section 8 of this act for the  
28 purposes of higher education and in accordance with the terms of  
29 any applicable testament or trust or other special provisions; or

30 b. if the county shall not make provisions sufficient to enable the  
31 current board of trustees and its successors to discharge its trust  
32 to apply the trust assets as described in section 9 of this act for  
33 public higher education through the conduct of a college with  
34 high educational standards, then the board of governors, after  
35 consideration and on not less than 60 days' prior written notice  
36 to the board of trustees and to the [State Board of Higher  
37 Education or its successor] Governor, shall have and may exercise  
38 the right to withhold or withdraw the use of the properties and  
39 funds described in section 9 of this act or any part thereof,  
40 subject to adjudication by the courts of the State and subject to  
41 their proper application for the purposes of public higher  
42 education and in accordance with the terms of any applicable  
43 testamentary trust or other special provision.

44 (cf: P.L.1982, c.42, s.10)

45 158. Section 12 of P.L.1982, c.42 (C.18A:64A-61) is amended  
46 to read as follows:

47 12. In accordance with law, the board of trustees shall make  
48 an annual report [to the Chancellor of Higher Education in the  
49 manner prescribed by the Board of Higher Education and] to the  
50 board of chosen freeholders of the county.

51 (cf: P.L.1982, c.42, s.12)

52 159. Section 27 of P.L.1982, c.42 (C.18A:64A-76) is amended to  
53 read as follows:

54 27. This act shall not abrogate the powers of the Governor [or

1 the State Board of Higher Education] to supervise and control the  
2 college in accordance with existing law.

3 (cf: P.L.1982, c.42, s.27)

4 160. N.J.S.18A:64E-5 is amended to read as follows:

5 18A:64E-5. The board of trustees shall have control of the  
6 buildings and grounds owned and used by such schools, the  
7 application of the funds for the support thereof, the regulation of  
8 the tuition fees, the appointment and removal of teachers, the  
9 power to prescribe the studies and exercise of the school, and  
10 rules for its management, to grant certificates of graduation, to  
11 appoint some suitable person treasurer of the board, and to frame  
12 and modify at pleasure such rules as it may deem necessary for  
13 its own government. It shall report annually to the [board of]  
14 commission on higher education and to the board of education of  
15 the municipality its own doings and the progress and condition of  
16 the schools.

17 (cf: N.J.S.18A:64E-5)

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

19 18A:64F-1. As used in this chapter:

20 (a) "Student" means any full-time student who is a resident of  
21 this State and who enters a school of professional nursing to begin  
22 a program of nursing instruction or any part-time student who is  
23 a resident of this State who enters an upper division program of  
24 nursing instruction [, as defined by the chancellor,] in a school of  
25 professional nursing;

26 (b) "Operational expense" means those funds devoted to or  
27 required for the regular or ordinary expense of the school of  
28 professional nursing, including administration, maintenance and  
29 salary expenses;

30 (c) "School of professional nursing" means a school in New  
31 Jersey offering a program of nursing instruction not exceeding 4  
32 years beyond high school, which is affiliated with a hospital and  
33 holds a certificate of accreditation issued by the New Jersey  
34 Board of Nursing, provided that said school is not eligible to  
35 receive State aid for its nursing program under any other law.

36 (cf: P.L.1983, c.512, s.1)

37 162. N.J.S.18A:64F-2 is amended to read as follows:

38 18A:64F-2. A school of professional nursing may apply for and  
39 receive state aid towards the operational expense of said school.  
40 The application shall be upon forms prepared and provided by the  
41 [chancellor] State Treasurer and shall contain such information as  
42 the [chancellor] treasurer shall require. Each application shall be  
43 first submitted to the New Jersey board of nursing [who] which  
44 shall certify thereon whether said school is accredited and  
45 whether or not said accreditation has been suspended or revoked.

46 (cf: N.J.S.18A:64F-2)

47 163. N.J.S.18A:64F-3 is amended to read as follows:

48 18A:64F-3. [The chancellor shall formulate annual budget  
49 requests for funds for State aid for qualified schools of  
50 professional nursing.] Within the limits of funds appropriated [to  
51 the Department of Higher Education] for said purpose, any school  
52 of professional nursing whose application has been approved by  
53 the [chancellor] State Treasurer shall be entitled to receive State  
54 aid for the operational expense of the school to the extent of

1 one-half thereof or \$600.00 per full-time student, whichever is  
2 the lesser amount and a pro rata amount for part-time students.  
3 (cf: P.L.1983, c.512, s.2)

4 164. Section 2 of P.L.1970, c.102 (C.18A:64G-2) is amended to  
5 read as follows:

6 2. The Legislature and Governor of the State of New Jersey  
7 hereby find that the establishment and operation of programs of  
8 medical, dental, nursing, health related professions and health  
9 sciences education is in the best interest of the State to provide  
10 greater numbers of trained medical personnel to assist in the  
11 staffing of the hospitals and public institutions and agencies of  
12 the State and to prepare greater numbers of students for the  
13 general practice of medicine, dentistry, nursing and the health  
14 related professions, and find, declare and affirm, as a matter of  
15 public policy of the State, that it is the responsibility of the State  
16 to provide funds necessary to establish and operate such programs  
17 of education, in the most economical and efficient manner, and  
18 that, in furtherance of such policy, the school of medicine  
19 heretofore established by Rutgers, The State University,  
20 (hereinafter called the "Rutgers Medical School") and the New  
21 Jersey College of Medicine and Dentistry shall be combined into  
22 a single entity to be known as the University of Medicine and  
23 Dentistry of New Jersey.

24 The university shall be comprised of the Graduate School of  
25 Biomedical Sciences, the School of Health Related Professions,  
26 the New Jersey Dental School, the School of Osteopathic  
27 Medicine, the New Jersey Medical School and the Robert Wood  
28 Johnson Medical School, and all other departments or schools  
29 established by the university in accordance with [the review and  
30 approval procedures of the State Board of Higher Education] law.

31 The Legislature and Governor further find and declare that the  
32 continuing development of the university as a premier academic  
33 health center, able to provide state of the art education, research  
34 and patient care services and able to fully participate in today's  
35 health-care environment, is in the best interest of the State.  
36 Because of the importance of each element of the health-care  
37 delivery system, it is the university's obligation to monitor, to  
38 identify and to coordinate with the appropriate State agencies  
39 and boards to meet the health-care manpower needs of New  
40 Jersey as they arise. A key element necessary to the  
41 achievement of many of these goals is the structural flexibility to  
42 form productive and varied relationships with other health-care  
43 organizations, research institutions and private individuals, firms  
44 and corporations.

45 The Legislature and Governor further find that such  
46 public-private relationships should be encouraged since these  
47 cooperative efforts will enable the university to supplement the  
48 resources available from the State and thereby provide the  
49 university with an economic and efficient means to develop and  
50 offer an appropriate range of health-care services.

51 (cf: P.L.1992, c.84, s.2)

52 165. Section 3 of P.L.1970, c.102 (C.18A:64G-3) is amended to  
53 read as follows:

54 3. There is hereby established [in the Department of Higher

1 Education] a body corporate and politic to be known as the  
2 "University of Medicine and Dentistry of New Jersey." The  
3 exercise by the university of the powers conferred by this act in  
4 the presentation and operation of programs of medical, dental,  
5 nursing and health related professions and health sciences  
6 education shall be deemed to be public and essential  
7 governmental functions necessary for the welfare of the State  
8 and the people of New Jersey.

9 (cf: P.L.1992, c.84, s.3)

10 166. Section 22 of P.L.1981, c.325 (C.18A:64G-3.6) is amended  
11 to read as follows:

12 22. The general powers of supervision and control of the [State  
13 Board of Higher Education] <sup>1</sup>[Governor] Chairman of the  
14 Commission on Higher Education at the request of the Governor<sup>1</sup>  
15 over the University of Medicine and Dentistry of New Jersey  
16 include the power to visit the university to examine into its  
17 manner of conducting its affairs and to enforce an observance of  
18 its laws and regulations and the laws of the State.

19 (cf: P.L.1981, c.325, s.22)

20 167. Section 7 of P.L.1992, c.84 (C.18A:64G-3.9) is amended  
21 to read as follows:

22 7. a. Except in the case of existing university programs, the  
23 university shall award associate degrees only in new programs  
24 jointly proposed and implemented with institutions fully  
25 authorized and accredited to award degrees at that level.

26 b. For the awarding of the baccalaureate degree, the  
27 university shall develop and maintain joint degree programs for  
28 health related professions and new nursing education programs  
29 with fully authorized and accredited institutions and shall be  
30 limited to offering upper division courses. Exceptions may be  
31 made [in accordance] with [duly adopted regulations] the approval  
32 of the [Board of] Commission on Higher Education, except as  
33 provided in this act. In instances where the university has been  
34 authorized to offer a baccalaureate degree program jointly with  
35 another institution, it may independently award a second  
36 baccalaureate degree for that program for students who enter the  
37 program already possessing a baccalaureate degree from a  
38 regionally accredited college or university.

39 (cf: P.L.1992, c.84, s.7)

40 168. Section 4 of P.L.1970, c.102 (C.18A:64G-4) is amended to  
41 read as follows:

42 4. a. The government, control, conduct, management and  
43 administration of the university shall be vested in the board of  
44 trustees of the university. The membership of the board of  
45 trustees shall consist of [the Chancellor of the Department of  
46 Higher Education and] the Commissioner of Health, who shall  
47 serve ex officio, without vote, and 11 voting members, each of  
48 whom shall be appointed by the Governor, with the advice and  
49 consent of the Senate, for a term of five years and shall serve  
50 until his successor is appointed and has qualified. Any vacancies  
51 in the voting membership of the board occurring other than by  
52 expiration of term shall be filled in the same manner as the  
53 original appointment but for the unexpired term only. Each voting  
54 member of the board of trustees before entering upon his duties



1 shall take and subscribe an oath to perform the duties of his  
2 office faithfully, impartially and justly to the best of his ability.  
3 A record of such oath shall be filed in the office of the Secretary  
4 of State. Each voting member of the board may be removed from  
5 office by the Governor, for cause, after a public hearing.

6 b. The members of the board of trustees shall meet at the call  
7 of the Governor for purposes of organizing. The board shall  
8 thereafter meet at such times and places as it shall designate.

9 c. The Governor shall designate one of the voting members as  
10 chairman of the board. The board shall select such other officers  
11 from among its members as shall be deemed necessary.

12 d. The board shall have the power to appoint and regulate the  
13 duties, functions, powers and procedures of committees, standing  
14 or special, from its members and such advisory committees or  
15 bodies, as it may deem necessary or conducive to the efficient  
16 management and operation of the university, consistent with this  
17 act and other applicable statutes.

18 (cf: P.L. 1992, c.84, s.4)

19 169. Section 6 of P.L.1970, c.102 (C.18A:64G-6) is amended to  
20 read as follows:

21 6. The board of trustees of the university [, within the general  
22 policies and guidelines set by the Board of Higher Education,]  
23 shall have the general supervision over and be vested with the  
24 conduct of the university, including its health care facilities  
25 regardless of the source of funding. It shall have the power and  
26 duty to:

27 (a) Adopt and use a corporate seal;

28 (b) Determine the educational curriculum and program of the  
29 university;

30 (c) Determine policies for the organization, administration,  
31 and development of the university;

32 (d) Study the educational and financial needs of the university,  
33 annually acquaint the Governor and Legislature with the  
34 condition of the university, and prepare and submit an annual  
35 request for appropriation to the [State Board of Higher  
36 Education] Division of Budget and Accounting in the Department  
37 of Treasury in accordance with law;

38 (e) Disburse all moneys appropriated to the university by the  
39 Legislature and all moneys received from tuition, fees, auxiliary  
40 services and other sources;

41 (f) Direct and control expenditures and transfers of funds  
42 appropriated to the university in accordance with the provisions  
43 of the State budget and appropriation acts of the Legislature,  
44 and, as to funds received from other sources, direct and control  
45 expenditures and transfers in accordance with the terms of any  
46 applicable trusts, gifts, bequests, or other special provisions,  
47 reporting changes and additions thereto and transfers thereof to  
48 the Director of the Division of Budget and Accounting in the  
49 Department of the Treasury [and to the Chancellor of Higher  
50 Education]. All accounts of the university shall be subject to  
51 audit by the State at any time;

52 (g) In accordance with the provisions of the State budget and  
53 appropriation acts of the Legislature, appoint and fix the  
54 compensation and term of office of a president of the university

1 who shall be the executive officer of the university;

2 (h) In accordance with the provisions of the State budget and  
3 appropriation acts of the Legislature, appoint, upon nomination of  
4 the president, such deans and other members of the academic,  
5 administrative and teaching staffs as shall be required and fix  
6 their compensation and terms of employment;

7 (i) In accordance with the provisions of the State budget and  
8 appropriation acts of the Legislature, appoint, remove, promote  
9 and transfer such other officers, agents, or employees as may be  
10 required to carry out the provisions of this act and assign their  
11 duties, determine their salaries, and prescribe qualifications for  
12 all positions and in accordance with the salary schedules of the  
13 Civil Service Commission wherever possible;

14 (j) Fix and determine [, after consultation with the Board of  
15 Higher Education,] tuition rates, and other fees to be paid by  
16 students;

17 (k) Grant diplomas, certificates or degrees;

18 (l) Enter into contracts and agreements with the State or any  
19 of its political subdivisions or with the United States, or with any  
20 public body, department or other agency of the State or the  
21 United States or with any individual, firm or corporation which  
22 are deemed necessary or advisable by the board for carrying out  
23 the provisions of this act. A contract or agreement pursuant to  
24 this subsection may require a municipality to undertake  
25 obligations and duties to be performed subsequent to the  
26 expiration of the term of office of the elected governing body of  
27 such municipality which initially entered into or approved said  
28 contract or agreement, and the obligations and duties so incurred  
29 by such municipality shall be binding and of full force and effect,  
30 notwithstanding that the term of office of the elected governing  
31 body of such municipality which initially entered into or approved  
32 said contract or agreement, shall have expired;

33 (m) 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 (n) (1) Acquire (by gift, purchase, condemnation or otherwise),  
38 own, lease, dispose of, use and operate property, whether real,  
39 personal or mixed, or any interest therein, which is necessary or  
40 desirable for university purposes;

41 (2) Adopt standing operating rules and procedures for the  
42 purchase of all equipment, materials, supplies and services;  
43 however, no contract on behalf of the university shall be entered  
44 into for the purchase of services, materials, equipment and  
45 supplies, for doing of any work, or for the hiring of equipment or  
46 vehicles, where the sum to be expended exceeds \$12,500.00 or the  
47 amount determined by the Governor as provided herein, unless  
48 the university shall first publicly advertise for bids and shall  
49 award the contract to that responsible bidder whose bid,  
50 conforming to the invitation for bids, will be most advantageous  
51 to the university, price and other factors considered. Such  
52 advertising shall not be required in those exceptions created by  
53 the board of trustees of the university, which shall be in  
54 substance those exceptions contained in sections 4 and 5 of

1 P.L.1954, c.48 (C.52:34-9 and 10) or for the supplying of any  
2 product or the rendering of any service by a public utility subject  
3 to the jurisdiction of the Board of Public Utilities of this State  
4 and tariffs and schedules of the charges, made, charged, or  
5 exacted by the public utility for any such products to be supplied  
6 or services to be rendered are filed with the said board.  
7 Commencing January 1, 1985 and every two years thereafter, the  
8 Governor, in consultation with the Department of the Treasury,  
9 shall adjust the threshold amount set forth in this paragraph in  
10 direct proportion to the rise or fall of the consumer price index  
11 for all urban consumers in the New York City and the  
12 Philadelphia areas as reported by the United States Department  
13 of Labor. The Governor shall notify the university of the  
14 adjustment. The adjustment shall become effective on July 1 of  
15 the year in which it is reported.

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

29 (3) 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 [. All capital expenditures  
33 in excess of \$2,000,000 shall be subject to the approval of the  
34 Board of Higher Education except that commencing January 1,  
35 1993 and every two years thereafter, the Governor, in  
36 consultation with the Department of the Treasury, shall adjust  
37 the threshold amount set forth in this paragraph in direct  
38 proportion to the rise or fall of the consumer price index for all  
39 urban consumers in the New York City and the Philadelphia areas  
40 as reported by the United States Department of Labor. The  
41 Governor shall notify the university of the adjustment. The  
42 adjustment shall become effective on July 1 of the year in which  
43 it is reported];

44 (4) Manage and maintain, and provide for the payment of all  
45 charges on and expenses in respect of, all properties utilized by  
46 the university; and

47 (5) Invest certain monies in such obligations, securities and  
48 other investments as the board shall deem prudent in accordance  
49 with State and federal law, as follows:

50 In not for profit corporations utilizing income realized from  
51 the sale or licensing of intellectual property, as well as the  
52 reinvestment of earnings on intellectual property; income  
53 realized from the operation of faculty practice plans of the  
54 university; and income from overhead grant fund recovery as

1 permitted by federal law;

2 In for profit corporations utilizing income realized from the  
3 sale or licensing of intellectual property, as well as the  
4 reinvestment of earnings on intellectual property.

5 (o) Borrow money and to secure the same by a mortgage on its  
6 property or any part thereof, and to enter into any credit  
7 agreement for the needs of the university, as deemed requisite by  
8 the board, in such amounts and for such time and upon such terms  
9 as may be determined by the board, provided that no such  
10 borrowing shall be deemed or construed to create or constitute a  
11 debt, liability, or a loan or pledge of the credit or be payable out  
12 of property or funds, other than moneys appropriated for that  
13 purpose, of the State;

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

17 (q) Adopt bylaws and make and promulgate such rules,  
18 regulations and orders, not inconsistent with the provisions of this  
19 act as are necessary and proper for the administration and  
20 operation of the university and to implement the provisions of  
21 this act;

22 (r) Authorize any new program, educational department or  
23 school not inconsistent with the programmatic mission of the  
24 institution or approved by the commission on higher education  
25 which will require, at the time of establishment or thereafter, an  
26 additional expenditure of money, if [the establishment thereof is  
27 approved by the Board of Higher Education and] provision is made  
28 therefor by law;

29 (s) Function as a public employer under the "New Jersey  
30 Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1  
31 et seq.) and conduct all labor negotiations, and with the  
32 participation of [the Chancellor's Office and] the Governor's  
33 Office of Employee Relations act as the chief spokesperson with  
34 respect to all matters under negotiation;

35 (t) Sue and be sued in its own name;

36 (u) [Notwithstanding the provisions of section 7 of P.L.1970,  
37 c.102 (C.18A:64G-7), retain independent counsel to represent a  
38 joint venture, subsidiary corporation, partnership or such other  
39 jural entity entered into or owned wholly or in part by the  
40 university when the enterprise involves development,  
41 manufacture, or marketing of products, technology, or scientific  
42 information, and retain independent counsel to represent any  
43 separate corporation created by the university pursuant to  
44 paragraph (1) of subsection (v) of section 6 of P.L.1970, c.102  
45 (C.18A:64G-6); however, the Attorney General shall represent  
46 the university as a venturer, partner, or in the case of a  
47 corporation, in its shareholder capacity during the incorporation  
48 phase and thereafter] Retain independent counsel including  
49 representation by the Attorney General in accordance with  
50 subsection h. of section 6 of P.L. , c. (C. ) (now pending before  
51 the Legislature as this bill.);

52 (v) (1) Participate as the general partner or as a limited  
53 partner, either directly or through a subsidiary corporation  
54 created by the university, in limited partnerships, general

1 partnerships, or joint ventures engaged in the development,  
2 manufacture, or marketing of products, technology, scientific  
3 information or health care services and create or form for profit  
4 or not for profit corporations to engage in such activities;  
5 provided that any such participation shall be consistent with the  
6 mission of the university and the board shall have determined  
7 that such participation is prudent. Nothing herein shall be  
8 construed to authorize any change in the legal status of  
9 University Hospital;

10 (2) The decision to participate in any activity described in  
11 paragraph (1) of subsection (v) of section 6 of P.L.1970, c.102  
12 (C.18A:64G-6), including the creation or formation of for profit  
13 or not for profit corporations, shall be articulated in the minutes  
14 of the Board of Trustees meeting in which the action was  
15 approved. A true copy of the minutes shall be delivered to the  
16 Governor. No such action shall have affect until 30 days,  
17 Saturdays, Sundays and public holidays excepted, after the copy  
18 of the minutes shall have been delivered to the Governor. If,  
19 within the 30 day period, the Governor returns the minutes of the  
20 meeting with a veto of the action taken by the board, the action  
21 taken by the board shall be null and void and of no effect;

22 (3) The provisions of P.L.1971, c.182 (C.52:13D-12 et seq.)  
23 shall continue to apply to the university, its employees and  
24 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  
29 State or derived from the university's academic programs or  
30 derived from payment for coverage provided by the self insurance  
31 fund for claims accruing prior to the effective date of this act  
32 shall not be utilized in the development, manufacture or  
33 marketing of products, technology or scientific information;

34 (6) Employees of any joint venture, subsidiary corporation,  
35 partnership or other jural entity entered into or owned wholly or  
36 in part by the university shall not be deemed public employees;

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

41 (8) Income realized by the university as a result of  
42 participation in the development, manufacture or marketing of  
43 products, technology, or scientific information may be invested  
44 or reinvested pursuant to paragraph (5) of subsection (n) of  
45 section 6 of P.L.1970, c.102 (C.18A:64G-6) or retained by the  
46 board for use in furtherance of any of the purposes of this act;

47 (9) The board shall annually report to the [Chancellor of  
48 Higher Education and] the State Treasurer on the operation of all  
49 joint ventures, subsidiary corporations, partnerships or such other  
50 jural entities entered into or owned wholly or in part by the  
51 university;

52 (w) (1) Procure and enter into contracts for any type of  
53 insurance and indemnify against loss or damage to property from  
54 any cause, including loss of use and occupancy, against death or

1 injury of any person, against employees' liability, against any act  
2 of any member, officer, employee or servant of the university,  
3 whether part-time, full-time, compensated or non-compensated  
4 in the performance of the duties of his office or employment or  
5 any other insurable risk. In addition, the university shall carry its  
6 own liability insurance or maintain an actuarially sound program  
7 of self insurance. Any joint venture, subsidiary corporation, or  
8 partnership or such other jural entity entered into or owned  
9 wholly or in part by the university shall carry insurance or  
10 maintain reserves in such amounts as are determined by an  
11 actuary to be sufficient to meet its actual or accrued claims;

12 (2) Monies in the fund known as the Self-Insurance Trust Fund  
13 administered by the State Treasurer shall continue to be available  
14 to the university solely to indemnify and defend claims against  
15 the university and its employees, officers and servants but only to  
16 the extent that the University has elected on behalf of itself and  
17 its employees to obtain representation from the Attorney General  
18 pursuant to subsection h. of section 6 of P.L. c. (C. ) (now  
19 pending before the Legislature as this bill) and such entity or  
20 individuals would have been entitled to defense and  
21 indemnification pursuant to the "New Jersey Tort Claims Act"  
22 (N.J.S.59:1-1 et seq.) as a State entity or State employee but for  
23 the provision of subsection (t) of section 6 of P.L.1970, c.102  
24 (C.18A:64G-6). Any expenditure of such funds shall be made only  
25 in accordance with the provisions of the "New Jersey Tort Claims  
26 Act" (N.J.S.59:1-1 et seq.) including but not limited to the  
27 provisions of chapters 10, 10A and 11 of Title 59 of the New  
28 Jersey Statutes. Nothing herein shall be construed to authorize  
29 the use of the Self-Insurance Trust Fund to indemnify or insure in  
30 any way, directly or indirectly the activities of any joint venture,  
31 partnership or corporation entered into or created by the  
32 university pursuant to paragraphs (1) and (2) of subsection (v) of  
33 section 6 of P.L.1970, c.102 (C.18A:64G-6) and C.18A:64G-6); and

34 (x) Create auxiliary organizations subject to the provisions of  
35 P.L.1982, c.16 (C.18A:64-26 et seq.).  
36 (cf: P.L.1992, c.84, s.5)

37 170. Section 7 of P.L.1970, c.102 (C.18A:64G-7) is amended to  
38 read as follows:

39 7. The board of trustees, in addition to the other powers and  
40 duties provided herein, shall have and exercise the powers, rights  
41 and privileges that are incident to the proper government,  
42 conduct and management of the university and the control of its  
43 properties and funds and such powers granted to the university or  
44 the board or reasonably implied, may be exercised without  
45 recourse or reference to any department or agency of the State,  
46 except as otherwise provided by this act. [In addition, the board  
47 may retain independent counsel with the approval of the Attorney  
48 General.]

49 (cf: P.L.1981, c.325, s.8)

50 171. Section 2 of P.L.1977, c.390 (C.18A:64H-2) is amended to  
51 read as follows:

52 2. There is hereby established the Advisory Graduate Medical  
53 Education Council of New Jersey , which shall be responsible to  
54 the [Board of] Commission on Higher Education. The purpose of  
55 this council shall be to make recommendations for the support,

1 through Federal, State and private funds, of graduate medical  
2 education programs in private nonprofit and public hospitals in  
3 the State, and to make recommendations for the development and  
4 implementation of new graduate medical education programs  
5 which will meet the needs of the citizens of the State. The  
6 functions of the council shall include, but not be limited to:

7 a. Obtaining and evaluating information concerning the  
8 graduate medical manpower needs of the citizens of the State;

9 b. Recommending standards and criteria for participation by  
10 private nonprofit and public hospitals in the State;

11 c. Reviewing individual institutional applications and  
12 recommending awards of support to particular institutions based  
13 on conformance with the identified needs of the citizens of the  
14 State and the standards and criteria recommended by the council;

15 d. Annually reviewing the educational programs provided by  
16 participating hospitals;

17 e. Annually reporting to the Governor and the Education  
18 Committees of the New Jersey Legislature on the council's  
19 activities pursuant to the provisions of this act.

20 (cf: P.L.1977, c. 390, s.2)

21 172. Section 3 of P.L.1977, c.390 (C.18A:64H-3) is amended to  
22 read as follows:

23 3. As used in this act:

24 a. "Council" means the Advisory Graduate Medical Education  
25 Council of New Jersey.

26 b. ["Chancellor" means the Chancellor of Higher Education]  
27 deleted by amendment, P.L. , c. (C. ) (now pending before  
28 the legislature as this bill).

29 c. "Graduate medical education" means internship and  
30 residency programs fully or provisionally approved by either the  
31 Council on Medical Education of the American Medical  
32 Association and the appropriate physicians specialty board or the  
33 Office of Education of the American Osteopathic Association.

34 d. "Medical" and "physician" refer to doctors of medicine and  
35 doctors of osteopathy.

36 (cf: P.L.1977, c.390, s.3)

37 173. Section 4 of P.L.1977, c.390 (C.18A:64H-4) is amended to  
38 read as follows:

39 4. The council shall consist of [15] 14 members, 11 voting  
40 members and [four] three nonvoting members; four members of  
41 the council shall be appointed by the Governor and 11 shall be ex  
42 officio members. The appointments shall consist of three  
43 representatives of the public and one student currently enrolled  
44 in a graduate medical training program; the appointed members  
45 shall be voting members of the council. The president of the  
46 University of Medicine and Dentistry of New Jersey, who shall  
47 serve as chairperson; a dean from one of the medical schools of  
48 the University of Medicine and Dentistry of New Jersey, to be  
49 selected by the president of the University of Medicine and  
50 Dentistry of New Jersey; the dean of the School of Graduate  
51 Medical Education of Seton Hall University; the president of the  
52 New Jersey Hospital Association; the president of the Association  
53 of Hospital Directors of Medical Education of New Jersey; the  
54 president of the New Jersey Association of Osteopathic

1 Physicians and Surgeons; the president of the Medical Society of  
2 New Jersey or their designated representatives shall be ex  
3 officio, voting members of the council. The [Chancellor of  
4 Higher Education; the] Commissioner of Health; the president of  
5 the State Board of Medical Examiners and the Commissioner of  
6 Human Services or their designated representatives shall be ex  
7 officio, nonvoting members. The appointed members shall serve  
8 for a three-year term or until a successor is appointed. For those  
9 first appointed, two shall be appointed for a one-year term; one  
10 shall be appointed for a two-year term; and one shall be  
11 appointed for a three-year term. Any vacancies in the voting  
12 membership other than by expiration of term shall be filled in the  
13 same manner as the original appointment but for the unexpired  
14 term only. To assist the council in carrying out the intent of this  
15 act:

16 a. The council may appoint advisory committees  
17 representative of the medical and health care professions,  
18 educators, and students, representatives of medical and health  
19 care facilities and consumers. The advisory committees shall  
20 provide advice and assistance to the council for the council's  
21 performance of its designated functions.

22 b. The council may employ an executive director and  
23 additional staff to provide expertise in the gathering and analysis  
24 of data and administration. The executive director shall have the  
25 right to speak on all matters at meetings of the council but shall  
26 have no vote. The council and the advisory committees shall  
27 serve without compensation, but shall be reimbursed for  
28 necessary expenses incurred in the performance of their duties.  
29 (cf: P.L.1977, c.390, s.4)

30 174. Section 5 of P.L.1977, c.390 (C.18A:64H-5) is amended to  
31 read as follows:

32 5. The [Board of] Commission on Higher Education, upon the  
33 advice of the Advisory Council, with the concurrence of the  
34 Commissioner of Health, shall:

35 a. Plan for the development and implementation of graduate  
36 medical education programs in the State;

37 b. Set standards for qualification for participation by public  
38 and private nonprofit hospitals in the State;

39 c. Establish standards for the use and expenditures of funds  
40 appropriated pursuant to this act;

41 d. Determine the number and type of graduate medical  
42 education programs which should be supported in particular  
43 hospitals in relation to total State needs.

44 (cf: P.L.1977, c.390, s.5)

45 175. Section 8 of P.L.1977, c.390 (C.18A:64H-8) is amended to  
46 read as follows:

47 8. The [Board of] Commission on Higher Education shall  
48 promulgate such rules as are necessary to carry out the purpose  
49 of this act.

50 (cf: P.L.1977, c.390, s.8)

51 176. Section 3 of P.L.1981, c.148 (C.18A:64I-3) is amended to  
52 read as follows:

53 3. The [State Board of Higher Education] Board of Trustees of  
54 Montclair State University shall include in its annual request for



1 appropriations [, submitted to the Governor pursuant to  
2 N.J.S.18A:3-14,] a request for such sums as may be necessary to  
3 maintain the New Jersey School of Conservation. Such funding  
4 shall be separate from and in addition to the regular formula  
5 support provided to Montclair State [College] University and shall  
6 not limit the funding provided to higher education as a sector.

7 (cf: P.L.1981, c.148, s.3)

8 177. N.J.S.18A:65-14 is amended to read as follows:

9 18A:65-14. The membership of the board of governors shall be  
10 classified as follows and consist of:

11 a. [two ex officio members, without vote, serving by virtue of  
12 their respective offices during the terms thereof, viz.,

13 i. the chancellor, and

14 ii.] the president of the corporation, serving as an ex officio  
15 non-voting member; and

16 b. 11 voting members,

17 i. six of whom shall be appointed by the governor of the state,  
18 with the advice and consent of the senate, and

19 ii. five of whom shall be appointed by the board of trustees,  
20 from among their members elected and serving under the  
21 provisions of subsection I.c. or I.d. of 18A:65-15.

22 All members shall serve for terms of six years, except that the  
23 terms of those initially appointed by the governor which began on  
24 September 1, 1956, shall expire respectively (as designated by  
25 him) one, two, three, four, five and six years after June 30, 1956,  
26 and terms of those initially appointed by the board of trustees  
27 which began on September 1, 1956, shall expire respectively (as  
28 designated by the board) two, three, four, five and six years after  
29 June 30, 1956; all of whose respective successors shall be  
30 appointed to serve six-year terms. Governors may succeed  
31 themselves for not more than one additional term after having  
32 served one full six-year term (including an initial term beginning  
33 on September 1, 1956, and expiring on June 30, 1962).

34 (cf: N.J.S.18A:65-14)

35 178. N.J.S.18A:65-15 is amended to read as follows:

36 18A:65-15. I. The membership of the board of trustees shall  
37 be classified as follows and consist of:

38 a. [two ex officio trustees, without vote, serving by virtue of  
39 their respective offices during the terms thereof, viz.,

40 i. the chancellor, and

41 ii.] the president of the corporation, serving as an ex officio  
42 non-voting member;

43 b. 11 public trustees, appointed and to be appointed by the  
44 governor of the state, with the advice and consent of the senate,  
45 viz.,

46 i. five public trustees, serving under section 4 of chapter 49 of  
47 the Laws of 1945 for five-year terms expiring respectively, one,  
48 two, three, four, and five years after June 30, 1956, whose  
49 respective successors shall be appointed upon the expiration of  
50 such terms and annually thereafter to serve five-year terms; and

51 ii. six public trustees appointed governors under subsection  
52 b.1. of section 18A:65-14 and serving by virtue thereof for and  
53 during their respective initial and subsequent terms as governors;

54 c. not less than 12 nor more than 20 trustees who shall be

1 alumni or alumnae of Rutgers, the state university, as may be  
2 determined from time to time by the board of trustees, elected  
3 by the board in accordance with such rules, regulations and  
4 schedules, and modifications thereof, as may be prepared and  
5 adopted from time to time by the board, the terms of such alumni  
6 trustees or alumnae trustees to be six years for full terms, with  
7 power in the board to provide for shorter or interim terms when  
8 deemed by it to be advisable.

9 d. Charter trustees:

10 i. in the number of trustees serving as such on August 31, 1956  
11 without definite term, who shall continue to serve indefinitely;  
12 provided, that upon the occurrence of any vacancy among such  
13 charter trustees, no successor shall be elected to fill such  
14 vacancy until such time as the number of such trustees has been  
15 reduced below 25, and thereafter vacancies within that number  
16 shall be filled by the board subject to the following paragraph II;  
17 ii. two women elected by the board of trustees serving six-year  
18 terms expiring respectively on June 30, 1963 and 1965 and one  
19 woman elected by the board of trustees serving a five-year term  
20 expiring June 30, 1961, whose respective successors shall be  
21 elected by the board upon the expiration of such terms and  
22 thereafter to serve six-year terms.

23 II. All trustees elected or appointed for terms commencing on  
24 or after September 1, 1956, other than those serving ex officio  
25 pursuant to subsections I.a. and I.b.i. of this section, shall serve  
26 for terms of six years (subject to the provisions of subsection I.c.  
27 of this section and of subsection (a) of section 18A:65-16, and  
28 may succeed themselves for not more than one additional term  
29 after having served one full six-year term.

30 III. The ex officio members of the board of trustees as  
31 constituted on August 31, 1956, pursuant to the charter, statutes,  
32 or resolutions of the board from time to time adopted, ceased to  
33 be such members on August 31, 1956, with the exception of the  
34 president of the corporation who continued as ex officio trustee  
35 and ex officio governor, without voting power as hereinabove  
36 provided and the commissioner of education who so continued  
37 until July 1, 1967.

38 (cf: N.J.S.18A:65-15)

39 179. N.J.S.18A:65-16 is amended to read as follows:

40 18A:65-16. (a) The terms of all governors and trustees which  
41 are limited shall, unless otherwise expressly provided herein,  
42 commence on July 1 in the first year, and end on June 30 in the  
43 last year, of such term.

44 (b) In case a governor or a trustee is elected president [or  
45 appointed chancellor] and he thereby becomes a nonvoting  
46 governor or trustee ex officio, a vacancy in his prior office as  
47 governor or trustee shall thereby occur.

48 (c) In case a trustee is appointed a governor by the governor of  
49 the state, and he thereby becomes a trustee during his term as  
50 governor, a vacancy in his prior office as trustee shall thereby  
51 occur.

52 (d) Any vacancy occurring during the term of any governor or  
53 trustee (other than by the expiration of his term) shall be filled  
54 for the unexpired term only, in the same manner and subject to

1 the same provisions, as in the case of his appointment or election;  
2 subject, however, to the provisions of subsection I.d. of section  
3 18A:65-15.

4 (cf: N.J.S.18A:65-16)

5 180. N.J.S.18A:65-17 is amended to read as follows:

6 18A:65-17. No person, other than [the chancellor or] the  
7 president, shall be eligible to membership on the board of  
8 governors, if he is a salaried official of the state of New Jersey,  
9 or shall be eligible to membership on either the board of  
10 governors or the board of trustees, if he is receiving  
11 remuneration for services from the corporation or the university.  
12 If any member of either board shall become ineligible by reason  
13 of the foregoing, a vacancy in his prior office as governor or  
14 trustee, as the case may be, shall thereby occur.

15 (cf: N.J.S.18A:65-17)

16 181. N.J.S.18A:65-25 is amended to read as follows:

17 18A:65-25. The board of governors shall have general  
18 supervision over and be vested with the conduct of the  
19 university. It shall have the authority and responsibility to:

20 a. Determine policies for the organization, administration and  
21 development of the university;

22 b. Study the educational and financial needs of the university,  
23 annually acquaint the Governor and Legislature with the  
24 condition of the university, and prepare and [, jointly with the  
25 Board of Higher Education,] present the annual budget to the  
26 Governor, the Division of Budget and Accounting in the  
27 Department of Treasury and the Legislature, in accordance with  
28 law;

29 c. Disburse all moneys appropriated to the university by the  
30 Legislature, moneys received from tuition, fees, auxiliary  
31 services and other sources, and from or by direction of the board  
32 of trustees;

33 d. Direct and control expenditure and transfer of funds  
34 appropriated to the corporation and the university by the State in  
35 accordance with the provisions of the State budget and  
36 appropriation acts of the Legislature; and, as to funds received  
37 from the trustees and other sources, direct and control  
38 expenditures and transfers in accordance with the terms of any  
39 applicable trusts, gifts, bequests, or other special provisions,  
40 reporting changes and additions thereto and transfers thereof to  
41 the Director of the Division of Budget and Accounting in the  
42 State Department of the Treasury. All accounts of the university  
43 shall be subject to audit by the State at any time.

44 e. Borrow money for the needs of the corporation and the  
45 university, as deemed requisite by the board, in such amounts and  
46 for such time and upon such terms as may be determined by the  
47 board, with the consent and advice of the board of trustees;  
48 provided, that no such borrowing shall be deemed or construed to  
49 create or constitute a debt, liability, or a loan or pledge of the  
50 credit, or be payable out of property or funds (other than moneys  
51 appropriated for that purpose) of the State;

52 f. 1. Purchase all lands, buildings, equipment, materials and  
53 supplies; and

54 2. Employ architects to plan buildings; secure bids for the

1 construction of buildings and for the equipment thereof; make  
2 contracts for the construction of buildings and for equipment; and  
3 supervise the construction of buildings;

4 g. Manage and maintain, and provide for the payment of all  
5 charges on and expenses in respect of, all properties utilized by  
6 the university;

7 h. In accordance with the provisions of the budget, have the  
8 sole power (subject to the provisions of section 18A:65-31) to  
9 elect, appoint, remove, promote or transfer all corporate,  
10 official, educational and civil administrative personnel, and fix  
11 and determine their salaries in accordance with salary schedules  
12 adopted by the board of governors [and approved by the Board of  
13 Higher Education]. Such salary schedules shall prescribe  
14 qualifications for the various classifications and shall limit the  
15 percentage of the educational staff that may be appointed or  
16 promoted to any given classification;

17 i. In accordance with the provisions of the budget, appoint,  
18 remove, promote and transfer all other officers, agents, or  
19 employees, assign their duties, determine their salaries, and  
20 prescribe qualifications for all positions, and in accordance with  
21 the salary schedules of the State Civil Service Commission  
22 wherever possible; and

23 j. Authorize any new educational department or school [which  
24 will require, at the time of establishment, or which may  
25 thereafter require, an additional expenditure of money beyond  
26 that appropriated, if the establishment thereof is approved by the  
27 Board of Higher Education and provision is made therefor in the  
28 annual or a supplemental appropriation act or a special act of the  
29 Legislature or otherwise] consistent with the institution's  
30 programmatic mission or approved by the Commission on Higher  
31 Education .

32 (cf: P.L.1970, c.174, s.1)

33 182. N.J.S.18A:65-27 is amended to read as follows:

34 18A:65-27. I. It is hereby declared to be the public policy of  
35 the state of New Jersey that:

36 a. the corporation and the university shall be and continue to  
37 be given a high degree of self-government and that the  
38 government and conduct of the corporation and the university  
39 shall be free of partisanship; and

40 b. resources be and continue to be provided and funds be and  
41 continue to be appropriated by the state adequate for the conduct  
42 of a state university with high educational standards and to meet  
43 the cost of increasing enrollment and the need for proper  
44 facilities.

45 II. In consideration of the utilization by the state for the  
46 purposes of public higher education of privately donated  
47 properties and funds valued as at September 1, 1956 at  
48 approximately \$50,000,000, and the prospect of future private  
49 donations, the state by this chapter agrees with the board of  
50 trustees and its successors that:

51 a. if the properties and funds controlled by the trustees shall  
52 not be properly applied in accordance with the provisions of  
53 subsection (d) of section 18A:65-25 for the purpose of higher  
54 education and in accordance with the terms of any applicable

1 testamentary, trust, or other special provision; or  
2 b. if, without the consent of the board of trustees,  
3 (1) the university is not continued to be designated and  
4 maintained as the state university of New Jersey, or  
5 (2) the name of the university shall be changed, or  
6 (3) a vacancy in the office of the president of the university  
7 shall be filled otherwise than by appointment of the board of  
8 governors with the advice and consent of the board of trustees, or  
9 (4) the provisions for the essential self-government of the  
10 university, viz., the provisions of sections 18A:65-12 to  
11 18A:65-16, inclusive, 18A:65-19, 18A:65-24 to 18A:65-26,  
12 inclusive, 18A:65-28, subsection (b) of 18A:65-29, 18A:65-30,  
13 subsection (c) of 18A:65-31, 18A:65-33, 18A:65-6, 18A:65-9 and  
14 18A:65-4, or any of them or of this section 18A:65-27, are  
15 amended or altered in any substantial respect or repealed; or  
16 c. if provision shall not be made by the state sufficient to  
17 enable the board of trustees to discharge its trust to apply the  
18 trust assets described in subsection 2 of section 18A:65-26 for  
19 public higher education through the conduct of a university with  
20 high educational standards, the board of trustees, after careful  
21 consideration and on not less than 60 days' prior written notice  
22 to the board of governors and to the [board of higher education or  
23 its successors] Governor, shall have and may exercise the right to  
24 withhold or withdraw the use of the properties and funds above  
25 described in subsection 2 of section 18A:65-26, or any part of  
26 them, (aa) subject to adjudication by the courts of the state, and  
27 (bb) subject to their proper application for the purposes of public  
28 higher education and in accordance with the terms of any  
29 applicable testamentary, trust or other special provision.

30 (cf: N.J.S.18A:65-27)

31 183. N.J.S.18A:65-33.1 is amended to read as follows:

32 18A:65-33.1. The corporation shall have the care, custody and  
33 control of such property as the state now has or shall hereafter  
34 acquire at the university, subject to the visitorial powers of the  
35 [board of higher education] <sup>1</sup>[Governor] Chairman of the  
36 Commission on Higher Education at the request of the Governor<sup>1</sup>.

37 (cf: N.J.S.18A:65-33.1)

38 184. N.J.S.18A:65-34 is amended to read as follows:

39 18A:65-34. The visitorial general powers of supervision and  
40 control of the [board of higher education] <sup>1</sup>[Governor] Chairman  
41 of the Commission on Higher Education at the request of the  
42 Governor<sup>1</sup> over Rutgers, the state university, are continued and  
43 are defined as the powers to visit the university to examine into  
44 its manner of conducting its affairs and to enforce an observance  
45 of its laws and regulations and the laws of the state.

46 (cf: N.J.S.18A:65-34)

47 185. N.J.S.18A:65-35 is amended to read as follows:

48 18A:65-35. The board of governors shall advise [with the board  
49 of higher education],in consultation with the Commission on  
50 Higher Education and the Presidents' Council, to the end that the  
51 facilities and services of the university may be so utilized as to  
52 increase the efficiency of the public school system and provide  
53 higher education for the people of the state, and [the board of  
54 higher education shall investigate and, jointly with] the board of

1 governors [,] shall make recommendations to the governor and the  
2 legislature, respecting the needs for the facilities and services, of  
3 the university, as an instrumentality of the state for said  
4 purposes.

5 (cf: N.J.S.18A:65-35)

6 186. N.J.S.18A:65-61 is amended to read as follows:

7 18A:65-61. The care, custody and control of any building used  
8 jointly by any state college and the corporation shall be vested in  
9 the board of trustees of the state college or in the corporation, as  
10 the case may be. The care, custody and control of any building of  
11 a state college wholly utilized by the corporation shall be  
12 exercised by the corporation subject to the visitorial power [of  
13 the board of higher education] granted herein and the care,  
14 custody and control of any building of the corporation wholly  
15 utilized for any state college shall be exercised by the board of  
16 trustees of the state college.

17 (cf: N.J.S.18A:65-61)

18 187. Section 3 of P.L.1969, c.242 (C.18A:66-169) is amended to  
19 read as follows:

20 3. As used in this act:

21 a. "Accumulated deductions" means those contributions as  
22 defined in N.J.S.18A:66-2 or in section 6 of P.L.1954, c.84  
23 (C.43:15A-6).

24 b. "Base salary" means a participant's regular base or  
25 contractual salary. It shall exclude bonus, overtime or other  
26 forms of extra compensation such as (1) longevity lump sum  
27 payments, (2) lump sum terminal sick leave or vacation pay, (3)  
28 the value of maintenance, (4) individual pay adjustments made  
29 within or at the conclusion of the participant's final year of  
30 service, (5) retroactive salary adjustments or other pay  
31 adjustments made in the participant's final year of service unless  
32 such adjustment was made as a result of a general pay adjustment  
33 for all personnel of the department or institution, (6) any  
34 unscheduled individual adjustment made in the final year to place  
35 the member at the maximum salary level within his salary range  
36 and (7) any pay for services rendered during the summer vacation  
37 period by a participant who is required to work only 10 months of  
38 the year.

39 c. "Base annual salary" means the base salary upon which  
40 contributions by the member and his employer to the alternate  
41 benefit program were based during the last year of creditable  
42 service.

43 d. [ "Board of Higher Education" means the board described in  
44 article 2 of chapter 3 of Title 18A of the New Jersey Statutes  
45 and the agency responsible for the establishment of the alternate  
46 benefits program of the State and County Colleges.] deleted by  
47 amendment (P.L. , c. (C. ) (now pending before the  
48 Legislature as this bill)

49 e. "University of Medicine and Dentistry" means the  
50 University of Medicine and Dentistry of New Jersey established  
51 pursuant to the terms of section 3 of P.L.1970, c.102  
52 (C.18A:64G-3).

53 f. "County colleges" means the colleges so defined in  
54 N.J.S.18A:64A-1.

1 g. "Division of Pensions and Benefits" means the division  
2 established in the Department of the Treasury pursuant to section  
3 1 of P.L.1955, c.70 (C.52:18A-95) and is the agency responsible  
4 for the administration of the alternate benefit program of [the  
5 Department of Higher Education,] the State and county colleges  
6 and for the administration of the group life and disability  
7 insurances of all alternate benefit programs established in the  
8 State for public employees.

9 h. "Full-time officers" and "full-time members of the  
10 faculty" shall include the president, vice president, secretary and  
11 treasurer of the respective school. [Also included are employees  
12 of the Department of Higher Education whose positions are so  
13 designated by the Board of Higher Education. All other  
14 employees of the Department of Higher Education shall, if  
15 otherwise eligible, be enrolled in the Public Employees'  
16 Retirement System or transferred from the Teachers' Pension  
17 and Annuity Fund to said system.] "Full-time" shall also include  
18 eligible full-time officers and full-time members of the faculty  
19 who are granted sabbaticals or leaves of absence with pay where  
20 the compensation paid is 50% or more of the base salary at the  
21 time the leave commences and the period of eligibility  
22 terminates with the end of the school year following the year in  
23 which the sabbatical began. "Part-time" shall be defined as an  
24 appointment where the employee receives a salary or wages for a  
25 period of less than 50% of the normal work week. These  
26 definitions shall apply to teaching or administrative staff  
27 members or to employees serving in a dual capacity where the  
28 appointment includes teaching as well as administrative duties.

29 i. "Group Annuity Plan" refers to the Group Annuity Contract  
30 R-134 between the Board of Trustees of the New Jersey Institute  
31 of Technology and the Prudential Insurance Company of America.

32 j. "Member" or "participant" means a full-time officer or a  
33 full-time member of the faculty participating in the alternate  
34 benefit program.

35 k. "New Jersey Institute of Technology" means the Newark  
36 College of Engineering.

37 l. "Pension reserve" means those moneys as defined in  
38 N.J.S.18A:66-2 or in section 6 of P.L.1954, c.84 (C.43:15A-6).

39 m. "Rutgers, The State University" means the institution of  
40 higher education described in chapter 65 of Title 18A of the New  
41 Jersey Statutes.

42 n. "State Colleges" means the colleges so described in chapter  
43 64 of Title 18A of the New Jersey Statutes.

44 o. "Mutual fund company" means an investment company or  
45 trust regulated by the federal "Investment Company Act of  
46 1940," 15 U.S.C. §§80a-1 et seq.

47 (cf: P.L.1993, c.385, s.2)

48 188. Section 4 of P.L.1969, c.242 (C.18A:66-170) is amended  
49 to read as follows:

50 4. All full-time officers and all full-time members of the  
51 faculty of the University of Medicine and Dentistry of New  
52 Jersey, Rutgers, The State University, the Newark College of  
53 Engineering, the State and county colleges and all regularly  
54 appointed teaching and administrative staff members in

1 applicable positions, as determined by the [Board of Higher  
2 Education] Director of the Division of Pensions in the  
3 Department of Treasury, shall be eligible and shall participate in  
4 the alternate benefit program, except those persons appointed in  
5 a part-time or temporary capacity, physicians and dentists  
6 holding employment in positions titled intern, resident or fellow  
7 on or after the effective date of this amendatory act, persons  
8 compensated on a fee basis, persons temporarily in the United  
9 States under an F or J visa and members of the Teachers'  
10 Pension and Annuity Fund, the Public Employees' Retirement  
11 System, the Police and Firemen's Retirement System or the  
12 Group Annuity Plan, who did not elect to transfer to the  
13 alternate benefit program in accordance with the provisions of  
14 chapter 64C or 65 of Title 18A of the New Jersey Statutes,  
15 P.L.1967, c.278 (C.18A:66-130 et seq.), or c.281 (C.18A:66-142 et  
16 seq.), or P.L.1968, c.181 (C.18A:66-154 et seq.). An eligible  
17 person who has been enrolled in the alternate benefit program for  
18 at least one year pursuant to this section may continue to be  
19 enrolled in the program, notwithstanding promotion or transfer to  
20 a position within the institution not otherwise eligible for the  
21 program.

22 Any person participating in the alternate benefit program shall  
23 be ineligible for membership in the Teachers' Pension and  
24 Annuity Fund, the Public Employees' Retirement System, the  
25 Police and Firemen's Retirement System or the Group Annuity  
26 Plan and any person electing to participate in the alternate  
27 benefit program shall thereby waive all rights and benefits  
28 provided by the Teachers' Pension and Annuity Fund, the Public  
29 Employees' Retirement System, the Police and Firemen's  
30 Retirement System or the Group Annuity Plan as a member of  
31 said fund, system or plan, except as herein and otherwise  
32 provided by law or under terms of the Group Annuity Plan.

33 Any person required to participate in the alternate benefit  
34 program by reason of employment, who at the time of such  
35 employment is a member of the Teachers' Pension and Annuity  
36 Fund, shall be permitted to transfer his membership in said fund  
37 to the Public Employees' Retirement System, by waiving all  
38 rights and benefits which would otherwise be provided by the  
39 alternate benefit program. Any such new employee who is a  
40 member of the Public Employees' Retirement System will be  
41 permitted to continue his membership in that system, by waiving  
42 all rights and benefits which would otherwise be provided by the  
43 alternate benefit program. Such waivers shall be accomplished  
44 by filing forms satisfactory to the Division of Pensions within 30  
45 days of the beginning date of employment.

46 Any person receiving a benefit by reason of his retirement  
47 from any retirement or pension system of the State of New  
48 Jersey or any political subdivision thereof shall be ineligible to  
49 participate in the alternate benefit program.

50 No person eligible for participation in the alternate benefit  
51 program shall be eligible for, or receive, benefits under chapters  
52 4 and 8B of Title 43 of the Revised Statutes.

53 The alternate benefit programs established pursuant to this act  
54 are deemed to be pension funds or retirement systems for



1 purposes of P.L.1968, c.23 (C.43:3C-1 et seq.).  
2 (cf: P.L.1984, c.200, s.1)

3 189. Section 6 of P.L.1969, c.242 (C.18A:66-172) is amended  
4 to read as follows:

5 6. Participants in the alternate benefit program shall be  
6 allowed to allocate portions of their own contributions and the  
7 contributions of their employer, including amounts used by the  
8 employer to purchase an annuity pursuant to a salary reduction  
9 agreement under section 24 of P.L.1969, c.242 (C.18A:66-190), to  
10 accounts with two or more insurers or mutual fund companies  
11 designated pursuant to the provisions of section 3 of P.L.1993,  
12 c.385 (C.18A:66-172.1) as companies from which alternate  
13 benefit contracts may be purchased, and shall, subject to such  
14 rules and regulations as the Division of Pensions and Benefits may  
15 adopt, be permitted to direct the withdrawal of such  
16 contributions from their account with one such company for  
17 deposit in an account with another such company. Since the  
18 establishment of the alternate benefit programs for the several  
19 public institutions of higher education in New Jersey is designed  
20 to provide mobility of pension credit from within the academic  
21 community in and outside the State, and since it is imperative  
22 that eligibility for participation in this program be of uniform  
23 application in the several schools, it shall be the responsibility of  
24 the [Board of Higher Education] Director of the Division of  
25 Pensions to establish regulations which shall provide for such  
26 uniformity.

27 (cf: P.L.1993, c.385, s.4)

28 190. Section 8 of P.L.1969, c.242 (C.18A:66-174) is amended  
29 to read as follows:

30 8. (a) The University of Medicine and Dentistry of New Jersey,  
31 Rutgers, The State University and the New Jersey Institute of  
32 Technology shall reduce the compensation of each participant in  
33 the alternate benefit program and pay over to the insurers or  
34 mutual fund companies for the benefit of the participant an  
35 employee contribution for the retirement annuity contract or  
36 contracts equal to 5% of the participant's base salary. The  
37 intervals for deductions or reductions and payments shall be  
38 determined by the respective school governing bodies.

39 The Division of Pensions [and Benefits] shall provide for  
40 reductions from the compensation of each participant in the  
41 alternate benefit program employed by [the Department of  
42 Higher Education,] the State and county colleges of an employee  
43 contribution equal to 5% of the participant's base salary and pay  
44 this amount to the insurers or mutual fund companies for the  
45 individual's retirement annuity contract or contracts. The  
46 intervals for deductions or reductions and payments shall be  
47 determined by the Division of Pensions [and Benefits].

48 The Division of Pensions [and Benefits] may require that all  
49 participant contributions be made in accordance with section  
50 414(h) of the federal Internal Revenue Code (26 U.S.C. §414(h)).

51 (b) Based on a certification to the Division of Pensions [and  
52 Benefits] by the University of Medicine and Dentistry of New  
53 Jersey, Rutgers, The State University and the New Jersey  
54 Institute of Technology of the number and base salary of

1 participants, the division shall authorize the State to make  
2 payment of the employer contributions to the alternate benefit  
3 program at a rate equal to 8% of the employee's base salary,  
4 which moneys shall be paid to the designated insurers or mutual  
5 fund companies for the benefit of each participant.

6 Based on a certification by the Division of Pensions [and  
7 Benefits] of the number and base salary of participants employed  
8 by [the Department of Higher Education,] the State and county  
9 colleges, the State shall make payment of the employer  
10 contributions to the alternate benefit program at a rate equal to  
11 8% of the employee's base salary, which moneys shall be paid to  
12 the designated insurers or mutual fund companies for the benefit  
13 of each participant.

14 (c) For the member of the Public Employees' Retirement  
15 System employed by the county colleges, who is defined in the  
16 regulations of the [Board of Higher Education] Division of  
17 Pensions as a full-time faculty member and who is permitted to  
18 transfer his membership and does so, the State shall pay the  
19 employer contribution to the alternate benefit program at a rate  
20 equal to 8% of the member's base salary. If the member  
21 continues membership in the Public Employees' Retirement  
22 System, the State shall pay the employer contribution to the  
23 retirement system on his behalf and such employer contribution  
24 shall be at a rate equal to the normal contribution made by the  
25 State on behalf of nonveteran members of the Public Employees'  
26 Retirement System.

27 (d) For any nonacademic employee of a county college, as  
28 defined in section 4 of P.L.1969, c.242 (C.18A:66-170), who is  
29 eligible for the program according to the regulations of the  
30 [Board of Higher Education] Director of the Division of Pensions,  
31 the county college shall pay the employer contribution to the  
32 retirement system on the employee's behalf in the same manner  
33 as the State, pursuant to this section.

34 (cf: P.L. 1993, c.385, s.6)

35 191. Section 24 of P.L.1969, c.242 (C.18A:66-190) is amended  
36 to read as follows:

37 24. The Board of Trustees of the New Jersey College of  
38 Medicine and Dentistry, the Board of Governors of Rutgers, The  
39 State University, the Board of Trustees of the New Jersey  
40 Institute of Technology and [the Board of Higher Education on  
41 behalf of the Department of Higher Education,] the boards of  
42 trustees of State and county colleges, are hereby authorized to  
43 enter into agreement with each employee participating in the  
44 alternate benefit program whereby the employee agrees to take a  
45 reduction in salary with respect to amounts earned after the  
46 effective date of such agreement in return for the agreement of  
47 the respective institution to use a corresponding amount to  
48 purchase an annuity for such employee so as to obtain the  
49 benefits afforded under section 403(b) of the Federal Internal  
50 Revenue Code, as amended. Any such agreement shall specify  
51 the amount of such reduction, the effective date thereof, and  
52 shall be legally binding and irrevocable with respect to amounts  
53 earned while the agreement is in effect; provided, however, that  
54 such agreement may be terminated after it has been in effect for

1 a period of not less than 1 year upon notice in writing by either  
2 party, and provided further that not more than one such  
3 agreement shall be entered into during any taxable year of the  
4 employee. For the purposes of this section, any annuity or other  
5 contract which meets the requirements of section 403(b) of the  
6 Federal Internal Revenue Code, as amended, may be utilized.  
7 The amount of the reduction in salary under any agreement  
8 entered into between the institutions and any employee pursuant  
9 to this section shall not exceed the limitations set forth in  
10 P.L.93-406 (Employment Retirement Income Security Act of  
11 1974) and Section 415(c) of the Internal Revenue Code of 1954 as  
12 amended for such year.

13 (cf: P.L.1981, c.39, s.1)

14 192. Section 25 of P.L.1969, c.242 (C.18A:66-191) is amended  
15 to read as follows:

16 25. No retirement, death or other benefit shall be payable by  
17 the State, the University of Medicine and Dentistry, Rutgers, The  
18 State University, the New Jersey Institute of Technology [, the  
19 Board or the Department of Higher Education] or the Division of  
20 Pensions and Benefits under the alternate benefit program.  
21 Benefits shall be payable to participating employees and their  
22 beneficiaries only by the designated insurers or mutual fund  
23 companies under the terms of the contracts.

24 (cf: P.L.1993, c.385, s.11)

25 193. Section 3 of P.L.1993, c.385 (C.18A:66-172.1) is amended  
26 to read as follows:

27 3. There is established in but not of the Division of Pensions  
28 and Benefits in the Department of the Treasury the Pension  
29 Provider Selection Board, which shall consist of the Director of  
30 the Division of Pensions and Benefits or a representative of that  
31 director; the Director of the Division of Investment or a  
32 representative of that director; the Commissioner of the  
33 Department of Insurance or a representative of that  
34 commissioner; the Director of the Division of Purchase and  
35 Property or a representative of that director; [the Chancellor of  
36 Higher Education;] and a person appointed by the [Chancellor of  
37 Higher Education] Director of the Division of Pensions who is an  
38 active participant or receiving a benefit from the alternate  
39 benefit program.

40 The Pension Provider Selection Board shall select through a  
41 competitive bidding process at least three unrelated insurance or  
42 mutual fund companies licensed or otherwise authorized to  
43 transact business in New Jersey from which alternate benefit  
44 contracts will be purchased. These new insurers or mutual fund  
45 companies shall be selected by competitive bidding in accordance  
46 with all applicable State laws and regulations not later than the  
47 270th day following the effective date of P.L.1993, c.385  
48 (C.18A:66-172.1 et al.). The selected carriers shall be authorized  
49 to receive contributions within 60 days of their selection. Each  
50 contract shall be awarded for a period not to exceed six years  
51 with a renewal option for a period not to exceed three years. All  
52 carriers shall be subject to a performance review by the Pension  
53 Provider Selection Board every seven years and must meet such  
54 standards as the Pension Provider Selection Board shall establish

1 by regulation in order to be renewed for another term of seven  
2 years as carriers. Removal of a carrier for cause during a  
3 seven-year term is not waived. In establishing by regulation the  
4 criteria for the initial selection and any performance review of a  
5 carrier, the Pension Provider Selection Board shall consider,  
6 among other things, the following:

7 a. the portability of the contracts offered or to be offered by  
8 the company, based on the number of states in which the  
9 company provides contracts under similar plans;

10 b. the efficacy of the contracts in the recruitment and  
11 retention of employees for the various State public institutions of  
12 higher education;

13 c. the nature and extent of the rights and benefits to be  
14 provided by the contracts for participating employees and their  
15 beneficiaries;

16 d. the relation of the rights and benefits to the amount of  
17 contributions to be made pursuant to the provisions of this article;

18 e. the suitability of the rights and benefits to the needs and  
19 interests of participating employees and the various State public  
20 institutions of higher education;

21 f. the ability of the company to provide the rights and benefits  
22 under such contracts;

23 g. the financial soundness of the company, the extent of the  
24 company's financial commitment to the contracts, and whether  
25 the company meets the minimum financial criteria established by  
26 the Division of Pensions and Benefits [and the Board of Higher  
27 Education];

28 h. the company's overall quality of service, its investment  
29 performance considering return on investments and risk, the  
30 administrative fee to be charged to participating employees, and  
31 the offering of a balanced array of investment opportunities; and

32 i. the nature of the informational or promotional materials to  
33 be provided to prospective participants.

34 The Pension Provider Selection Board may not designate a  
35 company which serves as a disbursement system for other  
36 providers or which charges third party administrative fees.

37 A company that has been designated as of January 1, 1993 by  
38 the Division of Pensions and Benefits as a designated provider  
39 shall continue to be so designated until its status as a designated  
40 provider is terminated for cause by the division or by the Pension  
41 Provider Selection Board.

42 (cf: P.L.1993, c.385, s.3)

43 194. N.J.S.18A:67-2 is amended to read as follows:

44 18A:67-2. No institution which proposes to offer courses of  
45 study above high school grade, which courses satisfy in whole or  
46 in part the requirements for a college or university degree, shall  
47 adopt or use any title or name commonly accepted as descriptive  
48 of collegiate or university institutions without the approval of the  
49 [board of] commission on higher education made under rules  
50 relating to names and titles of institutions adopted by [said board]  
51 the commission.

52 (cf: N.J.S.18A:67-2)

53 195. N.J.S.18A:68-3 is amended to read as follows:

54 18A:68-3. No corporation shall furnish instruction or learning

1 in the arts, sciences, or professions for the purposes of admitting  
2 any person to the grade of a degree, or shall confer or participate  
3 in conferring a degree, giving to any person a diploma of  
4 graduation or of proficiency in a course of study, in learning, or  
5 in scientific arts or methods, within this state, until it shall have  
6 filed a certified copy of its certificate of incorporation with the  
7 [board of] commission on higher education and obtained from  
8 [such board] the commission a license to carry on the business  
9 under such rules as the [board of higher education] commission  
10 may prescribe.

11 (cf: N.J.S.18A:68-3)

12 196. N.J.S.18A:68-4 is amended to read as follows:

13 18A:68-4. Any license issued under this article may be revoked  
14 by the [board of] commission on higher education.

15 (cf: N.J.S.18A:68-4)

16 197. N.J.S.18A:68-5 is amended to read as follows:

17 18A:68-5. When it shall appear that any corporation is  
18 carrying on the business of such instruction or teaching, or  
19 conferring any such degree, or giving any such diploma without  
20 such license, the [board of] commission on higher education,  
21 represented by the attorney general, may institute a civil action  
22 in the superior court to restrain the corporation from the  
23 transaction of any such business or the exercise of any such  
24 franchise within this state until it shall have obtained such  
25 license or the approval of [said board] the commission. The court  
26 may proceed in the action in a summary manner or otherwise.  
27 The costs in any such action, to be fixed by the court, shall be  
28 paid by the corporation before the dissolution of any injunctive  
29 order or judgment.

30 (cf: N.J.S.18A:68-5)

31 198. N.J.S.18A:68-6 is amended to read as follows:

32 18A:68-6. No school, corporation, association or institution of  
33 learning conducted within this state and licensed by the  
34 Commission on Higher Education, nor any officer or member  
35 thereof, in recognition of the attainment or proficiency of any  
36 person in pursuing or graduating from any course or courses of  
37 study, arts, or learning conducted by it or another such school  
38 corporation, association or institution, shall admit any such  
39 person to the grade of a degree by conferring, or participating in  
40 conferring, any degree upon any person [without first submitting  
41 the basis or conditions thereof to the board of higher education,  
42 and obtaining its approval thereof, and of the practice of  
43 conferring and bestowing such degrees] unless that degree  
44 program is consistent with the programmatic mission of the  
45 institution or is approved by the commission.

46 Nothing contained in this section shall apply to any school,  
47 corporation, association or institution of learning, or officer or  
48 member thereof, which was established and conducted within this  
49 state on April 1, 1887, and was then in the course of admitting  
50 persons to the grade of a degree by conferring the same upon  
51 them in recognition of their attainments or proficiencies, nor to  
52 any school conducted under the public school system.

53 (cf: N.J.S.18A:68-6)

54 199. N.J.S.18A:68-7 is amended to read as follows:

1 18A:68-7. The approval given by the [board of] commission on  
2 higher education of the basis or conditions for the admission to  
3 the grade of a degree may be revoked for proper cause by [said  
4 board] the commission after hearing upon 20 days' notice of the  
5 time and place of such hearing given to any such school,  
6 corporation, association or institution of learning by service upon  
7 any officer or member thereof, and proof made at such hearing to  
8 the satisfaction of the [board of higher education] commission,  
9 that the standards presented for admission to such grade of a  
10 degree or for the conferring of such degree are not being  
11 satisfactorily complied with by such school, corporation,  
12 association or institution of learning, or by the officers or  
13 members thereof.

14 The [board of higher education] commission shall keep a record  
15 of such approvals and revocations in a book to be provided and  
16 used solely for that purpose, which book shall be kept at its office  
17 in Trenton and may be inspected by any person upon request.

18 (cf: N.J.S.18A:68-7)

19 200. N.J.S.18A:68-9 is amended to read as follows:

20 18A:68-9. An officer or member of a school, corporation,  
21 association or institution of learning who by vote or in any other  
22 manner or capacity, or a school, corporation, association or  
23 institution of learning which shall admit or participate in  
24 admitting a scholar, student, or subscriber to any grade of a  
25 degree by conferring or participating in conferring any degree  
26 upon him, contrary to the provisions of this chapter, or who shall  
27 sign any certificate or diploma as evidence of the conferring of  
28 such degree shall be liable to a penalty of not more than \$300.00  
29 for each offense, to be enforced and collected by and in the name  
30 of the [board of] commission on higher education in a summary  
31 proceeding in accordance with chapter 58 of Title 2A of the New  
32 Jersey Statutes, the penalty enforcement law. Process shall be  
33 either in the nature of a summons or warrant.

34 (cf: N.J.S.18A:68-9)

35 201. N.J.S.18A:68-11 is amended to read as follows:

36 18A:68-11. All moneys recovered under the provisions of this  
37 article shall be payable [by the board of higher education] to the  
38 state treasurer.

39 (cf: N.J.S.18A:68-11)

40 202. Section 2 of P.L.1977, c.123 (C.18A:68-11.2) is amended  
41 to read as follows:

42 2. As used in this act:

43 a. "Institution of higher education" means an institution of  
44 collegiate grade in New Jersey [approved or] licensed by the  
45 [State Board of] Commission on Higher Education or otherwise  
46 authorized under N.J.S.18A:68-6 and accredited by the Middle  
47 States Association of Colleges and Secondary Schools.

48 b. "Educational loan" means either (1) a loan which is made  
49 for the purpose of defraying the cost of attendance by one or  
50 more students at the institution of higher education making such  
51 loan or (2) a loan to an employee of an institution of higher  
52 education for the purpose of defraying the costs of  
53 post-secondary school education of the employee or of the spouse  
54 or child of the employee.

55 (cf: P.L.1977, c.123, s.2)

1 203. Section 1 of P.L.1977,c.330 (C.18A:71-15.1) is amended to  
2 read as follows:

3 1. There is hereby created the Student Assistance Board  
4 [which is responsible to the Board of Higher Education and which]  
5 in but not of the Department of Treasury. Notwithstanding this  
6 allocation, the board shall be independent of any supervision or  
7 control by the department or any officer thereof. The board shall  
8 consist of the [Chancellor] chairman of the [Department of]  
9 Commission on Higher Education and the State Treasurer or [his  
10 designee] their designees and 12 other members to be appointed  
11 by the Governor with the advice and consent of the Senate<sup>1</sup> as  
12 follows:

13 Four public members who shall be residents of the State;  
14 One representative of Rutgers, The State University;  
15 One representative of the State-supported county colleges;  
16 One representative of the State Colleges;  
17 One representative of the nontax supported institutions of  
18 higher education in the State;  
19 One representative of the New Jersey Institute of Technology;  
20 One member of the Educational Opportunity Fund Board;  
21 Two New Jersey residents currently enrolled as students in an  
22 undergraduate degree program, one of whom shall attend a public  
23 institution of higher education of this State and one of whom  
24 shall attend a nontax supported institution of higher education in  
25 this State. These student members shall be selected from  
26 candidates recommended by the Student Advisory Committee.  
27 The term of office of the appointed student members shall not  
28 exceed two years.

29 The term of office of the other appointed members, except for  
30 the initial appointments, shall be for 4 years.

31 The terms of the initial appointed members shall be fixed by  
32 the Governor in such manner as two shall serve 1-year terms, two  
33 shall serve 2-year terms, three shall serve 3-year terms and  
34 three shall serve 4-year terms. Each member shall serve until his  
35 successor has been appointed and is qualified. Any vacancy in the  
36 board shall be filled by the Governor by the appointment of a  
37 person who shall hold office for the balance of the unexpired  
38 terms. The Student Assistance Board shall annually elect a  
39 chairperson and vice-chairperson from among its public  
40 members. The members of the Student Assistance Board shall  
41 serve without compensation, but shall be reimbursed for their  
42 actual expenses necessarily incurred in the performance of their  
43 duties.

44 (cf: P.L.1991, c.500, s.1)

45 204. Section 3 of P.L.1977, c.330 (C.18A:71-15.3) is amended  
46 to read as follows:

47 3. The Student Assistance Board shall coordinate and  
48 administer such undergraduate scholarship and tuition aid  
49 programs as provided by law and shall provide an annual report on  
50 these programs to the [Board of Higher Education] Governor and  
51 to the Legislature.

52 (cf: P.L.1977, c.330, s.3)

53 205. Section 3 of P.L.1977, c.345 (C.18A:71-26.3) is amended  
54 to read as follows:

55 3. It shall be the duty of the Student Assistance Board in but

1 not of the State Department of [Higher Education] Treasury to  
2 administer the provisions of this act.

3 (cf: P.L.1977, c.345, s.3)

4 206. Section 4 of P.L.1977, c.345 (C.18A:71-26.4) is amended  
5 to read as follows:

6 4. Garden State Scholarships shall be awarded by institutions  
7 of higher education in New Jersey pursuant to criteria and  
8 guidelines established by the Student Assistance Board and  
9 approved by the [Board of] Commission on Higher Education. The  
10 criteria and guidelines established for the fiscal year 1978-79  
11 shall be submitted to the Legislature, together with appropriate  
12 supporting information, and such criteria and guidelines shall be  
13 deemed approved by the Legislature at the end of 30 calendar  
14 days after the date on which they are transmitted to the  
15 Legislature, or if the Legislature is not in session on the thirtieth  
16 day, then on the next succeeding day on which it shall be  
17 meeting, unless between the date of transmittal and the end of  
18 the 30-day period the Legislature passes a concurrent resolution  
19 rejecting the criteria and guidelines in which case the criteria  
20 and guidelines then in effect shall continue in effect.

21 Any subsequent revisions of said criteria and guidelines shall be  
22 submitted to the Legislature, together with appropriate  
23 supporting information, and such criteria and guidelines shall be  
24 deemed approved by the Legislature at the end of 60 calendar  
25 days after the date on which they are transmitted to the  
26 Legislature, or if the Legislature is not in session on the sixtieth  
27 day, then on the next succeeding day on which it shall be  
28 meeting, unless between the date of transmittal and the end of  
29 the 60-day period the Legislature passes a concurrent resolution  
30 rejecting the criteria and guidelines in which case the criteria  
31 and guidelines then in effect shall continue in effect.

32 (cf: P.L.1977, c.345, s.4)

33 207. Section 5 of P.L.1977, c.345 (C.18A:71-26.5) is amended  
34 to read as follows:

35 5. A Garden State Scholarship shall be awarded annually to  
36 each eligible New Jersey resident enrolled as a full-time  
37 undergraduate or graduate student in a curriculum leading to a  
38 degree or certificate in an institution of collegiate grade in New  
39 Jersey, [approved or] licensed by the [State Board of] Commission  
40 on Higher Education and accredited by a regional accrediting  
41 association recognized by the Council on Postsecondary  
42 Accreditation.

43 (cf: P.L.1977, c.345, s.5)

44 208. Section 8 of P.L.1977, c.345 (C.18A:71-26.8) is amended  
45 to read as follows:

46 8. The Student Assistance Board shall adopt rules and  
47 regulations subject to the approval of the [Board of] Commission  
48 on Higher Education and proscribe and provide appropriate forms  
49 for application as necessary to implement this act. The  
50 [Department of] Commission on Higher Education shall on behalf  
51 of the Student Assistance Board employ such persons, contract  
52 for services, and make such additional expenditures as may be  
53 necessary or appropriate for effectuating the provisions of this  
54 act.

55 (cf: P.L.1977, c.345, s.8)



1 209. Section 10 of P.L.1977, c.345 (C.18A:71-26.10) is  
2 amended to read as follows:

3 10. Each Garden State Scholarship shall entitle the eligible  
4 undergraduate and graduate recipients to an award in an amount  
5 established by the Student Assistance Board and approved by the  
6 [Board of] Commission on Higher Education pursuant to section 4  
7 of P.L.1977, c.345 (C.18A:71-26.4). Payments under this act  
8 shall be made by the State Treasurer on the order of the  
9 [Chancellor of Higher Education] executive director in  
10 accordance with the rules regulating the same adopted by the  
11 board.

12 (cf: P.L.1984, c.94, s.1)

13 210. Section 3 of P.L.1984, c.94 (C.18A:71-26.13) is amended  
14 to read as follows:

15 3. Fiscal resources for the Garden State Scholarship program  
16 may come from State appropriations, reserve funds designated by  
17 the New Jersey Higher Education Assistance Authority, or such  
18 other sources as are recommended by the State [Board of Higher  
19 Education] Treasurer.

20 (cf: P.L.1984, c.94, s.3)

21 211. Section 4 of P.L.1989, c.288 (C.18A:71-26.17) is amended  
22 to read as follows:

23 4. Annually, at a regularly scheduled public meeting of the  
24 [State Board of Higher Education] Student Assistance Board,  
25 seven individuals selected by the Student Assistance Board shall  
26 be presented with the award and with materials commemorating  
27 the lives and the achievements of the seven astronauts for whom  
28 they are named.

29 (cf: P.L.1989, c.288, s.4)

30 212. Section 3 of P.L.1968, c.142 (C.18A:71-30) is amended to  
31 read as follows:

32 3. As used in this act, unless the context clearly indicates  
33 otherwise, the following terms shall have the following meanings:

34 (a) The term "board" shall mean the Board of Directors of the  
35 New Jersey Educational Opportunity Fund created by section 4 of  
36 [this act] P.L.1968, c.142 (C.18A:71-31).

37 (b) [The term "chancellor" shall mean the Chancellor of Higher  
38 Education.] deleted by amendment, P.L. c. (C. ) (now  
39 pending before the Legislature as this bill)

40 (c) The term "department" shall mean the Department of  
41 [Higher Education] State.

42 (d) The term "fund" shall mean the New Jersey Educational  
43 Opportunity Fund created by section 4 of [this act] P.L.1968,  
44 c.142 (C.18A:71-31).

45 (e) The term "higher education" shall mean that education  
46 which is provided by any or all of the public institutions of higher  
47 education as herein defined or any or all equivalent private  
48 institutions.

49 (f) The term "public institutions of higher education" shall  
50 mean and include Rutgers, The State University, [Newark College  
51 of Engineering] the New Jersey Institute of Technology, the [New  
52 Jersey College] University of Medicine and Dentistry of New  
53 Jersey, the [6] nine State colleges, [the College of Aeronautical  
54 and Air-space Science established in Atlantic county pursuant to

1 chapter 285 of the laws of 1964,] the county colleges, [the public  
2 junior colleges, the industrial schools,] and any other public  
3 universities, colleges [,] or county colleges [or junior colleges]  
4 now or hereafter established or authorized by law.

5 (cf: P.L.1968, c.142, s.3)

6 213. Section 4 of P.L.1968, c.142 (C.18A:71-31) is amended to  
7 read as follows:

8 4. (a) There is hereby created and established [in] under the  
9 [department] Commission on Higher Education an educational  
10 opportunity fund which shall be known as the "New Jersey  
11 Educational Opportunity Fund." Notwithstanding this allocation,  
12 the fund shall be independent of any supervision or control by the  
13 department or by any officer thereof. The fund shall identify,  
14 recruit and provide financial assistance to needy students who are  
15 residents of this State in order that they may be able to attend  
16 institutions of higher education.

17 (b) The business and operations of the fund shall be  
18 administered by the [chancellor and the] board of directors  
19 created pursuant to section 5 of [this act] P.L.1968, c.142  
20 (C.18A:71-32) subject to the general supervision of the  
21 Commission on Higher Education.

22 (c) The [chancellor] commission in consultation with the board  
23 shall designate an individual to serve as the chief executive  
24 officer of the fund and shall organize the work of the fund in such  
25 manner as [he] the chief executive officer deems necessary to  
26 carry out the provisions of this act. The [chancellor] commission  
27 may employ such persons, contract for such services, make such  
28 expenditures and adopt such rules and regulations as may be  
29 necessary or appropriate to carry out the provisions of this act.

30 (cf: P.L.1968, c.142, s.4)

31 214. Section 5 of P.L.1968, c.142 (C.18A:71-32) is amended to  
32 read as follows:

33 5. (a) The board of directors of the fund shall consist of the  
34 [chancellor] chairman of the Commission on Higher Education or  
35 the [chancellor's] chairman's designee and eight citizens of this  
36 State appointed by the [State Board of Higher Education with the  
37 approval of the] Governor. Citizen members of the board shall be  
38 selected without regard to political affiliation and, as far as may  
39 be practicable, on the basis of their knowledge of, or interest in,  
40 the problems of needy students and higher education. The board  
41 shall organize annually as established by rule of the board to  
42 elect a chairman, vice chairman and other officers as the board  
43 shall determine from among its members. The officers shall  
44 serve for a one-year term and until their successors are elected  
45 and qualified. Vacancies in the offices shall be filled in the same  
46 manner for the unexpired term only.

47 (b) Each citizen member of the board shall serve for a term of  
48 four years and until his successor shall have been appointed and  
49 qualified; provided, that in the case of the first appointments to  
50 the board, two members shall be appointed for terms expiring  
51 June 30, 1969; two members shall be appointed for terms expiring  
52 June 30, 1970; two members shall be appointed for terms expiring  
53 June 30, 1971; and two members shall be appointed for terms  
54 expiring June 30, 1972. Any vacancy in the membership of the

1 board shall be filled in the same manner as the original  
2 appointment for the remainder of the unexpired term.

3 (c) The board shall develop and maintain a Statewide system  
4 for the identification of potential college students from needy  
5 families; devise methods for recruiting such students; advise the  
6 [chancellor] commission on the organization, coordination and  
7 support, in cooperation with public and private institutions of  
8 higher education of the State, of programs of remedial education  
9 for such students; and provide financial assistance as required by  
10 such students.

11 (d) Members of the board shall serve without compensation but  
12 shall be entitled to be reimbursed for all reasonable and  
13 necessary expenses incurred in the discharge of their duties.

14 (cf: P.L.1988, c.101, s.1)

15 215. Section 6 of P.L.1968, c.142 (C.18A:71-33) is amended to  
16 read as follows:

17 6. The board shall:

18 (a) Administer all funds appropriated by the Legislature for the  
19 purpose of carrying out the provisions of this act.

20 (b) Be an agency of communication with departments and  
21 agencies of the United States on the availability of grants or  
22 loans to this State for purposes related or similar to those set  
23 forth in this act.

24 (c) Develop, establish and publicize criteria for the  
25 determination of eligibility for financial assistance from the fund  
26 based on need and potential for success in college.

27 (d) Established procedures for determining the amount of each  
28 award according to the total financial need of each student.

29 (e) Through the [chancellor] Commission on Higher Education,  
30 be responsible and report periodically in writing to the [Board of  
31 Higher Education] Governor and the Legislature on the  
32 performance of its duties in accordance with the provisions of  
33 this act.

34 (f) Adopt by-laws, and make, enforce, alter and repeal rules for  
35 its own operation and for carrying out the provisions of this act.

36 (g) Receive and disburse such contributions to the fund as may  
37 be forthcoming from private and public sources.

38 (cf: P.L.1968, c.142, s.6)

39 216. Section 7 of P.L.1968, c.142 (C.18A:71-34) is amended to  
40 read as follows:

41 7. (a) The board is hereby authorized to award "opportunity  
42 grants" from the fund to needy students for undergraduate study  
43 leading to a baccalaureate degree, associate degree, or other  
44 approved certificate and for graduate and professional study  
45 leading to approved master's and doctor's degrees at institutions  
46 of higher education, public and private, located in New Jersey;  
47 provided, that the board shall allow not more than 10% of the  
48 needy students to be awarded opportunity grants in any year to  
49 use their opportunity grants at institutions of higher education  
50 located outside this State; and, provided further, that no more  
51 than 10% of the funds appropriated and available for the purposes  
52 of this act shall be awarded to students for use in graduate study.

53 (b) Opportunity grants may be awarded annually, upon proper  
54 application to the fund, to any needy student who qualifies under

1 the standards to be developed and promulgated by the board and  
2 who is or will be attending an institution of collegiate grade  
3 located in New Jersey and approved for this purpose by the  
4 [Board of] Commission on Higher Education, except that in cases  
5 where the student will be or is attending an institution in another  
6 State, the accreditation procedures of that State shall be  
7 accepted, subject to the approval of the board.

8 (c) The board may utilize the services of the Office of Student  
9 Assistance to administer the provisions of this section.

10 (cf: P.L.1968, c.142, s.7)

11 217. Section 12 of P.L.1968, c.142 (C.18A:71-39) is amended  
12 to read as follows:

13 12. The [chancellor] board of directors shall develop, establish  
14 and maintain programs of remedial and supplementary education  
15 for the students who will receive educational opportunity  
16 assistance under this act. Such programs may be administered  
17 directly by the [Department of Higher Education] fund or may be  
18 co-operative ventures undertaken with any or all of the public  
19 and private institutions of higher education in the State.

20 (cf: P.L.1968, c.142, s.12)

21 218. Section 3 of P.L.1968, c.429 (C.18A:71-43) is amended to  
22 read as follows:

23 3. It shall be the duty of the Student Assistance Board in but  
24 not of the State Department of [Higher Education] Treasury to  
25 administer the provisions of this act.

26 (cf: P.L.1977, c.344, s.1)

27 219. Section 4 of P.L.1977, c.344 (C.18A:71-44) is amended to  
28 read as follows:

29 4. State tuition aid grants shall be awarded by the Student  
30 Assistance Board to all eligible applicants without any limitation  
31 on the number to be awarded in any year other than the amount  
32 of appropriations available therefor. In the event that the  
33 amount appropriated is insufficient for full awards to all eligible  
34 applicants, the Student Assistance Board shall reduce awards  
35 equitably among eligible students according to such procedures  
36 and guidelines as it may find appropriate which procedures and  
37 guidelines shall be approved by the [State Board of] Commission  
38 on Higher Education and by the subcommittee on transfers of the  
39 Joint Appropriations Committee. Annually, on or before March 1  
40 of the pre-budget year, the criteria and guidelines which shall be  
41 used to distribute available funds should the amount appropriated  
42 be insufficient for full awards to all eligible applicants shall be  
43 submitted by the [Chancellor of Higher Education] Executive  
44 Director of Student Assistance Programs to the Joint  
45 Appropriations Committee of the Legislature, together with  
46 appropriate supporting information. Such criteria and guidelines  
47 may be approved or disapproved by the subcommittee on  
48 transfers of said committee at any time; provided however that if  
49 at the end of 60 calendar days after the date on which they are  
50 transmitted to the committee the subcommittee on transfers has  
51 taken no action, the proposed criteria and guidelines shall be  
52 deemed to be approved by said subcommittee.

53 (cf: P.L.1977, c.344, s.2)

54 220. Section 7 of P.L.1968, c.429 (C.18A:71-47) is amended to

1 read as follows:

2 7. A college tuition aid grant shall be awarded annually to  
3 each eligible, qualified full-time undergraduate student enrolled  
4 in a curriculum leading to a degree or certificate in an institution  
5 of collegiate grade in New Jersey [approved or] licensed by the  
6 [State Board of] Commission on Higher Education, or in an  
7 institution of collegiate grade in another state, provided that  
8 such state permits its residents to utilize its state student  
9 financial assistance grants in New Jersey institutions of higher  
10 education through reciprocity agreements approved by the  
11 Student Assistance Board and the [Board of Higher Education]  
12 commission. In no event shall a New Jersey tuition aid grant be  
13 utilized at an out-of-State institution which is not licensed by  
14 that state and accredited by a regional accrediting association  
15 recognized by the Council on Postsecondary Accreditation.

16 (a) Eligibility. To each New Jersey resident enrolled as a  
17 full-time student after July 1, 1978 for the academic year  
18 beginning in September of 1978 the State shall grant an amount  
19 as provided in paragraph (b) of this section. No student shall be  
20 eligible for a grant unless he has certified in a form satisfactory  
21 to the Student Assistance Board that the grant is essential to his  
22 carrying out his plans for attending college. No student shall be  
23 eligible for grants in more than four and one-half academic  
24 years, unless the recipient is enrolled in an undergraduate  
25 program regularly requiring five academic years for completion,  
26 in which case the Student Assistance Board shall permit five and  
27 one-half years of eligibility. Notwithstanding the foregoing  
28 provisions, a student receiving aid under the provisions of  
29 P.L.1968, c.142 (C.18A:71-28 et seq.) shall be entitled to a sixth  
30 year of eligibility. Notwithstanding the foregoing provisions, a  
31 county college student who transfers to a four year institution, or  
32 any student who is required to pursue 18 or more credit hours in a  
33 remedial or developmental curriculum, as defined by regulations  
34 adopted by the [Board of Higher Education] Student Assistance  
35 Board, is entitled to an additional half year of eligibility. For the  
36 purpose of this amendatory act, a remedial curriculum shall  
37 include only noncredit courses in which a student is directed to  
38 enroll [as a result of his score on the New Jersey College Basic  
39 Skills Placement Test or its equivalent at independent colleges or  
40 universities] by the institution. Eligibility for tuition aid grants  
41 may be extended to part-time students through regulations  
42 developed by the Student Assistance Board and approved by the  
43 [Board of Higher Education] commission if the level of  
44 appropriated funds allows such an extension, subject to prior  
45 approval by the Director of the Division of Budget and  
46 Accounting in the Department of the Treasury and Joint  
47 Appropriation Committee's Subcommittee on Transfers or its  
48 successor. No student shall be eligible for grants unless he  
49 maintains such minimum standards of academic performance as  
50 are required by the institution in which he is enrolled. No student  
51 shall be eligible for a tuition aid grant who is enrolled in a course  
52 leading to a degree in theology or divinity.

53 In the event a student for any reason ceases to continue to be  
54 enrolled or otherwise becomes ineligible during the course of an

1 academic year, he shall cease to be eligible for tuition aid. Both  
2 the student and the institution shall have the responsibility to  
3 notify the Student Assistance Board when a student ceases to be  
4 eligible to receive student assistance because of withdrawal for  
5 any reason or a change in status from a full to part-time student.

6 (b) Amount of grant. The amount of a tuition aid grant under  
7 this act to any student attending an institution of higher  
8 education in New Jersey shall be established by the Student  
9 Assistance Board but shall not exceed the maximum amount of  
10 tuition normally charged at a public institution of higher  
11 education for students attending that institution or 50% of the  
12 average tuition normally charged at the independent colleges and  
13 universities for students attending those institutions. The amount  
14 of a New Jersey Tuition Assistance Grant under this act to any  
15 student attending an institution of higher education in any state  
16 other than New Jersey pursuant to this section shall not exceed  
17 \$500.00 in an academic year. The amount of grant to be paid for  
18 each semester or equivalent shall be based on the financial need  
19 for such a grant, as determined by standards and procedures  
20 established by the Student Assistance Board and approved by the  
21 [State Board of Higher Education] commission. The standards and  
22 procedures which shall be established by the Student Assistance  
23 Board for the fiscal year 1978-79 shall be submitted to the  
24 Legislature, together with appropriate supporting information,  
25 and such standards and procedures shall be deemed approved by  
26 the Legislature at the end of 30 calendar days after the date on  
27 which they are transmitted to the Legislature, or if the  
28 Legislature is not in session on the 30th day, then on the next  
29 succeeding day on which it shall be meeting, unless between the  
30 date of transmittal and the end of the 30-day period the  
31 Legislature passes a concurrent resolution rejecting the standards  
32 and procedures, in which case the standards and procedures then  
33 in effect shall continue in effect.

34 Any subsequent revisions of said standards and procedures shall  
35 be submitted to the Legislature, together with appropriate  
36 supporting information, and such standards and procedures shall  
37 be deemed approved by the Legislature at the end of 60 calendar  
38 days after the date on which they are transmitted to the  
39 Legislature, or if the Legislature is not in session on the 60th day,  
40 then on the next succeeding day on which it shall be meeting,  
41 unless between the date of transmittal and the end of the 60-day  
42 period the Legislature passes a concurrent resolution rejecting  
43 the standards and procedures, in which case the standards and  
44 procedures then in effect shall continue in effect.

45 (c) Appropriations for each program category of tuition aid  
46 grants shall be separately made by line item.

47 (cf: P.L.1986, c.155, s.1)

48 221. Section 2 of P.L.1979, c.229 (C.18A:71-78) is amended to  
49 read as follows:

50 2. There shall be appropriated to the Department of [Higher  
51 Education] Treasury in any general or supplemental appropriation  
52 act such sums as shall be necessary to carry out the purposes of  
53 this act.

54 (cf: P.L.1979, c.229, s.2)

1       222. Section 5 of P.L.1991, c.272 (C.18A:71-91) is amended to  
2 read as follows:

3       5. a. The Treasurer, in consultation with the [Board of]  
4 Commission on Higher Education, shall also provide for additional  
5 financial incentives to be provided to holders of Garden State  
6 Savings Bonds to encourage the enrollment of students at  
7 institutions of higher education located in the State of New  
8 Jersey. These financial incentives shall be in such forms as  
9 determined by the Treasurer in consultation with issuing officials  
10 at the time of the authorization of the Garden State Savings  
11 Bonds and shall at a minimum provide that each participating  
12 institution shall guarantee that the value of Garden State Savings  
13 Bonds redeemed for the purposes of the payment of tuition, fees,  
14 and other educational costs at the institution, shall, at the time  
15 of matriculation of the student, be increased by not less than six  
16 percent of the face value of the bonds at the time of redemption.  
17 Two percent of the incentive amount shall be paid by the State,  
18 and four percent by participating institutions.

19       b. Every public institution of higher education in New Jersey  
20 shall participate in the financial incentive program. Independent  
21 institutions of higher education in New Jersey may elect to  
22 participate in the program. Each independent institution which  
23 elects to participate shall enter into a contract with the [State  
24 Board of Higher Education] Department of Treasury which shall,  
25 at a minimum, define the terms of participation and establish  
26 conditions under which an institution may withdraw from the  
27 program. Any independent institution that withdraws from the  
28 program shall guarantee to provide the financial incentives in  
29 effect for all bonds purchased during the period in which the  
30 institution was a participant in the program.

31       c. The original purchaser and any member of the immediate  
32 family of the original purchaser of a Garden State Savings Bond  
33 shall be eligible for the financial incentive program established  
34 pursuant to this section.

35 (cf: P.L.1991,c.272,s.5)

36       223. Section 7 of P.L.1991, c.272 (C.18A:71-93) is amended to  
37 read as follows:

38       7. The Treasurer or the issuing authority or agency shall  
39 submit a report after each bond issuance to the [Board of]  
40 Commission on Higher Education detailing the results of each  
41 separate sale of Garden State Savings Bonds.

42 (cf: P.L.1991, c.272, s.7)

43       224. Section 8 of P.L.1991, c.272 (C.18A:71-94) is amended to  
44 read as follows:

45       8. The Treasurer shall, in consultation with the [concurrence  
46 of the Board of] Commission on Higher Education, approve the  
47 following:

48       a. Additional financial incentives as provided in this act;

49       b. Limits that may be imposed on the amount of Garden State  
50 Savings Bonds that may be purchased by individual households;

51       c. Minimum denominations to market the Garden State Savings  
52 Bonds so that they are affordable by individuals; however, each  
53 issue shall be offered with sufficient bonds at a purchase price of  
54 \$100 to satisfy demand;

1 In addition, the Treasurer shall evaluate the feasibility of  
2 staggered or periodic forms of payments for Garden State Savings  
3 Bonds, and to advise the issuing officials regarding such  
4 evaluation.

5 (cf: P.L.1991, c.272, s.8)

6 225. Section 9 of P.L.1991, c.272 (C.18A:71-95) is amended to  
7 read as follows:

8 9. The [Board of] Commission on Higher Education and the  
9 Treasurer shall assess the effectiveness of the program and  
10 recommend any necessary changes to the issuing officials  
11 regarding future bond sales after the initial sale of Garden State  
12 Savings Bonds.

13 (cf: P.L.1991, c.272, s.9)

14 226. Section 5 of P.L.1991, c.296 (C.18A:71-100) is amended  
15 to read as follows:

16 5. Nothing in this act shall preclude a public institution of  
17 higher education from requiring the payment of other fees,  
18 subject to approval by the State [Board of Higher Education]  
19 Treasurer, for individuals attending courses pursuant to the  
20 provisions of this act.

21 (cf: P.L.1991, c.296, s.5)

22 227. Section 6 of P.L.1991, c.296 (C.18A:71-101) is amended  
23 to read as follows:

24 6. The State [Board of Higher Education] Treasurer shall  
25 adopt, pursuant to the "Administrative Procedure Act," P.L.1968,  
26 c.410 (C.52:14B-1 et seq.), rules and regulations necessary to  
27 implement the provisions of this act.

28 (cf: P.L.1991, c.296, s.6.)

29 228. N.J.S.18A:72-2 is amended to read as follows:

30 18A:72-2. As used in this chapter, unless the context indicates  
31 another or different meaning, the following words shall have the  
32 following meanings:

33 "Authority" means the higher education assistance authority  
34 created by this chapter, or any board, body, commission,  
35 department or officer succeeding to the principal functions  
36 thereof or to whom the powers conferred upon the authority by  
37 this chapter shall be given by law,

38 "Bond" means bonds or notes of the authority issued pursuant  
39 to this chapter,

40 "Lender" includes the authority and any institution authorized  
41 to make loans under [section] N.J.S.18A:72-9,

42 "Fund" means the higher education assistance fund,

43 "Other eligible institution" means a business or trade school, or  
44 technical institution or other technical or vocational school, in  
45 any State which (1) admits as regular students only persons who  
46 have completed or left elementary or secondary school and who  
47 have been able to benefit from the training offered by such  
48 institution; (2) is legally authorized to provide, and provides  
49 within that State, a program of post-secondary vocation or  
50 technical education designed to fit individuals for useful  
51 employment in recognized occupations; (3) has been specially  
52 accredited by the Federal Commissioner of Education or by an  
53 accrediting agency recognized by him or has been approved by  
54 the authority.



1 "Post-secondary nondegree institution of higher education"  
2 means a county college [or a junior college] licensed [or approved]  
3 by the [Department of] Commission on Higher Education [,  
4 operated in accordance with rules and regulations of the Board of  
5 Higher Education] or a trade or business school otherwise licensed  
6 or approved and operated and requiring a high school diploma or  
7 its equivalent for admission and offering a course or courses of  
8 study with a minimum length of 2 academic years and of not less  
9 than 1,800 hours in any one or more of the following fields:

- 10 A. Accounting and finance,
- 11 B. Airframe and power plant mechanics,
- 12 C. Automotive mechanics,
- 13 D. Commercial art,
- 14 E. Drafting and design technology (aeronautical, architectural,  
15 electronic, mechanical, structural, tool and die),
- 16 F. Economic engineering,
- 17 G. Electronics,
- 18 H. Fashion and textile design,
- 19 I. Higher accounting and business administration,
- 20 J. Industrial management technology,
- 21 K. Medical and X-ray technology,
- 22 L. Metallurgical technology,
- 23 M. Secretarial (administrative, executive, legal, medical, data  
24 processing),
- 25 N. Terminal courses or college credit transfer courses in  
26 liberal arts and sciences.

27 (cf: P.L.1977, c.191, s.1)

28 229. N.J.S.18A:72-3 is amended to read as follows:

29 18A:72-3. There is hereby created in but not of the  
30 Department of [Higher Education] Treasury the Higher Education  
31 Assistance Authority, which shall be a body corporate and politic,  
32 with corporate succession. Notwithstanding this allocation, the  
33 authority shall be independent of any supervision or control by  
34 the department or by any officer thereof. The authority shall  
35 constitute an instrumentality of the State exercising public and  
36 essential governmental functions, and the exercise by the  
37 authority of the powers conferred by this chapter shall be deemed  
38 and held to be an essential governmental function of the State.

39 (cf: P.L.1969, c.135, s.2)

40 230. N.J.S.18A:72-4 is amended to read as follows:

41 18A:72-4. The authority shall consist of [seven] eight  
42 members; one of whom shall be the [chancellor] chairman of the  
43 Commission on Higher Education, ex officio; one of whom shall  
44 be the State Treasurer, ex officio, or the treasurer's designee;  
45 and six of whom shall be residents of this State, appointed by the  
46 Governor, with the advice and consent of the Senate, for terms of  
47 four years, except in the case of the first members so appointed,  
48 who shall be appointed one for a term of one year, one for a term  
49 of two years, and one for a term of three years. No more than  
50 three of the appointed commissioners shall be members of the  
51 same political party, and each of them shall serve until his  
52 successor is appointed and has qualified. The membership of the  
53 authority may include representatives of lending institutions or  
54 institutions of higher education within the State of New Jersey.

1 Any vacancy in the membership of the authority, occurring  
2 otherwise than by expiration of term, shall be filled in the same  
3 manner as the original appointment was made, but for the  
4 unexpired term only.

5 (cf: P.L.1987, c.187, s.1)

6 231. N.J.S.18A:72-10 is amended to read as follows:

7 18A:72-10. The authority shall have the following powers:

8 (1) (a) To make loans

9 (i) To persons or to assist in the placing of loans to persons,  
10 who are residents of this State, and who are attending and are in  
11 good standing in, or who plan to attend, any qualified institution  
12 of collegiate grade, located in this State or elsewhere, which is  
13 approved by any regional accrediting association recognized by  
14 the national commission on accrediting, or [approved] licensed by  
15 the [Board of] Commission on Higher Education, any qualified  
16 post-secondary nondegree institution of higher education, located  
17 in this State or elsewhere, or any other eligible institution, or

18 (ii) To persons who reside outside this State and who plan to  
19 attend, are enrolled in or are attending in good standing any  
20 eligible educational institution located within this State or  
21 elsewhere, or

22 (iii) To parents of persons meeting requirements set forth in (i)  
23 or (ii) above, in order to assist them in meeting expenses of  
24 higher education, and to guarantee such loans upon such terms  
25 and conditions as the authority may prescribe, in an amount for  
26 any academic year or in total as may be authorized by the New  
27 Jersey Higher Education Assistance Authority [and approved by  
28 the Board of Higher Education]; provided, however, that such  
29 amounts may not exceed in any given year or in total that amount  
30 which is guaranteed by the federal government.

31 For the purposes of this section, a qualified institution of  
32 collegiate grade shall be deemed to include a school of  
33 professional nursing accredited or approved by the New Jersey  
34 Board of Nursing, and a qualified post-secondary nondegree  
35 institution of higher education located outside the State shall  
36 mean and include any such institution offering courses in one or  
37 more of the fields enumerated, and meeting the admission  
38 standards set forth in N.J.S.18A:72-2.

39 (b) When the authority determines that higher annual or  
40 cumulative student loan limits than those established in section  
41 (1)(a) are warranted in order to carry out the purposes of the  
42 statute with regard to students engaged in high cost graduate or  
43 professional education, the authority may make or guarantee  
44 loans to eligible students in amounts to correspond to those  
45 higher limits [, provided that such maximum limits are  
46 recommended by the authority and approved by the Board of  
47 Higher Education].

48 (2) To adopt rules not inconsistent with law governing the  
49 application for and the guarantee of loans made by the authority  
50 and governing any other matters related to its activities.

51 (3) To buy and sell approved notes evidencing loans made under  
52 this chapter, and to buy and sell participations in approved notes  
53 made pursuant to this chapter.

54 (4) From time to time to issue its negotiable bonds and bond

1 anticipation notes for the purpose of providing funds (a) to carry  
2 out any purposes of the authority under this chapter, including,  
3 without limitation, making or purchasing loans under any  
4 provision of this chapter; (b) to purchase from lenders approved  
5 notes or participations in approved notes as provided by law; and  
6 (c) for the refunding of outstanding bonds.

7 (5) To engage in programs which state guaranty agencies are  
8 authorized to participate in pursuant to 20 U.S.C. § 1071 et seq.  
9 as amended.

10 (6) To perform any other acts which may be deemed necessary  
11 or appropriate to carry out the objects and purposes of this  
12 chapter.

13 (cf: P.L.1991, c.268, s.11)

14 232. N.J.S.18A:72-11 is amended to read as follows:

15 18A:72-11. Any application for a loan under this chapter shall  
16 be submitted to the authority for its approval, and the authority  
17 shall approve the same only if it finds that the applicant:

18 a. (1) Is a resident of New Jersey and has demonstrated high  
19 moral character, good citizenship and dedication to American  
20 ideals; or

21 (2) Is a resident of a state other than this State, and has been  
22 admitted to, or is in regular attendance at and is in good standing  
23 in, an eligible educational institution located within this State or  
24 elsewhere; and

25 b. Intends to make application for admission to, or has been  
26 admitted to, or is in regular attendance at and is in good standing  
27 in, a qualified institution of collegiate grade approved by any  
28 regional accrediting association recognized by the national  
29 commission on accrediting, or [approved] licensed by the [board  
30 of] commission on higher education, a qualified post-secondary  
31 nondegree institution of higher education or any other eligible  
32 institution; or

33 c. Is the parent of such eligible person; and

34 d. Has complied with all rules adopted by the authority  
35 pursuant to this chapter in connection with the granting of such  
36 loans.

37 (cf: P.L.1987, c.187, s.3)

38 233. N.J.S.18A:72-12 is amended to read as follows:

39 18A:72-12. (1) Upon approval by the authority of a loan  
40 application, any lender may make the loan as approved and upon  
41 the terms and conditions required under this chapter, but no  
42 moneys shall be advanced or paid under any such loan until the  
43 applicant shall have satisfied the authority, and, unless the  
44 authority is the lender, the authority shall have certified to the  
45 lender, that the applicant has been admitted to, or is in regular  
46 attendance and in good standing at, a qualified institution of  
47 collegiate grade approved by any regional accrediting association  
48 recognized by the national commission on accrediting or  
49 [approved] licensed by the [Board of] Commission on Higher  
50 Education, a qualified post-secondary nondegree institution of  
51 higher education or any other eligible institution. Any lender  
52 making a loan shall cooperate with the authority in supervising  
53 the use of credit in accordance with its purposes. The check  
54 representing the loan proceeds shall be made payable to the

1 applicant and eligible institution jointly, except when the  
2 applicant is attending an eligible institution not located in the  
3 United States or when the loan is made to the parent of an  
4 eligible student, in which instance the check may be made  
5 payable to the applicant only.

6 (2) Notwithstanding the provisions of [section] N.J.S.18A:72-11  
7 or of subsection (1) of this section, the authority may approve a  
8 loan for the purposes of this chapter, after it has been made by a  
9 lender and the proceeds thereof disbursed by the lender for the  
10 purposes of this chapter, provided such loan would have been  
11 approved by the authority had prior application been made  
12 therefor pursuant to [section] N.J.S.18A:72-11. A loan which is  
13 so approved after it has been made shall, from the time of its  
14 approval, be treated for all purposes of this chapter in the same  
15 manner as if such loan had been applied for and approved by the  
16 authority prior to its making, and the lender making such loan  
17 shall have the same rights under this chapter in respect to such  
18 loan as it would have had if the loan had been applied for and  
19 approved by the authority prior to its making.

20 (3) As an incentive to lenders to make loans under this chapter,  
21 the authority may, by resolution of the members thereof, provide  
22 for the payment to lenders of an incentive fee solely with respect  
23 to loans made, placed or guaranteed after August 1, 1969, which  
24 incentive fee shall be computed on any one of the following bases:

25 (i) a single fee at the rate not exceeding 1/2 of 1%, computed  
26 on the amount of each such loan for the period from the making  
27 of such loan to the date repayment begins; or (ii) a single fee not  
28 to exceed \$25.00 per borrower per academic year; or (iii) such  
29 other form and amount of incentive fee as shall be fixed from  
30 time to time by rule of the authority.

31 (4) If an eligible institution determines during the term of a  
32 loan that the student debtor is entitled to a credit against tuition  
33 or other fees, such credit shall be made directly to the lender,  
34 who shall deduct the amount of the credit from the loan balance.

35 (cf: P.L.1983, c.151, s.1)

36 234. N.J.S.18A:72-20 is amended to read as follows:

37 18A:72-20. The authority may, with respect to the exercise of  
38 its functions related to loans guaranteed by it under this chapter,  
39 the provisions of any other law to the contrary notwithstanding:

40 (1) Consent to the modification, with respect to rate of  
41 interest, time of payment of principal or interest or any portion  
42 thereof, or other provisions of any note, or any instrument  
43 securing a loan which has been guaranteed by the authority;

44 (2) Authorize payment or compromise, subject to the approval  
45 in writing of the attorney general, of any claim upon or arising as  
46 a result of any such guaranty;

47 (3) Authorize payment, compromise, waiver or release, subject  
48 to the approval in writing of the attorney general, of any debt,  
49 right, title, claim, lien or demand, however acquired, including  
50 any equity or right of redemption and the waiver or release of  
51 any debt, right, title, claim, lien or demand including any equity  
52 or right of redemption shall be sufficient if executed by the  
53 [chancellor] chair of the authority on behalf of the authority.

54 The register or county clerk of any county and the clerk of any

1 court is hereby authorized to cancel of record any lien, including  
2 but not limited to judgments, chattel mortgages and conditional  
3 sales agreements whenever the document evidencing such  
4 cancellation or request for cancellation is signed by the  
5 [chancellor] chair of the authority on behalf of the authority; and  
6 the register and the clerk of any county is authorized to record  
7 any documents of the authority signed by the [chancellor] chair of  
8 the authority;

9 (4) Purchase at any sale, public or private, upon such terms and  
10 for such prices as it determines to be reasonable and take title  
11 to, property, real, personal or mixed;

12 (5) Sell at public or private sale, exchange, assign, convey or  
13 otherwise dispose of any such property upon such terms and for  
14 such prices as it determines to be reasonable;

15 (6) Complete, administer, operate, obtain and authorize  
16 payment for insurance on and maintain, renovate, repair,  
17 modernize, lease or otherwise deal with any property acquired or  
18 held by it pursuant to this chapter;

19 (7) Authorize payment from the fund and any income received  
20 by the investment of said fund, subject to the rules of the  
21 authority, disbursements, costs, commissions, attorney's fees and  
22 other reasonable expenses related to and necessary for making  
23 and protection of guaranteed loans and the recovery of moneys,  
24 loans or management of property acquired in connection with  
25 such loans.

26 (cf: N.J.S.18A:72-20)

27 235. Section 7 of P.L.1991, c.268 (C.18A:72-40) is amended to  
28 read as follows:

29 7. An eligible student under the NJ CLASS Loan Program is a  
30 student who cannot obtain federally guaranteed student loans  
31 either because those loans are not available or because the  
32 student does not meet the program eligibility requirements as  
33 defined by the federal government, or who requires the NJ  
34 CLASS loan to supplement the student's federally guaranteed  
35 loans and unless otherwise restricted by the authority by  
36 regulation, such student shall:

37 a. Be a New Jersey resident enrolled on at least a half-time  
38 basis as an undergraduate or graduate student in a curriculum  
39 leading to a degree or certificate in an institution of collegiate  
40 grade in New Jersey, [approved or] licensed by the [State Board  
41 of] Commission on Higher Education and accredited by a regional  
42 accrediting association recognized by the Council on  
43 Postsecondary Accreditation; or

44 b. Be a New Jersey resident enrolled on a least a half-time  
45 basis as an undergraduate or graduate student in a curriculum  
46 leading to a degree or certificate in an out-of-State institution  
47 of collegiate grade accredited by an accrediting association  
48 recognized by the Council on Postsecondary Accreditation; or

49 c. Reside outside this State and be enrolled on at least a  
50 half-time basis as an undergraduate or graduate student in a  
51 curriculum leading to a degree or certificate in an institution of  
52 collegiate grade in New Jersey, [approved or] licensed by the  
53 [State Board of] Commission on Higher Education and accredited  
54 by a regional accrediting association recognized by the Council

1 on Postsecondary Accreditation.

2 (cf: P.L.1991, c.268, s.7)

3 236. N.J.S.18A:72A-4 is amended to read as follows:

4 18A:72A-4. (a) There is hereby established in but not of the  
5 department of [higher education] treasury a public body corporate  
6 and politic, with corporate succession to be known as the "New  
7 Jersey educational facilities authority." Notwithstanding this  
8 allocation, the authority shall be independent of any supervision  
9 or control by the department or any officer thereof. The  
10 authority shall constitute a political subdivision of the state  
11 established as an instrumentality exercising public and essential  
12 governmental functions, and the exercise by the authority of the  
13 powers conferred by this chapter shall be deemed and held to be  
14 an essential governmental function of the state.

15 (b) The authority shall consist of seven members, two of whom  
16 shall be the [chancellor] chairman of the Commission on Higher  
17 Education, ex officio, and the state treasurer, ex officio, or when  
18 so designated by them, their deputies and five citizens of the  
19 state to be appointed by the governor with the advice and consent  
20 of the senate for terms of five years; provided that the terms of  
21 the members first appointed shall be arranged by the governor so  
22 that one of such terms shall expire on April 30 in each successive  
23 year ensuing after such appointments. Each member shall hold  
24 office for the term of his appointment and shall continue to serve  
25 during the term of his successor unless and until his successor  
26 shall have been appointed and qualified. Any vacancy among the  
27 members appointed by the governor shall be filled by appointment  
28 for the unexpired term only. A member of the authority shall be  
29 eligible for reappointment.

30 (c) Any member of the authority appointed by the governor  
31 may be removed from office by the governor for cause after a  
32 public hearing.

33 (d) The members of the authority shall serve without  
34 compensation, but the authority may reimburse its members for  
35 necessary expenses incurred in the discharge of their duties.

36 (e) The authority, upon the first appointment of its members  
37 and thereafter on or after April 30 in each year, shall annually  
38 elect from among its members a chairman and a vice chairman  
39 who shall hold office until April 30 next ensuing and shall  
40 continue to serve during the terms of their respective successors  
41 unless and until their respective successors shall have been  
42 appointed and qualified. The authority may also appoint, retain  
43 and employ, without regard to the provisions of Title 11, Civil  
44 Service, of the Revised Statutes, such officers, agents, employees  
45 and experts as it may require, and it shall determine their  
46 qualifications, terms of office, duties, services and compensation.

47 (f) The powers of the authority shall be vested in the members  
48 thereof in office from time to time and a majority of the total  
49 authorized membership of the authority shall constitute a quorum  
50 at any meeting thereof. Action may be taken and motions and  
51 resolutions adopted by the authority at any meeting thereof by  
52 the affirmative vote of a majority of the members present, unless  
53 in any case the bylaws of the authority shall require a larger  
54 number. No vacancy in the membership of the authority shall

1 impair the right of a quorum to exercise all the rights and  
2 perform all the duties of the authority.

3 (g) Before the issuance of any bonds under the provisions of this  
4 chapter, the members and the officer of the authority charged  
5 with the handling of the authority's moneys shall be covered by a  
6 surety bond or bonds in a penal sum of not less than \$25,000.00  
7 per person conditioned upon the faithful performance of the  
8 duties of their respective offices, and executed by a surety  
9 company authorized to transact business in the state of New  
10 Jersey as surety. Each such bond shall be submitted to the  
11 attorney general for his approval and upon his approval shall be  
12 filed in the office of the secretary of state prior to the issuance  
13 of any bonds by the authority. At all times after the issuance of  
14 any bonds by the authority the officer of the authority and each  
15 member charged with the handling of the authority's moneys  
16 shall maintain such surety bonds in full force and effect. All  
17 costs of such surety bonds shall be borne by the authority.

18 (h) Notwithstanding any other law to the contrary, it shall not  
19 be or constitute a conflict of interest for a trustee, director,  
20 officer or employee of a participating college to serve as a  
21 member of the authority; provided such trustee, director, officer  
22 or employee shall abstain from discussion, deliberation, action  
23 and vote by the authority under this chapter in specific respect to  
24 such participating college of which such member is a trustee,  
25 director, officer or employee.

26 (i) A true copy of the minutes of every meeting of the  
27 authority shall be forthwith delivered by and under the  
28 certification of the secretary thereof, to the governor. No action  
29 taken at such meeting by the authority shall have force or effect  
30 until 10 days after such copy of the minutes shall have been so  
31 delivered. If, in said 10-day period, the governor returns such  
32 copy of the minutes with veto of any action taken by the  
33 authority or any member thereof at such meeting, such action  
34 shall be null and of no effect. If the governor shall not return the  
35 minutes within said 10-day period, any action therein recited  
36 shall have force and effect according to the wording thereof. At  
37 any time prior to the expiration of the said 10-day period, the  
38 governor may sign a statement of approval of any such action of  
39 the authority, in which case the action so approved shall not  
40 thereafter be disapproved.

41 Notwithstanding the foregoing provisions of this subsection (i),  
42 with regard to the sale and award of bonds of the authority, the  
43 authority shall furnish to the governor a certified copy of the  
44 minutes of the meeting at which said bonds are sold and awarded  
45 forthwith upon the taking of such action and the governor shall  
46 indicate his approval or disapproval of such action prior to the  
47 end of the business day upon which such action of the authority  
48 was taken.

49 The powers conferred in this subsection (i) upon the governor  
50 shall be exercised with due regard for the rights of the holders of  
51 bonds of the authority at any time outstanding, and nothing in, or  
52 done pursuant to, this subsection (i) shall in any way limit,  
53 restrict or alter the obligation or powers of the authority or any  
54 representative or officer of the authority to carry out and

1 perform in every detail each and every covenant, agreement or  
2 contract at any time made or entered into by or on behalf of the  
3 authority with respect to its bonds or for the benefit, protection  
4 or security of the holders thereof.

5 (cf: N.J.S.18A:72A-24)

6 237. N.J.S.18A:72A-24 is amended to read as follows:

7 18A:72A-24. The [board of higher education, or the  
8 [chancellor] Governor [, or their representatives,] may visit,  
9 examine into and inspect, the authority as an institution under  
10 the educational supervision of the state, and may require, as  
11 often as desired, duly verified reports therefrom giving such  
12 information and in such form as [such board or chancellor] the  
13 Governor shall prescribe.

14 (cf: N.J.S.18A:72A-4)

15 238. N.J.S.18A:72A-26 is amended to read as follows:

16 18A:72A-26. In order to provide new dormitories and to enable  
17 the construction and financing thereof, to refinance indebtedness  
18 hereafter created by the authority for the purpose of providing a  
19 dormitory or dormitories or additions or improvements thereto,  
20 or for any one or more of said purposes, but for no other purpose  
21 unless authorized by law, each of the following bodies shall have  
22 the powers hereafter enumerated to be exercised upon such terms  
23 and conditions, including the fixing of any consideration or rental  
24 to be paid or received, as it shall determine by resolution as to  
25 such property and each shall be subject to the performance of the  
26 duties hereafter enumerated, that is to say, the [board of higher  
27 education] treasurer as to such as are located on land owned by [,  
28 or owned by] the State [and held for, the Department of Higher  
29 Education or on lands of the institutions under the jurisdiction of  
30 the Department of Higher Education] or by the authority, the  
31 board of governors of the university, the board of trustees of the  
32 [Newark College of Engineering] New Jersey Institute of  
33 Technology or the [New Jersey College] University of Medicine  
34 and Dentistry of New Jersey, the board of trustees of a State  
35 college or the board of trustees of a county college as to such as  
36 are located on land owned by the university or by the particular  
37 college respectively, namely:

38 a. The power to sell and to convey to the authority title in fee  
39 simple in any such land and any existing dormitories thereon  
40 owned by the [Department of Higher Education or owned by the]  
41 State [and held for such department or of any of the institutions  
42 under the jurisdiction of the Department of Higher Education] or  
43 owned by the board of trustees of a county college or the power  
44 to sell and to convey to the authority such title as the university  
45 or the college respectively may have in any such land and any  
46 existing dormitories thereon.

47 b. The power to lease to the authority any land and any  
48 existing dormitories thereon so owned for a term or terms not  
49 exceeding 50 years each.

50 c. The power to lease or sublease from the authority, and to  
51 make available, any such land and existing dormitories conveyed  
52 or leased to the authority under subsections a. and b. of this  
53 section, and any new dormitories erected upon such land or upon  
54 any other land owned by the authority, any rentals to be payable,



1 as to the university or as to any such college from available funds  
2 other than moneys appropriated to it by the State.

3 d. The power and duty, upon receipt of notice of any  
4 assignment by the authority of any lease or sublease made under  
5 subsection c. of this section, or of any of its rights under any such  
6 lease or sublease, to recognize and give effect to such  
7 assignment, and to pay to the assignee thereof rentals or other  
8 payments then due or which may become due under any such  
9 lease or sublease which has been so assigned by the authority.

10 (cf: P.L.1971, c.77, s.1)

11 239. N.J.S.18A:72A-27.1 is amended to read as follows:

12 18A:72A-27.1. In addition to the powers and duties with  
13 respect to dormitories given under [sections] N.J.S.18A:72A-26  
14 and 18A:72A-27 the [Board of Higher Education] treasurer, the  
15 board of governors of the university, the board of trustees of the  
16 [Newark College of Engineering] New Jersey Institute of  
17 Technology, the board of trustees of a State college, the board of  
18 trustees of a county college and the board of trustees of the [New  
19 Jersey College] University of Medicine and Dentistry of New  
20 Jersey shall also have the same power and be subject to the same  
21 duties in relation to any conveyance, lease or sublease made  
22 under subsections a., b., or c. of section 18A:72A-26, with  
23 respect to revenue producing facilities; that is to say, structures  
24 or facilities which produce revenues sufficient to pay the rentals  
25 due and to become due under any lease or sublease made under  
26 subsection c. of section 18A:72A-26 including, without limitation,  
27 student unions and parking facilities.

28 (cf: P.L.1971, c.77, s.3)

29 240. Section 2 of P.L.1988, c.159 (C.18A:72A-27.3) is amended  
30 to read as follows:

31 2. a. [Prior to] Following final approval by the [State Board of  
32 Higher Education] board of trustees of a proposed project for the  
33 acquisition, construction or financing of any non-revenue  
34 producing educational facility, the board of trustees [, through  
35 the Chancellor of Higher Education,] shall, on a day when both  
36 houses of the Legislature are meeting, submit the proposal to the  
37 President of the Senate and the Speaker of the General Assembly,  
38 and submit informational copies of the proposal to the members  
39 of the Senate [Revenue, Finance] Budget and Appropriations  
40 Committee and the Assembly Appropriations Committee, or their  
41 successors and to the Commission on Higher Education. The  
42 submission shall include all appropriate supporting information,  
43 including, at a minimum, a description of the project, its impact,  
44 cost and construction schedule, and a detailed explanation of the  
45 sources of revenue which will be dedicated to the financing of the  
46 project.

47 b. The proposal as submitted to the Legislature shall be  
48 deemed approved after 60 days, as provided herein, of the date on  
49 which the proposal and the supporting information were  
50 submitted to the Legislature, unless between the date of  
51 submission and the end of the 60 day period, the Legislature  
52 passes a concurrent resolution approving the proposal with  
53 modifications or rejecting the proposal. The 60 days shall  
54 commence on the day of submission and expire on the 60th day

1 after submission or for a house not meeting on the 60th day, on  
2 the next meeting day of that house.

3 (cf: P.L.1988, c.159, s.2)

4 241. N.J.S.18A:72A-29 is amended to read as follows:

5 18A:72A-29. All [powers conferred and duties imposed upon the  
6 board of higher education or the department of higher education  
7 pursuant to this chapter shall be exercised and performed by  
8 resolution of that board and all conveyances, leases and  
9 subleases, pursuant to this chapter shall be made, executed and  
10 delivered in the name of said department and shall be signed by  
11 the chancellor and sealed with the seal of said department] lands  
12 and other assets real or personal<sup>1</sup> presently titled in the name of  
13 the State Board of Higher Education or the State Department of  
14 Higher Education, which are occupied by a public institution of  
15 higher education<sup>1</sup> [, are hereby transferred to that individual  
16 public institution of higher education] shall be titled in the name  
17 of the State of New Jersey only. All conveyances, leases and  
18 subleases, pursuant to this chapter shall be made, executed and  
19 delivered in the name of the State and shall be signed by the  
20 State Treasurer and sealed with the seal of the State<sup>1</sup> <sup>2</sup>subject to  
21 the approval of the State House Commission<sup>2</sup>.

22 To the extent not otherwise expressly provided under existing  
23 law, all powers and duties conferred upon the university pursuant  
24 to this chapter shall be exercised and performed by resolution of  
25 its board of governors and all powers and duties conferred upon  
26 any of said colleges pursuant to this chapter shall be exercised  
27 and performed by resolution of its board of trustees.

28 All conveyances, leases and subleases made pursuant to this  
29 chapter, when duly authorized by the university, shall be made,  
30 executed and delivered in the name of the university and shall be  
31 signed by its president or a vice president and sealed with the  
32 seal of the university and all conveyances, leases and subleases  
33 made pursuant to this chapter, when duly authorized by any of  
34 said colleges, shall be made, executed and delivered in the name  
35 of the college and shall be signed by the president or a vice  
36 president and sealed with the seal of the college.

37 (cf: N.J.S.18A:72A-29)

38 242. Section 3 of P.L.1979, c.132 (C.18A:72B-17) is amended  
39 to read as follows:

40 3. As used in this act:

41 a. "Eligible institution" or "institution" means only those  
42 independent institutions of higher education incorporated and  
43 located in this State, which, by virtue of law or character or  
44 license, are non-profit educational institutions empowered to  
45 grant academic degrees and which provide a level of education  
46 which is equivalent to the education provided by the State's  
47 public institutions of higher education as attested by the receipt  
48 of and continuation of regional accreditation by the Middle States  
49 Association of Colleges and Schools, and which are eligible to  
50 receive State aid under the provisions of the Constitution of the  
51 United States and the Constitution of the State of New Jersey.  
52 "Eligible institution" does not include any educational institution  
53 dedicated primarily to the preparation or training of ministers,  
54 priests, rabbis, or other professional persons in the field of  
55 religion.

- 1       b. "New Jersey Student" means any resident of this State as  
2 defined [by regulations of the Board of Higher Education]  
3 pursuant to section 1 of P.L.1979, c.361 (C.18A:62-4).
- 4       c. "Academic Year" means the normal period of attendance,  
5 excluding summer session, for a full-time undergraduate student  
6 to make a year's progress toward a degree.
- 7       d. "Full-time equivalent student in an eligible institution"  
8 means a unit of 32 undergraduate student credit hours [as defined  
9 by regulations of the Board of Higher Education].
- 10      e. "Undergraduate student" means a student enrolled in a  
11 program leading to an associate or baccalaureate degree, or to a  
12 certificate, diploma or its equivalent, awarded by the institution.
- 13      f. "Direct per student support for the State college sector"  
14 means the average direct net State support per budgeted  
15 full-time equivalent student at the State colleges. This average  
16 shall be derived from the General Appropriation Act for the  
17 pre-budget year by taking the sum of the total appropriation  
18 amounts for all State colleges, except Thomas A. Edison College  
19 of New Jersey, subtracting from that sum debt service and  
20 capital costs and the sum of anticipated revenues at the State  
21 colleges, except Edison College, for tuitions, other student fees,  
22 School of Conservation, and miscellaneous; and dividing the  
23 remainder by the total number of budgeted full time equivalent  
24 students at the State colleges, as stipulated in language in said  
25 Appropriation Act.
- 26      g. "Department" means the Department of [Higher Education]  
27 Treasury.
- 28      h. [ "Board" means the Board of Higher Education.] deleted by  
29 amendment, P.L. .c. (C. ) (now pending before the  
30 Legislature as this bill)
- 31      i. "Pre-budget year" means the fiscal year preceding the year  
32 in which the budget is implemented.  
33 (cf: P.L.1979, c.132, s.3)
- 34      243. Section 4 of P.L.1979, c.132 (C18A:72B-18) is amended to  
35 read as follows:
- 36      4. The [Board of Higher Education] State Treasurer, subject to  
37 the availability of appropriations, is authorized to contract with  
38 eligible independent colleges and universities in this State to  
39 provide educational services to New Jersey students. Payment to  
40 the institutions shall be based upon the number of full time  
41 equivalent New Jersey undergraduates enrolled during the  
42 pre-budget year in the independent institutions multiplied by 25%  
43 of the level of direct per student support for the State college  
44 sector during the pre-budget year. The total funding generated  
45 by the preceding formula shall be distributed as follows:
- 46      a. Ten percent of this total shall be divided equally among the  
47 eligible institutions. These "designated" amounts shall be  
48 awarded to each institution except in any instance where the  
49 amount of dollars designated for a particular institution under  
50 this section exceeds the total amount to be awarded to that  
51 institution under subsections b. and c. of this section. In such  
52 instances, the funds designated under subsection a. shall be  
53 reduced to equal the total of subsections b. and c., which shall be  
54 the amount awarded to the institution under this section. The

1 difference between the amount designated and the amount  
2 awarded under this section shall be returned to the department.

3 b. Thirty-five percent shall be distributed on the basis of New  
4 Jersey students who received State financial aid or aid  
5 administered by such institutions of \$1,000.00 or more, in all  
6 cases exclusive of loans, during the pre-budget year.

7 c. Fifty-five percent shall be distributed on the basis of New  
8 Jersey full-time equivalent students, as herein defined, enrolled  
9 in such institutions during the pre-budget year.

10 The funds granted under this act may be used by the  
11 institutions for any purposes which they deem to be appropriate  
12 to maintaining or enhancing the quality of the academic offerings  
13 available to New Jersey students, except for purposes of  
14 sectarian instruction, the construction or maintenance of  
15 sectarian facilities, or for any other sectarian purpose or  
16 activity. For the purposes of this act the number of full time  
17 equivalent students at the eight State colleges for the 1979-80  
18 academic year is 54,380.

19 (cf: P.L.1979, c.132, s.4)

20 244. Section 5 of P.L.1979, c.132 (C.18A:72B-19) is amended  
21 to read as follows:

22 5. Funds received by an institution pursuant to this act shall be  
23 maintained in a separate ledger account. Each institution shall  
24 cause an audit of such account and of enrollment figures to be  
25 made annually by a certified public accountant and forwarded to  
26 the [board] treasurer. The [board] treasurer shall have the right to  
27 audit institutional records pertaining to this act. Each institution  
28 also shall furnish to the board a copy of its audited annual  
29 financial statement.

30 (cf: P.L.1979, c.132, s.5)

31 245. Section 6 of P.L.1979, c.132 (C.18A:72B-20) is amended  
32 to read as follows:

33 6. In the event any institution shall expend such funds in  
34 violation of the provisions of this act or the rules or regulations  
35 of the [board] treasurer, the [board] treasurer may suspend  
36 further aid to such institutions and recover any such funds  
37 theretofore misspent.

38 (cf: P.L.1979, c.132, s.6)

39 246. Section 8 of P.L.1979, c.132 (C.18A:72B-22) is amended  
40 to read as follows:

41 8. The [board] State Treasurer shall promulgate rules and adopt  
42 policies and make all determinations necessary for the proper  
43 administration and enforcement of the provisions of this act.

44 (cf: P.L.1979, c.132, s.8)

45 247. Section 1 of P.L.1987, c.312 (C.18A:72B-25) is amended  
46 to read as follows:

47 1. As used in this act:

48 [a. "Board" means the State Board of Higher Education;

49 b.] "School" means the Morehouse School of Medicine in  
50 Atlanta, Georgia.

51 (cf: P.L.1987, c.312, s.1)

52 248. Section 2 of P.L.1987, c.312 (C.18A:72B-26) is amended  
53 to read as follows:

54 2. The State [Board of Higher Education] Treasurer is

1 authorized to contract with the Morehouse School of Medicine for  
2 the acceptance of New Jersey residents to study medicine.  
3 (cf: P.L.1987, c.312, s.2)

4 249. Section 3 of P.L.1987, c.312 (C.18A:72B-27) is amended  
5 to read as follows:

6 3. Commencing with the first year class to be admitted for the  
7 1987-88 academic year, the [board] treasurer shall contract with  
8 the school for the acceptance of two to four medical students.  
9 The students shall be residents of New Jersey who are from a  
10 disadvantaged or minority background and are certified as  
11 eligible by the [Chancellor of Higher Education] treasurer.  
12 Admission of eligible applicants is based solely on academic merit.  
13 (cf: P.L.1987, c.312, s.3)

14 250. Section 4 of P.L.1987, c.312 (C.18A:72B-28) is amended  
15 to read as follows:

16 4. The [chancellor] treasurer, at his discretion, shall  
17 periodically review the school's admissions procedures and  
18 records to determine if these procedures comply with the terms  
19 of the contract.

20 (cf: P.L.1987, c.312, s.4)

21 251. Section 6 of P.L.1987, c.312 (C.18A:72B-30) is amended  
22 to read as follows:

23 6. The [board] treasurer shall pay to the school \$11,000.00 per  
24 year for each eligible student attending the school pursuant to  
25 this act, provided that the school charges the student only the  
26 tuition and fees required of resident students. Any showing of a  
27 discriminatory practice against a student admitted pursuant to  
28 this act in areas such as tuition, financial aid, the quality of  
29 instruction or housing or any other area is grounds for  
30 termination of the contract by the board.

31 (cf: P.L.1987, c.312, s.6)

32 252. Section 7 of P.L.1987, c.312 (C.18A:72B-31) is amended to  
33 read as follows:

34 7. a. To be certified by the [chancellor] treasurer as eligible  
35 for admission to the school pursuant to this act, the applicant  
36 shall (1) be a resident of New Jersey for at least 12 months; and  
37 (2) enter into a written agreement to practice medicine for at  
38 least four years following the completion of training in an area of  
39 the State designated by the [chancellor] Commissioner of Health  
40 as one with a shortage of physicians.

41 b. No student admitted to the study of medicine at a medical  
42 school within this State shall be certified by the [chancellor]  
43 treasurer as eligible for admission to the school pursuant to this  
44 act.

45 c. Each agreement shall provide (1) that if the applicant fails  
46 to complete medical school, the applicant is liable to reimburse  
47 the [board] treasurer for the amount paid to the school to support  
48 his education, plus interest in an amount equal to the current  
49 prevailing market rate; and (2) that if the applicant, upon  
50 licensure as a physician, fails to practice in the designated area  
51 for four years, the applicant is liable to reimburse the [board]  
52 treasurer for the amount paid to the school to support his  
53 education, plus interest in an amount equal to twice the current  
54 prevailing market rate. The agreement shall also contain a clause

1 under which the applicant consents to the exercise of jurisdiction  
2 over the cause of action by the courts of New Jersey and the  
3 execution of a judgment rendered by the New Jersey courts in  
4 any jurisdiction.

5 d. The [chancellor] treasurer may waive the requirement of  
6 reimbursement upon the death or disability of the individual.  
7 (cf: P.L.1987, c.312, s.7)

8 253. Section 8 of P.L.1987, c.312 (C.18A:72B-32) is amended  
9 to read as follows:

10 8. The school, at a time agreed upon with the [board] treasurer,  
11 shall implement a resident training program with a New Jersey  
12 hospital, if it is determined that an appropriate out-of-State  
13 training program is not available.  
14 (cf: P.L.1987, c.312, s.8)

15 254. Section 2 of P.L.1979, c.39 (C.18A:72C-2) is amended to  
16 read as follows:

17 2. Each institution awarded an Einstein Chair under this act  
18 shall select an outstanding scholar to fill the chair on such terms  
19 and conditions as may be agreed upon, [subject to the approval of  
20 the Chancellor of Higher Education,] within the appropriations  
21 provided for said chairs. Each person appointed to the Einstein  
22 Chair may be granted tenure on appointment.  
23 (cf: P.L.1979, c.39, s.2)

24 255. Section 60 of P.L.1991, c.187 (C.18A:72D-12) is amended  
25 to read as follows:

26 60. As used in sections 60 through 76 of P.L.1991, c.187  
27 (C.18A:72D-12 et seq.):

28 "Eligible student loan expenses" means the cumulative total of  
29 the annual student loans covering the cost of attendance at an  
30 undergraduate institution of medical or dental education. Interest  
31 paid or due on student loans that an applicant has taken out for  
32 use in paying the costs of undergraduate medical or dental  
33 education shall be considered eligible for reimbursement under  
34 the program. The [Chancellor of Higher Education] executive  
35 director of student assistance programs may establish a limit on  
36 the total amount of student loans which may be redeemed for  
37 participants under the program, provided that the total  
38 redemption of student loans does not exceed \$70,000.

39 "Medically underserved area" means an urban or rural area  
40 which need not conform to the geographic boundaries of a  
41 political subdivision within the State but which shall be defined in  
42 terms of census tracts, if possible, which is a rational area for  
43 the delivery of health services and which has a medical or dental  
44 manpower shortage as determined by the Commissioner of  
45 Health; or a population group which the commissioner determines  
46 has a medical or dental manpower shortage; or a public or  
47 nonprofit private health care facility or other facility which is so  
48 designated.

49 "Primary care" includes the practice of family medicine,  
50 general internal medicine, general pediatrics, general obstetrics,  
51 gynecology, and any other areas of medicine which the  
52 Commissioner of Health may define as primary care. Primary  
53 care also includes the practice of general dentistry and  
54 pedodontics.

1 "Primary Care Physician and Dentist Loan Redemption  
2 Program" means a program which provides for the redemption of  
3 the eligible student loan expenses of its participants.

4 "Undergraduate medical or dental education" means the period  
5 of time between entry into medical or dental school and the  
6 award of the medical (M.D., D.O.) degree or dental (D.M.D.,  
7 D.D.S.) degree, respectively.

8 (cf: P.L.1991, c.187, s.60)

9 256. Section 61 of P.L.1991, c.187 (C.18A:72D-13) is amended  
10 to read as follows:

11 61. There is established a Primary Care Physician and Dentist  
12 Loan Redemption Program within the [Department of Higher  
13 Education] Office of Student Assistance. The program shall  
14 provide for the redemption of a portion of the eligible student  
15 loan expenses of program participants for each year of service in  
16 a medically underserved area of the State as designated by the  
17 Commissioner of Health.

18 (cf: P.L.1991, c.187, s.61)

19 257. Section 63 of P.L.1991, c.187 (C.18A:72D-15) is amended  
20 to read as follows:

21 63. The Commissioner of Health, after consultation with the  
22 Commissioner of Corrections and the Commissioner of Human  
23 Services, shall designate and establish a ranking of medically  
24 underserved areas of the State. The criteria used by the  
25 Commissioner of Health in designating underserved areas shall  
26 include, but not be limited to:

27 a. the ratio of the supply of primary care physicians and  
28 dentists by relative specialty to the population under  
29 consideration with a goal of meeting current standards for  
30 physician and dentist to population ratios in primary care medical  
31 and dental specialties;

32 b. the financial resources of the population under  
33 consideration;

34 c. the population's access to medical and dental services; and

35 d. appropriate physician and dentist staffing ratios in State,  
36 county, municipal and private nonprofit health care facilities.

37 The commissioner shall annually transmit the list of medically  
38 underserved areas and the number of positions needed in each  
39 area to the [Chancellor of Higher Education] executive director.

40 (cf: P.L.1991, c.187, s.63)

41 258. Section 64 of P.L.1991, c.187 (C.18A:72D-16) is amended  
42 to read as follows:

43 64. A medical or dental student who is eligible and interested  
44 in participating in the loan redemption program shall sign a  
45 nonbinding agreement with the [Department of Higher Education]  
46 Office of Student Assistance upon completion of the final year of  
47 undergraduate medical or dental training, as appropriate. At the  
48 end of the final year of residency training in the case of a  
49 physician, and at the end of the final year of undergraduate  
50 dental training or residency training if such training is required in  
51 a primary care dental specialty in the case of a dentist, the  
52 applicant shall sign a contractual agreement with the  
53 [Department of Higher Education] office. The agreement shall  
54 specify the applicant's length of required service and the total

1 amount of eligible student loan expenses to be redeemed by the  
2 State in return for service. The agreement shall also stipulate  
3 that the applicant has knowledge of and agrees to the six-month  
4 probationary period required prior to final acceptance into the  
5 program pursuant to section 66 of P.L.1991, c.187  
6 (C.18A:72D-18).

7 (cf: P.L.1991, c.187, s.64)

8 259. Section 66 of P.L.1991, c.187 (C.18A:72D-18) is amended  
9 to read as follows:

10 66. Each program participant shall serve a six-month  
11 probationary period upon initial placement in a service site within  
12 the medically underserved area. During that period, the medical  
13 or dental staff of the service site, as appropriate, shall evaluate  
14 the suitability of the placement for the participant. At the end  
15 of the probationary period, the medical or dental staff shall  
16 recommend the continuation of the program participant's present  
17 placement, a change in placement, or its determination that the  
18 participant is an unsuitable candidate for the loan redemption  
19 program. If the medical or dental staff of the service site  
20 recommends a change in placement, then the [Chancellor of  
21 Higher Education] executive director shall place the program  
22 participant in an alternate placement within a medically  
23 underserved area. If the medical or dental staff determines that  
24 the program participant is not a suitable candidate for the  
25 program, then the [chancellor] executive director shall take this  
26 recommendation into consideration in regard to the participant's  
27 final acceptance into the program. No loan redemption payment  
28 shall be made during the six-month probationary period, however,  
29 a program participant shall receive credit for this six-month  
30 period in calculating the first year of required service under the  
31 loan redemption contract.

32 (cf: P.L.1991, c.187, s.66)

33 260. Section 67 of P.L.1991, c.187 (C.18A:72D-19) is amended  
34 to read as follows:

35 67. The [Chancellor of Higher Education] executive director, in  
36 consultation with the Commissioner of Health, shall match  
37 program participants to medically underserved areas based upon  
38 the ranking of the underserved areas established by the  
39 commissioner and on the basis of participant preference.

40 (cf: P.L.1991, c.187, s.67)

41 261. Section 68 of P.L.1991, c.187 (C.18A:72D-20) is amended  
42 to read as follows:

43 68. The [Chancellor of Higher Education] executive director  
44 shall annually determine the number of program positions  
45 available on the basis of the need for primary care physicians and  
46 dentists in medically underserved areas of the State as  
47 determined by the Commissioner of Health and the State and  
48 federal funds available for the program. Once the number of  
49 program positions has been determined, the [chancellor]  
50 executive director shall select the program participants from  
51 among those students who have applied to the program and who  
52 meet the criteria established pursuant to section 62 of P.L.1991,  
53 c.187 (C.18A:72D-14). In selecting program participants, the  
54 [Chancellor of Higher Education] executive director shall accord



1 priority to applicants in the following manner:

2 a. First, to any applicant who is completing a fourth, third or  
3 second year of a loan redemption contract;

4 b. Second, to any applicant whose residence in the State at the  
5 time of entry into post secondary education was within a  
6 medically underserved area; and

7 c. Third, to any applicant according to the severity of the  
8 physician or dentist shortage in the area selected by the applicant.

9 In the event that there are more applicants who have the same  
10 priority than there are program positions, the [Chancellor of  
11 Higher Education] executive director shall select participants by  
12 means of a lottery or other form of random selection.

13 (cf: P.L.1991, c.187, s.68)

14 262. Section 69 of P.L.1991, c.187 (C.18A:72D-21) is amended  
15 to read as follows:

16 69. A physician or dentist who has previously entered into a  
17 contract with the [Department of Higher Education] office may  
18 nullify the agreement by notifying the [Department of Higher  
19 Education] office in writing and assuming full responsibility for  
20 repayment of principal and interest at the appropriate market  
21 rate of the full amount of the eligible student loan expenses or  
22 that portion of the loan which has not been redeemed by the  
23 State in return for partial fulfillment of the contract. In no  
24 event shall service in a medically underserved area for less than  
25 the full calendar year of each period of service entitle the  
26 participant to any benefits under the loan redemption program.  
27 A participant seeking to nullify the contract shall be required to  
28 pay the unredeemed portion of indebtedness in not more than 10  
29 years following termination of the contract minus the years of  
30 service already served under the contract.

31 (cf: P.L.1991, c.187, s.69)

32 263. Section 70 of P.L.1991, c.187 (C.18A:72D-22) is amended  
33 to read as follows:

34 70. In case of a program participant's death or total or  
35 permanent disability, the [Chancellor of Higher Education]  
36 executive director shall nullify the service obligation of the  
37 student thereby terminating the student's obligation to repay the  
38 unpaid balance of the redeemable portion of the loan and the  
39 accrued interest thereon, or where continued enforcement of the  
40 contract may result in extreme hardship, the [chancellor]  
41 executive director may nullify or suspend the service obligation  
42 of the student.

43 (cf: P.L.1991, c.187, s.70)

44 264. Section 71 of P.L.1991, c.187 (C.18A:72D-23) is amended  
45 to read as follows:

46 71. In case of a program participant's conviction of a felony or  
47 misdemeanor or an act of gross negligence in the performance of  
48 service obligations or where the license to practice has been  
49 suspended or revoked, the [Chancellor of Higher Education]  
50 executive director shall have the authority to terminate the  
51 participant's service in the program and request repayment of  
52 the outstanding debt.

53 (cf: P.L.1991, c.187, s.71)

54 265. Section 72 of P.L.1991, c.187 (C.18A:72D-24) is amended

1 to read as follows:

2 72. A student who is participating in a federal program of a  
3 similar nature, which provides financial support for students in  
4 return for service in underserved areas of the nation, shall not be  
5 eligible for participation in the Primary Care Physician and  
6 Dentist Loan Redemption Program unless after review and  
7 consideration the [Chancellor of Higher Education] executive  
8 director finds that the student has extraordinary financial  
9 responsibilities making it essential for the student to use the loan  
10 resources of both federal and State programs. These cases shall  
11 be reviewed and approved by the [chancellor] executive director  
12 on an individual basis. In these cases, the period of service to the  
13 State of New Jersey may be served simultaneously with the  
14 federal service obligation if that obligation is being discharged by  
15 service within this State.

16 (cf: P.L.1991, c.187, s.72)

17 266. Section 73 of P.L.1991, c.187 (C.18A:72D-25) is amended  
18 to read as follows:

19 73. Prior to repayment of the annual amount eligible for  
20 redemption, each program participant shall report to the  
21 [Department of Higher Education] office of student assistance, in  
22 such manner and form as it shall prescribe, information on the  
23 participant's performance of service in the medically  
24 underserved area as required under the contract.

25 (cf: P.L.1991, c.187, s.73)

26 267. Section 74 of P.L.1991, c.187 (C.18A:72D-26) is amended  
27 to read as follows:

28 74. The [Chancellor of Higher Education] executive director  
29 and the Commissioner of Health shall jointly establish a  
30 procedure for the recruitment of program applicants at medical  
31 and dental schools and health centers. The procedure shall  
32 provide for the participation of the medical and dental staff, as  
33 appropriate, of those facilities in the selection of appropriate  
34 applicants for the program.

35 (cf: P.L.1991, c.187, s.74)

36 268. Section 75 of P.L.1991, c.187 (C.18A:72D-27) is amended  
37 to read as follows:

38 75. The [Department of Higher Education] office of student  
39 assistance shall annually apply for any federal funds which may  
40 be available to implement the provisions of this act.

41 (cf: P.L.1991, c.187, s.75)

42 269. Section 76 of P.L.1991, c.187 (C.18A:72D-28) is amended  
43 to read as follows:

44 76. The State [Board of Higher Education] executive director  
45 shall adopt rules and regulations pursuant to the "Administrative  
46 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) as may be  
47 necessary to implement the provisions of sections 60 through 75  
48 of P.L.1991, c.187 (C.18A:72D-12 et seq.).

49 (cf: P.L.1991, c.187, s.76)

50 270. Section 2 of P.L.1980. c.154 (C.18A:72E-2) is amended to  
51 read as follows:

52 2. Subject to available appropriations, Seton Hall shall select  
53 an outstanding scholar to fill the chair on such terms and  
54 conditions as may be agreed upon [, subject to the approval of the

1 Chancellor of Higher Education]. The person appointed to the  
2 Hughes Chair may be granted tenure on appointment.

3 (cf: P.L.1980, c.154, s.2)

4 271. Section 2 of P.L.1984, c.189 (C.18A:72F-2) is amended to  
5 read as follows:

6 2. The Legislature finds and declares that:

7 a. Within the State colleges minority faculty members with  
8 doctoral degrees in certain academic disciplines, notably the  
9 physical and life sciences, engineering, mathematics,  
10 management, computer science, environmental sciences, and  
11 statistics, are underrepresented in comparison to nonminority  
12 faculty members with doctorates.

13 b. There is in the United States a serious shortage of minority  
14 doctoral degree graduates in the academic disciplines cited above  
15 from which the State colleges can recruit faculty members.

16 c. The State colleges in New Jersey currently face difficult  
17 problems in recruiting and retaining minority faculty members  
18 with doctoral degrees in the academic disciplines cited above.

19 d. [With the support of the Department of Higher Education,]  
20 Rutgers, The State University and the State colleges have  
21 cooperated in implementing a pilot program, the Minority  
22 Advancement Program in Teaching and Research, whereby  
23 eligible State college minority faculty members or other  
24 minorities admitted to the State university in a doctoral degree  
25 program in certain academic disciplines are provided grant, loan  
26 and other support opportunities to assist them in completing the  
27 academic degree requirements and to increase the pool of  
28 potential minority faculty members holding doctoral degrees.

29 (cf: P.L.1984, c.189, s.2)

30 272. Section 3 of P.L.1984, c.189 (C.18A:72F-3) is amended to  
31 read as follows:

32 3. As used in this act:

33 a. "Eligible discipline" means an academic discipline in which  
34 minority individuals are underrepresented as determined by the  
35 [State Board of Higher Education] Executive Director of Student  
36 Assistance Programs <sup>1</sup>in consultation with the Commission on  
37 Higher Education and the Board of Directors of the Educational  
38 Opportunity Fund<sup>1</sup>.

39 b. "Faculty member" means any person employed full-time by  
40 a New Jersey State college, to perform primarily teaching,  
41 research, or administrative duties for 10 or more months per  
42 academic year.

43 c. "Minority" means any person who is a member of a  
44 racial-ethnic group that has been historically disadvantaged in  
45 obtaining access to equal educational opportunities.

46 d. "Program" means the Minority Faculty Advancement Loan  
47 and Loan Redemption Program created pursuant to this act.

48 e. "State college" means any institution created pursuant to  
49 chapter 64 of Title 18A of the New Jersey Statutes.

50 (cf: P.L.1984, c.189, s.3)

51 273. Section 4 of P.L.1984, c.189 (C.18A:72F-4) is amended to  
52 read as follows:

53 4. There is established within the [Department of Higher  
54 Education] Office of Student Assistance a Minority Faculty

1 Advancement Loan and Loan Redemption Program for students at  
2 Rutgers, The State University, or the New Jersey Institute of  
3 Technology, or at a private college or university which agrees to  
4 participate in the program who are enrolled in an eligible  
5 discipline in the Minority Advancement Program in Teaching and  
6 Research.

7 Eligible participants shall include:

8 a. State college faculty members who have been nominated by  
9 their institution and granted up to a four year leave of absence in  
10 order to participate in the program. A nomination by a State  
11 college shall include a commitment to reemploy the nominee in  
12 the same or in an equivalent position at the college upon  
13 completion of the program; and

14 b. Individuals who otherwise qualify pursuant to procedures set  
15 forth by the [Chancellor of Higher Education] Executive Director  
16 of Student Assistance Programs <sup>1</sup>in consultation with the  
17 Commission on Higher Education and the Board of Directors of  
18 the Educational Opportunity Fund<sup>1</sup>, but who are not State college  
19 faculty members, or who have not been nominated by a college.

20 (cf: P.L.1984, c.189, s.4)

21 274. Section 5 of P.L.1984, c.189 (C.18A:72F-5) is amended to  
22 read as follows:

23 5. Eligible program participants seeking loans to finance their  
24 education shall first apply for loans under the Guaranteed Student  
25 Loan Program. In the event that participants have borrowed the  
26 maximum permitted under the terms of this program or are  
27 otherwise ineligible, they may apply for direct loans in amounts  
28 not exceeding \$10,000.00 per student annually which loans may be  
29 renewed for up to a maximum of four academic years for a total  
30 loan indebtedness not exceeding \$40,000.00 per student. Direct  
31 loans will be evidenced by promissory notes and may be secured  
32 pursuant to regulations and forms established by the [Chancellor  
33 of Higher Education] Executive Director of Student Assistance  
34 Programs.

35 Direct loans shall not bear interest or finance charges during  
36 the time a student is enrolled as a full-time student in the  
37 program or is engaged in approved redemption service pursuant to  
38 this act. Direct loans shall become due and payable pursuant to  
39 section 8 of this act six months after graduation if no redemption  
40 contract is in effect, or six months after change to part-time  
41 student status, withdrawal from the program, or termination  
42 from full-time employment either as a faculty member at a State  
43 college or other qualified employment.

44 (cf: P.L.1984, c.189, s.5)

45 275. Section 6 of P.L.1984, c.189 (C.18A:72F-6) is amended to  
46 read as follows:

47 6. Direct loans obtained pursuant to section 5 of this act and  
48 federally guaranteed student loans together with interest thereon  
49 secured after admission to the Minority Advancement Program  
50 may be redeemed by program participants upon execution of a  
51 contract between the participant and the [Department of Higher  
52 Education] executive director. The maximum loan redemption  
53 for program participants shall amount to cancellation of  
54 repayment for one-quarter of the eligible loan indebtedness in

1 return for each full academic year of service as a faculty  
2 member in a State college for total cancellation of loan  
3 indebtedness for up to, but not to exceed, a maximum of  
4 \$40,000.00 per student. In no event shall faculty service for less  
5 than the full academic year of each period of service entitle the  
6 participant to any benefits under the loan redemption conditions  
7 of the program. Prior to the annual redemption of loan  
8 indebtedness, participants in the program shall submit proof of  
9 faculty service to the [Department of Higher Education]  
10 executive director.

11 (cf: P.L.1984, c.189, s.6)

12 276. Section 7 of P.L.1984, c.189 (C.18A:72F-7) is amended to  
13 read as follows:

14 7. Faculty service requirements for loan redemption purposes  
15 shall be satisfied at the State college which nominated the  
16 faculty member to participate in the program unless otherwise  
17 agreed by the State college president. Program participants not  
18 nominated by a State college may satisfy their faculty service  
19 requirement at any New Jersey State college; except that any  
20 faculty member participating in the program upon nomination by  
21 an institution of higher education within New Jersey other than a  
22 State college shall satisfy his faculty service requirements for  
23 loan redemption purposes at his nominating institution unless  
24 otherwise agreed by the nominating institution's president.  
25 However, if the [chancellor] executive director determines that  
26 no appropriate faculty positions are available in the State  
27 colleges, faculty service requirements may be satisfied at other  
28 public or private colleges or universities in New Jersey which are  
29 licensed by the [Board of] Commission on Higher Education, or at  
30 any other agency of State government.

31 (cf: P.L.1984, c.189, s.7)

32 277. Section 8 of P.L.1984, c.189 (C.18A:72F-8) is amended to  
33 read as follows:

34 8. Program participants who have entered into redemption  
35 contracts with the [Department of Higher Education] executive  
36 director may nullify their contracts by submitting written  
37 notification to the [department] executive director and assuming  
38 full responsibility for repayment of principal and interest on the  
39 full amount of their direct loans or that portion of the loans  
40 which has not been redeemed by the State in return for partial  
41 fulfillment of the contracts. The interest on the loans shall be at  
42 the prevailing rate established for the federal Guaranteed  
43 Student Loan Program at the time the loans were made. The  
44 participant seeking to nullify the contract shall be required to  
45 repay the loan or the unredeemed portion thereof in not more  
46 than 10 years following the termination of the contract minus the  
47 years of service already performed under the contract.  
48 Repayments of direct loans by participants who do not perform  
49 faculty service for redemption purposes may be used to provide  
50 future loans under the program, as determined by the [chancellor]  
51 executive director.

52 (cf: P.L.1984, c.189, s.8)

53 278. Section 9 of P.L.1984, c.189 (C.18A:72F-9) is amended to  
54 read as follows:

1 9. In case of a program participant's death or total or  
2 permanent disability, the [chancellor] executive director shall  
3 nullify the service obligation of the student, thereby terminating  
4 the student's obligation to repay the unpaid balance of the  
5 redeemable portion of the loan and the accrued interest thereon,  
6 or where continued enforcement of the contract may result in  
7 extreme hardship, the [chancellor] executive director may nullify  
8 or suspend the service obligation of the student.

9 (cf: P.L.1984, c.189, s.9)

10 279. Section 10 of P.L.1984, c.189 (C.18A:72F-10) is amended  
11 to read as follows:

12 10. The impact of the program on the representation of State  
13 college minority faculty members with doctoral degrees in the  
14 designated disciplines shall be evaluated periodically by the  
15 [chancellor] Commission on Higher Education and the Presidents'  
16 Council.

17 (cf: P.L.1984, c.189, s.10)

18 280. Section 11 of P.L.1984, c.189 (C.18A:72F-11) is amended  
19 to read as follows;

20 11. The [chancellor] executive director and the Commission on  
21 Higher Education shall promulgate such rules and regulations in  
22 accordance with the "Administrative Procedure Act," P.L.1968,  
23 c.410 (C.52:14B-1 et seq.) as are necessary to carry out the  
24 purposes of this act.

25 (cf: P.L.1984, c.189, s.11)

26 281. Section 2 of P.L.1985, c.365 (C.18A:72G-2) is amended to  
27 read as follows:

28 2. Saint Peter's College shall select an outstanding scholar to  
29 fill the chair on such terms and conditions as may be agreed upon,  
30 subject to [the approval of the Chancellor of Higher Education  
31 and] available appropriations. The person appointed to the Durant  
32 Chair may be granted tenure on appointment.

33 (cf: P.L.1985, c.365, s.2)

34 282. Section 3 of P.L.1985, c.493 (C.18A:72H-3) is amended to  
35 read as follows:

36 3. As used in this act:

37 a. "Auditorily impaired" means a hearing impairment of such  
38 severity that the individual depends primarily upon visual  
39 communication.

40 b. "Competent authority" means any doctor of medicine or  
41 any doctor of osteopathy licensed to practice medicine and  
42 surgery in this State.

43 c. [ "Department" means the Department of Higher Education.]  
44 deleted by amendment, P.L. c. (now pending before the  
45 Legislature as this bill).

46 d. "Eligible student" means any student "admitted to a public  
47 or independent institution of higher education who is" suffering  
48 from a visual impairment, auditory impairment or a specific  
49 learning disability within guidelines established by the  
50 [Department of] Commission on Higher Education pursuant to  
51 regulations promulgated under this act.

52 e. "Independent institution of higher education" means a  
53 college or university incorporated and located in New Jersey,  
54 which by virtue of law or character or license is a nonprofit

1 educational institution authorized to grant academic degrees and  
2 which provides a level of education which is equivalent to the  
3 education provided by the State's public institutions of higher  
4 education, as attested by the receipt of and continuation of  
5 regional accreditation by the Middle States Association of  
6 Colleges and Schools, and which is eligible to receive State aid  
7 under the provisions of the Constitution of the United States and  
8 the Constitution of the State of New Jersey, but does not include  
9 any educational institution dedicated primarily to the education  
10 or training of ministers, priests, rabbis or other professional  
11 persons in the field of religion.

12 f. "Learning disability" means a significant barrier to learning  
13 caused by a disorder in one or more of the basic psychological  
14 processes involved in understanding or in using language, spoken  
15 or written, which disorder may manifest itself in imperfect  
16 ability to listen, think, speak, read, write, spell, or do  
17 mathematical calculations. The disorder includes conditions such  
18 as perceptual handicap, brain injury, minimal brain dysfunction,  
19 dyslexia, and developmental aphasia. This term shall not include  
20 learning problems which are primarily the result of visual,  
21 hearing, or motor handicaps, mental retardation, emotional  
22 disturbances, or environmental, cultural, or economic  
23 disadvantage.

24 g. "Program" means the Higher Education Services for  
25 Visually Impaired, Auditorily Impaired and Learning Disabled  
26 Students Program established pursuant to this act.

27 h. "Public institution of higher education" means Rutgers, The  
28 State University, the New Jersey Institute of Technology, the  
29 University of Medicine and Dentistry of New Jersey, the State  
30 colleges and the county colleges.

31 i. "Support services" or "supportive services" means services  
32 that assist eligible students in obtaining a college education and  
33 include, but are not limited to, interpreters, note takers, and  
34 tutors.

35 j. "Visually impaired" means a vision impairment where the  
36 better eye with correction does not exceed 20/200 or where there  
37 is a field defect in the better eye in which the diameter of the  
38 field is no greater than 20 degrees.

39 (cf: P.L.1985, c.493, s.3)

40 283. Section 4 of P.L.1985, c.493 (C.18A:72H-4) is amended to  
41 read as follows:

42 4. There is established a Higher Education Services for  
43 Visually Impaired, Auditorily and Learning Disabled Students  
44 Program within the [Department of] Commission on Higher  
45 Education. The program shall provide appropriate support  
46 services for eligible students attending a public or independent  
47 institution of higher education within the State and promote  
48 research and development of techniques and approaches to offset  
49 handicapping conditions. All appropriate public and private  
50 groups, organizations and agencies shall be consulted in preparing  
51 programs and services for these students.

52 (cf: P.L.1985, c.493, s.4)

53 284. Section 6 of P.L.1985, c.493 (C.18A:72H-6) is amended to  
54 read as follows:

1       6. The [department, through the Chancellor of Higher  
2 Education] Commission on Higher Education, shall:

3       a. Enter into agreements with any individual, agency or public  
4 or independent institution of higher education in this State, under  
5 which the individual, agency or institution shall undertake to  
6 provide direct support services to eligible students, provided  
7 these services do not duplicate or replace any services for which  
8 these students are currently eligible.

9       b. Enter into contractual agreements with any public or  
10 independent institution of higher education to establish and  
11 maintain within that institution offices to facilitate the provision  
12 and coordination of support services to eligible students.

13       c. Authorize the payment to those individuals, agencies and  
14 institutions as set forth in subsections a. and b. of this section of  
15 funds appropriated or otherwise made available to the  
16 department under this act or any other law, or from any other  
17 lawful source.

18       d. Assess, evaluate and review the extent of the visual or  
19 auditory impairments or the learning disabilities which shall  
20 qualify students for eligibility for services pursuant to the  
21 regulations promulgated under this act.

22       e. Develop and coordinate a comprehensive support plan for  
23 eligible students specifying the needs of the eligible students.

24       f. Provide the supportive services outlined in the support plan,  
25 directly or through contractual agreements with individuals,  
26 institutions, agencies and others, as appropriate.

27       g. Foster awareness of, and sensitivity to, the students'  
28 handicapping conditions through seminars, presentations, bulletins  
29 and other activities for instructional, administrative and other  
30 staff of public and independent higher educational institutions.

31       h. Encourage and facilitate the use of a variety of  
32 instructional materials and methods by disseminating to  
33 professional staff of public and independent institutions of higher  
34 education information on techniques, materials and sources  
35 relating to curricular specialities.

36       i. Annually review and report to the Governor and the State  
37 Legislature on the services and activities funded by the  
38 department each year under this act.

39 (cf: P.L.1985, c.493, s.6)

40       285. Section 7 of P.L.1985, c.493 (C.18A:72H-7) is amended to  
41 read as follows:

42       7. To assist in fulfilling the duties and responsibilities relating  
43 to this act, the [chancellor] commission shall appoint an advisory  
44 board, which shall be broadly representative of those individuals  
45 and organizations having an active interest in, and academic or  
46 practical knowledge and experience in, the abilities and needs of  
47 visually impaired, auditorily impaired and learning disabled  
48 students; the methods and techniques of evaluation of  
49 handicapping conditions and curricular support development,  
50 including, without limitation, representatives from professional  
51 organizations, parent/student organizations, institutional  
52 administrations, academic personnel, student personnel services  
53 staff, and students. A representative from the Departments of  
54 Labor and Human Services shall serve on the advisory board.

55 (cf: P.L.1985, c.493, s.7)



1 286. Section 8 of P.L.1985, c.493 (C.18A:72H-8) is amended to  
2 read as follows:

3 8. The [chancellor] commission shall adopt rules and regulations  
4 pursuant to the "Administrative Procedure Act," P.L.1968, c.410  
5 (C.52:14B-1 et seq.) to implement the provisions of this act.  
6 (cf: P.L.1985, c.493, s.8)

7 287. Section 2 of P.L.1988, c.42 (C.18A:72K-2) is amended to  
8 read as follows:

9 2. Douglass College shall select a distinguished scholar to fill  
10 the chair for a term of up to two years upon such terms and  
11 conditions as may be agreed upon subject to [the approval of the  
12 Chancellor of Higher Education and] available appropriations.  
13 The purpose of the chair shall be to fund research, teaching and  
14 lectures in Women's Studies by an outstanding scholar at  
15 Douglass College.

16 (cf: P.L.1988, c.42, s.2)

17 288. Section 2 of P.L.1991, c.435 (C.18A:72L-2) is amended to  
18 read as follows:

19 2. Monmouth College shall select the individuals to fill the  
20 professorship for such periods of time and upon such terms and  
21 conditions as may be agreed upon, subject to [the approval of the  
22 Chancellor of Higher Education and] available appropriations. The  
23 incumbent of the research professorship shall devote his or her  
24 time to teaching, action research, educational policy analysis,  
25 program development and public service.

26 (cf: P.L.1991, c.435, s.2.)

27 289. Section 1 of P.L.1991, c.485 (C.18A:72M-1) is amended to  
28 read as follows:

29 1. As used in this act:

30 "Eligible discipline" means an academic discipline in which  
31 minority individuals are underrepresented as determined by the  
32 [State Board of Higher Education] Executive Director of Student  
33 Assistance Programs.

34 "Minority" means any person who is a member of a  
35 racial-ethnic group that has been historically disadvantaged in  
36 obtaining access to equal educational opportunities.

37 "Program" means the Minority Undergraduate Fellowship  
38 Program established pursuant to this act.

39 (cf: P.L.1991, c.485, s.1)

40 290. Section 2 of P.L.1991, c.485 (C.18A:72M-2) is amended to  
41 read as follows:

42 2. The [Chancellor of Higher Education] Executive Director of  
43 Student Assistance Programs shall establish a Minority  
44 Undergraduate Fellowship Program within the [Department of  
45 Higher of Education] Office of Student Assistance. The purpose  
46 of the program is to identify academically talented minority  
47 undergraduate students who may be interested in pursuing an  
48 academic career in an eligible discipline at a public or  
49 independent institution of higher education within the State, and  
50 to provide such students with the institutional and faculty support  
51 necessary to assist them in reaching that goal.

52 (cf: P.L.1991, c.485, s.2)

53 291. Section 3 of P.L.1991, c.485 (C.18A:72M-3) is amended to  
54 read as follows:

1       3. The [chancellor] executive director, in consultation with the  
2 Commission on Higher Education, shall establish policies and  
3 procedures for the nomination and selection as program fellows  
4 of academically talented minority undergraduate students who  
5 are in their junior year of study at a public or independent college  
6 or university within the State. Upon the selection of program  
7 fellows, the institution in which each student who is selected is  
8 enrolled shall assign to the student a faculty advisor who shall do  
9 the following:

10       a. Supervise a research project conducted by the fellow during  
11 the junior year or actively involve the student in a project which  
12 the advisor is conducting;

13       b. Supervise the fellow as an undergraduate teaching assistant  
14 in the fellow's senior year of study;

15       c. Accompany the fellow to the annual meeting of the  
16 professional association of the fellow's academic discipline; and

17       d. Assist the fellow in the selection of a graduate or  
18 professional school.

19 (cf: P.L.1991, c.485, s.3)

20       292. Section 5 of P.L.1991, c.485 (C.18A:72M-5) is amended to  
21 read as follows:

22       5. The [chancellor] executive director, in consultation with the  
23 commission, shall periodically evaluate the impact of the  
24 program on the representation of college and university minority  
25 faculty members with graduate degrees in eligible disciplines.

26 (cf: P.L.1991, c.485, s.5)

27       293. Section 6 of P.L.1991, c.485 (C.18A:72M-6) is amended to  
28 read as follows:

29       6. The <sup>1</sup>[State]<sup>1</sup> [Board of Higher Education] executive  
30 director and the Commission on Higher Education <sup>1</sup>,in  
31 consultation with the the Board of Directors of the Educational  
32 Opportunity Fund,<sup>1</sup> shall adopt rules and regulations pursuant to  
33 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1  
34 et seq.), necessary to effectuate the purposes of this act.

35 (cf: P.L.1991, c.485, s.6)

36       294. Section 7 of P.L.1991, c.485 (C.18A:72M-7) is amended to  
37 read as follows:

38       7. The [Department of Higher Education] executive director  
39 may utilize funding received under the Minority Faculty  
40 Advancement Loan and Loan Redemption Program Act,"  
41 P.L.1984, c.189 (C.18A:72F-1 et seq.) in making payments under  
42 this act.

43 (cf: P.L.1991,c.485,s.7.

44       295. Section 1 of P.L.1987. c.222 (C.5:9-22.1) is amended to  
45 read as follows:

46       1. For the purposes of P.L.1970, c.13 (C.5:9-1 et seq.), any  
47 program of education approved by the Department of Education  
48 or by institutions of higher education licensed by the [Department  
49 of] Commission on Higher Education which is intended, in whole  
50 or in part, to serve citizens of this State of the age of 65 years or  
51 over, shall be considered eligible for State aid from the net  
52 proceeds of any State lottery, as shall be provided by law.

53 (cf: P.L.1987, c.222, s.1)

54       296. Section 12 of P.L.1991, c.375 (C.5:10-14.3) is amended to

1 read as follows:

2 12. a. The State Treasurer shall establish a special fund to be  
3 known as the "Sports Authority Fund" and shall pay into the fund  
4 amounts from the General Fund as shall be necessary to pay the  
5 principal and interest on bonds or notes of the authority issued  
6 pursuant to this section and to pay any amounts due from the  
7 authority under any credit agreement entered into by the  
8 authority in connection with the bonds or notes, provided that all  
9 payments from the General Fund shall be subject and dependent  
10 upon appropriations made from time to time for those purposes.

11 b. (1) The State Treasurer and the authority are authorized to  
12 enter into agreements as shall be necessary to effectuate the  
13 purposes of this section, including without limitation, provisions  
14 for securing the payment of bonds or notes issued by the  
15 authority pursuant to subsection d. of this section and the  
16 interest thereon and providing for the investment of moneys in  
17 the fund; provided that the agreements shall be subject to  
18 approval by the presiding officers of both houses of the  
19 Legislature, and provided further that when the purposes of this  
20 section have been satisfied, and upon the earlier of:

21 (a) the certification by the State Treasurer that the revenues  
22 of the authority are sufficient to satisfy the requirements of  
23 paragraphs (1), (2), (3), (4), (5) and (6) of subsection c. of section 6  
24 of P.L.1971, c.137 (C.5:10-6) for the term of bonds or notes  
25 issued pursuant to subsection d. of this section; or

26 (b) the satisfaction of the requirements for the payment of  
27 bonds or notes issued pursuant to P.L.1991, c.375 (C.5:10-3 et  
28 al.); the State Treasurer and the authority shall not, except for  
29 the refunding of bonds or notes issued pursuant to subsection d. of  
30 this section which produces debt service savings, enter into any  
31 further agreements regarding payments by the State Treasurer  
32 into the "Sports Authority Fund" for any reason, including but not  
33 limited to, the financing or restructuring of the debt of the  
34 authority.

35 (2) The agreements shall indicate the nature and scope of the  
36 projects to be financed pursuant to this section.

37 (3) The agreements shall provide that with respect to the  
38 Atlantic City convention center project, the authority shall  
39 review all existing expert studies that present options as to the  
40 scope and nature of the project and the linkages between the  
41 project and the economic development of Atlantic City. Based  
42 upon its analysis of the available studies and such other expert  
43 studies as the authority may authorize, the authority shall report  
44 to the Legislature and include in the minutes of the authority its  
45 proposal for the development of the convention center. The  
46 report shall include an explanation for the selection of the  
47 project option proposed by the authority.

48 c. Notwithstanding anything to the contrary in this act, if and  
49 to the extent provided in any agreement between the State  
50 Treasurer and the authority, all or part of the revenues of the  
51 authority, other than luxury tax revenues or revenues of the  
52 convention center project, in excess of the requirements of the  
53 resolutions authorizing or relating to the issuance of any of the  
54 authority's bonds or notes, except those issued pursuant to this

1 section, shall be paid into the General Fund in repayment to the  
2 State for amounts previously paid by the State pursuant to this  
3 section with respect to the payment of principal and interest on  
4 bonds or notes issued for any of the purposes set forth in this  
5 section, except the purposes set forth in paragraphs (3), (4) and  
6 (5) of subsection d. of this section, and any payments on account  
7 of any credit agreements with respect to the bonds or notes.  
8 Except as otherwise provided in this section, bonds or notes of  
9 the authority issued pursuant to this section shall be authorized,  
10 sold and issued in the manner and be entitled to the benefits,  
11 protection and provisions as apply to bonds and notes of the  
12 authority authorized to be issued pursuant to P.L.1971, c.137,  
13 (C.5:10-1 et seq.).

14 d. In addition to its other powers to issue bonds and notes, the  
15 authority shall have power to issue from time to time bonds and  
16 notes payable from amounts in the Sports Authority Fund  
17 established pursuant to subsection a. of this section, as follows:

18 (1) To provide sufficient funds to refund from time to time  
19 outstanding bonds or notes of the authority issued for the  
20 meadowlands complex or the Monmouth racetrack project  
21 authorized pursuant to paragraph (5) of subsection a. of section 6  
22 of P.L.1971, c.137 (C.5:10-6), whether or not the bonds or notes  
23 or interest thereon have become due, to provide for the  
24 establishment of funds or reserves to secure payment of the  
25 bonds or notes or any other bonds or notes issued or to be issued  
26 for those purposes or interest thereon, and to provide for the  
27 payment of all other costs or expenses of the authority incident  
28 to or necessary to carry out the refunding; provided that the  
29 refunding bonds issued at any time pursuant to this paragraph  
30 shall not exceed that amount estimated to be necessary so that  
31 subsequent to the refunding, the revenues from the meadowlands  
32 complex or the Monmouth racetrack project, as the case may be,  
33 shall be sufficient to pay all costs payable from those revenues,  
34 as shall be estimated in a determination by the authority made in  
35 accordance with the agreement between the authority and the  
36 State Treasurer;

37 (2) To finance or refinance a capital program for the  
38 meadowlands complex and the Monmouth racetrack project  
39 authorized pursuant to paragraph (5) of subsection a. of section 6  
40 of P.L.1971, c.137 (C.5:10-6), adopted by the authority to provide  
41 for major repairs, reconstruction and improvements which are  
42 legally mandated or otherwise needed to meet environmental or  
43 safety requirements, to prevent a loss of revenues, to augment  
44 revenues or to continue or enhance the operations of any of the  
45 facilities thereof, provided that the aggregate cost of the  
46 projects financed pursuant to this paragraph shall not exceed  
47 \$30,000,000, exclusive of interest paid during construction;

48 (3) To provide for the financing or refinancing of the facilities  
49 for Rutgers, the State University pursuant to paragraph (8) of  
50 subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6);

51 (4) To provide for the financing or refinancing of the  
52 convention center project;

53 (5) To finance or refinance feasibility studies for public  
54 projects consistent with the purposes of the authority; and

1 (6) To provide for the financing or refinancing of any other  
2 project of the authority, but only if and to the extent expressly  
3 authorized by law enacted subsequent to the enactment of this  
4 act.

5 (7) To provide for the financing of the facilities at institutions  
6 of higher education pursuant to paragraph (11) of subsection a. of  
7 section 6 of P.L.1971, c.137 (C.5:10-6), based upon a list of  
8 projects recommended by the [Chancellor of] Commission on  
9 Higher Education following a competitive application process,  
10 provided that the aggregate financing of the projects undertaken  
11 pursuant to this paragraph shall not exceed \$5,000,000.

12 e. Bonds and notes authorized pursuant to this section shall be  
13 special obligations of the authority payable as herein provided.  
14 Bonds and notes shall not be deemed to constitute a debt or  
15 liability of the State or a pledge of the faith and credit of the  
16 State but are dependent for repayment upon appropriations as  
17 provided by law from time to time. These bonds and notes and  
18 the interest thereon may also be payable from the proceeds  
19 thereof set aside for that purpose and income accruing therefrom.

20 (cf: P.L.1991, c.375, s.12)

21 297. Section 19 of P.L.1971, c.199 (C.40A:12-19) is amended  
22 to read as follows:

23 19. When the governing body of a county or municipality shall  
24 determine by resolution that all or any part of a tract of land  
25 improved or unimproved is no longer needed for public purposes,  
26 the governing body may authorize the conveyance of such lands  
27 or any portion thereof to the State when so requested or approved  
28 by resolution of the State Board of Education or [State Board of  
29 Higher Education] any board of trustees or board of governors, as  
30 appropriate, of a public institution of higher education or to any  
31 board of education in the county or municipality or to a regional  
32 board of education of a regional school district or to a  
33 consolidated board of education of a consolidated school district  
34 or the board of education of any county vocational school,  
35 requesting or approving such conveyance by resolution, for a  
36 nominal consideration, to be used by the State for educational  
37 purposes, connected with the district board of education or the  
38 regional board of education or the consolidated board of  
39 education or the board of education of any county vocational  
40 school, and may cause the same to be duly conveyed by its proper  
41 officers accordingly. A prior dedication or use for park purposes  
42 of such land or any part thereof shall not be deemed to preclude a  
43 transfer and conveyance thereof under the provisions of this  
44 section.

45 (cf: P.L.1971, c.199, s.19)

46 298. Section 2 of P.L.1961, c.49 (C.52:14-17.26) is amended to  
47 read as follows:

48 2. As used in this act

49 (a) The term "State" means the State of New Jersey.

50 (b) The term "commission" means the State Health Benefits  
51 Commission, created by section 3 of this act.

52 (c) The term "employee" means an appointive or elective  
53 officer or full-time employee of the State of New Jersey. For  
54 the purposes of this act an employee of Rutgers, The State

1 University of New Jersey, shall be deemed to be an employee of  
2 the State, and an employee of the New Jersey Institute of  
3 Technology shall be considered to be an employee of the State  
4 during such time as the Trustees of the Institute are party to a  
5 contractual agreement with the State [Board of Higher  
6 Education] Treasurer for the provision of educational services.  
7 For the purposes of this act the term "employee" shall not  
8 include persons employed on a short-term, seasonal, intermittent  
9 or emergency basis, persons compensated on a fee basis, persons  
10 having less than 2 months of continuous service or persons whose  
11 compensation from the State is limited to reimbursement of  
12 necessary expenses actually incurred in the discharge of their  
13 official duties. An employee paid on a 10-month basis, pursuant  
14 to an annual contract, will be deemed to have satisfied the  
15 2-month waiting period if he begins employment at the beginning  
16 of the contract year. The term "employee" shall also not include  
17 persons, active or retired, who are otherwise eligible for benefits  
18 under this act but who, although they meet the age eligibility  
19 requirement of the Federal medicare program, are not covered by  
20 the complete Federal program. A determination by the  
21 commission that a person is an eligible employee within the  
22 meaning of this act shall be final and shall be binding on all  
23 parties.

24 (d) The term "dependents" means an employee's spouse and the  
25 employee's unmarried children under the age of 23 years who live  
26 with the employee in a regular parent-child relationship.  
27 "Children" shall include stepchildren, legally adopted children  
28 and foster children provided they are reported for coverage and  
29 are wholly dependent upon the employee for support and  
30 maintenance. A spouse or child enlisting or inducted into  
31 military service shall not be considered a dependent during such  
32 military service. The term "dependents" shall not include  
33 spouses of persons, active or retired, who are otherwise eligible  
34 for the benefits under this act but who, although they meet the  
35 age eligibility requirement of the Federal medicare program, are  
36 not covered by the complete Federal program.

37 (e) The term "carrier" means a voluntary association,  
38 corporation or other organization which is lawfully engaged in  
39 providing or paying for or reimbursing the cost of, personal health  
40 services, including hospitalization, medical and surgical services,  
41 under insurance policies or contracts, membership or subscription  
42 contracts, or the like, in consideration of premiums or other  
43 periodic charges payable to the carrier.

44 (f) The term "hospital" means (1) an institution operated  
45 pursuant to law which is primarily engaged in providing on its own  
46 premises, for compensation from its patients, medical diagnostic  
47 and major surgical facilities for the care and treatment of sick  
48 and injured persons on an inpatient basis, and which provides such  
49 facilities under the supervision of a staff of physicians and with  
50 24 hour a day nursing service by registered graduate nurses, or (2)  
51 an institution not meeting all of the requirements of (1) but which  
52 is accredited as a hospital by the Joint Commission on  
53 Accreditation of Hospitals. In no event shall the the term  
54 "hospital" include a convalescent nursing home or any institution

1 or part thereof which is used principally as a convalescent  
2 facility, residential center for the treatment and education of  
3 children with mental disorders, rest facility, nursing facility or  
4 facility for the aged or for the care of drug addicts or alcoholics.

5 (cf: P.L.1979 c.90, s.1)

6 299. Section 9 of P.L.1986, c.42 (C.18A:64-18.2) is amended to  
7 read as follow:

8 9. All functions, powers and duties relating to the investment  
9 or reinvestment of funds within the jurisdiction of the board of  
10 trustees, including the purchase, sale or exchange of any  
11 investments or securities, [shall] may be exercised and performed  
12 by the Director of the Division of Investment in the Department  
13 of the Treasury in accordance with the provisions of P.L.1950,  
14 c.270 (C.52:18A-79 et seq.) if so authorized by the board.  
15 Sections 10 and 11 of P.L.1986, c.42 (C.18A:64-18.3 and  
16 18A:64-18.4) shall only be applicable in the event of such an  
17 election. Before any investment, reinvestment, purchase, sale or  
18 exchange shall be made by the director for or on behalf of the  
19 board of trustees, the Director of the Division of Investment shall  
20 submit the details thereof to the board, which shall, itself or by  
21 its finance committee, within 48 hours, exclusive of Sundays and  
22 public holidays, after the submission to it, file with the director  
23 its written acceptance or rejection of the proposed investment,  
24 reinvestment, purchase, sale or exchange; and the director shall  
25 have authority to make the investment, reinvestment, purchase,  
26 sale or exchange for or on behalf of the board, unless there shall  
27 have been filed with him a written rejection thereof by the board  
28 or its finance committee as herein provided. The board of  
29 trustees shall determine from time to time the cash requirements  
30 of the various funds and accounts established by it and the  
31 amount available for investment, all of which shall be certified to  
32 the State Treasurer and the Director of the Division of  
33 Investment. All earnings on investments shall be retained by  
34 each State college.

35 The finance committee of the board of trustees shall consist of  
36 three members of the board, who shall be appointed in the same  
37 manner and for the same term as other committees of the board  
38 are appointed.

39 (cf: P.L.1986, c.42, s.9)

40 300. Section 8 of P.L.1970, c.102 (C.18A:64G-8) is amended to  
41 read as follows:

42 8. All functions, powers and duties relating to the investment  
43 or reinvestment of funds other than those funds specified in  
44 paragraph (5) of subsection (n) of section 6 of P.L.1970, c.102  
45 (C.18A:64G-6) within the jurisdiction of the board of trustees  
46 including the purchase, sale or exchange of any investments or  
47 securities [shall] may be exercised and performed by the Director  
48 of the Division of Investment in accordance with the provisions of  
49 chapter 270 of the laws of 1950 (C.52:18A-79 et seq.) if so  
50 authorized by the board. Sections 9 and 10 of P.L.1970, c.102  
51 (C.18A:64G-9 and 18A:64G-10) shall only be applicable in the  
52 event of such an election. Before any such investment,  
53 reinvestment, purchase, sale or exchange shall be made by the  
54 director for or on behalf of the board of trustees, the Director of

1 the Division of Investment shall submit the details thereof to the  
2 board, which shall, itself or by its finance committee, within 48  
3 hours, exclusive of Sundays and public holidays, after such  
4 submission to it, file with the director its written acceptance or  
5 rejection of such proposed investment, reinvestment, purchase,  
6 sale or exchange; and the director shall have authority to make  
7 such investment, reinvestment, purchase, sale or exchange for or  
8 on behalf of the board, unless there shall have been filed with him  
9 a written rejection thereof by the board or its finance committee  
10 as herein provided. The board of trustees shall determine from  
11 time to time the cash requirements of the various funds and  
12 accounts established by it and the amount available for  
13 investment, all of which shall be certified to the State Treasurer  
14 and the Director of the Division of Investment.

15 The finance committee of the board of trustees shall consist of  
16 three members of the board who shall be appointed in the same  
17 manner and for the same term as other committees of the board  
18 are appointed.

19 (cf: P.L.1992, c.84, s.6)

20 301. (New section) a. The <sup>1</sup>[Governor, or the Governor's  
21 designee,] Chairman of the Commission on Higher Education at  
22 the request of the Governor<sup>1</sup> shall have authority to visit  
23 <sup>1</sup>public<sup>1</sup> institutions of higher education to examine their manner  
24 of conducting their affairs and to enforce an observance of the  
25 laws of the State.

26 b. The <sup>1</sup>[Governor, or the Governor's designee,] chairman, at  
27 the request of the Governor<sup>1</sup> may administer oaths and examine  
28 witnesses under oath in any part of the State with regard to any  
29 matter pertaining to higher education, and may cause the  
30 examination to be reduced to writing. Any person willfully giving  
31 false testimony upon being sworn or affirmed to tell the truth  
32 shall be guilty of a misdemeanor.

33 c. The <sup>1</sup>[Governor, or the Governor's designee,] chairman, at  
34 the request of the Governor<sup>1</sup> may issue subpoenas pursuant to  
35 this section compelling the attendance of witnesses and the  
36 production of books and papers in any part of the State. Any  
37 person who shall neglect or refuse to obey the command of the  
38 subpoena or who, after appearing, shall refuse to be sworn and  
39 testify, unless such refusal is on grounds recognized by law, shall  
40 in either event be subject to a penalty of \$1,000.00 for each  
41 offense to be recovered in a civil action. Such penalty when  
42 recovered shall be paid into the State Treasury.

43 302. (New section) The employees of the Department of  
44 Higher Education shall remain on the State payroll until July 8,  
45 1994 and shall perform those tasks which are necessary to  
46 effectuate the transfer of the Department of Higher Education  
47 and its function to the entities set forth in this act; however,  
48 these employees shall exercise no control, supervision or  
49 regulatory authority over any institution of higher education  
50 subsequent to July 1, 1994.

51 303. (New section) Notwithstanding any other law to the  
52 contrary, upon the termination of the office and term of the  
53 Chancellor of Higher Education on the effective date of the act,  
54 the Chancellor of Higher Education shall cease to serve as a



1 member of any board, commission or body to which the  
2 Chancellor of Higher Education is appointed to serve by law.

3 304. (New section) Notwithstanding any law to the contrary,  
4 career service employees of the Department of Higher Education  
5 shall be entitled to exercise demotional or lateral rights upon a  
6 layoff to appropriate positions in other departments of State  
7 government to the extent that those positions are former  
8 positions within the Department of Higher Education which were  
9 transferred to another department of State government pursuant  
10 to this act.

11 <sup>1</sup>305. (New section) Each public institution of higher education  
12 shall prepare and make available to the public an annual report on  
13 the condition of the institution which shall include, but need not  
14 be limited to a profile of the student body including graduation  
15 rates, SAT or other test scores, the percentage of New Jersey  
16 residents in the student body, the number of scholarship students  
17 and the number of Educational Opportunity Fund students in  
18 attendance; a profile of the faculty including the ratio of full to  
19 part time faculty members, and major research and public service  
20 activities; a profile of the trustees or governors as applicable;  
21 and, a profile of the institution, including degree and certificate  
22 programs, status of accreditation, major capital projects and any  
23 other information which the commission and the institution deem  
24 appropriate. The form and general content of the report shall be  
25 established by the Commission on Higher Education.<sup>1</sup>

26 <sup>1</sup>306. (New section) For the purposes of any reorganization or  
27 transfer after the effective date of this act, any commission,  
28 council, board or other body created pursuant to this act, and any  
29 public entity transferred or otherwise reorganized herein shall  
30 not be subject to the provisions of the Executive Reorganization  
31 Act, P.L. 1968, c.203 (C.52:14C-1 et seq.), but shall require  
32 specific enabling legislation.<sup>1</sup>

33 <sup>1</sup>[305.] 307.<sup>1</sup> The following acts and parts of acts are hereby  
34 repealed:

35 N.J.S.18A:3-1 through N.J.S.18A:3-23 inclusive

36 Section 6 of P.L.1986, c.87 (C.18A:3-15.6)

37 N.J.S.18A:5-1 through N.J.S.18A:5-4 inclusive

38 N.J.S.18A:60-4

39 Section 2 of P.L.1986, c.194 (C.18A:61C-2)

40 P.L.1985, c.193 (C.18A:62-8 through 18A:62-13 inclusive)

41 P.L.1977, c.420 (C.18A:63B-1 through 18A:63B-6 inclusive)

42 Section 2 of P.L.1986, c.139 (C.18A:64-3.2)

43 N.J.S.18A:64-15 and 18A:64-16

44 Sections 21 and 29 of P.L.1986, c.43 (C.18A:64-72 and  
45 18A:64-80)

46 N.J.S.18A:64A-7

47 Sections 12,21 and 29 of P.L.1982, c.189 (C.18A:64A-25.12,  
48 18A:64A-25.21 and 18A:64A-25.29)

49 N.J.S.18A:64B-1 through 18A:64B-13 inclusive

50 N.J.S.18A:64C-4

51 N.J.S.18A:64D-1

52 N.J.S.18A:64F-4

53 Section 23 of P.L.1981, c.325 (C.18A:64G-3.7)

54 <sup>1</sup>[Sections 8, 9 and 10 of P.L. 1970, c.102 (C.18A:64G-8,

1 18A:64G-9 and 18A:64G-10)]<sup>1</sup>  
2 P.L.1975, c.345 (C.18A:64G-32 through 18A:64G-34)  
3 N.J.S.18A:65-7  
4 P.L.1987, c.88 (C.18A:66-193 through 18A:66-205 inclusive)  
5 Section 13 of P.L.1968, c.142 (C.18A:71-40)  
6 P.L.1986, c.180 (C.18A:71-79 through 18A:71-86 inclusive)  
7 <sup>1</sup>[306.] 308.<sup>1</sup> This act shall take effect on July 1, 1994.  
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9  
10 \_\_\_\_\_  
11  
12 The "Higher Education Restructuring Act of 1994."

1 member of any board, commission or body to which the  
2 Chancellor of Higher Education is appointed to serve by law.

3 304. (New section) Notwithstanding any law to the contrary,  
4 career service employees of the Department of Higher Education  
5 shall be entitled to exercise demotional or lateral rights upon a  
6 layoff to appropriate positions in other departments of State  
7 government to the extent that those positions are former  
8 positions within the Department of Higher Education which were  
9 transferred to another department of State government pursuant  
10 to this act.

11 305. The following acts and parts of acts are hereby repealed:

12 N.J.S.18A:3-1 through N.J.S.18A:3-23 inclusive

13 Section 6 of P.L.1986, c.87 (C.18A:3-15.6)

14 N.J.S.18A:5-1 through N.J.S.18A:5-4 inclusive

15 N.J.S.18A:60-4

16 Section 2 of P.L.1986, c.194 (C.18A:61C-2)

17 P.L.1985, c.193 (C.18A:62-8 through 18A:62-13 inclusive)

18 P.L.1977, c.420 (C.18A:63B-1 through 18A:63B-6 inclusive)

19 Section 2 of P.L.1986, c.139 (C.18A:64-3.2)

20 N.J.S.18A:64-15 and 18A:64-16

21 Sections 21 and 29 of P.L.1986, c.43 (C.18A:64-72 and  
22 18A:64-80)

23 N.J.S.18A:64A-7

24 Sections 12,21 and 29 of P.L.1982, c.189 (C.18A:64A-25.12,  
25 18A:64A-25.21 and 18A:64A-25.29)

26 N.J.S.18A:64B-1 through 18A:64B-13 inclusive

27 N.J.S.18A:64C-4

28 N.J.S.18A:64D-1

29 N.J.S.18A:64F-4

30 Section 23 of P.L.1981, c.325 (C.18A:64G-3.7)

31 Sections 8, 9 and 10 of P.L. 1970, c.102 (C.18A:64G-8,  
32 18A:64G-9 and 18A:64G-10)

33 P.L.1975, c.345 (C.18A:64G-32 through 18A:64G-34)

34 N.J.S.18A:65-7

35 P.L.1987, c.88 (C.18A:66-193 through 18A:66-205 inclusive)

36 Section 13 of P.L.1968, c.142 (C.18A:71-40)

37 P.L.1986, c.180 (C.18A:71-79 through 18A:71-86 inclusive)

38 306. This act shall take effect on July 1, 1994.

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40  
41 *SPONSORS* STATEMENT

42  
43 This bill abolishes the Department of Higher Education,  
44 including the Office of the Chancellor and the State Board of  
45 Higher Education, and provides for a new system of governance  
46 for New Jersey's public and independent institutions of higher  
47 education.

48 The bill creates a Commission on Higher Education, in but not  
49 of the Department of State, consisting of 9 public members to be  
50 appointed by the Governor, and the chair of the Presidents'  
51 Council, also established by the bill. The commission will be  
52 responsible for planning and a statewide master plan for higher  
53 education: advocacy and new initiatives for the system; licensure  
54 of institutions; program approval; and articulation between higher

1 education and education. The commission will appoint an  
2 executive director and such other staff as necessary.

3 The bill also creates a Presidents' Council including the  
4 presidents of all public institutions of higher education and those  
5 independent institutions which receive State aid. The council will  
6 have an executive board consisting of the presidents of Rutgers,  
7 UMDNJ, NJIT, 3 State college presidents, 4 county college  
8 presidents, and 3 independent college presidents. The chair will  
9 revolve among the different sectors. The council is an advisory  
10 body and is to make recommendations on new programs, regional  
11 alliances, budget and student aid levels, licensure and the  
12 statewide higher education master plan. The council will be  
13 funded through dues paid by the various institutions.

14 Student aid programs will be administered under an Office of  
15 Student Assistance in, but not of the Department of Treasury.  
16 The Office is to be headed by an Executive Director of Student  
17 Assistance Programs to be appointed by the Governor. The  
18 - Student Assistance Board, the Higher Education Assistance  
19 Authority and the Educational Facilities Authority are continued  
20 in but not of the Department of Treasury, and the Educational  
21 Opportunity Fund is continued under the Commission on Higher  
22 Education.

23 Under the bill, each institution's board of trustees will have  
24 final authority over the management and operation of the  
25 institution, including institutional planning, fiscal affairs,  
26 construction and contracts, employment and compensation of  
27 staff, tuition and fees, controversies and disputes, and program  
28 and degree offerings, so long as they are consistent with the  
29 institution's mission and applicable State law. The institutions  
30 will be able to retain legal counsel and will submit their budget  
31 requests directly to the Office of Management and Budget in the  
32 Treasury. Changes in programs or degree offerings which  
33 represent a change in the institution's mission would require  
34 approval of the Commission on Higher Education, and the budget  
35 request is also to be submitted to the commission for general  
36 review.

37 Apart from the major programs described above, the bill  
38 reallocates various programs and responsibilities currently under  
39 the Department of Higher Education and repeals those sections of  
40 law relating to oversight and the promulgation of regulations  
41 wherein the boards of trustees have final authority under this  
42 bill. The remaining repealed sections are those statutes which  
43 are no longer operative, including: the establishment of the  
44 Department of Higher Education; the education coordinating  
45 council; the fund for the improvement of collegiate education;  
46 optometric education; community college agencies; junior  
47 colleges; the contract with Fairleigh Dickenson Dental school;  
48 and the Governor's Teaching Scholars loan program.

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53 The "Higher Education Restructuring Act of 1994."

SENATE EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 1118

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 6, 1994

The Senate Education Committee favorably reports Senate Bill No. 1118 with committee amendments.

This bill, as amended, abolishes the Department of Higher Education, including the Office of the Chancellor and the State Board of Higher Education, and provides for a new system of governance for New Jersey's public and independent institutions of higher education.

The bill creates a Commission on Higher Education, in but not of, the Department of State, consisting of 6 public members to be appointed by the Governor, with the advice and consent of the Senate; two public members to be appointed by the Governor, one upon the recommendation of the President of the Senate and one upon the recommendation of the Speaker of the General Assembly, who will serve for the two-year legislative session in which they are appointed; the chairperson of the Presidents' Council, ex officio; the executive director of the commission, ex officio and without vote; and two students in attendance at a public or independent institution of higher education, who will be appointed by the Governor from recommendations submitted by student government associations and who will serve one-year terms without vote. The Governor will appoint the chairperson of the commission for an initial two-year term, and thereafter, the commission will elect a chairperson for a two-year term. The chairperson may be removed by the Governor for cause after an opportunity to be heard. The commission will be responsible for statewide planning including research on higher education and the development of a comprehensive master plan; advocacy and recommending new initiatives for the system; licensure of institutions; program approval; and articulation between higher education and education. The commission will appoint an executive director and other staff as necessary.

The bill also creates a Presidents' Council including the presidents of all public institutions of higher education and those independent institutions which receive State aid. The council will have an executive board consisting of the presidents of Rutgers, UMDNJ, NJIT, 3 State college presidents, 5 county college presidents, and 3 independent college presidents. The chair will rotate among the different sectors. The council is an advisory body and will make recommendations on new programs, regional alliances, budget and student aid levels, licensure and the statewide higher education master plan. If the council determines that a

proposed new program is unduly expensive or duplicative, it will refer the proposal to the commission for review, and the program will be deemed approved unless disapproved within 60 days. The council also has the responsibility to develop criteria for "full faith and credit" transfer agreements. The council will be funded through dues paid by the various institutions.

Student aid programs will be administered under an Office of Student Assistance in, but not of, the Department of Treasury. The Office is to be headed by an Executive Director of Student Assistance Programs to be appointed by the Governor. The Student Assistance Board, the Higher Education Assistance Authority and the Educational Facilities Authority are continued in, but not of, the Department of Treasury, and the Educational Opportunity Fund is continued under the Commission on Higher Education.

Under the bill, each institution's governing board will have final authority over the management and operation of the institution, including institutional planning, fiscal affairs, construction and contracts, employment and compensation of staff, tuition and fees, controversies and disputes, and program and degree offerings, so long as they are consistent with the institution's mission and applicable State law. The governing board is required to hold a public hearing prior to the date of the adoption of a tuition or fee schedule, to continue investing institutional funds through the director of the division of investment unless granted a waiver by the State Treasurer, and to make public an audited annual financial statement. The institutions will be able to retain legal counsel and will submit their requests for State support directly to the Office of Management and Budget in the Treasury.

Apart from the major programs described above, the bill reallocates various programs and responsibilities currently under the Department of Higher Education and repeals those sections of law relating to oversight and the promulgation of regulations wherein the boards of trustees have final authority under this bill. The remaining repealed sections are those statutes which are no longer operative, including: the establishment of the Department of Higher Education; the education coordinating council; the fund for the improvement of collegiate education; optometric education; community college agencies; junior colleges; the contract with Fairleigh Dickinson Dental school; and the Governor's Teaching Scholars loan program.

The committee adopted amendments which: 1) add a legislative finding concerning the benefits of a coordinated system of higher education; 2) require the governing boards to conduct a public hearing on tuition and fees and to make public an annual financial statement; 3) require the Presidents' Council to refer proposed new programs which are unduly expensive or duplicative to the commission for review; 4) revise the membership of the commission, including the addition of two members recommended by the presiding officers of the Legislature and two students recommended by student government associations; 5) permit the commission to elect a chairperson for a two-year term after the

initial appointment by the Governor; 6) require the council and commission to submit a comprehensive report to the Governor and Legislature and each institution to make public an annual report on the condition of the institution; 7) delete the option for contested tenure cases to be assigned to a subcommittee of the board of trustees; 8) require the advice and consent of the Senate for appointments to the commission, the Student Assistance Board, and boards of trustees of State colleges; 9) grant the power of visitation to the Chairman of the Commission on Higher Education at the request of the Governor; 10) provide that all lands and other assets, real or personal, occupied by a public institution of higher education will be titled in the name of the State of New Jersey only; and 11) require any additional reorganization or transfer after the effective date of the bill to be subject to specific enabling legislation.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[FIRST REPRINT]

SENATE, No. 1118

with Senate committee amendments

STATE OF NEW JERSEY

DATED: JUNE 6, 1994

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 1118 SCA with amendments.

Senate Bill No. 1118 SCA, as amended, abolishes the Department of Higher Education, including the Office of the Chancellor and the State Board of Higher Education, and provides for a new system of governance for New Jersey's public and independent institutions of higher education.

The bill creates a Commission on Higher Education, in but not of, the Department of State, consisting of 6 public members to be appointed by the Governor, with the advice and consent of the Senate; two public members to be appointed by the Governor, one upon the recommendation of the President of the Senate and one upon the recommendation of the Speaker of the General Assembly; the chairperson of the Presidents' Council, ex officio; the executive director of the commission, ex officio and without vote; and two students in attendance at a public or independent institution of higher education, who will be appointed by the Governor from recommendations submitted by student government associations and who will serve one-year terms without vote.

The commission will be responsible for statewide planning and research on higher education and the development of a comprehensive master plan; advocacy and recommending new initiatives for the system; licensure of institutions; program approval; and articulation between higher education and education. The commission will appoint an executive director and other staff as necessary.

The bill also creates a Presidents' Council which will include the presidents of all public institutions of higher education and those independent institutions which receive State aid. The council will have an executive board consisting of the presidents of Rutgers, UMDNJ, NJIT, 3 State college presidents, 5 county college presidents, and 3 independent college presidents. The council is an advisory body and will make recommendations on new programs, regional alliances, budget and student aid levels, licensure and the statewide higher education master plan. If the council determines that a proposed new program is unduly expensive or duplicative, it will refer the proposal to the commission for review, and the program will be deemed approved unless disapproved within 60 days. The council also has the responsibility to develop criteria for "full faith and credit" transfer agreements. The council will be funded through dues paid by the various institutions.

Student aid programs will be administered under an Office of Student Assistance in, but not of, the Department of Treasury. The Office is to be headed by an Executive Director of Student Assistance Programs to be appointed by the Governor.



The Student Assistance Board, the Higher Education Assistance Authority and the Educational Facilities Authority are continued in, but not of, the Department of Treasury, and the Educational Opportunity Fund is continued under the Commission on Higher Education. It is this committee's understanding and expectation that the current regulations concerning the Educational Opportunity Fund program, including any regulations dealing with institutional participation, are to be continued following enactment of this bill.

Under the bill, each institution's governing board will have final authority over the management and operation of the institution, including institutional planning, fiscal affairs, construction and contracts, employment and compensation of staff, tuition and fees, controversies and disputes, and program and degree offerings, so long as they are consistent with the institution's mission and applicable State law. Each governing board is required to hold a public hearing prior to the adoption of a tuition or fee schedule, to continue investing institutional funds through the Director of the Division of Investment unless granted a waiver by the State Treasurer, and to make public an annual independent financial audit and statement. The institutions will be able to retain legal counsel and will submit their requests for State support directly to the Office of Management and Budget in the Treasury.

Apart from the major programs described above, the bill reallocates various programs and responsibilities currently under the Department of Higher Education and repeals those sections of law relating to oversight and the promulgation of regulations wherein the boards of trustees have final authority under this bill. The remaining repealed sections are those statutes which are no longer operative, including: the establishment of the Department of Higher Education; the education coordinating council; the fund for the improvement of collegiate education; optometric education; community college agencies; junior colleges; the contract with Fairleigh Dickinson Dental school; and the Governor's Teaching Scholars loan program.

#### COMMITTEE AMENDMENTS

The committee amended the bill to:

- Require each public institution of higher education to have prepared annually and to make public an independent financial audit;
- Require approval of the State House Commission for any sale or lease by the State of lands and other assets, real or personal, formerly titled in the name of the State Board of Higher Education or Department of Higher Education and occupied by an institution of higher education; and
- Eliminate an amendment adopted by the Senate Education Committee making the term of the public members appointed to the Commission on Higher Education at the recommendation of the presiding officers of the Legislature terminate with the end of the legislative session in which they were appointed.

#### FISCAL IMPACT

In a fiscal estimate prepared by the Office of Legislative Services (OLS) on the bill prior to its amendment by the Senate Education Committee and this committee, OLS states that it is unable to estimate the long-range costs or savings which may result from the proposed restructuring of the higher education system.

Such effects, should they occur, will take place at the institutional level as institutions assume greater autonomy in areas such as purchasing and contracting, collective bargaining, and admission and tuition policies. Similarly, it is not possible to predict future levels of State support for the various higher education sectors.

On a more limited level, OLS estimates first-year administrative savings to the State of \$4.6 million, based on the Governor's FY 1995 proposed budget recommendation for higher education programs operated at the State level.

Although the Governor originally stated that a savings of \$7.4 million would result, the shifting of administrative funds in the amount of \$2.7 million from the direct state services portion of the budget to the grants-in-aid portion for the administration of the Office of Student Assistance and the Educational Opportunity Fund will reduce the net amount of savings realized due to the restructuring. The \$2.7 million recommended for this administrative purpose is included in the overall budget recommendation for the Tuition Aid Grant Program.

Under the restructuring act and the budget proposal, the majority of the State employees in the Department of Higher Education, mainly those funded by federal and other non-state fund sources, would remain. The number of State supported positions is recommended to decrease by 53 compared to FY 1994. However, due to increases in federally funded positions, the overall net decrease for the department is 22 compared to FY 1994. It is not known whether any of the 53 positions recommended for elimination are being transferred to federal lines. Of the 44 remaining State supported positions, 34 positions are allocated to the Office of Student Assistance and the Educational Opportunity Fund at a cost of approximately \$1.4 million and 10 are designated as staff to the Commission on Higher Education at a cost of \$500,000.

Total operational costs of \$3,350,000 are recommended for the Commission on Higher Education (\$600,000) and the Office of Student Assistance including the Educational Opportunity Fund Program (\$2,750,000). These costs are taken into account in developing the short term net savings amount.

LEGISLATIVE FISCAL ESTIMATE TO

[SECOND REPRINT]

SENATE, No. 1118

STATE OF NEW JERSEY

DATED: June 28, 1994

Senate Bill No. 1118 (2R) of 1994, abolishes the Department of Higher Education, including the Office of the Chancellor and the State Board of Higher Education, and provides for a new system of governance for New Jersey's public and independent institutions of higher education.

As amended, the bill creates a Commission on Higher Education, in, but not of, the Department of State, consisting of 6 public members to be appointed by the Governor, with the advice and consent of the Senate; two public members to be appointed by the Governor, one upon the recommendation of the President of the Senate and one upon the recommendation of the Speaker of the General Assembly; the chairperson of the Presidents' Council, ex officio; the executive director of the commission, ex officio and without vote; and two students in attendance at a public or independent institution of higher education who will serve one-year terms without vote and who will be appointed by the Governor from recommendations submitted by student government associations. The Governor will appoint the chairperson of the commission for an initial two-year term, and thereafter, the commission will elect a chairperson for a two-year term. The chairperson may be removed by the Governor for cause after an opportunity to be heard.

The commission will be responsible for planning and the creation of a statewide master plan for higher education. Other responsibilities of the commission include research on higher education; advocacy, licensure, new program approvals; and articulation between higher education and education. The commission will appoint an executive director and other staff as necessary.

The bill also creates a Presidents' Council consisting of the presidents of all public institutions and the independent institutions that receive State aid. The council will have an executive board consisting of the presidents of Rutgers, UMDNJ, NJIT, 3 State colleges, 5 county colleges, and 3 independent colleges. The chair will rotate among the different sectors. The council is an advisory body and will make recommendations on new programs, regional alliances, budget and student aid levels, licensure and the statewide higher education master plan. If the council determines that a proposed new program is unduly expensive or duplicative, it will refer the proposal to the commission for review, and the program will be deemed approved unless disapproved within 60 days. The council also has the responsibility to develop criteria for "full faith and credit" transfer agreements. The council will be funded through dues paid by the various institutions.

Student aid programs will be administered under an Office of Student Assistance which will be in, but not of, the Department of Treasury. The Office is to be headed by an Executive Director of Student Assistance Programs to be appointed by the Governor. The Student Assistance Board, the Higher Education Assistance Authority and the Educational Facilities Authority are continued in, but not of, the Department of Treasury. The Educational Opportunity Fund is continued under the Commission on Higher Education.

Under the bill, each institution's governing board will have final authority over the management and operation of the institution, including institutional planning, fiscal affairs, construction and contracts, employment and compensation of staff, tuition and fees, controversies and disputes, and program and degree offerings, so long as they are consistent with the institution's mission and applicable State law. The governing board is also required to hold a public hearing prior to the date of the adoption of a tuition or fee schedule, to continue investing institutional funds through the director of the division of investment unless granted a waiver by the State Treasurer, to make public its expenditures on public relations, and legal costs as well as the annual audited financial statement of an institution. The institutions will be able to retain legal counsel and will submit their requests for State support directly to the Office of Management and Budget in the Department of Treasury.

The Office of Legislative Services (OLS) is unable to estimate the long-range costs or savings which may result from the proposed restructuring of the higher education system. Such effects, should they occur, will take place at the institutional level as institutions assume greater autonomy in areas such as purchasing and contracting, collective bargaining, and admission and tuition policies. Similarly, it is not possible to predict future levels of State support for the various higher education sectors.

On a more limited level, OLS estimates first-year administrative savings to the State of \$4.6 million, based on the Governor's FY 1995 proposed budget recommendation for higher education programs operated at the State level. The following table details the savings below:

<u>PROGRAM/PROJECT</u>	<u>ADJ. APPROP. FY 1994</u>	<u>RECOM. FY 1995</u>	<u>DOLLAR CHANGE</u>	<u>PERCENT CHANGE</u>
Office of the Chancellor	\$7,978	\$600	(\$7,378)	(93%)
EOF/Stud.Asst.Admin	\$-0-	\$2,750	\$2,750	- -
Total	\$7,978	\$3,350	(\$4,628)	(58%)

Although the Governor originally stated that a savings of \$7.4 million would result, the shifting of administrative funds in the amount of \$2.7 million from the direct state services portion of the budget to the grants-in-aid portion for the administration of the Office of Student Assistance and the Educational Opportunity Fund will reduce the net amount of savings realized due to the

restructuring. The \$2.7 million recommended for this administrative purpose is included in the overall budget recommendation for the Tuition Aid Grant Program.

Under the restructuring act and the budget proposal, the majority of the State employees in the Department of Higher Education, mainly those funded by federal and other non-state fund sources, would remain. The change in the number of employees due to the restructuring is shown in the table below.

	<u>FY1994</u>	<u>FY1995</u>	<u>Change</u>
State Supported	97	44	(53)
Federal Supported	155	192	37
Other	<u>25</u>	<u>19</u>	<u>(6)</u>
Total	277	255	(22)

As shown in the above table, the number of State supported positions is recommended to decrease by 53 compared to FY 1994. However, due to increases in federally funded positions, the overall net decrease for the department is 22 compared to FY 1994. It is not known whether any of the 53 positions recommended for elimination are being transferred to federal lines. Of the 44 remaining State supported positions, 34 positions are allocated to the Office of Student Assistance and the Educational Opportunity Fund at a cost of approximately \$1.4 million and 10 are designated as staff to the Commission on Higher Education at a cost of \$500,000. Total operational costs of \$3,350,000 are recommended for the Commission on Higher Education (\$600,000) and the Office of Student Assistance including the Educational Opportunity Fund Program (\$2,750,000). These costs are taken into account in developing the short term net savings amount.

The amended version of the bill deletes the most costly provision which authorized the transfer of State owned land to the State colleges without compensation and requires the approval of the State House Commission prior to the transfer, lease, or sublease of land now held by the State. Excluding that change, the amended version of the bill as adopted by the Senate Education Committee and the Senate Budget and Appropriations Committee does not affect the costs or savings which might be realized under this proposal. This includes the reporting and auditing requirements because the institutions currently provide this information.

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.