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

N JSA: 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

Second reprint enacted

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


See newspaper clippings--attached:
"Higher Ed Department out," 6-24-94, Bergen Record.


NEWSPAPER ARTICLE:
"Kean urges closer look," The Star-Ledger, 3-27-94.
AN ACT concerning the governance of higher education, abolishing the State Department of Higher Education and revising parts of the statutory law.

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

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

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

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

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

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

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

e. in order to provide institutions with the ability to fulfill their mission and Statewide goals, greater decision making and accountability must be placed at the institutional level and structures must be established to ensure cooperation among institutions and coordination at the State level; and

f. the State benefits from a coordinated system of higher education that includes public and private institutions which offer a variety of programs with a range of choices and which addresses the needs of the State including its citizens and employers.

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

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

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

"Programmatic Mission" means all program offerings 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:
1 Senate SED committee amendments adopted June 6, 1994.
2 Senate SBA committee amendments adopted June 6, 1994.
that the institution has been authorized to grant by the State
Board of Higher Education prior to the effective date of this act
or approved thereafter by the commission.

"Public Research University" means Rutgers, the State
University of New Jersey, The University of Medicine and
Dentistry of New Jersey and the New Jersey Institute of
Technology. 1

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

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

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

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

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

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

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

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

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

f. To have final authority to determine controversies and
disputes concerning tenure, personnel matters of employees not
classified under Title 11A of the New Jersey Statutes, and other
issues arising under Title 18A of the New Jersey Statutes
involving higher education except as otherwise provided herein.

Any hearings conducted pursuant to this section shall conform to
the requirements of the "Administrative Procedures Act,"
P.L.1968, c.410 (C.52:14B-1 et seq.). The final administrative
decision of a governing board of a public institution of higher education is appealable to the Superior Court, Appellate Division;
g. To invest and reinvest the funds of the institution however, institutions which invest the funds of the institution through the Director of the Division of Investment in the Department of the Treasury on or before the effective date of this act shall continue to do so, unless this requirement is waived by the State Treasurer on an annual basis, which waiver shall not be unreasonably withheld;
h. To retain legal counsel of the institution's choosing. State entities may choose representation by the Attorney General; however, as to claims of a tortious nature, the institution shall elect within 75 days of the effective date of this act whether it, and its employees, shall be represented in all such matters by the Attorney General. If the institution elects not to be represented by the Attorney General, it shall be considered and its employees considered employees of a sue and be sued entity for the purposes of the "New Jersey Tort Claims Act" only. The institution shall be required in that circumstance to provide its employees with defense and indemnification consistent with the terms and conditions of the Tort Claims Act in lieu of the defense and indemnification that such employees would otherwise seek and be entitled to from the Attorney General pursuant to N.J.S.59:10-1 et seq. and P.L.1972, c.48 (C.59:10A-1 et seq.);
i. To be accountable to the public for fulfillment of the institution's mission and Statewide goals and for effective management of the institution;
j. To submit a request for State support to the Division of Budget and Accounting in the Department of the Treasury and to the Commission in accordance with the provisions of this act;
k. To have prepared and made available to the public an annual financial statement, and a statement setting forth generally the monies expended for government relations, public relations and legal costs;
l. To have prepared an annual independent financial audit, which audit and any management letters regarding that audit shall be deemed public documents.
These powers and duties are in addition to and not a limitation of the specific powers and duties provided for the governing board of each public institution under chapters 64, 64A, 64G or 64E of Title 18A of the New Jersey Statutes. If the provisions of this section are inconsistent with these specific powers and duties, the specific powers and duties shall govern.
7. (New section) There is established a body corporate and politic, with corporate succession, to be known as the "New Jersey Presidents' Council." Each president of a public institution of higher education in the State and of an independent institution which receives direct State aid shall be a member of the Council and shall serve ex officio.
8. (New section) The Council shall have the responsibility, consistent with State and federal law, to:
a. provide public information and research on higher education issues;
b. review and make recommendations to the commission concerning proposals for new programs that exceed the programmatic mission of an institution or that change the programmatic mission of an institution;

c. review and comment on proposals for new programs that demand significant added resources or raise significant issues of duplication but do not exceed the programmatic mission of the institution or require a change in the programmatic mission. If the council determines that a proposed new program is unduly expensive or unduly duplicative, the council shall refer that proposal to the commission for review; however, unless the commission disapproves of that program within 60 days of its referral, the program shall be deemed approved;

d. encourage the formation of regional or other alliances among institutions including interinstitutional transfers, program articulation, cooperative programs and shared resources and develop criteria for "full faith and credit" transfer agreements between county colleges and other institutions of higher education. The council shall also keep institutions apprised of the discontinuance of programs at other institutions and each president shall notify the council of any such action;

e. advise and assist the commission in developing and updating a plan for higher education in the State including, but not limited to, the establishment of new institutions, closure of existing institutions and consolidation of institutions;

f. provide policy recommendations on statewide higher education issues;

g. recommend to the Governor, Legislature and commission on policy and overall levels of funding for student aid programs necessary to ensure accessibility to higher education;

h. transmit to the Governor, Legislature and commission a general budget policy statement regarding overall State funding levels;

i. upon referral from the commission pursuant to this act provide recommendations concerning institutional licensure and university status;

j. appoint subcommittees consisting of the presidents of the institutions of the various higher education sectors to decide matters, within the authority of the council. The presidents of the independent institutions shall develop a unified request for State support under chapter 72B of Title 18A of the New Jersey Statutes. The presidents of the county college sector shall develop a unified request for State support under chapter 64A of Title 18A of the New Jersey Statutes; and

k. consult with other institutions of higher education which do not receive direct State aid when actions of the council directly affect such institutions.

9. (New section) The council shall have perpetual succession and shall have the following powers:

a. To make, amend, and repeal rules and by-laws for its own governance and guidance not inconsistent with State or federal law;

b. To adopt an official seal and alter the same at pleasure;

c. To maintain an office at such place or places within the
State as it may designate; and

d. To sue and be sued in its own name and to retain legal

counsel of its choosing.

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

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

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

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

The president of Rutgers, the State University;
The president of the University of Medicine and Dentistry of
New Jersey;
The president of New Jersey Institute of Technology;
Three presidents of State Colleges who shall be selected by the
presidents of this sector;

1[Four] Five presidents of county colleges who shall be
selected by the presidents of this sector;

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

b. The chair of the executive board shall be rotated among the
following: one of the presidents of Rutgers, the State
University of New Jersey, the president of the University of
Medicine and Dentistry of New Jersey, and the president of New
Jersey Institute of Technology; a president selected by the
presidents of the State Colleges; a president selected by the
presidents of the county colleges; and a president selected by the
presidents of the independent institutions. The chair of the
executive board shall serve for a two year period. Biennially, the
executive board shall select the chair in the manner provided
above, but not necessarily in the order provided above.

13. (New section) a. There is established the New Jersey
Commission on Higher Education which shall consist of 9
members: 1[8] 8 public members, to be appointed by the
Governor with the advice and consent of the Senate without
regard for political affiliation, 1two 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, and the chairperson of the
New Jersey Presidents' Council, ex officio. 1The public
members shall reflect the diversity of the State. Notwithstanding the above, for a period of four years from
July 1, 1994 the commission shall consist of 15 members, as
follows: \[1\] 10 public members, \[1\] appointed by the Governor
with the advice and consent of the Senate without regard for
political affiliation, \[1\] six of whom shall have experience as a
current member of the governing board of an institution of higher
education \[1\], four public members to be appointed by the
Governor, two upon the recommendation of the President of the
Senate and two upon the recommendation of the Speaker of the
General Assembly, \[1\] and the chairperson of the New Jersey
Presidents' Council, ex officio \[1\]. The executive director of
the commission shall be an ex-officio, non-voting member of the
commission. In addition, the Governor shall appoint two students
in attendance at public or independent institutions of higher
education in the State from recommendations submitted by
student government associations of New Jersey colleges and
universities, who shall serve for a one year term on the
commission as non-voting members. \[1\]

b. Public members who are not experienced as governing board
members shall serve for a term of six years from the date of
their appointment and until their successors are appointed and
qualified; except that of the initial appointees who are not
serving on the governing board of an institution: one shall serve a
term of one year; one shall serve a term of two years; one shall
serve a term of three years; one shall serve a term of four years;
two shall serve a term of five years; and two shall serve a term
of six years. A public member who does not have experience as a
current member of a governing board shall serve until the
member's successor is appointed and qualified. \[2\] The term of
members appointed upon the recommendation of the presiding
officers of the Legislature shall be co-terminous with the two
year legislative session. \[1\] \[2\]

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

c. The Governor shall make the necessary appointments within
15 days of the effective date of this act \[1\] and shall designate the
chairman of the commission, who shall serve at the pleasure of
the governor, from among those public members who are not
serving on the board of trustees of an institution \[1\]. The
commission shall hold its first meeting within 30 days of the
\[1\] [effective date of this act] appointment and qualification in
office of its members, at which time the Governor shall appoint,
for a two year term, the chairman of the commission from
among those public members not serving on the board of trustees
of an institution. Upon the completion of the chairman's term,
and every two years thereafter, the commission shall elect, from
among those public members who are not serving on the board of
trustees of an institution, a chairman who shall serve a two year
term. The chairman may be removed by the Governor for cause
after an opportunity to be heard \[1\].

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

e. The commission shall appoint an executive director and such
other personnel as may be deemed necessary. The executive
director and professional staff shall serve at the commission’s
pleasure and shall receive such compensation as provided by law.
f. The Attorney General shall provide legal representation to
the commission.

14. (New section) The commission shall be responsible for:
a. Statewide planning for higher education including research
on higher education issues and the development of a
comprehensive master plan, including, but not limited to, the
establishment of new institutions, closure of existing institutions,
and consolidation of institutions, which plan shall be long range in
nature and regularly revised and updated. The council may
request the commission to conduct a study of a particular issue.
The commission may require from institutions of higher education
such reports or other information as may be necessary to enable
the commission to perform its duties;
b. advocacy on behalf of higher education including informing
the public of the needs and accomplishments of higher education
in New Jersey;
c. making recommendations to the Governor and Legislature
on higher education initiatives and incentive programs of
statewide significance;
d. final administrative decisions over institutional licensure
and university status giving due consideration to the
accreditation status of the institution. The commission shall
furnish the Presidents’ Council with any pertinent information
compiled on behalf of the subject institution and the council shall
then make recommendations to the commission concerning the
licensure of the institution or university status within sixty days
of receipt of the information;
e. adopting a code of ethics applicable to institutions of higher
education;
f. final administrative decisions over new academic programs
that go beyond the programmatic mission of the institution and
final administrative decisions over a change in the programmatic
mission of an institution;
g. reviewing requests for State support from the institutions in
relation to the mission of the institution and statewide goals and
proposing a coordinated budget policy statement to the Governor
and Legislature;
h. communicating with the State Board of Education and
Commissioner of Education to advance public education at all
levels including articulation between the public schools and
higher education community;
i. applying for and accepting grants from the federal government, or any agency thereof, or grants, gifts or other contributions from any foundation, corporation, association or individual, and complying with the terms, conditions and limitations thereof, for the purpose of advancing higher education. Any money so received may be expended by the commission upon warrant of the director of the Office of Management and Budget in the Department of Treasury on vouchers certified by the executive director of the commission;

j. acting as the lead agency of communication with the federal government concerning higher education issues;


l. exercising any other power or responsibility necessary in order to carry out the provisions of this act.

15. (New section) The commission shall adopt rules and regulations, pursuant to the "Administrative Procedures Act," P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to carry out the provisions of this act. Regulations adopted by the State Board of Higher Education pertaining to:

a. licensing of institutions and university status;

b. outside employment for employees of public institutions and State agencies and Code of Ethics;

c. residency requirements for tuition purposes;

d. personnel policies which affect the terms and conditions of employment including classification and compensation plans adopted pursuant thereto;

e. tenure and multi-year contracts;

f. rights and procedures in a reduction in force;

g. student trustee policies; and

h. regulations concerning early retirement programs and length of the academic year shall continue with full force and effect under the authority of the Commission for a period of one year from the effective date of this act or until amended, continued or repealed by the commission pursuant to law.

16. (New section) a. The commission shall report to the Legislature and Governor within six months of the effective date of this act on recommendations concerning the collective bargaining process and the civil service classification of certain institutional employees.

b. The commission shall make recommendation to the Legislature and Governor regarding the following within one year of the effective date of this act:
(1) articulation between higher education and elementary and secondary education;

(2) the manner in which the administration of student assistance programs may be modernized and made more efficient including the privatization of student loan administration and the merger of the Student Assistance Board and the New Jersey Higher Education Assistance Authority;

(3) the manner in which higher education is funded including mission-based funding, multi-year funding and tuition establishment.

c. The commission may request assistance from any agency of State government or may seek assistance from outside consultants, foundations or other organization in order to conduct any study that may be required under this section subject to available appropriations.

17. (New section) a. The Office of Student Assistance; the Office of Information Services; the Office of Operational Integrity and the Office of Student Loan Accounting in the Department of Higher Education, or their successors, together with all their functions, powers and duties, except as herein otherwise provided, are continued and transferred to and constituted as the Office of Student Assistance in but not of the Department of the Treasury. Notwithstanding this allocation, the office shall not be subject to the supervision or control of the Department of the Treasury or any of its officers or employees. The Office of Student Assistance shall administer the student assistance programs established under the Student Assistance Board and the Higher Education Assistance Authority as well as other student assistance programs as determined by law.

b. The Governor shall appoint an individual to serve as Executive Director of Student Assistance Programs. The executive director shall be located in the Office of Student Assistance and shall serve at the pleasure of the Governor. The executive director shall be the appointing authority and shall be responsible for the general supervision of the Office of Student Assistance [created pursuant to this section] and the Higher Education Assistance Authority [created pursuant to this section]. The executive director shall also be responsible for the administration of the student assistance programs under the Student Assistance Board and the Higher Education Assistance Authority. The executive director shall regularly consult with the Commission on Higher Education concerning student assistance matters.

c. Whenever, in any law, rule, regulation, order, contract, document, judicial or administrative proceeding or otherwise, reference is made to the Office of Student Assistance; the Office of Information Services; Office of Operational Integrity, or Office of Student Loan Accounting in the Department of Higher Education, the same shall mean and refer to the Office of Student Assistance in but not of the Department of the Treasury.

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

e. The Department of Treasury shall render administrative assistance, including but not limited to personnel and fiscal
assistance, to the office upon the request of the Office of
Student Assistance. The cost and expense of any services
rendered shall be paid by the office.

f. The Executive Director of Student Assistance Programs
shall develop such rules and regulations in accordance with the
seq.) as are necessary to implement the provisions of this act.
g. Regulations adopted by the State Board of Higher Education
in order to implement or administer any student assistance
program shall continue with full force and effect under the
authority of the Executive Director of Student Assistance
Programs or the State Treasurer, as appropriate, until amended
or repealed pursuant to law.

18. (New section) a. All functions, powers and duties now
vested in the Student Assistance Board in the Department of
Higher Education are transferred to and assumed by the Student
Assistance Board in but not of the Department of Treasury.
b. Whenever, in any law, rule, regulation, order, contract,
document, judicial or administrative proceeding or otherwise,
reference is made to the Student Assistance Board in the
Department of Higher Education, the same shall mean and refer
to the Student Assistance Board in but not of the Department of
the Treasury.
c. Nothing in this act shall be construed to limit the power of
the Student Assistance Board or to alter the terms and conditions
of loans or grants made to students through the board.
d. This transfer shall be subject to the provisions of the State
Agency Transfer Act, P.L.1971, c.375 (C.52:14D-1 et seq.)
e. The Department of Treasury shall render administrative
assistance, including but not limited to, personnel and fiscal
assistance, to the board upon the request of the board. The cost
and expense of any services rendered shall be paid by the board.
f. The present members of the board shall hold their office for
the duration of their respective terms.

19. (New section) a. All functions, powers and duties now
vested in the Educational Opportunity Fund or the board of
directors thereof in the Department of Higher Education are
transferred to and assumed by the Educational Opportunity Fund
and the board of directors thereof under the Commission on
Higher Education in but not of the Department of State.
b. Whenever, in any law, rule, regulation, order, contract,
document, judicial or administrative proceeding or otherwise,
reference is made to the Educational Opportunity Fund or the
board of directors thereof in the Department of Higher
Education, the same shall mean and refer to the Educational
Opportunity Fund or the board of directors thereof in the
Commission on Higher Education in but not of the Department of
State.
c. Nothing in this act shall be construed to limit the authority
of the Educational Opportunity Fund, or the board of directors
thereof, or to alter the terms and conditions of grants made to
students by the fund.
d. This transfer shall be subject to the provisions of the State
Agency Transfer Act, P.L.1971, c.375 (C.52:14D-1 et seq.).
The present members of the board of directors, other than the Chancellor of Higher Education, shall hold their office for the duration of their respective terms.

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

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

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

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

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

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

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

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

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

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

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

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

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

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


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


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


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

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

26. (New section) This act shall not be construed to impair any
vested rights, grants, charter rights, privileges, exemptions, immunities, powers, prerogatives, franchises or advantages continued, granted or obtained by Rutgers, the State University under the "Rutgers, the State University Law," N.J.S.18A:65-1 et seq., nor shall this act be construed to impose additional powers, duties or responsibilities upon Rutgers, the State University not contained within N.J.S.18A:65-1 et seq.

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

28. (New section) This act is a revision law and the provisions hereof not inconsistent with prior laws shall be construed as a continuation of such prior laws and its enactment shall not:
   a. affect the tenure, compensation and pension rights, if any, of the lawful holder thereof, in any position not specifically abolished herein, upon the effective date of this act;
   b. alter the term of any member of any board, commission or public body, not specifically abolished herein, lawfully in office as of the effective date of this act, or require the reappointment thereof;
   c. require the resubmission to the voters of any proposal adopted by such voters prior to the effective date of this act.

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

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

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

1b. On or before July 1, 1999, the council and the commission shall submit a comprehensive report to the Governor and the
Legislature, including, for each public institution of higher education: a profile of the student body including graduation rates, SAT or other test scores, the percentage of New Jersey residents in the student body, the number of scholarship students and the number of Education Opportunity Fund students in attendance; a profile of the faculty including the ratio of full to part time faculty members, and major research and public service activities; a profile of the trustees or governors as applicable; and, a profile of each institution, including degree and certificate programs, status of accreditation, major capital projects and any other information which the commission and the council deem appropriate. The report shall include an assessment of the restructuring of higher education and may include recommendations as to the modification or alteration of this structure.¹

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

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

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

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

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

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

"Board" means the board of education;

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

"Commissioner" means the commissioner of education;

"County superintendent" means the county superintendent of schools;

"Department" means the state department of education;

"District" means a school district;

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

"Employment" includes employment in a position;

"Full membership" of any board or body means the number of members of the board or body when all the members’ seats are
filled and a "majority of the full membership" of any board or
body means a majority of such number;
“Higher education" means that education which is provided by
any or all of the public institutions of higher education as herein
defined and any or all equivalent private institutions;
“Limited purpose regional district" shall have the meaning
assigned to it in subsection b. of section 18A:13-2;
“Local school district" means any school district comprising
within its territorial boundaries the territory comprised in one or
more municipalities, except a regional school district;
“Private school" means a school, under college grade, which
does not derive its support entirely or in part from public funds;
“Public institution of higher education" shall have the meaning
assigned to it in section 18A:62-1;
“Public school" means a school, under college grade, which
derives its support entirely or in part from public funds;
“Public school system" means the system of public schools of
the state;
“Residence" means domicile, unless a temporary residence is
indicated;
“School nurse" shall mean and include any school nurse, school
nurse supervisor, head school nurse, chief school nurse, school
nurse coordinator or any other nurse performing school nursing
services in the public schools;
“State board" means the state board of education;
“Teaching staff member" means a member of the professional
staff of any district or regional board of education, or any board
of education of a county vocational school, holding office,
position or employment of such character that the qualifications,
for such office, position or employment, require him to hold a
valid and effective standard, provisional or emergency
certificate, appropriate to his office, position or employment,
issued by the state board of examiners and includes a school
nurse.

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

35. Section 1 of P.L.1969, c.178 (C.18A:3-14.1) is amended to
read as follows:
1. The [Board of Higher Education] Office of Student
Assistance shall prepare on an annual basis a concise report which
lists all sources of financial assistance, including but not limited
to scholarships and loans, available to citizens of this State who
now attend or who plan to attend any institution of higher
education. The report shall supply the name and address of each
source, identify the form of the financial assistance, and indicate
that the source of funds is public or private.
(cf: P.L.1969, c.178, s.1)

36. Section 3 of P.L.1986, c.87 (C.18A:3-15.3) is amended to
read as follows:
3. A person shall not append to his name any letters in the
same form designated by the [Board of] Commission on Higher
Education as entitled to the protection accorded to an academic
degree unless the person has received from a duly authorized
institution of higher education the degree or certificate for which
the letters are registered. For the purposes of this section, a
duly authorized institution of higher education means an in-State
institution licensed by the [Board of Commission on Higher
Education or an out-of-State institution licensed by the
appropriate state agency and regionally accredited or seeking
accreditation by the appropriate accrediting body recognized by
the Council on Postsecondary Education or the United States
Department of Education.
(cf: P.L.1986, c.87, s.3)
37. Section 4 of P.L.1986, c.87 (C.18A:3-15.4) is amended to
read as follows:
4. An in-State university, college, business, trade or vocational
school may not offer, advertise, or by agreement with an
out-of-State institution, offer or advertise any academic degree
from any out-of-State university, college, business, trade or
vocational school when three-quarters or more of the degree
requirements are obtained by course work completed at the
institution in New Jersey unless the degree program is consistent
with the programmatic mission of the institution or has been
approved by the [Board of Commission on Higher Education or is
a degree program at an institution specifically exempted from
(cf: P.L.1986, c.87, s.4)
38. Section 2 of P.L.1987, c.53 (C.18A:3-19.2) is amended to
read as follows:
2. Every institution of higher education licensed or approved by the [State Board of Commission on Higher
Education to award an academic degree shall disclose the
amount, terms, restrictions and requirements attached to or
made a part of any gift of value in excess of $100,000.00 made to
the institution by a foreign government, foreign legal entity or
foreign person in any one fiscal year. If the foreign government,
foreign legal entity or foreign person makes more than one gift to
an institution, and the total value of those gifts in any one fiscal
year exceeds $100,000.00, the institution shall report all of the
gifts received.
(cf: P.L.1987, c.53, s.2)
39. Section 3 of P.L.1987, c.53 (C.18A:3-19.3) is amended to
read as follows:
3. This information shall be forwarded to the Department of
[Higher Education] Treasury no later than 30 days after the last
day of the fiscal year. The information shall include:
 a. The amount of the gift.
 b. The date on which it was received.
 c. Full details of any conditions, matching provisions, or
designation of the gift for a specific purpose.
 d. The name of the foreign government in the case of a gift by
a foreign government; the name of the foreign entity in the case
of a gift by a foreign entity; and the name of the foreign country
in which a foreign person is located or resides in the case of a
gift by a foreign person.
 e. The purpose or purposes for which the gift will be used.
(cf: P.L.1987, c.53, s.3)
40. Section 2 of P.L.1991, c.388 (C.18A:3-25) is amended to
read as follows:
2. The Attorney General shall develop a "Pledge's Bill of Rights" which outlines acceptable and unacceptable behavior and activities in regard to the pledge or rushing activities of college and university fraternities and sororities and other similar campus organizations. In developing the bill of rights, the Attorney General shall review the existing pledge and anti-hazing policies and procedures of public and independent institutions of higher education within the State and shall, as appropriate, incorporate those policies into the bill of rights. The Attorney General shall make the "Pledge's Bill of Rights" available to each institution of higher education within the State.

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

3. The bill of rights developed by the Attorney General pursuant to section 2 of this act (P.L.1991, c.388 (C.18A:3-26) shall include information on the criminal penalties for hazing and aggravated hazing established pursuant to P.L.1980, c.169 (C.2C:40-3 et seq.).

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

a. There is established in, but not of, the Department of Higher Education the New Jersey Institute on Conflict Resolution and Peace Studies, hereafter referred to as the Institute.

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

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

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

6. To assist him in the organization of the Institute, and in fulfilling his other duties and responsibilities under this act (P.L.1984, c.149 (C.18A:3A-1 et seq.), the Secretary shall appoint an advisory board, which shall be broadly representative of those organizations and individuals having active interest in, and academic or practical knowledge and
experience in, the methods and techniques of conflict resolution
and the peaceful settlement of disputes; including, without
limitation, representatives of religious, cultural and academic
organizations, and persons actively engaged in the promotion of
international and intercultural understanding, the study or
conduct of foreign relations, and the advancement of world peace.
(cf: P.L.1984, c.149, s.6)

44. N.J.S.18A:4-3 is amended to read as follows:
18A:4-3. The State Board of Education shall consist of [the
Chancellor of Higher Education who shall be a member ex officio
without vote and the chairman of the Board of Higher Education
or his designee, who shall be a citizen member of the board of
higher education, and 12] 13 members who shall be citizens of the
State who have resided therein for not less than 5 years
immediately preceding their appointment, not less than three of
whom shall be women and not more than one of whom shall be
appointed from the residents of any one county.
(cf: P.L.1973, c.93, s.1)

45. Section 2 of P.L.1991, c.193 (C.18A:4A-2) is amended to
read as follows:
2. a. The New Jersey Commission on Holocaust Education is
created and established in the Executive Branch of the State
Government. For the purposes of complying with the provisions
of Article V, Section IV, paragraph 1 of the New Jersey
Constitution, the commission is allocated within the Department
of Education, but notwithstanding this allocation, the commission
shall be independent of any supervision or control by the
department or any board or officer thereof.

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

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

b. Each public member of the commission shall serve for a
term of three years, except that of the initial members so appointed: one member appointed by the President of the Senate, one member appointed by the Speaker of the General Assembly, and four members appointed by the Governor shall serve for terms of one year; one member appointed by the President of the Senate, one member appointed by the Speaker of the General Assembly, and four members appointed by the Governor shall serve for terms of two years; and one member appointed by the President of the Senate, one member appointed by the Speaker of the General Assembly, and five members appointed by the Governor shall serve for terms of three years. Public members shall be eligible for reappointment. They shall serve until their successors are appointed and qualified, and the term of the successor of any incumbent shall be calculated from the expiration of the term of that incumbent. A vacancy occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only.

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

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

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

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

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

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

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

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

18A:6-4. The board, body or person in charge of each educational institution, except an institution of higher education, receiving support or aid from the state and of each private school shall report, annually on or before August 1, to the commissioner, in the manner and form required by him, and the board, body or person in charge of each educational institution of higher learning receiving support or aid from the state shall report in like manner to the [chancellor] Commission on Higher Education, such statistics relating to the conduct of such institution or school as he may require but no private school shall be required to report
concerning its expenses or finances nor shall any such report
made by it be published or made public.

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

48. N.J.S.18A:6-18 is amended to read as follows:
18A:6-18. No professor, associate professor, assistant
professor, instructor, supervisor, registrar, teacher or other
persons employed in a teaching capacity, in any State college,
county college or industrial school who is under tenure during
good behavior and efficiency shall be dismissed or subject to
reduction of salary, except for inefficiency, incapacity, conduct
unbecoming a teacher or other just cause. Written charge of the
cause or causes preferred against an individual shall be signed by
the person or persons making the same and filed with the board of
trustees of said college or school. Upon determination that the
matter is a contested case, the board shall assign the matter for
hearing and initial decision [either to a subcommittee of three
of its members or] to the Office of Administrative Law. A final
decision shall be rendered by the full board of trustees. The
person charged may be represented by counsel at all times and
have compulsory process to compel the attendance of witnesses
to testify therein, as provided by law. [Appeals from a decision
of the board of trustees shall be made on the record to the
Chancellor of Higher Education]. Contested case hearing shall
be conducted under rules and regulations established pursuant to
(C.52:14B-1 et seq.) and P.L.1976, c.67 (C.52:14F-1 et seq.).
(cf: P.L.1981, c.181, s.1)

49. N.J.S.18A:6-19 is amended to read as follows:
18A:6-19. Any member of any board of education, governing
board or of any other board or any person, lawfully authorized to
hold a hearing, may administer oaths to witnesses in such hearing,
in any dispute or controversy under the school laws or the rules of
the commissioner or of the state board [or of the higher
education board or of the chancellor], of which they or he have
jurisdiction.

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


50. N.J.S.18A:6-20 is amended to read as follows:
18A:6-20. Any party to any dispute or controversy or charged
therein, may be represented by counsel at any hearing held in or
concerning the same and shall have the right to testify, and
produce witnesses to testify on his behalf and to cross-examine
witnesses produced against him, and to have compulsory process
by subpoena to compel the attendance of witnesses to testify and
produce books and documents in such hearing when issued by
(a) the president of the board of education, if the hearing is to be
held before such board, or (b) the commissioner, if the hearing is
to be held before him or on his behalf, or (c) the president and
secretary of the state board, if the hearing is to be held before
such board or before one of its committees, or (d) the chairman
of the board of trustees of the state or county college or
industrial school, if the hearing is to be held before such board [,
or (e) the chairman and secretary of the higher education board,
if the hearing is to be held before such board or before one of its
ccommittees or before the chancellor].

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

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

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

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

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

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

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

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

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


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

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


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

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


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

8. The State board after consultation with the commissioner
and review by the Joint Committee on the Public Schools shall,
from time to time, but at least once every 5 years, review and
update the State goals and standards established pursuant to this
act. In reviewing and updating these goals and standards, the
State board shall consult with, and be assisted by, (a) the
Commissioner of Labor [and industry] who, in consultation with
employer and employee groups, shall report annually to the State
board projecting labor needs and describing employment qualifications in New Jersey, (b) the [Chancellor of Higher Education who] Presidents' Council, which, in consultation with the institutions of higher education in the State, shall report annually to the State board on entry requirements and anticipated enrollment levels, (c) the Commissioner of Health who shall report annually to the State board on the current and projected health needs in New Jersey, (d) the Commissioner of Institutions and Agencies who shall report annually to the State board on the education of pupils under the jurisdiction of the department, and (e) such other employees and officers of the State as may be able to assist the State board in its activities pursuant to this section.

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

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

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

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

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

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

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

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

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

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

The director shall establish primary, secondary, and vocational programs which meet the educational needs of school age persons for whom the department is responsible. Appropriate credit and certification shall be given for the successful completion of such
Within any available appropriation, the program of education shall include adult, post-secondary and college programs offered by institutions licensed by the Department of Education or the [Department of] Commission on Higher Education.

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

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

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

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

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

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

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

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

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

d. "District" means and includes any local school district, consolidated school district, regional school district, county vocational school and any other board of education or other similar body other than the State board, established under the provisions of Title 18A of the New Jersey Statutes.
e. "Legal newspaper" means a newspaper circulating in the
district, printed and published in the English language at least
once a week for at least 1 year continuously.
f. "Materials" includes goods and property subject to article 2
of Title 12A of the New Jersey Statutes, apparatus, or any other
tangible thing, except real property or any interest therein.
g. "Extraordinary unspecifiable services" means services
which are specialized and qualitative in nature requiring
expertise, extensive training and proven reputation in the field of
endeavor.
h. "Professional services" means services rendered or
performed by a person authorized by law to practice a recognized
profession and whose practice is regulated by law and the
performance of which services requires knowledge of an advanced
type in a field of learning acquired by a prolonged formal course
of specialized instruction and study as distinguished from general
academic instruction or apprenticeship and training. Professional
services also means services rendered in the performance of work
that is original and creative in character in a recognized field of
artistic endeavor.
i. "Project" means any work, undertaking, construction or
alteration.
j. "Purchases" are transactions, for a valuable consideration,
creating or acquiring an interest in goods, services and property,
except real property or any interest therein.
k. "Work" includes services and any other activity of a
tangible or intangible nature performed or assumed pursuant to a
contract or agreement with a board of education.

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

60. Section 1 of P.L.1973, c.267 (C.18A:28-16) is amended to
read as follows:
1. Whenever an Educational Services Commission, a Jointure
Commission, the Commissioner of Education, the State Board of
Education, [the Chancellor, the State Board of Higher Education
or] the board of trustees of any State college, or any officer,
board or commission under his, its or their authority shall
undertake the operation of any school previously operated by a
school district in this State, all accumulated sick leave, tenure
and pension rights of all teaching staff members in said school
shall be recognized and preserved by the agency assuming
operational control of the school, and any periods of prior
employment in such school district shall count toward the
acquisition of tenure to the same extent as if all of such
employment had been under the Educational Services
Commission, Jointure Commission, the Commissioner of
Education, the State Board of Education, [the Chancellor, the
State Board of Higher Education] or the board of trustees of any
State college, as the case may be.

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

61. Section 2 of P.L.1973, c.267 (C.18A:28-17) is amended to
read as follows:
2. Whenever the local board of education of any school district
in this State shall undertake the operation of any school
previously operated by an Educational Services Commission, a
Jointure Commission, the Commissioner of Education, the State Board of Education, [the Chancellor, the State Board of Higher Education or] the board of trustees of any State college, or any officer, board or commission under his, its or their authority, all accumulated sick leave, tenure and pension rights of all teaching staff members in said school, shall be recognized and preserved by the board assuming operational control of the school, and any periods of prior employment, by said Educational Services Commission, Jointure Commission, Commissioner of Education, State Board of Education or board of trustees of any State college, or any officer, board or commission under his, its or their authority, shall count toward the acquisition of tenure to the same extent as if all of such employment had been in such school district.

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

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

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

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

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

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

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

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

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

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

65. Section 11 of P.L.1974, c.197 (C.18A:35-25) is amended to read as follows:
11. The [Board of] Commission on Higher Education with the advice of the State Advisory Committee on Bilingual Education shall [provide] recommend to the treasurer that financial support be provided to institutions of higher education for career development programs and the training of professionals serving bilingual populations with emphasis on effective utilization of existing facilities.

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

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

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

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

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

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


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

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

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

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

5. There is hereby created in but not of the Department of Community Affairs the Governor's Council on Neighborhood Education Centers, which shall consist of the Commissioner of Community Affairs [,] and the Commissioner of Education [, and the Chancellor of Higher Education, all of whom] who shall be members of the council for such times as they shall hold their
respective offices. The commissioner shall serve as the administrator and chief executive officer of the council, and shall have primary responsibility for the activities of the council. The Commissioner of Education shall serve as the chairman of the council, which shall meet at the call of said chairman.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18A:59-2. All moneys mentioned in [section] N.J.S.18A:59-1 shall be considered trust funds and shall be distributed by the commissioner or by the [chancellor] Commission on Higher
Education, as the case may be, in conformity with said plans.

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

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

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

a. "Academic rank" means instructor, assistant professor, associate professor and professor.
b. "Faculty member" means any full-time member of the teaching staff appointed with academic rank. [Pursuant to rules promulgated by the State Board of Higher Education, other full-time professional persons shall be considered faculty members if they concurrently hold academic rank.]

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

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

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

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

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

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

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

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

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

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

(cf: P.L.1986, c.194, s.3)
77. Section 1 of P.L.1986, c.193 (C.18A:61C-4) is amended to read as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2. An institution may, in accordance with regulations promulgated by the [State board] department, exempt from the
requirements of section 1 of [this act] P.L.1988, c.158
(C.18A:61D-1) any student who attended an elementary or
secondary school located in this State.
(cf: P.L.1988, c.158, s.2)

83. Section 4 of P.L.1988, c.158 (C.18A:61D-4) is amended to
read as follows:
4. A student who submits to the institution a written
statement that an immunization is medically contraindicated
shall submit a valid immunization record of other administered
immunizations in accordance with regulations promulgated by the
[State board] department.
(cf: P.L.1988, c.158, s.4)

84. Section 6 of P.L.1988, c.158 (C.18A:61D-6) is amended to
read as follows:
6. The [State Board of Higher Education, in consultation with
the Department] Commissioner of Health, shall, pursuant to the
seq.), promulgate rules and regulations necessary to effectuate
the provisions of this act.
(cf: P.L.1988, c.158, s.6)

85. Section 1 of P.L.1979, c.31 (C.18A:62-3) is amended to
read as follows:
1. Each public institution of higher education in New Jersey
may [, pursuant to such rules and regulations as shall be
promulgated by the State Board of Higher Education,] permit
persons of the age of 65 or more years to enroll without the
payment of any tuition charges in regularly scheduled courses;
provided that available classroom space permits and that tuition
paying students constitute the minimum number required for the
course, provided that nothing herein shall preclude public
institutions from requiring registration fees [, subject to approval
by the State Board,] for individuals attending courses pursuant to
waivers granted under this act.
(cf: P.L.1982, c.137, s.1)

86. Section 1 of P.L.1979, c.361 (C.18A:62-4) is amended to
read as follows:
1. Persons who have been resident within this State for a
period of 12 months prior to enrollment in a public institution of
higher education are presumed to be domiciled in this State for
tuition purposes. Persons who have been resident within this
State for less than 12 months prior to enrollment are presumed to
be nondomiciliaries for tuition purposes. Persons presumed to be
nondomiciled or persons who are presumed to be domiciled, but
whose domiciliary status is challenged by the institution, may
demonstrate domicile according to rules and regulations
established for that purpose by the [Board of] Commission on
Higher Education. Residence established solely for the purpose
of attending a particular educational institution is not domicile
for the purposes of this act.
(cf: P.L.1979, c.361, s.1)

read as follows:
77. a. Every student enrolled as a full-time student at a
public or private institution of higher education in this State shall
maintain health insurance coverage which provides basic hospital
benefits. The coverage shall be maintained throughout the period
of the student's enrollment.

b. Every student enrolled as a full-time student shall present
evidence of the health insurance coverage required by subsection
a. of this section to the institution at least annually, in a manner
prescribed by the institution.

c. The State [Board of Higher Education] Department of
Health shall require all public and private institutions of higher
education in this State to offer health insurance coverage on a
group or individual basis for purchase by students who are
required to maintain the coverage pursuant to this section.

d. The [State Board of Higher Education] Commissioner of
Health shall adopt rules and regulations pursuant to the
seq.) to carry out the purposes of subsections a., b. and c. of this
section.

e. The Student Assistance Board in but not of the Department
of [Higher Education] Treasury shall adopt rules and regulations
to require that a public or private institution of higher education
in this State consider the coverage required pursuant to this
section as an educational cost for purposes of determining a
student's eligibility for financial aid.

f. Nothing in this section shall be construed to permit a
hospital in this State to deny access to hospital care to a
full-time student whose health insurance coverage required by
this section lapses for any reason.

g. The provisions of this section shall not apply to a person
who is a participant in the REACH program established pursuant
to P.L.1987, c.282 (C.44:10-9 et seq.).

(cf: P.L.1991, c.187, s.77)

88. Section 6 of P.L.1992, c.49 (C.18A:62-21) is amended to
read as follows:

6. The [State Board of Higher Education] Presidents' Council
shall review the guidelines and procedures developed by the
institutions, in conjunction with the agencies or organizations
sponsoring literacy tutoring programs, to provide assistance in
making the guidelines and procedures the same for all
participating institutions.

(cf: P.L.1992, c.49, s.6)

89. N.J.S.18A:63-1 is amended to read as follows:

18A:63-1. Summer schools and extension courses for the
purpose of training and educating persons, in the science of
education and in the art of teaching elementary agriculture,
manual training, household economics and such other subjects as
may be prescribed, shall be established and maintained in the
state colleges [and may be provided in such other places as shall
be designated by the board of higher education].

(cf: N.J.S.18A:63-1)

90. N.J.S.18A:63-2 is amended to read as follows:

18A:63-2. The state colleges and state summer schools may
charge [such] tuition and incidental fees in extension courses and
summer school courses [as are approved by the board of higher
education].

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

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

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

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

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

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

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

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

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

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

18A:64–3. [Each such board of trustees shall consist of nine citizens of the State, not more than three of whom shall reside in any one county and of whom at least two shall be women, who shall be appointed by the Board of Higher Education, subject to the approval of the Governor, in addition to the citizen members, the Chancellor of Higher Education, or the chancellor’s designee, shall serve on each board as an ex officio, nonvoting member.]

The composition and size of the board of trustees shall be
determined by the board; however, each board shall have not less than seven nor more than 15 members. The members shall be citizens of the State appointed by the Governor with the advice and consent of the Senate. Each board of trustees shall recommend potential new members to the Governor. The terms of office of appointed members shall be for six years beginning on July 1 and ending on June 30, except that of the members first appointed, two shall be appointed for terms expiring June 30, 1967; two for terms expiring June 30, 1968; two for terms expiring June 30, 1969; one for a term expiring June 30, 1970; one for a term expiring June 30, 1971; and one for a term expiring June 30, 1972. Each member shall serve until his successor shall have been appointed and qualified and vacancies shall be filled in the same manner as the original appointments for the remainders of the unexpired terms. Any member of a board of trustees may be removed by the Governor for cause upon notice and opportunity to be heard.

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

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

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

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

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

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

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

d. The student members shall be entitled to full participation
in all activities of the board except that they shall not participate in:

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

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

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

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

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

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

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

a. Adopt and use a corporate seal;
b. Determine the educational curriculum and program of the college consistent with the programmatic mission of the institution or approved by the Commission on Higher Education;
c. Determine policies for the organization, administration and development of the college;
d. Study the educational and financial needs of the college; annually acquaint the Governor and Legislature with the condition of the college; and prepare [, and after concurrence by and jointly with the Board of Higher Education,] and present the annual budget to the Governor, the Division of Budget and Accounting in the Department of Treasury and the Legislature in accordance with law;
e. Disburse all moneys appropriated to the college by the Legislature and all moneys received from tuition, fees, auxiliary services and other sources;
f. Direct and control expenditures and transfers of funds appropriated to the college and tuition received by the college, in accordance with the provisions of the State budget and appropriation acts of the Legislature, reporting changes and additions thereto and transfers thereof to the Director of the
Division of Budget and Accounting in the State Department of
the Treasury [and to the Chancellor of Higher Education] and as
to funds received from other sources, direct and control
expenditures and transfers in accordance with the terms of any
applicable trusts, gifts, bequests, or other special provisions. All
accounts of the college shall be subject to audit by the State at
any time;
g. In accordance with the provisions of the State budget and
appropriation acts of the Legislature, appoint and fix the
compensation of a president of the college, who shall be the
executive officer of the college and an ex officio member of the
board of trustees, without vote, and shall serve at the pleasure of
the board of trustees;
h. Notwithstanding the provisions of Title 11, Civil Service, of
the Revised Statutes, upon nomination by the president appoint a
treasurer and such deans and other professional members of the
academic, administrative and teaching staffs as defined in
section 13 of P.L.1986, c.42 (C.18A:64-21.2) as shall be required
and fix their compensation and terms of employment in
accordance with salary ranges and policies [adopted by the Board
of Higher Education, and concurred in by the Governor,) which
[salary policies] shall prescribe qualifications for various
classifications and shall limit the percentage of the educational
staff that may be in any given classification;
i. Upon nomination by the president, appoint, remove, promote
and transfer such other officers, agents or employees as may be
required for carrying out the purposes of the college and assign
their duties, determine their salaries and prescribe qualifications
for all positions, all in accordance with the provisions of Title 11,
Civil Service, of the Revised Statutes;
j. Grant diplomas, certificates and degrees;
k. Pursuant to the provisions of the "State College Contracts
Law," P.L.1986, c.43 (C.18A:64-52 et seq.) enter into contracts
and agreements for the purchase of lands, buildings, equipment,
materials, supplies and services; enter into contracts and
agreements with the State or any of its political subdivisions or
with the United States, or with any public body, department or
other agency of the State or the United States or with any
individual, firm, or corporation, which are deemed necessary or
advisable by the board for carrying out the purposes of the
college;
l. If necessary, take and condemn land and other property in
the manner provided by the "Eminent Domain Act of 1971,"
P.L.1971, c.361 (C.20:3-1 et seq.), whenever authorized by law to
purchase land or other property;
m. Adopt, after consultation with the president and faculty,
bylaws and make and promulgate such rules, regulations and
orders, not inconsistent with the provisions of this article, that
are necessary and proper for the administration and operation of
the college and the carrying out of its purposes;
n. Establish fees for room and board sufficient for the
operation, maintenance, and rental of student housing and food
service facilities;
o. Fix and determine [l, within guidelines established by the
Board of Higher Education,] tuition rates and other fees to be paid by students;
P. Accept from any government or governmental department, agency or other public or private body or from any other source grants or contributions of money or property, which the board may use for or in aid of any of its purposes;
Q. Acquire by gift, purchase, condemnation or otherwise, own, lease, dispose of, use and operate property, whether real, personal or mixed, or any interest therein, which is necessary or desirable for college purposes;
R. Employ architects to plan buildings; secure bids for the construction of buildings and for the equipment thereof; make contracts for the construction of buildings and for equipment; and supervise the construction of buildings. [All capital expenditures in excess of $500,000.00 shall be subject to the approval of the Board of Higher Education];
S. Manage and maintain, and provide for the payment of all charges and expenses in respect to all properties utilized by the college;
T. Borrow money for the needs of the college, as deemed requisite by the board, in such amounts, and for such time and upon such terms as may be determined by the board, provided that this borrowing shall not be deemed or construed to create or constitute a debt, liability, or a loan or pledge of the credit, or be payable out of property or funds, other than moneys appropriated for that purpose, of the State;
U. Authorize any new program, educational department or school [which will require, at the time of establishment or thereafter, an additional expenditure of money, if the establishment thereof is approved by the Board of Higher Education and provision is made therefor by law] consistent with the institution's programmatic mission or approved by the commission;
V. [Formulate and submit to the Board of Higher Education an institutional plan consistent with the rules and regulations of the Board of Higher Education] deleted by amendment, P.L. , c. (C. ) (now pending before the Legislature as this bill); and
W. Pursuant to the "State College Contracts Law," P.L.1986, c.43 (C.18A:64-52 et seq.), award contracts and agreements for the performance of any construction work or the furnishing of any materials or supplies to the lowest responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the State colleges.
(cf: P.L.1992, c.61, s.1)
97. N. J.S.18A:64-7 is amended to read as follows:
18A:64-7. The board of trustees of a state college, in addition to the other powers and duties provided herein [and within the general policies and guidelines set by the board of higher education], shall have and exercise the powers, rights and privileges that are incident to the proper government, conduct and management of the college, and the control of its properties and funds and such powers granted to the college or the board or reasonably implied, may be exercised without recourse or reference to any department or agency of the state, except as
otherwise provided by this article or applicable law.

98. N.J.S.18A:64-11 is amended to read as follows:
18A:64-11. The board of trustees of each state college is authorized and empowered to conduct summer schools and extension courses through the six state colleges for the purpose of giving further training to the teachers in the public schools of this state and to charge fees therefor (to be fixed by the board of higher education and) to be collected by the treasurers of the several state colleges.

99. N.J.S.18A:64-13 is amended to read as follows:
18A:64-13. Students in each State college who are residents of New Jersey shall be required to pay each year a minimum tuition fee and nonresidents of the State shall pay an additional fee. Such fees and any increase of the minimum tuition fee shall be determined by each college board of trustees (pursuant to guidelines set by the Board of Higher Education). The board of trustees may waive the payment of the college's anticipated tuition revenues to accomplish mission-related or policy goals.

100. Section 4 of P.L.1983, c.469 (C.18A:64-13.4) is amended to read as follows:
4. The [Board of Higher Education] Commissioner of Labor, in consultation with the Presidents' Council, shall promulgate rules and regulations necessary to effectuate the purposes of this act. Regulations of the State Board of Higher Education implementing this act shall remain in full force and effect until modified or repealed by the Commissioner of Labor.

101. N.J.S.18A:64-18 is amended to read as follows:
18A:64-18. a. Moneys which are derived by the State colleges as room and board revenues from student housing and food service facilities and which are not pledged for the payment of principal and interest on bonds of this State and which are in excess of sums required for the operation, maintenance, and rental of such facilities shall be retained in a separate account by each college and may be expended by each college for the cost of operation, maintenance and rental of such facilities in subsequent years. The unexpended balance in any such account at the end of any fiscal year shall not lapse into the General Treasury.
b. Moneys which are derived from student union building fees collected at a State college, which are in excess of the sums required for the operation, maintenance and rental of such a facility, shall be retained in a separate account by each college and may be expended by each college for the cost of operation, maintenance and rental of such facilities in subsequent years. The unexpended balance of any such account at the end of any fiscal year shall not lapse into the General Treasury.
c. Moneys which are derived from the operation of parking facilities, and any other facilities financed by student fees, which are in excess of sums required for the operation and maintenance of such facilities at a State college, shall be retained in a separate account by each college and may be expended by each
college for the cost of operation, maintenance and rental of such
cfacilities in subsequent years. The unexpended balance of any
such account at the end of any fiscal year shall not lapse into the
General Treasury.

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

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

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

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

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

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

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

a. operation of student centers;
b. operation of student pubs;
c. management of student dormitories;
d. operation of college bookstores.

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

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

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

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

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

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

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

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

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

a. Institute with the approval of the Director of the Division
of Budget and Accounting a standard Statewide accounting and
reporting system for businesslike management of the operation of
auxiliary organizations.

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

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

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

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

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

107. Section 18 of P.L.1982, c.16 (C.18A:64-43) is amended to
read as follows:
18. A certified public accountant shall be selected by each
auxiliary organization. [Upon being notified of the certified
public accountant selected by an auxiliary organization, the
office of the chancellor shall forward the applicable auditing and
reporting procedures to the selected certified public accountant.
In accordance with procedures prescribed by the Board of Higher
Education the] The certified public accountant shall annually
audit the auxiliary organization’s funds. Auxiliary organizations
shall contract for and receive such audit annually, and shall
submit the audit to the board of trustees of the college, and to
the [Board of Higher Education and the] Director of the Division
of Budget and Accounting.

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

108. Section 2 of P.L.1985, c.161 (C.18A:64-46) is amended to
read as follows:
2. The association shall consist of nine voting members to be
appointed as follows: one member from each of the State college
boards of trustees, appointed by the members thereof. In
addition [the Chancellor of Higher Education and] the presidents
of the State colleges shall serve as ex officio, nonvoting members.
Members shall serve without compensation but shall be entitled
to be reimbursed for all reasonable and necessary expenses.
(cf: P.L.1985, c.161, s.2)

109. Section 6 of P.L.1985, c.161 (C.18A:64-50) is amended to
read as follows:
6. The association shall encourage and aid all movements for
the improvement of State college education and shall, from time
to time, make recommendations to the [Board of Higher
Education] Governor, Legislature, Commission on Higher
Education and Presidents’ Council regarding the coordination of
the State colleges on matters of mutual interest and concern.

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

110. Section 3 of P.L.1986, c.43 (C.18A:64-54) is amended to read as follows:
3. a. Any purchase, contract or agreement for the performance of any work or the furnishing or hiring of materials or supplies, the cost or price of which, together with any sums expended for the performance of any work or services in connection with the same project or the furnishing of similar materials or supplies during the same fiscal year, paid with or out of college funds, does not exceed the total sum of $7,500.00 or, commencing January 1, 1985, the amount determined pursuant to subsection b. of this section, in any fiscal year may be made, negotiated and awarded by a contracting agent, when so authorized by resolution of the board of trustees of the State college without public advertising for bids and bidding therefor.

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

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

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

111. Section 5 of P.L.1986, c.43 (C.18A:64-56) is amended to read as follows:
5. Any purchase, contract or agreement of the character described in section 4 of [this article] P.L.1986, c.43 (C.18A:64-55) may be made, negotiated or awarded by the State college by resolution at a public meeting of its board of trustees without public advertising for bids or bidding therefor if:
   a. The subject matter thereof consists of:
      (1) Professional services; or
      (2) Extraordinary unspecifiable services and products which cannot reasonably be described by written specifications, subject, however, to [the rules and regulations of the Board of Higher Education] procedures consistent with open public bidding whenever possible; or
      (3) Materials or supplies which are not available from more than one potential bidder, including without limitation materials or supplies which are patented or copyrighted; or
      (4) The doing of any work by employees of the State college; or
      (5) The printing of all legal notices and legal briefs, records and appendices to be used in any legal proceeding to which the State college may be a party; or
(6) Textbooks, copyrighted materials, student produced publications and services incidental thereto, library materials including without limitation books, periodicals, newspapers, documents, pamphlets, photographs, reproductions, microfilms, pictorial or graphic works, musical scores, maps, charts, globes, sound recordings, slides, films, filmstrips, video and magnetic tapes, other printed or published matter and audiovisual and other materials of a similar nature, necessary binding or rebinding of library materials and specialized library services; or

(7) Food supplies and services, including food supplies and management contracts for student centers, dining rooms and cafeterias [pursuant to rules and regulations of the Board of Higher Education]; or

(8) The supplying of any product or the rendering of any service by the public utility which is subject to the jurisdiction of the Board of Public Utilities, in accordance with tariffs and schedules of charges made, charged and exacted, filed with that board; or

(9) Equipment repair service if in the nature of an extraordinary unspecifiable service and necessary parts furnished in connection with the services; or

(10) Specialized machinery or equipment of a technical nature which will not reasonably permit the drawing of specifications, and the procurement thereof without advertising is in the public interest; or

(11) Insurance, including the purchase of insurance coverage and consulting services, which exceptions shall be in accordance with the requirements for extraordinary unspecifiable services; or

(12) Publishing of legal notices in newspapers as required by law; or

(13) The acquisition of artifacts or other items of unique intrinsic, artistic or historic character; or

(14) The collection of amounts due on student loans, including without limitation loans guaranteed by or made with funds of the United States of America; or

(15) Professional consulting services; or

(16) Entertainment, including without limitation theatrical presentations, band and other concerts, movies and other audiovisual productions; or

(17) Contracts employing funds created by student activities fees charged to students or otherwise raised by students, not under the direct control of the college and expended by student organizations; or

(18) Printing, including without limitation catalogs, yearbooks and course announcements; or

(19) Data processing software programs, systems and service and the rental or lease of data processing equipment; or

(20) Personnel recruitment and advertising, including without limitation advertising seeking student enrollment; or

(21) Educational supplies, books, articles of clothing and other miscellaneous articles purchased by a State college bookstore for resale to college students and employees; or

(22) Purchase or rental of graduation caps and gowns and award certificates or plaques.
b. It is to be made or entered into with the United States of America, the State of New Jersey, a county or municipality or any board, body, or officer, agency or authority or any other state or subdivision thereof.

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

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

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

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

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

112. Section 7 of P.L.1986, c.43 (C.18A:64-58) is amended to read as follows:
7. No purchase, contract or agreement which is single in character or which necessarily or by reason of the quantities required to effectuate the purpose of the purchase, contract or agreement includes the furnishing of additional services or equipment or buying materials or supplies or the doing of additional work, shall be subdivided so as to bring it or any of the parts thereof under the maximum price or cost limitation set forth in [this article or in a regulation of the Board of Higher Education] P.L.1986, c.43 (C.18A:64-52 et seq.), thus dispensing with the requirement of public advertising and bidding therefor. Where the doing of any work is included in or incident to the performance or completion of any project which is single in character or inclusive of the furnishing of additional work, materials or supplies or which requires the furnishing of more than one article of materials or supplies, all of the work, materials or supplies requisite for the completion of the project shall be included in one purchase, contract or agreement.

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

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

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

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

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

14. All advertisements for bids shall be published in a legal newspaper sufficiently in advance of the date fixed for receiving the bids to promote competitive bidding but in no event less than [30 days prior to that date for construction projects requiring the approval of the State Board of Higher Education and] 10 days prior to that date for any construction projects or any other contract or purchase. The advertisement shall designate the manner of submitting and of receiving the bids and the time and place at which the bids will be received. If the published specifications provide for receipt of bids by mail, those bids which are mailed to the State college shall be sealed and shall be opened only at such time and place as all bids received are unsealed and announced. At that time and place, the contracting agent of the State college shall publicly receive the bids and thereupon immediately proceed to unseal them and publicly announce the contents, which announcement shall be made in the presence of any parties bidding or their agents who are then and there present. A proper record of the prices and terms shall be 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
architect or engineer in connection with the project, for the
length of time necessary for the completion of the actual
construction; or
k. The management and operation of bookstores for a term not
exceeding five years.
All multiyear leases and contracts entered into pursuant to this
section, except contracts for the leasing or servicing of
equipment supplied by a telephone company which is subject to
the jurisdiction of the Board of Public Utilities or contracts and
agreements for the provision of work or the supplying of
equipment to promote energy conservation and authorized
pursuant to subsection i. of this section, shall contain a clause
making them subject to the availability and appropriation
annually of sufficient funds to meet the extended obligation or
contain an annual cancellation clause.
(cf: P.L.1986, c.43, s.28)
118. Section 30 of P.L.1986, c.43 (C.18A:64-81) is amended to
read as follows:
30. No action for damages shall lie against the Board of Higher
Education, the Commission on Higher Education, the Presidents' 
Council, any State official, any State college or its board of
trustees or any of its officers because of any action taken by
virtue of the provisions of this article.
(cf: P.L.1986, c.43, s.30)
119. N.J.S.18A:64A-1 is amended to read as follows:
18A:64A-1. As used in this chapter:
a. "Base year" means the fiscal year 2 years prior to that in
which the budget is to be implemented; provided, however, for
determining the level of State aid for fiscal 1982, the "base year"
shall be the fiscal year 3 years prior to that in which the budget
is to be implemented;
b. "Capital outlay expense" means those funds devoted to or
required for the acquisition, landscaping or improvement of land;
the acquisition, construction, reconstruction, improvement, 
remodeling, alteration, addition or enlargement of buildings or
other structures; and the purchase of furniture, apparatus and
other equipment;
c. "County college" means an educational institution
established or to be established by one or more counties, offering
programs of instruction, extending not more than two years
beyond the high school, which may include but need not be
limited to specialized or comprehensive curriculums, including
college credit transfer courses, terminal courses in the liberal
arts and sciences, and technical institute type programs;
d. "Educational and general costs" means expenditures of a
county college [audited and approved] according to regulations
established by the [Board of Higher Education] State Treasurer;
e. "Local bond law" means the local bond law, chapters 1 and
2 of Title 40A of the New Jersey Statutes (N.J.S.40A:1-1 et seq.);
f. "Operational expense" means those funds devoted to or
required for the regular or ordinary expenses of the college,
including administrative, maintenance, minor capital and salary
expenses but excluding capital outlay expenses;
g. "Elected public official" means a person elected to a public
office in the State of New Jersey other than an elected representative serving on a board of education pursuant to the provisions of N.J.S.18A:12-1 and section 1 of P.L.1977, c.30 (C.18A:54-16.1).
(cf: P.L.1983, c.518, s.1)

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

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

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

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

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

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

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

Within five days after passage, the resolution shall be published in full in a newspaper circulating in the county and a copy of said resolution shall be filed for public inspection with the clerk of the board of chosen freeholders and with the clerk of each municipality in said county. The resolution shall become
effective in said county 45 days after passage unless there is filed
with the county clerk within said 45 days, a petition requesting a
referendum in said county signed by either five per cent or 10,000
of the registered voters of said county, whichever is lesser, or
such a petition authorized by the governing body of a
municipality or municipalities representing in total at least 15%
of the population of said county. If such petition is so filed, the
proposal for the establishment of a county college shall be
submitted to the registered voters of said county at the next
general election.

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

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

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

122. N.J.S.18A:64A-4 is amended to read as follows:
18A:64A-4. If a proposal for the establishment of a county
college is to be submitted to the registered voters of the county,
the county clerk shall have published at least 10 days before said
general election notice thereof in a newspaper circulating in the
county and the county clerk shall have printed or cause to be
printed on the official ballot to be used at such general election
the following:

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

Yes. Shall a county college be established in .........
No. pursuant to chapter 64A of Title 18A of the New Jersey
Statutes?

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

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

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

(cf: N.J.S.18A:64A-4)
123. N.J.S.18A:64A-5 is amended to read as follows:
18A:64A-5. If at said election the proposal for the
establishment of the county college is approved by a majority of
all the votes cast both for and against said question in the county,
then the board of chosen freeholders shall proceed to establish a
county college.

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

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

124. N.J.S.18A:64A-6 is amended to read as follows:
18A:64A-6. If a majority of the votes in a county are cast
against a proposal for the establishment of a county college, the
board of chosen freeholders of such county may not establish a
county college unless thereafter the board:
a. Submits a petition to the [board of] commission on higher
education in accordance with the provisions of section
18A:64A-2, and
b. Submits a proposal for the establishment of a county college
at a general election and has it approved by a majority of the
votes of the county voting thereon.

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

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

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

The appointing authority of the county shall establish a trustee
search committee of not less than five members who shall be
residents of the county. The members of the trustee search
committee shall not be elected public officials and shall not be eligible for appointment to the board of trustees for a period of 6 months after their service on the trustee search committee. The trustee search committee shall nominate individuals [according to criteria promulgated by the Board of Higher Education] for consideration by the appointing authority of the county for appointment to the board of trustees.

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

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

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

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

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

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

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

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

In the case of a county college established by more than one county, the [chancellor shall fix the] terms of the members initially appointed to the board of trustees shall be fixed so that as nearly as possible, one-quarter of the appointed members will receive terms of 4 years, one-quarter terms of 3 years, one-quarter terms of 2 years and the remainder terms of 1 year. Such terms shall be allocated by the [chancellor] commission.
among the participating counties, in accordance with the number
of members on the board of trustees apportioned to each county,
starting with the terms of 4 years, by allocating one of such
terms to each of the participating counties in alphabetical order
of the names of such counties, and continuing, still in such order,
with the terms of 3 years, the terms of 2 years and the terms of 1
year.

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

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

127. N.J.S.18A:64A-11 is amended to read as follows:
18A:64A-11. The board of trustees shall be a body corporate
and shall be known as the "board of trustees of " [here insert the
name of the county college].

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

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

123. N.J.S.18A:64A-12 is amended to read as follows:
18A:64A-12. For the effectuation of the purposes of this
chapter, the board of trustees of a county college in addition to
such other powers expressly granted to it [by this chapter and
subject to the rules and regulations of the Board of Higher
Education] by law, is hereby granted the following powers:

a. To adopt or change the name of the county college;
b. To adopt and use a corporate seal;
c. To sue and be sued;
d. To determine the educational curriculum and program of
the college consistent with the programmatic mission of the
institution or approved by the Commission on Higher Education;
e. To appoint and fix the compensation and term of office of a
president of the college who shall be the executive officer of the
college and an ex officio member of the board of trustees;
f. To appoint, upon nomination of the president, members of
the administrative and teaching staffs and fix their compensation
and terms of employment subject to the provisions of [section]
N.J.S. 18A:64A-13;
g. To appoint or employ such other officers, agents and
employees as may be required to carry out the provisions of this
chapter and to fix and determine their qualifications, duties,
compensation, terms of office and all other conditions and terms
of employment and retention;
h. To fix and determine tuition rates and other fees to be paid
by students;
i. To grant diplomas, certificates or degrees;
j. To enter into contracts and agreements with the State or
any of its political subdivisions or with the United States, or with
any public body, department or other agency of the State or the
United States or with any individual, firm or corporation which
are deemed necessary or advisable by the board for carrying out
the provisions of this chapter;
k. To accept from any government or governmental
department, agency or other public or private body or from any
other source grants or contributions of money or property which
the board may use for or in aid of any of its purposes;
l. To acquire (by gift, purchase, condemnation or otherwise),
own, lease, use and operate property, whether real, personal or
mixed, or any interest therein, which is necessary or desirable for
college purposes;
m. To determine that any property owned by the county
college is no longer necessary for college purposes and to sell the
same at such price and in such manner and upon such terms and
conditions as shall be established by the board [of higher
education];
n. To exercise the right of eminent domain, pursuant to the
provisions of Title 20, Eminent Domain, of the Revised Statutes,
to acquire any property or interest therein;
o. To make and promulgate such rules and regulations, not
inconsistent with the provisions of this chapter or with the rules
and regulations [of the board of higher education.] promulgated
hereunder that are necessary and proper for the administration
and operation of a county college and to implement the provisions
of this chapter; [and]
p. To exercise all other powers, not inconsistent with the
provisions of this chapter or with the rules and regulations [of the
Board of Higher Education,] promulgated hereunder which may be
reasonably necessary or incidental to the establishment,
maintenance and operation of a county college; and
q. To establish and maintain a dedicated reserve fund for
minor capital needs which in any given year shall not exceed 3%
of the replacement value of the college’s physical plant.

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

129. N.J.S.18A:64A-14 is amended to read as follows:
18A:64A-14. Counties, municipalities, school districts or
special schools may sell, give or lease any of their property,
including county or municipal funds, to the board of trustees of a
county college [pursuant to the rules and regulations of the board
of higher education].

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

130. N.J.S.18A:64A-17 is amended to read as follows:
18A:64A-17. On or before February 1 in each year, the board
of trustees of the county college shall prepare and deliver to each
member of the board of school estimate an itemized statement of
the amount of money estimated to be necessary for the operation
and capital outlay expenses for the ensuing year. Said board of
trustees shall, at the same time, fix a date, place and time for
the holding of a public hearing by the board of school estimate
with respect to said itemized statement of the amount of money
estimated to be necessary for the operation and capital outlay
expenses for the ensuing year and with respect to the various
items and purposes for which said money is to be appropriated,
which date shall be between February 1 and February 15 and
which date shall be not less than seven days after the publication
of said itemized statement as herein provided and shall cause
notice of such public hearing and said statement to be published
at least once in at least one newspaper published in the county
not less than seven days prior to the date fixed for such public
hearing, and said notice shall also set forth that said itemized
statement will be on file and open to examination of the public,
between reasonable hours to be fixed therein, and, at a place to
be named therein, from the date of said publication until the date
of the holding of said public hearing and said board of trustees
shall cause said itemized statement to be on file and open to the
examination of the public accordingly and to be produced at said
public hearing for the information of those attending the same.

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

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

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

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

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

18A:64A-19. (1) Whenever the board of trustees of a county
college shall decide that it is necessary to raise money for the
purpose of acquiring or improving lands or buildings for use by the
college or erecting, enlarging, improving, altering, reconstructing, furnishing or equipping buildings or other
structures for use by the college, it may, in lieu of proceeding in
any time prepare and deliver to each member of the board of
school estimate a statement of the estimated cost of such
purpose and of the amount of money estimated by the board of
trustees to be then needed for such purpose. If the amount of 
money so estimated shall include any funds expected to be 
received for said purpose as state or federal aid, such statement 
shall specify the amount and source of said funds and may include 
an agreement by the board of trustees to repay the county, out of 
the said funds when received, for any amounts appropriated by 
any county for the county college in anticipation of said funds. 
After receipt of such statement, the board of school estimate 
shall fix and determine the sum of money then needed for the 
purpose specified in said statement and the amount thereof to be 
raised by the participating county or counties which shall, if 
there be two or more such counties, be apportioned among them 
upon the basis of apportionment valuations as defined in [section] 
R.S.54:4-49 [of the Revised Statutes] and which may include 
amounts expected to be repaid as aforesaid by the board of 
trustees. The board of school estimate shall thereupon make a 
certificate of such sum and amount or amounts signed by at least 
a majority of its members, and copies thereof and of the 
statement received from the board of trustees shall be delivered 
[to the chancellor,] to the board of trustees and to the board of 
chosen freeholders of each participating county.

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

(a) By the method provided for in [section] N.J.S.18A:64-18; or
(b) By a bond ordinance authorizing the issuance of bonds or 
notes of the county to finance such appropriation and purpose 
adopted in accordance with the limitations and any exceptions 
thereto, and in the manner or mode of procedure, prescribed by 
the local bond law, and the sale and issuance of said bonds or 
notes pursuant to the local bond law; provided, however, that no 
down payment shall be required and the provisions of [section] 
N.J.S.40A:2-11 of the local bond law shall not be applicable to 
such bond ordinance and that the purpose for which the bonds or 
notes are to be issued may be stated and identified as and shall be 
the purpose specified in said certificate notwithstanding that the 
appropriation therefor may be sufficient only for planning or 
other preliminary or initial expenses in connection therewith or 
may be made in anticipation of state or federal aid expected to 
be received for said purpose and applied to repayment to the 
county.

(3) The proceeds of the sale of such bonds or notes shall be paid 
to the treasurer of the county college and shall be paid out by 
him only on the warrants or orders of the board of trustees of the 
county college. The treasurer shall in no event disburse such 
proceeds, except to pay and retie any such notes and pay the 
expenses of issuing and selling such bonds or notes and for the 
purpose or purposes for which such bonds or notes were issued. If 
for any reason any part of such proceeds are not applied to or 
necessary for such purpose or purposes, the board of trustees of 
the county college may transfer the balance remaining unapplied
to the capital outlay account of the county college.

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

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

132. N.J.S.18A:64A-20 is amended to read as follows:
18A:64A-20. If the board of trustees shall determine that it is
necessary in any school year to raise money in addition to the
amount in its annual budget for such year for:
(1) current expenses for the operation and maintenance of the
college when the amount necessary therefor was underestimated
in the budget;
(2) repair or utilization of property destroyed or made
unsuitable by accident or other unforeseen cause; or
(3) meeting emergencies arising since the preparation of such
budget;
the board shall prepare and deliver to each member of the
board of school estimate a statement of the amount of money
determined to be necessary therefor.

The board of school estimate shall meet within a reasonable
time after the delivery of the statement and fix and determine
the amount necessary for such purpose or purposes. In the case
of a county college established by more than one county, the
board shall apportion upon the basis of the apportionment
valuations as defined in [section] R.S.54:4-49 of the Revised
Statutes, such amount among the participating counties. The
board shall then certify the amount so determined and
apportioned to [ chancellor,] the board of trustees of the college
and to each participating board of chosen freeholders.
The board of chosen freeholders, upon receipt of such
certificate, shall appropriate the amount certified therein and
shall raise such amount in the manner provided for by [sections]

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

133. N.J.S.18A:64A-21 is amended to read as follows:
18A:64A-21. Notwithstanding the time limitations specified in
[section] N.J.S.18A:64A-17, during the calendar year in which the
board or boards of chosen freeholders first establish a county
college, the board of trustees of the county college may prepare
and deliver to the board of school estimate of the college an
estimate of the amount necessary to finance the county college
until the first regular budget is adopted and available.
The board of school estimate shall meet within a reasonable
time after the delivery of said estimate and shall fix and
determine the amount necessary to so finance the county college
and, if more than one county participated in establishing the
county college, shall apportion said amount upon the basis of
apportionment valuations as defined in [section] R.S.54:4-49 [of
the Revised Statutes]. The board shall then certify the amount so
determined to [the chancellor,] the board of trustees of the
college and to the board of chosen freeholders of each
participating county.

The board of chosen freeholders shall, upon receipt of the
certification, appropriate its share of said amount in the manner
(cf: N.J.S.18A:64A-21)

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

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

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

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

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

State support for the operational expenses of county colleges
shall be made within limits of State appropriation [and only after
an annual review and approval by the Board of Higher Education
of the financial program for operation of each county college,
including the charges to be made for student tuition and fees and
the establishment of the county share of said costs].
(cf: P.L.1981, c.329, s.5)

135. Section 1 of P.L.1971, c.12 (C:18A:64A-22.1) is amended
to read as follows:
1. Whenever the funds appropriated [to the board of higher
education] are insufficient to satisfy the State's share of capital
projects for county colleges pursuant to N.J.S.18A:64A-22,
additional State support for such projects shall be made available
to counties in which county colleges are located for the payment
of interest and principal on bonds entitled to the benefits of this
act and interest on notes issued in anticipation thereof, provided
that the total principal amount of such bonds shall not exceed
$80,000,000.00.
(cf: P.L.1985, c.136, s.1)
136. Section 2 of P.L.1971, c.12 (C.18A:64A-22.2) is amended
to read as follows:
2. Whenever the [board of higher education] State Treasurer
shall determine that it is unable to provide State support for a
capital project of a county college pursuant to N.J.S.18A:64A-22
within the limit of available State appropriations, the [chancellor
shall certify to the] State Treasurer [the amount of State support
recommended for such project and the amount available for such
project within the limit of State appropriations. Upon receipt of
any such certification, the State Treasurer] shall determine the
amount of bonds entitled to the benefits of this act and not
theretofore allocated to another capital project. The State
Treasurer shall [examine such certification and] determine the
necessity or advisability of making available additional State
support for the capital project [referred to in such certification].
To the extent he determines additional support is necessary or
advisable, he shall certify to the board of chosen freeholders of
the county in which said capital project is located the amount of
bonds which shall be entitled to the benefits of this act, which
amount shall not exceed the amount of bonds entitled to the
benefit of this act and not theretofore allocated to another
capital project. A copy of such certification shall be filed by the
State Treasurer [with the chancellor and] with the Director of the
Division of Local Finance.
(cf: P.L.1971, c.12, s.2)
137. N.J.S.18A:64A-23 is amended to read as follows:
18A:64A-23. a. Each county college shall, to the extent its
facilities will permit [and subject to regulations of the Board of
Higher Education,] accept students who are residents of any other
county in the State.
b. Any person desiring to enroll in a county college as a
nonresident student shall apply to the chief fiscal officer of his
county of residence for a certificate of residence showing that
said person is a resident of said county. The chief fiscal officer
of each county shall, upon application and submission to him of
satisfactory evidence of such residence, issue said certificate
provided that (1) the county does not sponsor a county college or
contribute to the support of a county assisted college, or (2) the
local county or county assisted college certifies that it does not
offer the particular course or program of study desired by the
applicant, or (3) the local county or county assisted college
certifies that it cannot admit the applicant into a particular
course or the desired program of study, pursuant to criteria
established by the [Board of] Commission on Higher Education. If
the chief fiscal officer of a county refuses to issue such a
certificate, the applicant may appeal to the board of chosen
freeholders of the county within 10 days of the receipt of notice
of such refusal. The board of chosen freeholders shall make a
determination after a hearing, upon 10 days' notice to such chief
fiscal officer and the applicant, and such determination shall be
Upon his registration for each college year, the nonresident student shall file with the college such a certificate of residence issued not earlier than 2 months prior thereto and such certificate of residence shall be valid for the current or next academic year succeeding the date of issuance, as the case may be.

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

d. Within 10 days after the commencement of each college term, the county college shall charge the county's per FTE student share of operating expenses of such college for that term as aforesaid to each county which has issued a certificate or certificates of residence pursuant to subsection (b), on the basis of which nonresident students are attending such county college. The amount so charged to the county issuing the certificate or certificates shall be paid within 30 days of the date of the billing.

(1981, c.329, s.6)

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

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

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

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

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


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

2. As used in this article, unless the context otherwise indicates:
a. "Board of trustees" means the board of trustees of a county college and the community college commission of a community college agency;

b. "County college" means any body corporate known as

(1) the board of trustees of a county college established pursuant to chapter 64A of Title 18A of the New Jersey Statutes, or

(2) the community college commission of a community college agency established pursuant P.L.1974, c.89 (C.18A:64A-30 et seq.), or

(3) the coordinating agency for higher education of a county established pursuant to P.L.1968, c.180 (C.18A:64B-5 et seq.);

c. "Contracting agent" means the business officer of the county college having the power to prepare advertisements to advertise for and receive bids and to make awards for the county college in connection with the purchases, contracts or agreements permitted by this article, or such officer, committee or employee to whom such power has been delegated by the county college;

d. "Contracts" mean contracts or agreements for the performance of work or the furnishing or hiring of services, materials or supplies as distinguished from contracts of employment;

e. "Legal newspaper" means a newspaper circulating in the county or counties in which the county college has been established, printed and published in the English language at least once a week for at least 1 year continuously;

f. "Materials" include goods and property subject to chapter 2 of Title 12A of the New Jersey Statutes, apparatus or any other tangible thing except real property or any interest therein;

g. "Extraordinary unspecifiable services" mean services or products which cannot be reasonably described by written specifications;

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

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

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

k. "Work" includes services and any other activity of a tangible or intangible nature performed or assumed pursuant to a contract or agreement with a county college.

(cf: P.L.1982, c.189, s.2)

141. Section 3 of P.L.1982, c.189 (C.18A:64A-25.3) is amended to read as follows:
3. a. Any purchase, contract or agreement for the performance of any work or the furnishing or hiring of materials or supplies, the cost or price of which, together with any sums expended for the performance of any work or services in connection with the same project or the furnishing of similar materials or supplies during the same fiscal year, paid with or out of college funds, does not exceed the total sum of $7,500.00 or, commencing January 1, 1985, the amount determined pursuant to subsection b. of this section in any fiscal year may be made, negotiated and awarded by a contracting agent, when so authorized by resolution of the board of trustees of the county college, without public advertising for bids and bidding therefor.

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

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

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

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

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

a. The subject matter thereof consists of:

(1) Professional services; or

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

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

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

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

(6) Textbooks, copyrighted materials, student produced publications and services incidental thereto, library materials including without limitation books, periodicals, newspapers, documents, pamphlets, photographs, reproductions, microfilms,
pictorial or graphic works, musical scores, maps, charts, globes, sound recordings, slides, films, filmstrips, video and magnetic tapes, other printed or published matter and audiovisual and other materials of a similar nature, necessary binding or rebinding of library materials and specialized library services; or

(7) Food supplies and services including food supplies and management contracts for student centers, dining rooms and cafeterias, pursuant to rules and regulations of the Board of Higher Education; or

(8) The supplying of any product or the rendering of any service by the public utility which is subject to the jurisdiction of the Board of Public Utilities, in accordance with tariffs and schedules of charges made, charged and exacted, filed with said board; or

(9) Equipment repair service if in the nature of an extraordinary unspecifiable service and necessary parts furnished in connection with such services; or

(10) Specialized machinery or equipment of a technical nature which will not reasonably permit the drawing of specifications, and the procurement thereof without advertising is in the public interest; or

(11) Insurance, including the purchase of insurance coverage and consulting services, which exceptions shall be in accordance with the requirements for extraordinary unspecifiable services; or

(12) Publishing of legal notices in newspapers, as required by law; or

(13) The acquisition of artifacts or other items of unique intrinsic, artistic or historic character; or

(14) The collection of amounts due on student loans, including without limitation loans guaranteed by or made with funds of the United States of America; or

(15) Professional consulting services; or

(16) Entertainment, including without limitation theatrical presentations, band and other concerts, movies and other audiovisual productions; or

(17) Contracts employing funds created by student activities fees charged to students or otherwise raised by students, not under the direct control of the college and expended by student organizations; or

(18) Printing, including without limitation catalogs, yearbooks and course announcements; or

(19) Data processing, software programs, systems and service and the rental or lease of data processing equipment; or

(20) Personnel recruitment and advertising, including without limitation advertising seeking student enrollment; or

(21) Educational supplies, books, articles of clothing and other miscellaneous articles purchased by a county college bookstore, or by a service or management company under contract with a county college to operate a county college book store for resale to college students and employees; or

(22) Purchase or rental of graduation caps and gowns and award certificates or plaques.

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

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

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

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

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

Whenever a county college shall determine that a bid was not
arrived at independently in open competition pursuant to
subsection c. (ii) of this section [5], it shall thereupon notify the
county prosecutor of the county in which the county college is
located and the Attorney General of the facts upon which its
determination is based and, when appropriate, it may institute
appropriate proceedings in any State or federal court of
competent jurisdiction for a violation of any State or federal
antitrust law or laws relating to the unlawful restraint of trade.
(cf: P.L.1984, c.241, s.3)

143. Section 7 of P.L.1982, c.189 (C.18A:64A-25.7) is amended
to read as follows:
7. No purchase, contract or agreement which is single in character or which necessarily or by reason of the quantities required to effectuate the purpose of the purchase, contract or agreement includes the furnishing of additional services or equipment or buying materials or supplies or the doing of additional work, shall be subdivided so as to bring it or any of the parts thereof under the maximum price or cost limitation set forth in section 3 [or in a regulation of the Board of Higher Education] of P.L.1982, c.189 (C.18A:64A-25.3), thus dispensing with the requirement of public advertising and bidding therefor. Where the doing of any work is included in or incident to the performance or completion of any project which is single in character or inclusive of the furnishing of additional work, materials or supplies or which requires the furnishing of more than one article of materials or supplies, all of the work, materials or supplies requisite for the completion of such project shall be included in one purchase, contract or agreement.

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

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

a. Supplying of:
   (1) Fuel for heating purposes for any term not exceeding in the aggregate three years; or
   (2) Fuel or oil for use in automobiles, autobuses, motor vehicles or equipment for any term not exceeding in the aggregate three years; or
b. Plowing and removal of snow and ice for any term not exceeding in the aggregate three years; or
c. Collection and disposal of garbage and refuse for any term not exceeding in the aggregate three years; or
d. Data processing programs, systems and services or rental or lease of data processing equipment for any term of not more than five years; or
e. Insurance, including the purchase of insurance coverages, insurance consultant or administrative services, and including participation in a joint self-insurance fund, risk management programs or related services provided by a county college insurance group, or participation in an insurance fund established by a county pursuant to N.J.S.40A:10-6, for any term of not more than three years; or
f. Leasing or service of automobiles, motor vehicles, electronic communications equipment, machinery and equipment of every nature and kind for any term not exceeding in the aggregate five years [; provided, however, such contracts shall be entered into only subject to and in accordance with the rules and regulations promulgated by the Board of Higher Education]; or
g. Supplying of any product or rendering of any service by a telephone company which is subject to the jurisdiction of the Board of Public Utilities, for a term not exceeding five years; or
h. The providing of food supplies and services, including food supplies and management contracts for student centers, dining rooms and cafeterias, for a term not exceeding three years; or
i. The performance of work or services or the furnishing of materials or supplies for the purpose of conserving energy in buildings owned by, or operations conducted by, the contracting unit, the entire price of which is to be established as a percentage of the resultant savings in energy costs, for a term not exceeding 10 years; provided that a contract is entered into only subject to and in accordance with rules and regulations adopted by the Department of Commerce, Energy and Economic Development establishing a methodology for computing energy cost savings; or

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

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

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

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

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

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

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

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

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

18A:64A-27. The council shall consist of the presidents and chairmen of the boards of trustees of the several county community colleges and of the county college commissions. A trustee board chairman may designate another member of the board as an alternate to attend and to vote at council meetings in the chairman’s absence. [The Chancellor shall ex officio be an additional member without vote.]
Members shall serve without compensation but shall be entitled to be reimbursed for all reasonable and necessary expenses.

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

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

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

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

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

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

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

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

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

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

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

3. The community college commission shall consist of the county superintendent of schools and nine public members who are residents of the county and have resided therein for a period of 4 years prior to their appointment having no official
connection with educational institutions contracting with the
commission. No elected public official shall serve as a voting
member of the commission. The president of the commission
shall be an ex officio member of the commission without vote.

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

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

The appointing authority of the county shall establish a trustee
search committee of not less than five members who shall be
residents of the county. The members of the trustee search
commitee shall not be elected public officials and shall not be
eligible for appointment to the board of trustees for a period of
six months after their service on the trustee search committee.
The trustee search committee shall nominate persons [according
to criteria promulgated by the Board of Higher Education] for
consideration by the appointing authority of the county for
appointment to the board of trustees.

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

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

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

(cf: P.L.1974, c.89, s.7)
153. Section 8 of P.L.1974, c.89 (C.18A:64A-37) is amended to read as follows:

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

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

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

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

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

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

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

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

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

Vacancies shall be filled in the same manner as the original appointment for the unexpired term. Upon notice and
opportunity to be heard, an appointee may be removed for cause by the body originally making the appointment. Members shall serve without compensation but shall be entitled to be reimbursed for all reasonable and necessary expenses.

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

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

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

a. Adopt and use a corporate seal;

b. Sue or be sued;

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

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

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

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

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

h. Grant diplomas, certificates or degrees;

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

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

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

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

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

n. Determine that any property owned and controlled by the board of trustees of the county college is no longer necessary for college purposes and sell the same at the price and in the manner
and upon the terms and conditions as shall be established by the board;

o. Make and promulgate rules and regulations not inconsistent with the provisions of general law or of this act or with the rules and regulations promulgated hereunder that are necessary and proper for the administration or operation of the county college;

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

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

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

157. Section 10 of P.L.1982, c.42 (C.18A:54A-59) is amended to read as follows:

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

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

b. If the county shall not make provisions sufficient to enable the current board of trustees and its successors to discharge its trust to apply the trust assets as described in section 9 of this act for public higher education through the conduct of a college with high educational standards, then the board of governors, after consideration and on not less than 50 days' prior written notice to the board of trustees and to the Governor, shall have and may exercise the right to withhold or withdraw the use of the properties and funds described in section 9 of this act or any part thereof, subject to adjudication by the courts of the State and subject to their proper application for the purposes of public higher education and in accordance with the terms of any applicable testamentary trust or other special provision.

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

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

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

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

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

27. This act shall not abrogate the powers of the Governor for
the State Board of Higher Education] to supervise and control the
college in accordance with existing law.
(cf: P.L.1982, c.42, s.27)
160. N.J.S.18A:64E-5 is amended to read as follows:
18A:64E-5. The board of trustees shall have control of the
buildings and grounds owned and used by such schools, the
application of the funds for the support thereof, the regulation of
the tuition fees, the appointment and removal of teachers, the
power to prescribe the studies and exercise of the school, and
rules for its management, to grant certificates of graduation, to
appoint some suitable person treasurer of the board, and to frame
and modify at pleasure such rules as it may deem necessary for
its own government. It shall report annually to the [board of]
commission on higher education and to the board of education of
the municipality its own doings and the progress and condition of
the schools.
(cf: N.J.S.18A:64E-5)
161. N.J.S.18A:64F-1 is amended to read as follows:
18A:64F-1. As used in this chapter:
(a) "Student" means any full-time student who is a resident of
this State and who enters a school of professional nursing to begin
a program of nursing instruction or any part-time student who is
a resident of this State who enters an upper division program of
nursing instruction [as defined by the chancellor] in a school of
professional nursing;
(b) "Operational expense" means those funds devoted to or
required for the regular or ordinary expense of the school of
professional nursing, including administration, maintenance and
salary expenses;
(c) "School of professional nursing" means a school in New
Jersey offering a program of nursing instruction not exceeding 4
years beyond high school, which is affiliated with a hospital and
holds a certificate of accreditation issued by the New Jersey
Board of Nursing, provided that said school is not eligible to
receive State aid for its nursing program under any other law.
(cf: P.L.1983, c.512, s.1)
162. N.J.S.18A:64F-2 is amended to read as follows:
18A:64F-2. A school of professional nursing may apply for and
receive state aid towards the operational expense of said school.
The application shall be upon forms prepared and provided by the
[chancellor] State Treasurer and shall contain such information as
the [chancellor] treasurer shall require. Each application shall be
first submitted to the New Jersey board of nursing [who] which
shall certify thereon whether said school is accredited and
whether or not said accreditation has been suspended or revoked.
(cf: N.J.S.18A:64F-2)
163. N.J.S.18A:64F-3 is amended to read as follows:
18A:64F-3. [The chancellor shall formulate annual budget
requests for funds for State aid for qualified schools of
professional nursing.] Within the limits of funds appropriated [to
the Department of Higher Education] for said purpose, any school
of professional nursing whose application has been approved by
the [chancellor] State Treasurer shall be entitled to receive State
aid for the operational expense of the school to the extent of
one-half thereof or $600.00 per full-time student, whichever is
the lesser amount and a pro rata amount for part-time students.
(cf: P.L.1983, c.512, s.2)

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

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

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

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

The Legislature and Governor further find that such
public-private relationships should be encouraged since these
cooperative efforts will enable the university to supplement the
resources available from the State and thereby provide the
university with an economic and efficient means to develop and
offer an appropriate range of health-care services.
(cf: P.L.1992, c.84, s.2)

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

3. There is hereby established [in the Department of Higher
Education] a body corporate and politic to be known as the
"University of Medicine and Dentistry of New Jersey." The
exercise by the university of the powers conferred by this act in
the presentation and operation of programs of medical, dental,
nursing and health related professions and health sciences
education shall be deemed to be public and essential
governmental functions necessary for the welfare of the State
and the people of New Jersey.

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

166. Section 22 of P.L.1981, c.325 (C.18A:64G-3.6) is amended
to read as follows:
22. The general powers of supervision and control of the [State
Board of Higher Education] l[Governed Chairman of the
Commission on Higher Education at the request of the Governor 1
over the University of Medicine and Dentistry of New Jersey
include the power to visit the university to examine into its
manner of conducting its affairs and to enforce an observance of
its laws and regulations and the laws of the State.
(cf: P.L.1981, c.325, s.22)

167. Section 7 of P.L.1992, c.84 (C.18A:64G-3.9) is amended
to read as follows:
7. a. Except in the case of existing university programs, the
university shall award associate degrees only in new programs
jointly proposed and implemented with institutions fully
authorized and accredited to award degrees at that level.
b. For the awarding of the baccalaureate degree, the
university shall develop and maintain joint degree programs for
health related professions and new nursing education programs
with fully authorized and accredited institutions and shall be
limited to offering upper division courses. Exceptions may be
made [in accordance] with [duly adopted regulations] the approval
of the [Board of] Commission on Higher Education, except as
provided in this act. In instances where the university has been
authorized to offer a baccalaureate degree program jointly with
another institution, it may independently award a second
baccalaureate degree for that program for students who enter the
program already possessing a baccalaureate degree from a
regionally accredited college or university.
(cf: P.L.1992, c.84, s.7)

168. Section 4 of P.L.1970, c.102 (C.18A:64G-4) is amended to
read as follows:
4. a. The government, control, conduct, management and
administration of the university shall be vested in the board of
trustees of the university. The membership of the board of
trustees shall consist of [the Chancellor of the Department of
Higher Education and] the Commissioner of Health, who shall
serve ex officio, without vote, and 11 voting members, each of
whom shall be appointed by the Governor, with the advice and
consent of the Senate, for a term of five years and shall serve
until his successor is appointed and has qualified. Any vacancies
in the voting membership of the board occurring other than by
expiration of term shall be filled in the same manner as the
original appointment but for the unexpired term only. Each voting
member of the board of trustees before entering upon his duties
shall take and subscribe an oath to perform the duties of his
office faithfully, impartially and justly to the best of his ability.
A record of such oath shall be filed in the office of the Secretary
of State. Each voting member of the board may be removed from
office by the Governor, for cause, after a public hearing.

b. The members of the board of trustees shall meet at the call
of the Governor for purposes of organizing. The board shall
thereafter meet at such times and places as it shall designate.
c. The Governor shall designate one of the voting members as
chairman of the board. The board shall select such other officers
from among its members as shall be deemed necessary.
d. The board shall have the power to appoint and regulate the
duties, functions, powers and procedures of committees, standing
or special, from its members and such advisory committees or
bodies, as it may deem necessary or conducive to the efficient
management and operation of the university, consistent with this
act and other applicable statutes.
(cf: P.L. 1992, c.84, s.4)

169. Section 6 of P.L.1970, c.102 (C.18A:64G-6) is amended to
read as follows:
6. The board of trustees of the university [, within the general
policies and guidelines set by the Board of Higher Education,]
shall have the general supervision over and be vested with the
conduct of the university, including its health care facilities
regardless of the source of funding. It shall have the power and
duty to:
(a) Adopt and use a corporate seal;
(b) Determine the educational curriculum and program of the
university;
(c) Determine policies for the organization, administration,
and development of the university;
(d) Study the educational and financial needs of the university,
annually acquaint the Governor and Legislature with the
condition of the university, and prepare and submit an annual
request for appropriation to the [State Board of Higher
Education] Division of Budget and Accounting in the Department
of Treasury in accordance with law;
(e) Disburse all moneys appropriated to the university by the
Legislature and all moneys received from tuition, fees, auxiliary
services and other sources;
(f) Direct and control expenditures and transfers of funds
appropriated to the university in accordance with the provisions
of the State budget and appropriation acts of the Legislature,
and, as to funds received from other sources, direct and control
expenditures and transfers in accordance with the terms of any
applicable trusts, gifts, bequests, or other special provisions,
reporting changes and additions thereto and transfers thereof to
the Director of the Division of Budget and Accounting in the
Department of the Treasury [and to the Chancellor of Higher
Education]. All accounts of the university shall be subject to
audit by the State at any time;
(g) In accordance with the provisions of the State budget and
appropriation acts of the Legislature, appoint and fix the
compensation and term of office of a president of the university
who shall be the executive officer of the university;

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

(i) In accordance with the provisions of the State budget and appropriation acts of the Legislature, appoint, remove, promote and transfer such other officers, agents, or employees as may be required to carry out the provisions of this act and assign their duties, determine their salaries, and prescribe qualifications for all positions and in accordance with the salary schedules of the Civil Service Commission wherever possible;

(j) Fix and determine [, after consultation with the Board of Higher Education,] tuition rates, and other fees to be paid by students;

(k) Grant diplomas, certificates or degrees;

(l) Enter into contracts and agreements with the State or any of its political subdivisions or with the United States, or with any public body, department or other agency of the State or the United States or with any individual, form or corporation which are deemed necessary or advisable by the board for carrying out the provisions of this act. A contract or agreement pursuant to this subsection may require a municipality to undertake obligations and duties to be performed subsequent to the expiration of the term of office of the elected governing body of such municipality which initially entered into or approved said contract or agreement, and the obligations and duties so incurred by such municipality shall be binding and of full force and effect, notwithstanding that the term of office of the elected governing body of such municipality which initially entered into or approved said contract or agreement, shall have expired;

(m) Accept from any government or governmental department, agency or other public or private body or from any other source grants or contributions of money or property which the board may use for or in aid of any of its purposes;

(n) (1) Acquire (by gift, purchase, condemnation or otherwise), own, lease, dispose of, use and operate property, whether real, personal or mixed, or any interest therein, which is necessary or desirable for university purposes;

(2) Adopt standing operating rules and procedures for the purchase of all equipment, materials, supplies and services; however, no contract on behalf of the university shall be entered into for the purchase of services, materials, equipment and supplies, for doing of any work, or for the hiring of equipment or vehicles, where the sum to be expended exceeds $12,500.00 or the amount determined by the Governor as provided herein, unless the university shall first publicly advertise for bids and shall award the contract to that responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the university, price and other factors considered. Such advertising shall not be required in those exceptions created by the board of trustees of the university, which shall be in substance those exceptions contained in sections 4 and 5 of
P.L.1954, c.48 (C.52:34-9 and 10) or for the supplying of any product or the rendering of any service by a public utility subject to the jurisdiction of the Board of Public Utilities of this State and tariffs and schedules of the charges, made, charged, or exacted by the public utility for any such products to be supplied or services to be rendered are filed with the said board. Commencing January 1, 1985 and every two years thereafter, the Governor, in consultation with the Department of the Treasury, shall adjust the threshold amount set forth in this paragraph in direct proportion to the rise or fall of the consumer price index for all urban consumers in the New York City and the Philadelphia areas as reported by the United States Department of Labor. The Governor shall notify the university of the adjustment. The adjustment shall become effective on July 1 of the year in which it is reported.

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

(3) Employ architects to plan buildings; secure bids for the construction of buildings and for the equipment thereof; make contracts for the construction of buildings and for equipment; and supervise the construction of buildings. All capital expenditures in excess of $2,000,000 shall be subject to the approval of the Board of Higher Education except that commencing January 1, 1993 and every two years thereafter, the Governor, in consultation with the Department of the Treasury, shall adjust the threshold amount set forth in this paragraph in direct proportion to the rise or fall of the consumer price index for all urban consumers in the New York City and the Philadelphia areas as reported by the United States Department of Labor. The Governor shall notify the university of the adjustment. The adjustment shall become effective on July 1 of the year in which it is reported;

(4) Manage and maintain, and provide for the payment of all charges on and expenses in respect of, all properties utilized by the university; and

(5) Invest certain monies in such obligations, securities and other investments as the board shall deem prudent in accordance with State and federal law, as follows:

In not for profit corporations utilizing income realized from the sale or licensing of intellectual property, as well as the reinvestment of earnings on intellectual property; income realized from the operation of faculty practice plans of the university; and income from overhead grant fund recovery as
permitted by federal law;

in for profit corporations utilizing income realized from the
sale or licensing of intellectual property, as well as the
reinvestment of earnings on intellectual property.

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

(p) Exercise the right of eminent domain, pursuant to the
(C.20:3-1 et seq.), to acquire any property or interest therein;

(q) Adopt bylaws and make and promulgate such rules,
regulations and orders, not inconsistent with the provisions of this
act as are necessary and proper for the administration and
operation of the university and to implement the provisions of
this act;

(r) Authorize any new program, educational department or
school not inconsistent with the programmatic mission of the
institution or approved by the commission on higher education
which will require, at the time of establishment or thereafter, an
additional expenditure of money, if [the establishment thereof is
approved by the Board of Higher Education and] provision is made
therefor by law;

(s) Function as a public employer under the "New Jersey
Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1
et seq.) and conduct all labor negotiations, and with the
participation of [the Chancellor’s Office and] the Governor’s
Office of Employee Relations act as the chief spokesperson with
respect to all matters under negotiation;

(t) Sue and be sued in its own name;

(u) [Notwithstanding the provisions of section 7 of P.L.1970,
c.102 (C.18A:64G-7), retain independent counsel to represent a
joint venture, subsidiary corporation, partnership or such other
jural entity entered into or owned wholly or in part by the
university when the enterprise involves development,
manufacture, or marketing of products, technology, or scientific
information, and retain independent counsel to represent any
separate corporation created by the university pursuant to
paragraph (1) of subsection (v) of section 6 of P.L.1970, c.102
(C.18A:64G-6); however, the Attorney General shall represent
the university as a venturer, partner, or in the case of a
corporation, in its shareholder capacity during the incorporation
phase and thereafter] Retain independent counsel including
representation by the Attorney General in accordance with
subsection h. of section 6 of P.L. c. (C.) (now pending before
the Legislature as this bill.);

(v) (1) Participate as the general partner or as a limited
partner, either directly or through a subsidiary corporation
created by the university, in limited partnerships, general
partnerships, or joint ventures engaged in the development, manufacture, or marketing of products, technology, scientific information or health care services and create or form for profit or not for profit corporations to engage in such activities; provided that any such participation shall be consistent with the mission of the university and the board shall have determined that such participation is prudent. Nothing herein shall be construed to authorize any change in the legal status of University Hospital;

(2) The decision to participate in any activity described in paragraph (1) of subsection (v) of section 6 of P.L.1970, c.102 (C.18A:64G-6), including the creation or formation of for profit or not for profit corporations, shall be articulated in the minutes of the Board of Trustees meeting in which the action was approved. A true copy of the minutes shall be delivered to the Governor. No such action shall have affect until 30 days, Saturdays, Sundays and public holidays excepted, after the copy of the minutes shall have been delivered to the Governor. If, within the 30 day period, the Governor returns the minutes of the meeting with a veto of the action taken by the board, the action taken by the board shall be null and void and of no effect;

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

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

(5) Funds directly appropriated to the university from the State or derived from the university’s academic programs or derived from payment for coverage provided by the self insurance fund for claims accruing prior to the effective date of this act shall not be utilized in the development, manufacture or marketing of products, technology or scientific information;

(6) Employees of any joint venture, subsidiary corporation, partnership or other jural entity entered into or owned wholly or in part by the university shall not be deemed public employees;

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

(8) Income realized by the university as a result of participation in the development, manufacture or marketing of products, technology, or scientific information may be invested or reinvested pursuant to paragraph (5) of subsection (n) of section 6 of P.L.1970, c.102 (C.18A:64G-6) or retained by the board for use in furtherance of any of the purposes of this act;

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

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

(2) Monies in the fund known as the Self-Insurance Trust Fund administered by the State Treasurer shall continue to be available to the university solely to indemnify and defend claims against the university and its employees, officers and servants but only to the extent that the University has elected on behalf of itself and its employees to obtain representation from the Attorney General pursuant to subsection h. of section 6 of P.L. c. (C.) (now pending before the Legislature as this bill) and such entity or individuals would have been entitled to defense and indemnification pursuant to the "New Jersey Tort Claims Act" (N.J.S.59:1-1 et seq.) as a State entity or State employee but for the provision of subsection (t) of section 6 of P.L.1970, c.102 (C.18A:64G-6). Any expenditure of such funds shall be made only in accordance with the provisions of the "New Jersey Tort Claims Act" (N.J.S.59:1-1 et seq.) including but not limited to the provisions of chapters 10, 10A and 11 of Title 59 of the New Jersey Statutes. Nothing herein shall be construed to authorize the use of the Self-Insurance Trust Fund to indemnify or insure in any way, directly or indirectly the activities of any joint venture, partnership or corporation entered into or created by the university pursuant to paragraphs (1) and (2) of subsection (v) of section 6 of P.L.1970, c.102 (C.18A:64G-6) and C.18A:64G-6; and

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

(cf: P.L.1992, c.84, s.5)

170. Section 7 of P.L.1970, c.102 (C.18A:64G-7) is amended to read as follows:

7. The board of trustees, in addition to the other powers and duties provided herein, shall have and exercise the powers, rights and privileges that are incident to the proper government, conduct and management of the university and the control of its properties and funds and such powers granted to the university or the board or reasonably implied, may be exercised without recourse or reference to any department or agency of the State, except as otherwise provided by this act. [In addition, the board may retain independent counsel with the approval of the Attorney General.]

(cf: P.L.1981, c.325, s.8)

171. Section 2 of P.L.1977, c.390 (C.18A:64H-2) is amended to read as follows:

2. There is hereby established the Advisory Graduate Medical Education Council of New Jersey, which shall be responsible to the [Board of] Commission on Higher Education. The purpose of this council shall be to make recommendations for the support,
through Federal, State and private funds, of graduate medical education programs in private nonprofit and public hospitals in the State, and to make recommendations for the development and implementation of new graduate medical education programs which will meet the needs of the citizens of the State. The functions of the council shall include, but not be limited to:

a. Obtaining and evaluating information concerning the graduate medical manpower needs of the citizens of the State;

b. Recommending standards and criteria for participation by private nonprofit and public hospitals in the State;

c. Reviewing individual institutional applications and recommending awards of support to particular institutions based on conformance with the identified needs of the citizens of the State and the standards and criteria recommended by the council;

d. Annually reviewing the educational programs provided by participating hospitals;

e. Annually reporting to the Governor and the Education Committees of the New Jersey Legislature on the council's activities pursuant to the provisions of this act.

(ef: P.L.1977, c. 390, s.2)

172. Section 3 of P.L.1977, c.390 (C.18A:64H-3) is amended to read as follows:

a. "Council" means the Advisory Graduate Medical Education Council of New Jersey.

b. ["Chancellor" means the Chancellor of Higher Education] deleted by amendment, P.L. , c. (C. ) (now pending before the legislature as this bill).

c. "Graduate medical education" means internship and residency programs fully or provisionally approved by either the Council on Medical Education of the American Medical Association and the appropriate physicians specialty board or the Office of Education of the American Osteopathic Association.

d. "Medical" and "physician" refer to doctors of medicine and doctors of osteopathy.

(cf: P.L.1977, c.390, s.3)

173. Section 4 of P.L.1977, c.390 (C.18A:64H-4) is amended to read as follows:

4. The council shall consist of [15] 14 members, 11 voting members and [four] three nonvoting members; four members of the council shall be appointed by the Governor and 11 shall be ex officio members. The appointments shall consist of three representatives of the public and one student currently enrolled in a graduate medical training program; the appointed members shall be voting members of the council. The president of the University of Medicine and Dentistry of New Jersey, who shall serve as chairperson; a dean from one of the medical schools of the University of Medicine and Dentistry of New Jersey, to be selected by the president of the University of Medicine and Dentistry of New Jersey; the dean of the School of Graduate Medical Education of Seton Hall University; the president of the New Jersey Hospital Association; the president of the Association of Hospital Directors of Medical Education of New Jersey; the president of the New Jersey Association of Osteopathic
Physicians and Surgeons; the president of the Medical Society of
New Jersey or their designated representatives shall be ex
officio, voting members of the council. The [Chancellor of
Higher Education; the] Commissioner of Health; the president of
the State Board of Medical Examiners and the Commissioner of
Human Services or their designated representatives shall be ex
officio, nonvoting members. The appointed members shall serve
for a three-year term or until a successor is appointed. For those
first appointed, two shall be appointed for a one-year term; one
shall be appointed for a two-year term; and one shall be
appointed for a three-year term. Any vacancies in the voting
membership other than by expiration of term shall be filled in the
same manner as the original appointment but for the unexpired
term only. To assist the council in carrying out the intent of this
act:

a. The council may appoint advisory committees
representative of the medical and health care professions,
educators, and students, representatives of medical and health
care facilities and consumers. The advisory committees shall
provide advice and assistance to the council for the council’s
performance of its designated functions.

b. The council may employ an executive director and
additional staff to provide expertise in the gathering and analysis
of data and administration. The executive director shall have the
right to speak on all matters at meetings of the council but shall
have no vote. The council and the advisory committees shall
serve without compensation, but shall be reimbursed for
necessary expenses incurred in the performance of their duties.

(cf: P.L.1977, c.390, s.4)

174. Section 5 of P.L.1977, c.390 (C.18A:64H-5) is amended to
read as follows:

5. The [Board of] Commission on Higher Education, upon the
advice of the Advisory Council, with the concurrence of the
Commissioner of Health, shall:

a. Plan for the development and implementation of graduate
medical education programs in the State;

b. Set standards for qualification for participation by public
and private nonprofit hospitals in the State;

c. Establish standards for the use and expenditures of funds
appropriated pursuant to this act;

d. Determine the number and type of graduate medical
education programs which should be supported in particular
hospitals in relation to total State needs.

(cf: P.L.1977, c.390, s.5)

175. Section 8 of P.L.1977, c.390 (C.18A:64H-8) is amended to
read as follows:

8. The [Board of] Commission on Higher Education shall
promulgate such rules as are necessary to carry out the purpose
of this act.

(cf: P.L.1977, c.390, s.8)

176. Section 3 of P.L.1981, c.148 (C.18A:64I-3) is amended to
read as follows:

3. The [State Board of Higher Education] Board of Trustees of
Montclair State University shall include in its annual request for
appropriations [submitted to the Governor pursuant to 
N.J.S.18A:3-14] a request for such sums as may be necessary to 
maintain the New Jersey School of Conservation. Such funding 
shall be separate from and in addition to the regular formula 
support provided to Montclair State [College] University and shall 
not limit the funding provided to higher education as a sector. 
(cf: P.L.1981, c.148, s.3)

177. N.J.S.18A:65-14 is amended to read as follows:

18A:65-14. The membership of the board of governors shall be 
classified as follows and consist of:

a. [two ex officio members, without vote, serving by virtue of 
their respective offices during the terms thereof, viz.,
i. the chancellor, and
ii.] the president of the corporation, serving as an ex officio 
non-voting member; and
b. 11 voting members,
i. six of whom shall be appointed by the governor of the state, 
with the advice and consent of the senate, and
ii. five of whom shall be appointed by the board of trustees, 
from among their members elected and serving under the 

All members shall serve for terms of six years, except that the 
terms of those initially appointed by the governor which began on 
September 1, 1956, shall expire respectively (as designated by 
him) one, two, three, four, five and six years after June 30, 1956, 
and terms of those initially appointed by the board of trustees 
which began on September 1, 1956, shall expire respectively (as 
designated by the board) two, three, four, five and six years after 
June 30, 1956; all of whose respective successors shall be 
appointed to serve six-year terms. Governors may succeed 
themselves for not more than one additional term after having 
served one full six-year term (including an initial term beginning 
on September 1, 1956, and expiring on June 30, 1962).

(cf: N.J.S.18A:65-14)

178. N.J.S.18A:65-15 is amended to read as follows:

18A:65-15. I. The membership of the board of trustees shall 
be classified as follows and consist of:

a. [two ex officio trustees, without vote, serving by virtue of 
their respective offices during the terms thereof, viz.,
i. the chancellor, and
ii.] the president of the corporation, serving as an ex officio 
non-voting member;
b. 11 public trustees, appointed and to be appointed by the 
governor of the state, with the advice and consent of the senate, 
viz.,
i. five public trustees, serving under section 4 of chapter 49 of 
the Laws of 1945 for five-year terms expiring respectively, one, 
two, three, four, and five years after June 30, 1956, whose 
respective successors shall be appointed upon the expiration of 
such terms and annually thereafter to serve five-year terms; and 
ii. six public trustees appointed governors under subsection 
b.1. of section 18A:65-14 and serving by virtue thereof for and 
during their respective initial and subsequent terms as governors;
c. not less than 12 nor more than 20 trustees who shall be
alumni or alumnae of Rutgers, the state university, as may be
determined from time to time by the board of trustees, elected
by the board in accordance with such rules, regulations and
schedules, and modifications thereof, as may be prepared and
adopted from time to time by the board, the terms of such alumni
trustees or alumnae trustees to be six years for full terms, with
power in the board to provide for shorter or interim terms when
deemed by it to be advisable.

d. Charter trustees:
i. in the number of trustees serving as such on August 31, 1956
without definite term, who shall continue to serve indefinitely;
provided, that upon the occurrence of any vacancy among such
charter trustees, no successor shall be elected to fill such
vacancy until such time as the number of such trustees has been
reduced below 25, and thereafter vacancies within that number
shall be filled by the board subject to the following paragraph II;
ii. two women elected by the board of trustees serving six-year
terms expiring respectively on June 30, 1963 and 1965 and one
woman elected by the board of trustees serving a five-year term
expiring June 30, 1961, whose respective successors shall be
elected by the board upon the expiration of such terms and
thereafter to serve six-year terms.

II. All trustees elected or appointed for terms commencing on
or after September 1, 1956, other than those serving ex officio
pursuant to subsections I.a. and I.b.i. of this section, shall serve
for terms of six years (subject to the provisions of subsection I.c.
of this section and of subsection (a) of section 18A:65-16, and
may succeed themselves for not more than one additional term
after having served one full six-year term.

III. The ex officio members of the board of trustees as
constituted on August 31, 1956, pursuant to the charter, statutes,
or resolutions of the board from time to time adopted, ceased to
be such members on August 31, 1956, with the exception of the
president of the corporation who continued as ex officio trustee
and ex officio governor, without voting power as hereinabove
provided and the commissioner of education who so continued
until July 1, 1967.


179. N.J.S.18A:65-16 is amended to read as follows:

18A:65-16. (a) The terms of all governors and trustees which
are limited shall, unless otherwise expressly provided herein,
commence on July 1 in the first year, and end on June 30 in the
last year, of such term.
(b) In case a governor or a trustee is elected president [or
appointed chancellor] and he thereby becomes a nonvoting
governor or trustee ex officio, a vacancy in his prior office as
governor or trustee shall thereby occur.
(c) In case a trustee is appointed a governor by the governor of
the state, and he thereby becomes a trustee during his term as
governor, a vacancy in his prior office as trustee shall thereby
occur.
(d) Any vacancy occurring during the term of any governor or
trustee (other than by the expiration of his term) shall be filled
for the unexpired term only, in the same manner and subject to
the same provisions, as in the case of his appointment or election;
subject, however, to the provisions of subsection I.d. of section
180. N.J.S.18A:65-17 is amended to read as follows:
18A:65-17. No person, other than [the chancellor or] the
president, shall be eligible to membership on the board of
governors, if he is a salaried official of the state of New Jersey,
or shall be eligible to membership on either the board of
governors or the board of trustees, if he is receiving
remuneration for services from the corporation or the university.
If any member of either board shall become ineligible by reason
of the foregoing, a vacancy in his prior office as governor or
trustee, as the case may be, shall thereby occur.
181. N.J.S.18A:65-25 is amended to read as follows:
18A:65-25. The board of governors shall have general
supervision over and be vested with the conduct of the
university. It shall have the authority and responsibility to:
a. Determine policies for the organization, administration and
development of the university;
b. Study the educational and financial needs of the university,
annually acquaint the Governor and Legislature with the
condition of the university, and prepare and [jointly with the
Board of Higher Education] present the annual budget to the
Governor, the Division of Budget and Accounting in the
Department of Treasury and the Legislature, in accordance with
law;
c. Disburse all moneys appropriated to the university by the
Legislature, moneys received from tuition, fees, auxiliary
services and other sources, and from or by direction of the board
of trustees;
d. Direct and control expenditure and transfer of funds
appropriated to the corporation and the university by the State in
accordance with the provisions of the State budget and
appropriation acts of the Legislature; and, as to funds received
from the trustees and other sources, direct and control
expenditures and transfers in accordance with the terms of any
applicable trusts, gifts, bequests, or other special provisions,
reporting changes and additions thereto and transfers thereof to
the Director of the Division of Budget and Accounting in the
State Department of the Treasury. All accounts of the university
shall be subject to audit by the State at any time.
e. Borrow money for the needs of the corporation and the
university, as deemed requisite by the board, in such amounts and
for such time and upon such terms as may be determined by the
board, with the consent and advice of the board of trustees;
provided, that no such borrowing shall be deemed or construed to
create or constitute a debt, liability, or a loan or pledge of the
credit, or be payable out of property or funds (other than moneys
appropriated for that purpose) of the State;
f. 1. Purchase all lands, buildings, equipment, materials and
supplies; and
2. Employ architects to plan buildings; secure bids for the
construction of buildings and for the equipment thereof; make
contracts for the construction of buildings and for equipment; and
supervise the construction of buildings;
g. Manage and maintain, and provide for the payment of all
charges on and expenses in respect of, all properties utilized by
the university;
h. In accordance with the provisions of the budget, have the
sole power (subject to the provisions of section 18A:65-31) to
elect, appoint, remove, promote or transfer all corporate,
official, educational and civil administrative personnel, and fix
determine their salaries in accordance with salary schedules
adopted by the board of governors [and approved by the Board of
Higher Education]. Such salary schedules shall prescribe
qualifications for the various classifications and shall limit the
percentage of the educational staff that may be appointed or
promoted to any given classification;
i. In accordance with the provisions of the budget, appoint,
remove, promote and transfer all other officers, agents, or
employees, assign their duties, determine their salaries, and
prescribe qualifications for all positions, and in accordance with
the salary schedules of the State Civil Service Commission
wherever possible; and
j. Authorize any new educational department or school [which
will require, at the time of establishment, or which may
thereafter require, an additional expenditure of money beyond
that appropriated, if the establishment thereof is approved by the
Board of Higher Education and provision is made therefor in the
annual or a supplemental appropriation act or a special act of the
Legislature or otherwise] consistent with the institution's
programmatic mission or approved by the Commission on Higher
Education.

(If: P.L.1970, c.174, s.1)
182. N.J.S.18A:65-27 is amended to read as follows:
18A:65-27. I. It is hereby declared to be the public policy of
the state of New Jersey that:
a. the corporation and the university shall be and continue to
be given a high degree of self-government and that the
government and conduct of the corporation and the university
shall be free of partisanship; and
b. resources be and continue to be provided and funds be and
continue to be appropriated by the state adequate for the conduct
of a state university with high educational standards and to meet
the cost of increasing enrollment and the need for proper
facilities.
II. In consideration of the utilization by the state for the
purposes of public higher education of privately donated
properties and funds valued as at September 1, 1956 at
approximately $50,000,000, and the prospect of future private
donations, the state by this chapter agrees with the board of
trustees and its successors that:
a. if the properties and funds controlled by the trustees shall
not be properly applied in accordance with the provisions of
subsection (d) of section 18A:65-25 for the purpose of higher
education and in accordance with the terms of any applicable
testamentary, trust, or other special provision; or
   b. if, without the consent of the board of trustees,
      (1) the university is not continued to be designated and
          maintained as the state university of New Jersey, or
      (2) the name of the university shall be changed, or
      (3) a vacancy in the office of the president of the university
          shall be filled otherwise than by appointment of the board of
          governors with the advice and consent of the board of trustees, or
      (4) the provisions for the essential self-government of the
          university, viz., the provisions of sections 18A:65-1 to
          18A:65-4, or any of them or of this section 18A:65-27, are
          amended or altered in any substantial respect or repealed; or
   c. if provision shall not be made by the state sufficient to
      enable the board of trustees to discharge its trust to apply the
      trust assets described in subsection 2 of section 18A:65-26 for
      public higher education through the conduct of a university with
      high educational standards, the board of trustees, after careful
      consideration and on not less than 60 days' prior written notice
      to the board of governors and to the [board of higher education or
      its successors] Governor, shall have and may exercise the right to
      withhold or withdraw the use of the properties and funds above
      described in subsection 2 of section 18A:65-26, or any part of
      them, (aa) subject to adjudication by the courts of the state, and
      (bb) subject to their proper application for the purposes of public
      higher education and in accordance with the terms of any
      applicable testamentary, trust or other special provision.
183. N.J.S.18A:65-33.1 is amended to read as follows:
   18A:65-33.1. The corporation shall have the care, custody and
   control of such property as the state now has or shall hereafter
   acquire at the university, subject to the visitorial powers of the
   [board of higher education] [Governor] Chairman of the
   Commission on Higher Education at the request of the Governor.
   (cf: N.J.S.18A:65-33.1)
184. N.J.S.18A:65-34 is amended to read as follows:
   18A:65-34. The visitorial general powers of supervision and
   control of the [board of higher education] [Governor] Chairman
   of the Commission on Higher Education at the request of the
   Governor over Rutgers, the state university, are continued and
   are defined as the powers to visit the university to examine into
   its manner of conducting its affairs and to enforce an observance
   of its laws and regulations and the laws of the state.
185. N.J.S.18A:65-35 is amended to read as follows:
   18A:65-35. The board of governors shall advise [with the board
   of higher education, in consultation with the Commission on
   Higher Education and the Presidents' Council, to the end that the
   facilities and services of the university may be so utilized as to
   increase the efficiency of the public school system and provide
   higher education for the people of the state, and [the board of
   higher education shall investigate and, jointly with] the board of
governors[,] shall make recommendations to the governor and the
degree, respecting the needs for the facilities and services, of
the university, as an instrumentality of the state for said
purposes.


186. N.J.S.18A:65-61 is amended to read as follows:
18A:65-61. The care, custody and control of any building used
jointly by any state college and the corporation shall be vested in
the board of trustees of the state college or in the corporation, as
the case may be. The care, custody and control of any building of
a state college wholly utilized by the corporation shall be
exercised by the corporation subject to the visitorial power [of
the board of higher education] granted herein and the care,
custody and control of any building of the corporation wholly
utilized for any state college shall be exercised by the board of
trustees of the state college.


187. Section 3 of P.L.1969, c.242 (C.18A:66-169) is amended to
read as follows:
3. As used in this act:
(a) "Accumulated deductions" means those contributions as
defined in N.J.S.18A:66-2 or in section 6 of P.L.1954, c.84
(C.43:15A-6).
(b) "Base salary" means a participant’s regular base or
contractual salary. It shall exclude bonus, overtime or other
forms of extra compensation such as (1) longevity lump sum
payments, (2) lump sum terminal sick leave or vacation pay, (3)
the value of maintenance, (4) individual pay adjustments made
within or at the conclusion of the participant’s final year of
service, (5) retroactive salary adjustments or other pay
adjustments made in the participant’s final year of service unless
such adjustment was made as a result of a general pay adjustment
for all personnel of the department or institution, (6) any
unscheduled individual adjustment made in the final year to place
the member at the maximum salary level within his salary range
and (7) any pay for services rendered during the summer vacation
period by a participant who is required to work only 10 months of
the year.
(c) "Base annual salary" means the base salary upon which
contributions by the member and his employer to the alternate
benefit program were based during the last year of creditable
service.
(d) [ "Board of Higher Education" means the board described in
article 2 of chapter 3 of Title 18A of the New Jersey Statutes
and the agency responsible for the establishment of the alternate
benefits program of the State and County Colleges.] deleted by
amendment (P.L. 1972, c. 44) (now pending before the
Legislature as this bill)
(e) "University of Medicine and Dentistry" means the
University of Medicine and Dentistry of New Jersey established
pursuant to the terms of section 3 of P.L.1970, c.102
(C.18A:64G-3).
f. "County colleges" means the colleges so defined in
g. "Division of Pensions and Benefits" means the division established in the Department of the Treasury pursuant to section 1 of P.L.1955, c.70 (C.52:18A-95) and is the agency responsible for the administration of the alternate benefit program of [the Department of Higher Education,] the State and county colleges and for the administration of the group life and disability insurances of all alternate benefit programs established in the State for public employees.

h. "Full-time officers" and "full-time members of the faculty" shall include the president, vice president, secretary and treasurer of the respective school. [Also included are employees of the Department of Higher Education whose positions are so designated by the Board of Higher Education. All other employees of the Department of Higher Education shall, if otherwise eligible, be enrolled in the Public Employees' Retirement System or transferred from the Teachers' Pension and Annuity Fund to said system.] "Full-time" shall also include eligible full-time officers and full-time members of the faculty who are granted sabbaticals or leaves of absence with pay where the compensation paid is 50% or more of the base salary at the time the leave commences and the period of eligibility terminates with the end of the school year following the year in which the sabbatical began. "Part-time" shall be defined as an appointment where the employee receives a salary or wages for a period of less than 50% of the normal work week. These definitions shall apply to teaching or administrative staff members or to employees serving in a dual capacity where the appointment includes teaching as well as administrative duties.

i. "Group Annuity Plan" refers to the Group Annuity Contract R-134 between the Board of Trustees of the New Jersey Institute of Technology and the Prudential Insurance Company of America.

j. "Member" or "participant" means a full-time officer or a full-time member of the faculty participating in the alternate benefit program.

k. "New Jersey Institute of Technology" means the Newark College of Engineering.


m. "Rutgers, The State University" means the institution of higher education described in chapter 65 of Title 18A of the New Jersey Statutes.

n. "State Colleges" means the colleges so described in chapter 64 of Title 18A of the New Jersey Statutes.


(cef: P.L.1993, c.385, s.2)

188. Section 4 of P.L.1969, c.242 (C.18A:66-170) is amended to read as follows:

4. All full-time officers and all full-time members of the faculty of the University of Medicine and Dentistry of New Jersey, Rutgers, The State University, the Newark College of Engineering, the State and county colleges and all regularly appointed teaching and administrative staff members in
applicable positions, as determined by the [Board of Higher
Education] Director of the Division of Pensions in the
Department of Treasury, shall be eligible and shall participate in
the alternate benefit program, except those persons appointed in
a part-time or temporary capacity, physicians and dentists
holding employment in positions titled intern, resident or fellow
on or after the effective date of this amendatory act, persons
compensated on a fee basis, persons temporarily in the United
States under an F or J visa and members of the Teachers' Pensions and Annuity Fund, the Public Employees’ Retirement System, the Police and Firemen’s Retirement System or the Group Annuity Plan, who did not elect to transfer to the alternate benefit program in accordance with the provisions of chapter 64C or 65 of Title 18A of the New Jersey Statutes, P.L.1967, c.278 (C.18A:66–130 et seq.), or c.281 (C.18A:66–142 et seq.), or P.L.1968, c.181 (C.18A:66–154 et seq.). An eligible person who has been enrolled in the alternate benefit program for at least one year pursuant to this section may continue to be enrolled in the program, notwithstanding promotion or transfer to a position within the institution not otherwise eligible for the program.

Any person participating in the alternate benefit program shall be ineligible for membership in the Teachers’ Pension and Annuity Fund, the Public Employees’ Retirement System, the Police and Firemen’s Retirement System or the Group Annuity Plan and any person electing to participate in the alternate benefit program shall thereby waive all rights and benefits provided by the Teachers’ Pension and Annuity Fund, the Public Employees’ Retirement System, the Police and Firemen’s Retirement System or the Group Annuity Plan as a member of said fund, system or plan, except as herein and otherwise provided by law or under terms of the Group Annuity Plan.

Any person required to participate in the alternate benefit program by reason of employment, who at the time of such employment is a member of the Teachers’ Pension and Annuity Fund, shall be permitted to transfer his membership in said fund to the Public Employees’ Retirement System, by waiving all rights and benefits which would otherwise be provided by the alternate benefit program. Any such new employee who is a member of the Public Employees’ Retirement System will be permitted to continue his membership in that system, by waiving all rights and benefits which would otherwise be provided by the alternate benefit program. Such waivers shall be accomplished by filing forms satisfactory to the Division of Pensions within 30 days of the beginning date of employment.

Any person receiving a benefit by reason of his retirement from any retirement or pension system of the State of New Jersey or any political subdivision thereof shall be ineligible to participate in the alternate benefit program.

No person eligible for participation in the alternate benefit program shall be eligible for, or receive, benefits under chapters 4 and 8B of Title 43 of the Revised Statutes.

The alternate benefit programs established pursuant to this act are deemed to be pension funds or retirement systems for
purposes of P.L.1968, c.23 (C.43:3C-1 et seq.).
(cf: P.L.1984, c.200, s.1)
Section 6 of P.L.1969, c.242 (C.18A:66-172) is amended
to read as follows:
6. Participants in the alternate benefit program shall be
allowed to allocate portions of their own contributions and the
contributions of their employer, including amounts used by the
employer to purchase an annuity pursuant to a salary reduction
agreement under section 24 of P.L.1969, c.242 (C.18A:66-190), to
accounts with two or more insurers or mutual fund companies
designated pursuant to the provisions of section 3 of P.L.1993,
c.385 (C.18A:66-172.1) as companies from which alternate
benefit contracts may be purchased, and shall, subject to such
rules and regulations as the Division of Pensions and Benefits may
adopt, be permitted to direct the withdrawal of such
contributions from their account with one such company for
deposit in an account with another such company. Since the
establishment of the alternate benefit programs for the several
public institutions of higher education in New Jersey is designed
to provide mobility of pension credit from within the academic
community in and outside the State, and since it is imperative
that eligibility for participation in this program be of uniform
application in the several schools, it shall be the responsibility of
the [Board of Higher Education] Director of the Division of
Pensions to establish regulations which shall provide for such
uniformity.
(cf: P.L.1993, c.385, s.4)
Section 8 of P.L.1969, c.242 (C.18A:66-174) is amended
to read as follows:
8. (a) The University of Medicine and Dentistry of New Jersey,
Rutgers, The State University and the New Jersey Institute of
Technology shall reduce the compensation of each participant in
the alternate benefit program and pay over to the insurers or
mutual fund companies for the benefit of the participant an
employee contribution for the retirement annuity contract or
contracts equal to 5% of the participant’s base salary. The
intervals for deductions or reductions and payments shall be
determined by the respective school governing bodies.
The Division of Pensions [and Benefits] shall provide for
reductions from the compensation of each participant in the
alternate benefit program employed by [the Department of
Higher Education,] the State and county colleges of an employee
contribution equal to 5% of the participant’s base salary and pay
this amount to the insurers or mutual fund companies for the
individual’s retirement annuity contract or contracts. The
intervals for deductions or reductions and payments shall be
determined by the Division of Pensions [and Benefits].
The Division of Pensions [and Benefits] may require that all
participant contributions be made in accordance with section
414(h) of the federal Internal Revenue Code (26 U.S.C. §414(h)).
(b) Based on a certification to the Division of Pensions [and
Benefits] by the University of Medicine and Dentistry of New
Jersey, Rutgers, The State University and the New Jersey
Institute of Technology of the number and base salary of
participants, the division shall authorize the State to make payment of the employer contributions to the alternate benefit program at a rate equal to 8% of the employee's base salary, which moneys shall be paid to the designated insurers or mutual fund companies for the benefit of each participant.

Based on a certification by the Division of Pensions and Benefits of the number and base salary of participants employed by [the Department of Higher Education,] the State and county colleges, the State shall make payment of the employer contributions to the alternate benefit program at a rate equal to 8% of the employee’s base salary, which moneys shall be paid to the designated insurers or mutual fund companies for the benefit of each participant.

(c) For the member of the Public Employees' Retirement System employed by the county colleges, who is defined in the regulations of the [Board of Higher Education] Division of Pensions as a full-time faculty member and who is permitted to transfer his membership and does so, the State shall pay the employer contribution to the alternate benefit program at a rate equal to 8% of the member’s base salary. If the member continues membership in the Public Employees' Retirement System, the State shall pay the employer contribution to the retirement system on his behalf and such employer contribution shall be at a rate equal to the normal contribution made by the State on behalf of nonveteran members of the Public Employees' Retirement System.

(d) For any nonacademic employee of a county college, as defined in section 4 of P.L.1969, c.242 (C.18A:66-170), who is eligible for the program according to the regulations of the [Board of Higher Education] Director of the Division of Pensions, the county college shall pay the employer contribution to the retirement system on the employee’s behalf in the same manner as the State, pursuant to this section.

(cf: P.L. 1993, c.385, s.6)

191. Section 24 of P.L.1969, c.242 (C.18A:66-190) is amended to read as follows:

24. The Board of Trustees of the New Jersey College of Medicine and Dentistry, the Board of Governors of Rutgers, The State University, the Board of Trustees of the New Jersey Institute of Technology and [the Board of Higher Education on behalf of the Department of Higher Education,] the boards of trustees of State and county colleges, are hereby authorized to enter into agreement with each employee participating in the alternate benefit program whereby the employee agrees to take a reduction in salary with respect to amounts earned after the effective date of such agreement in return for the agreement of the respective institution to use a corresponding amount to purchase an annuity for such employee so as to obtain the benefits afforded under section 403(b) of the Federal Internal Revenue Code, as amended. Any such agreement shall specify the amount of such reduction, the effective date thereof, and shall be legally binding and irrevocable with respect to amounts earned while the agreement is in effect; provided, however, that such agreement may be terminated after it has been in effect for
a period of not less than 1 year upon notice in writing by either
party, and provided further that not more than one such
agreement shall be entered into during any taxable year of the
employee. For the purposes of this section, any annuity or other
contract which meets the requirements of section 403(b) of the
Federal Internal Revenue Code, as amended, may be utilized.
The amount of the reduction in salary under any agreement
entered into between the institutions and any employee pursuant
to this section shall not exceed the limitations set forth in
P.L.93-406 (Employment Retirement Income Security Act of
1974) and Section 415(c) of the Internal Revenue Code of 1954 as
amended for such year.
(cf: P.L.1981, c.39, s.1)

to read as follows:
25. No retirement, death or other benefit shall be payable by
the State, the University of Medicine and Dentistry, Rutgers, The
State University, the New Jersey Institute of Technology [. the
Board or the Department of Higher Education] or the Division of
Pensions and Benefits under the alternate benefit program.
Benefits shall be payable to participating employees and their
beneficiaries only by the designated insurers or mutual fund
companies under the terms of the contracts.
(cf: P.L.1993, c.385, s.11)

193. Section 3 of P.L.1993, c.385 (C.18A:66-172.1) is amended
to read as follows:
3. There is established in but not of the Division of Pensions
and Benefits in the Department of the Treasury the Pension
Provider Selection Board, which shall consist of the Director of
the Division of Pensions and Benefits or a representative of that
director; the Director of the Division of Investment or a
representative of that director; the Commissioner of the
Department of Insurance or a representative of that
commissioner; the Director of the Division of Purchase and
Property or a representative of that director; [the Chancellor of
Higher Education;] and a person appointed by the [Chancellor of
Higher Education] Director of the Division of Pensions who is an
active participant or receiving a benefit from the alternate
benefit program.
The Pension Provider Selection Board shall select through a
competitive bidding process at least three unrelated insurance or
mutual fund companies licensed or otherwise authorized to
transact business in New Jersey from which alternate benefit
contracts will be purchased. These new insurers or mutual fund
companies shall be selected by competitive bidding in accordance
with all applicable State laws and regulations not later than the
270th day following the effective date of P.L.1993, c.385
(C.18A:66-172.1 et al.). The selected carriers shall be authorized
to receive contributions within 60 days of their selection. Each
contract shall be awarded for a period not to exceed six years
with a renewal option for a period not to exceed three years. All
carriers shall be subject to a performance review by the Pension
Provider Selection Board every seven years and must meet such
standards as the Pension Provider Selection Board shall establish
by regulation in order to be renewed for another term of seven
years as carriers. Removal of a carrier for cause during a
seven-year term is not waived. In establishing by regulation the
criteria for the initial selection and any performance review of a
carrier, the Pension Provider Selection Board shall consider,
among other things, the following:
   a. the portability of the contracts offered or to be offered by
      the company, based on the number of states in which the
      company provides contracts under similar plans;
   b. the efficacy of the contracts in the recruitment and
      retention of employees for the various State public institutions of
      higher education;
   c. the nature and extent of the rights and benefits to be
      provided by the contracts for participating employees and their
      beneficiaries;
   d. the relation of the rights and benefits to the amount of
      contributions to be made pursuant to the provisions of this article;
   e. the suitability of the rights and benefits to the needs and
      interests of participating employees and the various State public
      institutions of higher education;
   f. the ability of the company to provide the rights and benefits
      under such contracts;
   g. the financial soundness of the company, the extent of the
      company's financial commitment to the contracts, and whether
      the company meets the minimum financial criteria established by
      the Division of Pensions and Benefits [and the Board of Higher
      Education];
   h. the company's overall quality of service, its investment
      performance considering return on investments and risk, the
      administrative fee to be charged to participating employees, and
      the offering of a balanced array of investment opportunities: and
   i. the nature of the informational or promotional materials to
      be provided to prospective participants.

The Pension Provider Selection Board may not designate a
company which serves as a disbursement system for other
providers or which charges third party administrative fees.

A company that has been designated as of January 1, 1993 by
the Division of Pensions and Benefits as a designated provider
shall continue to be so designated until its status as a designated
provider is terminated for cause by the division or by the Pension
Provider Selection Board.

(cf: P.L.1993, c.385, s.3)

194. N.J.S.18A:67-2 is amended to read as follows:
18A:67-2. No institution which proposes to offer courses of
study above high school grade, which courses satisfy in whole or
in part the requirements for a college or university degree, shall
adopt or use any title or name commonly accepted as descriptive
of collegiate or university institutions without the approval of the
[board of] commission on higher education made under rules
relating to names and titles of institutions adopted by [said board]
the commission.

(cf: N.J.S.18A:67-2)

195. N.J.S.18A:68-3 is amended to read as follows:
18A:68-3. No corporation shall furnish instruction or learning
in the arts, sciences, or professions for the purposes of admitting
any person to the grade of a degree, or shall confer or participate
in conferring a degree, giving to any person a diploma of
graduation or of proficiency in a course of study, in learning, or
in scientific arts or methods, within this state, until it shall have
filed a certified copy of its certificate of incorporation with the
board of] commission on higher education and obtained from
[such board the commission a license to carry on the business
under such rules as the [board of higher education] commission
may prescribe.
(cf: N.J.S.18A:68-3)
196. N.J.S.18A:68-4 is amended to read as follows:
18A:68-4. Any license issued under this article may be revoked
by the [board of] commission on higher education.
(cf: N.J.S.18A:68-4)
197. N.J.S.18A:68-5 is amended to read as follows:
18A:68-5. When it shall appear that any corporation is
conveying on the business of such instruction or teaching, or
confering any such degree, or giving any such diploma without
such license, the [board of] commission on higher education,
represented by the attorney general, may institute a civil action
in the superior court to restrain the corporation from the
transaction of any such business or the exercise of any such
franchise within this state until it shall have obtained such
license or the approval of [said board] the commission. The court
may proceed in the action in a summary manner or otherwise.
The costs in any such action, to be fixed by the court, shall be
paid by the corporation before the dissolution of any injunctive
order or judgment.
(cf: N.J.S.18A:68-5)
198. N.J.S.18A:68-6 is amended to read as follows:
18A:68-6. No school, corporation, association or institution of
learning conducted within this state and licensed by the
Commission on Higher Education, nor any officer or member
thereof, in recognition of the attainment or proficiency of any
person in pursuing or graduating from any course or courses of
study, arts, or learning conducted by it or another such school
 corporation, association or institution, shall admit any such
person to the grade of a degree by conferring, or participating in
confering, any degree upon any person [without first submitting
the basis or conditions thereof to the board of higher education,
and obtaining its approval thereof, and of the practice of
confering and bestowing such degrees] unless that degree
program is consistent with the programmatic mission of the
institution or is approved by the commission.
Nothing contained in this section shall apply to any school,
corporation, association or institution of learning, or officer or
member thereof, which was established and conducted within this
state on April 1, 1887, and was then in the course of admitting
persons to the grade of a degree by conferring the same upon
them in recognition of their attainments or proficiencies, nor to
any school conducted under the public school system.
(cf: N.J.S.18A:68-6)
199. N.J.S.18A:68-7 is amended to read as follows:
18A:68-7. The approval given by the [board of] commission on higher education of the basis or conditions for the admission to the grade of a degree may be revoked for proper cause by [said board] the commission after hearing upon 20 days' notice of the time and place of such hearing given to any such school, corporation, association or institution of learning by service upon any officer or member thereof, and proof made at such hearing to the satisfaction of the [board of higher education] commission, that the standards presented for admission to such grade of a degree or for the conferring of such degree are not being satisfactorily complied with by such school, corporation, association or institution of learning, or by the officers or members thereof.

The [board of higher education] commission shall keep a record of such approvals and revocations in a book to be provided and used solely for that purpose, which book shall be kept at its office in Trenton and may be inspected by any person upon request. (cf: N.J.S.18A:68-7)

200. N.J.S.18A:68-9 is amended to read as follows:

18A:68-9. An officer or member of a school, corporation, association or institution of learning who by vote or in any other manner or capacity, or a school, corporation, association or institution of learning which shall admit or participate in admitting a scholar, student, or subscriber to any grade of a degree by conferring or participating in conferring any degree upon him, contrary to the provisions of this chapter, or who shall sign any certificate or diploma as evidence of the conferring of such degree shall be liable to a penalty of not more than $300.00 for each offense, to be enforced and collected by and in the name of the [board of] commission on higher education in a summary proceeding in accordance with chapter 58 of Title 2A of the New Jersey Statutes, the penalty enforcement law. Process shall be either in the nature of a summons or warrant. (cf: N.J.S.18A:68-9)

201. N.J.S.18A:68-11 is amended to read as follows:

18A:68-11. All moneys recovered under the provisions of this article shall be payable [by the board of higher education] to the state treasurer. (cf: N.J.S.18A:68-11)

202. Section 2 of P.L.1977, c.123 (C.18A:68-11.2) is amended to read as follows:

2. As used in this act:
   a. "Institution of higher education" means an institution of collegiate grade in New Jersey [approved or] licensed by the [State Board of] Commission on Higher Education or otherwise authorized under N.J.S.18A:68-6 and accredited by the Middle States Association of Colleges and Secondary Schools.
   b. "Educational loan" means either (1) a loan which is made for the purpose of defraying the cost of attendance by one or more students at the institution of higher education making such loan or (2) a loan to an employee of an institution of higher education for the purpose of defraying the costs of post-secondary school education of the employee or of the spouse or child of the employee. (cf: P.L.1977, c.123, s.2)
Section 1 of P.L.1977,c.330 (C.18A:71-15.1) is amended to read as follows:

1. There is hereby created the Student Assistance Board [which is responsible to the Board of Higher Education and which] in but not of the Department of Treasury. Notwithstanding this allocation, the board shall be independent of any supervision or control by the department or any officer thereof. The board shall consist of the [Chancellor] chairman of the [Department of] Commission on Higher Education and the State Treasurer or [his designee] their designees and 12 other members to be appointed by the Governor with the advice and consent of the Senate as follows:

- Four public members who shall be residents of the State;
- One representative of Rutgers, The State University;
- One representative of the State–supported county colleges;
- One representative of the State Colleges;
- One representative of the nontax supported institutions of higher education in the State;
- One representative of the New Jersey Institute of Technology;
- One member of the Educational Opportunity Fund Board;
- Two New Jersey residents currently enrolled as students in an undergraduate degree program, one of whom shall attend a public institution of higher education of this State and one of whom shall attend a nontax supported institution of higher education in this State. These student members shall be selected from candidates recommended by the Student Advisory Committee.

The term of office of the appointed student members shall not exceed two years. The term of office of the other appointed members, except for the initial appointments, shall be for 4 years.

The terms of the initial appointed members shall be fixed by the Governor in such manner as two shall serve 1-year terms, two shall serve 2-year terms, three shall serve 3-year terms and three shall serve 4-year terms. Each member shall serve until his successor has been appointed and is qualified. Any vacancy in the board shall be filled by the Governor by the appointment of a person who shall hold office for the balance of the unexpired terms. The Student Assistance Board shall annually elect a chairperson and vice-chairperson from among its public members. The members of the Student Assistance Board shall serve without compensation, but shall be reimbursed for their actual expenses necessarily incurred in the performance of their duties.

Section 3 of P.L.1977,c.330 (C.18A:71-15.3) is amended to read as follows:

3. The Student Assistance Board shall coordinate and administer such undergraduate scholarship and tuition aid programs as provided by law and shall provide an annual report on these programs to the [Board of Higher Education] Governor and to the Legislature.

Section 3 of P.L.1977,c.345 (C.18A:71-26.3) is amended to read as follows:

3. It shall be the duty of the Student Assistance Board in but
not of the State Department of [Higher Education] Treasury to
administer the provisions of this act.

(cf: P.L.1977, c.345, s.3)

206. Section 4 of P.L.1977, c.345 (C.18A:71-26.4) is amended
to read as follows:

4. Garden State Scholarships shall be awarded by institutions
of higher education in New Jersey pursuant to criteria and
guidelines established by the Student Assistance Board and
approved by the [Board of] Commission on Higher Education. The
criteria and guidelines established for the fiscal year 1978-79
shall be submitted to the Legislature, together with appropriate
supporting information, and such criteria and guidelines shall be
deemed approved by the Legislature at the end of 30 calendar
days after the date on which they are transmitted to the
Legislature, or if the Legislature is not in session on the thirtieth
day, then on the next succeeding day on which it shall be
meeting, unless between the date of transmittal and the end of
the 30-day period the Legislature passes a concurrent resolution
rejecting the criteria and guidelines in which case the criteria
and guidelines then in effect shall continue in effect.

Any subsequent revisions of said criteria and guidelines shall be
submitted to the Legislature, together with appropriate
supporting information, and such criteria and guidelines shall be
deemed approved by the Legislature at the end of 60 calendar
days after the date on which they are transmitted to the
Legislature, or if the Legislature is not in session on the sixtieth
day, then on the next succeeding day on which it shall be
meeting, unless between the date of transmittal and the end of
the 60-day period the Legislature passes a concurrent resolution
rejecting the criteria and guidelines in which case the criteria
and guidelines then in effect shall continue in effect.

(cf: P.L.1977, c.345, s.4)

207. Section 5 of P.L.1977, c.345 (C.18A:71-26.5) is amended
to read as follows:

5. A Garden State Scholarship shall be awarded annually to
each eligible New Jersey resident enrolled as a full-time
undergraduate or graduate student in a curriculum leading to a
degree or certificate in an institution of collegiate grade in New
Jersey, [approved or] licensed by the [State Board of] Commission
on Higher Education and accredited by a regional accrediting
association recognized by the Council on Postsecondary
Accreditation.

(cf: P.L.1977, c.345, s.5)

208. Section 8 of P.L.1977, c.345 (C.18A:71-26.8) is amended
to read as follows:

8. The Student Assistance Board shall adopt rules and
regulations subject to the approval of the [Board of] Commission
on Higher Education and proscribe and provide appropriate forms
for application as necessary to implement this act. The
[Department of] Commission on Higher Education shall on behalf
of the Student Assistance Board employ such persons, contract
for services, and make such additional expenditures as may be
necessary or appropriate for effectuating the provisions of this
act.

(cf: P.L.1977, c.345, s.8)
Section 10 of P.L.1977, c.345 (C.18A:71-26.10) is amended to read as follows:

10. Each Garden State Scholarship shall entitle the eligible undergraduate and graduate recipients to an award in an amount established by the Student Assistance Board and approved by the [Board of] Commission on Higher Education pursuant to section 4 of P.L.1977, c.345 (C.18A:71-26.4). Payments under this act shall be made by the State Treasurer on the order of the [Chancellor of Higher Education] executive director in accordance with the rules regulating the same adopted by the board.

(cf: P.L.1984, c.94, s.1)

Section 3 of P.L.1984, c.94 (C.18A:71-26.13) is amended to read as follows:

3. Fiscal resources for the Garden State Scholarship program may come from State appropriations, reserve funds designated by the New Jersey Higher Education Assistance Authority, or such other sources as are recommended by the State [Board of Higher Education] Treasurer.

(cf: P.L.1984, c.94, s.3)

Section 4 of P.L.1989, c.288 (C.18A:71-26.17) is amended to read as follows:

4. Annually, at a regularly scheduled public meeting of the [State Board of Higher Education] Student Assistance Board, seven individuals selected by the Student Assistance Board shall be presented with the award and with materials commemorating the lives and the achievements of the seven astronauts for whom they are named.

(cf: P.L.1989, c.288, s.4)

Section 3 of P.L.1968, c.142 (C.18A:71-30) is amended to read as follows:

3. As used in this act, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

(a) The term "board" shall mean the Board of Directors of the New Jersey Educational Opportunity Fund created by section 4 of [this act] P.L.1968, c.142 (C.18A:71-31).

(b) The term "chancellor" shall mean the Chancellor of Higher Education.

(c) The term "department" shall mean the Department of [Higher Education] State.


(e) The term "higher education" shall mean that education which is provided by any or all of the public institutions of higher education as herein defined or any or all equivalent private institutions.

(f) The term "public institutions of higher education" shall mean and include Rutgers, The State University, [Newark College of Engineering] the New Jersey Institute of Technology, the [New Jersey College] University of Medicine and Dentistry of New Jersey, the [6] nine State colleges, [the College of Aeronautical and Air-space Science established in Atlantic county pursuant to
chapter 285 of the laws of 1964,) the county colleges, (the public
junior colleges, the industrial schools,) and any other public
universities, colleges [.] or county colleges [or junior colleges]
now or hereafter established or authorized by law.
(cf: P.L.1968, c.142, s.3)
213. Section 4 of P.L.1968, c.142 (C.18A:71-31) is amended to
read as follows:
4. (a) There is hereby created and established [in] under the
department] Commission on Higher Education an educational
opportunity fund which shall be known as the "New Jersey
Educational Opportunity Fund." Notwithstanding this allocation,
the fund shall be independent of any supervision or control by the
department or by any officer thereof. The fund shall identify,
recruit and provide financial assistance to needy students who are
residents of this State in order that they may be able to attend
institutions of higher education.
(b) The business and operations of the fund shall be
administered by the [chancellor and the] board of directors
created pursuant to section 5 of [this act] P.L.1968, c.142
(C.18A:71-32) subject to the general supervision of the
Commission on Higher Education.
(c) The [chancellor] commission in consultation with the board
shall designate an individual to serve as the chief executive
officer of the fund and shall organize the work of the fund in such
manner as [he] the chief executive officer deems necessary to
carry out the provisions of this act. The [chancellor] commission
may employ such persons, contract for such services, make such
expenditures and adopt such rules and regulations as may be
necessary or appropriate to carry out the provisions of this act.
(cf: P.L.1968, c.142, s.4)
214. Section 5 of P.L.1968, c.142 (C.18A:71–32) is amended to
read as follows:
5. (a) The board of directors of the fund shall consist of the
[chancellor] chairman of the Commission on Higher Education or
the [chancellor's] chairman's designee and eight citizens of this
State appointed by the [State Board of Higher Education with the
approval of the] Governor. Citizen members of the board shall be
selected without regard to political affiliation and, as far as may
be practicable, on the basis of their knowledge of, or interest in,
the problems of needy students and higher education. The board
shall organize annually as established by rule of the board to
elect a chairman, vice chairman and other officers as the board
shall determine from among its members. The officers shall
serve for a one-year term and until their successors are elected
and qualified. Vacancies in the offices shall be filled in the same
manner for the unexpired term only.
(b) Each citizen member of the board shall serve for a term of
four years and until his successor shall have been appointed and
qualified; provided, that in the case of the first appointments to
the board, two members shall be appointed for terms expiring
June 30, 1969; two members shall be appointed for terms expiring
June 30, 1970; two members shall be appointed for terms expiring
June 30, 1971; and two members shall be appointed for terms
expiring June 30, 1972. Any vacancy in the membership of the
board shall be filled in the same manner as the original
appointment for the remainder of the unexpired term.

c) The board shall develop and maintain a Statewide system
for the identification of potential college students from needy
families; devise methods for recruiting such students; advise the
[chancellor] commission on the organization, coordination and
support, in cooperation with public and private institutions of
higher education of the State, of programs of remedial education
for such students; and provide financial assistance as required by
such students.

d) Members of the board shall serve without compensation but
shall be entitled to be reimbursed for all reasonable and
necessary expenses incurred in the discharge of their duties.

(cf: P.L.1968, c.142, s.1)

215. Section 6 of P.L.1968, c.142 (C.18A:71-33) is amended to
read as follows:

6. The board shall:

(a) Administer all funds appropriated by the Legislature for the
purpose of carrying out the provisions of this act.

(b) Be an agency of communication with departments and
agencies of the United States on the availability of grants or
loans to this State for purposes related or similar to those set
forth in this act.

c) Develop, establish and publicize criteria for the
determination of eligibility for financial assistance from the fund
based on need and potential for success in college.

(d) Established procedures for determining the amount of each
award according to the total financial need of each student.

(e) Through the [chancellor] Commission on Higher Education,
be responsible and report periodically in writing to the [Board of
Higher Education] Governor and the Legislature on the
performance of its duties in accordance with the provisions of
this act.

(f) Adopt by-laws, and make, enforce, alter and repeal rules for
its own operation and for carrying out the provisions of this act.

(g) Receive and disburse such contributions to the fund as may
be forthcoming from private and public sources.

(cf: P.L.1968, c.142, s.6)

216. Section 7 of P.L.1968, c.142 (C.18A:71-34) is amended to
read as follows:

7. (a) The board is hereby authorized to award “opportunity
grants” from the fund to needy students for undergraduate study
leading to a baccalaureate degree, associate degree, or other
approved certificate and for graduate and professional study
leading to approved master’s and doctor’s degrees at institutions
of higher education, public and private, located in New Jersey;

provided, that the board shall allow not more than 10% of the
needy students to be awarded opportunity grants in any year to
use their opportunity grants at institutions of higher education
located outside this State; and, provided further, that no more
than 10% of the funds appropriated and available for the purposes
of this act shall be awarded to students for use in graduate study.

(b) Opportunity grants may be awarded annually, upon proper
application to the fund, to any needy student who qualifies under
the standards to be developed and promulgated by the board and
who is or will be attending an institution of collegiate grade
located in New Jersey and approved for this purpose by the
[Board of] Commission on Higher Education, except that in cases
where the student will be or is attending an institution in another
State, the accreditation procedures of that State shall be
accepted, subject to the approval of the board.
(c) The board may utilize the services of the Office of Student
Assistance to administer the provisions of this section.
(cf: P.L.1968, c.142, s.7)
to read as follows:
12. The [chancellor] board of directors shall develop, establish
and maintain programs of remedial and supplementary education
for the students who will receive educational opportunity
assistance under this act. Such programs may be administered
directly by the [Department of Higher Education] fund or may be
co-operative ventures undertaken with any or all of the public
and private institutions of higher education in the State.
(cf: P.L.1968, c.142, s.12)
218. Section 3 of P.L.1968, c.429 (C.18A:71-43) is amended to
read as follows:
3. It shall be the duty of the Student Assistance Board in but
not of the State Department of [Higher Education] Treasury to
administer the provisions of this act.
(cf: P.L.1977, c.344, s.1)
219. Section 4 of P.L.1977, c.344 (C.18A:71-44) is amended to
read as follows:
4. State tuition aid grants shall be awarded by the Student
Assistance Board to all eligible applicants without any limitation
on the number to be awarded in any year other than the amount
of appropriations available therefor. In the event that the
amount appropriated is insufficient for full awards to all eligible
applicants, the Student Assistance Board shall reduce awards
equitably among eligible students according to such procedures
and guidelines as it may find appropriate which procedures and
guidelines shall be approved by the [State Board of] Commission
on Higher Education and by the subcommittee on transfers of the
Joint Appropriations Committee. Annually, on or before March 1
of the pre-budget year, the criteria and guidelines which shall be
used to distribute available funds should the amount appropriated
be insufficient for full awards to all eligible applicants shall be
submitted by the [Chancellor of Higher Education] Executive
Director of Student Assistance Programs to the Joint
Appropriations Committee of the Legislature, together with
appropriate supporting information. Such criteria and guidelines
may be approved or disapproved by the subcommittee on
transfers of said committee at any time; provided however that if
at the end of 60 calendar days after the date on which they are
transmitted to the committee the subcommittee on transfers has
taken no action, the proposed criteria and guidelines shall be
deemed to be approved by said subcommittee.
(cf: P.L.1977, c.344, s.2)
220. Section 7 of P.L.1968, c.429 (C.18A:71-47) is amended to
read as follows:

7. A college tuition aid grant shall be awarded annually to each eligible, qualified full-time undergraduate student enrolled in a curriculum leading to a degree or certificate in an institution of collegiate grade in New Jersey [approved or licensed by the [State Board of] Commission on Higher Education, or in an institution of collegiate grade in another state, provided that such state permits its residents to utilize its state student financial assistance grants in New Jersey institutions of higher education through reciprocity agreements approved by the Student Assistance Board and the [Board of Higher Education] commission. In no event shall a New Jersey tuition aid grant be utilized at an out-of-State institution which is not licensed by that state and accredited by a regional accrediting association recognized by the Council on Postsecondary Accreditation.

(a) Eligibility. To each New Jersey resident enrolled as a full-time student after July 1, 1978 for the academic year beginning in September of 1978 the State shall grant an amount as provided in paragraph (b) of this section. No student shall be eligible for a grant unless he has certified in a form satisfactory to the Student Assistance Board that the grant is essential to his carrying out his plans for attending college. No student shall be eligible for grants in more than four and one-half academic years, unless the recipient is enrolled in an undergraduate program regularly requiring five academic years for completion, in which case the Student Assistance Board shall permit five and one-half years of eligibility. Notwithstanding the foregoing provisions, a student receiving aid under the provisions of P.L.1968, c.142 (C.18A:71-28 et seq.) shall be entitled to a sixth year of eligibility. Notwithstanding the foregoing provisions, a county college student who transfers to a four year institution, or any student who is required to pursue 18 or more credit hours in a remedial or developmental curriculum, as defined by regulations adopted by the [Board of Higher Education] Student Assistance Board, is entitled to an additional half year of eligibility. For the purpose of this amendatory act, a remedial curriculum shall include only noncredit courses in which a student is directed to enroll [as a result of his score on the New Jersey College Basic Skills Placement Test or its equivalent at independent colleges or universities] by the institution. Eligibility for tuition aid grants may be extended to part-time students through regulations developed by the Student Assistance Board and approved by the [Board of Higher Education] commission if the level of appropriated funds allows such an extension, subject to prior approval by the Director of the Division of Budget and Accounting in the Department of the Treasury and Joint Appropriation Committee's Subcommittee on Transfers or its successor. No student shall be eligible for grants unless he maintains such minimum standards of academic performance as are required by the institution in which he is enrolled. No student shall be eligible for a tuition aid grant who is enrolled in a course leading to a degree in theology or divinity.

In the event a student for any reason ceases to continue to be enrolled or otherwise becomes ineligible during the course of an
an academic year, he shall cease to be eligible for tuition aid. Both
the student and the institution shall have the responsibility to
notify the Student Assistance Board when a student ceases to be
eligible to receive student assistance because of withdrawal for
any reason or a change in status from a full to part-time student.

(b) Amount of grant. The amount of a tuition aid grant under
this act to any student attending an institution of higher
education in New Jersey shall be established by the Student
Assistance Board but shall not exceed the maximum amount of
tuition normally charged at a public institution of higher
education for students attending that institution or 50% of the
average tuition normally charged at the independent colleges and
universities for students attending those institutions. The amount
of a New Jersey Tuition Assistance Grant under this act to any
student attending an institution of higher education in any state
other than New Jersey pursuant to this section shall not exceed
$500.00 in an academic year. The amount of grant to be paid for
each semester or equivalent shall be based on the financial need
for such a grant, as determined by standards and procedures
established by the Student Assistance Board and approved by the
(State Board of Higher Education) commission. The standards and
procedures which shall be established by the Student Assistance
Board for the fiscal year 1978-79 shall be submitted to the
Legislature, together with appropriate supporting information,
and such standards and procedures shall be deemed approved by
the Legislature at the end of 30 calendar days after the date on
which they are transmitted to the Legislature, or if the
Legislature is not in session on the 30th day, then on the next
succeeding day on which it shall be meeting, unless between the
date of transmittal and the end of the 30-day period the
Legislature passes a concurrent resolution rejecting the standards
and procedures, in which case the standards and procedures then
in effect shall continue in effect.

Any subsequent revisions of said standards and procedures shall
be submitted to the Legislature, together with appropriate
supporting information, and such standards and procedures shall
be deemed approved by the Legislature at the end of 60 calendar
days after the date on which they are transmitted to the
Legislature, or if the Legislature is not in session on the 60th day,
then on the next succeeding day on which it shall be meeting,
unless between the date of transmittal and the end of the 60-day
period the Legislature passes a concurrent resolution rejecting
the standards and procedures, in which case the standards and
procedures then in effect shall continue in effect.

(c) Appropriations for each program category of tuition aid
grants shall be separately made by line item.

(cf: P.L.1986, c.155, s.1)

221. Section 2 of P.L.1979, c.229 (C.18A:71-78) is amended to
read as follows:

2. There shall be appropriated to the Department of [Higher
Education] Treasury in any general or supplemental appropriation
act such sums as shall be necessary to carry out the purposes of
this act.

(cf: P.L.1979, c.229, s.2)
Section 5 of P.L.1991, c.272 (C.18A:71-91) is amended to read as follows:

5. a. The Treasurer, in consultation with the [Board of] Commission on Higher Education, shall also provide for additional financial incentives to be provided to holders of Garden State Savings Bonds to encourage the enrollment of students at institutions of higher education located in the State of New Jersey. These financial incentives shall be in such forms as determined by the Treasurer in consultation with issuing officials at the time of the authorization of the Garden State Savings Bonds and shall at a minimum provide that each participating institution shall guarantee that the value of Garden State Savings Bonds redeemed for the purposes of the payment of tuition, fees, and other educational costs at the institution, shall, at the time of matriculation of the student, be increased by not less than six percent of the face value of the bonds at the time of redemption. Two percent of the incentive amount shall be paid by the State, and four percent by participating institutions.

b. Every public institution of higher education in New Jersey shall participate in the financial incentive program. Independent institutions of higher education in New Jersey may elect to participate in the program. Each independent institution which elects to participate shall enter into a contract with the [State Board of Higher Education] Department of Treasury which shall, at a minimum, define the terms of participation and establish conditions under which an institution may withdraw from the program. Any independent institution that withdraws from the program shall guarantee to provide the financial incentives in effect for all bonds purchased during the period in which the institution was a participant in the program.

c. The original purchaser and any member of the immediate family of the original purchaser of a Garden State Savings Bond shall be eligible for the financial incentive program established pursuant to this section.

[cf: P.L.1991,c.272.s.5]

Section 7 of P.L.1991, c.272 (C.18A:71-93) is amended to read as follows:

7. The Treasurer or the issuing authority or agency shall submit a report after each bond issuance to the [Board of] Commission on Higher Education detailing the results of each separate sale of Garden State Savings Bonds.

[cf: P.L.1991, c.272, s.7]

Section 8 of P.L.1991, c.272 (C.18A:71-94) is amended to read as follows:

8. The Treasurer shall, in consultation with the [Concurrence of the Board of] Commission on Higher Education, approve the following:

a. Additional financial incentives as provided in this act;

b. Limits that may be imposed on the amount of Garden State Savings Bonds that may be purchased by individual households;

c. Minimum denominations to market the Garden State Savings Bonds so that they are affordable by individuals; however, each issue shall be offered with sufficient bonds at a purchase price of $100 to satisfy demand;
In addition, the Treasurer shall evaluate the feasibility of staggered or periodic forms of payments for Garden State Savings Bonds, and to advise the issuing officials regarding such evaluation.

(cf: P.L.1991, c.272, s.8)

225. Section 9 of P.L.1991, c.272 (C.18A:71-95) is amended to read as follows:

9. The [Board of] Commission on Higher Education and the Treasurer shall assess the effectiveness of the program and recommend any necessary changes to the issuing officials regarding future bond sales after the initial sale of Garden State Savings Bonds.

(cf: P.L.1991, c.272, s.9)

226. Section 5 of P.L.1991, c.296 (C.18A:71-100) is amended to read as follows:

5. Nothing in this act shall preclude a public institution of higher education from requiring the payment of other fees, subject to approval by the State [Board of Higher Education] Treasurer, for individuals attending courses pursuant to the provisions of this act.

(cf: P.L.1991, c.296, s.5)

227. Section 6 of P.L.1991, c.296 (C.18A:71-101) is amended to read as follows:


(cf: P.L.1991, c.296, s.6.)

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

N.J.S.18A:72-2. As used in this chapter, unless the context indicates another or different meaning, the following words shall have the following meanings:

"Authority" means the higher education assistance authority created by this chapter, or any board, body, commission, department or officer succeeding to the principal functions thereof or to whom the powers conferred upon the authority by this chapter shall be given by law,

"Bond" means bonds or notes of the authority issued pursuant to this chapter,

"Lender" includes the authority and any institution authorized to make loans under [section] N.J.S.18A:72-9,

"Fund" means the higher education assistance fund,

"Other eligible institution" means a business or trade school, or technical institution or other technical or vocational school, in any State which (1) admits as regular students only persons who have completed or left elementary or secondary school and who have been ability to benefit from the training offered by such institution; (2) is legally authorized to provide, and provides within that State, a program of post-secondary vocation or technical education designed to fit individuals for useful employment in recognized occupations; (3) has been specially accredited by the Federal Commissioner of Education or by an accrediting agency recognized by him or has been approved by the authority.
"Post-secondary nondegree institution of higher education" means a county college [or a junior college] licensed [or approved] by the [Department of] Commission on Higher Education [, operated in accordance with rules and regulations of the Board of Higher Education] or a trade or business school otherwise licensed or approved and operated and requiring a high school diploma or its equivalent for admission and offering a course or courses of study with a minimum length of 2 academic years and of not less than 1,800 hours in any one or more of the following fields:

A. Accounting and finance,
B. Airframe and power plant mechanics,
C. Automotive mechanics,
D. Commercial art,
E. Drafting and design technology (aeronautical, architectural, electronic, mechanical, structural, tool and die),
F. Economic engineering,
G. Electronics,
H. Fashion and textile design,
I. Higher accounting and business administration,
J. Industrial management technology,
K. Medical and X-ray technology,
L. Metallurgical technology,
M. Secretarial (administrative, executive, legal, medical, data processing),
N. Terminal courses or college credit transfer courses in liberal arts and sciences.

(cf: P.L.1977, c.191, s.1)

229. N.J.S.18A:72-3 is amended to read as follows:
18A:72-3. There is hereby created in but not of the Department of [Higher Education] Treasury the Higher Education Assistance Authority, which shall be a body corporate and politic, with corporate succession. Notwithstanding this allocation, the authority shall be independent of any supervision or control by the department or by any officer thereof. The authority shall constitute an instrumentality of the State exercising public and essential governmental functions, and the exercise by the authority of the powers conferred by this chapter shall be deemed and held to be an essential governmental function of the State.

(cf: P.L.1969, c.135, s.2)

230. N.J.S.18A:72-4 is amended to read as follows:
18A:72-4. The authority shall consist of [seven] eight members; one of whom shall be the [chancellor] chairman of the Commission on Higher Education, ex officio; one of whom shall be the State Treasurer, ex officio, or the treasurer's designee; and six of whom shall be residents of this State, appointed by the Governor, with the advice and consent of the Senate, for terms of four years, except in the case of the first members so appointed, who shall be appointed one for a term of one year, one for a term of two years, and one for a term of three years. No more than three of the appointed commissioners shall be members of the same political party, and each of them shall serve until his successor is appointed and has qualified. The membership of the authority may include representatives of lending institutions or institutions of higher education within the State of New Jersey.
Any vacancy in the membership of the authority, occurring otherwise than by expiration of term, shall be filled in the same manner as the original appointment was made, but for the unexpired term only.

(cf: P.L.1987, c.187, s.1)

231. N.J.S.18A:72-10 is amended to read as follows:

18A:72-10. The authority shall have the following powers:

(1) (a) To make loans

(i) To persons or to assist in the placing of loans to persons, who are residents of this State, and who are attending and are in good standing in, or who plan to attend, any qualified institution of collegiate grade, located in this State or elsewhere, which is approved by any regional accrediting association recognized by the national commission on accrediting, or [approved licensed by the [Board of] Commission on Higher Education, any qualified post-secondary nondegree institution of higher education, located in this State or elsewhere, or any other eligible institution, or

(ii) To persons who reside outside this State and who plan to attend, are enrolled in or are attending in good standing any eligible educational institution located within this State or elsewhere, or

(iii) To parents of persons meeting requirements set forth in (i) or (ii) above, in order to assist them in meeting expenses of higher education, and to guarantee such loans upon such terms and conditions as the authority may prescribe, in an amount for any academic year or in total as may be authorized by the New Jersey Higher Education Assistance Authority [and approved by the Board of Higher Education]; provided, however, that such amounts may not exceed in any given year or in total that amount which is guaranteed by the federal government.

For the purposes of this section, a qualified institution of collegiate grade shall be deemed to include a school of professional nursing accredited or approved by the New Jersey Board of Nursing, and a qualified post-secondary nondegree institution of higher education located outside the State shall mean and include any such institution offering courses in one or more of the fields enumerated, and meeting the admission standards set forth in N.J.S.18A:72-2.

(b) When the authority determines that higher annual or cumulative student loan limits than those established in section (1)(a) are warranted in order to carry out the purposes of the statute with regard to students engaged in high cost graduate or professional education, the authority may make or guarantee loans to eligible students in amounts to correspond to those higher limits [provided that such maximum limits are recommended by the authority and approved by the Board of Higher Education].

(2) To adopt rules not inconsistent with law governing the application for and the guarantee of loans made by the authority and governing any other matters related to its activities.

(3) To buy and sell approved notes evidencing loans made under this chapter, and to buy and sell participations in approved notes made pursuant to this chapter.

(4) From time to time to issue its negotiable bonds and bond
anticipation notes for the purpose of providing funds (a) to carry
out any purposes of the authority under this chapter, including,
without limitation, making or purchasing loans under any
provision of this chapter; (b) to purchase from lenders approved
notes or participations in approved notes as provided by law; and
(c) for the refunding of outstanding bonds.

(5) To engage in programs which state guaranty agencies are
authorized to participate in pursuant to 20 U.S.C. § 1071 et seq.
as amended.

(6) To perform any other acts which may be deemed necessary
or appropriate to carry out the objects and purposes of this
chapter.

(cf: P.L.1991, c.268, s.11)

232. N.J.S.18A:72-11 is amended to read as follows:

18A:72-11. Any application for a loan under this chapter shall
be submitted to the authority for its approval, and the authority
shall approve the same only if it finds that the applicant:

a. (1) Is a resident of New Jersey and has demonstrated high
moral character, good citizenship and dedication to American
ideals; or

(2) Is a resident of a state other than this State, and has been
admitted to, or is in regular attendance at and is in good standing
in, an eligible educational institution located within this State or
elsewhere; and

b. Intends to make application for admission to, or has been
admitted to, or is in regular attendance at and is in good standing
in, a qualified institution of collegiate grade approved by any
regional accrediting association recognized by the national
commission on accrediting, or [approved] licensed by the [board
of] Commission on Higher Education, a qualified post-secondary
nondegree institution of higher education or any other eligible
institution; or

c. Is the parent of such eligible person; and

d. Has complied with all rules adopted by the authority
pursuant to this chapter in connection with the granting of such
loans.

(cf: P.L.1987, c.187, s.3)

233. N.J.S.18A:72-12 is amended to read as follows:

18A:72-12. (1) Upon approval by the authority of a loan
application, any lender may make the loan as approved and upon
the terms and conditions required under this chapter, but no
moneys shall be advanced or paid under any such loan until the
applicant shall have satisfied the authority, and, unless the
authority is the lender, the authority shall have certified to the
lender, that the applicant has been admitted to, or is in regular
attendance and in good standing at, a qualified institution of
collegiate grade approved by any regional accrediting association
recognized by the national commission on accrediting or
[approved] licensed by the [Board of] Commission on Higher
Education, a qualified post-secondary nondegree institution of
higher education or any other eligible institution. Any lender
making a loan shall cooperate with the authority in supervising
the use of credit in accordance with its purposes. The check
representing the loan proceeds shall be made payable to the
applicant and eligible institution jointly, except when the applicant is attending an eligible institution not located in the United States or when the loan is made to the parent of an eligible student, in which instance the check may be made payable to the applicant only.

(2) Notwithstanding the provisions of [section] N.J.S.18A:72-11 or of subsection (1) of this section, the authority may approve a loan for the purposes of this chapter, after it has been made by a lender and the proceeds thereof disbursed by the lender for the purposes of this chapter, provided such loan would have been approved by the authority had prior application been made therefor pursuant to [section] N.J.S.18A:72-11. A loan which is so approved after it has been made shall, from the time of its approval, be treated for all purposes of this chapter in the same manner as if such loan had been applied for and approved by the authority prior to its making, and the lender making such loan shall have the same rights under this chapter in respect to such loan as it would have had if the loan had been applied for and approved by the authority prior to its making.

(3) As an incentive to lenders to make loans under this chapter, the authority may, by resolution of the members thereof, provide for the payment to lenders of an incentive fee solely with respect to loans made, placed or guaranteed after August 1, 1969, which incentive fee shall be computed on any one of the following bases: (i) a single fee at the rate not exceeding 1/2 of 1%, computed on the amount of each such loan for the period from the making of such loan to the date repayment begins; or (ii) a single fee not to exceed $25.00 per borrower per academic year; or (iii) such other form and amount of incentive fee as shall be fixed from time to time by rule of the authority.

(4) If an eligible institution determines during the term of a loan that the student debtor is entitled to a credit against tuition or other fees, such credit shall be made directly to the lender, who shall deduct the amount of the credit from the loan balance.

234. N.J.S.18A:72-20 is amended to read as follows:

18A:72-20. The authority may, with respect to the exercise of its functions related to loans guaranteed by it under this chapter, the provisions of any other law to the contrary notwithstanding:

(1) Consent to the modification, with respect to rate of interest, time of payment of principal or interest or any portion thereof, or other provisions of any note, or any instrument securing a loan which has been guaranteed by the authority;

(2) Authorize payment or compromise, subject to the approval in writing of the attorney general, of any claim upon or arising as a result of any such guaranty;

(3) Authorize payment, compromise, waiver or release, subject to the approval in writing of the attorney general, of any debt, right, title, claim, lien or demand, however acquired, including any equity or right of redemption and the waiver or release of any debt, right, title, claim, lien or demand including any equity or right of redemption shall be sufficient if executed by the [chancellor] chair of the authority on behalf of the authority.

The register or county clerk of any county and the clerk of any
court is hereby authorized to cancel of record any lien, including
but not limited to judgments, chattel mortgages and conditional
sales agreements whenever the document evidencing such
cancellation or request for cancellation is signed by the
[chancellor] chair of the authority on behalf of the authority; and
the register and the clerk of any county is authorized to record
any documents of the authority signed by the [chancellor] chair of
the authority:
(4) Purchase at any sale, public or private, upon such terms and
for such prices as it determines to be reasonable and take title
to, property, real, personal or mixed;
(5) Sell at public or private sale, exchange, assign, convey or
otherwise dispose of any such property upon such terms and for
such prices as it determines to be reasonable;
(6) Complete, administer, operate, obtain and authorize
payment for insurance on and maintain, renovate, repair,
modernize, lease or otherwise deal with any property acquired or
held by it pursuant to this chapter;
(7) Authorize payment from the fund and any income received
by the investment of said fund, subject to the rules of the
authority, disbursements, costs, commissions, attorney’s fees and
other reasonable expenses related to and necessary for making
and protection of guaranteed loans and the recovery of moneys,
loans or management of property acquired in connection with
such loans.
(cf: N.J.S.18A:72-20)
235. Section 7 of P.L.1991, c.268 (C.18A:72-40) is amended to
read as follows:
7. An eligible student under the NJ CLASS Loan Program is a
student who cannot obtain federally guaranteed student loans
either because those loans are not available or because the
student does not meet the program eligibility requirements as
defined by the federal government, or who requires the NJ
CLASS loan to supplement the student’s federally guaranteed
loans and unless otherwise restricted by the authority by
regulation, such student shall:
a. Be a New Jersey resident enrolled on at least a half-time
basis as an undergraduate or graduate student in a curriculum
leading to a degree or certificate in an institution of collegiate
grade in New Jersey, [approved or] licensed by the [State Board
of] Commission on Higher Education and accredited by a regional
accrediting association recognized by the Council on
Postsecondary Accreditation; or
b. Be a New Jersey resident enrolled on at least a half-time
basis as an undergraduate or graduate student in a curriculum
leading to a degree or certificate in an out-of-State institution
of collegiate grade accredited by an accrediting association
recognized by the Council on Postsecondary Accreditation; or

(c) Reside outside this State and be enrolled on at least a
half-time basis as an undergraduate or graduate student in a
curriculum leading to a degree or certificate in an institution of
collegiate grade in New Jersey, [approved or] licensed by the
[State Board of] Commission on Higher Education and accredited
by a regional accrediting association recognized by the Council
on Postsecondary Accreditation.
(cf: P.L.1991, c.268, s.7)

236. N.J.S.18A:72A-4 is amended to read as follows:
18A:72A-4. (a) There is hereby established in but not of the department of [higher education] treasury a public body corporate and politic, with corporate succession to be known as the "New Jersey educational facilities authority." Notwithstanding this allocation, the authority shall be independent of any supervision or control by the department or any officer thereof. The authority shall constitute a political subdivision of the state established as an instrumentality exercising public and essential governmental functions, and the exercise by the authority of the powers conferred by this chapter shall be deemed and held to be an essential governmental function of the state.

(b) The authority shall consist of seven members, two of whom shall be the [chancellor] chairman of the Commission on Higher Education, ex officio, and the state treasurer, ex officio, or when so designated by them, their deputies and five citizens of the state to be appointed by the governor with the advice and consent of the senate for terms of five years, provided that the terms of the members first appointed shall be arranged by the governor so that one of such terms shall expire on April 30 in each successive year ensuing after such appointments. Each member shall hold office for the term of his appointment and shall continue to serve during the term of his successor unless and until his successor shall have been appointed and qualified. Any vacancy among the members appointed by the governor shall be filled by appointment for the unexpired term only. A member of the authority shall be eligible for reappointment.

(c) Any member of the authority appointed by the governor may be removed from office by the governor for cause after a public hearing.

(d) The members of the authority shall serve without compensation, but the authority may reimburse its members for necessary expenses incurred in the discharge of their duties.

(e) The authority, upon the first appointment of its members and thereafter on or after April 30 in each year, shall annually elect from among its members a chairman and a vice chairman who shall hold office until April 30 next ensuing and shall continue to serve during the terms of their respective successors unless and until their respective successors shall have been appointed and qualified. The authority may also appoint, retain and employ, without regard to the provisions of Title 11, Civil Service, of the Revised Statutes, such officers, agents, employees and experts as it may require, and it shall determine their qualifications, terms of office, duties, services and compensation.

(f) The powers of the authority shall be vested in the members thereof in office from time to time and a majority of the total authorized membership of the authority shall constitute a quorum at any meeting thereof. Action may be taken and motions and resolutions adopted by the authority at any meeting thereof by the affirmative vote of a majority of the members present, unless in any case the bylaws of the authority shall require a larger number. No vacancy in the membership of the authority shall
impair the right of a quorum to exercise all the rights and
perform all the duties of the authority.

(g) Before the issuance of any bonds under the provisions of this
chapter, the members and the officer of the authority charged
with the handling of the authority’s moneys shall be covered by a
surety bond or bonds in a penal sum of not less than $25,000.00
per person conditioned upon the faithful performance of the
duties of their respective offices, and executed by a surety
company authorized to transact business in the state of New
Jersey as surety. Each such bond shall be submitted to the
attorney general for his approval and upon his approval shall be
filed in the office of the secretary of state prior to the issuance
of any bonds by the authority. At all times after the issuance of
any bonds by the authority the officer of the authority and each
member charged with the handling of the authority’s moneys
shall maintain such surety bonds in full force and effect. All
costs of such surety bonds shall be borne by the authority.

(h) Notwithstanding any other law to the contrary, it shall not
be or constitute a conflict of interest for a trustee, director,
officer or employee of a participating college to serve as a
member of the authority; provided such trustee, director, officer
or employee shall abstain from discussion, deliberation, action
and vote by the authority under this chapter in specific respect to
such participating college of which such member is a trustee,
director, officer or employee.

(i) A true copy of the minutes of every meeting of the
authority shall be forthwith delivered by and under the
certification of the secretary thereof, to the governor. No action
taken at such meeting by the authority shall have force or effect
until 10 days after such copy of the minutes shall have been so
delivered. If, in said 10-day period, the governor returns such
copy of the minutes with veto of any action taken by the
authority or any member thereof at such meeting, such action
shall be null and of no effect. If the governor shall not return the
minutes within said 10-day period, any action therein recited
shall have force and effect according to the wording thereof. At
any time prior to the expiration of the said 10-day period, the
governor may sign a statement of approval of any such action of
the authority, in which case the action so approved shall not
thereafter be disapproved.

Notwithstanding the foregoing provisions of this subsection (i),
with regard to the sale and award of bonds of the authority, the
authority shall furnish to the governor a certified copy of the
minutes of the meeting at which said bonds are sold and awarded
forthwith upon the taking of such action and the governor shall
indicate his approval or disapproval of such action prior to the
end of the business day upon which such action of the authority
was taken.

The powers conferred in this subsection (i) upon the governor
shall be exercised with due regard for the rights of the holders of
bonds of the authority at any time outstanding, and nothing in, or
done pursuant to, this subsection (i) shall in any way limit,
restrict or alter the obligation or powers of the authority or any
representative or officer of the authority to carry out and
perform in every detail each and every covenant, agreement or
contract at any time made or entered into by or on behalf of the
authority with respect to its bonds or for the benefit, protection
or security of the holders thereof.


237. N.J.S.18A:72A-24 is amended to read as follows:
18A:72A-24. The [board of higher education, or the
[chancellor] Governor [ , or their representatives,] may visit,
examine into and inspect, the authority as an institution under
the educational supervision of the state, and may require, as
often as desired, duly verified reports therefrom giving such
information and in such form as [such board or chancellor] the
Governor shall prescribe.

(cf: N.J.S.18A:72A-4)

238. N.J.S.18A:72A-26 is amended to read as follows:
18A:72A-26. In order to provide new dormitories and to enable
the construction and financing thereof, to refinance indebtedness
hereafter created by the authority for the purpose of providing a
dormitory or dormitories or additions or improvements thereto,
or for any one or more of said purposes, but for no other purpose
unless authorized by law, each of the following bodies shall have
the powers hereafter enumerated to be exercised upon such terms
and conditions, including the fixing of any consideration or rental
to be paid or received, as it shall determine by resolution as to
such property and each shall be subject to the performance of the
duties hereafter enumerated, that is to say, the [board of higher
education] treasurer as to such as are located on land owned by [.
or owned by] the State [and held for, the Department of Higher
Education or on lands of the institutions under the jurisdiction of
the Department of Higher Education] or by the authority, the
board of governors of the university, the board of trustees of the
[Newark College of Engineering] New Jersey Institute of
Technology or the [New Jersey College] University of Medicine
and Dentistry of New Jersey, the board of trustees of a State
college or the board of trustees of a county college as to such as
are located on land owned by the university or by the particular
college respectively, namely:

a. The power to sell and to convey to the authority title in fee
simple in any such land and any existing dormitories thereon
owned by the [Department of Higher Education or owned by the]
State [and held for such department or of any of the institutions
under the jurisdiction of the Department of Higher Education] or
owned by the board of trustees of a county college or the power
to sell and to convey to the authority such title as the university
or the college respectively may have in any such land and any
existing dormitories thereon.

b. The power to lease to the authority any land and any
existing dormitories thereon so owned for a term or terms not
exceeding 50 years each.

c. The power to lease or sublease from the authority, and to
make available, any such land and existing dormitories conveyed
or leased to the authority under subsections a. and b. of this
section, and any new dormitories erected upon such land or upon
any other land owned by the authority, any rentals to be payable,
as to the university or as to any such college from available funds
other than moneys appropriated to it by the State.

d. The power and duty, upon receipt of notice of any
assignment by the authority of any lease or sublease made under
subsection c. of this section, or of any of its rights under any such
lease or sublease, to recognize and give effect to such
assignment, and to pay to the assignee thereof rentals or other
payments then due or which may become due under any such
lease or sublease which has been so assigned by the authority.
(cf: P.L.1971, c.77, s.1)

239. N.J.S.18A:72A-27.1 is amended to read as follows:
Chapter 3A. In addition to the powers and duties with
respect to dormitories given under [sections] N.J.S.18A:72A-26
and 18A:72A-27 the [Board of Higher Education] treasurer, the
board of governors of the university, the board of trustees of the
[Newark College of Engineering] New Jersey Institute of
Technology, the board of trustees of a State college, the board of
trustees of a county college and the board of trustees of the [New
Jersey College] University of Medicine and Dentistry of New
Jersey shall also have the same power and be subject to the same
duties in relation to any conveyance, lease or sublease made
under subsections a., b., or c. of section 18A:72A-26, with
respect to revenue producing facilities; that is to say, structures
or facilities which produce revenues sufficient to pay the rentals
due and to become due under any lease or sublease made under
subsection c. of section 18A:72A-26 including, without limitation.
student unions and parking facilities.
(cf: P.L.1971, c.77, s.3)

240. Section 2 of P.L.1988, c.159 (C.18A:72A-27.3) is amended
to read as follows:
  a. [Prior to] Following final approval by the [State Board of
Higher Education] board of trustees of a proposed project for the
acquisition, construction or financing of any non-revenue
producing educational facility, the board of trustees [, through
the Chancellor of Higher Education] shall, on a day when both
houses of the Legislature are meeting, submit the proposal to the
President of the Senate and the Speaker of the General Assembly,
and submit informational copies of the proposal to the members
of the Senate [Revenue, Finance] Budget and Appropriations
Committee and the Assembly Appropriations Committee, or their
successors and to the Commission on Higher Education. The
submission shall include all appropriate supporting information,
including, at a minimum, a description of the project, its impact,
cost and construction schedule, and a detailed explanation of the
sources of revenue which will be dedicated to the financing of the
project.

  b. The proposal as submitted to the Legislature shall be
deemed approved after 60 days, as provided herein, of the date on
which the proposal and the supporting information were
submitted to the Legislature, unless between the date of
submission and the end of the 60 day period, the Legislature
passes a concurrent resolution approving the proposal with
modifications or rejecting the proposal. The 60 days shall
commence on the day of submission and expire on the 60th day
after submission or for a house not meeting on the 60th day, on
the next meeting day of that house.

(cf: P.L.1988, c.159, s.2)

241. N.J.S.18A:72A–29 is amended to read as follows:

18A:72A–29. All [powers conferred and duties imposed upon the
board of higher education or the department of higher education
pursuant to this chapter shall be exercised and performed by
resolution of that board and all conveyances, leases and
subleases, pursuant to this chapter shall be made, executed and
delivered in the name of said department and shall be signed by
the chancellor and sealed with the seal of said department] lands
and other assets real or personal presently titled in the name of
the State Board of Higher Education or the State Department of
Higher Education, which are occupied by a public institution of
higher education 1] are hereby transferred to that individual
public institution of higher education shall be titled in the name
of the State of New Jersey only. All conveyances, leases and
subleases, pursuant to this chapter shall be made, executed and
delivered in the name of the State and shall be signed by the
State Treasurer and sealed with the seal of the State subject to
the approval of the State House Commission.

To the extent not otherwise expressly provided under existing
law, all powers and duties conferred upon the university pursuant
to this chapter shall be exercised and performed by resolution of
its board of governors and all powers and duties conferred upon
any of said colleges pursuant to this chapter shall be exercised
and performed by resolution of its board of trustees.

All conveyances, leases and subleases made pursuant to this
chapter, when duly authorized by the university, shall be made,
executed and delivered in the name of the university and shall be
signed by its president or a vice president and sealed with the
seal of the university and all conveyances, leases and subleases
made pursuant to this chapter, when duly authorized by any of
said colleges, shall be made, executed and delivered in the name
of the college and shall be signed by the president or a vice
president and sealed with the seal of the college.


242. Section 3 of P.L.1979, c.132 (C.18A:72B–17) is amended
to read as follows:

3. As used in this act:

a. "Eligible institution" or "institution" means only those
independent institutions of higher education incorporated and
located in this State, which, by virtue of law or character or
license, are non-profit educational institutions empowered to
grant academic degrees and which provide a level of education
which is equivalent to the education provided by the State's
public institutions of higher education as attested by the receipt
of and continuation of regional accreditation by the Middle States
Association of Colleges and Schools, and which are eligible to
receive State aid under the provisions of the Constitution of the
United States and the Constitution of the State of New Jersey.
"Eligible institution" does not include any educational institution
dedicated primarily to the preparation or training of ministers,
priests, rabbis, or other professional persons in the field of
religion.
b. "New Jersey Student" means any resident of this State as defined [by regulations of the Board of Higher Education] pursuant to section 1 of P.L.1979, c.361 (C.18A:62-4).

c. "Academic Year" means the normal period of attendance, excluding summer session, for a full-time undergraduate student to make a year's progress toward a degree.

d. "Full-time equivalent student in an eligible institution" means a unit of 32 undergraduate student credit hours [as defined by regulations of the Board of Higher Education].

e. "Undergraduate student" means a student enrolled in a program leading to an associate or baccalaureate degree, or to a certificate, diploma or its equivalent, awarded by the institution.

f. "Direct per student support for the State college sector" means the average direct net State support per budgeted full-time equivalent student at the State colleges. This average shall be derived from the General Appropriation Act for the pre-budget year by taking the sum of the total appropriation amounts for all State colleges, except Thomas A. Edison College of New Jersey, subtracting from that sum debt service and capital costs and the sum of anticipated revenues at the State colleges, except Edison College, for tuitions, other student fees, School of Conservation, and miscellaneous; and dividing the remainder by the total number of budgeted full time equivalent students at the State colleges, as stipulated in language in said Appropriation Act.

g. "Department" means the Department of [Higher Education] Treasury.

h. [ "Board" means the Board of Higher Education.] deleted by amendment, P.L.1979, c. (C. ) (now pending before the Legislature as this bill)

i. "Pre-budget year" means the fiscal year preceding the year in which the budget is implemented.

(cf: P.L.1979, c.132, s.3)

243. Section 4 of P.L.1979, c.132 (C18A:72B-18) is amended to read as follows:

4. The [Board of Higher Education] State Treasurer, subject to the availability of appropriations, is authorized to contract with eligible independent colleges and universities in this State to provide educational services to New Jersey students. Payment to the institutions shall be based upon the number of full time equivalent New Jersey undergraduates enrolled during the pre-budget year in the independent institutions multiplied by 25% of the level of direct per student support for the State college sector during the pre-budget year. The total funding generated by the preceding formula shall be distributed as follows:

a. Ten percent of this total shall be divided equally among the eligible institutions. These "designated" amounts shall be awarded to each institution except in any instance where the amount of dollars designated for a particular institution under this section exceeds the total amount to be awarded to that institution under subsections b. and c. of this section. In such instances, the funds designated under subsection a. shall be reduced to equal the total of subsections b. and c., which shall be the amount awarded to the institution under this section. The
The difference between the amount designated and the amount awarded under this section shall be returned to the department.

b. Thirty-five percent shall be distributed on the basis of New Jersey students who received State financial aid or aid administered by such institutions of $1,000.00 or more, in all cases exclusive of loans, during the pre-budget year.

c. Fifty-five percent shall be distributed on the basis of New Jersey full-time equivalent students, as herein defined, enrolled in such institutions during the pre-budget year.

The funds granted under this act may be used by the institutions for any purposes which they deem to be appropriate to maintaining or enhancing the quality of the academic offerings available to New Jersey students, except for purposes of sectarian instruction, the construction or maintenance of sectarian facilities, or for any other sectarian purpose or activity. For the purposes of this act the number of full time equivalent students at the eight State colleges for the 1979-80 academic year is 54,380.

244. Section 5 of P.L.1979, c.132 (C.18A:72B-19) is amended to read as follows:

5. Funds received by an institution pursuant to this act shall be maintained in a separate ledger account. Each institution shall cause an audit of such account and of enrollment figures to be made annually by a certified public accountant and forwarded to the [board] treasurer. The [board] treasurer shall have the right to audit institutional records pertaining to this act. Each institution also shall furnish to the board a copy of its audited annual financial statement.

245. Section 6 of P.L.1979, c.132 (C.18A:72B-20) is amended to read as follows:

6. In the event any institution shall expend such funds in violation of the provisions of this act or the rules or regulations of the [board] treasurer, the [board] treasurer may suspend further aid to such institutions and recover any such funds theretofore misspent.

246. Section 8 of P.L.1979, c.132 (C.18A:72B-22) is amended to read as follows:

8. The [board] State Treasurer shall promulgate rules and adopt policies and make all determinations necessary for the proper administration and enforcement of the provisions of this act.

247. Section 1 of P.L.1987, c.312 (C.18A:72B-25) is amended to read as follows:

1. As used in this act:
[a. "Board" means the State Board of Higher Education;]
b. "School" means the Morehouse School of Medicine in Atlanta, Georgia.

248. Section 2 of P.L.1987, c.312 (C.18A:72B-26) is amended to read as follows:

2. The State [Board of Higher Education] Treasurer is
authorized to contract with the Morehouse School of Medicine for
the acceptance of New Jersey residents to study medicine.
(cf: P.L.1987, c.312, s.2)

249. Section 3 of P.L.1987, c.312 (C.18A:72B-27) is amended
to read as follows:
3. Commencing with the first year class to be admitted for the
1987–88 academic year, the [board] treasurer shall contract with
the school for the acceptance of two to four medical students.
The students shall be residents of New Jersey who are from a
disadvantaged or minority background and are certified as
eligible by the [Chancellor of Higher Education] treasurer.
Admission of eligible applicants is based solely on academic merit.
(cf: P.L.1987, c.312, s.3)

250. Section 4 of P.L.1987, c.312 (C.18A:72B-28) is amended
to read as follows:
4. The [chancellor] treasurer, at his discretion, shall
periodically review the school’s admissions procedures and
records to determine if these procedures comply with the terms
of the contract.
(cf: P.L.1987, c.312, s.4)

251. Section 6 of P.L.1987, c.312 (C.18A:72B-30) is amended
to read as follows:
6. The [board] treasurer shall pay to the school $11,000.00 per
year for each eligible student attending the school pursuant to
this act, provided that the school charges the student only the
tuition and fees required of resident students. Any showing of a
discriminatory practice against a student admitted pursuant to
this act in areas such as tuition, financial aid, the quality of
instruction or housing or any other area is grounds for
termination of the contract by the board.
(cf: P.L.1987, c.312, s.6)

252. Section 7 of P.L.1987, c.312 (C.18A:72B-31) is amended to
read as follows:
7. a. To be certified by the [chancellor] treasurer as eligible
for admission to the school pursuant to this act, the applicant
shall (1) be a resident of New Jersey for at least 12 months; and
(2) enter into a written agreement to practice medicine for at
least four years following the completion of training in an area of
the State designated by the [chancellor] Commissioner of Health
as one with a shortage of physicians.

b. No student admitted to the study of medicine at a medical
school within this State shall be certified by the [chancellor]
treasurer as eligible for admission to the school pursuant to this
act.

c. Each agreement shall provide (1) that if the applicant fails
to complete medical school, the applicant is liable to reimburse
the [board] treasurer for the amount paid to the school to support
his education, plus interest in an amount equal to the current
prevailing market rate; and (2) that if the applicant, upon
licensure as a physician, fails to practice in the designated area
for four years, the applicant is liable to reimburse the [board]
treasurer for the amount paid to the school to support his
education, plus interest in an amount equal to twice the current
prevailing market rate. The agreement shall also contain a clause
under which the applicant consents to the exercise of jurisdiction
over the cause of action by the courts of New Jersey and the
execution of a judgment rendered by the New Jersey courts in
any jurisdiction.

d. The [chancellor] treasurer may waive the requirement of
reimbursement upon the death or disability of the individual.
(cf: P.L.1987, c.312, s.7,
253. Section 8 of P.L.1987, c.312 (C.18A:72B-32) is amended
to read as follows:
8. The school, at a time agreed upon with the [board] treasurer,
shall implement a resident training program with a New Jersey
hospital, if it is determined that an appropriate out-of-State
training program is not available.
(cf: P.L.1987, c.312, s.8)
254. Section 2 of P.L.1979, c.39 (C.18A:72C-2) is amended to
read as follows:
2. Each institution awarded an Einstein Chair under this act
shall select an outstanding scholar to fill the chair on such terms
and conditions as may be agreed upon, [subject to the approval of
the Chancellor of Higher Education.] within the appropriations
provided for sad chairs. Each person appointed to the Einstein
Chair may be granted tenure on appointment.
(cf: P.L.1979, c.39, s.2)
255. Section 60 of P.L.1991, c.187 (C.18A:72D-12) is amended
to read as follows:
60. As used in sections 60 through 76 of P.L.1991, c.187
(C.18A:72D-12 et seq.):
"Eligible student loan expenses" means the cumulative total of
the annual student loans covering the cost of attendance at an
undergraduate institution of medical or dental education. Interest
paid or due on student loans that an applicant has taken out for
use in paying the costs of undergraduate medical or dental
education shall be considered eligible for reimbursement under
the program. The [Chancellor of Higher Education] executive
director of student assistance programs may establish a limit on
the total amount of student loans which may be redeemed for
participants under the program, provided that the total
redemption of student loans does not exceed $70,000.
"Medically underserved area" means an urban or rural area
which need not conform to the geographic boundaries of a
political subdivision within the State but which shall be defined in
terms of census tracts, if possible, which is a rational area for
the delivery of health services and which has a medical or dental
manpower shortage as determined by the Commissioner of
Health; or a population group which the commissioner determines
has a medical or dental manpower shortage; or a public or
nonprofit private health care facility or other facility which is so
designated.
"Primary care" includes the practice of family medicine,
general internal medicine, general pediatrics, general obstetrics,
gynecology, and any other areas of medicine which the
Commissioner of Health may define as primary care. Primary
care also includes the practice of general dentistry and
pedodontics.
"Primary Care Physician and Dentist Loan Redemption Program" means a program which provides for the redemption of the eligible student loan expenses of its participants.

"Undergraduate medical or dental education" means the period of time between entry into medical or dental school and the award of the medical (M.D., D.O.) degree or dental (D.M.D., D.D.S.) degree, respectively.

(cf: P.L.1991, c.187, s.60)

256. Section 61 of P.L.1991, c.187 (C.18A:72D-13) is amended to read as follows:

61. There is established a Primary Care Physician and Dentist Loan Redemption Program within the [Department of Higher Education] Office of Student Assistance. The program shall provide for the redemption of a portion of the eligible student loan expenses of program participants for each year of service in a medically underserved area of the State as designated by the Commissioner of Health.

(cf: P.L.1991, c.187, s.61)

257. Section 63 of P.L.1991, c.187 (C.18A:72D-15) is amended to read as follows:

63. The Commissioner of Health, after consultation with the Commissioner of Corrections and the Commissioner of Human Services, shall designate and establish a ranking of medically underserved areas of the State. The criteria used by the Commissioner of Health in designating underserved areas shall include, but not be limited to:

a. the ratio of the supply of primary care physicians and dentists by relative specialty to the population under consideration with a goal of meeting current standards for physician and dentist to population ratios in primary care medical and dental specialties;

b. the financial resources of the population under consideration;

c. the population's access to medical and dental services; and

d. appropriate physician and dentist staffing ratios in State, county, municipal and private nonprofit health care facilities.

The commissioner shall annually transmit the list of medically underserved areas and the number of positions needed in each area to the [Chancellor of Higher Education] executive director.

(cf: P.L.1991, c.187, s.63)

258. Section 64 of P.L.1991, c.187 (C.18A:72D-16) is amended to read as follows:

64. A medical or dental student who is eligible and interested in participating in the loan redemption program shall sign a nonbinding agreement with the [Department of Higher Education] Office of Student Assistance upon completion of the final year of undergraduate medical or dental training, as appropriate. At the end of the final year of residency training in the case of a physician, and at the end of the final year of undergraduate dental training or residency training if such training is required in a primary care dental specialty in the case of a dentist, the applicant shall sign a contractual agreement with the [Department of Higher Education] office. The agreement shall specify the applicant's length of required service and the total
amount of eligible student loan expenses to be redeemed by the
State in return for service. The agreement shall also stipulate
that the applicant has knowledge of and agrees to the six-month
probationary period required prior to final acceptance into the
program pursuant to section 66 of P.L.1991, c.187
(cf: P.L.1991, c.187, s.64)
to read as follows:
66. Each program participant shall serve a six-month
probationary period upon initial placement in a service site within
the medically underserved area. During that period, the medical
or dental staff of the service site, as appropriate, shall evaluate
the suitability of the placement for the participant. At the end
of the probationary period, the medical or dental staff shall
recommend the continuation of the program participant's present
placement, a change in placement, or its determination that the
participant is an unsuitable candidate for the loan redemption
program. If the medical or dental staff of the service site
recommends a change in placement, then the [Chancellor of
Higher Education] executive director shall place the program
participant in an alternate placement within a medically
underserved area. If the medical or dental staff determines that
the program participant is not a suitable candidate for the
program, then the [chancellor] executive director shall take this
recommendation into consideration in regard to the participant’s
final acceptance into the program. No loan redemption payment
shall be made during the six-month probationary period, however,
a program participant shall receive credit for this six-month
period in calculating the first year of required service under the
loan redemption contract.
(cf: P.L.1991, c.187, s.66)
to read as follows:
67. The [Chancellor of Higher Education] executive director, in
consultation with the Commissioner of Health, shall match
program participants to medically underserved areas based upon
the ranking of the underserved areas established by the
commissioner and on the basis of participant preference.
(cf: P.L.1991, c.187, s.67)
to read as follows:
68. The [Chancellor of Higher Education] executive director
shall annually determine the number of program positions
available on the basis of the need for primary care physicians and
dentists in medically underserved areas of the State as
determined by the Commissioner of Health and the State and
federal funds available for the program. Once the number of
program positions has been determined, the [chancellor]
executive director shall select the program participants from
among those students who have applied to the program and who
meet the criteria established pursuant to section 62 of P.L.1991,
c.187 (C.18A:72D-14). In selecting program participants, the
[Chancellor of Higher Education] executive director shall accord
priority to applicants in the following manner:

a. First, to any applicant who is completing a fourth, third or second year of a loan redemption contract;

b. Second, to any applicant whose residence in the State at the time of entry into post secondary education was within a medically underserved area; and

c. Third, to any applicant according to the severity of the physician or dentist shortage in the area selected by the applicant.

In the event that there are more applicants who have the same priority than there are program positions, the [Chancellor of Higher Education] executive director shall select participants by means of a lottery or other form of random selection.

(cf: P.L.1991, c.187, s.68)

262. Section 69 of P.L.1991, c.187 (C.18A:72D-21) is amended to read as follows:

69. A physician or dentist who has previously entered into a contract with the [Department of Higher Education] office may nullify the agreement by notifying the [Department of Higher Education] office in writing and assuming full responsibility for repayment of principal and interest at the appropriate market rate of the full amount of the eligible student loan expenses or that portion of the loan which has not been redeemed by the State in return for partial fulfillment of the contract. In no event shall service in a medically underserved area for less than the full calendar year of each period of service entitle the participant to any benefits under the loan redemption program. A participant seeking to nullify the contract shall be required to pay the unredeemed portion of indebtedness in not more than 10 years following termination of the contract minus the years of service already served under the contract.

(cf: P.L.1991, c.187, s.69)

263. Section 70 of P.L.1991, c.187 (C.18A:72D-22) is amended to read as follows:

70. In case of a program participant’s death or total or permanent disability, the [Chancellor of Higher Education] executive director shall nullify the service obligation of the student thereby terminating the student’s obligation to repay the unpaid balance of the redeemable portion of the loan and the accrued interest thereon, or where continued enforcement of the contract may result in extreme hardship, the [chancellor] executive director may nullify or suspend the service obligation of the student.

(cf: P.L.1991, c.187, s.70)

264. Section 71 of P.L.1991, c.187 (C.18A:72D-23) is amended to read as follows:

71. In case of a program participant’s conviction of a felony or misdemeanor or an act of gross negligence in the performance of service obligations or where the license to practice has been suspended or revoked, the [Chancellor of Higher Education] executive director shall have the authority to terminate the participant’s service in the program and request repayment of the outstanding debt.

(cf: P.L.1991, c.187, s.71)

to read as follows:

72. A student who is participating in a federal program of a
similar nature, which provides financial support for students in
return for service in underserved areas of the nation, shall not be
eligible for participation in the Primary Care Physician and
Dentist Loan Redemption Program unless after review and
consideration the [Chancellor of Higher Education] executive
director finds that the student has extraordinary financial
responsibilities making it essential for the student to use the loan
resources of both federal and State programs. These cases shall
be reviewed and approved by the [chancellor] executive director
on an individual basis. In these cases, the period of service to the
State of New Jersey may be served simultaneously with the
federal service obligation if that obligation is being discharged by
service within this State.

(cf: P.L.1991, c.187, s.72)

to read as follows:

73. Prior to repayment of the annual amount eligible for
redemption, each program participant shall report to the
[Department of Higher Education] office of student assistance, in
such manner and form as it shall prescribe, information on the
participant’s performance of service in the medically
underserved area as required under the contract.

(cf: P.L.1991, c.187, s.73)

to read as follows:

74. The [Chancellor of Higher Education] executive director
and the Commissioner of Health shall jointly establish a
procedure for the recruitment of program applicants at medical
and dental schools and health centers. The procedure shall
provide for the participation of the medical and dental staff, as
appropriate, of those facilities in the selection of appropriate
applicants for the program.

(cf: P.L.1991, c.187, s.74)

to read as follows:

75. The [Department of Higher Education] office of student
assistance shall annually apply for any federal funds which may
be available to implement the provisions of this act.

(cf: P.L.1991, c.187, s.75)

to read as follows:

76. The State [Board of Higher Education] executive director
shall adopt rules and regulations pursuant to the "Administrative
Procedure Act." P.L.1968, c.410 (C.52:14B-1 et seq.) as may be
necessary to implement the provisions of sections 60 through 75

(cf: P.L.1991, c.187, s.76)

270. Section 2 of P.L.1980, c.154 (C.18A:72E-2) is amended to
read as follows:

2. Subject to available appropriations, Seton Hall shall select
an outstanding scholar to fill the chair on such terms and
conditions as may be agreed upon [, subject to the approval of the
271. Section 2 of P.L.1984, c.189 (C.18A:72F-2) is amended to read as follows:

2. The Legislature finds and declares that:
   a. Within the State colleges minority faculty members with
doctoral degrees in certain academic disciplines, notably the
physical and life sciences, engineering, mathematics,
management, computer science, environmental sciences, and
statistics, are underrepresented in comparison to nonminority
faculty members with doctorates.
   b. There is in the United States a serious shortage of minority
doc toral degree graduates in the academic disciplines cited above
from which the State colleges can recruit faculty members.
   c. The State colleges in New Jersey currently face difficult
problems in recruiting and retaining minority faculty members
with doctoral degrees in the academic disciplines cited above.
   d. [With the support of the Department of Higher Education,]
Rutgers, The State University and the State colleges have
cooperated in implementing a pilot program, the Minority
Advancement Program in Teaching and Research, whereby
eligible State college minority faculty members or other
minorities admitted to the State university in a doctoral degree
program in certain academic disciplines are provided grant, loan
and other support opportunities to assist them in completing the
academic degree requirements and to increase the pool of
potential minority faculty members holding doctoral degrees.
(cf: P.L.1984, c.189, s.2)

272. Section 3 of P.L.1984, c.189 (C.18A:72F-3) is amended to
read as follows:

3. As used in this act:
   a. "Eligible discipline" means an academic discipline in which
minority individuals are underrepresented as determined by the
[State Board of Higher Education] Executive Director of Student
Assistance Programs 1 in consultation with the Commission on
Higher Education and the Board of Directors of the Educational
Opportunity Fund1.
   b. "Faculty member" means any person employed full-time by
a New Jersey State college, to perform primarily teaching,
research, or administrative duties for 10 or more months per
academic year.
   c. "Minority" means any person who is a member of a
racial-ethnic group that has been historically disadvantaged in
obtaining access to equal educational opportunities.
   d. "Program" means the Minority Faculty Advancement Loan
and Loan Redemption Program created pursuant to this act.
   e. "State college" means any institution created pursuant to
chapter 64 of Title 18A of the New Jersey Statutes.
(cf: P.L.1984, c.189, s.3)

273. Section 4 of P.L.1984, c.189 (C.18A:72F-4) is amended to
read as follows:

4. There is established within the [Department of Higher
Education] Office of Student Assistance a Minority Faculty
Advancement Loan and Loan Redemption Program for students at Rutgers, The State University, or the New Jersey Institute of Technology, or at a private college or university which agrees to participate in the program who are enrolled in an eligible discipline in the Minority Advancement Program in Teaching and Research.

Eligible participants shall include:

a. State college faculty members who have been nominated by their institution and granted up to a four year leave of absence in order to participate in the program. A nomination by a State college shall include a commitment to reemploy the nominee in the same or in an equivalent position at the college upon completion of the program; and

b. Individuals who otherwise qualify pursuant to procedures set forth by the [Chancellor of Higher Education] Executive Director of Student Assistance Programs in consultation with the Commission on Higher Education and the Board of Directors of the Educational Opportunity Fund, but who are not State college faculty members, or who have not been nominated by a college.

(cf: P.L.1984, c.189, s.4)

Section 5 of P.L.1984, c.189 (C.18A:72F-5) is amended to read as follows:

5. Eligible program participants seeking loans to finance their education shall first apply for loans under the Guaranteed Student Loan Program. In the event that participants have borrowed the maximum permitted under the terms of this program or are otherwise ineligible, they may apply for direct loans in amounts not exceeding $10,000.00 per student annually which loans may be renewed for up to a maximum of four academic years for a total loan indebtedness not exceeding $40,000.00 per student. Direct loans will be evidenced by promissory notes and may be secured pursuant to regulations and forms established by the [Chancellor of Higher Education] Executive Director of Student Assistance Programs.

Direct loans shall not bear interest or finance charges during the time a student is enrolled as a full-time student in the program or is engaged in approved redemption service pursuant to this act. Direct loans shall become due and payable pursuant to section 8 of this act six months after graduation if no redemption contract is in effect, or six months after change to part-time student status, withdrawal from the program, or termination from full-time employment either as a faculty member at a State college or other qualified employment.

(cf: P.L.1984, c.189, s.5)

Section 6 of P.L.1984, c.189 (C.18A:72F-6) is amended to read as follows:

6. Direct loans obtained pursuant to section 5 of this act and federally guaranteed student loans together with interest thereon secured after admission to the Minority Advancement Program may be redeemed by program participants upon execution of a contract between the participant and the [Department of Higher Education] executive director. The maximum loan redemption for program participants shall amount to cancellation of repayment for one-quarter of the eligible loan indebtedness in
return for each full academic year of service as a faculty member in a State college for total cancellation of loan indebtedness for up to, but not to exceed, a maximum of $40,000.00 per student. In no event shall faculty service for less than the full academic year of each period of service entitle the participant to any benefits under the loan redemption conditions of the program. Prior to the annual redemption of loan indebtedness, participants in the program shall submit proof of faculty service to the [Department of Higher Education] executive director.

(cf: P.L.1984, c.189, s.6)

276. Section 7 of P.L.1984, c.189 (C.18A:72F-7) is amended to read as follows:

7. Faculty service requirements for loan redemption purposes shall be satisfied at the State college which nominated the faculty member to participate in the program unless otherwise agreed by the State college president. Program participants not nominated by a State college may satisfy their faculty service requirement at any New Jersey State college; except that any faculty member participating in the program upon nomination by an institution of higher education within New Jersey other than a State college shall satisfy his faculty service requirements for loan redemption purposes at his nominating institution unless otherwise agreed by the nominating institution’s president. However, if the [chancellor] executive director determines that no appropriate faculty positions are available in the State colleges, faculty service requirements may be satisfied at other public or private colleges or universities in New Jersey which are licensed by the [Board of] Commission on Higher Education, or at any other agency of State government.

(cf: P.L.1984, c.189, s.7)

277. Section 8 of P.L.1984, c.189 (C.18A:72F-8) is amended to read as follows:

8. Program participants who have entered into redemption contracts with the [Department of Higher Education] executive director may nullify their contracts by submitting written notification to the [department] executive director and assuming full responsibility for repayment of principal and interest on the full amount of their direct loans or that portion of the loans which has not been redeemed by the State in return for partial fulfillment of the contracts. The interest on the loans shall be at the prevailing rate established for the federal Guaranteed Student Loan Program at the time the loans were made. The participant seeking to nullify the contract shall be required to repay the loan or the unredeemed portion thereof in not more than 10 years following the termination of the contract minus the years of service already performed under the contract. Repayments of direct loans by participants who do not perform faculty service for redemption purposes may be used to provide future loans under the program, as determined by the [chancellor] executive director.

(cf: P.L.1984, c.189, s.8)

278. Section 9 of P.L.1984, c.189 (C.18A:72F-9) is amended to read as follows:
9. In case of a program participant's death or total or permanent disability, the [chancellor] executive director shall nullify the service obligation of the student, thereby terminating the student’s obligation to repay the unpaid balance of the redeemable portion of the loan and the accrued interest thereon, or where continued enforcement of the contract may result in extreme hardship, the [chancellor] executive director may nullify or suspend the service obligation of the student.

(cf: P.L.1984, c.189, s.9)

279. Section 10 of P.L.1984, c.189 (C.18A:72F-10) is amended to read as follows:

10. The impact of the program on the representation of State college minority faculty members with doctoral degrees in the designated disciplines shall be evaluated periodically by the [chancellor] Commission on Higher Education and the Presidents' Council.

(cf: P.L.1984, c.189, s.10)

280. Section 11 of P.L.1984, c.189 (C.18A:72F-11) is amended to read as follows;

11. The [chancellor] executive director and the Commission on Higher Education shall promulgate such rules and regulations in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) as are necessary to carry out the purposes of this act.

(cf: P.L.1984, c.189, s.11)

281. Section 2 of P.L.1985, c.365 (C.18A:72G-2) is amended to read as follows:

2. Saint Peter's College shall select an outstanding scholar to fill the chair on such terms and conditions as may be agreed upon, subject to [the approval of the Chancellor of Higher Education and] available appropriations. The person appointed to the Durant Chair may be granted tenure on appointment.

(cf: P.L.1985, c.365, s.2)

282. Section 3 of P.L.1985, c.493 (C.18A:72H-3) is amended to read as follows:

3. As used in this act:

a. "Auditorily impaired" means a hearing impairment of such severity that the individual depends primarily upon visual communication.

b. "Competent authority" means any doctor of medicine or any doctor of osteopathy licensed to practice medicine and surgery in this State.

c. ["Department" means the Department of Higher Education.] deleted by amendment, P.L. c. (now pending before the Legislature as this bill).

d. "Eligible student" means any student "admitted to a public or independent institution of higher education who is" suffering from a visual impairment, auditory impairment or a specific learning disability within guidelines established by the [Department of] Commission on Higher Education pursuant to regulations promulgated under this act.

e. "Independent institution of higher education" means a college or university incorporated and located in New Jersey, which by virtue of law or character or license is a nonprofit
educational institution authorized to grant academic degrees and which provides a level of education which is equivalent to the education provided by the State's public institutions of higher education, as attested by the receipt of and continuation of regional accreditation by the Middle States Association of Colleges and Schools, and which is eligible to receive State aid under the provisions of the Constitution of the United States and the Constitution of the State of New Jersey, but does not include any educational institution dedicated primarily to the education or training of ministers, priests, rabbis or other professional persons in the field of religion.

f. "Learning disability" means a significant barrier to learning caused by a disorder in one or more of the basic psychological processes involved in understanding or in using language, spoken or written, which disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations. The disorder includes conditions such as perceptual handicap, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia. This term shall not include learning problems which are primarily the result of visual, hearing, or motor handicaps, mental retardation, emotional disturbances, or environmental, cultural, or economic disadvantage.

g. "Program" means the Higher Education Services for Visually Impaired, Auditorily Impaired and Learning Disabled Students Program established pursuant to this act.

h. "Public institution of higher education" means Rutgers, The State University, the New Jersey Institute of Technology, the University of Medicine and Dentistry of New Jersey, the State colleges and the county colleges.

i. "Support services" or "supportive services" means services that assist eligible students in obtaining a college education and include, but are not limited to, interpreters, note takers, and tutors.

j. "Visually impaired" means a vision impairment where the better eye with correction does not exceed 20/200 or where there is a field defect in the better eye in which the diameter of the field is no greater than 20 degrees.

(cf: P.L.1985, c.493, s.3)

283. Section 4 of P.L.1985, c.493 (C.18A:72H-4) is amended to read as follows:

4. There is established a Higher Education Services for Visually Impaired, Auditorily and Learning Disabled Students Program within the [Department of] Commission on Higher Education. The program shall provide appropriate support services for eligible students attending a public or independent institution of higher education within the State and promote research and development of techniques and approaches to offset handicapping conditions. All appropriate public and private groups, organizations and agencies shall be consulted in preparing programs and services for these students.

(cf: P.L.1985, c.493, s.4)

284. Section 6 of P.L.1985, c.493 (C.18A:72H-6) is amended to read as follows:
6. The [department, through the Chancellor of Higher Education] Commission on Higher Education, shall:
   a. Enter into agreements with any individual, agency or public or independent institution of higher education in this State, under which the individual, agency or institution shall undertake to provide direct support services to eligible students, provided these services do not duplicate or replace any services for which these students are currently eligible.
   b. Enter into contractual agreements with any public or independent institution of higher education to establish and maintain within that institution offices to facilitate the provision and coordination of support services to eligible students.
   c. Authorize the payment to those individuals, agencies and institutions as set forth in subsections a. and b. of this section of funds appropriated or otherwise made available to the department under this act or any other law, or from any other lawful source.
   d. Assess, evaluate and review the extent of the visual or auditory impairments or the learning disabilities which shall qualify students for eligibility for services pursuant to the regulations promulgated under this act.
   e. Develop and coordinate a comprehensive support plan for eligible students specifying the needs of the eligible students.
   f. Provide the supportive services outlined in the support plan, directly or through contractual agreements with individuals, institutions, agencies and others, as appropriate.
   g. Foster awareness of, and sensitivity to, the students' handicapping conditions through seminars, presentations, bulletins and other activities for instructional, administrative and other staff of public and independent higher educational institutions.
   h. Encourage and facilitate the use of a variety of instructional materials and methods by disseminating to professional staff of public and independent institutions of higher education information on techniques, materials and sources relating to curricular specialities.
   i. Annually review and report to the Governor and the State Legislature on the services and activities funded by the department each year under this act.

(cf: P.L.1985, c.493, s.6)

285. Section 7 of P.L.1985, c.493 (C.18A:72H-7) is amended to read as follows:

7. To assist in fulfilling the duties and responsibilities relating to this act, the [chancellor] commission shall appoint an advisory board, which shall be broadly representative of those individuals and organizations having an active interest in, and academic or practical knowledge and experience in, the abilities and needs of visually impaired, auditorily impaired and learning disabled students; the methods and techniques of evaluation of handicapping conditions and curricular support development, including, without limitation, representatives from professional organizations, parent/student organizations, institutional administrations, academic personnel, student personnel services staff, and students. A representative from the Departments of Labor and Human Services shall serve on the advisory board.

(cf: P.L.1985, c.493, s.7)
286. Section 8 of P.L.1985, c.493 (C.18A:72H-8) is amended to read as follows:

8. The [chancellor] commission shall adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to implement the provisions of this act. (cf: P.L.1985, c.493, s.8)

287. Section 2 of P.L.1988, c.42 (C.18A:72K-2) is amended to read as follows:

2. Douglass College shall select a distinguished scholar to fill the chair for a term of up to two years upon such terms and conditions as may be agreed upon subject to [the approval of the Chancellor of Higher Education and] available appropriations. The purpose of the chair shall be to fund research, teaching and lectures in Women's Studies by an outstanding scholar at Douglass College. (cf: P.L.1988, c.42, s.2)

288. Section 2 of P.L.1991, c.435 (C.18A:72L-2) is amended to read as follows:

2. Monmouth College shall select the individuals to fill the professorship for such periods of time and upon such terms and conditions as may be agreed upon, subject to [the approval of the Chancellor of Higher Education and] available appropriations. The incumbent of the research professorship shall devote his or her time to teaching, action research, educational policy analysis, program development and public service. (cf: P.L.1991, c.435, s.2)

289. Section 1 of P.L.1991, c.485 (C.18A:72M-1) is amended to read as follows:

1. As used in this act:

"Eligible discipline" means an academic discipline in which minority individuals are underrepresented as determined by the [State Board of Higher Education] Executive Director of Student Assistance Programs.

"Minority" means any person who is a member of a racial-ethnic group that has been historically disadvantaged in obtaining access to equal educational opportunities.

"Program" means the Minority Undergraduate Fellowship Program established pursuant to this act. (cf: P.L.1991, c.485, s.1)

290. Section 2 of P.L.1991, c.485 (C.18A:72M-2) is amended to read as follows:

2. The [Chancellor of Higher Education] Executive Director of Student Assistance Programs shall establish a Minority Undergraduate Fellowship Program within the [Department of Higher Education] Office of Student Assistance. The purpose of the program is to identify academically talented minority undergraduate students who may be interested in pursuing an academic career in an eligible discipline at a public or independent institution of higher education within the State, and to provide such students with the institutional and faculty support necessary to assist them in reaching that goal. (cf: P.L.1991, c.485, s.2)

291. Section 3 of P.L.1991, c.485 (C.18A:72M-3) is amended to read as follows:
3. The [chancellor] executive director, in consultation with the Commission on Higher Education, shall establish policies and procedures for the nomination and selection as program fellows of academically talented minority undergraduate students who are in their junior year of study at a public or independent college or university within the State. Upon the selection of program fellows, the institution in which each student who is selected is enrolled shall assign to the student a faculty advisor who shall do the following:

a. Supervise a research project conducted by the fellow during the junior year or actively involve the student in a project which the advisor is conducting;

b. Supervise the fellow as an undergraduate teaching assistant in the fellow's senior year of study;

c. Accompany the fellow to the annual meeting of the professional association of the fellow's academic discipline; and

d. Assist the fellow in the selection of a graduate or professional school.

(cf: P.L.1991, c.485, s.3)

292. Section 5 of P.L.1991, c.485 (C.18A:72M-5) is amended to read as follows:

5. The [chancellor] executive director, in consultation with the commission, shall periodically evaluate the impact of the program on the representation of college and university minority faculty members with graduate degrees in eligible disciplines.

(cf: P.L.1991, c.485, s.5)

293. Section 6 of P.L.1991, c.485 (C.18A:72M-6) is amended to read as follows:

6. The [State] Board of Higher Education executive director and the Commission on Higher Education [in consultation with the Board of Directors of the Educational Opportunity Fund,] shall adopt rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to effectuate the purposes of this act.

(cf: P.L.1991, c.485, s.6)

294. Section 7 of P.L.1991, c.485 (C.18A:72M-7) is amended to read as follows:

7. The Department of Higher Education executive director may utilize funding received under the Minority Faculty Advancement Loan and Loan Redemption Program Act, P.L.1984, c.189 (C.18A:72F-1 et seq.) in making payments under this act.

(cf: P.L.1991.c.485.s.7)

295. Section 1 of P.L.1987, c.222 (C.5:9-22.1) is amended to read as follows:

1. For the purposes of P.L.1970, c.13 (C.5:9-1 et seq.), any program of education approved by the Department of Education or by institutions of higher education licensed by the [Department of] Commission on Higher Education which is intended, in whole or in part, to serve citizens of this State of the age of 65 years or over, shall be considered eligible for State aid from the net proceeds of any State lottery, as shall be provided by law.

(cf: P.L.1987, c.222, s.1)

296. Section 12 of P.L.1991, c.375 (C.6:10-14.3) is amended to
read as follows:

12. a. The State Treasurer shall establish a special fund to be known as the "Sports Authority Fund" and shall pay into the fund amounts from the General Fund as shall be necessary to pay the principal and interest on bonds or notes of the authority issued pursuant to this section and to pay any amounts due from the authority under any credit agreement entered into by the authority in connection with the bonds or notes, provided that all payments from the General Fund shall be subject and dependent upon appropriations made from time to time for those purposes.

b. (1) The State Treasurer and the authority are authorized to enter into agreements as shall be necessary to effectuate the purposes of this section, including without limitation, provisions for securing the payment of bonds or notes issued by the authority pursuant to subsection d. of this section and the interest thereon and providing for the investment of moneys in the fund; provided that the agreements shall be subject to approval by the presiding officers of both houses of the Legislature, and provided further that when the purposes of this section have been satisfied, and upon the earlier of:

   (a) the certification by the State Treasurer that the revenues of the authority are sufficient to satisfy the requirements of paragraphs (1), (2), (3), (4), (5) and (6) of subsection c. of section 6 of P.L.1971, c.137 (C.5:10-6) for the term of bonds or notes issued pursuant to subsection d. of this section; or

   (b) the satisfaction of the requirements for the payment of bonds or notes issued pursuant to P.L.1991, c.375 (C.5:10-3 et al.); the State Treasurer and the authority shall not, except for the refunding of bonds or notes issued pursuant to subsection d. of this section which produces debt service savings, enter into any further agreements regarding payments by the State Treasurer into the "Sports Authority Fund" for any reason, including but not limited to, the financing or restructuring of the debt of the authority.

   (2) The agreements shall indicate the nature and scope of the projects to be financed pursuant to this section.

   (3) The agreements shall provide that with respect to the Atlantic City convention center project, the authority shall review all existing expert studies that present options as to the scope and nature of the project and the linkages between the project and the economic development of Atlantic City. Based upon its analysis of the available studies and such other expert studies as the authority may authorize, the authority shall report to the Legislature and include in the minutes of the authority its proposal for the development of the convention center. The report shall include an explanation for the selection of the project option proposed by the authority.

c. Notwithstanding anything to the contrary in this act, if and to the extent provided in any agreement between the State Treasurer and the authority, all or part of the revenues of the authority, other than luxury tax revenues or revenues of the convention center project, in excess of the requirements of the resolutions authorizing or relating to the issuance of any of the authority's bonds or notes, except those issued pursuant to this
section, shall be paid into the General Fund in repayment to the
State for amounts previously paid by the State pursuant to this
section with respect to the payment of principal and interest on
bonds or notes issued for any of the purposes set forth in this
section, except the purposes set forth in paragraphs (3), (4) and
(5) of subsection d. of this section, and any payments on account
of any credit agreements with respect to the bonds or notes.
Except as otherwise provided in this section, bonds or notes of
the authority issued pursuant to this section shall be authorized,
sold and issued in the manner and be entitled to the benefits,
protection and provisions as apply to bonds and notes of the
authority authorized to be issued pursuant to P.L.1971, c.137,
(C.5:10-1 et seq.).

d. In addition to its other powers to issue bonds and notes, the
authority shall have power to issue from time to time bonds and
notes payable from amounts in the Sports Authority Fund
established pursuant to subsection a. of this section, as follows:
(1) To provide sufficient funds to refund from time to time
outstanding bonds or notes of the authority issued for the
meadowlands complex or the Monmouth racetrack project
authorized pursuant to paragraph (5) of subsection a. of section 6
of P.L.1971, c.137 (C.5:10-6), whether or not the bonds or notes
or interest thereon have become due, to provide for the
establishment of funds or reserves to secure payment of the
bonds or notes or any other bonds or notes issued or to be issued
for those purposes or interest thereon, and to provide for the
payment of all other costs or expenses of the authority incident
to or necessary to carry out the refunding; provided that the
refunding bonds issued at any time pursuant to this paragraph
shall not exceed that amount estimated to be necessary so that
subsequent to the refunding, the revenues from the meadowlands
complex or the Monmouth racetrack project, as the case may be,
shall be sufficient to pay all costs payable from those revenues,
as shall be estimated in a determination by the authority made in
accordance with the agreement between the authority and the
State Treasurer;
(2) To finance or refinance a capital program for the
meadowlands complex and the Monmouth racetrack project
authorized pursuant to paragraph (5) of subsection a. of section 6
of P.L.1971, c.137 (C.5:10-6), adopted by the authority to provide
for major repairs, reconstruction and improvements which are
legally mandated or otherwise needed to meet environmental or
safety requirements, to prevent a loss of revenues, to augment
revenues or to continue or enhance the operations of any of the
facilities thereof, provided that the aggregate cost of the
projects financed pursuant to this paragraph shall not exceed
$30,000,000, exclusive of interest paid during construction;
(3) To provide for the financing or refinancing of the facilities
for Rutgers, the State University pursuant to paragraph (8) of
subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6);
(4) To provide for the financing or refinancing of the
convention center project;
(5) To finance or refinance feasibility studies for public
projects consistent with the purposes of the authority; and
(6) To provide for the financing or refinancing of any other project of the authority, but only if and to the extent expressly authorized by law enacted subsequent to the enactment of this act.

(7) To provide for the financing of the facilities at institutions of higher education pursuant to paragraph (11) of subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6), based upon a list of projects recommended by the [Chancellor of Commission on Higher Education following a competitive application process, provided that the aggregate financing of the projects undertaken pursuant to this paragraph shall not exceed $5,000,000.

e. Bonds and notes authorized pursuant to this section shall be special obligations of the authority payable as herein provided. Bonds and notes shall not be deemed to constitute a debt or liability of the State or a pledge of the faith and credit of the State but are dependent for repayment upon appropriations as provided by law from time to time. These bonds and notes and the interest thereon may also be payable from the proceeds thereof set aside for that purpose and income accruing therefrom.

(cf: P.L.1991, c.375, s.12)

297. Section 19 of P.L.1971, c.199 (C.40A:12-19) is amended to read as follows:

19. When the governing body of a county or municipality shall determine by resolution that all or any part of a tract of land improved or unimproved is no longer needed for public purposes, the governing body may authorize the conveyance of such lands or any portion thereof to the State when so requested or approved by resolution of the State Board of Education or [State Board of Higher Education] any board of trustees or board of governors, as appropriate, of a public institution of higher education or to any board of education in the county or municipality or to a regional board of education of a regional school district or to a consolidated board of education of a consolidated school district or the board of education of any county vocational school, requesting or approving such conveyance by resolution, for a nominal consideration, to be used by the State for educational purposes, connected with the district board of education or the regional board of education or the consolidated board of education or the board of education of any county vocational school, and may cause the same to be duly conveyed by its proper officers accordingly. A prior dedication or use for park purposes of such land or any part thereof shall not be deemed to preclude a transfer and conveyance thereof under the provisions of this section.

(cf: P.L.1971, c.199, s.19)

298. Section 2 of P.L.1961, c.49 (C.52:14-17.26) is amended to read as follows:

2. As used in this act

(a) The term "State" means the State of New Jersey.

(b) The term "commission" means the State Health Benefits Commission, created by section 3 of this act.

(c) The term "employee" means an appointive or elective officer or full-time employee of the State of New Jersey. For the purposes of this act an employee of Rutgers, The State
University of New Jersey, shall be deemed to be an employee of the State, and an employee of the New Jersey Institute of Technology shall be considered to be an employee of the State during such time as the Trustees of the Institute are party to a contractual agreement with the State [Board of Higher Education] Treasurer for the provision of educational services.

For the purposes of this act the term "employee" shall not include persons employed on a short-term, seasonal, intermittent or emergency basis, persons compensated on a fee basis, persons having less than 2 months of continuous service or persons whose compensation from the State is limited to reimbursement of their necessary expenses actually incurred in the discharge of their official duties. An employee paid on a 10-month basis, pursuant to an annual contract, will be deemed to have satisfied the 2-month waiting period if he begins employment at the beginning of the contract year. The term "employee" shall also not include persons, active or retired, who are otherwise eligible for benefits under this act but who, although they meet the age eligibility requirement of the Federal medicare program, are not covered by the complete Federal program. A determination by the commission that a person is an eligible employee within the meaning of this act shall be final and shall be binding on all parties.

(d) The term "dependents" means an employee's spouse and the employee's unmarried children under the age of 23 years who live with the employee in a regular parent-child relationship. "Children" shall include stepchildren, legally adopted children and foster children provided they are reported for coverage and are wholly dependent upon the employee for support and maintenance. A spouse or child enlisting or inducted into military service shall not be considered a dependent during such military service. The term "dependents" shall not include spouses of persons, active or retired, who are otherwise eligible for the benefits under this act but who, although they meet the age eligibility requirement of the Federal medicare program, are not covered by the complete Federal program.

(e) The term "carrier" means a voluntary association, corporation or other organization which is lawfully engaged in providing or paying for or reimbursing the cost of, personal health services, including hospitalization, medical and surgical services, under insurance policies or contracts, membership or subscription contracts, or the like, in consideration of premiums or other periodic charges payable to the carrier.

(f) The term "hospital" means (1) an institution operated pursuant to law which is primarily engaged in providing on its own premises, for compensation from its patients, medical diagnostic and major surgical facilities for the care and treatment of sick and injured persons on an inpatient basis, and which provides such facilities under the supervision of a staff of physicians and with 24 hour a day nursing service by registered graduate nurses. or (2) an institution not meeting all of the requirements of (1) but which is accredited as a hospital by the Joint Commission on Accreditation of Hospitals. In no event shall the term "hospital" include a convalescent nursing home or any institution
or part thereof which is used principally as a convalescent
facility, residential center for the treatment and education of
children with mental disorders, rest facility, nursing facility or
facility for the aged or for the care of drug addicts or alcoholics.
(cf: P.L.1979 c.90, s.1)

299. Section 9 of P.L.1986, c.42 (C.18A:64-18.2) is amended to
read as follows:

9. All functions, powers and duties relating to the investment
or reinvestment of funds within the jurisdiction of the board of
trustees, including the purchase, sale or exchange of any
investments or securities, [shall] may be exercised and performed
by the Director of the Division of Investment in the Department
of the Treasury in accordance with the provisions of P.L.1950,
c.270 (C.52:18A-79 et seq.) if so authorized by the board.
Sections 10 and 11 of P.L.1986, c.42 (C.18A:64-18.3 and
18A:64-18.4) shall only be applicable in the event of such an
election. Before any investment, reinvestment, purchase, sale or
exchange shall be made by the director for or on behalf of the
board of trustees, the Director of the Division of Investment shall
submit the details thereof to the board, which shall, itself or by
its finance committee, within 48 hours, exclusive of Sundays and
public holidays, after the submission to it, file with the director
its written acceptance or rejection of the proposed investment,
reinvestment, purchase, sale or exchange; and the director shall
have authority to make the investment, reinvestment, purchase,
sale or exchange for or on behalf of the board, unless there shall
have been filed with him a written rejection thereof by the board
or its finance committee as herein provided. The board of
trustees shall determine from time to time the cash requirements
of the various funds and accounts established by it and the
amount available for investment, all of which shall be certified to
the State Treasurer and the Director of the Division of
Investment. All earnings on investments shall be retained by
each State college.

The finance committee of the board of trustees shall consist of
three members of the board, who shall be appointed in the same
manner and for the same term as other committees of the board
are appointed.
(cf: P.L.1986, c.42, s.9)

300. Section 8 of P.L.1970, c.102 (C.18A:64G-8) is amended to
read as follows:

8. All functions, powers and duties relating to the investment
or reinvestment of funds other than those funds specified in
paragraph (5) of subsection (n) of section 6 of P.L.1970, c.102
(C.18A:64G-6) within the jurisdiction of the board of trustees
including the purchase, sale or exchange of any investments or
securities [shall] may be exercised and performed by the Director
of the Division of Investment in accordance with the provisions of
chapter 270 of the laws of 1950 (C.52:18A-79 et seq.) if so
authorized by the board. Sections 9 and 10 of P.L.1970, c.102
(C.18A:64G-9 and 18A:64G-10) shall only be applicable in the
event of such an election. Before any such investment,
reinvestment, purchase, sale or exchange shall be made by the
director for or on behalf of the board of trustees, the Director of
the Division of Investment shall submit the details thereof to the board, which shall, itself or by its finance committee, within 48 hours, exclusive of Sundays and public holidays, after such submission to it, file with the director its written acceptance or rejection of such proposed investment, reinvestment, purchase, sale or exchange; and the director shall have authority to make such investment, reinvestment, purchase, sale or exchange for or on behalf of the board, unless there shall have been filed with him a written rejection thereof by the board or its finance committee as herein provided. The board of trustees shall determine from time to time the cash requirements of the various funds and accounts established by it and the amount available for investment, all of which shall be certified to the State Treasurer and the Director of the Division of Investment.

The finance committee of the board of trustees shall consist of three members of the board who shall be appointed in the same manner and for the same term as other committees of the board are appointed.

(cf: P.L.1992, c.84, s.6)

301. (New section) a. The [Governor, or the Governor's designee,] Chairman of the Commission on Higher Education at the request of the Governor shall have authority to visit public institutions of higher education to examine their manner of conducting their affairs and to enforce an observance of the laws of the State.

b. The [Governor, or the Governor's designee,] chairman, at the request of the Governor may administer oaths and examine witnesses under oath in any part of the State with regard to any matter pertaining to higher education, and may cause the examination to be reduced to writing. Any person willfully giving false testimony upon being sworn or affirmed to tell the truth shall be guilty of a misdemeanor.

c. The [Governor, or the Governor's designee,] chairman, at the request of the Governor may issue subpoenas pursuant to this section compelling the attendance of witnesses and the production of books and papers in any part of the State. Any person who shall neglect or refuse to obey the command of the subpoena or who, after appearing, shall refuse to be sworn and testify, unless such refusal is on grounds recognized by law, shall in either event be subject to a penalty of $1,000.00 for each offense to be recovered in a civil action. Such penalty when recovered shall be paid into the State Treasury.

302. (New section) The employees of the Department of Higher Education shall remain on the State payroll until July 8, 1994 and shall perform those tasks which are necessary to effectuate the transfer of the Department of Higher Education and its function to the entities set forth in this act; however, these employees shall exercise no control, supervision or regulatory authority over any institution of higher education subsequent to July 1, 1994.

303. (New section) Notwithstanding any other law to the contrary, upon the termination of the office and term of the Chancellor of Higher Education on the effective date of the act, the Chancellor of Higher Education shall cease to serve as a
member of any board, commission or body to which the
Chancellor of Higher Education is appointed to serve by law.

304. (New section) Notwithstanding any law to the contrary,
career service employees of the Department of Higher Education
shall be entitled to exercise demotional or lateral rights upon a
layoff to appropriate positions in other departments of State
government to the extent that those positions are former
positions within the Department of Higher Education which were
transferred to another department of State government pursuant
to this act.

1305. (New section) Each public institution of higher education
shall prepare and make available to the public an annual report on
the condition of the institution which shall include, but need not
be limited to a profile of the student body including graduation
rates, SAT or other test scores, the percentage of New Jersey
residents in the student body, the number of scholarship students
and the number of Educational Opportunity Fund students in
attendance; a profile of the faculty including the ratio of full to
part time faculty members, and major research and public service
activities; a profile of the trustees or governors as applicable;
and, a profile of the institution, including degree and certificate
programs, status of accreditation, major capital projects and any
other information which the commission and the institution deem
appropriate. The form and general content of the report shall be
established by the Commission on Higher Education.¹

1306. (New section) For the purposes of any reorganization or
transfer after the effective date of this act, any commission,
council, board or other body created pursuant to this act, and any
public entity transferred or otherwise reorganized herein shall
not be subject to the provisions of the Executive Reorganization
Act, P.L. 1968, c.203 (C.52:14C-1 et seq.), but shall require
specific enabling legislation.¹

¹[305.] 307.1 The following acts and parts of acts are hereby
repealed:
N.J.S.18A:3-1 through N.J.S.18A:3-23 inclusive
Section 6 of P.L.1986, c.87 (C.18A:3-15.6)
N.J.S.18A:5-1 through N.J.S.18A:5-4 inclusive
N.J.S.18A:60-4
Section 2 of P.L.1986, c.194 (C.18A:61C-2)
Section 2 of P.L.1986, c.139 (C.18A:64-3.2)
Sections 21 and 29 of P.L.1986, c.43 (C.18A:64-72 and
18A:64-80)
N.J.S.18A:64A-7
Sections 12,21 and 29 of P.L.1982, c.189 (C.18A:64A-25.12,
18A:64A-25.21 and 18A:64A-25.29)
N.J.S.18A:64B-1 through 18A:64B-13 inclusive
N.J.S.18A:64C-4
N.J.S.18A:64D-1
N.J.S.18A:64F-4
Section 23 of P.L.1981, c.325 (C.18A:64G-3.7)
This act shall take effect on July 1, 1994.
member of any board, commission or body to which the
Chancellor of Higher Education is appointed to serve by law.

304. (New section) Notwithstanding any law to the contrary,
career service employees of the Department of Higher Education
shall be entitled to exercise demotional or lateral rights upon a
layoff to appropriate positions in other departments of State
government to the extent that those positions are former
positions within the Department of Higher Education which were
transferred to another department of State government pursuant
to this act.

305. The following acts and parts of acts are hereby repealed:
N.J.S.18A:3-1 through N.J.S.18A:3-23 inclusive
Section 8 of P.L.1986, c.87 (C.18A:3-15.6)
N.J.S.18A:80-4
Section 2 of P.L.1986, c.194 (C.18A:61C-2)
Section 2 of P.L.1986, c.139 (C.18A:64-3.2)
Sections 21 and 29 of P.L.1986, c.43 (C.18A:64-72 and
18A:64-80)
N.J.S.18A:64A-7
Sections 12, 21 and 29 of P.L.1982, c.189 (C.18A:64A-25.12,
18A:64A-25.21 and 18A:64A-25.29)
N.J.S.18A:64B-1 through 18A:64B-13 inclusive
N.J.S.18A:64C-1
N.J.S.18A:64D-1
N.J.S.18A:64F-4
Section 23 of P.L.1981, c.325 (C.18A:64G-3.7)
Sections 8, 9 and 10 of P.L. 1970, c.102 (C.18A:64G-8,
18A:64G-9 and 18A:64G-10)
N.J.S.18A:65-7
306. This act shall take effect on July 1, 1994.

STATEMENT

This bill 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 9 public members to be
appointed by the Governor, and the chair of the Presidents' Council, also established by the bill. The commission will be
responsible for planning and a statewide master plan for higher
education; advocacy and 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 such 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, 4 county college presidents, and 3 independent college presidents. The chair will revolve among the different sectors. The council is an advisory body and is to make recommendations on new programs, regional alliances, budget and student aid levels, licensure and the statewide higher education master plan. 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 board of trustees 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 institutions will be able to retain legal counsel and will submit their budget requests directly to the Office of Management and Budget in the Treasury. Changes in programs or degree offerings which represent a change in the institution's mission would require approval of the Commission on Higher Education, and the budget request is also to be submitted to the commission for general review.

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 "Higher Education Restructuring Act of 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.
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, 3 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:

<table>
<thead>
<tr>
<th>PROGRAM/PROJECT</th>
<th>ADJ. APPROP. FY 1994</th>
<th>RECOM. FY 1995</th>
<th>DOLLAR CHANGE</th>
<th>PERCENT CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office of the Chancellor</td>
<td>$7,573</td>
<td>$600</td>
<td>($7,378)</td>
<td>(93%)</td>
</tr>
<tr>
<td>EOF/Student Assistance Admin</td>
<td>$5,000</td>
<td>$2,750</td>
<td>$2,250</td>
<td>$4,628</td>
</tr>
<tr>
<td>Total</td>
<td>$7,573</td>
<td>$3,350</td>
<td>($4,228)</td>
<td></td>
</tr>
</tbody>
</table>

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.

<table>
<thead>
<tr>
<th></th>
<th>FY1994</th>
<th>FY1995</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Supported</td>
<td>97</td>
<td>44</td>
<td>(53)</td>
</tr>
<tr>
<td>Federal Supported</td>
<td>155</td>
<td>192</td>
<td>37</td>
</tr>
<tr>
<td>Other</td>
<td>25</td>
<td>10</td>
<td>(15)</td>
</tr>
<tr>
<td>Total</td>
<td>277</td>
<td>255</td>
<td>(22)</td>
</tr>
</tbody>
</table>

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.