

ASSEMBLY, No. 1668

STATE OF NEW JERSEY
221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

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District 6 (Burlington and Camden)

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District 4 (Atlantic, Camden and Gloucester)

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SYNOPSIS

Revises training requirements for governing board members of public institutions of higher education.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 6/13/2024)

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1 AN ACT concerning the members of governing boards of public
2 institutions of higher education, amending P.L.2021, c.250,
3 repealing section 17 of P.L.2009, c.308, and supplementing Title
4 18A of the New Jersey Statutes.

5

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

8

9 1. Section 1 of P.L.2021, c.250 (C.18A:3B-6.3) is amended to
10 read as follows:

11 1. a. As a condition of serving as a member of the governing
12 board of a public institution of higher education, a person shall be
13 required to complete a training program developed by **[that**
14 **institution in consultation with]** the Secretary of Higher Education
15 that is designed to clarify the roles and duties of a governing board
16 member.

17 b. The training shall be completed no later than **[one year]** six
18 months after the date that the person is appointed as a member of
19 the governing board of a public institution of higher education
20 **[except that a]** and within six months of the start of each successive
21 term thereafter. A person who serves as a member of a governing
22 board prior to the effective date of **[this act]** P.L.2021, c.250 shall
23 **[not]** be required to complete the training within six months from
24 the effective date of P.L. , c. (C.) (pending before the
25 Legislature as this bill) and within six months of the start of each
26 successive term thereafter.

27 c. The **[institution, in consultation with the]** secretary**[,]** shall:

28 (1) prescribe the subject matter of the training which shall
29 include, but need not be limited to, governance responsibilities,
30 ethical standards, due diligence, the requirements of the "Senator
31 Byron M. Baer Open Public Meetings Act," P.L.1975, c.231
32 (C.10:4-6 et seq.), and P.L.1963, c.73 (C.47:1A-1 et seq.), issues
33 associated with laws on privacy, board member fiduciary
34 responsibilities and the role of the governing board in the financial
35 management of an institution of higher education, and a review of
36 the types of financial, organizational, legal, and regulatory issues
37 that a member of a governing board may be required to consider in
38 the course of discharging the member's governance responsibilities;

39 (2) **[provide the training directly or]** arrange for **[, or specify,]**
40 **[the]** an entity or entities to provide the training. In the case of a
41 county college, the secretary shall designate the New Jersey
42 Council of County Colleges to provide the training **[;]** in
43 consultation with the secretary; and;

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

Matter underlined thus is new matter.

1 (3) **【conduct a periodic review of the prescribed subject matter**
2 **of the training to insure that the training includes information on**
3 **relevant changes to State or federal law and other information**
4 **deemed necessary to enable governing board members to serve**
5 **effectively;】** (Deleted by amendment, P.L. , c.) (pending before
6 the Legislature as this bill)

7 (4) **【certify completion of the training for each governing board**
8 **member upon receipt of documentation thereof, as provided on a**
9 **form and in a manner prescribed by the secretary, or otherwise**
10 **arrange for certification by the training entity; and】** (Deleted by
11 amendment, P.L. , c.) (pending before the Legislature as this
12 bill)

13 (5) take other such actions as the secretary determines
14 appropriate to effectuate the purposes of this act.

15 d. The institution shall certify completion of the training required
16 under this section for each governing board member upon receipt of
17 documentation thereof, as provided on a form and in a manner
18 prescribed by the secretary.

19 e. The secretary shall provide notification to a governing board
20 member who has failed to comply with the requirements of this
21 section and provide the member with a 30-day grace period to fulfill
22 the outstanding training requirement. The secretary may provide
23 additional extensions to the grace period. Notwithstanding any
24 other provision of law to the contrary, failure to fulfill the
25 outstanding training requirement within the grace period may, at the
26 discretion of the secretary, constitute a resignation from the
27 governing board. In the event that the secretary determines that the
28 member has resigned, a vacancy shall be deemed to exist and the
29 board member shall be disqualified from being reappointed to the
30 board, or appointed to any other governing board of a public
31 institution of higher education, for the succeeding two-year period.

32 f. Training pursuant to this section may, upon approval of the
33 secretary, be made available online.

34 (cf: P.L.2021, c.250, s.1)

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36 2. Section 17 of P.L.2009, c.308 (C.18A:3B-62) is repealed.

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38 3. (New section) There is annually appropriated from the General
39 Fund to the Office of the Secretary of Higher Education the sum of
40 \$350,000 to effectuate the purposes of P.L. , c. (C.) (pending
41 before the Legislature as this bill.

42

43 4. This act shall take effect on the 1st day of the seventh month
44 next following the date of enactment, but the Secretary of Higher
45 Education may take such anticipatory administrative action in
46 advance thereof as shall be necessary for the implementation of the
47 act.

1 STATEMENT

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3 This bill makes various changes to the training requirements of
4 governing board members of public institutions of higher education
5 and provides for an annual appropriation of \$350,000 from the
6 General Fund to the Office of the Secretary of Higher Education for
7 the bill's purposes.

8 Under current law, a newly appointed member of a governing
9 board of a public institution of higher education is required to
10 complete training within one year of the member's appointment.
11 This bill requires that the training be completed within six months
12 of the member's appointment and further that previously appointed
13 members who were exempted from the current training requirement
14 complete the training within six months of this bill's effective date.
15 All members will be required to complete training within six
16 months of the start of each successive term thereafter.

17 Current law generally provides that the subject matter of the
18 board member training is prescribed by the institutions of higher
19 education, in consultation with the Secretary of Higher Education.
20 This bill provides that the secretary is to determine the subject
21 matter of the training and that the training include the role of the
22 governing board in the financial management of an institution of
23 higher education. The bill provides that, in the case of four-year
24 public institutions of higher education, the secretary will arrange for
25 the training; current law, by contrast, requires the institution to
26 arrange for the training. Public institutions of higher education also
27 would no longer be required to conduct a periodic review of the
28 training.

29 The bill directs the secretary to provide notification to a
30 governing board member who has failed to comply with the training
31 requirement and provide the member with a 30-day grace period to
32 fulfill the outstanding training requirement. The bill permits the
33 secretary to provide additional extensions to the grace period. The
34 bill provides that failure to fulfill the outstanding training
35 requirement within the grace period may constitute a resignation
36 from the governing board at the discretion of the secretary and a
37 vacancy will be deemed to exist. Under the bill, the board member
38 will be disqualified from being reappointed to the board, or
39 appointed to any other governing board of a public institution of
40 higher education, for the succeeding two-year period.

41 Additionally, the bill permits training for governing board
42 members to be made available online.

43 The bill further repeals a section of law that requires four-year
44 public institutions of higher education to provide certain
45 information, orientation, and training to each of its governing board
46 members. Under the bill, all required training for governing board
47 members at public institutions of higher education is to be arranged
48 for by the secretary.

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1 Finally, the bill provides that \$350,000 will be annually
2 appropriated from the General Fund to the Office of the Secretary
3 of Higher Education to effectuate the bill's purposes.