

[First Reprint]

SENATE, No. 2149

STATE OF NEW JERSEY

221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Senator JOSEPH P. CRYAN

District 20 (Union)

SYNOPSIS

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

CURRENT VERSION OF TEXT

As reported by the Senate Higher Education Committee on June 10, 2024, with amendments.



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 ¹**["serving"]** being appointed or
 12 reappointed to serve¹ as a member of the governing board of a
 13 public institution of higher education, a person shall be required to
 14 complete a training program developed by **["that institution in**
 15 **consultation with"]** the Secretary of Higher Education that is
 16 designed to clarify the roles and duties of a governing board
 17 member.

18 b. ¹(1)¹ The training shall be completed no later than **["one**
 19 **year"]** six months after the date that the person is appointed as a
 20 member of the governing board of a public institution of higher
 21 education **["except that a"]** ¹["and at least once every two years"] **and**
 22 within six months of the start of each successive term¹ thereafter.
 23 A person who serves as a member of a governing board prior to the
 24 effective date of **["this act"]** P.L.2021, c.250 shall **["not"]** ¹not¹ be
 25 required to complete the training ¹["within six months from the
 26 effective date of P.L. , c. (C.) (pending before the Legislature
 27 as this bill)"] , **except that the member shall be required to complete**
 28 **the training within six months of the start of each successive term**
 29 **thereafter**¹.

30 ¹(2) In addition to the requirement established pursuant to
 31 paragraph (1) of this subsection, all members of a governing board
 32 of a public institution at which a State monitor has been appointed
 33 pursuant to section 4 of P.L.2023, c.115 (C.18A:3B-53.4) shall
 34 complete the training no later than six months after the appointment
 35 of the State monitor.¹

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

37 (1) prescribe the subject matter of the training which shall
 38 include, but need not be limited to, governance responsibilities,
 39 ethical standards, due diligence, the requirements of the "Senator
 40 Byron M. Baer Open Public Meetings Act," P.L.1975, c.231
 41 (C.10:4-6 et seq.), and P.L.1963, c.73 (C.47:1A-1 et seq.), issues
 42 associated with laws on privacy, board member fiduciary
 43 responsibilities and the role of the governing board in the financial

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:

¹Senate SHI committee amendments adopted June 10, 2024.

1 management of an institution of higher education, and a review of
2 the types of financial, organizational, legal, and regulatory issues
3 that a member of a governing board may be required to consider in
4 the course of discharging the member's governance responsibilities;

5 (2) ~~provide the training directly or~~ arrange for ~~, or specify,~~
6 ~~the~~ an entity or entities to provide the training. In the case of a
7 county college, the secretary shall designate the New Jersey
8 Council of County Colleges to provide the training ~~;~~ ^{1,1} in
9 consultation with the secretary; and;

10 (3) ~~conduct a periodic review of the prescribed subject matter~~
11 ~~of the training to insure that the training includes information on~~
12 ~~relevant changes to State or federal law and other information~~
13 ~~deemed necessary to enable governing board members to serve~~
14 ~~effectively;~~ ~~(Deleted by amendment, P.L. , c.) (pending before~~
15 ~~the Legislature as this bill)~~

16 (4) ~~certify completion of the training for each governing board~~
17 ~~member upon receipt of documentation thereof, as provided on a~~
18 ~~form and in a manner prescribed by the secretary, or otherwise~~
19 ~~arrange for certification by the training entity; and~~ ~~(Deleted by~~
20 ~~amendment, P.L. , c.) (pending before the Legislature as this~~
21 ~~bill)~~

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

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

28 e. The secretary shall provide notification to a governing board
29 member who has failed to comply with the requirements of this
30 section and provide the member with a 30-day grace period to fulfill
31 the outstanding training requirement. ¹The secretary may provide
32 additional extensions to the grace period.¹ Notwithstanding any
33 other provision of law to the contrary, failure to fulfill the
34 outstanding training requirement within the ¹[30-day]¹ grace
35 period ¹[shall] may, at the discretion of the secretary,¹ constitute a
36 resignation from the governing board ¹[and] . If the secretary
37 determines that the member has resigned,¹ a vacancy shall be
38 deemed to exist ¹[. The] and the¹ board member shall be
39 disqualified from being reappointed to the board, or appointed to
40 any other governing board of a public institution of higher
41 education, for the succeeding two-year period.

42 ¹f. Training pursuant to this section may, upon approval of the
43 secretary, be made available online.¹

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

45

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

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- 1 3. (New section) There is annually appropriated from the
2 General Fund to the Office of the Secretary of Higher Education the
3 sum of \$350,000 to effectuate the purposes of P.L. , c. (C.)
4 (pending before the Legislature as this bill.
5
- 6 4. This act shall take effect on the 1st day of the seventh month
7 next following the date of enactment, but the Secretary of Higher
8 Education may take such anticipatory administrative action in
9 advance thereof as shall be necessary for the implementation of the
10 act.