

# SENATE HIGHER EDUCATION COMMITTEE

## STATEMENT TO

### **SENATE, No. 2149**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 10, 2024

The Senate Higher Education Committee reports favorably Senate Bill No. 2149, with committee amendments.

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

Under current law, a newly appointed member of a governing board of a public institution of higher education is required to complete training within one year of the member's appointment. This amended bill requires that the training be completed within six months of the member's appointment and within six months of the start of each successive term. Additionally, the amended bill requires the members of a governing board of an institution at which a State monitor has been appointed to complete the training within six months of the appointment of the State monitor.

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

The amended bill directs the secretary to provide notification to a governing board member who has failed to comply with the training requirement and provide the member with a 30-day grace period to fulfill the outstanding training requirement. The amended bill permits the secretary to provide additional extensions to the grace period. The amended bill provides that failure to fulfill the outstanding training requirement within the grace period may, at the discretion of the secretary, constitute a resignation. Under the amended bill, the board member will be disqualified from being reappointed to the board, or

appointed to any other governing board of a public institution of higher education, for the succeeding two-year period.

The amended bill further repeals a section of law that requires four-year public institutions of higher education to provide certain information, orientation, and training to each of its governing board members. Under the amended bill, all required training for governing board members at public institutions of higher education will be arranged for by the secretary. The bill provides that the training may, upon approval of the secretary, be made available online.

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

This bill was prefiled for introduction in the 2024-2025 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

#### COMMITTEE AMENDMENTS:

The committee amended the bill to:

- provide that all governing board members are to complete training within six months of the start of each successive term;
- require all members of a governing board of an institution at which a State monitor has been appointed to complete the training within six months of the appointment of the State monitor;
- permit the secretary to provide extensions to the grace period;
- provide that failure to complete the training may, at the discretion of the secretary, constitute a resignation from the board; and
- permit training for governing board members to be made available online.