

S- 1609 Higher Education Reform

S-1609 was signed into law by outgoing Governor Corzine on January 18, 2010 as P.L.2009, c.308. The bill takes effect 180 days after becoming law.

S-1609 makes various statutory changes to improve the structure, financing and fiscal management of higher education in NJ in response to the recommendations containing in the October 2007 Report of the State Commission of Investigation

In response to the SCI recommendations, this bill includes provisions to:

- establish effective and efficient State oversight of public higher education;
- strengthen State college and university governing boards;
- implement Sarbanes-Oxley style standards to improve public higher education fiscal accountability; and
- enact controls on higher education lobbying.

The bill requires the governing boards of a public research university or a State college to establish:

- an audit committee;
- a nominations and governance committee;
- a compensation committee ; and
- an executive committee.

The bill provides for the creation of a new cabinet-level position, the Secretary of Higher Education. The secretary will be appointed by the Governor with the advice and consent of the Senate and will serve as executive director of the New Jersey Commission on Higher Education. The bill increases the number of members serving on the commission from 11 to 15.

The bill requires the commission's review and recommendation of a public institution of higher education's plan to establish a branch campus.

The bill also requires public research universities and State colleges to provide information and training to their governing board members on legal and ethical responsibilities.

The bill amends a number of statutes that deal with the issuance of bonds by the New Jersey Educational Facilities Authority (EFA) for higher education capital purposes. The bill provides that the administrative costs associated with the approval process and the issuance of certain bonds by the EFA will not be included within the statutory limit on the total aggregate principal amount of bonds issued, and that these administrative costs will also not be included in the total

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principal amount of bonds eligible for State support pursuant to the County College Chapter 12 program.