



NEW JERSEY

Association of State Colleges and Universities

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Reform of the State College Contracts Law: An Urgent Priority

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Assembly Bill No. 4079 Senate Bill No. 2617

New Jersey state colleges and universities fully support these important bills, which reform the State College Contracts Law – the highest legislative priority for the state institutions. The State College Contracts Law (SCCL) is a 32-year-old law establishing the procedures that the state colleges and universities must follow in order to enter into contracts, purchase goods and services, and construct buildings on their campuses.

The proposed changes will save the colleges and universities millions of dollars and allow them to be more efficient and nimble institutions. They will be allowed to offer a more affordable education while preserving the high-quality education for which New Jersey institutions are renowned. Also noteworthy, this legislation will directly lead to significant positive economic impact for the state without costing the taxpayers a single additional dollar. No one is asking for any money from the state. New Jersey's senior public higher education institutions are just asking for the ability to use their limited resources in the most prudent and productive manner for the public good.

The state colleges and universities are very different entities now than when the law was originally conceived. In the past three decades, the state colleges and universities have transformed from local teacher's colleges into sophisticated, world-class institutions attracting students from all over the country and the world. They offer a myriad of undergraduate and graduate degree programs and all engage in research having profound benefits on our society. The campuses are thriving hubs of intellectual and cultural activity for not only their students and employees but for the surrounding population as well. Modernizing this law to reflect the institutions' current status has been a longtime priority for the state colleges and universities because many aspects of the law hinder the effective, efficient, and responsive operation of the institutions.

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*The College of New Jersey
Kean University
Montclair State University*

*New Jersey City University
Ramapo College of New Jersey
Rowan University*

*Stockton University
Thomas Edison State University
William Paterson University*

The reform provides the state colleges and universities with the same standards for procurement and construction as the research institutions (NJIT, Rowan University and Montclair State University).

Some of the important reforms the senior four-year public institutions are seeking include:

- ◆ Eliminating the lowest bidder requirement that has resulted in inferior construction, missed deadlines, increased costs and programmatic disruption.
- ◆ Institution a bid threshold of \$100,000 for all the public universities, including the research institutions of Montclair, Rowan and NJIT. The current unreasonably low bid threshold cause process gridlock and hinders expeditious and cost-efficient operation.
- ◆ Allowing the state schools to engage in innovative and cost-efficient partnerships, particularly public-private partnerships – without a sunset clause. This provides a fiscal tool for upgrading facilities and for long-range facilities planning, ultimately resulting in modern and high-performing campuses that would attract students and help stem the tide of outmigration.
- ◆ Eliminating the time limitations on contracts to enable the institutions to engage in negotiations to secure the lowest possible price for goods and services.

The state colleges and universities are grateful to Senators Cunningham and Kean and Assemblywoman Jasey for sponsoring this legislation. The proposed changes represent positive steps toward modernizing the laws affecting the state colleges and universities and allowing the institutions to function effectively and competitively in the 21st century. These bills represent legislative support of and commitment to the future of the state colleges and universities as well as to public higher education in New Jersey.