

Public Notice

Education

State Board of Education

Notice of Action on Petition for Rulemaking

Educational Facilities

Use of Lease-Purchase Agreements

N.J.A.C. 6A:26-10.1

Petitioner: Gerald Reiner.

Take notice that on February 6, 2020, the New Jersey State Board of Education (State Board) received a petition for rulemaking from the above petitioner, requesting the State Board amend N.J.A.C. 6A:26-10.1 to include language that prohibits lease purchases for equipment from being used to fund a project unless the lease-purchase agreement is approved before the project is awarded.

The petitioner specifically requested the State Board adopt an amendment at N.J.A.C. 6A:26-10.1(a), which allows a school district to acquire improvements or additions to school facilities through lease-purchase agreements of five years or less if the lease-purchase agreement provides for the funding in full to the school district upon commencement of construction of the school facilities project. The rule also prohibits school districts from entering into lease-purchase agreements of more than five years in duration. The petitioner requested to add a provision stating that school districts may only enter into a contract to spend the funds from the proceeds of a lease-purchase if the financing is approved by a district board of education resolution before incurring the obligation or award.

A notice acknowledging receipt of the petition was published in the March 16, 2020, New Jersey Register at 52 N.J.R. 535(b). In accordance with applicable law, the Department of Education (Department) reviewed the petition and has determined that additional time is needed to deliberate about this petition. Due to the declared Public Health Emergency and State of Emergency in the State of New Jersey (see Executive Order No. 103 (Murphy)) and the resulting shift in the duties of Department employees to respond to the declared emergencies, the Department needs additional time to consider the requested amendments.

Accordingly, pursuant to N.J.A.C. 1:30-4.2(a)3 and 6A:6-4.2(b)3, this matter will be referred for further deliberation for a period not to exceed 90 days.

A copy of this public notice is being mailed to the petitioner.