

[First Reprint]

**SENATE CONCURRENT  
RESOLUTION No. 88**

**STATE OF NEW JERSEY  
214th LEGISLATURE**

INTRODUCED MARCH 11, 2010

**Sponsored by:**

**Senator STEPHEN M. SWEENEY**

**District 3 (Salem, Cumberland and Gloucester)**

**SYNOPSIS**

Directs SCI investigation of the finances and operations of the New Jersey State Interscholastic Athletic Association.

**CURRENT VERSION OF TEXT**

As reported by the Senate Education Committee on June 3, 2010, with amendments.



- 1 **A CONCURRENT RESOLUTION** directing the State Commission of  
 2 Investigation to investigate the finances and operations of the  
 3 New Jersey State Interscholastic Athletic Association.  
 4
- 5 **WHEREAS**, The New Jersey State Interscholastic Athletic Association  
 6 (NJSIAA) is a voluntary association which oversees Statewide  
 7 interscholastic sports programs; and
- 8 **WHEREAS**, On January 29, 2007, the State enacted N.J.S.A.18A:11-  
 9 3.1 which prohibits a public school district from joining “any  
 10 voluntary association which oversees activities associated with  
 11 Statewide interscholastic sports programs if [...] the association  
 12 requires increased ticket prices for attendance at playoff games  
 13 compared to regular season games, unless the playoff game is held  
 14 at a location other than a public school and the increased ticket  
 15 prices are deemed necessary by the Commissioner of Education”;  
 16 and
- 17 **WHEREAS**, The law took effect on January 29, 2010, and despite  
 18 having three years to prepare and make any necessary adjustments,  
 19 the NJSIAA violated the clear intent of the law by charging  
 20 increased ticket prices for attendance at playoff games held at  
 21 public schools; and
- 22 **WHEREAS**, Despite the fact that ticket prices for regular season events  
 23 averaged \$3 for adults and \$2 for students and senior citizens, the  
 24 NJSIAA instructed its member schools hosting post-season  
 25 tournaments to charge in excess of the regular season ticket prices;  
 26 and
- 27 **WHEREAS**, The NJSIAA attempted to justify its illegal increase of  
 28 ticket prices by interpreting N.J.S.A.18A:11-3.1 to prohibit the  
 29 association from increasing ticket prices charged at playoff games  
 30 unless the school district increased ticket prices for regular season  
 31 games, which interpretation is clearly contrary to the plain language  
 32 of the law; and
- 33 **WHEREAS**, It has been alleged that the NJSIAA’s recent malfeasance  
 34 concerning ticket prices is not an isolated event, but rather one  
 35 example of a systemic pattern of financial and operational abuse;  
 36 and
- 37 **WHEREAS**, A 2005 <sup>1</sup>**[Bergen Record investigative]** investigative<sup>1</sup>  
 38 report <sup>1</sup>in The Record<sup>1</sup> raised concerns about the NJSIAA’s use of  
 39 taxpayer dollars, including excessive employee salary and benefit  
 40 packages, and out-of-State travel reimbursement for employees’  
 41 spouses; and
- 42 **WHEREAS**, The report also indicated that the NJSIAA offered its  
 43 member schools fewer benefits than nearly every other  
 44 interscholastic athletic association in the country, and that the

**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:

<sup>1</sup>Senate SED committee amendments adopted June 3, 2010.

1 NJSIAA was one of only three associations that refused to return a  
2 portion of the revenues raised at playoff and tournament events  
3 back to the schools; and

4 **WHEREAS**, Although the NJSIAA has since adopted modest reforms,  
5 the association's initial refusal to comply with the provisions of  
6 N.J.S.A.18A:11-3.1 reinforces doubts about the integrity of the  
7 association's financial transactions and operations; now, therefore,  
8

9 **BE IT RESOLVED** by the Senate of the State of New Jersey (the  
10 General Assembly concurring):  
11

12 1. The State Commission of Investigation shall immediately  
13 begin an investigation of the New Jersey State Interscholastic  
14 Athletic Association, which shall include a comprehensive audit  
15 and thorough examination of the association's financial transactions  
16 and operations, to ensure the proper use of taxpayer dollars by the  
17 association, and to ensure that the association is operating in  
18 accordance with its authorizing legislation and other statutes  
19 applicable to the association, and an examination of the fairness and  
20 flexibility of the association's bylaws to determine their equitable  
21 and appropriate application to schools and student athletes.  
22

23 2. The State Commission of Investigation shall present its  
24 findings and recommendations to the Governor and the Legislature  
25 no later than 180 days following the effective date of this  
26 concurrent resolution.  
27

28 3. This concurrent resolution shall take effect immediately.