

[First Reprint]

SENATE, No. 1586

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED FEBRUARY 5, 2018

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Senator TROY SINGLETON

District 7 (Burlington)

Co-Sponsored by:

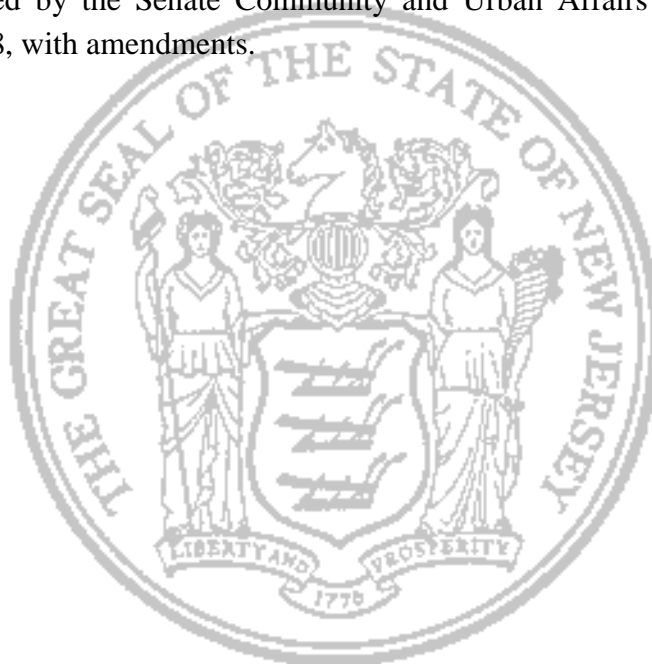
Senators Brown and O'Scanlon

SYNOPSIS

Adds Monmouth County and Atlantic County as pilot counties for purposes of “Common Sense Shared Services Pilot Program Act.”

CURRENT VERSION OF TEXT

As reported by the Senate Community and Urban Affairs Committee on June 25, 2018, with amendments.



(Sponsorship Updated As Of: 6/26/2018)

1 AN ACT concerning certain shared services and amending P.L.2013,
2 c.166 ¹and P.L.2007, c.63¹.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. Section 3 of P.L.2013, c.166 (C.40A:65-4.2) is amended to
8 read as follows:

9 3. a. As used in this section:

10 "Local employee" means a tenured municipal clerk, assessor,
11 collector, chief financial officer, municipal treasurer, or principal
12 public works manager who is a municipal superintendent of public
13 works;

14 "Pilot county" means ¹Atlantic,¹ Camden, Monmouth, Morris,
15 Ocean, Sussex, and Warren, counties; and

16 "Pilot municipality" means a municipality located in a pilot
17 county that enters into a shared services agreement with another
18 pilot municipality pursuant to the provisions of P.L.2007, c.63
19 (C.40A:65-1 et seq.) for the services of a local employee.

20 b. There is established a pilot program to evaluate the
21 efficiency and functionality of the sharing of services of certain
22 local personnel having tenure rights in office. In pilot
23 municipalities, tenure rights shall not prohibit the sharing of
24 services for a municipal clerk, a chief financial officer, an assessor,
25 a tax collector, a municipal treasurer, or a municipal superintendent
26 of public works. Under the pilot program, municipalities located in
27 pilot counties may enter into shared services agreements, pursuant
28 to the provisions of P.L.2007, c.63 (C.40A:65-1 et seq.), for the
29 services of tenured local employees, and provide for the dismissal
30 of any tenured local employees who are not selected to be service
31 providers under the shared services agreement.

32 In a shared service agreement between pilot municipalities for
33 the services of a municipal clerk, a chief financial officer, an
34 assessor, a tax collector, a municipal treasurer, or a municipal
35 superintendent of public works, the agent-party, as that term is
36 defined in subsection d. of section 7 of P.L.2007, c.63 (C.40A:65-
37 7), shall select for employment under the agreement one of the
38 employees of the pilot municipalities that are party to the agreement
39 who was employed in that same capacity by one of the pilot
40 municipalities prior to the approval of the agreement. ¹During the
41 time period of the shared service agreement, and thereafter if the
42 shared service agreement is terminated for any reason, all of the
43 conditions of the selected employee's employment, including any
44 term of office or tenure in office, and the employee's work hours,

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:

¹Senate SCU committee amendments adopted June 25, 2018.

1 salary, and benefits, shall remain in effect, and shall not be
2 unilaterally revised, revoked, or rescinded, by the municipalities
3 that are party to the shared service agreement. Those conditions
4 shall be memorialized in a written “dissolution agreement,” which
5 shall be made a part of the shared service agreement and shall be
6 adopted as a part of the shared service agreement.¹

7 c. A tenured municipal clerk, chief financial officer, assessor,
8 tax collector, municipal superintendent of public works, or
9 municipal treasurer may be dismissed to effectuate the sharing of a
10 service entered into pursuant to the provisions of P.L.2007, c.63
11 (C.40A:65-1 et seq.), and such dismissal shall be deemed to be in
12 the interest of the economy or efficiency of the participants in the
13 shared service agreement. A tenured municipal clerk, chief
14 financial officer, assessor, tax collector, municipal superintendent
15 of public works, or municipal treasurer who has been dismissed to
16 effectuate a shared service agreement entered into pursuant to the
17 provisions of P.L.2007, c.63 (C.40A:65-1 et seq.) shall be
18 reappointed to his or her former position, and shall regain his or her
19 tenured status, if the shared service agreement is cancelled, or
20 expires, within the two-year period immediately following the
21 dismissal of that person.

22 (cf: P.L.2013, c.166, s.3)

23
24 ¹2. Section 2 of P.L.2007, c.63 (C.40A:65-2) is amended to read
25 as follows:

26 2. The Legislature finds and declares:

27 a. Historically, many specialized statutes have been enacted to
28 permit shared services between local units for particular purposes.

29 b. Other laws, permitting a variety of shared services, including
30 interlocal services agreements, joint meetings, and consolidated and
31 regional services, exist but have not been very effective in
32 promoting the broad use of shared services as a technique to reduce
33 local expenses funded by property taxpayers.

34 c. It is appropriate for the Legislature to enact a new shared
35 services statute that can be used to effectuate agreements between
36 local units for any service or circumstance intended to reduce
37 property taxes through the reduction of local expenses.

38 d. It is contrary to public policy that the tenure rights of certain
39 local personnel should effectively prohibit shared services
40 agreements for the services provided by those local personnel,
41 thereby depriving property taxpayers of property tax relief.

42 e. In order to evaluate the efficiencies related to the sharing of
43 services of certain local personnel having tenure rights in office, it
44 is appropriate to create a pilot program in **【five】** seven counties of
45 the State which embody urban, suburban, and rural characteristics
46 to study the sharing of the services of these personnel between
47 municipalities by allowing for the dismissal of such a tenured local

1 official, as necessary, in order to promote and effectuate the sharing
2 of a service.¹

3 (cf: P.L.2013, c.166, s.2)

4

5 ¹**[2.]** 3.¹ This act shall take effect immediately.