

SENATE, No. 4264

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED DECEMBER 28, 2023

Sponsored by:
Senator TROY SINGLETON
District 7 (Burlington)

SYNOPSIS

Concerns local unit filing requirement for certain shared services agreements.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning local unit filing requirement for certain shared
2 services agreements and amending the “Uniform Shared Services
3 and Consolidation Act,” P.L.2007, c.63.

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

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8 1. Section 4 of P.L.2007, c.63 (C.40A:65-4) is amended to read
9 as follows:

10 4. a. (1) Any local unit may enter into an agreement with any
11 other local unit or units to provide or receive any service that each
12 local unit participating in the agreement is empowered to provide or
13 receive within its own jurisdiction, including services incidental to
14 the primary purposes of any of the participating local units
15 including services from licensed or certified professionals required
16 by statute to be appointed.

17 In the case of pilot municipalities, tenure rights shall not prohibit
18 the sharing of services for a municipal clerk, a chief financial
19 officer, an assessor, a tax collector, a municipal treasurer, or a
20 municipal superintendent of public works. The statutory
21 requirements that each municipality must appoint a municipal clerk,
22 a chief financial officer, an assessor, a tax collector, a municipal
23 treasurer, a municipal engineer, and a principal public works
24 manager shall, for those pilot municipalities, permit and include the
25 provision of the services of any of those municipal employees
26 through a shared service agreement pursuant to the provisions of
27 P.L.2007, c.63 (C.40A:65-1 et seq.). The shared service agreement
28 shall be subject to the provisions of subsection d. of this section and
29 of section 3 of P.L.2013, c.166 (C.40A:65-4.2).

30 In a shared service agreement between pilot municipalities for
31 the services of a municipal clerk, a chief financial officer, an
32 assessor, a tax collector, a municipal treasurer, or a municipal
33 superintendent of public works, the agent-party, as that term is used
34 in subsection d. of section 7 of P.L.2007, c.63 (C.40A:65-7), shall
35 select for employment under the agreement one of the employees of
36 the pilot municipalities that are party to the agreement who was
37 employed in that same capacity prior to the approval of the
38 agreement.

39 (2) Notwithstanding any law, rule or regulation to the contrary,
40 any agreement between local units for the provision of shared
41 services shall be entered into pursuant to sections 1 to 37 of
42 P.L.2007, c.63 (C.40A:65-1 et al.); provided, however, that
43 agreements regarding shared services that are otherwise regulated
44 by statute, rule, or regulation are specifically excluded from
45 sections 1 to 37 of P.L.2007, c.63 (C.40A:65-1 et al.).

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.

1 (3) The board is authorized to render a decision in the
2 determination of the statutory basis under which a specific shared
3 service is governed.

4 b. Any agreement entered into pursuant to this section shall be
5 filed, for informational purposes, with the Division of Local
6 Government Services in the Department of Community Affairs,
7 together with an estimate of the cost savings anticipated to be
8 achieved by the local units that are the parties to the agreement [in
9 the case of an agreement between pilot municipalities], pursuant to
10 rules and regulations promulgated by the director.

11 c. In the case of a pilot municipality, a tenured municipal clerk,
12 chief financial officer, assessor, tax collector, municipal
13 superintendent of public works, or municipal treasurer may be
14 dismissed to effectuate the sharing of a service entered into
15 pursuant to the provisions of P.L.2007, c.63 (C.40A:65-1 et seq.)
16 and such dismissal shall be deemed to be in the interest of the
17 economy or efficiency of the participants in the shared service
18 agreement.

19 d. In the case of a pilot municipality, a tenured municipal clerk,
20 chief financial officer, assessor, tax collector, municipal
21 superintendent of public works, or municipal treasurer who has
22 been dismissed to effectuate a shared service agreement entered into
23 pursuant to the provisions of P.L.2007, c.63 (C.40A:65-1 et seq.)
24 shall be reappointed to his or her former position, and shall regain
25 his or her tenured status, if the shared service agreement is
26 cancelled, or expires, within the two-year period immediately
27 following the dismissal of that person.

28 e. Notwithstanding any law, rule, or regulation to the contrary,
29 a local unit or units may enter into a shared service agreement with
30 a federal military base, to the extent permitted by 10 U.S.C. s.2679,
31 under which services would be provided to the extent a local unit
32 involved in the agreement is empowered to provide those services
33 within its own jurisdiction. This subsection shall not be construed
34 to impact existing federal or State civil service laws, rules, or
35 regulations with respect to federal employees or employees of a
36 local unit. Where federal law and State law conflict regarding the
37 content and duration of such agreements, federal law shall control.
38 (cf: P.L.2017, c.21, s.1)

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40 2. This act shall take effect immediately and shall apply to those
41 agreements entered into after the enactment of P.L. , c. (pending
42 before the Legislature as this bill).

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45 STATEMENT

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47 This bill requires that local units entering into a shared services
48 agreement, pursuant to the “Uniform Shared Services and

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1 Consolidation Act,” P.L.2007, c.63, file the agreement and an
2 estimate of the cost savings anticipated to be achieved by the local
3 units with the Division of Local Government Services in the
4 Department of Community Affairs.