

SENATE, No. 4785

STATE OF NEW JERSEY
222nd LEGISLATURE

INTRODUCED OCTOBER 5, 2026

Sponsored by:
Senator RAJ MUKHERJI
District 32 (Hudson)

SYNOPSIS

Expands certain permission to offer incentives for employee retirement or termination of employment to municipalities.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT allowing municipalities to offer incentives for employee
2 retirement or termination of employment and amending
3 P.L.2000, c.126.

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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 44 of P.L.2000, c.126 (C.43:8C-2.1) is amended to
9 read as follows:

10 44. Notwithstanding the provisions of section 2 of P.L.1999,
11 c.59 (C.43:8C-2) to the contrary, but subject to the other provisions
12 of that law, a municipal or county governing body may, by
13 ordinance or resolution, adopt an incentive program to encourage
14 the retirement or termination of employment of municipal or county
15 government employees, regardless of whether the municipality or
16 county is entering into an interlocal services contract or a joint
17 services contract. The incentive program shall be submitted to the
18 Director of the Division of Local Government Services in the
19 Department of Community Affairs for approval. The director may
20 condition approval on modifications to the incentive program.
21 Following approval of the incentive program by the director, the
22 municipal or county government may implement the program and
23 offer the incentives to its employees.
24 (cf: P.L.2000, c.126, s.44)

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26 2. This act shall take effect immediately.

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STATEMENT

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31 This bill authorizes municipalities to adopt, by ordinance, an
32 incentive program to encourage the retirement or termination of
33 employment regardless of whether the municipality is entering into
34 an interlocal services contract or a joint services contract. Current
35 law allows only counties to adopt such a program.

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.