

[Corrected Copy]

SENATE, No. 19

STATE OF NEW JERSEY
212th LEGISLATURE

INTRODUCED JANUARY 29, 2007

Sponsored by:

Senator BOB SMITH

District 17 (Middlesex and Somerset)

SYNOPSIS

Implements CORE proposals, including "Uniform Shared Services and Consolidation Act"; user-friendly budgets; revision of county superintendent of schools title and duties.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** to encourage the financial accountability of local units of
2 government through empowering citizens, reducing waste and
3 duplicative services, clearing legal hurdles to shared services and
4 consolidation, and supplementing, amending, and repealing
5 sections of statutory law.

6
7 **WHEREAS**, The problem of high property taxes paid by New
8 Jersey’s residents is not easily solved, but can be ameliorated
9 through changes to the laws designed to encourage government
10 efficiency through shared services, regionalization, and
11 consolidation; and

12 **WHEREAS**, The problem of political resistance remains a potent
13 barrier to consolidation, especially since initial additional short-
14 term costs may mask the long-term benefits of consolidation; and

15 **WHEREAS**, The Legislature should attempt to facilitate, by an
16 improved and streamlined process that is tailored to local needs,
17 that avoids the current thicket of overlapping and antiquated laws
18 inhibiting interlocal cooperation, and that deals with Civil
19 Service issues rationally; and

20 **WHEREAS**, The State largely has employed a “carrot” approach to
21 incentivizing consolidation and service sharing for over 30 years,
22 and for real progress to occur in reducing the rate of property tax
23 increase, the “stick” approach is appropriate; and

24 **WHEREAS**, Providing citizens with the tools to gauge the efficiency
25 of their local governments will help promote accountability and
26 cost savings; now, therefore,

27
28 **BE IT ENACTED** by the Senate and General Assembly of the State
29 of New Jersey:

30
31 . ARTICLE 1. SHARED SERVICES AND CONSOLIDATION
32 SUBARTICLE A. GENERAL PROVISIONS

33
34 1. (New section) Sections 1 through 35 of P.L. ,
35 c. (C. through) (pending before the Legislature as this bill)
36 shall be known and may be referred to as the “Uniform Shared
37 Services and Consolidation Act.”

38
39 2. (New section) The Legislature finds and declares:
40 a. Historically, many specialized statutes have been enacted to
41 permit shared services between local units for particular purposes.
42 b. Other laws, permitting a variety of shared services, including
43 interlocal services agreements, joint meetings, and consolidated and
44 regional services, exist but have not been very effective in

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 promoting the broad use of shared services as a technique to reduce
2 local expenses funded by property taxpayers.

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

7
8 3. (New section) As used in sections 1 through 35 of P.L. ,
9 c. (C. through) (pending before the Legislature as this bill):

10 "Board" means the Local Finance Board in the Division of Local
11 Government Services in the Department of Community Affairs.

12 "Construct" and "construction" connote and include acts of
13 construction, reconstruction, replacement, extension, improvement
14 and betterment of lands, public improvements, works, facilities,
15 services or undertakings.

16 "Contracting local units" means local units participating in a
17 joint meeting.

18 "Director" means the Director of the Division of Local
19 Government Services in the Department of Community Affairs.

20 "Division" means the Division of Local Government Services in
21 the Department of Community Affairs.

22 "Governing body" means the board, commission, council, or
23 other body having the control of the finances of a local unit; and in
24 those local units in which an executive officer is authorized by law
25 to participate in such control through powers of recommendation,
26 approval, or veto, the term includes that executive officer, to the
27 extent of the officer's statutory participation.

28 "Joint contract" means an agreement between two or more local
29 units to form a joint meeting.

30 "Joint meeting" means the joint operation of any public services,
31 public improvements, works, facilities, or other undertaking by
32 contracting local units pursuant to a joint contract under section 14
33 of P.L. , c. (C.) (pending before the Legislature as this bill).

34 "Local unit" means a "contracting unit" pursuant to section 2 of
35 P.L.1971, c.198 (C.40A:11-2), a "district" pursuant to
36 N.J.S.18A:18A-2, a "county college" pursuant to N.J.S.18A:64A-1,
37 a joint meeting, or any authority or special district that is subject to
38 the "Local Authorities Fiscal Control Law," P.L.1983, c.313
39 (C.40A:5A-1 et seq.).

40 "Operate" and "operation" mean and include acquisition,
41 construction, maintenance, management, and administration of any
42 lands, public improvements, works, facilities, services, or
43 undertakings.

44 "Person" means any person, association, corporation, nation,
45 State, or any agency or subdivision thereof, or a county or
46 municipality of the State.

47 "Service" means any of the powers, duties and functions
48 exercised or performed by a local unit by or pursuant to law.

1 "Shared service" or "shared" means any service provided on a
2 regional, joint, interlocal, shared, or similar basis between local
3 units, the provisions of which are memorialized by agreement
4 between the participating local units, but, for the purposes of this
5 act, does not include any specific service or activity regulated by
6 some other law, rule or regulation.

7 "Shared service agreement" or "agreement" means a contract
8 authorized under section 4 of P.L. , c. (C.) (pending before
9 the Legislature as this bill).

10 "Terminal leave benefit" means a single, lump sum payment,
11 paid at termination, calculated using the regular base salary at the
12 time of termination.

13

14 SUBARTICLE B. SHARED SERVICES

15

16 4. (New section) a. (1) Any local unit may enter into an
17 agreement with any other local unit or units to provide or receive
18 any service that each local unit participating in the agreement is
19 empowered to provide or receive within its own jurisdiction,
20 including services incidental to the primary purposes of any of the
21 participating local units.

22 (2) Notwithstanding any law, rule or regulation to the contrary,
23 any agreement between local units for the provision of shared
24 services shall be entered into pursuant to Article 1 of P.L. ,
25 c. (C.) (pending before the Legislature as this bill);
26 provided, however, that agreements regarding shared services that
27 are otherwise regulated by statute, rule, or regulation are
28 specifically excluded from Article 1 of P.L. , c. (C.)
29 (pending before the Legislature as this bill).

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

33 b. Any agreement entered into pursuant to this section shall be
34 filed, for informational purposes, with the Division of Local
35 Government Services in the Department of Community Affairs,
36 pursuant to rules and regulation promulgated by the director.

37

38 5. (New section) a. A local unit authorized to enter into an
39 agreement under section 4 of P.L. , c. (C.) (pending before
40 the Legislature as this bill) may do so by the adoption of a
41 resolution. A resolution adopted pursuant to this section or
42 subsection b. of that section shall clearly identify the agreement by
43 reference and need not set forth the terms of the agreement in full.

44 b. A copy of the agreement shall be open to public inspection
45 at the offices of the local unit immediately after passage of a
46 resolution to become a party to the agreement.

47 c. The agreement shall take effect upon the adoption of
48 appropriate resolutions by all the parties thereto, and execution of
49 agreements authorized thereunder as set forth in the agreement.

1 6. (New section) a. In the case of an agreement for the
2 provision of services by an officer or employee of a local unit who
3 is required to comply with a State license or certification
4 requirement as a condition of employment, the agreement shall
5 provide for the payment of a salary to the officer or employee and
6 shall designate one of the local units as the primary employer of the
7 officer or employee for the purpose of that person's tenure rights. If
8 the agreement fails to designate one of the local units as the primary
9 employer, then the local unit having the largest population, shall be
10 deemed the primary employer for the purposes of that person's
11 tenure rights.

12 b. A State department or agency with oversight over specific
13 activities that are the subject of a shared service agreement may
14 promulgate whatever rules and regulations it deems necessary to
15 ensure that the service continues to be provided in accordance with
16 the requirements of that department or agency.

17
18 7. (New section) a. An agreement made pursuant to section 4
19 of P.L. , c. (C.) (pending before the Legislature as this
20 bill) shall specify:

21 (1) the specific services to be performed by one or more of the
22 parties as agent for any other party or parties;

23 (2) standards of the level, quality, and scope of performance,
24 with assignment and allocation of responsibility for meeting those
25 standards between or among the parties;

26 (3) the estimated cost of the services throughout the duration of
27 the agreement, with allocation of those costs to the parties, in dollar
28 amounts or by formula, including a time schedule for periodic
29 payment of installments for those allocations. The specification
30 may provide for the periodic modification of estimates or formulas
31 contained therein in the light of actual experience and in accordance
32 with procedures to be specified in the agreement;

33 (4) the duration of the agreement, which shall be 10 years, unless
34 otherwise agreed upon by the parties; and

35 (5) the procedure for payments to be made under the contract.

36 b. In the case when all of the participating local units are
37 municipalities, the agreement may provide that it shall not take
38 effect until submitted to the voters of each municipality, and
39 approved by a majority of the voters of each municipality voting at
40 the referendum.

41 c. The agreement may provide for binding arbitration or for
42 binding fact-finding procedures to settle any disputes or questions
43 which may arise between the parties as to the interpretation of the
44 terms of the agreement or the satisfactory performance by any of
45 the parties of the services and other responsibilities required by the
46 agreement.

47 d. For the purposes of sections 4 through 13 of P.L. ,
48 c. C. through) (pending before the Legislature as this
49 bill), any party performing a service under a shared service

1 agreement is the general agent of any other party on whose behalf
2 that service is performed pursuant to the agreement, and that agent-
3 party has full powers of performance and maintenance of the
4 service contracted for, and full powers to undertake any ancillary
5 operation reasonably necessary or convenient to carry out its duties,
6 obligations and responsibilities under the agreement. These powers
7 include all powers of enforcement and administrative regulation
8 which are, or may be, exercised by the party on whose behalf the
9 agent-party acts pursuant to the agreement, except as the powers are
10 limited by the terms of the agreement itself, and except that no
11 contracting party shall be liable for any part or share of the cost of
12 acquiring, constructing, or maintaining any capital facility acquired
13 or constructed by an agent-party unless that part or share is
14 provided for in the agreement, or in an amendment thereto ratified
15 by the contracting parties in the manner provided in Article 1 of
16 P.L. , c. (C.) (pending before the Legislature as this bill)
17 for entering into an agreement.

18 e. Except as the terms of any agreement may explicitly or by
19 necessary implication provide, any party to an agreement entered
20 into pursuant to section 4 of P.L. , c. (C.) (pending before
21 the Legislature as this bill) may enter into another agreement or
22 agreements with any other eligible parties for the performance of
23 any service or services pursuant to Article 1 of P.L. , c. (C.)
24 (pending before the Legislature as this bill). The participation in
25 one agreement shall not bar participation with the same or other
26 parties in any other agreement.

27 f. Payment for services performed pursuant to an agreement
28 shall be made by and to the parties, and at such intervals, as shall be
29 provided in the agreement.

30 g. In the event of any dispute as to the amount to be paid, the
31 full amount to be paid as provided in subsection a. of this section
32 shall be paid; but if through subsequent negotiation, arbitration or
33 litigation the amount due shall be determined, agreed or adjudicated
34 to be less than was actually so paid, then the party having received
35 the payment shall forthwith repay the excess.

36
37 8. (New section) a. Whenever two or more local units enter
38 into an agreement, pursuant to section 4 of P.L. , c. (C.)
39 (pending before the Legislature as this bill), for the shared provision
40 of law enforcement services within their respective jurisdictions,
41 the agreement shall recognize and preserve the seniority, tenure,
42 and pension rights of every full-time law enforcement officer who
43 is employed by each of the participating local units and who is in
44 good standing at the time the ordinance authorizing the agreement
45 is adopted, and none of those law enforcement officers shall be
46 terminated, except for cause; provided, however, this provision
47 shall not be construed to prevent or prohibit a merged law
48 enforcement entity from reducing force as provided by law for
49 reasons of economy and efficiency.

1 b. To provide for the efficient administration and operation of
2 the shared law enforcement services within the participating local
3 units, the agreement may provide for the appointment of a chief of
4 police or other chief law enforcement officer. In that case, the
5 agreement shall identify the appropriate authority to whom the chief
6 of police or other chief law enforcement officer reports and also
7 shall provide that any person who is serving as the chief of police or
8 other chief law enforcement officer in one of the participating local
9 units at the time the contract is adopted may elect either:

10 (1) to accept a demotion of no more than one rank without any
11 loss of seniority rights, impairment of tenure, or pension rights; or

12 (2) to retire from service.

13 A person who elects retirement shall not be demoted, but shall
14 retain the rank of chief of police or other chief law enforcement
15 officer and shall be given terminal leave for a period of one month
16 for each five-year period of past service as a law enforcement
17 officer with a participating local unit. During the terminal leave,
18 the person shall continue to receive full compensation and shall be
19 entitled to all benefits, including any increases in compensation or
20 benefits, that he may have been entitled to if he had remained on
21 active duty.

22 c. Whenever the participating local units have adopted or are
23 deemed to have adopted Title 11A, Civil Service, of the New Jersey
24 Statutes with regard to the provision of law enforcement services,
25 and the agreement provides for the appointment of a chief of police
26 or other chief law enforcement officer, the position of chief of
27 police or other chief law enforcement officer shall be in the career
28 service.

29

30 9. (New section) If any local unit performs a service on behalf
31 of one or more other local units that are parties to an agreement that
32 utilizes a private contractor to perform all or most of that service, or
33 all or most of a specific and separate segment of that service, then
34 that local unit shall award the contract for the work to be performed
35 by a private contractor under the agreement in accordance with the
36 "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et
37 seq.).

38

39 10. (New section) In the event that any authority, board,
40 commission, district, joint meeting, or other body created by one or
41 more local units proposes to enter into a contract under Article 1 of
42 P.L. , c. (C.) (pending before the Legislature as this bill),
43 whereby that entity agrees to have performed on its behalf services,
44 the cost of which shall equal one-half or more of the total costs of
45 the services being performed by that entity immediately prior to the
46 adoption of the proposed contract, then the contract shall require
47 approval by resolution of the governing body of each local unit
48 which created the entity or which has become a participant therein
49 subsequent to its creation.

1 11. (New section) a. When a local unit contracts, through a
2 shared service or joint meeting, to have another local unit or a joint
3 meeting provide a service it is currently providing using public
4 employees and one or more of the local units have adopted Title
5 11A, Civil Service, then the agreement shall include an employment
6 reconciliation plan in accordance with this section that and, if one
7 or more of the local units have adopted Title 11A, Civil Service,
8 shall specifically set forth the intended jurisdiction of the
9 Department of Personnel. An employment reconciliation plan shall
10 be subject to the following provisions:

11 (1) a determination of those employees, if any, that shall be
12 transferred to the providing local unit, retained by the recipient
13 local unit, or terminated from employment for reasons of economy
14 or efficiency, subject to the provisions of any existing collective
15 bargaining agreements within the local units.

16 (2) any employee terminated for reasons of economy or
17 efficiency by the local unit providing the service under the shared
18 service agreement shall be given a terminal leave payment of not
19 less than a period of one month for each five-year period of past
20 service as an employee with the local unit, or other enhanced
21 benefits that may be provided or negotiated. For the purposes of
22 this paragraph, "terminal leave payment" means a single, lump sum
23 payment, paid at termination, calculated using the regular base
24 salary at the time of termination. Unless otherwise negotiated or
25 provided by the employer, a terminal leave benefit shall not include
26 extended payment, or payment for retroactive salary increases,
27 bonuses, overtime, longevity, sick leave, accrued vacation or other
28 time benefit, or any other benefit.

29 (3) the Department of Personnel shall place any employee that
30 has permanent status pursuant to Title 11A, Civil Service, of the
31 New Jersey Statutes that is terminated for reasons of economy or
32 efficiency at any time by either local unit on a special
33 reemployment list for any civil service employer within the county
34 of the agreement or any political subdivision therein.

35 (4) when a proposed shared service agreement affects employees
36 in local units subject to Title 11A, Civil Service, of the New Jersey
37 Statutes, an employment reconciliation plan that shall be filed with
38 the Department of Personnel prior to the approval of the shared
39 service agreement. The department shall review it for consistency
40 with this section within 45 days of receipt and shall be deemed
41 approved, subject to approval of the shared service agreement by
42 the end of that time, unless the department has responded with a
43 denial or conditions that must be met in order for it to be approved.

44 (5) when an action is required of the Department of Personnel by
45 this section, parties to a planned shared service agreement may
46 consult with that department in advance of the action and the
47 department shall provide such technical support as may be
48 necessary to assist in the preparation of an employment

1 reconciliation plan or any other action required of the department
2 by this section.

3 b. If all the local units that are parties to the agreement are
4 subject to the provisions of Title 11A, Civil Service, of the New
5 Jersey Statutes, the Department of Personnel shall create an
6 implementation plan for the agreement that will: (1) transfer
7 employees with current status in current title unless reclassified, or
8 (2) reclassify employees into job titles that best reflect the work to
9 be performed. The Department of Personnel shall review whether
10 any existing hiring or promotional lists should be merged,
11 inactivated, or re-announced. Non-transferred employees shall be
12 removed or suspended only for good cause and after the opportunity
13 for a hearing before the Merit System Board; provided, however,
14 that they may be laid-off in accordance with the provisions of
15 N.J.S.11A:8-1 et seq., and the regulations promulgated thereunder.
16 The final decision of which employees shall transfer to the new
17 employer is vested solely with the local unit that will provide the
18 service and subject to the provisions of any existing collective
19 bargaining agreements within the local units.

20 c. If the local unit that will provide the service pursuant to a
21 shared service agreement is subject to Title 11A, Civil Service, of
22 the New Jersey Statutes, but the local unit to receive the service is
23 not subject to that Title, and the contracting local units desire that
24 some or all employees of the recipient local unit are to be
25 transferred to the providing local unit, the Department of Personnel
26 shall vest only those employees who have been employed for one
27 year or more in permanent status pursuant to N.J.S.11A:9-9 in
28 appropriate titles, seniority, and tenure with the providing local unit
29 based on the duties of the position. The final decision of which
30 employees shall transfer to the new employer is vested solely with
31 the local unit that will provide the service and subject to the
32 provisions of any existing collective bargaining agreements within
33 the local units.

34 d. If the local unit that will provide the service is not subject to
35 the provisions of Title 11A, Civil Service, of the New Jersey
36 Statutes, but the local unit that will receive the service is subject to
37 that Title and the parties desire that some or all employees of the
38 recipient local unit are to be transferred to the providing local unit,
39 the transferred employees shall be granted tenure in office and shall
40 only be removed or suspended for good cause and after a hearing;
41 provided, however, that they may be laid-off in accordance with the
42 provisions of N.J.S.11A:8-1 et seq., and the regulations
43 promulgated thereunder. The transferred employees shall be
44 subject to layoff procedures prior to the transfer to the new entity.
45 Once transferred, they will be subject to any employment contracts
46 and provisions that exist for the new entity. The final decision of
47 which employees shall transfer to the new employer is vested solely
48 with the local unit that will provide the service and subject to the

1 provisions of any existing collective bargaining agreements within
2 the local units.

3
4 12. (New section) The Public Employment Relations
5 Commission is specifically authorized to provide technical advice,
6 pursuant to section 12 of P.L.1968, c.303 (C.34:13A-8.3), and
7 mediation services to integrate separate labor agreements into single
8 agreements for the shared service agreement. The commission may
9 order binding arbitration, pursuant to P.L.1995, c.425 (C.34:13A-
10 14a et seq.), to integrate any labor agreement.

11
12 13. (New section) It is the intent of the Legislature to facilitate
13 and promote shared service agreements, and therefore the grant of
14 power under sections 1 through 35 of P.L. , c. (C. through)
15 (pending before the Legislature as this bill) is intended to be as
16 broad as is consistent with general law.

17
18 SUBARTICLE C. JOINT MEETINGS

19
20 14. (New section) a. The governing bodies of any two or more
21 local units may enter into a joint contract, for a period not to exceed
22 40 years, to provide for the formation of a joint meeting for the
23 joint operation of any public services, public improvements, works,
24 facilities, or undertakings which the local units are empowered to
25 operate. The contract shall be entered into in accordance with the
26 procedures set forth in subsection b. of section 16 of this bill.

27 b. A joint contract may provide for joint services for any
28 services which any contracting local unit, on whose behalf those
29 services are to be performed, is legally authorized to provide for
30 itself. Those services include, but are not limited to, general
31 government administration, health, police and fire protection, code
32 enforcement, assessment and collection of taxes, financial
33 administration, environmental protection, joint municipal courts,
34 and youth, senior citizens and social welfare programs.

35 c. The joint contract shall set forth the public services, public
36 improvements, works, facilities, or undertakings which the
37 contracting local units desire to operate jointly, and shall provide in
38 general terms the manner in which the public services, public
39 improvements, works, facilities or undertakings shall be jointly
40 operated, and the respective duties and responsibilities of the
41 contracting local units.

42 d. No joint contract pursuant to this section shall authorize the
43 operation of any property or service defined as a "public utility" by
44 R.S.48:2-13, except as may otherwise be provided by law.

45
46 15. (New section) a. A joint meeting is a public body corporate
47 and politic constituting a political subdivision of the State for the
48 exercise of public and essential governmental functions to provide
49 for the public health and welfare.

1 b. A joint meeting has the following powers and authority,
2 which may be exercised by its management committee to the extent
3 provided for in the joint contract:

4 (1) to sue and be sued;

5 (2) to acquire and hold real and personal property by deed, gift,
6 grant, lease, purchase, condemnation or otherwise;

7 (3) to enter into any and all contracts or agreements and to
8 execute any and all instruments;

9 (4) to do and perform any and all acts or things necessary,
10 convenient or desirable for the purposes of the joint meeting or to
11 carry out any powers expressly given in sections 1 through 35 of
12 P.L. , c. (C. through) (pending before the Legislature as
13 this bill);

14 (5) to sell real and personal property owned by the joint meeting
15 at public sale;

16 (6) to operate all services, lands, public improvements, works,
17 facilities or undertakings for the purposes and objects of the joint
18 meeting;

19 (7) to enter into a contract or contracts providing for or relating
20 to the use of its services, lands, public improvements, works,
21 facilities or undertakings, or any part thereof, by local units who are
22 not members of the joint meeting, and other persons, upon payment
23 of charges therefore as fixed by the management committee;

24 (8) to receive whatever State or federal aid or grants that may be
25 available for the purposes of the joint meeting and to make and
26 perform any agreements and contracts that are necessary or
27 convenient in connection with the application for, procurement,
28 acceptance, or disposition of such State or federal aid or grants; and

29 (9) to acquire, maintain, use, and operate lands, public
30 improvements, works, or facilities in any municipality in the State,
31 except where the governing body of the municipality, by resolution
32 adopted within 60 days after receipt of written notice of intention to
33 so acquire, maintain, use, or operate, shall find that the same would
34 adversely affect the governmental operations and functions and the
35 exercise of the police powers of that municipality.

36 c. If the governing body of a municipality in which a joint
37 meeting has applied for the location and erection of sewage
38 treatment or solid waste disposal facilities refuses permission
39 therefore, or fails to take final action upon the application within 60
40 days of its filing, the joint meeting may, at any time within 30 days
41 following the date of such refusal or the date of expiration of the
42 60-day period, apply to the Department of Environmental
43 Protection for relief. That department is authorized, after hearing
44 the joint meeting and the interested municipality, to grant the
45 application for the erection of the sewage treatment or disposal or
46 solid waste treatment or disposal facilities, notwithstanding the
47 refusal or failure to act of the municipal governing body, upon
48 being satisfied that the topographical and other physical conditions
49 existing in the local units comprising the joint meeting are such as

1 to make the erection of such facilities within its boundaries
2 impracticable as an improvement for the benefit of the whole
3 applying joint meeting.

4
5 16. (New section) a. The joint contract shall provide for the
6 operation of the public services, public improvements, works,
7 facilities, or undertakings of the joint meeting, for the
8 apportionment of the costs and expenses of operation required
9 therefore among the contracting local units, for the addition of other
10 local units as members of the joint meeting, for the terms and
11 conditions of continued participation and discontinuance of
12 participation in the joint meeting by the contracting local units, and
13 for such other terms and conditions as may be necessary or
14 convenient for the purposes of the joint meeting. The
15 apportionment of costs and expenses may be based upon assessed
16 valuations, population, and such other factor or factors, or any
17 combination thereof, as may be provided in the joint contract.

18 b. (1) Notwithstanding any law to the contrary concerning
19 approval of contracts, the joint contract shall be subject to approval
20 by resolution of the governing bodies of each of the local units prior
21 to its execution by the official or officials who are authorized to
22 execute a joint contract.

23 (2) The joint contract shall specify the name by which the joint
24 meeting shall be known.

25 (3) The joint contract may be amended from time to time by
26 agreement of the parties thereto, in the same manner as the original
27 contract was authorized and approved.

28 (4) A copy of every resolution creating a joint meeting, and
29 every amendment thereto, shall be forthwith filed with the director.

30

31 17. (New section) a. Whenever the governing bodies of two or
32 more local units enter into a joint contract for the joint operation of
33 law enforcement services within their respective jurisdictions, the
34 contract shall recognize and preserve the seniority, tenure, and
35 pension rights of every full-time law enforcement officer who is
36 employed by each of the contracting local units and who is in good
37 standing at the time the ordinance or resolution, as the case may be,
38 authorizing the contract is adopted, and none of those law
39 enforcement officers shall be terminated, except for cause;
40 provided, however, this provision shall not be construed to prevent
41 or prohibit a merged law enforcement entity from reducing force as
42 provided by law for reasons of economy and efficiency.

43 b. (1) To provide for the efficient administration and operation
44 of the joint law enforcement services within the participating local
45 units, the joint contract may provide for the appointment of a chief
46 of police or other chief law enforcement officer. In that case, the
47 joint contract shall identify the appropriate authority to whom the
48 chief of police or other chief law enforcement officer reports and
49 also shall provide that any person who is serving as the chief of

1 police or other chief law enforcement officer in one of the
2 participating local units at the time the joint contract is adopted may
3 elect either:

4 (a) to accept a demotion of no more than one rank without any
5 loss of seniority rights, impairment of tenure, or pension rights; or

6 (b) to retire from service.

7 (2) Any person who elects retirement shall not be demoted but
8 shall retain the rank of chief of police or other chief law
9 enforcement officer and shall be given terminal leave for a period of
10 one month for each five-year period of past service as a law
11 enforcement officer with the participating local unit. During the
12 terminal leave, the person shall continue to receive full
13 compensation and shall be entitled to all benefits, including any
14 increases in compensation or benefits, that he may have been
15 entitled to if he had remained on active duty.

16 c. Whenever the participating local units have adopted or are
17 deemed to have adopted Title 11A, Civil Service, of the New Jersey
18 Statutes with regard to the provision of law enforcement services,
19 and the contract provides for the appointment of a chief of police or
20 other chief law enforcement officer, the position of chief law
21 enforcement officer shall be in the career service.

22

23 18. (New section) a. When a joint meeting merges bargaining
24 units that have current contracts negotiated in accordance with the
25 provisions of the "New Jersey Employer-Employee Relations Act,"
26 P.L.1941, c.100 (C.34:13A-1 et seq.), the terms and conditions of
27 the existing contracts shall apply to the rights of the members of the
28 respective bargaining units until a new contract is negotiated,
29 reduced to writing, and signed by the parties as provided pursuant
30 to law and regulation promulgated thereunder.

31 b. The Public Employment Relations Commission is
32 specifically authorized to provide technical advice, pursuant to
33 section 12 of P.L.1968, c.303 (C.34:13A-8.3), and mediation
34 services to integrate separate labor agreements into single
35 agreements for the joint contract. The commission may order
36 binding arbitration, pursuant to P.L.1995, c.425 (C.34:13A-14a et
37 seq.), to integrate any labor agreement.

38

39 19. (New section) a. When a local unit agrees to participate in a
40 joint meeting that will provide a service that the local unit is
41 currently providing itself through public employees, the agreement
42 shall include an employment reconciliation plan in accordance with
43 this section. An employment reconciliation plan shall be subject to
44 the following provisions:

45 (1) a determination of those employees, if any, that shall be
46 transferred to the joint meeting, retained by the contracting local
47 unit, or terminated from employment for reasons of economy or
48 efficiency subject to the provisions of any existing collective
49 bargaining agreements within the local units.

1 (2) any employee terminated for reasons of economy or
2 efficiency by the contracting local unit providing the service or by
3 the joint meeting shall be given a terminal leave payment of not less
4 than a period of one month for each five-year period of past service
5 as an employee with the local unit, or other enhanced benefits that
6 may be provided or negotiated. Unless otherwise negotiated or
7 provided by the employer, a terminal leave benefit shall not include
8 extended payment, or payment for retroactive salary increases,
9 bonuses, overtime, longevity, sick leave, accrued vacation or other
10 time benefit, or any other benefit.

11 (3) the Department of Personnel shall place any employee that
12 has permanent status pursuant to Title 11A, Civil Service, of the
13 New Jersey Statutes that is terminated for reasons of economy or
14 efficiency at any time by either local unit on a special
15 reemployment list for any civil service employer within the county
16 of the agreement or any political subdivision therein.

17 (4) when a proposed joint contract affects employees in local
18 units that operate under the provisions of Title 11A, Civil Service,
19 of the New Jersey Statutes, an employment reconciliation plan shall
20 be filed with the Department of Personnel prior to the approval of
21 the joint meeting agreement. That department shall review the plan
22 for consistency with this section within 45 days of receipt and it
23 shall be deemed approved, subject to approval of the joint meeting
24 agreement by the end of that time, unless that department has
25 responded with a denial or conditions that must be met in order for
26 it to be approved.

27 (5) when an action is required of the Department of Personnel by
28 this section, parties to a proposed joint contract may consult with
29 the department in advance of the action and the department shall
30 provide such technical support as may be necessary to assist in the
31 preparation of an employment reconciliation plan or any other
32 action required of the department by this section.

33 b. If both the local unit and joint meeting operate under the
34 provisions of Title 11A, Civil Service, of the New Jersey Statutes,
35 the Department of Personnel shall create an implementation plan for
36 employees to be hired by the joint meeting that will: (1) transfer
37 employees with current status in current title unless reclassified or
38 (2) reclassify employees, if necessary, into job titles that best reflect
39 the work to be performed. The Department of Personnel shall
40 review whether any existing hiring or promotional lists should be
41 merged, inactivated, or re-announced. Non-transferred employees
42 shall be removed or suspended only for good cause and after the
43 opportunity for a hearing before the Merit System Board; provided,
44 however, that they may be laid-off in accordance with the
45 provisions of N.J.S.11A:8-1 et seq., and the regulations
46 promulgated thereunder. The final decision of which employees
47 shall transfer to the new employer is vested solely with the local
48 unit that will provide the service and subject to the provisions of
49 any existing collective bargaining agreements within the local units.

1 c. If the joint meeting operates under the provisions of Title
2 11A, Civil Service, of the New Jersey Statutes, and a local unit
3 receiving the service is not subject to that Title, and the parties
4 desire that some or all employees of the local unit be transferred to
5 the joint meeting, the Department of Personnel shall vest only those
6 employees who have been employed one year or more in permanent
7 status pursuant to N.J.S.40A:9-9 in appropriate titles, seniority, and
8 tenure with the providing local unit based on the duties of the
9 position. The final decision of which employees shall transfer to
10 the new employer is vested solely with the joint meeting and subject
11 to the agreements affecting the parties, provided that those
12 agreements do not conflict with the provisions of any existing
13 collective bargaining agreements within the local units.

14 d. (1) If the joint meeting does not operate under the provisions
15 of Title 11A, Civil Service, of the New Jersey Statutes, and the
16 local unit receiving the service is subject to that Title, and the
17 parties desire that some or all employees of the recipient local unit
18 are to be transferred to the joint meeting, then the transferred
19 employees shall be granted tenure in office and shall be removed or
20 suspended only for good cause and after a hearing. The transferred
21 employees shall be subject to layoff procedures prior to the transfer
22 to the new entity. Once transferred, they will be subject to any
23 employment contracts and provisions that exist for the new entity.
24 The final decision of which employees shall transfer to the joint
25 meeting is vested solely with the joint meeting and subject to the
26 provisions of any existing collective bargaining agreements within
27 the local units.

28 (2) A joint meeting established after the effective date of Article
29 1 of P.L. , c. (C.) (pending before the Legislature as this
30 bill) that affects both employees in local units subject to Title 11A,
31 Civil Service, of the New Jersey Statutes and employees in local
32 units not subject to that Title, shall determine whether the
33 employees of the joint meeting shall be subject to the Title. If the
34 joint meeting determines that the employees shall not be subject to
35 Title 11A, Civil Service, of the New Jersey Statutes, then the
36 employees from the local units in which the Title is in effect shall
37 have the same rights as employees transferred pursuant to paragraph
38 (1) of this subsection, provided that the provisions of paragraph (1)
39 do not conflict with the provisions of any existing collective
40 bargaining agreements within the local units.

41
42 20. (New section) a. The joint contract shall provide for the
43 constitution and appointment of a management committee to consist
44 of at least three members, of which one shall be appointed by the
45 governing body of each of the local units executing the joint
46 contract. The members shall be residents of the appointing local
47 unit, except that a member who is the chief financial officer,
48 business administrator, municipal administrator, or municipal
49 manager of the local unit making the appointment need not be a

1 resident of the appointing local unit. The appointees may or may
2 not be members of the appointing governing body. Each member of
3 the management committee shall hold office for the term of one
4 year and until the member's successor has been appointed and
5 qualified. In the event that there is an even number of local units
6 that are parties to the joint contract, the management committee
7 shall consist of one member appointed by each of the governing
8 bodies and one member selected by the two other appointed
9 members.

10 b. The management committee shall elect annually from among
11 its members a chair to preside over its meetings. The management
12 committee may appoint such other officers and employees,
13 including counsel, who need not be members of the management
14 committee or members of the governing bodies or employees or
15 residents of the local units, as it may deem necessary. The
16 employees appointed by the management committee shall hold
17 office for such term not exceeding four years as may be provided by
18 the joint contract. The management committee shall adopt rules
19 and regulations to provide for the conduct of its meetings and the
20 duties and powers of the chairman and such other officers and
21 employees as may be appointed. All actions of the management
22 committee shall be by vote of the majority of the entire membership
23 of the committee, except for those matters for which the contract
24 requires a greater number, and shall be binding on all local units
25 who have executed the joint contract. The management committee
26 shall exercise all of the powers of the joint meeting subject to the
27 provisions of the joint contract.

28 The joint contract may provide for the delegation of the
29 administration of any or all of the services, lands, public
30 improvements, works, facilities or undertakings of the joint meeting
31 to the governing body of any one of the several contracting local
32 units, in which event such governing body shall have and exercise
33 all of the powers and authority of the management committee with
34 respect to such delegated functions.

35
36 21. (New section) The cost of acquiring, constructing, and
37 operating any public improvements, works, facilities, services, or
38 undertakings, or any part thereof, as determined by the management
39 committee, shall be apportioned among the participating local units
40 as provided by the joint contract. Each local unit shall have power
41 to raise and appropriate the funds necessary therefore in the same
42 manner and to the same extent as the local unit would have if it
43 were acquiring and constructing the same for itself, including the
44 power to authorize and issue bonds or other obligations pursuant to
45 the "Local Bond Law," N.J.S.40A:2-1 et seq. The management
46 committee shall certify to the participating local units the cost of the
47 acquisition or construction, as well as the apportioned shares
48 thereof, within 15 days after its action thereon.

1 22. (New section) The management committee, not later than
2 November 1 of each year, shall certify to the participating local
3 units the total costs and expenses of operation, other than
4 acquisition and construction costs, of the services, public
5 improvements, works, facilities, or undertakings for the ensuing
6 year, in accordance with the terms and provisions of the joint
7 contract, together with an apportionment of the costs and expenses
8 of operation among the participating local units in accordance with
9 the method of apportionment provided in the joint contract. It shall
10 be the duty of each participating local unit to include its
11 apportioned share of such costs and expenses of operation in its
12 annual budget, and to pay over to the management committee its
13 apportioned share as provided in the joint contract. Operations
14 under the budget and related matters shall be subject to and in
15 accordance with rules of the Local Finance Board or the
16 Commissioner of Education, as appropriate. The Local Finance
17 Board shall be responsible for the determination of the appropriate
18 rule-making authority with regard to each joint contract. For the
19 first year of operation under the joint contract, a participating local
20 unit may adopt a supplemental or emergency appropriation for the
21 purpose of paying its apportioned share of the costs and expenses of
22 operation, if provision therefore has not been made in the annual
23 budget.

24
25 23. (New section) The joint contract shall be terminated upon
26 the adoption of a resolution to that effect by the governing bodies of
27 two-thirds of the local units then participating; except that if only
28 two local units are then participating, adoption of a resolution by
29 both units shall be required to terminate the contract. The
30 termination shall not be made effective earlier than the end of the
31 fiscal year next succeeding the fiscal year in which the last of the
32 required number of local units adopts its termination resolution.

33
34 24. (New section) Any joint meeting or public school jointure
35 formed under a previous law is continued and shall be governed
36 under the provisions of sections 1 through 35 of P.L. ,
37 c. (C. through) (pending before the Legislature as this
38 bill).

39
40 SUBARTICLE D. LOCAL OPTION MUNICIPAL
41 CONSOLIDATION

42
43 25. (New section) a. The Legislature finds and declares that in
44 order to encourage municipalities to increase efficiency through
45 municipal consolidation for the purpose of reducing expenses borne
46 by their property taxpayers, more flexible options need to be
47 available to the elected municipal officials and voters than are
48 available through the "Municipal Consolidation Act," P.L.1977,
49 c.435 (C.40:43-66.35 et seq.).

1 b. (1) In lieu of the procedures set forth in the "Municipal
2 Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.), the
3 governing bodies from two or more contiguous municipalities may
4 apply to the board for either:

- 5 (a) approval of a plan to consolidate their municipalities; or
- 6 (b) creation of a Municipal Consolidation Study Commission, as
7 described in subsection c. of this section.

8 (2) A representative committee of registered voters from two or
9 more contiguous municipalities may petition the board for the
10 creation of a Municipal Consolidation Study Commission, as
11 described in subsection c. of this section. The petition, to be
12 sufficient, shall be signed by the registered and qualified voters of
13 the municipalities in a number at least equal to 10% of the total
14 votes cast in those municipalities at the last preceding general
15 election at which members of the General Assembly were elected.

16 (3) The board shall provide application forms and technical
17 assistance to any governing bodies or voters desiring to apply to the
18 board for approval of a consolidation plan or the creation of a
19 Municipal Consolidation Study Commission.

20 (4) A consolidation commission established pursuant to
21 P.L.1977, c.435 (C.40:43-66.35 et seq.) in the year prior to
22 enactment of Article 1 of P.L. , c. (C.) (pending before the
23 Legislature as this bill) may apply to the Local Finance Board for
24 approval to use the provisions of Subarticle D of Article 1 of
25 P.L. , c. (sections 25 through 29; C. through) (pending
26 before the Legislature as this bill).

27 c. An application to create a Municipal Consolidation Study
28 Commission shall propose a process to study the feasibility of
29 consolidating the participating municipalities into a single new
30 municipality or merging one into the other. The application shall
31 include provisions for:

- 32 (1) the means of selection and qualifications of study
33 commissioners;
- 34 (2) the time frame for the study, which shall be no more than
35 three years, along with key events and deadlines, including time for
36 review of the report by State agencies, which review shall be no
37 less than three months;
- 38 (3) whether a preliminary report shall be issued in addition to
39 the final report;
- 40 (4) whether the development of a consolidation implementation
41 plan will be a part of the study;
- 42 (5) the means for any proposed consolidation plan to be
43 approved; either by voter referendum, by the governing bodies, or
44 both; and
- 45 (6) if proposed by a representative group of voters, justification
46 of that group's standing to serve as the community advocate for the
47 consolidation proposal.

48 d. (1) An application to the board for consideration of a
49 consolidation plan or to create a Municipal Consolidation Study

1 Commission shall be subject to a public hearing within each
2 municipality to be studied, and a joint public hearing in a place that
3 is easily accessible to the residents of both or all of the
4 municipalities.

5 (2) The public hearings shall be facilitated by the board and
6 conducted in accordance with the provisions of the "Senator Byron
7 M. Baer Open Public Meetings Act," P.L.1975, c.231 (C.10:4-6 et
8 seq.).

9 (3) After approval of a plan by the board, it may be amended
10 upon petition to the board by the applicant. Based on the nature of
11 the amendment, the board may decide to hold a public hearing in
12 any of the municipalities affected by the plan, or at a regular
13 meeting, or both.

14 e. Every Municipal Consolidation Study Commission shall
15 include a representative of the Department of Community Affairs as
16 a non-voting representative on the commission. The representative
17 shall not be a resident of a municipality participating in the study.
18 The department shall prepare an objective fiscal study of the fiscal
19 aspects of a consolidation and shall provide it to the commission in
20 a timely manner.

21 f. If the consolidation would include the consolidation of
22 boards of education, a person appointed by the Commissioner of
23 Education shall serve as a non-voting member of that Municipal
24 Consolidation Study Commission. The representative of the
25 Commissioner of Education shall not be a resident of a community
26 participating in the study. The county superintendent of schools
27 shall conduct a study on the impact of consolidation on the
28 educational system and its finances. The report shall be provided to
29 the commission in a timely manner.

30 g. There shall be no more than one of either a consolidation
31 plan study, a Municipal Consolidation Study Commission, or a joint
32 municipal consolidation created under the "Municipal
33 Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.), active
34 in a single municipality at the same time. In the event that more
35 than one application is filed with the board or is being considered
36 by the governing bodies while another action affecting the same
37 municipality or municipalities is under consideration, the board
38 shall consider the applications and shall join any proposed creation
39 of a joint municipal consolidation together and approve only one
40 action as the board deems to be in the public interest. Prior to
41 approving a single action, the board shall hold a public hearing
42 permitting all parties to present testimony on the merits of their
43 action in relation to the other proposals. Once an action is approved
44 by the board, another action from the same combination of
45 municipalities shall not be approved for at least five years.

46 h. In considering its decisions under Article 1 of P.L. ,
47 c. (C.) (pending before the Legislature as this bill), the
48 Local Finance Board and any other State agency shall take into
49 account local conditions, the reasonableness of proposed decisions,

1 and the facilitation of the consolidation process in making decisions
2 concerning consolidation.

3

4 26. (New section) a. A consolidation plan or report of a
5 Municipal Consolidation Study Commission shall include the
6 provisions of sections 16 and 24 of P.L.1977, c.435 (C.40:43-66.50
7 and 40:43-66.58), insofar as they are consistent with the provisions
8 of Article 1 of P.L. , c. (C.) (pending before the
9 Legislature as this bill). In addition, a consolidation plan shall
10 address the following implementation issues:

11 (1) a timetable for implementing the consolidation plan;

12 (2) duplicate positions, including those held by tenured, certified
13 officers, listing those positions proposed to be abolished for reasons
14 of economy, efficiency or other good cause and listing those
15 positions proposed to be merged; and

16 (3) applicability of the provisions of Title 11A, Civil Service, of
17 the New Jersey Statutes, if Title 11A has been adopted by one or
18 more consolidating municipalities.

19 b. The following policies may be considered and implemented
20 under an application for approval of a consolidation plan, and may
21 be included as part of a study under the "Municipal Consolidation
22 Act," P.L.1977, c.435 (C.40:43-66.35 et seq.), or as part of a study
23 conducted by a Municipal Consolidation Study Commission
24 pursuant to Article 1 of P.L. , c. (C.) (pending before the
25 Legislature as this bill):

26 (1) creation of a consolidation implementation plan to establish a
27 timetable of significant events and goals to be achieved as part of a
28 consolidation study;

29 (2) a phase-in of a consolidation over a fixed period of time.
30 Such a plan shall be subject to review and approval of the Local
31 Finance Board prior to it being approved by the governing bodies or
32 subject to voter referendum;

33 (3) variations from existing State law or State department rules
34 that may not have anticipated a phase-in or consolidation of
35 services. When variations are proposed, they shall be submitted to
36 the board which shall refer it to the agency with oversight
37 responsibility. After due consideration, the referee agency is
38 empowered to waive such law or rules if a waiver is found
39 reasonable to further the process of consolidation. Where no such
40 agency exists, the Commissioner of Community Affairs shall act on
41 behalf of the State. These requests shall be acted on within 45 days
42 of their receipt by an agency, and they shall be deemed approved,
43 subject to approval of a consolidation proposal by the
44 municipalities, by the end of that time unless the agency has
45 responded with a denial, conditions that must be met in order for it
46 to be approved, or an alternative approach to resolving the matter;

47 (4) the use of advisory planning districts, comprised of residents
48 living in the former territories of each former municipality, to
49 provide advice to the planning board and the zoning board of

1 adjustment on applications and master plan changes affecting those
2 areas. A consolidation study plan shall specify that types and
3 nature of the development and zoning applications that the advisory
4 planning districts shall review and the official boards shall be
5 required to respond, at a public meeting, to each suggestion made
6 by an advisory planning district;

7 (5) the establishment of service districts comprised of the
8 boundaries of any or all of the former municipalities which may be
9 used to allocate resources and used for official geographic
10 references in the new municipality;

11 (6) the continued use of boundary lines of any or all of the
12 former municipalities to continue local ordinances that existed prior
13 to consolidation that the governing body deems necessary and
14 appropriate. The need for any such differentiation shall be
15 reviewed by the governing body at least every five years and shall
16 only be continued upon the affirmative vote of the full membership
17 of the governing body, and if such continuance fails, the governing
18 body shall then adopt uniform policies for the entire area; and

19 (7) the apportionment of existing debt between the taxpayers of
20 the consolidating municipalities, including whether existing debt
21 should be apportioned in the same manner as debt within special
22 taxing districts so that the taxpayers of each consolidating
23 municipality will continue to be responsible for their own pre-
24 consolidation debts.

25 c. When one of the municipalities is subject to the provisions of
26 Title 11A, Civil Service, of the New Jersey Statutes, the question of
27 whether the new municipality shall be subject to the provisions of
28 that Title shall be the subject of a public referendum before all of
29 the voters of the consolidating municipalities. Upon the approval
30 by a majority of those voting, regardless of their municipality of
31 residence, the new municipality shall be subject to the provisions of
32 that Title.

33

34 27. (New section) a. Once a consolidation has been approved
35 by the affected municipal governing bodies or voters, the division
36 shall create a task force of State departments, offices and agencies,
37 as it deems appropriate, and representatives of affected negotiations
38 units, to facilitate the consolidation and provide technical
39 assistance.

40 b. When a consolidation plan provides that the consolidated
41 municipality will be subject to the provisions of Title 11A, Civil
42 Service, of the New Jersey Statutes the Department of Personnel is
43 specifically authorized to create a consolidation implementation
44 plan to vest non-civil service employees, based on the education
45 and experience of the individuals, in appropriate titles and tenure.

46 c. Whenever a referendum question to decide if a consolidated
47 municipality shall be subject to the provisions of Title 11A, Civil
48 Service, of the New Jersey Statutes fails, the employees of a
49 municipality already subject to that Title shall be given non-civil

1 service titles in the new entity and previously held tenure shall be
2 vacated.

3 d. The Public Employment Relations Commission is authorized
4 to provide technical advice, pursuant to section 12 of P.L.1968,
5 c.303 (C.34:13A-8.3), to assist a new municipality and existing
6 labor unions to integrate separate labor agreements into
7 consolidated agreements and to adjust the structure of collective
8 negotiations units, as the commission determines appropriate for the
9 consolidated municipality.

10

11 28. (New section) a. If a revaluation of property for the
12 consolidated municipality is not implemented for the first local
13 budget year of the consolidated municipality, then the assessments
14 on the properties owned by the taxpayers of the former
15 municipalities shall be equalized for the apportionment of taxes for
16 the consolidated municipality, in the same manner as assessments
17 are equalized for the apportionment of county taxes.

18 b. The owners of any residential property or residential tenants
19 of any municipality consolidated under Article 1 of P.L. ,
20 c. (C.) (pending before the Legislature as this bill), or the
21 "Municipal Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et
22 seq.), who experience a municipal or school district purposes real
23 property tax increase in the first tax year following the municipal
24 consolidation shall be entitled to annual property tax relief until
25 such time as they sell or transfer their home or no longer reside as
26 tenants in the rental unit they occupied just prior to the municipal
27 consolidation. In the case of the owner of residential property, the
28 property tax relief shall be reflected as a credit on the property tax
29 bill equal to the difference between the municipal and school
30 district purposes real property tax payable by the taxpayer for the
31 tax year, subject to any adjustment as determined necessary by the
32 Director of the Division of Local Government Services in the
33 Department of Community Affairs to reflect operating budgets for a
34 normal pre-consolidated fiscal year, and the municipal and school
35 district purposes real property tax billed to that taxpayer for the tax
36 year during which the consolidation is effectuated, as may be
37 adjusted by the Director of the Division of Local Government
38 Services in the Department of Community Affairs to reflect normal
39 post-consolidation operating budgets for the municipalities and
40 school districts. In the case of a residential tenant, the tax credit
41 applied to an apartment property shall be distributed to eligible
42 tenants pursuant to the provisions of the "Tenants' Property Tax
43 Rebate Act," P.L.1976, c.63 (C.54:4-6.2 et seq.) and this section.
44 The total of all such relief in the municipality shall be paid by the
45 State to the municipality on a schedule determined by the Local
46 Finance Board. For the purpose of this subsection, a "normal"
47 budget year shall be one that, in the determination of the director,
48 does not reflect expenses made in anticipation of, or
49 implementation expenses related to, a municipal consolidation.

1 29. (New section) The provisions of Article 1 of P.L. ,
2 c. (C.) (pending before the Legislature as this bill) shall be
3 liberally construed to effectuate the intention of sections 25 through
4 28 of P.L. , c. (C. through) (pending before the Legislature
5 as this bill). The board is empowered to act to provide guidance,
6 interpretation, and to resolve disputes regarding these sections or
7 the "Municipal Consolidation Act," P.L.1977, c.435 (C.40:43-66.35
8 et seq.). Decisions of the board may be appealed directly to the
9 Appellate Division of the Superior Court.

10
11 SUBARTICLE E. SHARING AVAILABLE RESOURCES
12 EFFICIENTLY PROGRAM
13

14 30. (New section) a. A local unit that plans to study the
15 feasibility of a shared service agreement, joint meeting contract, or
16 municipal consolidation may apply to the director for grants or
17 loans to fund the study, including consultant costs, and to fund one-
18 time start-up costs of a shared service agreement or joint meeting
19 contract or municipal consolidation. The director, in consultation
20 with the Commissioner of Education, shall establish a program to
21 be known as the "Sharing Available Resources Efficiently"
22 program, or "SHARE," to accomplish this purpose, and, in
23 consultation with the commissioner, shall promulgate rules and
24 regulations necessary to effectuate the purposes of the program.

25 b. The director, in consultation with the commissioner, shall
26 provide guidelines and procedures for the submission of SHARE
27 grant and loan applications.

28 c. Applications for shared service study funds:

29 (1) May require such local match of funds, as is determined by
30 the director for the studies if the director finds that the local unit is
31 financially capable of providing such matching funds.

32 (2) Shall not require a local match of funds for consolidation
33 studies under Article 1 of P.L. , c. (C.) (pending before the
34 Legislature as this bill) or the "Municipal Consolidation Act,"
35 P.L.1977, c.435 (C.40:43-66.35 et seq.).

36 (3) Grants for implementation of shared services may include
37 financial assistance for terminal leave benefits, but not for early
38 retirement incentives related to pension contributions.

39 d. Applications for one-time start-up costs shall provide that:

40 (1) Local units may apply for financial assistance for the one-
41 time start-up costs necessary to implement shared services. Costs
42 that may be financed through the issuance of debt or capital lease
43 agreements shall be excluded from this program.

44 (2) The director may set limits on aid awards and negotiate the
45 various provisions, costs, payment provisions, and amounts of
46 grants or loans to ensure that the shared service is cost effective and
47 in the public interest. Financial assistance for costs associated with
48 terminal leave benefits shall be limited to the lesser of the officer or
49 employee's regular base rate of compensation that is paid for the

1 terminal leave benefit pursuant to an applicable employment
2 contract, local practice, local ordinance, or State law.

3 e. The director may provide technical support programs to
4 assist local units in applying for grants or aid for studying shared
5 services.

6
7 31. (New section) There is created a “Sharing Available
8 Resources Efficiently” account within the Property Tax Relief Fund
9 as a non-lapsing revolving account which shall receive monies as
10 may be credited to it from the Property Tax Relief Fund, the
11 repayments of loans made from the account, and any other funds as
12 may be appropriated to the account from time to time. Monies in
13 the account shall be appropriated for the purposes of Article 1 of
14 P.L. , c. (C.) (pending before the Legislature as this bill).

15
16 SUBARTICLE F. VOTER PARTICIPATION TO IDENTIFY
17 SHARED SERVICES AND OTHER COST-SAVING
18 OPPORTUNITIES

19
20 32. (New section) The governing body of a municipality may
21 adopt, at any regular meeting, a resolution requesting the clerk of
22 the county to print upon the official ballots to be used at the next
23 ensuing regular or general election, as appropriate, a certain
24 proposition to authorize the creation of a citizen’s commission,
25 consisting of members of the governing body, appropriate
26 municipal officials such as the municipal purchasing agent, and at
27 least an equal number of residents of the municipality, and to
28 identify and implement shared service, joint meeting, or
29 consolidation opportunities for the municipality. The proposition
30 shall be formulated and expressed in the resolution in concise form
31 and filed with the clerk of the county not later than 74 days
32 previous to the election. If approved by a majority of those voting
33 at the election, the proposition shall be binding and shall constitute
34 the authority for the governing body to appoint members to the
35 citizen’s commission and provide resources as it deems necessary.

36
37 SUBARTICLE G. MISCELLANEOUS

38
39 33. (New section) Any shared service agreement, joint contract
40 for a joint meeting, or agreement to regionalize or consolidate
41 services in existence at the time of enactment of Article 1 of P.L. ,
42 c. (C.) (pending before the Legislature as this bill) are
43 continued pursuant to the law in effect at the time that the
44 agreement or contract were executed; provided, however, that any
45 renewals shall be in accordance with the provisions of Article 1 of
46 P.L. , c. (C.) (pending before the Legislature as this bill).

47
48 34. (New section) a. Any shared service or joint meeting
49 agreement or municipal consolidation shall be deemed in

1 furtherance of the public good and presumed valid, subject to a
2 rebuttable presumption of good faith on the part of the governing
3 bodies entering into the agreement.

4 b. With regard to any responsibilities assigned to the Public
5 Employment Relations Commission pursuant to Article 1 of P.L. ,
6 c. (C.) (pending before the Legislature as this bill):

7 (1) The commission may promulgate rules or regulations to
8 effectuate the purposes of Article 1 of P.L. , c. (C.)
9 (pending before the Legislature as this bill).

10 (2) The commission may establish a fee schedule to cover the
11 costs of effectuating its services; provided, however, that the fees so
12 assessed shall not exceed the commission's actual cost of
13 effectuating those provisions.

14 (3) Within 14 days of receiving a decision, a party aggrieved by
15 a decision of a mediator or arbitrator assigned by the commission
16 may file notice of an appeal of an award to the commission. In
17 deciding an appeal, the commission, pursuant to rule and regulation
18 and upon petition, may afford the parties the opportunity to present
19 oral arguments. The commission may affirm, modify, correct or
20 vacate the award or may, at its discretion, remand the award to the
21 same arbitrator or to another arbitrator, selected by lot, for
22 reconsideration. An aggrieved party may appeal a decision of the
23 commission to the Appellate Division of the Superior Court.

24

25

SUBARTICLE H. REPEALER

26

27 35. (New section) The following sections of law are repealed:

28

N.J.S.11A:9-8;

29

N.J.S.18A:46-25 through 18A:46-28;

30

R.S.27:14-33 through 27:14-34;

31

Section 12 of P.L.1947, c.62 (C.27:15-1.11);

32

R.S.27:16-22;

33

R.S.27:16-24;

34

R.S.27:16-40;

35

R.S.27:16-69 and 27:16-70;

36

R.S.27:16-72 through 27:16-76;

37

R.S.27:19-8;

38

R.S.27:19-38;

39

R.S.27:20-2 through 27:20-4;

40

R.S.27:22-1 through 27:22-9;

41

R.S.27:22-11;

42

Section 1 of P.L.1952, c.120 (C.40:5-2.9);

43

Sections 1 through 9, 19, and 20 of P.L.1973, c.208 (C.40:8A-1
44 through 40:8A-11);

45

Section 2 of P.L.1992, c.145 (C.40:8A-6.1);

46

Sections 1 through 5 of P.L.1999, c.60 (C.40:8B-14 through
47 40:8B-18);

48

Sections 1 through 11 of P.L.1952, c.72 (C.40:48B-1 through
49 40:48B-11);

1 Sections 8 and 9 of P.L.1960, c.3 (C.40:48B-12 and 40:48B-13);
2 Sections 1 and 2 of P.L.1951, c.102 (C.40:54-29.1 and 40:54-
3 29.2);
4 Sections 1 through 4 of P.L.1958, c.147.(C.40:60-25.47 through
5 40:60-25.50);
6 Sections 1 through 4 of P.L.1964, c.185 (40:61-35.1 through
7 40:61-35.4);
8 R.S.40:67-24 and 40:67-25; and
9 R.S.40:67-36 through 40:67-46.

10

11 36. Section 1 of P.L.1967, c.27 (C.18A:17-14.1) is amended to
12 read as follows:

13 1. A board or the boards of two or more districts may, under
14 rules and regulations prescribed by the State board, appoint a school
15 business administrator by a majority vote of all the members of the
16 board, define his duties, which may include serving as secretary of
17 one of the boards, and fix his salary, whenever the necessity for
18 such appointment shall have been agreed to by the county
19 superintendent of schools or the county superintendents of schools
20 of the counties in which the districts are situate and approved by the
21 commissioner and the State board. [A school business
22 administrator shall be appointed in the manner provided in this
23 section, however when the boards of education of two or more
24 school districts determine to share a school business administrator,
25 the appointment shall comply with the provisions of section 4 of
26 P.L.1996, c.111 (C.18A:17-24.1).]

27 Nothing in P.L.1996, c.111 (C.18A:17-24.1 et al.) shall prohibit
28 a school district from subcontracting its school business
29 administrator to another school district pursuant to the provisions of
30 P.L.1973, c.208 (C.40:8A-1 et seq.) , in which case credit toward
31 tenure acquisition shall accrue only in the primary district of
32 employment. [The provisions of P.L.1996, c.111 (C.18A:17-24.1
33 et al.) concerning the arrangement to share a school business
34 administrator by two or more school districts shall not apply when a
35 school district subcontracts its school business administrator to
36 another school district.]

37 (cf: P.L.1996, c.111, s.1)

38

39 37. Article 1, sections 1 through 36 of P.L. , c. (C.)
40 (pending before the Legislature as this bill) shall take effect
41 immediately, but section 35 shall remain inoperative until the first
42 day of the seventh month next following enactment.

43

44 ARTICLE 2. USER-FRIENDLY BUDGETS

45

46 38. N.J.S.40A:4-10 is amended to read as follows:

47 40A:4-10. No budget or amendment thereof shall be adopted
48 unless the director shall have previously certified his approval

1 thereof. Final adoption shall be by resolution adopted by a majority
2 of the full membership of the governing body, and may be by title
3 where the procedures required by sections 40A:4-8 and 40A:4-9 or
4 section 12 of P.L.1995, c.259 (C.40A:4-6.1), as applicable, have
5 been followed.

6 The budget shall be adopted in the case of a county not later than
7 February 25, and in the case of a municipality not later than March
8 20 of the calendar fiscal year or September 20 of the State fiscal
9 year, except that the governing body may adopt the budget at any
10 time within 10 days after the director shall have certified his
11 approval thereof and returned the same, if such certification shall be
12 later than the date of the advertised hearing.

13 If, in the case of a municipality which operates on the State fiscal
14 year, the governing body fails to adopt the budget within the
15 permitted time, the chief financial officer of the local unit shall so
16 notify the director the next working day after the expiration of the
17 permitted time.

18 **【Three certified copies】** Copies of the budget, as adopted, in
19 such form and in such quantity as determined by the Local Finance
20 Board, shall be transmitted to the director, and made available in
21 print for public inspection at the local library, within three days
22 after adoption.

23 Upon adoption, the budget shall constitute an appropriation for
24 the purposes stated therein and an authorization of the amount to be
25 raised by taxation for the purposes of the local unit.

26 The adopted budget shall be provided for public inspection on
27 the local unit's website, if one exists, and made available online and
28 in print as required by this section in a "user-friendly" summary
29 format using plain language. The Local Finance Board shall
30 promulgate a "user-friendly," plain language summary format for
31 use by local units for this purpose pursuant to section 43 of P.L. ,
32 c. (C.) (pending before the Legislature as this bill).

33 (cf: P.L.1995, c.259, s.11)

34

35 39. (New section) a. The Local Finance Board shall promulgate
36 "user-friendly," plain language budget summary forms for the use
37 of counties, municipalities, local authorities, and fire districts. The
38 board shall also promulgate a procedure for the submission by each
39 of these local government units of the required budget summary
40 form to the Division of Local Government Services in the
41 Department of Community Affairs following the adoption of the
42 annual budget.

43 b. The plain language budget summary shall provide the public
44 with information in summary form about the budget of the local
45 unit and shall include, in addition to an abbreviated version of the
46 formal budget adopted by the local unit, such statistical information
47 as the board determines to be useful for the public's understanding
48 of the local unit's fiscal matters and condition, and shall also
49 include, but shall not be limited to the following information, for

1 both the local unit's current budget year and the previous budget
2 year, as the Local Finance Board determines appropriate to the local
3 unit: all line items of appropriation aggregated by service type; the
4 property tax rate; the property tax collection rate; the assessed value
5 and taxable value of all real property located in the local unit; the
6 amount of bonded indebtedness of the local unit; revenues by major
7 category; description of unusual revenues or appropriations, with a
8 description of the circumstances of the revenues or appropriations;
9 a list of shared service agreements in which the local unit is
10 participating; and the number and amount of outstanding long-term
11 tax exemptions and abatements, and the amount of revenue derived
12 there from.

13 c. The plain language budget summary shall be submitted to the
14 division in such form as determined by the Local Finance Board,
15 and, upon its receipt of the summary, the division shall make the
16 summary available to the public through an Internet website
17 maintained by the division. The information on the web site shall
18 be presented as data that can be downloaded by the public for
19 comparative purposes using commonly-used software.

20

21 40. (New section) Whenever the governing body of a local unit
22 proposes a resolution, or other action that will establish or modify
23 the salaries, benefits, or other compensation of any individual
24 employee or group of its employees, that measure shall only be
25 taken after the local unit first holds a public meeting where the
26 proposed action shall be introduced and discussed by the governing
27 body. Notice of the date, time, place, and purpose of the public
28 meeting, and of the time and place at which a copy of the proposed
29 measure, together with the employee compensation disclosure form
30 required to be prepared pursuant to this section, shall be available to
31 each person requesting it, at no charge, during the week preceding
32 such public meeting. The public meeting shall be advertised in a
33 newspaper having substantial circulation in the local unit at least 10
34 days prior to the meeting date. Salaries for local officers and
35 employees that are established, increased, or decreased by
36 ordinance pursuant to the provisions of N.J.S.40A:9-165 shall
37 continue to be fixed and determined in accordance with that section.

38 Prior to the publication of the newspaper notice required by this
39 section, the chief financial officer or other appropriate officer of the
40 local unit shall prepare an employee compensation disclosure form
41 pursuant to the requirements of this section. The employee
42 compensation disclosure form shall be made part of any formal
43 action taken by the local unit, but shall not be considered part of
44 any contract or agreement.

45 The chief financial officer of the local unit shall file the
46 employee compensation disclosure form with the clerk or the
47 secretary to the governing body of the local unit prior to a public
48 meeting when such measure shall be introduced and discussed. Any
49 such proposed measure shall be announced publicly at the meeting,

1 along with a declaration that an employee compensation disclosure
2 form has been provided to the governing body of the local unit
3 pursuant to the requirements of Article 2 of P.L. , c. (C.)
4 (pending before the Legislature as this bill). Any formal action by a
5 governing body approving or disapproving a measure establishing
6 or modifying the salaries, benefits, or other compensation of its
7 employees shall occur no earlier than the tenth calendar day
8 immediately following the meeting at which the measure was
9 introduced and discussed.

10 The employee compensation disclosure form shall display the
11 estimated cost of salary, benefits or other compensation, for each
12 year of the contract for each individual employee or group of
13 employees, itemized by the specific form of compensation, the
14 estimated cost of the compensation at the time of the action, and the
15 incremental difference between each year.

16 Governing body actions taken without compliance with this
17 section shall be null and void.

18

19 41. (New section) Not later than the first day of the sixth month
20 next following the enactment of Article 2 of P.L. , c. (C.)
21 (pending before the Legislature as this bill), the Local Finance
22 Board shall promulgate rules and regulations pursuant to the
23 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
24 seq.), to implement the provisions of section 39 of P.L. ,
25 c. (C.) (pending before the Legislature as this bill) concerning
26 the plain language budget summary, and it also shall promulgate the
27 forms and procedures necessary to effectuate the provisions of
28 section 40 of P.L. , c. (C.) (pending before the Legislature
29 as this bill) concerning the employee compensation disclosure form.

30

31 ARTICLE 3. EXECUTIVE COUNTY SUPERINTENDENTS

32

33 42. N.J.S.18A:7-1 is amended to read as follows:

34 18A:7-1. a. The **commissioner** Governor, upon the
35 recommendation of the commissioner and with the advice and
36 consent of the Senate, shall appoint for each county, **[with the**
37 **approval of the state board,]** a suitable person, who holds an
38 appropriate certificate issued pursuant to this title and who has been
39 a resident of the **[state]** State for at least three years immediately
40 preceding **[his]** the appointment, to be the executive county
41 superintendent of schools, who shall serve, unless sooner removed
42 pursuant to law, for a term of three years **[and thereafter until his**
43 **successor is appointed and shall qualify].** The superintendent may
44 be re-appointed by the Governor on the basis of a satisfactory
45 performance assessment required pursuant to subsection b. of this
46 section. A person who is serving as a county superintendent of
47 schools on the effective date of Article 3 of P.L. , c. (C.)
48 (pending before the Legislature as this bill), shall be eligible for

1 appointment as the executive county superintendent of schools. The
2 executive county superintendent of schools shall report to the
3 Commissioner of Education or to a person designated by the
4 commissioner.

5 b. An executive county superintendent shall be subject to at least
6 one performance assessment during the three-year term. The
7 performance of the superintendent shall be assessed by the
8 Commissioner of Education based on the ability of the
9 superintendent to monitor and promote administrative and
10 operational efficiencies and cost savings within the school districts
11 located in the county, while enhancing the effectiveness of the
12 districts in providing a thorough and efficient system of education,
13 and on their monitoring of the school districts in the five key
14 components of school district effectiveness under the New Jersey
15 Quality Single Accountability Continuum: instruction and program;
16 personnel; fiscal management; operations; and governance. In
17 establishing the standards for assessing the performance of the
18 superintendent in facilitating administrative efficiencies, the
19 commissioner shall include such factors as administrator-to-teacher
20 ratios, administrator-to-student ratios, per-pupil administrative
21 expenditures, and improved student educational outcomes.

22 (cf: N.J.S.18A:7-1)

23

24 43. N.J.S.18A:7-2 is amended to read as follows:

25 18A:7-2. The commissioner may designate any one of his
26 assistant commissioners or **[**, with the approval of the State board,**]**
27 another suitable person to exercise the powers and perform the
28 duties of the executive county superintendent without additional
29 compensation:

30 a. During any period when **[a]** an executive county
31 superintendent shall be unable to perform his duties by reason of
32 illness, physical disability or for any other cause; and

33 b. During any period when the office of executive county
34 superintendent shall be vacant in any county by reason of the death
35 or resignation of the incumbent or for any other cause.

36 (cf: P.L.1971, c.432, s.1)

37

38 44. N.J.S.18A:7-3 is amended to read as follows:

39 18A:7-3. **[A]** An executive county superintendent of schools
40 shall receive such salary as shall be approved by the commissioner
41 and **[the president of the civil service commission subject to**
42 **availability of funds]** shall receive a salary which is not greater than
43 the salary of a cabinet-level official of the State.

44 Each executive county superintendent shall receive, in addition
45 to his salary, the traveling and other expenses incurred by him in
46 conducting his office and performing his official duties, which shall
47 be paid by the county treasurer on the orders of the commissioner,
48 upon his furnishing to the commissioner an itemized statement

1 thereof certified under his oath, together with proper vouchers, and
2 no such order shall be issued until such statement and vouchers are
3 so furnished.

4 (cf: N.J.S.18A:7-3)

5

6 45. N.J.S. 18A:7-4 is amended to read as follows:

7 18A:7-4. The commissioner shall, subject to appeal to the
8 **State** board, cause to be withheld the orders for the payment
9 of the salary and expenses of any executive county superintendent,
10 who shall fail to perform faithfully all of the duties imposed upon
11 him by this chapter or by the rules of the **State** board, until
12 he shall have performed all of such duties.

13 (cf: N.J.S.18A:7-4)

14

15 46. N.J.S.18A:7-5 is amended to read as follows:

16 18A:7-5. Each executive county superintendent shall devote his
17 entire time to the duties of his office, and he shall have general
18 supervision of all of the public schools of the districts of the county
19 except those city school districts in which there shall have been
20 appointed superintendents of schools.

21 (cf: N.J.S.18A:7-5)

22

23 47. N.J.S.18A:7-6 is amended to read as follows:

24 18A:7-6. The executive county superintendent shall maintain an
25 office at a suitable location within the county which shall be open to
26 the public as are other county offices and which shall be supplied
27 to him, and shall be suitably furnished and equipped, by the board
28 of chosen freeholders of the county, and the school records of the
29 county for the use of the county and State Departments of
30 Education, the United States Office of Education and the United
31 States Commissioner of Education shall be kept at such office.

32 (cf: P.L.1968, c.470, s.1)

33

34 48. N.J.S.18A:7-7 is amended to read as follows:

35 18A:7-7. The executive county superintendent shall appoint
36 such clerical assistants for his office as he shall deem necessary and
37 fix their compensation within the limits of available appropriations
38 made thereof. In counties governed by Title **11A**, Civil
39 Service, of the **Revised** New Jersey Statutes, such appointments
40 shall be made and compensation shall be fixed pursuant to the
41 provisions thereof, and in all other counties the compensation of
42 such clerical assistants shall be fixed on a basis commensurate with
43 that of other county employees performing similar duties.

44 (cf: N.J.S.18A:7-7)

45

46 49. N.J.S.18A:7-8 is amended to read as follows:

47 18A:7-8. Each executive county superintendent shall:

48 a. Visit and examine from time to time all of the schools under
49 his general supervision and exercise general supervision over them

- 1 in accordance with the rules prescribed from time to time by the
2 **[state] State** board;
- 3 b. Keep himself informed as to the management, methods of
4 instruction and discipline and the courses of study and textbooks in
5 use, the condition of the school libraries, and the condition of the
6 real and personal property, particularly in respect to the
7 construction, heating, ventilation and lighting of school buildings,
8 in the local districts under his general supervision, and make
9 recommendations in connection therewith;
- 10 c. Advise with and counsel the boards of education of the local
11 districts under his general supervision and of any other district of
12 the county when so requested, in relation to the performance of
13 their duties;
- 14 d. Promote administrative and operational efficiencies and cost
15 savings within the school districts in the county while ensuring that
16 the districts provide a thorough and efficient system of education;
- 17 e. Based on standards adopted by the commissioner,
18 recommend to the commissioner, who is hereby granted the
19 authority to effectuate those recommendations, that certain school
20 districts be required to enter arrangements with one or more other
21 school districts or educational services commissions for the
22 consolidation of the district's administrative services;
- 23 f. Recommend to the commissioner the elimination of laws the
24 executive county superintendent determines to be unnecessary State
25 education mandates, other than the categories of laws set forth in
26 section 3 of P.L.1996, c.24 (C.52:13H-3);
- 27 g. Have the authority to eliminate districts located in the
28 county that are not operating schools on the effective date of Article
29 3 of P.L. , c. (C.) (pending before the Legislature as this bill),
30 in accordance with a plan submitted to the commissioner no later
31 than one year following the effective date of Article 3 of P.L. ,
32 c. (C.) (pending before the Legislature as this bill);
- 33 h. No later than three years following the effective date of
34 Article 3 of P.L. , c. (C.) (pending before the Legislature as
35 this bill), recommend to the commissioner a school district
36 consolidation plan to eliminate all districts, other than county-based
37 districts and other than preschool or kindergarten through grade 12
38 districts in the county, through the establishment or enlargement of
39 regional school districts. After the approval of the plan by the
40 commissioner, the executive county superintendent shall require
41 each board of education covered by a proposal in the plan to
42 conduct a special school election, at a time to be determined by the
43 executive county superintendent, and submit thereat the question
44 whether or not the executive county superintendent's proposal for
45 the regionalization of the school district shall be adopted. The
46 question shall be deemed adopted if it receives a vote in accordance
47 with the provisions of N.J.S.18A:13-5. If the question is adopted
48 by the voters, then the regional district shall be established or

1 enlarged in accordance with chapter 13 of Title 18A of the New
2 Jersey Statutes;

3 i. Promote coordination and regionalization of pupil
4 transportation services through means such as reviewing bus routes
5 and schedules of school districts and nonpublic schools within the
6 county;

7 j. Review and approve, according to standards adopted by the
8 commissioner, all employment contracts for superintendents of
9 schools, assistant superintendents of schools, and school business
10 administrators in school districts within the county, prior to the
11 execution of those contracts;

12 k. Request the commissioner to order a forensic audit and to
13 select an auditor for any school district in the county upon the
14 determination by the executive county superintendent, according to
15 standards adopted by the commissioner, that the accounting
16 practices in the district necessitate such an audit;

17 l. Review all school budgets of the school districts within the
18 county, and may, pursuant to section 5 of P.L.1996, c.138
19 (C.18A:7F-5), disapprove a portion of a school district's proposed
20 budget if he determines that the district has not implemented all
21 potential efficiencies in the administrative operations of the district
22 or if he determines that the budget includes excessive non-
23 instructional expenses. If the executive county superintendent
24 disapproves a portion of the school district's budget pursuant to this
25 paragraph, the school district shall deduct the disapproved amounts
26 from the budget prior to publication of the budget, and during the
27 budget year the school district shall not transfer funds back into
28 those accounts;

29 m. Permit a district to submit to the voters a separate proposal
30 or proposals for additional funds pursuant to paragraph (9) of
31 subsection d. of section 5 of P.L.1996, c.138 (C.18A:7F-5), only if:
32 (1) the district provides the executive county superintendent with
33 written documentation that the district has made efforts to enter into
34 shared arrangements with other districts, municipalities, counties,
35 and other units of local government for the provision of
36 administrative, business, purchasing, public and nonpublic
37 transportation, and other required school district services; (2) the
38 district certifies and provides written documentation that the district
39 participates in on-going shared arrangements; or (3) the district
40 certifies and provides written documentation that entering such
41 shared arrangements would not result in cost savings or would
42 result in additional expenses for the district;

43 n. Promote cooperative purchasing within the county of
44 textbooks and other instructional materials;

45 o. Coordinate with the Department of Education to maintain a
46 real time Statewide and district-wide database that tracks the types
47 and capacity of special education programs being implemented by
48 each district and the number of students enrolled in each program to
49 identify program availability and needs;

1 p. Coordinate with the Department of Education to maintain a
2 Statewide and district-wide list of all special education students
3 served in out-of-district programs and a list of all public and private
4 entities approved to receive special education students that includes
5 pertinent information such as audit results and tuition charges;

6 q. Serve as a referral source for districts that do not have
7 appropriate in-district programs for special education students and
8 provide those districts with information on placement options in
9 other school districts;

10 r. Conduct regional planning and identification of program
11 needs for the development of in-district special education programs;

12 s. Serve as a liaison to facilitate shared special education
13 services within the county including, but not limited to direct
14 services, personnel development, and technical assistance;

15 t. Work with districts to develop in-district special education
16 programs and services including providing training in inclusive
17 education, positive behavior supports, transition to adult life, and
18 parent-professional collaboration;

19 u. Provide assistance to districts in budgetary planning for
20 resource realignment and reallocation to direct special education
21 resources into the classroom;

22 v. Report on a regular basis to the commissioner on progress in
23 achieving the goal of increasing the number of special education
24 students educated in appropriate programs with non-disabled
25 students;

26 w. Render a report to the commissioner annually on or before
27 September 1, in the manner and form prescribed by him, of such
28 matters relating to the schools under his jurisdiction as the
29 commissioner shall require; and

30 [e.] x. Perform such other duties as shall be prescribed by law.

31 Any budgetary action of the executive county superintendent
32 under this section may be appealed directly to the commissioner,
33 who shall render a decision within 15 days of the receipt of the
34 appeal. If the commissioner fails to issue a decision within 15 days
35 of the filing of an appeal, the budgetary action of the executive
36 county superintendent shall be deemed approved. The
37 commissioner shall by regulation establish a procedure for such
38 appeals.

39 Nothing in this section shall be construed or interpreted to
40 contravene or modify the provisions of the "New Jersey Employer-
41 Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.), or
42 to limit or restrict the scope of negotiations as provided pursuant to
43 law, or to require an employer to enter into a subcontracting
44 agreement which affects the employment of any employee in a
45 collective bargaining unit represented by a majority representative
46 during the time that an existing collective bargaining agreement
47 with the majority representative is in effect.

1 Nothing in this section is intended to interfere with a school
2 district's ability to provide a thorough and efficient education.
3 (cf: N.J.S.18A:7-8)

4

5 50. N.J.S.18A:7-9 is amended to read as follows:

6 18A:7-9. The executive county superintendent may, without
7 charge, administer oaths.

8 (cf: N.J.S.18A:7-9)

9

10 51. N.J.S.18A:7-10 is amended to read as follows:

11 18A:7-10. Each executive county superintendent shall, on or
12 before December 1 of each year, furnish to the board of chosen
13 freeholders of the county a statement of the amounts estimated to be
14 necessary to be appropriated for the ensuing year for:

15 a. the compensation of his clerical assistants;

16 b. the supplying of furniture, supplies and equipment for his
17 office;

18 c. printing; and

19 d. traveling and other expenses incident to the conduct and the
20 performance of his official duties of his office incurred by him.

21 The board of chosen freeholders shall fix and determine the
22 amounts necessary to be appropriated for such purposes and shall
23 appropriate the same accordingly.

24 (cf: N.J.S.18A:7-10)

25

26 52. Section 2 of P.L.1975, c.360 (C.18A:13-52) is amended to
27 read as follows:

28 2. The executive county superintendent shall, within 60 days
29 after such request, file with the governing bodies of the
30 municipalities constituting the regional district and the boards of
31 education of all of the constituent school districts and the board of
32 education of the regional school district a report containing a
33 statement of the current assets and operating expenses of the
34 regional district for the then current year and such financial,
35 educational and other information as he may deem necessary to
36 enable said governing bodies and local boards of education and
37 regional board of education to form an intelligent judgment as to
38 the advisability of the proposed withdrawal or dissolution and the
39 effect thereof upon the educational and financial condition of the
40 withdrawing district and the regional district, or upon each of the
41 constituent districts in the event of a dissolution and setting forth
42 the amount of indebtedness, if any, to be assumed by the
43 withdrawing and the regional districts, or by each constituent
44 district in the event of a dissolution, calculated as hereinafter
45 provided. The report, in discussing the educational and financial
46 effect of the withdrawal or dissolution, shall include the effect
47 thereof upon the administrative and operational efficiencies, and the
48 resultant cost savings or cost increases, in the withdrawing and the

1 regional districts, or by each constituent district in the event of a
2 dissolution.

3 The executive county superintendent may require the constituent
4 municipalities and school districts and the regional district to
5 submit a feasibility study in order to determine the educational and
6 financial impact of the withdrawal from, or dissolution of, the
7 limited purpose regional district. In the event the executive county
8 superintendent requests a feasibility study to be conducted, the
9 executive county superintendent's report required pursuant to this
10 section shall be filed within 60 days following submission of the
11 feasibility study.

12 (cf: P.L.1993, c.255, s.2)

13

14 53. (New section) The commissioner shall appoint an executive
15 county business official to serve in the office of the executive
16 county superintendent of schools for a term of three years. The
17 executive county business official shall assist the executive county
18 superintendent in the performance of the superintendent's duties
19 pursuant to N.J.S.18A:7-8, and perform such other duties as
20 determined by the commissioner. Based on criteria developed by
21 the commissioner, the executive county business official shall be
22 subject to a performance assessment at least once during the three-
23 year term. The business official may be re-appointed on the basis
24 of a satisfactory performance assessment.

25

26 54. (New section) A local school district may apply to the
27 executive county superintendent of schools to have school district
28 services including, but not limited to, transportation, personnel,
29 purchasing, payroll, and accounting, assumed by the office of the
30 superintendent. If the executive county superintendent determines
31 to assume a service, a fee may be assessed the school district for the
32 service. The executive county superintendent of schools may
33 utilize county special services school districts, jointure
34 commissions, and educational services commissions to provide
35 services to local school boards.

36

37 55. (New section) a. When the office of county superintendent
38 is vacated through the completion of a current term or for any other
39 reason, the Governor, upon the recommendation of the
40 Commissioner of Education, shall appoint an executive county
41 superintendent of schools pursuant to N.J.S.18A:7-1.

42 b. When the position of executive county business official is
43 vacated through the completion of a current term or for any other
44 reason, the commissioner shall appoint an executive county
45 business official pursuant to section 53 of P.L. , c. (C.)
46 (pending before the Legislature as this bill).

47

48 56. (New section) Whenever, in any law, rule, regulation, order,
49 contract, document, judicial or administrative proceeding or

1 otherwise, reference is made to the office of the county
2 superintendent of schools, the same shall mean and refer to the
3 office of the executive county superintendent of schools.

4

5 57. (New section) An executive county superintendent of
6 schools shall not accept employment in any school district which
7 was under his supervision in that position for a period of two years
8 commencing on the day his term as executive county superintendent
9 terminates.

10

11 58. (New section) The State Board of Education shall adopt
12 rules and regulations pursuant to the “Administrative Procedure
13 Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the
14 provisions of Article 3 of P.L. , c. (C.) (pending before the
15 Legislature as this bill); except that notwithstanding any provision
16 of P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the
17 commissioner may adopt, immediately upon filing with the Office
18 of Administrative Law, such rules and regulations as the
19 commissioner deems necessary to implement the provisions of
20 Article 3 of P.L. , c. (C.) (pending before the Legislature as
21 this bill), which shall be effective for a period not to exceed 12
22 months.

23

24 59. Article 1 shall take effect as provided in section 37 of this
25 act; Article 2 shall take effect immediately; Article 3 shall take
26 effect immediately.

27

28

29

STATEMENT

30

31 This bill groups together certain individual components of the
32 CORE proposal that was considered by the Joint Legislative
33 Committee on Consolidation and Shared Services. Article 1
34 contains the “Uniform Shared Services and Consolidation Act,”
35 which is subdivided into provisions designed to encourage savings
36 among local units of government through the use of shared services,
37 joint meetings, and municipal consolidation. The article codifies
38 the SHARE program that provides financial incentives for local
39 units to investigate shared services opportunities and also empowers
40 residents to promote shared service and consolidation opportunities.
41 The article provides methods for resolving Civil Service barriers to
42 shared services and consolidation in situations where some
43 participating local units have adopted Civil Service and some have
44 not.

45

46 Article 2 of the bill would greatly increase the fiscal
47 accountability of local officials by requiring “user-friendly” budgets
48 and increasing public notice and awareness, including the use of
49 Internet posting, when salaries are established or modified. Part of
the “user-friendly” concept is the requirement that all

1 compensation, benefits, separation benefits, and contract terms for
2 school superintendents, assistant superintendents, and school
3 business administrators be clearly disclosed to the Commissioner of
4 Education.

5 Article 3 deals with the problems of inefficiency and
6 bureaucracy in the 616 school districts by giving the county
7 superintendent of school much more responsibility to oversee local
8 school districts. The article changes the title of the county
9 superintendent of schools to the executive county superintendent of
10 schools, revises the terms of employment and the duties of the
11 superintendent, and provides for the appointment of the
12 superintendent by the Governor, upon the recommendation of the
13 Commissioner of Education and with the advice and consent of the
14 Senate. An executive county superintendent of schools would serve
15 for a term of three years and could be re-appointed for a subsequent
16 term if the individual received a satisfactory performance
17 assessment. The performance assessment, conducted by the
18 Commissioner of Education, would be based on the ability of the
19 superintendent to effectuate administrative and operational
20 efficiencies and cost savings within the school districts located in
21 the county, while enhancing the effectiveness of the districts in
22 providing a thorough and efficient system of education, and on the
23 capacity of the school districts in the five key components of school
24 district effectiveness under the New Jersey Quality Single
25 Accountability Continuum. In establishing the standards for
26 assessing the performance of the superintendent in facilitating
27 administrative efficiencies, the commissioner is directed to include
28 such factors as administrator-to-teacher ratios, administrator-to-
29 students ratios, and per-pupil administrative expenditures. The
30 article also includes post-employment restrictions, prohibiting the
31 executive county superintendent from being employed by one of the
32 districts he supervised for two years after his term as superintendent
33 terminates.

34 In addition to the current duties, an executive county
35 superintendent of schools is charged with the duty to: promote
36 administrative and operational efficiencies and cost savings within
37 school districts while ensuring the provision of a thorough and
38 efficient system of education; recommend to the commissioner the
39 consolidation of certain districts' administrative services;
40 recommend to the commissioner the elimination of laws determined
41 to be unnecessary State education mandates, except mandates that
42 fall under certain categories of laws; have the authority to eliminate
43 non-operating districts located in the county; no later than three
44 years following the effective date of the bill, develop a plan to
45 consolidate school districts in the county and require the affected
46 districts to hold a referendum on the plan; promote the coordination
47 and regionalization of public and nonpublic pupil transportation
48 services in the county; request the commissioner to order forensic
49 audits of school districts upon a determination by the

1 superintendent that such an audit is warranted; promote cooperative
2 purchasing of textbooks and other instructional materials;
3 coordinate with the Department of Education to maintain a real time
4 Statewide and district-wide database that tracks the types and
5 capacity of special education programs being implemented by each
6 district and the number of students enrolled in each program to
7 identify program availability and needs; coordinate with the
8 Department of Education to maintain a Statewide and district-wide
9 list of all special education students served in out-of-district
10 programs and a list of all public and private entities approved to
11 receive special education students that includes pertinent
12 information such as audit results and tuition charges; serve as a
13 referral source for districts that do not have appropriate in-district
14 programs for special education students and provide those districts
15 with information on placement options in other school districts;
16 conduct regional planning and identification of program needs for
17 the development of in-district special education programs; serve as
18 a liaison to facilitate shared special education services within the
19 county; work with districts to develop in-district special education
20 programs and services and provide assistance to districts in
21 budgetary planning for resource realignment and reallocation to
22 direct special education resources into the classroom; and, report to
23 the commissioner on a regular basis on progress in achieving the
24 goals of increasing the number of special education students
25 educated in appropriate programs with non-disabled students.

26 The article also provides that the executive county
27 superintendent is required to review all school district budgets and
28 may disapprove a portion of the school district's proposed budget if
29 he determines that the district has not implemented all potential
30 efficiencies in the administrative operations of the district or if he
31 determines that the budget includes excessive non-instructional
32 expenses. The executive county superintendent must also require a
33 school district, before it submits for voter approval a separate
34 proposal for additional funds in order to spend above its cap, to
35 provide him with certain written documentation concerning shared
36 services with other units of local government.

37 Article 3 also provides for the appointment of an executive
38 county business official to serve in the office of the executive
39 county superintendent of schools for a term of three years. The
40 executive county business official would also be subject to re-
41 appointment based upon receiving a satisfactory performance
42 assessment using criteria developed by the commissioner.

43 Under the article, a local school district could apply to the
44 executive county superintendent of schools to have services
45 including, but not limited to, transportation, personnel, purchasing,
46 payroll, and accounting assumed by the office of the superintendent.
47 The executive county superintendent could assess a fee on the
48 school district for any service he determines to provide. The
49 executive county superintendent of schools could also utilize county

1 special services school districts, jointure commissions, and
2 educational services commissions to provide services to local
3 school districts.

4 Article 3 also amends an existing statute to require that the report
5 prepared by the executive county superintendent when a constituent
6 municipality seeks to withdraw from a limited purpose regional
7 school district or when the district seeks to dissolve must also
8 include information on the effects on the administrative and
9 operational efficiencies, and the resultant cost savings or cost
10 increases, in the withdrawing and the regional districts, or by each
11 constituent district in the event of a dissolution.