

[First Reprint]

ASSEMBLY, No. 2514

STATE OF NEW JERSEY
217th LEGISLATURE

INTRODUCED FEBRUARY 4, 2016

Sponsored by:

Assemblyman WAYNE P. DEANGELO

District 14 (Mercer and Middlesex)

Assemblywoman NANCY J. PINKIN

District 18 (Middlesex)

Assemblywoman CLEOPATRA G. TUCKER

District 28 (Essex)

Assemblyman PARKER SPACE

District 24 (Morris, Sussex and Warren)

Assemblywoman GAIL PHOEBUS

District 24 (Morris, Sussex and Warren)

Senator JAMES BEACH

District 6 (Burlington and Camden)

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

Co-Sponsored by:

Assemblymen Houghtaling, Howarth, Coughlin, Assemblywoman Downey,

Assemblyman Mukherji, Senators Addiego and Beck

SYNOPSIS

Permits local units of government to enter into shared services agreements with federal military installations located in the State.

CURRENT VERSION OF TEXT

As reported by the Senate Community and Urban Affairs Committee on December 15, 2016, with amendments.

(Sponsorship Updated As Of: 12/20/2016)

1 AN ACT permitting local units of government to enter into shared
2 services agreements with federal military installations located in
3 the State and amending P.L.2007, c.63.

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

7
8 ¹**[**1. Section 3 of P.L.2007, c.63 (C.40A:65-3) is amended to
9 read as follows:

10 3. As used in sections 1 through 35 of P.L.2007, c.63
11 (C.40A:65-1 through C.40A:65-35):

12 "Board" means the Local Finance Board in the Division of Local
13 Government Services in the Department of Community Affairs.

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

18 "Contracting local units" means local units participating in a
19 joint meeting.

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

22 "Division" means the Division of Local Government Services in
23 the Department of Community Affairs.

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

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

32 "Joint meeting" means the joint operation of any public services,
33 public improvements, works, facilities, or other undertaking by
34 contracting local units pursuant to a joint contract under section 14
35 of P.L.2007, c.63 (C.40A:65-14).

36 "Local unit" means a "contracting unit" pursuant to section 2 of
37 P.L.1971, c.198 (C.40A:11-2), a "district" pursuant to
38 N.J.S.18A:18A-2, a "county college" pursuant to N.J.S.18A:64A-1,
39 a joint meeting, **[or]** any authority or special district that is subject
40 to the "Local Authorities Fiscal Control Law," P.L.1983, c.313
41 (C.40A:5A-1 et seq.), or a federal military base that intends to
42 participate with another local unit in a shared service agreement or
43 a joint meeting.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SCU committee amendments adopted December 15, 2016.

1 "Operate" and "operation" mean and include acquisition,
2 construction, maintenance, management, and administration of any
3 lands, public improvements, works, facilities, services, or
4 undertakings.

5 "Person" means any person, association, corporation, nation,
6 State, or any agency or subdivision thereof, or a county or
7 municipality of the State.

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

10 "Shared service" or "shared" means any service provided on a
11 regional, joint, interlocal, shared, or similar basis between local
12 units, the provisions of which are memorialized by agreement
13 between the participating local units, but, for the purposes of this
14 act, does not include any specific service or activity regulated by
15 some other law, rule or regulation.

16 "Shared service agreement" or "agreement" means a contract
17 authorized under section 4 of P.L.2007, c.63 (C.40A:65-4).

18 "Terminal leave benefit" means a single, lump sum payment,
19 paid at termination, calculated using the regular base salary at the
20 time of termination.

21 (cf: P.L.2007, c.63, s.3)】¹

22

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

25 4. a. (1) Any local unit may enter into an agreement with any
26 other local unit or units to provide or receive any service that each
27 local unit participating in the agreement is empowered to provide or
28 receive within its own jurisdiction, including services incidental to
29 the primary purposes of any of the participating local units
30 including services from licensed or certified professionals required
31 by statute to be appointed.

32 In the case of pilot municipalities, tenure rights shall not prohibit
33 the sharing of services for a municipal clerk, a chief financial
34 officer, an assessor, a tax collector, a municipal treasurer, or a
35 municipal superintendent of public works. The statutory
36 requirements that each municipality must appoint a municipal clerk,
37 a chief financial officer, an assessor, a tax collector, a municipal
38 treasurer, a municipal engineer, and a principal public works
39 manager shall, for those pilot municipalities, permit and include the
40 provision of the services of any of those municipal employees
41 through a shared service agreement pursuant to the provisions of
42 P.L.2007, c.63 (C.40A:65-1 et seq.). The shared service agreement
43 shall be subject to the provisions of subsection d. of this section and
44 of section 3 of P.L.2013, c.166 (C.40A:65-4.2).

45 In a shared service agreement between pilot municipalities for
46 the services of a municipal clerk, a chief financial officer, an
47 assessor, a tax collector, a municipal treasurer, or a municipal
48 superintendent of public works, the agent-party, as that term is used
49 in subsection d. of section 7 of P.L.2007, c.63 (C.40A:65-7), shall

1 select for employment under the agreement one of the employees of
2 the pilot municipalities that are party to the agreement who was
3 employed in that same capacity prior to the approval of the
4 agreement.

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

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

15 b. Any agreement entered into pursuant to this section shall be
16 filed, for informational purposes, with the Division of Local
17 Government Services in the Department of Community Affairs,
18 together with an estimate of the cost savings anticipated to be
19 achieved by the local units that are the parties to the agreement in
20 the case of an agreement between pilot municipalities, pursuant to
21 rules and regulations promulgated by the director.

22 c. In the case of a pilot municipality, a tenured municipal clerk,
23 chief financial officer, assessor, tax collector, municipal
24 superintendent of public works, or municipal treasurer may be
25 dismissed to effectuate the sharing of a service entered into
26 pursuant to the provisions of P.L.2007, c.63 (C.40A:65-1 et seq.)
27 and such dismissal shall be deemed to be in the interest of the
28 economy or efficiency of the participants in the shared service
29 agreement.

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

39 e. Notwithstanding any law, rule, or regulation to the contrary,
40 a local unit or units may enter into a shared service agreement with
41 a federal military base, to the extent permitted by 10 U.S.C. s.2679,
42 under which services would be provided to the extent a local unit
43 involved in the agreement is empowered to provide those services
44 within its own jurisdiction. This subsection shall not be construed
45 to impact existing federal or State civil service laws, rules, or
46 regulations with respect to federal employees or employees of a

1 local unit. Where federal law and State law conflict regarding the
2 content and duration of such agreements, federal law shall control.

3 (cf: P.L.2013, c.166, s.4)

4

5 2. This act shall take effect immediately.