

[First Reprint]

SENATE, No. 1248

STATE OF NEW JERSEY
214th LEGISLATURE

INTRODUCED FEBRUARY 8, 2010

Sponsored by:

Senator RONALD L. RICE

District 28 (Essex)

Senator JENNIFER BECK

District 12 (Mercer and Monmouth)

SYNOPSIS

Requires local unit or authority to provide director of the Division of Local Government Services with report concerning law suits to which it is a party before budget is approved

CURRENT VERSION OF TEXT

As amended by the Senate on June 28, 2010.



(Sponsorship Updated As Of: 6/29/2010)

1 AN ACT concerning local unit and authority budgets and
2 supplementing Title 40A of the New Jersey Statutes.

3

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

6

7 1. a. The director shall not approve a budget pursuant to
8 N.J.S.40A:4-10 until the governing body has provided the director
9 with a report outlining any lawsuits filed by or against the local unit
10 'in which the governing body expects to expend more than \$50,000
11 in legal fees or settlement costs¹. The report shall include, but not
12 be limited to, the following information:

13 The number of lawsuits filed by the local unit, with an
14 explanation of the nature of each lawsuit, and, when appropriate,
15 the dollar amount awarded to the local unit, unless the amount is
16 rendered confidential by court order, during the reporting period;

17 The number of lawsuits filed against the local unit, with an
18 explanation of the nature of each lawsuit, and, when appropriate,
19 the dollar amount awarded to the plaintiff, unless the amount is
20 rendered confidential by court order, during the reporting period;

21 The number of lawsuits that were settled out of court, with the
22 dollar amounts of each settlement, during the reporting period;

23 The number of pending lawsuits, with an explanation of the
24 nature of each lawsuit, during the reporting period;

25 The name of the attorney or law firm that represented the local
26 unit in each lawsuit, and the dollar amount paid to the attorney or
27 law firm for representation, during the reporting period;

28 An explanation of the manner of billing used by the attorney or
29 law firm representing the local unit in each lawsuit, indicating
30 whether the attorney or law firm received a set fee per hour or
31 arranged another manner of billing, during the reporting period;

32 A summary of the local unit's liability insurance plan, indicating
33 whether the local unit is self-insured or contracts its liability out to
34 an insurance provider, during the reporting period.

35 b. The director shall transmit a copy of each report to the
36 Commissioner of Community Affairs, who shall render each report
37 to the Governor and the Legislature pursuant to section 3 of
38 P.L.1966, c.293 (C.52:27D-3).

39 c. For the purposes of this section, "reporting period" means the
40 previous January 1 to December 31 for any local unit operating
41 under a calendar fiscal year or the previous July 1 to June 30 for
42 any local unit operating under a State fiscal year.

43

44 2. a. The director shall not approve a budget pursuant to

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 floor amendments adopted June 28, 2010.

1 N.J.S.40A:5A-10 until the authority has provided the director with a
2 report outlining any lawsuits filed by or against the authority 'in
3 which the authority expects to expend more than \$50,000 in legal
4 fees or settlement costs'. The report shall include, but not be
5 limited to, the following information:

6 The number of lawsuits filed by the authority, with an
7 explanation of the nature of each lawsuit, and, when appropriate,
8 the dollar amount awarded to the authority, unless the amount is
9 rendered confidential by court order, during the reporting period;

10 The number of lawsuits filed against the authority, with an
11 explanation of the nature of each lawsuit, and, when appropriate,
12 the dollar amount awarded to the plaintiff, unless the amount is
13 rendered confidential by court order, during the reporting period;

14 The number of lawsuits that were settled out of court, with the
15 dollar amounts of each settlement, during the reporting period;

16 The number of pending lawsuits, with an explanation of the
17 nature of each lawsuit, during the reporting period;

18 The name of the attorney or law firm that represented the
19 authority in each lawsuit, and the dollar amount paid to the attorney
20 or law firm for representation, during the reporting period;

21 An explanation of the manner of billing used by the attorney or
22 law firm representing the authority in each lawsuit, indicating
23 whether the attorney or law firm received a set fee per hour or
24 arranged another manner of billing, during the reporting period;

25 A summary of the authority's liability insurance plan, indicating
26 whether the local unit is self-insured or contracts its liability out to
27 an insurance provider, during the reporting period.

28 b. The director shall transmit a copy of each report to the
29 Commissioner of Community Affairs, who shall render each report
30 to the Governor and the Legislature pursuant to section 3 of
31 P.L.1966, c.293 (C.52:27D-3).

32 c. For the purposes of this section, "reporting period" means
33 the previous January 1 to December 31 for any authority operating
34 under a calendar fiscal year or the previous July 1 to June 30 for
35 any authority operating under a State fiscal year.

36

37 3. This act shall take effect immediately.