

SENATE, No. 64

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Senator CAFIERO

1 AN ACT concerning interlocal service contracts and amending
2 P.L.1973, c.208.

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

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7 1. Section 6 of P.L.1973, c.208 (C.40:8A-6) is amended to read as
8 follows:

9 6. a. A contract made pursuant to this act shall specify:

10 (1) the exact nature and extent of the services to be performed
11 jointly or by one or more of the parties as agent for any other party or
12 parties;

13 (2) measurable standards of the level, quality and scope of such
14 performance, with specific assignment and allocation of responsibility
15 for meeting such standards between or among the parties;

16 (3) the estimated cost of such services throughout the duration of
17 the contract, with allocation thereof, to the parties, in dollar amounts
18 or by formula, including a time schedule for periodic payment of
19 installments of such allocations; which specification may include
20 provision for the periodic modification of estimates or formulas
21 contained therein in the light of actual experience and in accordance
22 with procedures to be specified in the contract;

23 (4) the duration of the contract, which shall be for 7 years, unless
24 otherwise agreed upon by the parties;

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

26 b. Such contract may provide for binding arbitration or for binding
27 factfinding procedures to settle any disputes or questions which may
28 arise between the parties as to interpretation of the terms of the
29 contract or the satisfactory performance by any of the parties of the
30 services and other responsibilities provided for in the contract.

31 c. For the purposes of this act, any party performing a service
32 under such a contract is the general agent of any party or parties on

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

Matter underlined thus is new matter.

1 whose behalf such service is performed pursuant to the contract, and
2 such agent party shall have full powers of performance and
3 maintenance of the service contracted for and full powers to undertake
4 any ancillary operation reasonably necessary or convenient to carry out
5 its duties, obligations and responsibilities under the contract, including
6 all powers of enforcement and administrative regulation which are or
7 may be exercised by the party on whose behalf it acts pursuant to the
8 contract, except as such powers are limited by the terms of the
9 contract itself, and except that no contracting party shall be liable for
10 any part or share of the cost of acquiring, constructing or maintaining
11 any capital facility acquired or constructed by an agent party unless
12 such part or share is provided for in the contract or in an amendment
13 thereto which shall have been ratified by the contracting parties in the
14 manner provided in this act for entering into a contract.

15 d. Except as the terms of any contract may explicitly or by
16 necessary implication provide, any party to a contract entered into
17 pursuant to this act may enter into another contract or contracts with
18 any other eligible parties for the performance of any service or services
19 pursuant to this act; and participation in one such contract shall not
20 bar participation with the same or other parties in any other contract.

21 In addition to the specifications set forth in subsections a. through
22 d. of this section, and notwithstanding the provisions of P.L.1978,
23 c.63 (C.40A:9-1.3 et seq.), a contract made pursuant to the provisions
24 of the "Interlocal Services Act," P.L.1973, c.208 (C.40:8A-1 et al.)
25 may also contain a requirement that any officer or employee who will
26 be performing the service that is the subject of the contract shall be a
27 resident of a municipality that is a party to the contract, or shall
28 become a resident of a municipality that is a party to the contract not
29 more than one year after the date of his or her appointment.

30 (cf: P.L.1973, c.208, s.6)

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32 2. This act shall take effect immediately.

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35 STATEMENT

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37 This bill permits the inclusion in an interlocal service agreement of
38 a provision requiring that any officer or employee who will be
39 performing the service that is the subject of the interlocal service
40 agreement shall be a resident of one of the municipalities that is a party
41 to the contract, or shall become a resident of a municipality that is a
42 party to the contract not more than one year after the date of his or
43 her appointment.

44 Under the provisions of P.L.1978, c.63 (C.40A:9-1.3 et seq.), the
45 governing body of any county or municipality may by ordinance or
46 resolution, as appropriate, require the residency of its officers and

1 employees. The provisions of this bill would permit the municipalities
2 that are parties to an interlocal service agreement to make the same
3 requirement for any officer or employee who will be performing the
4 service that is the subject of the interlocal service agreement.

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9 Permits residency requirement as part of interlocal service contract.