

40A:65-1 et. al.
LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2007 **CHAPTER:** 63

NJSA: 40A:65-1 et. al. (Implements CORE proposals, including "Uniform Shared Services and Consolidation Act"; user -friendly budgets; revision of county superintendent of schools title and duties)

BILL NO: A4 (Substituted for S19)

SPONSOR(S) Roberts and Others

DATE INTRODUCED: December 7, 2006

COMMITTEE: **ASSEMBLY:**

SENATE:

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** February 22, 2007

SENATE: February 5, 2007

DATE OF APPROVAL: April 3, 2007

FOLLOWING ARE ATTACHED IF AVAILABLE:

[FINAL TEXT OF BILL](#) (First reprint enacted)

A4

[SPONSOR'S STATEMENT:](#) (Begins on page 80 of original bill) [Yes](#)

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: No

[FLOOR AMENDMENT STATEMENT:](#) [Yes](#)

[LEGISLATIVE FISCAL ESTIMATE:](#) [Yes](#)

S19

[SPONSOR'S STATEMENT:](#) (Begins on page 37 of original bill) [Yes](#)

COMMITTEE STATEMENT: **ASSEMBLY:** No

SENATE: No

FLOOR AMENDMENT STATEMENT: No

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

[GOVERNOR'S PRESS RELEASE ON SIGNING:](#) [Yes](#)

[NEW JERSEY LEGISLATURE NEWS RELEASE:](#) [Yes](#)

FOLLOWING WERE PRINTED:

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REPORTS: Yes

HEARINGS: No

NEWSPAPER ARTICLES: Yes

"Governor signs tax-relief bill," Courier-Post, 4-4-07, p.1B
 "Questions, answers on impact of tax relief," Courier-Post, 4-4-07, p. 2B
 "Property tax cuts up to 20% on way," Asbury Park Press, 4-4-07, p. A1
 "Tax reform 101: How you'll fare," Asbury Park Press, 4-4-07, p. A5
 "Corzine signs 20 percent property tax cut into law," Courier News, 4-4-07, p. A5
 "Details of the tax relief package," Courier News, 4-4-07, p. A5
 "Lawmakers: Property tax cut is on the way," Burlington County Times, 4-4-07, p. A3
 "Prop tax cut on way, but long-term relief debated," The Trentonian, 4-4-07, p. 5
 "State expands property tax relief," The Star-Ledger, 4-4-07, p.13
 "The whats, whens and how muches," The Star-Ledger, 4-4-07, p. 16
 "Corzine signs property tax plan," The Times, 4-4-07, p. A1
 "Corzine signs 20% tax break," Gloucester County Times, 4-4-07, p. A1
 "Expert sees new measures as only temporary relief," Home News Tribune, 4-4-07, p. A2
 "New Jersey Governor Signs bill for Property Tax Relief," The New York Times, 4-4-07, p. B3
 "Corzine: Be skeptical on tax reform," The Record, 4-4-07, p. A03

REPORTS:

974.90 Committee meeting of Joint Legislative Committee on Government Consolidation and Shared Services
 M966 Assembly bill no. 4, Senate bill no. 42, Assembly bill no. 8, Senate bill no. 49, Assembly bill no. 9, Senate bill no. 46,
 2006n Assembly bill no. 10, Senate bill no. 47, Assembly bill no. 11, Senate bill no. 2374, Assembly bill no. 12, Senate bill
 no. 45, Assembly bill no. 13, Senate bill no. 48, Assembly bill no. 14, Senate bill no. 39, Assembly bill no. 15, Senate
 bill no. 38, Assembly concurrent resolution no. 5, Senate concurrent resolution no. 123. December 7, 2006

974.90 Final report of Special Session Joint Legislative Committee on Government Consolidation and Shared Services.
 M966 December 1, 2006
 2006p

974.90 Executive summary [of final report of Special Session Joint Legislative Committee on Government Consolidation and
 M966 Shared Services]. By the New Jersey Legislature. Joint Legislative Committee on Government Consolidation and
 2006q Shared Services

NEW JERSEY LEGISLATURE WEB SITE ON JOINT LEGISLATIVE COMMITTEE ON GOVERNMENT CONSOLIDATION AND SHARED SERVICES: <http://www.njleg.state.nj.us/PropertyTaxSession/jcgo.asp>

ANCILLARY REPORTS ON GOVERNMENT CONSOLIDATION AND SHARED SERVICES:

-List of New Jersey State Library Catalog entries for New Jersey Documents call numbers 974.90 M966, 2006a-q attached.

Title 40A.
Chapter 65 (New)
Shared Services
and Consolidation
§§1-35 -
C.40A:65-1 to
40A:65-35
§37 –
Note to §§1-36
§§39-41 -
C.40A:5-48 to
40A:5-50
§§53-58 -
C.18A:7-11 to
18A:7-16
§§59 - Note to
§37 and §§38-58

P.L. 2007, CHAPTER 63, *approved April 3, 2007*
Assembly, No. 4 (*First Reprint*)

- 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 savings¹ [; and

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 February 5, 2007.

1 **WHEREAS**, Increased accountability by the voters can better be
2 ensured if elections of local officials who spend significant
3 amounts of taxpayer money occur on days when a significant
4 percentage of the population is likely to vote¹; now, therefore,
5

6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
7 *of New Jersey:*
8

9 **ARTICLE 1. SHARED SERVICES AND CONSOLIDATION**
10 **SUBARTICLE A. GENERAL PROVISIONS**
11

12 1. (New section) Sections 1 through 35 of
13 P.L. , c. (C. through) (pending before the Legislature
14 as this bill) shall be known and may be referred to as the “Uniform
15 Shared Services and Consolidation Act.”
16

17 2. (New section) The Legislature finds and declares:

18 a. Historically, many specialized statutes have been enacted to
19 permit shared services between local units for particular purposes.

20 b. Other laws, permitting a variety of shared services, including
21 interlocal services agreements, joint meetings, and consolidated and
22 regional services, exist but have not been very effective in
23 promoting the broad use of shared services as a technique to reduce
24 local expenses funded by property taxpayers.

25 c. It is appropriate for the Legislature to enact a new shared
26 services statute that can be used to effectuate agreements between
27 local units for any service or circumstance intended to reduce
28 property taxes through the reduction of local expenses.
29

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

33 “Board” means the Local Finance Board in the Division of Local
34 Government Services in the Department of Community Affairs.

35 “Construct” and “construction” connote and include acts of
36 construction, reconstruction, replacement, extension, improvement
37 and betterment of lands, public improvements, works, facilities,
38 services or undertakings.

39 “Contracting local units” means local units participating in a
40 joint meeting.

41 “Director” means the Director of the Division of Local
42 Government Services in the Department of Community Affairs.

43 “Division” means the Division of Local Government Services in
44 the Department of Community Affairs.

45 “Governing body” means the board, commission, council, or
46 other body having the control of the finances of a local unit; and in
47 those local units in which an executive officer is authorized by law
48 to participate in such control through powers of recommendation,

1 approval, or veto, the term includes that executive officer, to the
2 extent of the officer's statutory participation.

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

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

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

15 "Operate" and "operation" mean and include acquisition,
16 construction, maintenance, management, and administration of any
17 lands, public improvements, works, facilities, services, or
18 undertakings.

19 "Person" means any person, association, corporation, nation,
20 State, or any agency or subdivision thereof, or a county or
21 municipality of the State.

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

24 "Shared service" or "shared" means any service provided on a
25 regional, joint, interlocal, shared, or similar basis between local
26 units, the provisions of which are memorialized by agreement
27 between the participating local units, but, for the purposes of this
28 act, does not include any specific service or activity regulated by
29 some other law, rule or regulation.

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

33 "Terminal leave benefit" means a single, lump sum payment,
34 paid at termination, calculated using the regular base salary at the
35 time of termination.

36

37 SUBARTICLE B. SHARED SERVICES

38

39 4. (New section) a. (1) Any local unit may enter into an
40 agreement with any other local unit or units to provide or receive
41 any service that each local unit participating in the agreement is
42 empowered to provide or receive within its own jurisdiction,
43 including services incidental to the primary purposes of any of the
44 participating local units.

45 (2) Notwithstanding any law, rule or regulation to the contrary,
46 any agreement between local units for the provision of shared
47 services shall be entered into pursuant to Article 1 of
48 P.L. , c. (C.) (pending before the Legislature as this bill);

1 provided, however, that agreements regarding shared services that
2 are otherwise regulated by statute, rule, or regulation are
3 specifically excluded from Article 1 of P.L. , c. (C.)
4 (pending before the Legislature as this bill).

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

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

12

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

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

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

25

26 6. (New section) a. In the case of an agreement for the
27 provision of services by an officer or employee of a local unit who
28 is required to comply with a State license or certification
29 requirement as a condition of employment, the agreement shall
30 provide for the payment of a salary to the officer or employee and
31 shall designate one of the local units as the primary employer of the
32 officer or employee for the purpose of that person's tenure rights. If
33 the agreement fails to designate one of the local units as the primary
34 employer, then the local unit having the largest population, shall be
35 deemed the primary employer for the purposes of that person's
36 tenure rights.

37 b. A State department or agency with oversight over specific
38 activities that are the subject of a shared service agreement may
39 promulgate whatever rules and regulations it deems necessary to
40 ensure that the service continues to be provided in accordance with
41 the requirements of that department or agency.

42

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

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

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

4 (3) the estimated cost of the services throughout the duration of
5 the agreement, with allocation of those costs to the parties, in dollar
6 amounts or by formula, including a time schedule for periodic
7 payment of installments for those allocations. The specification
8 may provide for the periodic modification of estimates or formulas
9 contained therein in the light of actual experience and in accordance
10 with procedures to be specified in the agreement;

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

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

14 b. In the case when all of the participating local units are
15 municipalities, the agreement may provide that it shall not take
16 effect until submitted to the voters of each municipality, and
17 approved by a majority of the voters of each municipality voting at
18 the referendum.

19 c. The agreement may provide for binding arbitration or for
20 binding fact-finding procedures to settle any disputes or questions
21 which may arise between the parties as to the interpretation of the
22 terms of the agreement or the satisfactory performance by any of
23 the parties of the services and other responsibilities required by the
24 agreement.

25 d. For the purposes of sections 4 through 13 of
26 P.L. , c. (C. through) (pending before the
27 Legislature as this bill), any party performing a service under a
28 shared service agreement is the general agent of any other party on
29 whose behalf that service is performed pursuant to the agreement,
30 and that agent-party has full powers of performance and
31 maintenance of the service contracted for, and full powers to
32 undertake any ancillary operation reasonably necessary or
33 convenient to carry out its duties, obligations and responsibilities
34 under the agreement. These powers include all powers of
35 enforcement and administrative regulation which are, or may be,
36 exercised by the party on whose behalf the agent-party acts
37 pursuant to the agreement, except as the powers are limited by the
38 terms of the agreement itself, and except that no contracting party
39 shall be liable for any part or share of the cost of acquiring,
40 constructing, or maintaining any capital facility acquired or
41 constructed by an agent-party unless that part or share is provided
42 for in the agreement, or in an amendment thereto ratified by the
43 contracting parties in the manner provided in Article 1 of
44 P.L. , c. (C.) (pending before the Legislature as this bill)
45 for entering into an agreement.

46 e. Except as the terms of any agreement may explicitly or by
47 necessary implication provide, any party to an agreement entered
48 into pursuant to section 4 of P.L. , c. (C.) (pending before

1 the Legislature as this bill) may enter into another agreement or
2 agreements with any other eligible parties for the performance of
3 any service or services pursuant to Article 1 of
4 P.L. , c. (C.) (pending before the Legislature as this bill).
5 The participation in one agreement shall not bar participation with
6 the same or other parties in any other agreement.

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

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

16

17 8. (New section) a. Whenever two or more local units enter
18 into an agreement, pursuant to section 4 of P.L. , c. (C.)
19 (pending before the Legislature as this bill), for the shared provision
20 of law enforcement services within their respective jurisdictions,
21 the agreement shall recognize and preserve the seniority, tenure,
22 and pension rights of every full-time law enforcement officer who
23 is employed by each of the participating local units and who is in
24 good standing at the time the ordinance authorizing the agreement
25 is adopted, and none of those law enforcement officers shall be
26 terminated, except for cause; provided, however, this provision
27 shall not be construed to prevent or prohibit a merged law
28 enforcement entity from reducing force as provided by law for
29 reasons of economy and efficiency.

30 b. To provide for the efficient administration and operation of
31 the shared law enforcement services within the participating local
32 units, the agreement may provide for the appointment of a chief of
33 police or other chief law enforcement officer. In that case, the
34 agreement shall identify the appropriate authority to whom the chief
35 of police or other chief law enforcement officer reports and also
36 shall provide that any person who is serving as the chief of police or
37 other chief law enforcement officer in one of the participating local
38 units at the time the contract is adopted may elect either:

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

41 (2) to retire from service.

42 A person who elects retirement shall not be demoted, but shall
43 retain the rank of chief of police or other chief law enforcement
44 officer and shall be given terminal leave for a period of one month
45 for each five-year period of past service as a law enforcement
46 officer with a participating local unit. During the terminal leave,
47 the person shall continue to receive full compensation and shall be
48 entitled to all benefits, including any increases in compensation or

1 benefits, that he may have been entitled to if he had remained on
2 active duty.

3 c. Whenever the participating local units have adopted or are
4 deemed to have adopted Title 11A, Civil Service, of the New Jersey
5 Statutes with regard to the provision of law enforcement services,
6 and the agreement provides for the appointment of a chief of police
7 or other chief law enforcement officer, the position of chief of
8 police or other chief law enforcement officer shall be in the career
9 service.

10

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

19

20 10. (New section) In the event that any authority, board,
21 commission, district, joint meeting, or other body created by one or
22 more local units proposes to enter into a contract under Article 1 of
23 P.L. , c. (C.) (pending before the Legislature as this bill),
24 whereby that entity agrees to have performed on its behalf services,
25 the cost of which shall equal one-half or more of the total costs of
26 the services being performed by that entity immediately prior to the
27 adoption of the proposed contract, then the contract shall require
28 approval by resolution of the governing body of each local unit
29 which created the entity or which has become a participant therein
30 subsequent to its creation.

31

32 11. (New section) a. When a local unit contracts, through a
33 shared service or joint meeting, to have another local unit or a joint
34 meeting provide a service it is currently providing using public
35 employees and one or more of the local units have adopted Title
36 11A, Civil Service, then the agreement shall include an employment
37 reconciliation plan in accordance with this section that and, if one
38 or more of the local units have adopted Title 11A, Civil Service,
39 shall specifically set forth the intended jurisdiction of the
40 Department of Personnel. An employment reconciliation plan shall
41 be subject to the following provisions:

42 (1) a determination of those employees, if any, that shall be
43 transferred to the providing local unit, retained by the recipient
44 local unit, or terminated from employment for reasons of economy
45 or efficiency¹, subject to the provisions of any existing collective
46 bargaining agreements within the local units¹ .

47 (2) any employee terminated for reasons of economy or
48 efficiency by the local unit providing the service under the shared

1 service agreement shall be given a terminal leave payment of not
2 less than a period of one month for each five-year period of past
3 service as an employee with the local unit, or other enhanced
4 benefits that may be provided or negotiated. For the purposes of
5 this paragraph, "terminal leave payment" means a single, lump sum
6 payment, paid at termination, calculated using the regular base
7 salary at the time of termination. Unless otherwise negotiated or
8 provided by the employer, a terminal leave benefit shall not include
9 extended payment, or payment for retroactive salary increases,
10 bonuses, overtime, longevity, sick leave, accrued vacation or other
11 time benefit, or any other benefit.

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

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

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

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

1 service and subject to 'the provisions of' any '[agreement between
2 the parties] existing collective bargaining agreements within the
3 local units'.

4 c. If the local unit that will provide the service pursuant to a
5 shared service agreement is subject to Title 11A, Civil Service, of
6 the New Jersey Statutes, but the local unit to receive the service is
7 not subject to that Title, and the contracting local units desire that
8 some or all employees of the recipient local unit are to be
9 transferred to the providing local unit, the Department of Personnel
10 shall vest only those employees who have been employed for one
11 year or more in permanent status pursuant to N.J.S.11A:9-9 in
12 appropriate titles, seniority, and tenure with the providing local unit
13 based on the duties of the position. The final decision of which
14 employees shall transfer to the new employer is vested solely with
15 the local unit that will provide the service and subject to 'the
16 provisions of' any '[agreement between the contracting] existing
17 collective bargaining agreements within the' local units.

18 d. If the local unit that will provide the service is not subject to
19 the provisions of Title 11A, Civil Service, of the New Jersey
20 Statutes, but the local unit that will receive the service is subject to
21 that Title and the parties desire that some or all employees of the
22 recipient local unit are to be transferred to the providing local unit,
23 the transferred employees shall be granted tenure in office and shall
24 only be removed or suspended for good cause and after a hearing;
25 provided, however, that they may be laid-off in accordance with the
26 provisions of N.J.S.11A:8-1 et seq., and the regulations
27 promulgated thereunder. The transferred employees shall be
28 subject to layoff procedures prior to the transfer to the new entity.
29 Once transferred, they will be subject to any employment contracts
30 and provisions that exist for the new entity. The final decision of
31 which employees shall transfer to the new employer is vested solely
32 with the local unit that will provide the service and subject to 'the
33 provisions of' any '[agreement between the parties] existing
34 collective bargaining agreements within the local units'.

35
36 12. (New section) The Public Employment Relations
37 Commission is specifically authorized to provide technical advice,
38 pursuant to section 12 of P.L.1968, c.303 (C.34:13A-8.3), and
39 mediation services to integrate separate labor agreements into single
40 agreements for the shared service agreement. The commission may
41 order binding arbitration, pursuant to P.L.1995, c.425 (C.34:13A-
42 14a et seq.), to integrate any labor agreement.

43
44 13. (New section) It is the intent of the Legislature to facilitate
45 and promote shared service agreements, and therefore the grant of
46 power under sections 1 through 35 of P.L. , c. (C. through)

1 (pending before the Legislature as this bill) is intended to be as
2 broad as is consistent with general law.

3

4

SUBARTICLE C. JOINT MEETINGS

5

6 14. (New section) a. The governing bodies of any two or more
7 local units may enter into a joint contract, for a period not to exceed
8 40 years, to provide for the formation of a joint meeting for the
9 joint operation of any public services, public improvements, works,
10 facilities, or undertakings which the local units are empowered to
11 operate. The contract shall be entered into in accordance with the
12 procedures set forth in subsection b. of section 16 of this bill.

13 b. A joint contract may provide for joint services for any
14 services which any contracting local unit, on whose behalf those
15 services are to be performed, is legally authorized to provide for
16 itself. Those services include, but are not limited to, general
17 government administration, health, police and fire protection, code
18 enforcement, assessment and collection of taxes, financial
19 administration, environmental protection, joint municipal courts,
20 and youth, senior citizens and social welfare programs.

21 c. The joint contract shall set forth the public services, public
22 improvements, works, facilities, or undertakings which the
23 contracting local units desire to operate jointly, and shall provide in
24 general terms the manner in which the public services, public
25 improvements, works, facilities or undertakings shall be jointly
26 operated, and the respective duties and responsibilities of the
27 contracting local units.

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

31

32 15. (New section) a. A joint meeting is a public body corporate
33 and politic constituting a political subdivision of the State for the
34 exercise of public and essential governmental functions to provide
35 for the public health and welfare.

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

39 (1) to sue and be sued;

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

42 (3) to enter into any and all contracts or agreements and to
43 execute any and all instruments;

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

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

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

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

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

16 (9) to acquire, maintain, use, and operate lands, public
17 improvements, works, or facilities in any municipality in the State,
18 except where the governing body of the municipality, by resolution
19 adopted within 60 days after receipt of written notice of intention to
20 so acquire, maintain, use, or operate, shall find that the same would
21 adversely affect the governmental operations and functions and the
22 exercise of the police powers of that municipality.

23 c. If the governing body of a municipality in which a joint
24 meeting has applied for the location and erection of sewage
25 treatment or solid waste disposal facilities refuses permission
26 therefore, or fails to take final action upon the application within 60
27 days of its filing, the joint meeting may, at any time within 30 days
28 following the date of such refusal or the date of expiration of the
29 60-day period, apply to the Department of Environmental
30 Protection for relief. That department is authorized, after hearing
31 the joint meeting and the interested municipality, to grant the
32 application for the erection of the sewage treatment or disposal or
33 solid waste treatment or disposal facilities, notwithstanding the
34 refusal or failure to act of the municipal governing body, upon
35 being satisfied that the topographical and other physical conditions
36 existing in the local units comprising the joint meeting are such as
37 to make the erection of such facilities within its boundaries
38 impracticable as an improvement for the benefit of the whole
39 applying joint meeting.

40
41 16. (New section) a. The joint contract shall provide for the
42 operation of the public services, public improvements, works,
43 facilities, or undertakings of the joint meeting, for the
44 apportionment of the costs and expenses of operation required
45 therefore among the contracting local units, for the addition of other
46 local units as members of the joint meeting, for the terms and
47 conditions of continued participation and discontinuance of
48 participation in the joint meeting by the contracting local units, and

1 for such other terms and conditions as may be necessary or
2 convenient for the purposes of the joint meeting. The
3 apportionment of costs and expenses may be based upon assessed
4 valuations, population, and such other factor or factors, or any
5 combination thereof, as may be provided in the joint contract.

6 b. (1) Notwithstanding any law to the contrary concerning
7 approval of contracts, the joint contract shall be subject to approval
8 by resolution of the governing bodies of each of the local units prior
9 to its execution by the official or officials who are authorized to
10 execute a joint contract.

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

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

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

18
19 17. (New section) a. Whenever the governing bodies of two or
20 more local units enter into a joint contract for the joint operation of
21 law enforcement services within their respective jurisdictions, the
22 contract shall recognize and preserve the seniority, tenure, and
23 pension rights of every full-time law enforcement officer who is
24 employed by each of the contracting local units and who is in good
25 standing at the time the ordinance or resolution, as the case may be,
26 authorizing the contract is adopted, and none of those law
27 enforcement officers shall be terminated, except for cause;
28 provided, however, this provision shall not be construed to prevent
29 or prohibit a merged law enforcement entity from reducing force as
30 provided by law for reasons of economy and efficiency.

31 b. (1) To provide for the efficient administration and operation
32 of the joint law enforcement services within the participating local
33 units, the joint contract may provide for the appointment of a chief
34 of police or other chief law enforcement officer. In that case, the
35 joint contract shall identify the appropriate authority to whom the
36 chief of police or other chief law enforcement officer reports and
37 also shall provide that any person who is serving as the chief of
38 police or other chief law enforcement officer in one of the
39 participating local units at the time the joint contract is adopted may
40 elect either:

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

43 (b) to retire from service.

44 (2) Any person who elects retirement shall not be demoted but
45 shall retain the rank of chief of police or other chief law
46 enforcement officer and shall be given terminal leave for a period of
47 one month for each five-year period of past service as a law
48 enforcement officer with the participating local unit. During the

1 terminal leave, the person shall continue to receive full
2 compensation and shall be entitled to all benefits, including any
3 increases in compensation or benefits, that he may have been
4 entitled to if he had remained on active duty.

5 c. Whenever the participating local units have adopted or are
6 deemed to have adopted Title 11A, Civil Service, of the New Jersey
7 Statutes with regard to the provision of law enforcement services,
8 and the contract provides for the appointment of a chief of police or
9 other chief law enforcement officer, the position of chief law
10 enforcement officer shall be in the career service.

11

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

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

27

28 19. (New section) a. When a local unit agrees to participate in
29 a joint meeting that will provide a service that the local unit is
30 currently providing itself through public employees, the agreement
31 shall include an employment reconciliation plan in accordance with
32 this section. An employment reconciliation plan shall be subject to
33 the following provisions:

34 (1) a determination of those employees, if any, that shall be
35 transferred to the joint meeting, retained by the contracting local
36 unit, or terminated from employment for reasons of economy or
37 efficiency 'subject to the provisions of any collective bargaining
38 agreements within the local units'.

39 (2) any employee terminated for reasons of economy or
40 efficiency by the contracting local unit providing the service or by
41 the joint meeting shall be given a terminal leave payment of not less
42 than a period of one month for each five-year period of past service
43 as an employee with the local unit, or other enhanced benefits that
44 may be provided or negotiated. Unless otherwise negotiated or
45 provided by the employer, a terminal leave benefit shall not include
46 extended payment, or payment for retroactive salary increases,
47 bonuses, overtime, longevity, sick leave, accrued vacation or other
48 time benefit, or any other benefit.

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

7 (4) when a proposed joint contract affects employees in local
8 units that operate under the provisions of Title 11A, Civil Service,
9 of the New Jersey Statutes, an employment reconciliation plan shall
10 be filed with the Department of Personnel prior to the approval of
11 the joint meeting agreement. That department shall review the plan
12 for consistency with this section within 45 days of receipt and it
13 shall be deemed approved, subject to approval of the joint meeting
14 agreement by the end of that time, unless that department has
15 responded with a denial or conditions that must be met in order for
16 it to be approved.

17 (5) when an action is required of the Department of Personnel by
18 this section, parties to a proposed joint contract may consult with
19 the department in advance of the action and the department shall
20 provide such technical support as may be necessary to assist in the
21 preparation of an employment reconciliation plan or any other
22 action required of the department by this section.

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

41 c. If the joint meeting operates under the provisions of Title
42 11A, Civil Service, of the New Jersey Statutes, and a local unit
43 receiving the service is not subject to that Title, and the parties
44 desire that some or all employees of the local unit be transferred to
45 the joint meeting, the Department of Personnel shall vest only those
46 employees who have been employed one year or more in permanent
47 status pursuant to N.J.S.40A:9-9 in appropriate titles, seniority, and
48 tenure with the providing local unit based on the duties of the

1 position. The final decision of which employees shall transfer to
2 the new employer is vested solely with 'the' joint meeting and
3 subject to '[any agreement between] the agreements affecting' the
4 parties', provided that those agreements do not conflict with the
5 provisions of any existing collective bargaining agreements within
6 the local units'.

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

21 (2) A joint meeting established after the effective date of Article
22 1 of P.L. , c. (C.) (pending before the Legislature as this
23 bill) that affects both employees in local units subject to Title 11A,
24 Civil Service, of the New Jersey Statutes and employees in local
25 units not subject to that Title, shall determine whether the
26 employees of the joint meeting shall be subject to the Title. If the
27 joint meeting determines that the employees shall not be subject to
28 Title 11A, Civil Service, of the New Jersey Statutes, then the
29 employees from the local units in which the Title is in effect shall
30 have the same rights as employees transferred pursuant to paragraph
31 (1) of this subsection.

32
33 20. (New section) a. The joint contract shall provide for the
34 constitution and appointment of a management committee to consist
35 of at least three members, of which one shall be appointed by the
36 governing body of each of the local units executing the joint
37 contract. The members shall be residents of the appointing local
38 unit, except that a member who is the chief financial officer,
39 business administrator, municipal administrator, or municipal
40 manager of the local unit making the appointment need not be a
41 resident of the appointing local unit. The appointees may or may
42 not be members of the appointing governing body. Each member of
43 the management committee shall hold office for the term of one
44 year and until the member's successor has been appointed and
45 qualified. In the event that there is an even number of local units
46 that are parties to the joint contract, the management committee
47 shall consist of one member appointed by each of the governing

1 bodies and one member selected by the two other appointed
2 members.

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

21 The joint contract may provide for the delegation of the
22 administration of any or all of the services, lands, public
23 improvements, works, facilities or undertakings of the joint meeting
24 to the governing body of any one of the several contracting local
25 units, in which event such governing body shall have and exercise
26 all of the powers and authority of the management committee with
27 respect to such delegated functions.

28
29 21. (New section) The cost of acquiring, constructing, and
30 operating any public improvements, works, facilities, services, or
31 undertakings, or any part thereof, as determined by the management
32 committee, shall be apportioned among the participating local units
33 as provided by the joint contract. Each local unit shall have power
34 to raise and appropriate the funds necessary therefore in the same
35 manner and to the same extent as the local unit would have if it
36 were acquiring and constructing the same for itself, including the
37 power to authorize and issue bonds or other obligations pursuant to
38 the "Local Bond Law," N.J.S.40A:2-1 et seq. The management
39 committee shall certify to the participating local units the cost of the
40 acquisition or construction, as well as the apportioned shares
41 thereof, within 15 days after its action thereon.

42
43 22. (New section) The management committee, not later than
44 November 1 of each year, shall certify to the participating local
45 units the total costs and expenses of operation, other than
46 acquisition and construction costs, of the services, public
47 improvements, works, facilities, or undertakings for the ensuing
48 year, in accordance with the terms and provisions of the joint

1 contract, together with an apportionment of the costs and expenses
2 of operation among the participating local units in accordance with
3 the method of apportionment provided in the joint contract. It shall
4 be the duty of each participating local unit to include its
5 apportioned share of such costs and expenses of operation in its
6 annual budget, and to pay over to the management committee its
7 apportioned share as provided in the joint contract. Operations
8 under the budget and related matters shall be subject to and in
9 accordance with rules of the Local Finance Board or the
10 Commissioner of Education, as appropriate. The Local Finance
11 Board shall be responsible for the determination of the appropriate
12 rule-making authority with regard to each joint contract. For the
13 first year of operation under the joint contract, a participating local
14 unit may adopt a supplemental or emergency appropriation for the
15 purpose of paying its apportioned share of the costs and expenses of
16 operation, if provision therefore has not been made in the annual
17 budget.

18

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

27

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

33

34 SUBARTICLE D. LOCAL OPTION MUNICIPAL 35 CONSOLIDATION

36

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

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

48 (a) approval of a plan to consolidate their municipalities; or

1 (b) creation of a Municipal Consolidation Study Commission, as
2 described in subsection c. of this section.

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

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

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

22 c. An application to create a Municipal Consolidation Study
23 Commission shall propose a process to study the feasibility of
24 consolidating the participating municipalities into a single new
25 municipality or merging one into the other. The application shall
26 include provisions for:

27 (1) the means of selection and qualifications of study
28 commissioners;

29 (2) the time frame for the study, which shall be no more than
30 three years, along with key events and deadlines, including time for
31 review of the report by State agencies, which review shall be no
32 less than three months;

33 (3) whether a preliminary report shall be issued in addition to the
34 final report;

35 (4) whether the development of a consolidation implementation
36 plan will be a part of the study;

37 (5) the means for any proposed consolidation plan to be
38 approved; either by voter referendum, by the governing bodies, or
39 both; and

40 (6) if proposed by a representative group of voters, justification
41 of that group's standing to serve as the community advocate for the
42 consolidation proposal.

43 d. (1) An application to the board for consideration of a
44 consolidation plan or to create a Municipal Consolidation Study
45 Commission shall be subject to a public hearing within each
46 municipality to be studied, and a joint public hearing in a place that
47 is easily accessible to the residents of both or all of the
48 municipalities.

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

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

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

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

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

42 h. In considering its decisions under Article 1 of
43 P.L. , c. (C.) (pending before the Legislature as this bill),
44 the Local Finance Board and any other State agency shall take into
45 account local conditions, the reasonableness of proposed decisions,
46 and the facilitation of the consolidation process in making decisions
47 concerning consolidation.

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

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

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

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

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

23 (1) creation of a consolidation implementation plan to establish a
24 timetable of significant events and goals to be achieved as part of a
25 consolidation study;

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

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

44 (4) the use of advisory planning districts, comprised of residents
45 living in the former territories of each former municipality, to
46 provide advice to the planning board and the zoning board of
47 adjustment on applications and master plan changes affecting those
48 areas. A consolidation study plan shall specify that types and

1 nature of the development and zoning applications that the advisory
2 planning districts shall review and the official boards shall be
3 required to respond, at a public meeting, to each suggestion made
4 by an advisory planning district;

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

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

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

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

31

32 27. (New section) a. Once a consolidation has been approved
33 by the affected municipal governing bodies or voters, the division
34 shall create a task force of State departments, offices and agencies,
35 as it deems appropriate, and representatives of affected
36 negotiations units,¹ to facilitate the consolidation and provide
37 technical assistance.

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

44 c. Whenever a referendum question to decide if a consolidated
45 municipality shall be subject to the provisions of Title 11A, Civil
46 Service, of the New Jersey Statutes fails, the employees of a
47 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
20 P.L. , c. (C.) (pending before the Legislature as this bill), or
21 the "Municipal Consolidation Act," P.L.1977, c.435 (C.40:43-66.35
22 et 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,

1 does not reflect expenses made in anticipation of, or
2 implementation expenses related to, a municipal consolidation.

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

13
14 SUBARTICLE E. SHARING AVAILABLE RESOURCES
15 EFFICIENTLY PROGRAM

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

28 b. The director, in consultation with the commissioner, shall
29 provide guidelines and procedures for the submission of SHARE
30 grant and loan applications.

31 c. Applications for shared service study funds:

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

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

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

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

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

47 (2) The director may set limits on aid awards and negotiate the
48 various provisions, costs, payment provisions, and amounts of

1 grants or loans to ensure that the shared service is cost effective and
2 in the public interest. Financial assistance for costs associated with
3 terminal leave benefits shall be limited to the lesser of the officer or
4 employee's regular base rate of compensation that is paid for the
5 terminal leave benefit pursuant to an applicable employment
6 contract, local practice, local ordinance, or State law.

7 e. The director may provide technical support programs to assist
8 local units in applying for grants or aid for studying shared services.
9

10 31. (New section) There is created a "Sharing Available
11 Resources Efficiently" account within the Property Tax Relief Fund
12 as a non-lapsing revolving account which shall receive monies as
13 may be credited to it from the Property Tax Relief Fund, the
14 repayments of loans made from the account, and any other funds as
15 may be appropriated to the account from time to time. Monies in
16 the account shall be appropriated for the purposes of Article 1 of
17 P.L. , c. (C.) (pending before the Legislature as this bill).
18

19 SUBARTICLE F. VOTER PARTICIPATION TO IDENTIFY
20 SHARED SERVICES AND OTHER COST-SAVING
21 OPPORTUNITIES
22

23 32. (New section) The governing body of a municipality may
24 adopt, at any regular meeting, a resolution requesting the clerk of
25 the county to print upon the official ballots to be used at the next
26 ensuing regular or general election, as appropriate, a certain
27 proposition to authorize the creation of a citizen's commission,
28 consisting of members of the governing body, appropriate
29 municipal officials such as the municipal purchasing agent, and at
30 least an equal number of residents of the municipality, and to
31 identify and implement shared service, joint meeting, or
32 consolidation opportunities for the municipality. The proposition
33 shall be formulated and expressed in the resolution in concise form
34 and filed with the clerk of the county not later than 74 days
35 previous to the election. If approved by a majority of those voting
36 at the election, the proposition shall be binding and shall constitute
37 the authority for the governing body to appoint members to the
38 citizen's commission and provide resources as it deems necessary.
39

40 SUBARTICLE G. MISCELLANEOUS
41

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

1 renewals shall be in accordance with the provisions of Article 1 of
 2 P.L. , c. (C.) (pending before the Legislature as this bill).

3
 4 34. (New section) a. Any shared service or joint meeting
 5 agreement or municipal consolidation shall be deemed in
 6 furtherance of the public good and presumed valid, subject to a
 7 rebuttable presumption of good faith on the part of the governing
 8 bodies entering into the agreement.

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

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

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

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

30 31 SUBARTICLE H. REPEALER

32
 33 35. (New section) The following sections of law are repealed:

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

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

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

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

38 R.S.27:16-22;

39 R.S.27:16-24;

40 R.S.27:16-40;

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

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

43 R.S.27:19-8;

44 R.S.27:19-38;

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

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

47 R.S.27:22-11;

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

1 Sections 1 through 9, 19, and 20 of P.L.1973, c.208 (C.40:8A-3
2 through 40:8A-11);

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

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

6 Sections 1 through 11 of P.L.1952, c.72 (C.40:48B-1 through
7 40:48B-11);

8 Sections 8 and 9 of P.L.1960, c.3 (C.40:48B-12 and 40:48B-13);

9 Sections 1 and 2 of P.L.1951, c.102 (C.40:54-29.1 and 40:54-
10 29.2);

11 Sections 1 through 4 of P.L.1958, c.147.(C.40:60-25.47 through
12 40:60-25.50);

13 Sections 1 through 4 of P.L.1964, c.185 (40:61-35.1 through
14 40:61-35.4);

15 R.S.40:67-24 and 40:67-25; and

16 R.S.40:67-36 through 40:67-46.

17

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

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

34 Nothing in P.L.1996, c.111 (C.18A:17-24.1 et al.) shall prohibit
35 a school district from subcontracting its school business
36 administrator to another school district pursuant to the provisions of
37 P.L.1973, c.208 (C.40:8A-1 et seq.) , in which case credit toward
38 tenure acquisition shall accrue only in the primary district of
39 employment. **【The provisions of P.L.1996, c.111 (C.18A:17-24.1
40 et al.) concerning the arrangement to share a school business
41 administrator by two or more school districts shall not apply when a
42 school district subcontracts its school business administrator to
43 another school district.】**

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

45

46 37. Article 1, sections 1 through 36 of P.L. , c. (C.)
47 (pending before the Legislature as this bill) shall take effect

1 immediately, but section 35 shall remain inoperative until the first
2 day of the seventh month next following enactment.

3

4 ARTICLE 2. USER-FRIENDLY BUDGETS

5

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

7 40A:4-10. No budget or amendment thereof shall be adopted
8 unless the director shall have previously certified his approval
9 thereof. Final adoption shall be by resolution adopted by a majority
10 of the full membership of the governing body, and may be by title
11 where the procedures required by sections 40A:4-8 and 40A:4-9 or
12 section 12 of P.L.1995, c.259 (C.40A:4-6.1), as applicable, have
13 been followed.

14 The budget shall be adopted in the case of a county not later than
15 February 25, and in the case of a municipality not later than March
16 20 of the calendar fiscal year or September 20 of the State fiscal
17 year, except that the governing body may adopt the budget at any
18 time within 10 days after the director shall have certified his
19 approval thereof and returned the same, if such certification shall be
20 later than the date of the advertised hearing.

21 If, in the case of a municipality which operates on the State fiscal
22 year, the governing body fails to adopt the budget within the
23 permitted time, the chief financial officer of the local unit shall so
24 notify the director the next working day after the expiration of the
25 permitted time.

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

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

34 The adopted budget shall be provided for public inspection on
35 the local unit's website, if one exists, and made available online and
36 in print as required by this section in a "user-friendly" summary
37 format using plain language. The Local Finance Board shall
38 promulgate a "user-friendly," plain language summary format for
39 use by local units for this purpose pursuant to section 43 of
40 P.L. , c. (C.) (pending before the Legislature as this bill).
41 (cf: P.L.1995, c.259, s.11)

42

43 39. (New section) a. The Local Finance Board shall promulgate
44 "user-friendly," plain language budget summary forms for the use
45 of counties, municipalities, local authorities, and fire districts. The
46 board shall also promulgate a procedure for the submission by each
47 of these local government units of the required budget summary
48 form to the Division of Local Government Services in the

1 Department of Community Affairs following the adoption of the
2 annual budget.

3 b. The plain language budget summary shall provide the public
4 with information in summary form about the budget of the local
5 unit and shall include, in addition to an abbreviated version of the
6 formal budget adopted by the local unit, such statistical information
7 as the board determines to be useful for the public's understanding
8 of the local unit's fiscal matters and condition, and shall also
9 include, but shall not be limited to the following information, for
10 both the local unit's current budget year and the previous budget
11 year, as the Local Finance Board determines appropriate to the local
12 unit: all line items of appropriation aggregated by service type; the
13 property tax rate; the property tax collection rate; the assessed value
14 and taxable value of all real property located in the local unit; the
15 amount of bonded indebtedness of the local unit; revenues by major
16 category; description of unusual revenues or appropriations, with a
17 description of the circumstances of the revenues or appropriations;
18 a list of shared service agreements in which the local unit is
19 participating; and the number and amount of outstanding long-term
20 tax exemptions and abatements, and the amount of revenue derived
21 there from.

22 c. The plain language budget summary shall be submitted to the
23 division in such form as determined by the Local Finance Board,
24 and, upon its receipt of the summary, the division shall make the
25 summary available to the public through an Internet website
26 maintained by the division. The information on the web site shall
27 be presented as data that can be downloaded by the public for
28 comparative purposes using commonly-used software.

29
30 40. (New section) Whenever the governing body of a local unit
31 proposes ¹[an ordinance,] ^a resolution, or other action that will
32 establish or modify the salaries, benefits, or other compensation of
33 any individual employee or group of its employees, that measure
34 shall only be taken after the local unit first holds a public meeting
35 where the proposed action shall be introduced and discussed by the
36 governing body. Notice of the date, time, place, and purpose of the
37 public meeting, and of the time and place at which a copy of the
38 proposed measure, together with the employee compensation
39 disclosure form required to be prepared pursuant to this section,
40 shall be available to each person requesting it, at no charge, during
41 the week preceding such public meeting. The public meeting shall
42 be advertised in a newspaper having substantial circulation in the
43 local unit at least 10 days prior to the meeting date. ¹Salaries for
44 local officers and employees that are established, increased, or
45 decreased by ordinance pursuant to the provisions of N.J.S.40A:9-
46 165 shall continue to be fixed and determined in accordance with
47 that section.¹

1 Prior to the publication of the newspaper notice required by this
 2 section, the chief financial officer or other appropriate officer of the
 3 local unit shall prepare an employee compensation disclosure form
 4 pursuant to the requirements of this section. The employee
 5 compensation disclosure form shall be made part of any formal
 6 action taken by the local unit, but shall not be considered part of
 7 any contract or agreement.

8 The chief financial officer of the local unit shall file the
 9 employee compensation disclosure form with the clerk or the
 10 secretary to the governing body of the local unit prior to a public
 11 meeting when such measure shall be introduced and discussed. Any
 12 such proposed measure shall be announced publicly at the meeting,
 13 along with a declaration that an employee compensation disclosure
 14 form has been provided to the governing body of the local unit
 15 pursuant to the requirements of Article 2 of P.L. , c. (C.)
 16 (pending before the Legislature as this bill). Any formal action by a
 17 governing body approving or disapproving a measure establishing
 18 or modifying the salaries, benefits, or other compensation of its
 19 employees shall occur no earlier than the tenth calendar day
 20 immediately following the meeting at which the measure was
 21 introduced and discussed.

22 The employee compensation disclosure form shall display the
 23 estimated cost of salary, benefits or other compensation, for each
 24 year of the contract for each individual employee or group of
 25 employees, itemized by the specific form of compensation, the
 26 estimated cost of the compensation at the time of the action, and the
 27 incremental difference between each year.

28 Governing body actions taken without compliance with this
 29 section shall be null and void.

30

31 41. (New section) Not later than the first day of the sixth month
 32 next following the enactment of Article 2 of P.L. , c. (C.)
 33 (pending before the Legislature as this bill), the Local Finance
 34 Board shall promulgate rules and regulations pursuant to the
 35 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
 36 seq.), to implement the provisions of section ¹[86] 39¹ of
 37 P.L. , c. (C.) (pending before the Legislature as this bill)
 38 concerning the plain language budget summary, and it also shall
 39 promulgate the forms and procedures necessary to effectuate the
 40 provisions of section 40 of P.L. , c. (C.) (pending before
 41 the Legislature as this bill) concerning the employee compensation
 42 disclosure form.

43

44 ARTICLE 3. ¹[FIRE DISTRICT ELECTIONS] EXECUTIVE
 45 COUNTY SUPERINTENDENTS¹

46

47 ¹[42. R.S.19:14-4 is amended to read as follows:

48 19:14-4. In the center of the ballot immediately below the

1 perforated line shall be printed in bold-faced type the words
2 "Official general election ballot." Below these words and extending
3 across the ballot shall appear the words: "Name of (municipality),
4 ward, fire district (if applicable),
5 election district, date of election,
6 John Doe, county clerk." The blank spaces shall be
7 filled in with the name of the proper municipality, the ward and
8 district numbers and the date of the election. For school elections
9 the name of the school district and of the municipality or
10 municipalities comprising the district shall also be indicated
11 thereon. The name of the county clerk shall be a facsimile of his
12 signature. Below the last stated words extending across the ballot
13 and at the extreme left shall be printed the words "Instructions to
14 the voter," and immediately to the right there shall be a bracket
15 embracing the following instructions numbered consecutively:

16 (1) The only kind of a mark to be made on this ballot in voting
17 shall be a cross x, plus + or check .

18 (2) To mark a cross x , plus +, check or when writing a name
19 on this ballot use only ink or pencil.

20 (3) To vote for any candidates whose names are printed in any
21 column, mark a cross x , plus + or check in the square at the left of
22 the names of such candidates not in excess of the number to be
23 elected to the office.

24 (4) To vote for any person whose name is not printed on this
25 ballot, write or paste the name of such person under the proper title
26 of office in the column designated personal choice and mark a cross
27 x , plus + or check in the square to the left of the name so written
28 or pasted.

29 (5) To vote upon any public question printed on this ballot if in
30 favor thereof, mark a cross x , plus + or check in the square at the
31 left of the word "Yes," and if opposed thereto, mark a cross x , plus
32 + or check in the square at the left of the word "No."

33 (6) Do not mark this ballot in any other manner than above
34 provided for and make no erasures. Should this ballot be wrongly
35 marked, defaced, torn or any erasure made thereon or otherwise
36 rendered unfit for use return it and obtain another. In presidential
37 years, the following instructions shall be printed upon the general
38 election ballot:

39 (7) To vote for all the electors of any party, mark a cross x , plus
40 + or check in ink or pencil in the square at the left of the surnames
41 of the candidates for president and vice-president for whom you
42 desire to vote.

43 Below the above-stated instructions and information and, except
44 when compliance with section [19:14-15] R.S.19:14-13 of this
45 Title as to Statewide propositions otherwise requires, three inches
46 below the perforated line and parallel to it, there shall be printed a
47 six-point diagram rule extending across the ballot to within not less

1 than a half inch to the right and left edges of the paper.
2 (cf: P.L.1995, c.278, s.17)']¹

3

4 ¹[43. R.S.19:14-8 is amended to read as follows:

5 19:14-8. The ballot shall be divided into a partisan section and a
6 nonpartisan section. In the partisan section, in the columns of each
7 of the political parties which made nominations at the next
8 preceding primary election to the general election and in the
9 personal choice column, within the space between the two-point
10 hair line rules, there shall be printed the title of each office to be
11 filled at such election, except as hereinafter provided.

12 **[Such]** Within each section of the ballot the titles of office shall
13 be arranged in the following order: member of the United States
14 Senate; Governor; member of the House of Representatives;
15 member of the State Senate; members of the General Assembly;
16 county executive, in counties that have adopted the county
17 executive plan of the "Optional County Charter Law," P.L.1972,
18 c.154 (C.40:41A-1 et seq.); sheriff; county clerk; surrogate; register
19 of deeds and mortgages; county supervisor; members of the board
20 of chosen freeholders; coroners; mayor and members of municipal
21 governing bodies^[,] ; members of the board of fire commissioners,
22 and any other titles of office. Candidates for board of fire
23 commissioners shall be listed in the nonpartisan section of the
24 ballot. Above each of such titles of office, except the one at the top,
25 shall be printed a two-point diagram rule in place of the two-point
26 hair line rule. Below the titles of such offices shall be printed the
27 names of the candidates for the offices.

28 In the columns of each of the political parties which made
29 nominations at the next preceding presidential primary election and
30 in the personal choice column, within the space between the two-
31 point hair line rules, there shall be printed the title of office for
32 electors of President and Vice President of the United States.

33 The arrangement of the names of candidates for any office for
34 which more than one are to be elected shall be determined in the
35 manner hereinafter provided, as in the case of candidates nominated
36 by petition.

37 When no nomination for an office has been made the words "No
38 Nomination Made" in type large enough to fill the entire space or
39 spaces below the title of office shall be printed upon the ballot.

40 Immediately to the left of the name of each candidate, at the
41 extreme left of each column, including the personal choice column,
42 shall be printed a square, one-quarter of an inch in size, formed by
43 two-point diagram rules. In the personal choice column no names
44 of candidates shall be printed.

45 To the right of the title of each office in the party columns and
46 the personal choice column shall be printed the words "Vote for,"

1 inserting in words the number of persons to be elected to such
2 office.

3 (cf: P.L.2005, c.136, s.23)]¹

4

5 ¹[44. R.S.19:14-10 is amended to read as follows:

6 19:14-10. In the column or columns designated as nominations
7 by petition, within the space between the two-point hair line rules,
8 there shall be printed the title of each office for which nominations
9 by petition have been made.

10 Such titles of office shall be arranged in the following order:
11 electors of President and Vice-President of the United States;
12 member of the United States Senate; Governor; member of the
13 House of Representatives; member of the State Senate; members of
14 the General Assembly; county executive, in counties that have
15 adopted the county executive plan of the "Optional County Charter
16 Law," P.L.1972, c.154 (C.40:41A-1 et seq.); sheriff; county clerk;
17 surrogate; register of deeds and mortgages; county supervisor;
18 members of the board of chosen freeholders; coroners; mayor and
19 members of municipal governing bodies[,] ; members of the board
20 of fire commissioners, and any other titles of office.

21 Above each of the titles of office, except the one on the top, shall
22 be printed a two-point diagram rule in place of the two-point hair
23 line rule. Below the titles of each of the offices shall be printed the
24 names of each of the candidates for each of such offices followed
25 by the designation or designations mentioned in the petitions filed.

26 Immediately to the left of the name of each candidate, at the
27 extreme left of the column, shall be printed a square, one-quarter of
28 an inch in size formed by two-point diagram rules.

29 The names of candidates for any office for which more than one
30 are to be elected shall be arranged in groups as presented in the
31 several certificates of nominations or petitions, which groups shall
32 be separated from other groups and candidates by two two-point
33 hair line rules.

34 To the right of the title of each office shall be printed the words
35 "Vote for " inserting in words the number of candidates to be
36 elected to such office.

37 (cf: P.L.1995, c.191, s.2)]¹

38

39 ¹[45. R.S.19:14-16 is amended to read as follows:

40 19:14-16. The words to be printed on the perforated coupon
41 shall be printed in twelve-point bold-faced capital letters and the
42 figures in eighteen and twenty-two-point bold-faced type. At the
43 head of the ballot the words "Official General Election Ballot" shall
44 be printed in at least thirty-point bold-faced capital letters. The
45 name of municipality, ward, fire district, election district, and date,
46 as appropriate, shall be printed in twelve-point bold-faced capital
47 letters. The words "Instructions to the voter" shall be printed in
48 twelve-point bold-faced capitals and small letters, while the

1 instructions embraced within the brackets shall be printed in eight-
2 point bold-faced capital and small letters. The column designations
3 shall be printed in eighteen-point bold-faced capital letters and the
4 accompanying instructions shall be printed in eight-point capitals
5 and small letters. The titles of office and accompanying instructions
6 shall be printed in ten-point bold-faced capital and small letters.
7 When there is no nomination made at the primary for an office, the
8 title shall be printed in the space where such title should appear, and
9 the words "No Nomination Made" in type large enough to fill the
10 entire space or spaces shall be printed therein. The names of all
11 candidates shall be printed in ten-point capital letters. The
12 designations following the candidates' names in the nomination by
13 petition column or columns shall be printed in ten-point capitals and
14 small letters, except that where they overrun the space within the
15 column the designations may be abbreviated, and all spaces
16 between the two-point hair line rules not occupied by the titles of
17 office and names of candidates shall be printed in with scroll or
18 filling to guide the voter against wrongly marking the ballot. On
19 the foot of the ballot the words "Public Questions to be Voted
20 Upon" shall be printed in eighteen-point bold-faced capital letters.
21 The accompanying instructions shall be printed in eight-point
22 capital and small letters. The public questions to be voted upon
23 shall be printed in ten-point capital and small letters, and the words
24 "Yes" and "No" shall be printed in twelve-point bold-faced capital
25 letters.

26 (cf: R.S.19:14-16)]¹

27

28 ¹[46. R.S.19:14-22 is amended to read as follows:

29 19:14-22. The official general election sample ballots shall be as
30 nearly as possible facsimiles of the official general election ballot to
31 be voted at such election and shall have printed thereon, after the
32 words which indicate the number of the election district for which
33 such sample ballots are printed, the name or number of the fire
34 district, when appropriate, the street address or location of the
35 polling place in the election district, the hours between which the
36 polls shall be open, and shall be printed on paper different in color
37 from the official general election ballot, and have the following
38 words printed in large type at the top:

39 "This ballot cannot be voted. It is a sample copy of the official
40 general election ballot used on election day."

41 (cf: P.L.1959, c.139, s.1)]¹

42

43 ¹[47. N.J.S.40A:14-70 is amended to read as follows:

44 40A:14-70. In any municipality not having a paid or part-paid
45 fire department and force, the governing body, upon application of
46 at least 5% of the registered voters or 20 legal voters, whichever is
47 the greater, shall consider the designation of a fire district. Upon
48 receipt of the application, the governing body shall fix a time and

1 place for a hearing thereon. The municipal clerk shall advertise the
2 notice of the hearing in a newspaper circulating in the county
3 wherein the municipality is located at least once and not less than
4 10 days prior to the hearing. After the hearing the governing body
5 shall determine the question of designation of a fire district. If the
6 governing body decides that the designation of a fire district is
7 appropriate, it, by ordinance, shall designate a territorial location or
8 locations, that are coterminous with election districts, for use as a
9 fire district or fire districts and, by resolution, provide for the
10 election of a board of fire commissioners for the district or each
11 district, to consist of five persons, residents therein, and specify the
12 date~~[,]~~ and time ~~[and place]~~ for the election of the first board.

13 The district or each district shall be assigned a number and the
14 commissioners thereof and their successors shall be a body
15 corporate, to be known as "the commissioners of fire district No. ..
16 in (name of municipality), county of
17 (name of county)." The said body corporate shall have the power to
18 acquire, hold, lease, sell or otherwise convey in its corporate name
19 such real and personal property as the purposes of the corporation
20 shall require. All sales and leases of real and personal property
21 shall be in accordance with the provisions of section 13 or 14, as
22 appropriate, of the "Local Lands and Buildings Law," P.L.1971,
23 c.199 (C.40A:12-13 or 40A:12-14). Said body corporate may adopt
24 and use a corporate seal, sue or be sued and shall have such powers,
25 duties and functions as are usual and necessary for said purposes.

26 **[On the date and at the time and place specified for the election**
27 **of the first board the clerk of the municipality shall conduct the**
28 **election and shall preside at the meeting until the board shall have**
29 **been elected.]**

30 At the first meeting of a newly elected board of fire
31 commissioners of a district the board shall choose a chairman **[and**
32 **fix the place for the annual election]**. The members of the board
33 shall divide themselves by lot into three classes: the first to consist
34 of two members whose terms shall expire at 12 o'clock noon on the
35 first Tuesday in **[March]** December of the year following the year
36 in which the first board is elected; the second, two members whose
37 terms shall expire at 12 o'clock noon on the first Tuesday in
38 **[March]** December of the second year following that year; and the
39 third, one member whose term shall expire at 12 o'clock noon on
40 the first Tuesday in **[March]** December of the third year following
41 that year. The terms of fire commissioners in each class, other than
42 members of the first board, shall expire at 12 o'clock noon on the
43 first Tuesday in **[March]** December of the third year following the
44 year in which they were elected.

45 Any vacancy in the membership shall be filled by the remaining
46 members until the next succeeding annual election, at which time a

1 resident of the district shall be elected for the unexpired term.
2 (cf: P.L.1991, c.223, s.1)]¹

3

4 ¹[48. N.J.S.40A:14-71 is amended to read as follows:

5 40A:14-71. Candidates for membership on the board shall be
6 nominated by verified petitions and shall not be nominees of a
7 political party. Any such petition shall be in writing, addressed to
8 the municipal clerk [or the clerk of the board, as the case may be],
9 stating that the signers thereof are qualified voters and residents in
10 the district and requesting that the name of the candidate be placed
11 on the official ballot. Each petition shall be arranged to contain
12 double spacing between the signature lines of the petition, so that
13 each signer thereof is afforded sufficient space to provide his or her
14 printed name, address and signature. The petition shall state the
15 residence of the candidate and certify his qualification for
16 membership. The candidate's consent to his nomination shall be
17 annexed to the petition and shall constitute his agreement to serve
18 in the event of his election. The petition shall contain the name of
19 only one candidate, but several petitions may nominate the same
20 person. Each petition shall be signed by not less than 10 qualified
21 voters and shall be filed at least [28] 99 days before the date of the
22 election.

23 Any form of a petition of nomination which is provided to
24 candidates by the Secretary of State, the county clerk, or the
25 municipal clerk shall contain the following notice: "Notice: All
26 candidates are required by law to comply with the provisions of ["]
27 'The New Jersey Campaign Contributions and Expenditures
28 Reporting Act,' P.L. 1973, c. 83 (C.19:44A-1 et seq.). For further
29 information please call (insert telephone number of the Election
30 Law Enforcement Commission)."

31 If a petition is found to be defective, either in form or substance,
32 the municipal clerk [or the clerk of the board, as the case may be,]
33 shall forthwith notify the candidate to cause it to be corrected
34 before the petition is given consideration.

35 (cf: P.L.1985, c.288, s.2)]¹

36

37 ¹[49. N.J.S.40A:14-72 is amended to read as follows:

38 40A:14-72. An election shall be held annually on the [third
39 Saturday in February] Tuesday next after the first Monday in
40 November in each established fire district for the election of
41 members of the board according to the expiration of terms using the
42 same registration and on the same official ballot required by law for
43 the election of State and county officers. The initial election for a
44 newly created fire district [may] shall take place on [another] that
45 same date [as a governing body may specify under N.J.S.40A:14-
46 70, but the annual election thereafter shall be held on the third
47 Saturday in February]. The place of the election shall be

1 **【determined by the board】** at the place where the general election is
 2 held and a notice thereof, and of the closing date for the filing with
 3 the clerk of the board of petitions of nomination for membership on
 4 the board, shall be published by the municipal clerk at least once in
 5 a newspaper circulating in the district, at least six weeks prior to the
 6 date **【fixed for】** of the election. **【Fire】** The municipal clerk may
 7 combine the publication of notice of election for all fire districts
 8 located in the same municipality **【may combine the publication of**
 9 **their notices of election】**. For the purpose of this section, "notices
 10 of election" shall include the notices required to be published under
 11 section 7 of P.L.1953, c.211 (C.19:57-7).

12 **【The legal voters thereat shall determine the amount of money to**
 13 **be raised for the ensuing year and determine such other matters as**
 14 **may be required.】**

15 (cf: P.L.1994, c.181, s.1)¹

16
 17 ¹**【50. (New section) The transition of the annual fire district**
 18 **commissioner election for the purposes of electing members of the**
 19 **board of fire commissioners from the third Saturday in February to**
 20 **the first Tuesday after the first Monday in November, pursuant to**
 21 **section 49 of this Article (amending N.J.S.40A:14-72), shall be in**
 22 **accordance with the following schedule:**

23

COMMISSIONER TERM ENDING	OLD ELECTION DATE	NEW ELECTION DATE	LENGTH OF AFFECTED TERM
Feb. 2007	Feb. 2007	Feb. 2007	March 2007 – Dec. 2010 (extended transitional term)
Feb. 2008	Feb. 2008	Nov. 2008	March 2005 – December 2008 (extended transitional term)
Feb. 2009	Feb. 2009	Nov. 2009	March 2006 – December 2009 (extended transitional term)
Dec. 2010	N/A	Nov. 2010	Jan. 2011 – Dec. 2013 (normal 3-yr term) ¹

1 ¹[51. Section 5 of P.L.1979, c.453 (C.40A:14-78.1) is amended
2 to read as follows:

3 5. The fire commissioners of any fire district shall introduce and
4 approve the annual budget not later than [60 days prior to the
5 annual election held pursuant to N.J.S.40A:14-72] February 10.
6 The budget shall be introduced in writing at a meeting of the fire
7 commissioners. Approval thereof shall constitute a first reading
8 which may be by title, and the fire commissioners shall at that time
9 fix the time and place for the holding of a public hearing upon the
10 budget. Notice of the date, time, place and purpose of such public
11 hearing, and of the time and place at which a copy of the approved
12 budget shall be available to each person requesting it during the
13 week preceding such public hearing, shall be advertised at least 10
14 business days prior to such hearing in a newspaper
15 having substantial circulation in the fire district.

16 (cf: P.L.1979, c.453, s.5)]¹

17

18 ¹[52. Section 6 of P.L.1979, c.453 (C.40A:14-78.2) is amended
19 to read as follows:

20 6. No fire district budget shall be adopted until a public hearing
21 has been held thereon and taxpayers of the district and all persons
22 having an interest therein shall have been given an opportunity to
23 present objections. Such hearing shall be held not less than 28 days
24 after approval of the budget.

25 The public hearing shall be held at the time and place specified
26 in the notice, but may be adjourned from time to time until the
27 hearing is closed.

28 The budget shall be read at the public hearing in full, or it may
29 be read by its title, if:

30 a. At least [1 week] 10 business days prior to the date of the
31 hearing, a complete copy of the approved budget shall have been
32 [posted in such public place as notices are usually posted in the
33 district,] advertised in a newspaper having substantial circulation in
34 the fire district and is made available to each person requesting a
35 copy during said [week] time and during the public hearing; and,

36 b. The fire commissioners shall, by resolution passed by not less
37 than a majority of the full membership, determine that the budget
38 shall be read by its title and declare that the conditions set forth in
39 subsection a. of this section have been met.

40 After closing the hearing, the fire commissioners may, by a vote
41 of not less than a majority of the full membership, adopt the budget
42 by title without amendments, or may approve amendments as
43 provided in section 7[.] of this act.

44 (cf: P.L.1979, c.453, s.6)]¹

45

46 ¹[53. Section 8 of P.L.1979, c.453 (C.40A:14-78.4) is amended
47 to read as follows:

1 8. The fire district budget shall be adopted~~[,]~~ by a vote of a
2 majority of the full membership of the fire commissioners~~[],~~ not
3 later than 25 days prior to the annual election~~].~~ If the budget is not
4 adopted in a timely manner, the Director of the Division of Local
5 Government Services in the Department of Community Affairs, in
6 determining that such appropriations are necessary, shall fix the
7 maximum amount of appropriations or shall set an amount to be
8 raised by taxation, and the fire commissioners shall adopt a budget
9 that shall not exceed that amount. ~~【The adopted budget shall be~~
10 ~~advertised after adoption. The advertisement shall contain a copy~~
11 ~~of the budget and shall be published at least once in a newspaper~~
12 ~~circulating in the fire district at least 7 days prior to the annual~~
13 ~~election.】~~

14 (cf: P.L.1979, c.453, s.8)】¹

15

16 ¹【54. Section 9 of P.L.1979, c.453 (C.40A:14-78.5) is amended
17 to read as follows:

18 9. a. ~~【If at the annual election held pursuant to N.J.S.40A:14-72~~
19 ~~the question of finally adopting the budget is voted affirmatively~~
20 ~~upon by a majority of the legal voters voting in the election, the~~
21 ~~budget shall be considered finally adopted, and】~~ Upon adoption of
22 the budget the board of fire commissioners shall certify the amount
23 to be raised by taxation to support the district budget to the assessor
24 of the municipality, pursuant to N.J.S.40A:14-79.

25 b. ~~【If at the annual election the question of finally adopting the~~
26 ~~budget is voted negatively upon by a majority of the legal voters~~
27 ~~voting in the election, the governing body of the municipality in~~
28 ~~which the fire district is located shall, by resolution of a majority of~~
29 ~~its full membership, within 30 days after the annual election and~~
30 ~~after a public hearing for which the legal voters of the fire district~~
31 ~~shall be given 5 days' advertised notice, and at which any interested~~
32 ~~person shall be heard, fix an annual budget for the fire district. The~~
33 ~~amount of each appropriation section of the budget so fixed shall~~
34 ~~not exceed the amount for each as previously voted upon at the~~
35 ~~annual election, except the appropriation for debt service which~~
36 ~~shall be included in the amount that is required to be paid. The~~
37 ~~governing body shall certify the amount to be raised by taxation to~~
38 ~~support the district budget as set forth in the final budget, to the~~
39 ~~assessor of the municipality, pursuant to N.J.S.40A:14-79.】~~ After
40 an adopted budget has been approved, the board of commissioners
41 may ask the director to approve an amendment to that budget in
42 order to provide for the anticipation of revenue from a public or
43 private funding source that was not known at the time of adoption
44 of the budget, and the appropriation thereof.

45 (cf: P.L.1982, c.174, s.1)】¹

1 ¹[55. Section 13 of P.L.1985, c.288 (C.40A:14-78.17) is
2 amended to read as follows:

3 13. A fire district may and, if any contracts, commitments or
4 payments are to be made prior to the adoption of the budget, shall,
5 by resolution adopted **[prior to]** between January 1 and January 15,
6 adopt a temporary budget to make appropriations to provide for the
7 period between the beginning of the fiscal year and the adoption of
8 the budget.

9 The total of the appropriations so made shall not exceed **[14%]**
10 26.25% of the total of the appropriations made for all purposes in
11 the budget for the preceding fiscal year, excluding, in both
12 instances, appropriations made for interest and debt redemption
13 charges and capital improvements.

14 Nothing herein contained shall prevent or relieve the fire district
15 from making appropriations for all interest and debt redemption
16 charges maturing during the fiscal year, at any time prior to the date
17 of the adoption of the budget.

18 (cf: P.L.1985, c.288, s.13)]¹

19

20 ¹[56. N.J.S.40A:14-80 is amended to read as follows:

21 40A:14-80. The commissioners of any fire district, by
22 resolution, may borrow after March 1 and before December 31
23 following, a sum not to exceed the amount appropriated **[at]** for
24 the preceding **[annual election held in the district,]** year for current
25 expenses and necessary repairs to fire apparatus and fire houses
26 within the district, less any sums received from the collector of
27 taxes or municipal treasurer on account of such appropriation. They
28 may execute evidences of such indebtedness and pay the amount so
29 borrowed**[, together with interest thereon, at a rate not exceeding**
30 **5% per annum]**.

31 (cf: N.J.S.40A:14-80)]¹

32

33 ¹[57. N.J.S.40A:14-85 is amended to read as follows:

34 40A:14-85. The board of commissioners of a fire district may
35 purchase fire engines, apparatus or other appliances for the
36 extinguishment of fires and acquire lands or buildings or erect
37 buildings for the housing of such equipment, at a cost not
38 exceeding \$60,000.00 or 2% of the assessed valuation of the taxable
39 property in the district, whichever amount is larger, the money to be
40 raised by a bond issue. Any such bond issue shall be authorized by
41 a resolution of the commissioners specifying the amount and the
42 purpose thereof. The resolution shall be inoperative unless and
43 until it shall have been submitted to and approved by the legal
44 voters within said fire district at the annual election held for the
45 election of commissioners**[and appropriation of money for fire**
46 **extinguishing purposes, or at a special election for such purpose]**.

1 The resolution shall be written or printed and the election shall
2 be upon notice stating the time and place. [If said election is to be
3 the annual one, the] The notices shall be posted by the clerk of the
4 board of fire commissioners in 10 public places, at least 10 days
5 prior to the date of the election. The board of commissioners and
6 the clerk, in their or his discretion, may advertise the election in a
7 newspaper, published in the fire district, if any, otherwise in a
8 newspaper published in the county of said district and circulating in
9 such district. [When a special election is specified notices shall be
10 posted in 10 public places, at least 21 days prior to the date of
11 election, and the clerk of said board shall advertise said notice in
12 such a newspaper at least twice prior to the election date.]

13 (cf: N.J.S.40A:14-85)]¹

14

15 ¹[58. (New section) The board of fire commissioners, in
16 cooperation with the governing body of a municipality that has
17 established the fire district, the county board of elections, and the
18 Division of Elections in the Department of Law and Public Safety,
19 shall take whatever actions are necessary to assure that voters are
20 assigned to a polling station containing voting machines set up for
21 their appropriate fire district. These actions shall be completed not
22 later than 74 days previous to the date of the general election.

23 If the board of fire commissioners, the governing body of the
24 municipality, the county board of elections, and the Division of
25 Elections agree that the technological, economic, or logistical
26 barriers to assuring the proper assignation of votes would
27 compromise the election outcome, the Division of Election may
28 grant a waiver to individual fire districts, allowing for either a
29 longer phase in period or the continuation of February elections if
30 no viable alternative is identified. The Division of Election shall
31 report to the Governor, the President of the Senate, and the Speaker
32 of the General Assembly by December 31 of each year as to every
33 waiver granted pursuant to this section during that calendar year.]¹

34

35 ¹[59. N.J.S.40A:14-73 through N.J.S.40A:14-78, inclusive, and
36 N.J.S.40A:14-82 are repealed.]¹

37

38 ¹[60. Sections 42 through 56 and section 59 of Article 3 of
39 P.L. , c. (C.) (pending before the Legislature as this bill)
40 shall take effect on January 1, 2008, except the term for the election
41 occurring in February 2007 shall be as provided in section 50, and
42 section 58 shall take effect immediately.]¹

43

44 ¹[ARTICLE 4. SCHOOL BOARD ELECTIONS

45

46 61. Section 5 of P.L.1996, c.138 (C.18A:7F-5) is amended to
47 read as follows:

1 5. As used in this section, "cost of living" means the CPI as
2 defined in section 3 of P.L.1996, c.138 (C.18A:7F-3).

3 a. Biennially, within 30 days following the approval of the
4 Report on the Cost of Providing a Thorough and Efficient
5 Education, the commissioner shall notify each district of the T&E
6 amount, the T&E flexible amount, the T&E range, early childhood
7 program amount, demonstrably effective program amount,
8 instructional supplement amount, and categorical amounts per pupil
9 for the subsequent two fiscal years.

10 Annually, within two days following the transmittal of the State
11 budget message to the Legislature by the Governor pursuant to
12 section 11 of P.L.1944, c.112 (C.52:27B-20), the commissioner
13 shall notify each district of the maximum amount of aid payable to
14 the district in the succeeding school year pursuant to the provisions
15 of this act, and shall notify each district of the district's T&E
16 budget, maximum T&E budget, and minimum permissible T&E
17 budget for the succeeding school year.

18 Beginning in the 1998-99 school year, unless otherwise specified
19 within this act, aid amounts payable for the budget year shall be
20 based on budget year pupil counts, which shall be projected by the
21 commissioner using data from prior years. Adjustments for the
22 actual pupil counts of the budget year shall be made to State aid
23 amounts payable during the school year succeeding the budget year.
24 Additional amounts payable shall be reflected as revenue and an
25 account receivable for the budget year.

26 Notwithstanding any other provision of this act to the contrary,
27 each district's State aid payable for the 1997-98 school year, with
28 the exception of transportation and facilities aids pursuant to
29 sections 25, 26, and 27 of this act, shall be based on simulations
30 employing the various formulas and State aid amounts contained in
31 this act using projections based on the October 1995 pupil counts,
32 December 1995 special education census data and October 1995
33 equalized valuations. Transportation aid shall be calculated based
34 on the provisions of this act using pupil data used for the 1996-97
35 school year and adjusted to reflect the total amount of State aid
36 disbursed in the 1996-97 school year. The commissioner shall
37 prepare a report dated December 19, 1996 reflecting the State aid
38 amounts payable by category for each district and shall submit the
39 report to the Legislature prior to the adoption of this act. The
40 amounts contained in the commissioner's report shall be the final
41 amounts payable and shall not be subsequently adjusted because of
42 changes in pupil counts or equalized valuations. The projected
43 pupil counts and equalized valuations used for the calculation of
44 State aid shall also be used for the calculation of maximum T&E
45 budget, minimum T&E budget, local share, required local share,
46 and spending growth limitation. State aid notification of debt
47 service aid pursuant to section 27 of this act shall include a
48 statement that debt service aid shall be determined in the budget.

1 Any school district which enrolls students who reside on federal
2 property which were not included in the calculation of core
3 curriculum standards aid for 1997-98 shall have its core curriculum
4 standards aid recalculated for these additional enrollments through
5 the 1997-98 school year using the property value multiplier, income
6 value multiplier, equalized valuation, and district income which
7 were used in the original Statewide calculation of core curriculum
8 standards aid. The additional aid resulting from the recalculations
9 shall be divided by 20 and the product shall be added to each of the
10 remaining core curriculum standards aid payments for the 1997-98
11 school year. Additionally, the core curriculum standards aid
12 calculation and payment schedule for 1998-99 shall be adjusted for
13 such enrollments arriving after the last school day prior to October
14 16, 1997.

15 b. Each district shall have a required local share. For Abbott
16 districts, the required local share for the purpose of determining its
17 estimated minimum equalized tax rate and supplemental core
18 curriculum standards aid shall equal the district's local share
19 calculated at the middle of the T&E range (T&E amount x WENR,
20 where WENR is the district's weighted enrollment pursuant to
21 section 13 of this act).

22 Notwithstanding the above provision, no Abbott district shall
23 raise a general fund tax levy which is less than the prior year
24 general fund tax levy unless the sum of the levy and the other
25 components of the T&E program budget equals or exceeds its
26 maximum T&E budget calculated pursuant to section 13 of this act.

27 For district factor group A districts, the required local share shall
28 equal the district's local share calculated at its minimum T&E
29 budget pursuant to section 13 of this act.

30 For all other districts, the required local share shall equal the
31 lesser of the local share calculated at the district's minimum T&E
32 budget pursuant to section 13 of this act, or the district's budgeted
33 local share for the prebudget year.

34 In order to meet this requirement, each district shall raise a
35 general fund tax levy which, when added to the general fund
36 balance designated for the budget year, miscellaneous local general
37 fund revenues estimated consistent with GAAP to be realized
38 during the budget year, supplemental core curriculum standards aid
39 calculated pursuant to section 17 of this act and stabilization aid and
40 supplemental school tax reduction aid calculated pursuant to section
41 10 of this act, equals its required local share or, for Abbott districts,
42 the amount required when the calculation of required local share
43 would result in a general fund tax levy which is less than the
44 general fund tax levy of the prebudget year. For 1997-98, the
45 budgeted local share for the prebudget year shall be the district's
46 general fund tax levy.

47 For the 1997-98 school year, any tax increase which would be
48 required of an Abbott district or district factor group A district to

1 meet its required local share, after consideration of supplemental
2 core curriculum standards aid, stabilization aid, and supplemental
3 school tax reduction aid shall be fully funded by the State and
4 recorded as supplemental core curriculum standards aid. The
5 commissioner, in consultation with the Commissioner of the
6 Department of Community Affairs and the Director of the Division
7 of Local Government Services in the Department of Community
8 Affairs, shall examine the fiscal ability of the Abbott districts and
9 the district factor group A districts eligible for supplemental core
10 curriculum standards aid to absorb any reduction in such aid and
11 shall make recommendations to the Legislature and the Governor
12 regarding the continuation of supplemental core curriculum
13 standards aid to those districts. In making those recommendations,
14 the commissioner shall consider the ratable base of the municipality
15 or municipalities in which the district is located, the tax burden
16 placed upon the local community due to other required municipal
17 services, and the fiscal ability of the school district to raise its
18 required local share. The commissioner shall not implement any of
19 those recommendations until the recommendations are enacted into
20 law.

21 No municipal governing body or bodies or board of school
22 estimate, as appropriate, shall certify a general fund tax levy which
23 does not meet the required local share provisions of this section.

24 c. Annually, on or before March 4, each district board of
25 education shall adopt, and submit to the commissioner, through the
26 office of the county superintendent of schools, for approval,
27 together with such supporting documentation as the commissioner
28 may prescribe, a budget that provides no less than the minimum
29 permissible T&E budget, plus categorical amounts required for a
30 thorough and efficient education as established pursuant to the
31 report, special revenue funds and debt service funds.

32 Notwithstanding any provision of this section to the contrary, for
33 the 2005-2006 school year each district board of education shall
34 submit a proposed budget in which the advertised per pupil
35 administrative costs do not exceed the lower of the following:

36 (1) the district's advertised per pupil administrative costs for the
37 2004-2005 school year inflated by the cost of living or 2.5 percent,
38 whichever is greater; or

39 (2) the per pupil administrative cost limits for the district's
40 region as determined by the commissioner based on audited
41 expenditures for the 2003-2004 school year.

42 The county superintendent of schools may disapprove the school
43 district's **【2005-2006】** proposed budget if he determines that the
44 district has not implemented all potential efficiencies in the
45 administrative operations of the district or if he determines that the
46 budget includes excessive non-instructional expenses. The county
47 superintendent shall work with each school district in the county
48 **【during the 2004-2005 school year】** to identify administrative

1 inefficiencies in the operations of the district and excessive non-
2 instructional expenses that might cause the superintendent to reject
3 the district's proposed [2005-2006 school year] budget.

4 For the 2006-2007 school year and each school year thereafter,
5 each district board of education shall submit a proposed budget in
6 which the advertised per pupil administrative costs do not exceed
7 the lower of the following:

8 (1) the district's prior year per pupil administrative costs; except
9 that the district may submit a request to the commissioner for
10 approval to exceed the district's prior year per pupil administrative
11 costs due to increases in enrollment, administrative positions
12 necessary as a result of mandated programs, administrative
13 vacancies, nondiscretionary fixed costs, and such other items as
14 defined in accordance with regulations adopted pursuant to section
15 7 of P.L.2004, c.73. In the event that the commissioner approves a
16 district's request to exceed its prior year per pupil administrative
17 costs, the increase authorized by the commissioner shall not exceed
18 the cost of living or 2.5 percent, whichever is greater; or

19 (2) the prior year per pupil administrative cost limits for the
20 district's region inflated by the cost of living or 2.5 percent,
21 whichever is greater.

22 d. (1) [A] If a district [proposing] proposes a budget which
23 includes spending which exceeds the maximum T&E budget
24 established pursuant to section 13 of this act [shall submit, as
25 appropriate, to the board of school estimate or to the voters of the
26 district at the annual school budget election conducted pursuant to
27 the provisions of P.L.1995, c.278 (C.19:60-1 et seq.), a] the general
28 fund tax levy [which] when added to the other components of its
29 net budget [does] shall not exceed the prebudget year net budget by
30 more than the spending growth limitation calculated as follows: the
31 sum of the cost of living or 2.5 percent, whichever is greater,
32 multiplied by the prebudget year net budget, and adjustments for
33 changes in enrollment, certain capital outlay expenditures,
34 expenditures for pupil transportation services provided pursuant to
35 N.J.S.18A:39-1.1, expenditures incurred in connection with the
36 opening of a new school facility during the budget year, and special
37 education costs per pupil in excess of \$40,000. The adjustment for
38 special education costs shall equal any increase in the sum of per
39 pupil amounts in excess of \$40,000 for the budget year less the sum
40 of per pupil amounts in excess of \$40,000 for the prebudget year
41 indexed by the cost of living or 2.5 percent, whichever is greater.
42 The adjustment for enrollments shall equal the increase in
43 unweighted resident enrollments between the prebudget year and
44 budget year multiplied by the per pupil general fund tax levy
45 amount for the prebudget year indexed by the cost of living or 2.5
46 percent, whichever is greater. The adjustment for capital outlay
47 shall equal any increase between the capital outlay portion of the

1 general fund budget for the budget year less any withdrawals from
2 the capital reserve account and the capital outlay portion of the
3 general fund budget for the prebudget year indexed by the cost of
4 living or 2.5 percent, whichever is greater. Any district with a
5 capital outlay adjustment to its spending growth limitation shall be
6 restricted from transferring any funds from capital outlay accounts
7 to current expense accounts. The adjustment for capital outlay shall
8 not become part of the prebudget year net budget for purposes of
9 calculating the spending growth limitation of the subsequent year.
10 The adjustment for pupil transportation costs provided pursuant to
11 N.J.S.18A:39-1.1 shall equal any increase between the cost of
12 providing such pupil transportation services for the budget year and
13 the cost of providing such pupil transportation services for the
14 prebudget year indexed by the cost of living or 2.5 percent,
15 whichever is greater. The adjustment for the opening of a new
16 school facility shall include costs associated with the new facility
17 related to new teaching staff members, support staff, materials and
18 equipment, custodial and maintenance expenditures, and such other
19 required costs as determined by the commissioner.

20 (2) **[A]** If a district **[proposing]** proposes a budget set at or
21 below the minimum T&E budget established pursuant to section 13
22 of this act **[shall submit, as appropriate, to the board of school**
23 **estimate or to the voters of the district at the annual school budget**
24 **election conducted pursuant to the provisions of P.L.1995, c.278**
25 **(C.19:60-1 et seq.), a]** the general fund tax levy **[which]** when
26 added to the other components of the net T&E budget shall not
27 exceed the prebudget year net T&E budget or in 1997-98 the
28 prebudget year net budget by more than the spending growth
29 limitation calculated as follows: the sum of the cost of living or 2.5
30 percent, whichever is greater, multiplied by the prebudget year net
31 budget, and adjustments for changes in enrollment, certain capital
32 outlay expenditures, expenditures for pupil transportation services
33 provided pursuant to N.J.S.18A:39-1.1, expenditures incurred in
34 connection with the opening of a new school facility during the
35 budget year, and special education costs per pupil in excess of
36 \$40,000. The enrollment adjustment shall equal the increase in
37 weighted resident enrollment between the prebudget year and the
38 budget year multiplied by the T&E amount less the T&E flexible
39 amount. The adjustments for special education costs, pupil
40 transportation services, and capital outlay expenditures shall be
41 calculated pursuant to the provisions of paragraph (1) of this
42 subsection. The adjustment for the opening of a new school facility
43 shall include costs associated with the new facility related to new
44 teaching staff members, support staff, materials and equipment,
45 custodial and maintenance expenditures, and such other required
46 costs as determined by the commissioner.

47 Notwithstanding the provisions of this paragraph, no district
48 shall raise a net budget which is less than the local share required

1 under the required local share provisions of this act plus the other
2 components of its net budget.

3 (3) **[A]** If a district **[proposing]** proposes a budget set at or
4 below the maximum T&E budget, but including amounts in excess
5 of the minimum T&E budget established pursuant to section 13 of
6 this act, **[shall submit, as appropriate, to the board of school**
7 **estimate or to the voters at the annual school budget election**
8 **conducted pursuant to the provisions of P.L.1995, c.278 (C.19:60-1**
9 **et seq.), a]** the general fund tax levy **[which]** when added to the
10 other components of its net T&E budget **[does]** shall not exceed the
11 prebudget year net T&E budget or in 1997-98 the prebudget year
12 net budget by more than the spending growth limitation calculated
13 as follows: the sum of the cost of living or 2.5 percent, whichever
14 is greater, multiplied by the prebudget year net budget, and
15 adjustments for changes in enrollment, certain capital outlay
16 expenditures, expenditures for pupil transportation services
17 provided pursuant to N.J.S.18A:39-1.1, expenditures incurred in
18 connection with the opening of a new school facility during the
19 budget year, and special education costs per pupil in excess of
20 \$40,000 per pupil. The enrollment adjustment shall equal the
21 increase in the unweighted resident enrollment between the
22 prebudget year and the budget year multiplied by the prebudget year
23 T&E program budget per pupil indexed by the cost of living or 2.5
24 percent, whichever is greater. For the 1997-98 school year, the T&E
25 program budget for the prebudget year shall equal the sum of the
26 general fund tax levy, foundation aid, and transition aid. The
27 adjustment for special education costs, pupil transportation services,
28 and capital outlay expenditures shall be made pursuant to the
29 provisions of paragraph (1) of this subsection. The adjustment for
30 the opening of a new school facility shall include costs associated
31 with the new facility related to new teaching staff members, support
32 staff, materials and equipment, custodial and maintenance
33 expenditures, and such other required costs as determined by the
34 commissioner.

35 (4) Any debt service payment made by a school district during
36 the budget year shall not be included in the calculation of the
37 district's spending growth limitation.

38 (5) For the 1997-98 school year, a district's spending growth
39 limitation shall be increased by the excess of county special
40 services school district tuition over prebudget year county special
41 services school district tuition indexed by the CPI or three percent,
42 whichever is greater.

43 (6) For the purpose of determining a district's spending growth
44 limitation for the 1997-98 school year, a district may apply to the
45 commissioner to add all or a part of the district's original designated
46 general fund balance for 1996-97 to the spending growth limitation
47 if it can demonstrate through current accounting records and

1 historical trend data that the fund balance will actually be spent in
2 the budget year.

3 (7) (Deleted by amendment, P.L.2004, c.73).

4 (8) If an increase in tuition for the budget year charged to a
5 sending district by the receiving district pursuant to the provisions
6 of N.J.S.18A:38-19 would reduce the sending district's per pupil net
7 budget amount below the prior year's per pupil net budget amount
8 in order to comply with the district's spending growth limitation, the
9 district may apply to the commissioner for an adjustment to that
10 limitation.

11 (9) Any district may submit at the [annual] April school budget
12 election a [separate] proposal or proposals for additional funds,
13 including interpretive statements, specifically identifying the
14 program purposes for which the proposed funds shall be used, to the
15 voters, who may, by voter approval, authorize the raising of an
16 additional general fund tax levy for such purposes. In the case of a
17 district with a board of school estimate, one proposal for the
18 additional spending shall be submitted to the board of school
19 estimate. Any proposal or proposals submitted to the voters or the
20 board of school estimate shall not: include any programs and
21 services that were included in the district's prebudget year net
22 budget unless the proposal is approved by the commissioner upon
23 submission by the district of sufficient reason for an exemption to
24 this requirement; or include any new programs and services
25 necessary for students to achieve the thoroughness standards
26 established pursuant to subsection a. of section 4 of P.L.1996, c.138
27 (C.18A:7F-4).

28 The executive county superintendent of schools may prohibit the
29 submission of a [separate] proposal or proposals to the voters or
30 board of school estimate if he determines that the district has not
31 implemented all potential efficiencies in the administrative
32 operations of the district, which efficiencies would eliminate the
33 need for the raising of additional general fund tax levy, or if the
34 district fails to provide the executive county superintendent with:
35 written documentation that the district has made efforts to enter into
36 shared arrangements with other districts, municipalities, counties,
37 and other units of local government for the provision of
38 administrative, business, purchasing, public and nonpublic
39 transportation, and other required school district services; written
40 documentation and a certification that the district participates in on-
41 going shared arrangements; or written documentation that entering
42 such shared arrangements would not result in cost savings or would
43 result in additional expenses for the district.

44 [Any proposal or proposals rejected by the voters shall be
45 submitted to the municipal governing body or bodies for a
46 determination as to the amount, if any, that should be expended
47 notwithstanding voter rejection. The decision of the municipal
48 governing body or bodies or board of school estimate, as

1 appropriate, shall be final and no appeals shall be made to the
2 commissioner.]

3 (10) [Notwithstanding any provision of law to the contrary, if a
4 district proposes a budget which exceeds the maximum T&E
5 budget, the following statement shall be published in the legal
6 notice of public hearing on the budget pursuant to N.J.S.18A:22-28,
7 posted at the public hearing held on the budget pursuant to
8 N.J.S.18A:22-29, and printed on the sample ballot required
9 pursuant to section 10 of P.L.1995, c.278 (C.19:60-10):

10 "Your school district has proposed programs and services in
11 addition to the core curriculum content standards adopted by the
12 State Board of Education. Information on this budget and the
13 programs and services it provides is available from your local
14 school district."] (Deleted by amendment, P.L. , c. .) (pending
15 before the Legislature as this bill)

16 (11) Any reduction that may be required to be made to programs
17 and services included in a district's prebudget year net budget in
18 order for the district to limit the growth in its budget between the
19 prebudget and budget years by its spending growth limitation as
20 calculated pursuant to this subsection, shall only include reductions
21 to excessive administration or programs and services that are
22 inefficient or ineffective.

23 e. (1) [Any general fund tax levy rejected by the voters for a
24 proposed budget in excess of the maximum T&E budget shall be
25 submitted to the governing body of each of the municipalities
26 included within the district for determination of the amount that
27 should be expended notwithstanding voter rejection. In] For a
28 proposed budget in excess of the maximum T & E budget, in the
29 case of a district having a board of school estimate, the general fund
30 tax levy shall be submitted to the board for determination of the
31 amount that should be expended. If the [governing body or bodies
32 or] board of school estimate[, as appropriate, reduce] reduces the
33 district's proposed net budget, the district may appeal any of the
34 reductions to the commissioner on the grounds that the reductions
35 will negatively impact on the stability of the district given the need
36 for long term planning and budgeting. In considering the appeal,
37 the commissioner shall consider enrollment increases or decreases
38 within the district; [the history of voter approval or rejection of
39 district budgets;] the impact on the local levy; and whether the
40 reductions will impact on the ability of the district to fulfill its
41 contractual obligations. A district may not appeal any reductions
42 on the grounds that the amount is necessary for a thorough and
43 efficient education.

44 (2) [Any general fund tax levy rejected by the voters for a
45 proposed budget at or below the maximum T&E budget shall be
46 submitted to the governing body of each of the municipalities
47 included within the district for determination of the amount that

1 should be expended notwithstanding voter rejection. In] For a
2 proposed budget at or below the maximum T & E budget, in the
3 case of a district having a board of school estimate, the general fund
4 tax levy shall be submitted to the board for determination. Any
5 reductions may be appealed to the commissioner on the grounds
6 that the amount is necessary for a thorough and efficient education
7 or that the reductions will negatively impact on the stability of the
8 district given the need for long term planning and budgeting. In
9 considering the appeal, the commissioner shall also consider the
10 factors outlined in paragraph (1) of this subsection.

11 In the case of a school district having a board of school estimate
12 in which the proposed budget is below, or after a reduction made by
13 the [municipal governing body or] board of school estimate is
14 below, the minimum T&E budget calculated pursuant to section 13
15 of this act, any reductions made by the [municipal governing body
16 or] board of school estimate shall be automatically reviewed by the
17 commissioner. In reviewing the budget, the commissioner shall
18 also consider the factors outlined in paragraph (1) of this
19 subsection. In addition, the [municipal governing body or] board
20 of school estimate shall be required to demonstrate clearly to the
21 commissioner that the proposed budget reductions shall not
22 adversely affect the ability of the school district to provide a
23 thorough and efficient education or the stability of the district given
24 the need for long term planning and budgeting.

25 (3) In lieu of any budget reduction appeal provided for pursuant
26 to paragraphs (1) and (2) of this subsection, the State board may
27 establish pursuant to the "Administrative Procedure Act," P.L.1968,
28 c.410 (C.52:14B-1 et seq.), an expedited budget review process
29 based on a district's application to the commissioner for an order to
30 restore a budget reduction.

31 (4) When the [voters, municipal governing body or bodies, or
32 the board of school estimate authorize the] general fund tax levy is
33 authorized by a board of education which has determined not to
34 submit a separate proposal or proposals for additional funds
35 pursuant to paragraph (9) of subsection d. of this section or a board
36 of school estimate, the district shall submit the resulting budget to
37 the commissioner within 15 days of the [action of the voters or
38 municipal governing body or bodies, whichever is later, or of the
39 board of school estimate as the case may be] authorization.

40 f. [Any district which is not an Abbott district but which was
41 classified as a special needs district under the "Quality Education
42 Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et al.), may appeal any
43 budget reduction made by the municipal governing body or board of
44 school estimate, as appropriate, to the commissioner.] (Deleted by
45 amendment, P.L. , c. .) (pending before the Legislature as this
46 bill)

1 g. [The commissioner shall annually review the budget of any
2 district which was classified as a special needs district under the
3 "Quality Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et
4 al.), to determine if any educationally meritorious program or
5 service established through State resources provided as a result of
6 that funding law is proposed to be reduced or eliminated. If the
7 commissioner determines that the program or service is in jeopardy
8 and that a reallocation of resources is possible without jeopardizing
9 other educationally meritorious programs or services, he may
10 require the school board to fund the program or service through a
11 reallocation of resources.] (Deleted by amendment, P.L. , c. .)
12 (pending before the Legislature as this bill)
13 (cf: P.L.2004, c.73, s.1)]¹
14

15 ¹[62. N.J.S.18A:8-20 is amended to read as follows:

16 18A:8-20. The first board of education of the new district and
17 the first board of education of the remaining district shall each
18 prepare [and submit, to the voters of the district], as required by
19 law, the first budgets for said district and they shall make proper
20 provision for an election to be conducted, in accordance with the
21 provisions of P.L.1995, c.278 (C.19:60-1 et al.), for the members of
22 the board of education of the district to replace the appointed
23 members of the board, for such terms that three members of the
24 board of the district, as thereafter constituted, will be elected each
25 year, at an annual election to be held in the district at the same time
26 as that on which the next annual election for the original district
27 would have been held.

28 (cf: P.L.1995, c.278, s.26)]¹
29

30 ¹[63. N.J.S.18A:8-36 is amended to read as follows:

31 18A:8-36. At [all elections] any election in which an
32 appropriation must be authorized [by] , a majority of the total votes
33 cast thereon in all of the territory of the consolidated school district
34 shall be necessary for the authorization.

35 (cf: P.L.1995, c.278, s.27)]¹
36

37 ¹[64. N.J.S.18A:9-10 is amended to read as follows:

38 18A:9-10. If the membership of the board in any such district so
39 becoming a type II district is less than nine, it shall be increased to
40 nine by the election of added members at the next [annual school]
41 general election, unless the adopting election shall have been held
42 more than 130 days or less than 60 days before the date fixed for
43 such [annual school] general election, in which case they shall be
44 elected at a special school election which shall be called by the
45 members of the board so holding over [, if the adopting election
46 was held more than 130 days before the annual school election, then
47 not less than 60 or more than 70 days after the adopting election, or

1 if the adopting election was held less than 60 days before the annual
2 school election, then not less than 60 or more than 70 days after
3 such annual school election, excluding in each instance from the
4 calculation of the period which will elapse between such 60 and 70
5 days any period which would elapse between the twenty-first day
6 before and the twenty-first day after any day fixed according to law
7 for the holding of any primary election for the general election or
8 general election or municipal election held within the district].

9 (cf: P.L.1995, c.278, s.28)]¹

10

11 ¹[65. N.J.S.18A:10-3 is amended to read as follows:

12 18A:10-3. Each board of education shall organize annually at a
13 regular meeting held not later than at 8 p.m. at which time new
14 members shall take office [:

15 a. In type I districts on May 16, or on the following day if that
16 day be Sunday;

17 b. In all type II districts] on any day of the first [or second]
18 week [following the annual school election] in January.

19 If the organization meeting cannot take place on that day by
20 reason of lack of a quorum or for any other reason, said meeting
21 shall be held within three days thereafter.

22 (cf: P.L.1987, c.289, s.2)]¹

23

24 ¹[66. N.J.S.18A:12-8 is amended to read as follows:

25 18A:12-8. In districts, other than those in cities of the first class,
26 the members of the board shall be appointed between [April]
27 December 1 and [April] December 15 and their terms of office
28 shall begin on [May 16] January 1, next succeeding, and in districts
29 in cities of the first class they shall be appointed during the month
30 of June and their terms of office shall begin on July 1, next
31 succeeding.

32 (cf: P.L.1979, c.284, s.1)]¹

33

34 ¹[67. N.J.S.18A:12-17 is amended to read as follows:

35 18A:12-17. The mayor or other chief executive officer of the
36 municipality shall, between [April] December 1 and [April]
37 December 15 in each year, appoint one member of the board to
38 serve for a term of 5 years beginning on [May 15] January 1 next
39 succeeding his appointment, to take the place of the member whose
40 term shall expire in that year, and any vacancy occurring in the
41 membership of the board shall be reported forthwith by the
42 secretary of the board to the mayor or other chief executive officer
43 of the municipality, who shall within 30 days thereafter appoint a
44 qualified person to fill the vacancy for the unexpired term.

45 (cf: P.L.1979, c.284, s.2)]¹

1 ' [68. N.J.S.18A:13-8 is amended to read as follows:

2 18A:13-8. The board of education of a regional district shall
3 consist of nine members unless it consists of more than nine
4 constituent districts, in which case the membership shall be the
5 same as the number of constituent districts, plus one. If there are
6 nine or less constituent districts, the members of the board of
7 education of the regional district shall be apportioned by the county
8 superintendent or county superintendents of the county or counties
9 in which the constituent districts are situate, among said districts as
10 nearly as may be according to the number of their inhabitants
11 except that each constituent district shall have at least one member.

12 In making the apportionment of the membership of a regional
13 board of education among the several school districts uniting to
14 create a regional school district having nine or less constituent
15 districts, as required by section 18A:13-36, there shall be subtracted
16 from the number of inhabitants of a constituent school district, as
17 shown by the last federal census officially promulgated in this
18 State, the number of such inhabitants who according to the records
19 of the Federal Bureau of the Census were patients in, or inmates of,
20 any State or federal hospital or prison, or who are military
21 personnel stationed at, or civilians residing within the limits of, any
22 United States Army, Navy or Air Force installation, located in such
23 constituent school district.

24 If there are more than nine constituent districts, the members on
25 the board shall be apportioned among the constituent districts and
26 the weight of their votes in all proceedings of the board shall be
27 determined by the appropriate county superintendent or
28 superintendents through the following procedure:

29 a. The number of inhabitants of each constituent district shall be
30 determined as shown by the last federal census officially
31 promulgated in this State.

32 b. A representative ratio shall be calculated by adding the
33 number of inhabitants of all constituent districts and dividing the
34 sum by the board size.

35 c. All constituent districts shall be listed in ascending order of
36 their number of inhabitants. If the first constituent district in said
37 list has a number of inhabitants which is less than the representative
38 ratio, it shall be combined with the constituent district contiguous to
39 it having the smallest number of inhabitants. This process shall be
40 repeated for each successively larger constituent district or
41 combination of constituent districts until all remaining constituent
42 districts or combinations of constituent districts shall have a number
43 of inhabitants equal to, or exceeding the representative ratio. The
44 districts formed in this manner shall be known as representative
45 districts.

46 d. There shall be established a priority list according to the
47 method of equal proportions for the apportionment of the members
48 of the regional district board of education among the representative

1 districts.

2 e. The members of the regional district board of education shall
3 be apportioned among the representative districts according to the
4 method of equal proportions, and where a representative district is
5 composed of more than one constituent district, members shall be
6 elected at large from within the representative district.

7 f. The number of inhabitants of each representative district shall
8 be divided by the number of members assigned to that district to
9 find the number of inhabitants per members.

10 g. The vote to be cast by each member of the regional district
11 board of education in all proceedings of the board shall be
12 determined by dividing the number of inhabitants per member in the
13 representative district from which the member is elected by the
14 representative ratio for the regional district, and rounding off the
15 quotient to the nearest tenth of a full vote.

16 Wherever any statute or bylaw of the board requires decision in
17 any matter by vote of a majority of the board members, or of the
18 members present, this shall be interpreted as meaning a majority of
19 the weighted votes of all members, or of the members present, as
20 the case may be.

21 h. Whenever the above reapportionment procedure is used for a
22 regional district having more than nine constituent districts, the
23 terms of office of all incumbent board of education members shall
24 terminate on the day on which the annual organization meeting of
25 the board is held pursuant to N.J.S.18A:13-12 following
26 certification by the county superintendent of the representative
27 districts and the number of members to be elected from each;
28 provided, that if the reapportionment results in any representative
29 district retaining its former boundaries and the same number of
30 board members, that the members elected from such a district shall
31 serve the full term for which they were elected. All other board
32 members shall be elected in an election to be held on the **[third]**
33 first Tuesday following the first Monday in **[April]** November at
34 least 60 days following certification by the county superintendent
35 for initial terms of office to be designated in advance by the county
36 superintendent so that, as nearly as possible, one-third of the board
37 shall be elected in each future year, to serve for three-year terms,
38 and where a representative district has more than one member, their
39 terms of office shall terminate in different years.

40 If any constituent district is a consolidated district, or a district
41 composed of two or more municipalities, and

42 a. The original district is a limited purpose regional district and
43 such constituent district has such population that it is entitled to
44 have apportioned to it a number of members equal to or greater than
45 the number of districts making up such constituent district, or

46 b. The regional district is an all purpose district, the membership
47 of the regional board of education from such district shall be
48 apportioned, and from time to time reapportioned, and the members

1 from the district shall be elected, as their respective terms expire, in
2 the same manner as though each of the municipalities making up
3 such constituent district were constituent districts of the regional
4 district.

5 (cf: P.L.1992, c.159, s.9)]¹

6

7 ¹[69. N.J.S.18A:13-10 is amended to read as follows:

8 18A:13-10. The board of education of each regional district
9 shall provide for the holding, in accordance with the provisions of
10 P.L.1995, c.278 (C.19:60-1 et al.), of an annual school election for
11 the regional district on the **[third]** first Tuesday following the first
12 Monday in **[April]** November.

13 At such election there shall be elected for terms of three years,
14 beginning on any day of the first **[or second]** week **[following such**
15 **election]** in January, the members of the regional boards of
16 education to succeed those members of the board whose terms shall
17 expire in that year, except as is in this chapter provided for the
18 election of the first elected members of the board.

19 (cf: P.L.1995, c.278, s.32)]¹

20

21 ¹[70. N.J.S.18A:13-12 is amended to read as follows:

22 18A:13-12. The board shall hold a regular meeting forthwith
23 after its first appointment, and annually thereafter on any day of the
24 first **[or second]** week **[following the annual school election]** in
25 January, at which it shall organize by the election, from among its
26 members, of a president and vice president, who shall serve until
27 the organization meeting next succeeding the election of their
28 respective successors as members of the board. If any board shall
29 fail to organize within **[said two weeks]** that week, the county
30 superintendent of the county, or the county superintendents of the
31 counties, in which the constituent districts are situate, shall appoint,
32 from among the members of the board, a president and vice
33 president to serve until the organization meeting next succeeding
34 the next election.

35 (cf: P.L.1987, c.289, s.6)]¹

36

37 ¹[71. N.J.S.18A:13-13 is amended to read as follows:

38 18A:13-13. The board shall appoint a secretary who may or may
39 not be a member of the board, for the term of one year beginning on
40 **[July 1]** January 15 following his appointment but he shall
41 continue to serve after the expiration of his term until his successor
42 is appointed and qualified.

43 (cf: N.J.S.18A:13-13)]¹

44

45 ¹[72. N.J.S.18A:13-17 is amended to read as follows:

46 18A:13-17. The regional board of education shall **[,** at each
47 annual school election, submit to the voters of the regional district

1 the amount of money fixed and determined in its] fix and determine
2 the district's budget [to be voted upon for the use of the regional
3 schools of the district] for the ensuing school year and may submit
4 [thereat] at the annual school election any [other] question
5 authorized by this law to be submitted at such an election. [The
6 board may, in submitting to the voters the amount of money to be
7 voted upon for the use of the regional schools of the district,
8 identify the amount of money determined to be the constituent
9 municipality's share.] The board shall follow the procedures
10 established in section 5 of P.L.1996, c.138 (C.18A:7F-5) and
11 N.J.S.18A:22-33.
12 (cf: P.L.2001, c.26, s.1)]¹

13
14 ¹[73. N.J.S.18A:13-40 is amended to read as follows:

15 18A:13-40. The board of education of a newly created regional
16 district may, prior to taking charge and control of the educational
17 facilities of the regional district, do all other acts and things which
18 may be necessary for the proper organization and functioning of the
19 public schools of the regional district during its first year, including
20 the making of contracts for the employment of necessary personnel
21 and for other proper purposes, the preparation [and submission to
22 the voters of the regional district for their approval or disapproval]
23 of the budget and the appropriations for the conduct of the public
24 schools of the regional district during its first school year, the
25 authorization of the purchase of real and personal property, and the
26 construction, enlargement and repair of buildings, for school
27 purposes, and the appropriations of the funds necessary to carry out
28 the same and the authorization of the issuance and sale of bonds in
29 order to provide for the payment therefor in whole or in part and the
30 calling and holding of special elections when necessary for any
31 such purposes and to carry out any or all of said purposes.
32 (cf: N.J.S.18A:13-40)]¹

33
34 ¹[74. N.J.S.18A:13-46 is amended to read as follows:

35 18A:13-46. The county superintendent of the county in which
36 any new constituent district of an enlarged regional district shall be
37 situate shall, not later than 30 days after the election for the
38 enlargement thereof, appoint one member of the enlarged board of
39 education of the regional district from among the qualified citizens
40 of each such new constituent district and the members so appointed
41 shall serve until the first [Monday] week of January next
42 succeeding the first [annual] November school election of the
43 enlarged regional district and their successors shall be elected at
44 said election. If by reason of the enlargement of the district it
45 becomes necessary to reapportion the membership of the enlarged
46 board of education the county superintendent or superintendents of
47 the county or counties in which the constituent local districts of the

1 enlarged district are situate shall reapportion the membership of the
2 enlarged board of education in accordance with the provisions of
3 sections 18A:13-8 and 18A:13-36, and at the same time shall
4 designate the number of members to be elected from each
5 constituent school district at the succeeding **[annual]** November
6 school election to be held therein upon the expiration of the terms
7 of office of the members of the regional board then in office, in
8 such manner that the representation of the constituent districts shall
9 be established in accordance with such reapportionment at the
10 earliest possible time but the members then in office shall continue
11 in office for the terms for which they were elected or appointed
12 notwithstanding such reapportionment.
13 (cf: N.J.S.18A:13-46)]¹

14

15 ¹[75. N.J.S.18A:17-5 is amended to read as follows:

16 18A:17-5. Each secretary shall be appointed by the board, by a
17 recorded roll call majority vote of its full membership, for a term to
18 expire not later than **[June 30]** January 15 of the calendar year next
19 succeeding that in which the board shall have been organized, but
20 he shall continue to serve after the expiration of his term until his
21 successor is appointed and qualified. The secretary may be
22 appointed from among the members of the board and, subject to the
23 provisions of this Title and any other law, the board shall fix his
24 compensation; provided, however, that the secretary shall not
25 receive compensation from the board for any period during which
26 he is an elected or appointed member of the board.

27 In case of a vacancy in the office of secretary, the vacancy shall
28 be filled by the board within 60 days after the vacancy occurs and if
29 the board does not make such appointment within such time the
30 county superintendent shall appoint a secretary who shall receive
31 the same compensation as his predecessor in office received and
32 shall serve until a secretary is appointed by the board.

33 (cf: P.L.1968, c.271, s.1)]¹

34

35 ¹[76. N.J.S.18A:22-26 is amended to read as follows:

36 18A:22-26. At or after the public hearing but not later than April
37 8, the board of school estimate of a type II district having a board of
38 school estimate shall fix and determine by a recorded roll call
39 majority vote of its full membership the amount of money necessary
40 to be appropriated for the use of the public schools in the district for
41 the ensuing school year, exclusive of the amount which shall be
42 apportioned to it by the commissioner for the year pursuant to the
43 provisions of section 5 of P.L.1996, c.138 (C.18A:7F-5) and shall
44 make a certificate of the amount signed by at least a majority of all
45 members of the board, which shall be delivered to the board of
46 education and a copy thereof, certified under oath to be correct and
47 true by the secretary of the board of school estimate, shall be
48 delivered to the county board of taxation on or before April 15 in

1 each year and a duplicate of the certificate shall be delivered to the
2 board or governing body of each of the municipalities within the
3 territorial limits of the district having the power to make
4 appropriations of money raised by taxation in the municipalities or
5 political subdivisions and to the county superintendent of schools
6 and the amount shall be assessed, levied and raised under the
7 procedure and in the manner provided by law for the levying and
8 raising of special school taxes **【voted to be raised at an annual or**
9 **special election of the legal voters】** in type II districts without a
10 board of school estimate and shall be paid to the treasurer of school
11 moneys of the district for such purposes.

12 Within 15 days after receiving the certificate the board of
13 education shall notify the board of school estimate, the governing
14 body of each municipality within the territorial limits of the school
15 district, and the commissioner if it intends to appeal to the
16 commissioner the board of school estimate's determination as to the
17 amount of money requested pursuant to the provisions of section 5
18 of P.L.1996, c.138 (C.18A:7F-5), necessary to be appropriated for
19 the use of the public schools of the district for the ensuing school
20 year.

21 (cf: P.L.1996, c.138, s.56)】¹

22

23 ¹【77. N.J.S.18A:22-32 is amended to read as follows:

24 18A:22-32. At or after the public hearing on the budget but not
25 later than 18 days prior to the **【election】** third Tuesday in April, the
26 board of education of each type II district having no board of school
27 estimate shall fix and determine by a recorded roll call majority
28 vote of its full membership the amount of money to be raised
29 pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5) and any
30 additional **【amounts】** funds to be voted upon by the legal voters of
31 the district at the annual April school election pursuant to paragraph
32 (9) of subsection d. of section 5 of that act, which **【sum or sums】**
33 additional funds shall be designated in the notice calling the
34 election as required by law.

35 (cf: P.L.1996, c.138, s.57)】¹

36

37 ¹【78. N.J.S.18A:22-33 is amended to read as follows:

38 18A:22-33. **【The board of education of each type II district not**
39 **having a board of school estimate shall at each annual school**
40 **election, submit to the voters of the district, the amount of money**
41 **fixed and determined in its budget pursuant to section 5 of**
42 **P.L.1996, c.138 (C.18A:7F-5), excluding therefrom the sum or**
43 **sums stated therein to be used for interest and debt redemption**
44 **charges, in the manner provided by law, to be voted upon for the**
45 **use of the public schools of the district for the ensuing school year,**
46 **which amount shall be stated in the notice of the election, and the**
47 **legal voters of the district shall determine at the election, by a**

1 majority vote of those voting upon the proposition, the sum or
2 sums, not exceeding those stated in the notice of the election, to be
3 raised by special district tax for said purposes, in the district during
4 the ensuing school year and] Within two days following the date
5 specified for the certification of the April school election results,
6 the secretary of the board of education of a Type II district not
7 having a board of school estimate shall certify the amount [so
8 determined upon, if any,] fixed and determined by the school board
9 pursuant to N.J.S.18A:22-32 and any additional funds approved by
10 the legal voters of the district and the sums so stated for interest and
11 debt redemption charges, to the county board of taxation of the
12 county [within two days following the certification of the election
13 results] and the amount or amounts so certified shall be included in
14 the taxes assessed, levied and collected in the municipality or
15 municipalities comprising the district for such purposes; except
16 that, in the case of a district which [, following the school election
17 and the approval by the voters of the sum to be raised by special
18 district tax for the schools of the district,] determines that it has a
19 greater surplus account available for the school year than estimated
20 when the sum to be raised by special district tax was [presented to
21 the voters] certified to the county board of taxation of the county,
22 the secretary of the board of education, with the approval of the
23 commissioner, may between the [date of the school election] third
24 Tuesday in April and the delivery of tax bills pursuant to R.S.54:4-
25 64 re-certify to the county board of taxation the sum or sums to be
26 raised by special district tax in the district during the ensuing school
27 year, if the sum is lower than that [approved by the voters in the
28 school election] initially certified to the county board of taxation of
29 the county, and if the reduction is equivalent to the additional
30 amount available in the surplus account to be applied towards the
31 district's budget. The amount re-certified shall be included in the
32 taxes assessed, levied and collected in the municipality or
33 municipalities comprising the district.
34 (cf: P.L.1999, c.346)]¹

35

36 ¹[79. N.J.S.18A:22-41 is amended to read as follows:37 18A:22-41. In any Type II district [in which the amount, with
38 any interest to be paid thereon, to be raised, levied and collected by
39 taxes for school purposes is determined by the voters of the district]
40 not having a board of school estimate , the board of education shall
41 cause the question, whether or not the amount so estimated shall be
42 so raised, to be submitted to the legal voters of the district at a
43 special school election, to be held on such date as shall be
44 determined upon by the board, and if at said election the question
45 shall be adopted, the secretary shall certify that the amount so
46 determined upon has been authorized to be raised in said manner to
47 the county board of taxation within five days after the date of the

1 holding of such election.
2 (cf: P.L.1993, c.83, s.14)]¹

3

4 ¹[80. R.S.19:15-2 is amended to read as follows:

5 19:15-2. The district boards shall open the polls for such
6 election at 6:00 A.M. and close them at 8:00 P.M., and shall keep
7 them open during the whole day of election between these hours;
8 except that for a school election held at a time other than at the time
9 of the general election the polls shall be open between the hours of
10 5:00 P.M. and 9:00 P.M. and during any additional time which the
11 school board may designate between the hours of 7:00 A.M. and
12 9:00 P.M.

13 The board may allow one member thereof at a time to be absent
14 from the polling place and room for a period not exceeding one
15 hour between the hours of 1:00 P.M. and 5:00 P.M. or for such
16 shorter time as it shall see fit.

17 At no time from the opening of the polls to the completion of the
18 canvass shall there be less than a majority of the board present in
19 the polling room or place, except that during a school election held
20 at a time other than at the time of the general election there shall
21 always be at least one member of each district election board
22 present or if more than two district board members are designated to
23 serve at the polling place, at least two members present.

24 (cf: P.L.2001, c.245, s.3)]¹

25

26 ¹[81. R.S.19:45-6 is amended to read as follows:

27 19:45-6. The compensation of each member of the district
28 boards for all services performed by them under the provisions of
29 this Title shall be as follows:

30 In all counties, for all services rendered including the counting of
31 the votes, and in counties wherein voting machines are used, the
32 tabulation of the votes registered on the voting machines, and the
33 delivery of the returns, registry binders, ballot boxes and keys for
34 the voting machines to the proper election officials, \$200 each time
35 any primary election, the general election or any special election is
36 held under this Title; provided, however, that:

37 a. (1) The member of the board charged with the duty of
38 obtaining and signing for the signature copy registers shall receive
39 an additional \$12.50 per election, such remuneration being limited
40 to only one board member per election, or \$6.25 to each of two
41 board members if they share such responsibility for the signature
42 copy registers, and (2) the member of the board charged with the
43 duty of returning the signature copy registers shall receive an
44 additional \$12.50 per election, such remuneration being limited to
45 only one board member per election, or \$6.25 to each of two board
46 members if they share such responsibility for the signature copy
47 registers;

1 b. In the case of any member of the board who is required under
2 R.S.19:50-1 to attend in a given year a training program for district
3 board members, but who fails to attend such a training program in
4 that year, that compensation shall be \$50.00 for each of those
5 elections;

6 c. In counties wherein voting machines are used no
7 compensation shall be paid for any services rendered at any special
8 election held at the same time as any primary or general election.
9 Such compensation shall be in lieu of all other fees and payments;
10 and

11 d. Compensation for district board members serving at a school
12 election held at a time other than at the time of the general election
13 shall be paid by the board of education of the school district
14 conducting the election at an hourly rate of \$5.77, except that the
15 board of education may compensate such district board members at
16 a pro-rated hourly rate consistent with the daily rate up to a
17 maximum of \$14.29. The provisions of subsections a., b., and c. of
18 this section shall also apply to district board members serving at a
19 school election held at a time other than at the time of the general
20 election, except that in the case of subsection b., the compensation
21 shall be at an hourly rate of \$3.85.

22 Compensation due each member shall be paid within 30 days but
23 not within 20 days after each election; provided, however, that no
24 compensation shall be paid to any member of any such district
25 board who may have been removed from office or application for
26 the removal of whom is pending under the provisions of R.S.19:6-4.
27 (cf: P.L.2005, c.136, s.48)]¹
28

29 ¹[82. Section 1 of P.L.1995, c.278 (C.19:60-1) is amended to
30 read as follows:

31 1. a. An annual school election shall be held in each type II
32 district on the third Tuesday in April for the purpose of submitting a
33 proposal to the voters to exceed the maximum permissible net
34 budget pursuant to paragraph (9) of subsection d. of section 5 of
35 P.L.1996, c.138 (C.18A:7F-5), and for other purposes authorized by
36 law. However, in any school year, the Commissioner of Education
37 shall make any adjustments to the school budget and election
38 calendar which may be necessary to change the annual school
39 election date or any other school budget and election calendar date
40 if that date coincides with a period of religious observance. The
41 commissioner shall inform local school boards, county clerks and
42 boards of elections of these adjustments no later than the first
43 working day in January of the year in which the adjustments are to
44 occur.

45 An annual school election for the purposes of electing members
46 of the board of education shall be held in each Type II district on
47 the first Tuesday after the first Monday in November.

48 b. All school elections shall be by ballot and, except as

1 otherwise provided by P.L.1995, c.278 (C.19:60-1 et al.), shall be
2 conducted in the manner provided for general elections pursuant to
3 Title 19 of the Revised Statutes. No grouping of candidates or
4 party designation shall appear on any ballot to be used in a school
5 election.

6 (cf: P.L.2003, c.20, s.1)]¹

7
8 ¹[83. Section 3 of P.L.1995, c. 278 (C.19:60-3) is amended to
9 read as follows:

10 3. a. Notwithstanding the provisions of R.S.19:6-1, for school
11 elections held at times other than at the time of the general election
12 the county board of the county in which the election district is
13 located shall designate two members of the district board of election
14 to perform all the duties of the district board for that election,
15 except that where electronic voting systems are in use in any
16 election district in which there are more than 900 registered voters,
17 the county board shall designate four members of the district board
18 to perform all the duties of the district board for that election.
19 Notwithstanding the provisions of R.S.19:6-10, the county board
20 shall appoint one of the persons so designated to serve as judge and
21 the other or another, as the case may be, of those persons so
22 designated to serve as inspector for school elections.

23 b. Notwithstanding the provisions of subsection a. or any other
24 law to the contrary:

25 (1) Upon the request of a board of education or the clerk of a
26 municipality in the county or upon its own initiative, the county
27 board may designate the polling place and voting equipment of one
28 election district to serve as the polling place and voting equipment
29 for the voters of one or more other election districts for school
30 elections held at times other than at the time of the general election.
31 Such a designation shall be based on the casting of no more than
32 500 ballots during each of the two preceding annual school
33 elections by the voters of the election districts for which that polling
34 place is designated. If, at two consecutive annual school elections
35 thereafter, the number of ballots cast by the voters in those election
36 districts is more than 500, the county board shall effect an
37 appropriate revision of the election districts using that polling place.
38 If a request is from a municipal clerk, the request shall apply only
39 to the election districts in that municipality.

40 (2) If one polling place is designated for two or more election
41 districts, the county board shall designate at least two members
42 from among the members of the district boards of election of those
43 election districts to perform all the duties of the district board for
44 the school election held at a time other than at the time of the
45 general election. The county board shall also appoint one of the
46 persons so designated to serve as judge and another of those persons
47 to serve as inspector for school elections.

48 (cf: P.L.1996, c.3, s.1)]¹

1 ¹[84. Section 4 of P.L.1995, c. 278 (C.19:60-4) is amended to
2 read as follows:

3 4. The secretary of each board of education, not later than 10
4 o'clock a.m. of the 17th day preceding the **[annual]** April school
5 election or a special school election, shall make and certify and
6 forward to the clerk of the county in which the school district is
7 located a statement designating any public question to be voted
8 upon by the voters of the district which may be required pursuant to
9 the provisions of P.L.1995, c.278 (C.19:60-1 et al.) or Title 18A of
10 the New Jersey Statutes.

11 The secretary of each board of education, not later than 10
12 o'clock a.m. of the 50th day preceding a November school election
13 shall make and certify and forward to the clerk of the county in
14 which the school district is located a statement designating any
15 public question to be voted upon by the voters of the district which
16 may be required pursuant to the provisions of P.L.1995, c.278
17 (C.19:60-1 et al.) or Title 18A of the New Jersey Statutes.

18 (cf: P.L.1995, c.278, s.4)]¹

19

20 ¹[85. Section 7 of P.L.1995, c.278 (C.19:60-7) is amended to
21 read as follows:

22 7. Each candidate to be voted upon at a school election shall be
23 nominated directly by petition, and the procedures for such
24 nomination shall, to the extent not inconsistent with the provisions
25 of P.L.1995, c.278 (C.19:60-1 et al.), conform to the procedure for
26 nominating candidates by direct petition under chapter 13 of Title
27 19 of the Revised Statutes. Notwithstanding the provisions of
28 R.S.19:13-5, however, a petition of nomination for such office shall
29 be signed by at least 10 persons, one of whom may be the
30 candidate, and filed with the secretary of the board of education on
31 or before four p.m. of the **[50th]** 54th day preceding the date of the
32 school election. The signatures need not all appear upon a single
33 petition and any number of petitions may be filed on behalf of any
34 candidate but no petition shall contain the endorsement of more
35 than one candidate.

36 Any candidate may withdraw as a candidate in a school election
37 by filing a notice in writing, signed by the candidate, of such
38 withdrawal with the secretary of the board of education before the
39 **[44th]** 48th day before the date of the election, and thereupon the
40 name of that candidate shall be withdrawn by the secretary of the
41 board of education and shall not be printed on the ballot.

42 A vacancy created by a declination of nomination or withdrawal
43 by, or death of, a nominee, or in any other manner, shall be
44 ineligible to be filled under the provisions of R.S.19:13-19 or
45 otherwise.

46 Whenever written objection to a petition of nomination
47 hereunder shall have been made and timely filed with the secretary
48 of the board of education, the board of education shall file its

1 determination of the objection on or before the **[44th]** 48th day
2 preceding the school election. The last day upon which a candidate
3 may file with the Superior Court a verified complaint setting forth
4 any invasion or threatened invasion of the candidate's rights under
5 the candidate's petition of nomination shall be the **[46th]** 50th day
6 before the election. The last day upon which a candidate whose
7 petition of nomination or any affidavit thereto is defective may
8 amend such petition or affidavit shall be the **[44th]** 48th day before
9 the election.

10 (cf: P.L.2000, c.22, s.1)]¹

11

12 ¹[86. Section 9 of P.L.1995, c.278 (C.19:60-9) is amended to
13 read as follows:

14 9. The ballot for a special school election or an April school
15 election shall be a single or blanket form of ballot, upon which shall
16 be printed in bold-faced type the words "OFFICIAL SCHOOL
17 ELECTION BALLOT" or "OFFICIAL SPECIAL SCHOOL
18 ELECTION BALLOT," as appropriate.

19 Any public question which is to be submitted to the voters at a
20 school election in November shall be printed in a separate space
21 below or to the right of, as the county clerk shall determine, the
22 listing of candidates in the election.

23 **[In the columns in which are listed the titles of the offices to be**
24 **filled at a school election and the names of candidates for those**
25 **offices, the title of and the names of candidates for the office of**
26 **member of the regional board of education shall appear above the**
27 **title of and the names of candidates for the office of member of the**
28 **local board of education. With respect to either office, in the event**
29 **that one or more persons are to be elected to membership thereon**
30 **for a full term and one or more persons are to be elected to**
31 **membership thereon to fill an unexpired term, the ballots shall**
32 **designate which of the candidates to be voted for is to be elected for**
33 **a full term and which for an unexpired term. In all cases in which**
34 **one or more persons are to be elected for an unexpired term, the**
35 **ballots shall indicate the duration of that unexpired term.]**

36 All public questions to be voted upon at a school election by the
37 voters of more than one municipality shall be placed first before
38 any question to be voted upon at that election by the voters of a
39 single municipality. **[When the public question to be voted upon**
40 **by the voters of a regional school district is the amount of money to**
41 **be raised for the use of the regional schools of the district, the**
42 **amount of money determined to be the constituent municipality's**
43 **share thereof may be identified on the ballot pursuant to**
44 **N.J.S.18A:13-17.]**

45 Every county clerk shall have ready for the printer a copy of the
46 contents of official ballots required by law to be printed for use at a
47 school election, as follows: in the case of the annual April school

1 election, not later than the 17th day preceding that election; and in
2 the case of any special school election, not later than two business
3 days following receipt by the clerk of official notice of the complete
4 content of the ballot to be voted upon at that election.

5 The ballots for a school election to be held simultaneously with
6 the general election shall be in accordance with the provisions of
7 chapter 14 of Title 19 of the Revised Statutes.

8 The names of the candidates for the office of member of the local
9 board of education shall appear on the ballot separately from the
10 names of candidates for other offices.

11 (cf: P.L.2001, c.26, s.2)]¹

12

13 ¹[87. Section 11 of P.L.1995, c.278 (C.19:60-11) is amended to
14 read as follows:

15 11. The district board of election shall, for any special school
16 election, utilize a poll list instead of the signature copy register.
17 The poll list shall be arranged in a column or columns appropriately
18 headed so as to indicate the election, the date thereof, and the
19 school district and election district in which the same is used, in
20 such a manner that each voter voting in the polling place at the
21 election may sign the voter's name and state the voter's address
22 therein and the number of the voter's official ballot may be
23 indicated opposite the signature. The district board shall compare
24 the signature in the poll lists with that in the signature copy
25 registers before accepting the ballot.

26 If one polling place is designated for two or more election
27 districts pursuant to subsection b. of section 3 of P.L.1995, c.278
28 (C.19:60-3), the provisions of this section shall apply to the
29 members of the district boards of election designated to serve as the
30 election officers at the polling place for those election districts. The
31 signature copy registers for those election districts shall be provided
32 to those election officers.

33 (cf: P.L.1996, c.3, s.2)]¹

34

35 ¹[88. Section 12 of P.L.1995, c.278 (C.19:60-12) is amended to
36 read as follows:

37 12. All costs, charges and expenses, including the compensation
38 of the members of the district boards and the compensation and
39 expenses of the county board of elections, the county
40 superintendent of elections, the clerk of the county, and the
41 municipal clerks for any school election held at a time other than
42 the time of the general election shall be paid by the board of
43 education of the school district. All costs, charges and expenses
44 submitted to the board of education for payment shall be itemized
45 and shall include the separate identification of costs to prepare,
46 print and distribute sample ballots. Amounts expended by a county
47 or a municipality in the conduct of school elections for which the
48 board of education shall make payment shall be considered

1 mandated expenditures exempt from the limitations on the county
2 tax levy and from the limitations on final municipal appropriations
3 imposed pursuant to P.L.1976, c.68 (C.40A:4-45.1 et seq.), and any
4 costs to the board of education which exceed the amount of the
5 costs to that board for the annual school election immediately
6 preceding the enactment of P.L.1995, c.278 (C.19:60-1 et seq.) shall
7 not be included for the purpose of calculating a school district's
8 maximum permissible net budget pursuant to section 85 of
9 P.L.1990, c.52 (C.18A:7D-28).
10 (cf: P.L.1996, c.3, s.3)]¹
11

12 ¹[89. Section 4 of P.L.1993, c.102 (C.34:1B-7.23) is amended
13 to read as follows:

14 4. a. The authority shall establish and maintain a special
15 nonlapsing revolving fund to be known as the "Public School
16 Facilities Code Compliance Loan Fund," hereinafter the
17 "compliance fund," which shall be credited with: (1) the \$25 million
18 allocated from the Economic Recovery Fund pursuant to paragraph
19 (1) of subsection d. of section 4 of P.L.1992, c.16 (C.34:1B-7:13);
20 (2) any moneys that shall be received by the authority from the
21 repayment of loans made from the compliance fund and interest
22 thereon; and (3) any other moneys which the authority determines
23 to deposit therein.

24 b. The authority may use the moneys in the compliance fund to
25 finance not less than 25%, and not more than 50%, of the total cost
26 of any project, in accordance with the criteria set forth in this
27 section, for the purpose of providing low-interest loans to school
28 districts, to finance the renovation, repair or other alteration of
29 existing school buildings, the construction of new school buildings
30 or the conversion of existing school buildings to other instructional
31 purposes, if such renovation, repair, alteration, construction or
32 conversion is required to bring buildings that, at the time of
33 application, do not meet State health and safety code requirements,
34 into compliance with those requirements.

35 c. Upon application by a school district for a low-interest loan,
36 the commissioner is authorized and empowered to determine
37 whether the renovations, repairs, alterations, conversion or
38 construction are necessary to meet State health and safety code
39 requirements. If the commissioner determines that such work is
40 necessary, the commissioner shall certify that the school district is
41 eligible for a low-interest loan pursuant to this section to finance the
42 renovation, repair, alteration, conversion or construction described
43 in the application.

44 d. (1) Upon certification, the commissioner shall waive the
45 holding of a referendum or the requirement for approval by a board
46 of school estimate pursuant to subsection (d) of N.J.S.18A:20-4.2 or
47 N.J.S.18A:24-5 et seq., as the case may be, or the requirement for
48 approval of the project by a capital projects control board pursuant

1 to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate, and the
2 school district may, upon receiving the certification and waiver,
3 apply to the authority for a loan pursuant to this section. The terms
4 of the loan and the repayment schedule shall be established by the
5 authority. The repayments to the authority by the school districts
6 shall be treated as net debt service by the school districts for school
7 aid purposes. [In addition to the amount of taxes determined by the
8 legal voters of the district at the annual school election, the] The
9 secretary of the board of education shall certify the amount required
10 for the repayment of the interest and principal of the loan in the
11 same manner required for interest and debt redemption charges
12 pursuant to N.J.S.18A:22-33, and the amount so certified shall be
13 included in the taxes assessed, levied and collected in the
14 municipality or municipalities comprising the school district for
15 such purposes.

16 (2) All repayments, and interest thereon, shall be deposited by
17 the authority in the compliance fund, for use in the manner provided
18 for in this section, except insofar as the authority may direct that
19 such amounts be deposited in the small projects fund established
20 pursuant to section 7 of P.L.1993, c.102 (C.34:1B-7.25).

21 (3) Notwithstanding any provision of this section to the
22 contrary, on and after the effective date of P.L.1996, c.48 (C.34:1B-
23 7.23a et al.), any loan repayments and interest thereon on deposit or
24 deposited into the compliance fund shall be paid by the authority to
25 the State Treasurer for deposit into the General Fund of the State,
26 provided that the payment does not violate any existing agreement
27 of the authority with bondholders.

28 e. The authority, in consultation with the commissioner shall, in
29 determining whether to grant approval of any loan application
30 pursuant to this section, take into consideration the severity of the
31 need for the particular project, the ability of the school district to
32 begin and complete the project in an expeditious manner, the ability
33 of the school district to proceed with the funding of the balance of
34 the funds for the project, and the extent to which the approval of the
35 project contributes to the equitable distribution of moneys in the
36 compliance fund.

37 f. The balance of the moneys needed for a project for which an
38 application for a loan is made pursuant to this section may be
39 funded by the school district by: (1) the issuance of bonds, or other
40 borrowing, excluding lease-purchase agreements, pursuant to the
41 provisions of subsection (d) of N.J.S.18A:20-4.2, N.J.S.18A:24-5 et
42 seq., or P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate;
43 except that the commissioner shall waive the holding of a
44 referendum or the requirement for approval by a board of school
45 estimate pursuant to subsection (d) of N.J.S.18A:20-4.2, or
46 N.J.S.18A:24-5 et seq., as the case may be, or the requirement for
47 approval of the project by a capital projects control board pursuant
48 to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate; (2)

1 borrowing from the "Public Schools Small Projects Loan Assistance
2 Fund" established pursuant to section 7 of P.L.1993, c.102
3 (C.34:1B-7.25), if the total cost of the project does not exceed
4 \$5,000,000, and in any such case the commissioner shall waive the
5 holding of a referendum or the requirement for approval by a board
6 of school estimate pursuant to subsection (d) of N.J.S.18A:20-4.2 or
7 N.J.S.18A:24-5 et seq., as the case may be, or approval of the
8 project by a capital projects control board pursuant to P.L.1991,
9 c.139 (C.18A:7A-46.1 et seq.), as appropriate; (3) moneys of the
10 school district not necessary for the completion of any other
11 specific projects; and (4) any other lawful source; except that no
12 project funded or approved to be funded by school district bonds
13 authorized, pursuant to law, prior to December 31, 1992 shall be
14 funded pursuant to P.L.1993, c.102 (C.34:1B-7.20 et al.).

15 g. Any school district shall be eligible to receive additional
16 loans pursuant to this section even if the district has received a
17 previous loan; provided that those additional loans are in
18 conformity with the selection criteria established pursuant to this
19 section.

20 h. Net earnings received from the investment or deposit of
21 moneys in the compliance fund by the authority shall be redeposited
22 in the fund for use for the purposes of this section.

23 (cf: P.L.1996, c.48, s.1)]¹

24
25 ¹[90. Section 5 of P.L.1993, c.102 (C.34:1B-7.24) is amended
26 to read as follows:

27 5. a. The authority shall establish and maintain a special
28 nonlapsing revolving fund to be known as the "Public School
29 Facilities Loan Assistance Fund," hereinafter the "facilities fund,"
30 which shall be credited with: (1) not less than \$105,000,000 from
31 the amount of capital funding appropriated for school facilities
32 pursuant to the annual appropriations act for the State fiscal year
33 ending June 30, 1994, P.L.1993, c.155; (2) the \$20,000,000
34 allocated from the Economic Recovery Fund pursuant to paragraph
35 (2) of subsection d. of section 4 of P.L.1992, c.16 (C.34:1B-7.13);
36 (3) any moneys that shall be received by the authority from the
37 repayment of loans made from the facilities fund and interest
38 thereon; and (4) any other moneys which the authority determines
39 to deposit therein.

40 b. The authority may use the moneys in the facilities fund to
41 provide for low interest loans to finance not less than 25%, and not
42 more than 50%, of the total cost of any project, in accordance with
43 the criteria set forth in this section, for the purpose of renovation,
44 repair or other alteration of existing school buildings, for
45 construction of new school buildings or for the conversion of
46 existing school buildings to other instructional purposes, whether or
47 not that renovation, repair, alteration, construction or conversion is
48 required to bring buildings that, at the time of application do not

1 meet State health and safety code requirements, into compliance
2 with those requirements.

3 c. Upon application by any school district to the authority for a
4 loan to be made pursuant to subsection b. of this section, the
5 authority shall, in consultation with the commissioner, determine
6 whether to grant approval for the loan based upon the appropriate
7 authorization for the loan pursuant to subsection (d) of
8 N.J.S.18A:20-4.2, or the project pursuant to P.L.1991, c.139
9 (C.18A:7A-46.1 et seq.), as the case may be, the relationship of the
10 project to the enhancement of the school's academic programs, the
11 ability of the school district to begin and complete the project in an
12 expeditious manner, the ability of the school district to proceed with
13 the funding of the balance of the moneys needed for the project, and
14 the extent to which approval of the project would contribute to the
15 equitable distribution of moneys in the facilities fund.

16 d. The balance of the moneys needed for a project for which an
17 application for a loan is made pursuant to subsection b. of this
18 section may be funded by the school district by: (1) the issuance of
19 bonds, or other borrowing, excluding lease-purchase agreements,
20 pursuant to the provisions of subsection (d) of N.J.S.18A:20-4.2,
21 N.J.S.18A:24-5 et seq., or P.L.1991, c.139 (C.18A:7A-46.1 et seq.)
22 as appropriate; (2) if the borrowing of money or the issuance of
23 bonds is authorized pursuant to subsection (d) of N.J.S.18A:20-4.2
24 or N.J.S.18A:24-5 et seq., as the case may be, or if the project is
25 approved pursuant to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as
26 appropriate, borrowing from the "Public Schools Small Projects
27 Loan Assistance Fund" established pursuant to section 7 of
28 P.L.1993, c.102 (C. 34:1B-7.25), if the total cost of the project does
29 not exceed \$5,000,000; (3) moneys of the school district not
30 necessary for the completion of any other specific projects; and (4)
31 any other lawful source; except that no project funded or approved
32 to be funded by school district bonds authorized, pursuant to law,
33 prior to December 31, 1992 shall be funded pursuant to P.L.1993,
34 c.102 (C.34:1B-7.20 et al.).

35 e. (1) The authority shall establish the terms of the loan which
36 shall include, but not be limited to, the rate of interest, a schedule
37 for drawing down loan funds, and a repayment schedule. The
38 repayments shall be treated by the school district as net debt service
39 for school aid purposes. [In addition to the amount of taxes
40 determined by the legal voters of the district at the annual school
41 election, the] The secretary of the board of education shall certify
42 the amount required for the repayment of the interest and principal
43 of the loan in the same manner required for interest and debt
44 redemption charges pursuant to N.J.S.18A:22-33, and the amount so
45 certified shall be included in the taxes assessed, levied and collected
46 in the municipality or municipalities comprising the school district
47 for such purposes.

48 (2) All repayments, and interest thereon, shall be deposited by

1 the authority in the facilities fund for use in the manner provided
2 for in this section, except insofar as the authority may direct that
3 such amounts be deposited in the small projects fund established
4 pursuant to section 7 of P.L.1993, c.102 (C.34:1B-7.25).

5 (3) Notwithstanding any provision of this section to the
6 contrary, on and after the effective date of P.L.1996, c.48
7 (C.34:1B-7.23a et al.), any loan repayments and interest thereon on
8 deposit or deposited into the facilities fund shall be paid by the
9 authority to the State Treasurer for deposit into the General Fund of
10 the State, provided that the payment shall not violate any existing
11 agreement of the authority with bondholders.

12 f. Net earnings received from the investment or deposit of
13 moneys in the facilities fund by the authority shall be redeposited in
14 the fund for use for the purposes of this section.

15 (cf: P.L.1996, c.48, s.2)]¹

16

17 ¹[91. Section 7 of P.L.1993, c.102 (C.34:1B-7.25) is amended
18 to read as follows:

19 7. a. The New Jersey Economic Development Authority is
20 authorized to issue bonds, in an aggregate amount not exceeding
21 \$100,000,000, the proceeds from which shall be used to provide
22 matching funds to assist in the financing of school district projects
23 in accordance with the provisions of this section. The bonds so
24 issued shall be secured by the repayment by school districts of loans
25 made pursuant to this 1993 amendatory and supplementary act, or,
26 in the case of default on any such loan repayment, by the school
27 facilities financing bond reserve established pursuant to section 6 of
28 this 1993 amendatory and supplementary act.

29 b. The authority shall establish and maintain a special
30 nonlapsing revolving fund to be known as the "Public Schools
31 Small Projects Loan Assistance Fund," hereinafter the "small
32 projects fund," which shall be credited with: (1) the proceeds of the
33 sale of bonds pursuant to subsection a. of this section; (2) any
34 moneys that shall be received by the authority from the repayment
35 of loans made from the small projects fund and interest thereon; and
36 (3) any other moneys which the authority determines to deposit
37 therein.

38 c. The authority shall use the monies in the small projects fund
39 exclusively for: (1) matching funds to provide market rate loans to
40 school districts to finance an amount up to the remaining balance of
41 the cost of a project approved for funding from the compliance fund
42 pursuant to section 4 of this 1993 amendatory and supplementary
43 act or from the facilities fund pursuant to section 5 of this 1993
44 amendatory and supplementary act, whether or not the project is
45 required to bring the buildings that, at the time of application do not
46 meet State health and safety code requirements, into compliance
47 with those requirements; provided that the total cost of the project,
48 including moneys received from the compliance fund or the

1 facilities fund, does not exceed \$5,000,000; and (2) payment of any
2 principal, interest, premium and expenses incurred in connection
3 with the bonds issued pursuant to subsection a. of this section.

4 d. (1) The authority shall establish the terms of the market rate
5 loans which shall include, but not be limited to, the actual rate of
6 interest, a schedule for drawing down loan funds, and the repayment
7 schedule for the loans. The repayments shall be treated by the
8 school district as net debt service for school aid purposes. [In
9 addition to the amount of taxes determined by the legal voters of the
10 district at the annual school election, the] The secretary of the
11 board of education shall certify the amount required for the
12 repayment of the interest and principal of the loan in the same
13 manner required for interest and debt redemption charges pursuant
14 to N.J.S.18A:22-33, and the amount so certified shall be included in
15 the taxes assessed, levied and collected in the municipality or
16 municipalities comprising the school district for such purposes.

17 (2) All repayments, and interest thereon, shall be deposited by
18 the authority in the small projects fund for use in the manner
19 provided for in this section.

20 e. Net earnings received from the investment or deposit of
21 monies in the small projects fund by the authority shall be
22 redeposited in the fund for use for the purposes of this section.

23 (cf: P.L.1993, c.102, s.7)]¹

24

25 ¹[92. R.S.54:4-45 is amended to read as follows:

26 54:4-45. The clerk or other proper officer of each Type II school
27 district [in which the annual appropriations for school purposes to
28 be raised by taxation, are voted by the inhabitants of the school
29 district,] having no board of school estimate shall, on or before
30 May 19 in each year, transmit to the county board of taxation a
31 certified statement of the amount of moneys appropriated for school
32 purposes, which shall include interest to be paid, principal
33 payments of indebtedness, and sinking fund requirements for the
34 school year for which such appropriations are made, to be raised by
35 taxation in the school district.

36 (cf: P.L.1995, c.94, s.3)]¹

37

38 ¹[93. (New section) An elected member of a board of
39 education, or a member of a board of education appointed to serve
40 the unexpired term of an elected member, or an appointed member
41 of a board of education other than a member in a district in a city of
42 the first class, who is holding office on the effective date of this act
43 shall continue in office until the day in January next following the
44 year in which his term was originally set to expire when his
45 successor takes office.]¹

46

47 ¹[94. The following sections of law are repealed:

1 N.J.S.18A:13-19;
 2 N.J.S.18A:22-37;
 3 N.J.S.18A:22-38.】¹

4
 5 ¹【95. a. Sections 71 through 94 of P.L. , c. (pending before
 6 the Legislature as this bill) shall take effect on January 1 next
 7 following the date of enactment of P.L. , c. (pending before the
 8 Legislature as this bill); provided, however that transition of the
 9 annual school election for the purposes of electing members of the
 10 board of education from the third Tuesday in April to the first
 11 Tuesday after the first Monday in November pursuant to section 82
 12 of this Article (amending section 1 of P.L.1995, c.278 (C.19:60-1)),
 13 shall be in accordance with the following schedule:
 14

SCHOOL BOARD MEMBER TERM ENDING	OLD ELECTION DATE	NEW ELECTION DATE	LENGTH OF AFFECTED TERM
April 2007	April 2007	April 2007	April 2007 – January 2011 (extended transitional term)
April 2008	April 2008	November 2008	April 2005 – January 2009 (extended transitional term)
April 2009	April 2009	November 2009	April 2006 – January 2010 (extended transitional term)
January 2011	N/A	November 2010	January 2011 – January 2014 (normal 3-year term)】 ¹

15
 16 ¹【ARTICLE 5. EXECUTIVE COUNTY SUPERINTENDENTS
 17

18 96.】 42.¹ N.J.S.18A:7-1 is amended to read as follows:

19 18A:7-1. a. The **【commissioner】** Governor, upon the
 20 recommendation of the commissioner and with the advice and
 21 consent of the Senate, shall appoint for each county, **【with the**
 22 **approval of the state board,】** a suitable person, who holds an
 23 appropriate certificate issued pursuant to this title and who has been
 24 a resident of the **【state】** State for at least three years immediately

1 preceding **[his]** the appointment, to be the executive county
2 superintendent of schools, who shall serve, unless sooner removed
3 pursuant to law, for a term of three years **[and thereafter until his**
4 **successor is appointed and shall qualify]**. The superintendent may
5 be re-appointed by the Governor on the basis of a satisfactory
6 performance assessment required pursuant to subsection b. of this
7 section. A person who is serving as a county superintendent of
8 schools on the effective date of Article 5 of P.L. , c. (C.)
9 (pending before the Legislature as this bill), shall be eligible for
10 appointment as the executive county superintendent of schools. The
11 executive county superintendent of schools shall report to the
12 Commissioner of Education or to a person designated by the
13 commissioner.

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

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

32

33 ¹**[97.] 43.** N.J.S.18A:7-2 is amended to read as follows:

34 18A:7-2. The commissioner may designate any one of his
35 assistant commissioners or**[, with the approval of the State board,]**
36 another suitable person to exercise the powers and perform the
37 duties of the executive county superintendent without additional
38 compensation:

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

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

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

46

47 ¹**[98.] 44.** N.J.S.18A:7-3 is amended to read as follows:

1 18A:7-3. **[A]** An executive county superintendent of schools
2 shall receive such salary as shall be approved by the commissioner
3 and **[the president of the civil service commission subject to**
4 **availability of funds]** shall receive a salary which is not greater than
5 the salary of a cabinet-level official of the State.

6 Each executive county superintendent shall receive, in addition
7 to his salary, the traveling and other expenses incurred by him in
8 conducting his office and performing his official duties, which shall
9 be paid by the county treasurer on the orders of the commissioner,
10 upon his furnishing to the commissioner an itemized statement
11 thereof certified under his oath, together with proper vouchers, and
12 no such order shall be issued until such statement and vouchers are
13 so furnished.

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

15

16 **'[99.] 45.'** N.J.S. 18A:7-4 is amended to read as follows:

17 18A:7-4. The commissioner shall, subject to appeal to the
18 **[state]** State board, cause to be withheld the orders for the payment
19 of the salary and expenses of any executive county superintendent,
20 who shall fail to perform faithfully all of the duties imposed upon
21 him by this chapter or by the rules of the **[state]** State board, until
22 he shall have performed all of such duties.

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

24

25 **'[100.] 46.'** N.J.S.18A:7-5 is amended to read as follows:

26 18A:7-5. Each executive county superintendent shall devote his
27 entire time to the duties of his office, and he shall have general
28 supervision of all of the public schools of the districts of the county
29 except those city school districts in which there shall have been
30 appointed superintendents of schools.

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

32

33 **'[101.] 47.'** N.J.S.18A:7-6 is amended to read as follows:

34 18A:7-6. The executive county superintendent shall maintain an
35 office at a suitable location within the county which shall be open to
36 the public as are other county offices and which shall be supplied
37 to him, and shall be suitably furnished and equipped, by the board
38 of chosen freeholders of the county, and the school records of the
39 county for the use of the county and State Departments of
40 Education, the United States Office of Education and the United
41 States Commissioner of Education shall be kept at such office.

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

43

44 **'[102.] 48.'** N.J.S.18A:7-7 is amended to read as follows:

45 18A:7-7. The executive county superintendent shall appoint
46 such clerical assistants for his office as he shall deem necessary and
47 fix their compensation within the limits of available appropriations

1 made thereof. In counties governed by Title [11] 11A, Civil
2 Service, of the [Revised] New Jersey Statutes, such appointments
3 shall be made and compensation shall be fixed pursuant to the
4 provisions thereof, and in all other counties the compensation of
5 such clerical assistants shall be fixed on a basis commensurate with
6 that of other county employees performing similar duties.
7 (cf: N.J.S.18A:7-7)

8
9 ' [103.] 49.' N.J.S.18A:7-8 is amended to read as follows:

10 18A:7-8. Each executive county superintendent shall:

11 a. Visit and examine from time to time all of the schools under
12 his general supervision and exercise general supervision over them
13 in accordance with the rules prescribed from time to time by the
14 [state] State board;

15 b. Keep himself informed as to the management, methods of
16 instruction and discipline and the courses of study and textbooks in
17 use, the condition of the school libraries, and the condition of the
18 real and personal property, particularly in respect to the
19 construction, heating, ventilation and lighting of school buildings,
20 in the local districts under his general supervision, and make
21 recommendations in connection therewith;

22 c. Advise with and counsel the boards of education of the local
23 districts under his general supervision and of any other district of
24 the county when so requested, in relation to the performance of
25 their duties;

26 d. Promote administrative and operational efficiencies and cost
27 savings within the school districts in the county while ensuring that
28 the districts provide a thorough and efficient system of education;

29 e. Based on standards adopted by the commissioner, recommend
30 to the commissioner, who is hereby granted the authority to
31 effectuate those recommendations, that certain school districts be
32 required to enter arrangements with one or more other school
33 districts or educational services commissions for the consolidation
34 of the district's administrative services;

35 f. Recommend to the commissioner the elimination of laws the
36 executive county superintendent determines to be unnecessary State
37 education mandates, other than the categories of laws set forth in
38 section 3 of P.L.1996, c.24 (C.52:13H-3);

39 g. Have the authority to eliminate districts located in the county
40 that are not operating schools on the effective date of Article '[5]
41 3' of P.L. , c. (C.) (pending before the Legislature as this bill),
42 in accordance with a plan submitted to the commissioner no later
43 than one year following the effective date of Article '[5] 3' of
44 P.L. , c. (C.) (pending before the Legislature as this bill);

45 h. No later than three years following the effective date of
46 Article '[5] 3' of P.L. , c. (C.) (pending before the
47 Legislature as this bill), recommend to the commissioner a school

1 district consolidation plan to eliminate all districts, other than
2 county-based districts and other than preschool or kindergarten
3 through grade 12 districts in the county, through the establishment
4 or enlargement of regional school districts. After the approval of
5 the plan by the commissioner, the executive county superintendent
6 shall require each board of education covered by a proposal in the
7 plan to conduct a special school election, at a time to be determined
8 by the executive county superintendent, and submit thereat the
9 question whether or not the executive county superintendent's
10 proposal for the regionalization of the school district shall be
11 adopted. The question shall be deemed adopted if it receives a vote
12 in accordance with the provisions of N.J.S.18A:13-5. If the
13 question is adopted by the voters, then the regional district shall be
14 established or enlarged in accordance with chapter 13 of Title 18A
15 of the New Jersey Statutes;

16 i. Promote coordination and regionalization of pupil
17 transportation services through means such as reviewing bus routes
18 and schedules of school districts and nonpublic schools within the
19 county;

20 j. Review and approve, according to standards adopted by the
21 commissioner, all employment contracts for superintendents of
22 schools, assistant superintendents of schools, and school business
23 administrators in school districts within the county, prior to the
24 execution of those contracts;

25 k. Request the commissioner to order a forensic audit and to
26 select an auditor for any school district in the county upon the
27 determination by the executive county superintendent, according to
28 standards adopted by the commissioner, that the accounting
29 practices in the district necessitate such an audit;

30 l. Review all school budgets of the school districts within the
31 county, and may, pursuant to section 5 of P.L.1996, c.138
32 (C.18A:7F-5), disapprove a portion of a school district's proposed
33 budget if he determines that the district has not implemented all
34 potential efficiencies in the administrative operations of the district
35 or if he determines that the budget includes excessive non-
36 instructional expenses. If the executive county superintendent
37 disapproves a portion of the school district's budget pursuant to this
38 paragraph, the school district shall deduct the disapproved amounts
39 from the budget prior to publication of the budget, and during the
40 budget year the school district shall not transfer funds back into
41 those accounts;

42 m. Permit a district to submit to the voters a separate proposal or
43 proposals for additional funds pursuant to paragraph (9) of
44 subsection d. of section 5 of P.L.1996, c.138 (C.18A:7F-5), only if:
45 (1) the district provides the executive county superintendent with
46 written documentation that the district has made efforts to enter into
47 shared arrangements with other districts, municipalities, counties,
48 and other units of local government for the provision of

1 administrative, business, purchasing, public and nonpublic
2 transportation, and other required school district services; (2) the
3 district certifies and provides written documentation that the district
4 participates in on-going shared arrangements; or (3) the district
5 certifies and provides written documentation that entering such
6 shared arrangements would not result in cost savings or would
7 result in additional expenses for the district;

8 n. Promote cooperative purchasing within the county of
9 textbooks and other instructional materials;

10 o. Coordinate with the Department of Education to maintain a
11 real time Statewide and district-wide database that tracks the types
12 and capacity of special education programs being implemented by
13 each district and the number of students enrolled in each program to
14 identify program availability and needs;

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

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

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

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

29 t. Work with districts to develop in-district special education
30 programs and services including providing training in inclusive
31 education, positive behavior supports, transition to adult life, and
32 parent-professional collaboration;

33 u. Provide assistance to districts in budgetary planning for
34 resource realignment and reallocation to direct special education
35 resources into the classroom;

36 v. Report on a regular basis to the commissioner on progress in
37 achieving the goal of increasing the number of special education
38 students educated in appropriate programs with non-disabled
39 students;

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

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

45 ¹Any budgetary action of the executive county superintendent
46 under this section may be appealed directly to the commissioner,
47 who shall render a decision within 15 days of the receipt of the
48 appeal. If the commissioner fails to issue a decision within 15 days

1 of the filing of an appeal, the budgetary action of the executive
2 county superintendent shall be deemed approved. The
3 commissioner shall by regulation establish a procedure for such
4 appeals.¹

5 Nothing in this section shall be construed or interpreted to
6 contravene or modify the provisions of the “New Jersey Employer-
7 Employee Relations Act,” P.L.1941, c.100 (C.34:13A-1 et seq.), or
8 to limit or restrict the scope of negotiations as provided pursuant to
9 law, or to ¹ [authorize] require ¹ an employer to enter into a
10 subcontracting agreement which affects the employment of any
11 employee in a collective bargaining unit represented by a majority
12 representative during the time that an existing collective bargaining
13 agreement with the majority representative is in effect.

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

17

18 ¹ [104.] 50. N.J.S.18A:7-9 is amended to read as follows:

19 18A:7-9. The executive county superintendent may, without
20 charge, administer oaths.

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

22

23 ¹ [105.] 51. N.J.S.18A:7-10 is amended to read as follows:

24 18A:7-10. Each executive county superintendent shall, on or
25 before December 1 of each year, furnish to the board of chosen
26 freeholders of the county a statement of the amounts estimated to be
27 necessary to be appropriated for the ensuing year for:

28 a. the compensation of his clerical assistants;

29 b. the supplying of furniture, supplies and equipment for his
30 office;

31 c. printing; and

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

34 The board of chosen freeholders shall fix and determine the
35 amounts necessary to be appropriated for such purposes and shall
36 appropriate the same accordingly.

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

38

39 ¹ [106.] 52. Section 2 of P.L.1975, c.360 (C.18A:13-52) is
40 amended to read as follows:

41 2. The executive county superintendent shall, within 60 days
42 after such request, file with the governing bodies of the
43 municipalities constituting the regional district and the boards of
44 education of all of the constituent school districts and the board of
45 education of the regional school district a report containing a
46 statement of the current assets and operating expenses of the
47 regional district for the then current year and such financial,
48 educational and other information as he may deem necessary to

1 enable said governing bodies and local boards of education and
2 regional board of education to form an intelligent judgment as to
3 the advisability of the proposed withdrawal or dissolution and the
4 effect thereof upon the educational and financial condition of the
5 withdrawing district and the regional district, or upon each of the
6 constituent districts in the event of a dissolution and setting forth
7 the amount of indebtedness, if any, to be assumed by the
8 withdrawing and the regional districts, or by each constituent
9 district in the event of a dissolution, calculated as hereinafter
10 provided. The report, in discussing the educational and financial
11 effect of the withdrawal or dissolution, shall include the effect
12 thereof upon the administrative and operational efficiencies, and the
13 resultant cost savings or cost increases, in the withdrawing and the
14 regional districts, or by each constituent district in the event of a
15 dissolution.

16 The executive county superintendent may require the constituent
17 municipalities and school districts and the regional district to
18 submit a feasibility study in order to determine the educational and
19 financial impact of the withdrawal from, or dissolution of, the
20 limited purpose regional district. In the event the executive county
21 superintendent requests a feasibility study to be conducted, the
22 executive county superintendent's report required pursuant to this
23 section shall be filed within 60 days following submission of the
24 feasibility study.

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

26

27 ¹[107.] 53. (New section) The commissioner shall appoint an
28 executive county business official to serve in the office of the
29 executive county superintendent of schools for a term of three
30 years. The executive county business official shall assist the
31 executive county superintendent in the performance of the
32 superintendent's duties pursuant to N.J.S.18A:7-8, and perform such
33 other duties as determined by the commissioner. Based on criteria
34 developed by the commissioner, the executive county business
35 official shall be subject to a performance assessment at least once
36 during the three-year term. The business official may be re-
37 appointed on the basis of a satisfactory performance assessment.

38

39 ¹[108.] 54. (New section) A local school district may apply to
40 the executive county superintendent of schools to have school
41 district services including, but not limited to, transportation,
42 personnel, purchasing, payroll, and accounting, assumed by the
43 office of the superintendent. If the executive county superintendent
44 determines to assume a service, a fee may be assessed the school
45 district for the service. The executive county superintendent of
46 schools may utilize county special services school districts, jointure
47 commissions, and educational services commissions to provide
48 services to local school boards.

1 **'[109.] 55.'**¹ (New section) a. When the office of county
2 superintendent is vacated through the completion of a current term
3 or for any other reason, the Governor, upon the recommendation of
4 the Commissioner of Education, shall appoint an executive county
5 superintendent of schools pursuant to N.J.S.18A:7-1.

6 b. When the position of executive county business official is
7 vacated through the completion of a current term or for any other
8 reason, the commissioner shall appoint an executive county
9 business official pursuant to section 107 of P.L. , c. (C.)
10 (pending before the Legislature as this bill).

11
12 **'[110.] 56.'**¹ (New section) Whenever, in any law, rule,
13 regulation, order, contract, document, judicial or administrative
14 proceeding or otherwise, reference is made to the office of the
15 county superintendent of schools, the same shall mean and refer to
16 the office of the executive county superintendent of schools.

17
18 **'[111.] 57.'**¹ (New section) An executive county superintendent
19 of schools shall not accept employment in any school district which
20 was under his supervision in that position for a period of two years
21 commencing on the day his term as executive county superintendent
22 terminates.

23
24 **'[112.] 58.'**¹ (New section) The State Board of Education shall
25 adopt rules and regulations pursuant to the "Administrative
26 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate
27 the provisions of Article **'[5] 3'**¹ of P.L. , c. (C.) (pending
28 before the Legislature as this bill); except that notwithstanding any
29 provision of P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary,
30 the commissioner may adopt, immediately upon filing with the
31 Office of Administrative Law, such rules and regulations as the
32 commissioner deems necessary to implement the provisions of
33 Article **'[5] 3'**¹ of P.L. , c. (C.) (pending before the
34 Legislature as this bill), which shall be effective for a period not to
35 exceed 12 months.

36
37 **'[113.] 59.'**¹ Article 1 shall take effect as provided in section
38 **'[41] 37'**¹ of this act; Article 2 shall take effect immediately;
39 Article 3 shall take effect **'[as provided in section 60 of this act;**
40 **Article 4 shall take effect as provided in section 95 of this act; and**
41 **Article 5 shall take effect]'**¹ immediately.

42
43
44
45 Implements CORE proposals, including "Uniform Shared
46 Services and Consolidation Act"; user-friendly budgets; revision of
47 county superintendent of schools title and duties.

ASSEMBLY, No. 4

STATE OF NEW JERSEY

212th LEGISLATURE

INTRODUCED DECEMBER 7, 2006

Sponsored by:

Assemblyman JOSEPH J. ROBERTS, JR.

District 5 (Camden and Gloucester)

Assemblyman JOHN S. WISNIEWSKI

District 19 (Middlesex)

Assemblyman JERRY GREEN

District 22 (Middlesex, Somerset and Union)

Assemblyman ROBERT M. GORDON

District 38 (Bergen)

Assemblyman LOUIS D. GREENWALD

District 6 (Camden)

Assemblywoman PAMELA R. LAMPITT

District 6 (Camden)

Assemblywoman BONNIE WATSON COLEMAN

District 15 (Mercer)

Assemblyman DOUGLAS H. FISHER

District 3 (Salem, Cumberland and Gloucester)

Assemblywoman NILSA CRUZ-PEREZ

District 5 (Camden and Gloucester)

Co-Sponsored by:

Senator B.Smith

SYNOPSIS

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

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 2/6/2007)

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 Jersey’s
8 residents is not easily solved, but can be ameliorated through
9 changes to the laws designed to encourage government efficiency
10 through shared services, regionalization, and consolidation; and

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

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

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

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

26 **WHEREAS**, Increased accountability by the voters can better be
27 ensured if elections of local officials who spend significant amounts
28 of taxpayer money occur on days when a significant percentage of
29 the population is likely to vote; now, therefore,

30
31 **BE IT ENACTED** by the Senate and General Assembly of the State
32 of New Jersey:

33

34 **ARTICLE 1. SHARED SERVICES AND CONSOLIDATION**

35 **SUBARTICLE A. GENERAL PROVISIONS**

36

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

41

42 2. (New section) The Legislature finds and declares:

43 a. Historically, many specialized statutes have been enacted to
44 permit shared services between local units for particular purposes.

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 b. Other laws, permitting a variety of shared services, including
2 interlocal services agreements, joint meetings, and consolidated and
3 regional services, exist but have not been very effective in
4 promoting the broad use of shared services as a technique to reduce
5 local expenses funded by property taxpayers.

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

10

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

13 “Board” means the Local Finance Board in the Division of Local
14 Government Services in the Department of Community Affairs.

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

19 “Contracting local units” means local units participating in a
20 joint meeting.

21 “Director” means the Director of the Division of Local
22 Government Services in the Department of Community Affairs.

23 “Division” means the Division of Local Government Services in
24 the Department of Community Affairs.

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

31 “Joint contract” means an agreement between two or more local
32 units to form a joint meeting.

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

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

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

1 "Person" means any person, association, corporation, nation,
2 State, or any agency or subdivision thereof, or a county or
3 municipality of the State.

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

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

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

15 "Terminal leave benefit" means a single, lump sum payment,
16 paid at termination, calculated using the regular base salary at the
17 time of termination.

18

19 SUBARTICLE B. SHARED SERVICES

20

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

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

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

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

42

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

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

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

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

19 b. A State department or agency with oversight over specific
20 activities that are the subject of a shared service agreement may
21 promulgate whatever rules and regulations it deems necessary to
22 ensure that the service continues to be provided in accordance with
23 the requirements of that department or agency.

24
25 7. (New section) a. An agreement made pursuant to section 4
26 of P.L. , c. (C.) (pending before the Legislature as this
27 bill) shall specify:

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

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

33 (3) the estimated cost of the services throughout the duration of
34 the agreement, with allocation of those costs to the parties, in dollar
35 amounts or by formula, including a time schedule for periodic
36 payment of installments for those allocations. The specification
37 may provide for the periodic modification of estimates or formulas
38 contained therein in the light of actual experience and in accordance
39 with procedures to be specified in the agreement;

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

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

43 b. In the case when all of the participating local units are
44 municipalities, the agreement may provide that it shall not take
45 effect until submitted to the voters of each municipality, and
46 approved by a majority of the voters of each municipality voting at
47 the referendum.

- 1 c. The agreement may provide for binding arbitration or for
2 binding fact-finding procedures to settle any disputes or questions
3 which may arise between the parties as to the interpretation of the
4 terms of the agreement or the satisfactory performance by any of
5 the parties of the services and other responsibilities required by the
6 agreement.
- 7 d. For the purposes of sections 4 through 13 of P.L. , c.
8 (C. through) (pending before the Legislature as this bill),
9 any party performing a service under a shared service agreement is
10 the general agent of any other party on whose behalf that service is
11 performed pursuant to the agreement, and that agent-party has full
12 powers of performance and maintenance of the service contracted
13 for, and full powers to undertake any ancillary operation reasonably
14 necessary or convenient to carry out its duties, obligations and
15 responsibilities under the agreement. These powers include all
16 powers of enforcement and administrative regulation which are, or
17 may be, exercised by the party on whose behalf the agent-party acts
18 pursuant to the agreement, except as the powers are limited by the
19 terms of the agreement itself, and except that no contracting party
20 shall be liable for any part or share of the cost of acquiring,
21 constructing, or maintaining any capital facility acquired or
22 constructed by an agent-party unless that part or share is provided
23 for in the agreement, or in an amendment thereto ratified by the
24 contracting parties in the manner provided in Article 1 of P.L. , c.
25 (C.) (pending before the Legislature as this bill) for entering
26 into an agreement.
- 27 e. Except as the terms of any agreement may explicitly or by
28 necessary implication provide, any party to an agreement entered
29 into pursuant to section 4 of P.L. , c. (C.) (pending before
30 the Legislature as this bill) may enter into another agreement or
31 agreements with any other eligible parties for the performance of
32 any service or services pursuant to Article 1 of P.L. , c.
33 (C.) (pending before the Legislature as this bill). The
34 participation in one agreement shall not bar participation with the
35 same or other parties in any other agreement.
- 36 f. Payment for services performed pursuant to an agreement
37 shall be made by and to the parties, and at such intervals, as shall be
38 provided in the agreement.
- 39 g. In the event of any dispute as to the amount to be paid, the
40 full amount to be paid as provided in subsection a. of this section
41 shall be paid; but if through subsequent negotiation, arbitration or
42 litigation the amount due shall be determined, agreed or adjudicated
43 to be less than was actually so paid, then the party having received
44 the payment shall forthwith repay the excess.

1 8. (New section) a. Whenever two or more local units enter
2 into an agreement, pursuant to section 4 of P.L. , c. (C.)
3 (pending before the Legislature as this bill), for the shared provision
4 of law enforcement services within their respective jurisdictions,
5 the agreement shall recognize and preserve the seniority, tenure,
6 and pension rights of every full-time law enforcement officer who
7 is employed by each of the participating local units and who is in
8 good standing at the time the ordinance authorizing the agreement
9 is adopted, and none of those law enforcement officers shall be
10 terminated, except for cause; provided, however, this provision
11 shall not be construed to prevent or prohibit a merged law
12 enforcement entity from reducing force as provided by law for
13 reasons of economy and efficiency.

14 b. To provide for the efficient administration and operation of
15 the shared law enforcement services within the participating local
16 units, the agreement may provide for the appointment of a chief of
17 police or other chief law enforcement officer. In that case, the
18 agreement shall identify the appropriate authority to whom the chief
19 of police or other chief law enforcement officer reports and also
20 shall provide that any person who is serving as the chief of police or
21 other chief law enforcement officer in one of the participating local
22 units at the time the contract is adopted may elect either:

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

25 (2) to retire from service.

26 A person who elects retirement shall not be demoted, but shall
27 retain the rank of chief of police or other chief law enforcement
28 officer and shall be given terminal leave for a period of one month
29 for each five-year period of past service as a law enforcement
30 officer with a participating local unit. During the terminal leave,
31 the person shall continue to receive full compensation and shall be
32 entitled to all benefits, including any increases in compensation or
33 benefits, that he may have been entitled to if he had remained on
34 active duty.

35 c. Whenever the participating local units have adopted or are
36 deemed to have adopted Title 11A, Civil Service, of the New Jersey
37 Statutes with regard to the provision of law enforcement services,
38 and the agreement provides for the appointment of a chief of police
39 or other chief law enforcement officer, the position of chief of
40 police or other chief law enforcement officer shall be in the career
41 service.

42

43 9. (New section) If any local unit performs a service on behalf
44 of one or more other local units that are parties to an agreement that
45 utilizes a private contractor to perform all or most of that service, or
46 all or most of a specific and separate segment of that service, then
47 that local unit shall award the contract for the work to be performed
48 by a private contractor under the agreement in accordance with the

1 "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et
2 seq.).

3
4 10. (New section) In the event that any authority, board,
5 commission, district, joint meeting, or other body created by one or
6 more local units proposes to enter into a contract under Article 1 of
7 P.L. , c. (C.) (pending before the Legislature as this bill),
8 whereby that entity agrees to have performed on its behalf services,
9 the cost of which shall equal one-half or more of the total costs of
10 the services being performed by that entity immediately prior to the
11 adoption of the proposed contract, then the contract shall require
12 approval by resolution of the governing body of each local unit
13 which created the entity or which has become a participant therein
14 subsequent to its creation.

15
16 11. (New section) a. When a local unit contracts, through a
17 shared service or joint meeting, to have another local unit or a joint
18 meeting provide a service it is currently providing using public
19 employees and one or more of the local units have adopted Title
20 11A, Civil Service, then the agreement shall include an employment
21 reconciliation plan in accordance with this section that and, if one
22 or more of the local units have adopted Title 11A, Civil Service,
23 shall specifically set forth the intended jurisdiction of the
24 Department of Personnel. An employment reconciliation plan shall
25 be subject to the following provisions:

26 (1) a determination of those employees, if any, that shall be
27 transferred to the providing local unit, retained by the recipient
28 local unit, or terminated from employment for reasons of economy
29 or efficiency.

30 (2) any employee terminated for reasons of economy or
31 efficiency by the local unit providing the service under the shared
32 service agreement shall be given a terminal leave payment of not
33 less than a period of one month for each five-year period of past
34 service as an employee with the local unit, or other enhanced
35 benefits that may be provided or negotiated. For the purposes of
36 this paragraph, "terminal leave payment" means a single, lump sum
37 payment, paid at termination, calculated using the regular base
38 salary at the time of termination. Unless otherwise negotiated or
39 provided by the employer, a terminal leave benefit shall not include
40 extended payment, or payment for retroactive salary increases,
41 bonuses, overtime, longevity, sick leave, accrued vacation or other
42 time benefit, or any other benefit.

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

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

10 (5) when an action is required of the Department of Personnel by
11 this section, parties to a planned shared service agreement may
12 consult with that department in advance of the action and the
13 department shall provide such technical support as may be
14 necessary to assist in the preparation of an employment
15 reconciliation plan or any other action required of the department
16 by this section.

17 b. If all the local units that are parties to the agreement are
18 subject to the provisions of Title 11A, Civil Service, of the New
19 Jersey Statutes, the Department of Personnel shall create an
20 implementation plan for the agreement that will: (1) transfer
21 employees with current status in current title unless reclassified, or
22 (2) reclassify employees into job titles that best reflect the work to
23 be performed. The Department of Personnel shall review whether
24 any existing hiring or promotional lists should be merged,
25 inactivated, or re-announced. Non-transferred employees shall be
26 removed or suspended only for good cause and after the opportunity
27 for a hearing before the Merit System Board; provided, however,
28 that they may be laid-off in accordance with the provisions of
29 N.J.S.11A:8-1 et seq., and the regulations promulgated thereunder.
30 The final decision of which employees shall transfer to the new
31 employer is vested solely with the local unit that will provide the
32 service and subject to any agreement between the parties.

33 c. If the local unit that will provide the service pursuant to a
34 shared service agreement is subject to Title 11A, Civil Service, of
35 the New Jersey Statutes, but the local unit to receive the service is
36 not subject to that Title, and the contracting local units desire that
37 some or all employees of the recipient local unit are to be
38 transferred to the providing local unit, the Department of Personnel
39 shall vest only those employees who have been employed for one
40 year or more in permanent status pursuant to N.J.S.11A:9-9 in
41 appropriate titles, seniority, and tenure with the providing local unit
42 based on the duties of the position. The final decision of which
43 employees shall transfer to the new employer is vested solely with
44 the local unit that will provide the service and subject to any
45 agreement between the contracting local units.

46 d. If the local unit that will provide the service is not subject to
47 the provisions of Title 11A, Civil Service, of the New Jersey
48 Statutes, but the local unit that will receive the service is subject to

1 that Title and the parties desire that some or all employees of the
2 recipient local unit are to be transferred to the providing local unit,
3 the transferred employees shall be granted tenure in office and shall
4 only be removed or suspended for good cause and after a hearing;
5 provided, however, that they may be laid-off in accordance with the
6 provisions of N.J.S.11A:8-1 et seq., and the regulations
7 promulgated thereunder. The transferred employees shall be
8 subject to layoff procedures prior to the transfer to the new entity.
9 Once transferred, they will be subject to any employment contracts
10 and provisions that exist for the new entity. The final decision of
11 which employees shall transfer to the new employer is vested solely
12 with the local unit that will provide the service and subject to any
13 agreement between the parties.

14

15 12. (New section) The Public Employment Relations
16 Commission is specifically authorized to provide technical advice,
17 pursuant to section 12 of P.L.1968, c.303 (C.34:13A-8.3), and
18 mediation services to integrate separate labor agreements into single
19 agreements for the shared service agreement. The commission may
20 order binding arbitration, pursuant to P.L.1995, c.425 (C.34:13A-
21 14a et seq.), to integrate any labor agreement.

22

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

28

29

SUBARTICLE C. JOINT MEETINGS

30

31 14. (New section) a. The governing bodies of any two or more
32 local units may enter into a joint contract, for a period not to exceed
33 40 years, to provide for the formation of a joint meeting for the
34 joint operation of any public services, public improvements, works,
35 facilities, or undertakings which the local units are empowered to
36 operate. The contract shall be entered into in accordance with the
37 procedures set forth in subsection b. of section 16 of this bill.

38 b. A joint contract may provide for joint services for any
39 services which any contracting local unit, on whose behalf those
40 services are to be performed, is legally authorized to provide for
41 itself. Those services include, but are not limited to, general
42 government administration, health, police and fire protection, code
43 enforcement, assessment and collection of taxes, financial
44 administration, environmental protection, joint municipal courts,
45 and youth, senior citizens and social welfare programs.

46 c. The joint contract shall set forth the public services, public
47 improvements, works, facilities, or undertakings which the
48 contracting local units desire to operate jointly, and shall provide in

1 general terms the manner in which the public services, public
2 improvements, works, facilities or undertakings shall be jointly
3 operated, and the respective duties and responsibilities of the
4 contracting local units.

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

8
9 15. (New section) a. A joint meeting is a public body corporate
10 and politic constituting a political subdivision of the State for the
11 exercise of public and essential governmental functions to provide
12 for the public health and welfare.

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

16 (1) to sue and be sued;

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

19 (3) to enter into any and all contracts or agreements and to
20 execute any and all instruments;

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

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

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

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

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

41 (9) to acquire, maintain, use, and operate lands, public
42 improvements, works, or facilities in any municipality in the State,
43 except where the governing body of the municipality, by resolution
44 adopted within 60 days after receipt of written notice of intention to
45 so acquire, maintain, use, or operate, shall find that the same would
46 adversely affect the governmental operations and functions and the
47 exercise of the police powers of that municipality.

1 c. If the governing body of a municipality in which a joint
2 meeting has applied for the location and erection of sewage
3 treatment or solid waste disposal facilities refuses permission
4 therefore, or fails to take final action upon the application within 60
5 days of its filing, the joint meeting may, at any time within 30 days
6 following the date of such refusal or the date of expiration of the
7 60-day period, apply to the Department of Environmental
8 Protection for relief. That department is authorized, after hearing
9 the joint meeting and the interested municipality, to grant the
10 application for the erection of the sewage treatment or disposal or
11 solid waste treatment or disposal facilities, notwithstanding the
12 refusal or failure to act of the municipal governing body, upon
13 being satisfied that the topographical and other physical conditions
14 existing in the local units comprising the joint meeting are such as
15 to make the erection of such facilities within its boundaries
16 impracticable as an improvement for the benefit of the whole
17 applying joint meeting.

18

19 16. (New section) a. The joint contract shall provide for the
20 operation of the public services, public improvements, works,
21 facilities, or undertakings of the joint meeting, for the
22 apportionment of the costs and expenses of operation required
23 therefore among the contracting local units, for the addition of other
24 local units as members of the joint meeting, for the terms and
25 conditions of continued participation and discontinuance of
26 participation in the joint meeting by the contracting local units, and
27 for such other terms and conditions as may be necessary or
28 convenient for the purposes of the joint meeting. The
29 apportionment of costs and expenses may be based upon assessed
30 valuations, population, and such other factor or factors, or any
31 combination thereof, as may be provided in the joint contract.

32 b. (1) Notwithstanding any law to the contrary concerning
33 approval of contracts, the joint contract shall be subject to approval
34 by resolution of the governing bodies of each of the local units prior
35 to its execution by the official or officials who are authorized to
36 execute a joint contract.

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

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

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

44

45 17. (New section) a. Whenever the governing bodies of two or
46 more local units enter into a joint contract for the joint operation of
47 law enforcement services within their respective jurisdictions, the
48 contract shall recognize and preserve the seniority, tenure, and

1 pension rights of every full-time law enforcement officer who is
2 employed by each of the contracting local units and who is in good
3 standing at the time the ordinance or resolution, as the case may be,
4 authorizing the contract is adopted, and none of those law
5 enforcement officers shall be terminated, except for cause;
6 provided, however, this provision shall not be construed to prevent
7 or prohibit a merged law enforcement entity from reducing force as
8 provided by law for reasons of economy and efficiency.

9 b. (1) To provide for the efficient administration and operation
10 of the joint law enforcement services within the participating local
11 units, the joint contract may provide for the appointment of a chief
12 of police or other chief law enforcement officer. In that case, the
13 joint contract shall identify the appropriate authority to whom the
14 chief of police or other chief law enforcement officer reports and
15 also shall provide that any person who is serving as the chief of
16 police or other chief law enforcement officer in one of the
17 participating local units at the time the joint contract is adopted may
18 elect either:

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

21 (b) to retire from service.

22 (2) Any person who elects retirement shall not be demoted but
23 shall retain the rank of chief of police or other chief law
24 enforcement officer and shall be given terminal leave for a period of
25 one month for each five-year period of past service as a law
26 enforcement officer with the participating local unit. During the
27 terminal leave, the person shall continue to receive full
28 compensation and shall be entitled to all benefits, including any
29 increases in compensation or benefits, that he may have been
30 entitled to if he had remained on active duty.

31 c. Whenever the participating local units have adopted or are
32 deemed to have adopted Title 11A, Civil Service, of the New Jersey
33 Statutes with regard to the provision of law enforcement services,
34 and the contract provides for the appointment of a chief of police or
35 other chief law enforcement officer, the position of chief law
36 enforcement officer shall be in the career service.

37
38 18. (New section) a. When a joint meeting merges bargaining
39 units that have current contracts negotiated in accordance with the
40 provisions of the "New Jersey Employer-Employee Relations Act,"
41 P.L.1941, c.100 (C.34:13A-1 et seq.), the terms and conditions of
42 the existing contracts shall apply to the rights of the members of the
43 respective bargaining units until a new contract is negotiated,
44 reduced to writing, and signed by the parties as provided pursuant
45 to law and regulation promulgated thereunder.

46 b. The Public Employment Relations Commission is specifically
47 authorized to provide technical advice, pursuant to section 12 of
48 P.L.1968, c.303 (C.34:13A-8.3), and mediation services to integrate

1 separate labor agreements into single agreements for the joint
2 contract. The commission may order binding arbitration, pursuant
3 to P.L.1995, c.425 (C.34:13A-14a et seq.), to integrate any labor
4 agreement.

5
6 19. (New section) a. When a local unit agrees to participate in
7 a joint meeting that will provide a service that the local unit is
8 currently providing itself through public employees, the agreement
9 shall include an employment reconciliation plan in accordance with
10 this section. An employment reconciliation plan shall be subject to
11 the following provisions:

12 (1) a determination of those employees, if any, that shall be
13 transferred to the joint meeting, retained by the contracting local
14 unit, or terminated from employment for reasons of economy or
15 efficiency.

16 (2) any employee terminated for reasons of economy or
17 efficiency by the contracting local unit providing the service or by
18 the joint meeting shall be given a terminal leave payment of not less
19 than a period of one month for each five-year period of past service
20 as an employee with the local unit, or other enhanced benefits that
21 may be provided or negotiated. Unless otherwise negotiated or
22 provided by the employer, a terminal leave benefit shall not include
23 extended payment, or payment for retroactive salary increases,
24 bonuses, overtime, longevity, sick leave, accrued vacation or other
25 time benefit, or any other benefit.

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

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

42 (5) when an action is required of the Department of Personnel by
43 this section, parties to a proposed joint contract may consult with
44 the department in advance of the action and the department shall
45 provide such technical support as may be necessary to assist in the
46 preparation of an employment reconciliation plan or any other
47 action required of the department by this section.

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

18 c. If the joint meeting operates under the provisions of Title
19 11A, Civil Service, of the New Jersey Statutes, and a local unit
20 receiving the service is not subject to that Title, and the parties
21 desire that some or all employees of the local unit be transferred to
22 the joint meeting, the Department of Personnel shall vest only those
23 employees who have been employed one year or more in permanent
24 status pursuant to N.J.S.40A:9-9 in appropriate titles, seniority, and
25 tenure with the providing local unit based on the duties of the
26 position. The final decision of which employees shall transfer to
27 the new employer is vested solely with joint meeting and subject to
28 any agreement between the parties.

29 d. (1) If the joint meeting does not operate under the provisions
30 of Title 11A, Civil Service, of the New Jersey Statutes, and the
31 local unit receiving the service is subject to that Title, and the
32 parties desire that some or all employees of the recipient local unit
33 are to be transferred to the joint meeting, then the transferred
34 employees shall be granted tenure in office and shall be removed or
35 suspended only for good cause and after a hearing. The transferred
36 employees shall be subject to layoff procedures prior to the transfer
37 to the new entity. Once transferred, they will be subject to any
38 employment contracts and provisions that exist for the new entity.
39 The final decision of which employees shall transfer to the joint
40 meeting is vested solely with the joint meeting and subject to any
41 agreement between the parties.

42 (2) A joint meeting established after the effective date of Article
43 1 of P.L. , c. (C.) (pending before the Legislature as this
44 bill) that affects both employees in local units subject to Title 11A,
45 Civil Service, of the New Jersey Statutes and employees in local
46 units not subject to that Title, shall determine whether the
47 employees of the joint meeting shall be subject to the Title. If the
48 joint meeting determines that the employees shall not be subject to

1 Title 11A, Civil Service, of the New Jersey Statutes, then the
2 employees from the local units in which the Title is in effect shall
3 have the same rights as employees transferred pursuant to paragraph
4 (1) of this subsection.

5
6 20. (New section) a. The joint contract shall provide for the
7 constitution and appointment of a management committee to consist
8 of at least three members, of which one shall be appointed by the
9 governing body of each of the local units executing the joint
10 contract. The members shall be residents of the appointing local
11 unit, except that a member who is the chief financial officer,
12 business administrator, municipal administrator, or municipal
13 manager of the local unit making the appointment need not be a
14 resident of the appointing local unit. The appointees may or may
15 not be members of the appointing governing body. Each member of
16 the management committee shall hold office for the term of one
17 year and until the member's successor has been appointed and
18 qualified. In the event that there is an even number of local units
19 that are parties to the joint contract, the management committee
20 shall consist of one member appointed by each of the governing
21 bodies and one member selected by the two other appointed
22 members.

23 b. The management committee shall elect annually from among
24 its members a chair to preside over its meetings. The management
25 committee may appoint such other officers and employees,
26 including counsel, who need not be members of the management
27 committee or members of the governing bodies or employees or
28 residents of the local units, as it may deem necessary. The
29 employees appointed by the management committee shall hold
30 office for such term not exceeding four years as may be provided by
31 the joint contract. The management committee shall adopt rules
32 and regulations to provide for the conduct of its meetings and the
33 duties and powers of the chairman and such other officers and
34 employees as may be appointed. All actions of the management
35 committee shall be by vote of the majority of the entire membership
36 of the committee, except for those matters for which the contract
37 requires a greater number, and shall be binding on all local units
38 who have executed the joint contract. The management committee
39 shall exercise all of the powers of the joint meeting subject to the
40 provisions of the joint contract.

41 The joint contract may provide for the delegation of the
42 administration of any or all of the services, lands, public
43 improvements, works, facilities or undertakings of the joint meeting
44 to the governing body of any one of the several contracting local
45 units, in which event such governing body shall have and exercise
46 all of the powers and authority of the management committee with
47 respect to such delegated functions.

1 21. (New section) The cost of acquiring, constructing, and
2 operating any public improvements, works, facilities, services, or
3 undertakings, or any part thereof, as determined by the management
4 committee, shall be apportioned among the participating local units
5 as provided by the joint contract. Each local unit shall have power
6 to raise and appropriate the funds necessary therefore in the same
7 manner and to the same extent as the local unit would have if it
8 were acquiring and constructing the same for itself, including the
9 power to authorize and issue bonds or other obligations pursuant to
10 the "Local Bond Law," N.J.S.40A:2-1 et seq. The management
11 committee shall certify to the participating local units the cost of the
12 acquisition or construction, as well as the apportioned shares
13 thereof, within 15 days after its action thereon.
14

15 22. (New section) The management committee, not later than
16 November 1 of each year, shall certify to the participating local
17 units the total costs and expenses of operation, other than
18 acquisition and construction costs, of the services, public
19 improvements, works, facilities, or undertakings for the ensuing
20 year, in accordance with the terms and provisions of the joint
21 contract, together with an apportionment of the costs and expenses
22 of operation among the participating local units in accordance with
23 the method of apportionment provided in the joint contract. It shall
24 be the duty of each participating local unit to include its
25 apportioned share of such costs and expenses of operation in its
26 annual budget, and to pay over to the management committee its
27 apportioned share as provided in the joint contract. Operations
28 under the budget and related matters shall be subject to and in
29 accordance with rules of the Local Finance Board or the
30 Commissioner of Education, as appropriate. The Local Finance
31 Board shall be responsible for the determination of the appropriate
32 rule-making authority with regard to each joint contract. For the
33 first year of operation under the joint contract, a participating local
34 unit may adopt a supplemental or emergency appropriation for the
35 purpose of paying its apportioned share of the costs and expenses of
36 operation, if provision therefore has not been made in the annual
37 budget.
38

39 23. (New section) The joint contract shall be terminated upon
40 the adoption of a resolution to that effect by the governing bodies of
41 two-thirds of the local units then participating; except that if only
42 two local units are then participating, adoption of a resolution by
43 both units shall be required to terminate the contract. The
44 termination shall not be made effective earlier than the end of the
45 fiscal year next succeeding the fiscal year in which the last of the
46 required number of local units adopts its termination resolution

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

5
6 SUBARTICLE D. LOCAL OPTION MUNICIPAL
7 CONSOLIDATION

8
9 25. (New section) a. The Legislature finds and declares that in
10 order to encourage municipalities to increase efficiency through
11 municipal consolidation for the purpose of reducing expenses borne
12 by their property taxpayers, more flexible options need to be
13 available to the elected municipal officials and voters than are
14 available through the "Municipal Consolidation Act," P.L.1977,
15 c.435 (C.40:43-66.35 et seq.).

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

20 (a) approval of a plan to consolidate their municipalities; or

21 (b) creation of a Municipal Consolidation Study Commission, as
22 described in subsection c. of this section.

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

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

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

42 c. An application to create a Municipal Consolidation Study
43 Commission shall propose a process to study the feasibility of
44 consolidating the participating municipalities into a single new
45 municipality or merging one into the other. The application shall
46 include provisions for:

47 (1) the means of selection and qualifications of study
48 commissioners;

1 (2) the time frame for the study, which shall be no more than
2 three years, along with key events and deadlines, including time for
3 review of the report by State agencies, which review shall be no
4 less than three months;

5 (3) whether a preliminary report shall be issued in addition to the
6 final report;

7 (4) whether the development of a consolidation implementation
8 plan will be a part of the study;

9 (5) the means for any proposed consolidation plan to be
10 approved; either by voter referendum, by the governing bodies, or
11 both; and

12 (6) if proposed by a representative group of voters, justification
13 of that group's standing to serve as the community advocate for the
14 consolidation proposal.

15 d. (1) An application to the board for consideration of a
16 consolidation plan or to create a Municipal Consolidation Study
17 Commission shall be subject to a public hearing within each
18 municipality to be studied, and a joint public hearing in a place that
19 is easily accessible to the residents of both or all of the
20 municipalities.

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

25 (3) After approval of a plan by the board, it may be amended
26 upon petition to the board by the applicant. Based on the nature of
27 the amendment, the board may decide to hold a public hearing in
28 any of the municipalities affected by the plan, or at a regular
29 meeting, or both.

30 e. Every Municipal Consolidation Study Commission shall
31 include a representative of the Department of Community Affairs as
32 a non-voting representative on the commission. The representative
33 shall not be a resident of a municipality participating in the study.
34 The department shall prepare an objective fiscal study of the fiscal
35 aspects of a consolidation and shall provide it to the commission in
36 a timely manner.

37 f. If the consolidation would include the consolidation of boards
38 of education, a person appointed by the Commissioner of Education
39 shall serve as a non-voting member of that Municipal Consolidation
40 Study Commission. The representative of the Commissioner of
41 Education shall not be a resident of a community participating in
42 the study. The county superintendent of schools shall conduct a
43 study on the impact of consolidation on the educational system and
44 its finances. The report shall be provided to the commission in a
45 timely manner.

46 g. There shall be no more than one of either a consolidation plan
47 study, a Municipal Consolidation Study Commission, or a joint
48 municipal consolidation created under the "Municipal

1 Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.), active
2 in a single municipality at the same time. In the event that more
3 than one application is filed with the board or is being considered
4 by the governing bodies while another action affecting the same
5 municipality or municipalities is under consideration, the board
6 shall consider the applications and shall join any proposed creation
7 of a joint municipal consolidation together and approve only one
8 action as the board deems to be in the public interest. Prior to
9 approving a single action, the board shall hold a public hearing
10 permitting all parties to present testimony on the merits of their
11 action in relation to the other proposals. Once an action is approved
12 by the board, another action from the same combination of
13 municipalities shall not be approved for at least five years.

14 h. In considering its decisions under Article 1 of P.L. , c.
15 (C.) (pending before the Legislature as this bill), the Local
16 Finance Board and any other State agency shall take into account
17 local conditions, the reasonableness of proposed decisions, and the
18 facilitation of the consolidation process in making decisions
19 concerning consolidation.

20

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

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

29 (2) duplicate positions, including those held by tenured, certified
30 officers, listing those positions proposed to be abolished for reasons
31 of economy, efficiency or other good cause and listing those
32 positions proposed to be merged; and

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

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

43 (1) creation of a consolidation implementation plan to establish a
44 timetable of significant events and goals to be achieved as part of a
45 consolidation study;

46 (2) a phase-in of a consolidation over a fixed period of time.
47 Such a plan shall be subject to review and approval of the Local

1 Finance Board prior to it being approved by the governing bodies or
2 subject to voter referendum;

3 (3) variations from existing State law or State department rules
4 that may not have anticipated a phase-in or consolidation of
5 services. When variations are proposed, they shall be submitted to
6 the board which shall refer it to the agency with oversight
7 responsibility. After due consideration, the referee agency is
8 empowered to waive such law or rules if a waiver is found
9 reasonable to further the process of consolidation. Where no such
10 agency exists, the Commissioner of Community Affairs shall act on
11 behalf of the State. These requests shall be acted on within 45 days
12 of their receipt by an agency, and they shall be deemed approved,
13 subject to approval of a consolidation proposal by the
14 municipalities, by the end of that time unless the agency has
15 responded with a denial, conditions that must be met in order for it
16 to be approved, or an alternative approach to resolving the matter;

17 (4) the use of advisory planning districts, comprised of residents
18 living in the former territories of each former municipality, to
19 provide advice to the planning board and the zoning board of
20 adjustment on applications and master plan changes affecting those
21 areas. A consolidation study plan shall specify that types and
22 nature of the development and zoning applications that the advisory
23 planning districts shall review and the official boards shall be
24 required to respond, at a public meeting, to each suggestion made
25 by an advisory planning district;

26 (5) the establishment of service districts comprised of the
27 boundaries of any or all of the former municipalities which may be
28 used to allocate resources and used for official geographic
29 references in the new municipality;

30 (6) the continued use of boundary lines of any or all of the
31 former municipalities to continue local ordinances that existed prior
32 to consolidation that the governing body deems necessary and
33 appropriate. The need for any such differentiation shall be
34 reviewed by the governing body at least every five years and shall
35 only be continued upon the affirmative vote of the full membership
36 of the governing body, and if such continuance fails, the governing
37 body shall then adopt uniform policies for the entire area; and

38 (7) the apportionment of existing debt between the taxpayers of
39 the consolidating municipalities, including whether existing debt
40 should be apportioned in the same manner as debt within special
41 taxing districts so that the taxpayers of each consolidating
42 municipality will continue to be responsible for their own pre-
43 consolidation debts.

44 c. When one of the municipalities is subject to the provisions of
45 Title 11A, Civil Service, of the New Jersey Statutes, the question of
46 whether the new municipality shall be subject to the provisions of
47 that Title shall be the subject of a public referendum before all of
48 the voters of the consolidating municipalities. Upon the approval

1 by a majority of those voting, regardless of their municipality of
2 residence, the new municipality shall be subject to the provisions of
3 that Title.

4

5 27. (New section) a. Once a consolidation has been approved
6 by the affected municipal governing bodies or voters, the division
7 shall create a task force of State departments, offices and agencies,
8 as it deems appropriate, to facilitate the consolidation and provide
9 technical assistance.

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

16 c. Whenever a referendum question to decide if a consolidated
17 municipality shall be subject to the provisions of Title 11A, Civil
18 Service, of the New Jersey Statutes fails, the employees of a
19 municipality already subject to that Title shall be given non-civil
20 service titles in the new entity and previously held tenure shall be
21 vacated.

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

29

30 28. (New section) a. If a revaluation of property for the
31 consolidated municipality is not implemented for the first local
32 budget year of the consolidated municipality, then the assessments
33 on the properties owned by the taxpayers of the former
34 municipalities shall be equalized for the apportionment of taxes for
35 the consolidated municipality, in the same manner as assessments
36 are equalized for the apportionment of county taxes.

37 b. The owners of any residential property or residential tenants
38 of any municipality consolidated under Article 1 of P.L. , c.
39 (C.) (pending before the Legislature as this bill), or the
40 "Municipal Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et
41 seq.), who experience a municipal or school district purposes real
42 property tax increase in the first tax year following the municipal
43 consolidation shall be entitled to annual property tax relief until
44 such time as they sell or transfer their home or no longer reside as
45 tenants in the rental unit they occupied just prior to the municipal
46 consolidation. In the case of the owner of residential property, the
47 property tax relief shall be reflected as a credit on the property tax
48 bill equal to the difference between the municipal and school

1 district purposes real property tax payable by the taxpayer for the
2 tax year, subject to any adjustment as determined necessary by the
3 Director of the Division of Local Government Services in the
4 Department of Community Affairs to reflect operating budgets for a
5 normal pre-consolidated fiscal year, and the municipal and school
6 district purposes real property tax billed to that taxpayer for the tax
7 year during which the consolidation is effectuated, as may be
8 adjusted by the Director of the Division of Local Government
9 Services in the Department of Community Affairs to reflect normal
10 post-consolidation operating budgets for the municipalities and
11 school districts. In the case of a residential tenant, the tax credit
12 applied to an apartment property shall be distributed to eligible
13 tenants pursuant to the provisions of the "Tenants' Property Tax
14 Rebate Act," P.L.1976, c.63 (C.54:4-6.2 et seq.) and this section.
15 The total of all such relief in the municipality shall be paid by the
16 State to the municipality on a schedule determined by the Local
17 Finance Board. For the purpose of this subsection, a "normal"
18 budget year shall be one that, in the determination of the director,
19 does not reflect expenses made in anticipation of, or
20 implementation expenses related to, a municipal consolidation.

21

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

31

32 SUBARTICLE E. SHARING AVAILABLE RESOURCES
33 EFFICIENTLY PROGRAM

34

35 30. (New section) a. A local unit that plans to study the
36 feasibility of a shared service agreement, joint meeting contract, or
37 municipal consolidation may apply to the director for grants or
38 loans to fund the study, including consultant costs, and to fund one-
39 time start-up costs of a shared service agreement or joint meeting
40 contract or municipal consolidation. The director, in consultation
41 with the Commissioner of Education, shall establish a program to
42 be known as the "Sharing Available Resources Efficiently"
43 program, or "SHARE," to accomplish this purpose, and, in
44 consultation with the commissioner, shall promulgate rules and
45 regulations necessary to effectuate the purposes of the program.

46 b. The director, in consultation with the commissioner, shall
47 provide guidelines and procedures for the submission of SHARE
48 grant and loan applications.

1 c. Applications for shared service study funds:

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

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

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

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

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

17 (2) The director may set limits on aid awards and negotiate the
18 various provisions, costs, payment provisions, and amounts of
19 grants or loans to ensure that the shared service is cost effective and
20 in the public interest. Financial assistance for costs associated with
21 terminal leave benefits shall be limited to the lesser of the officer or
22 employee's regular base rate of compensation that is paid for the
23 terminal leave benefit pursuant to an applicable employment
24 contract, local practice, local ordinance, or State law.

25 e. The director may provide technical support programs to assist
26 local units in applying for grants or aid for studying shared services.
27

28 31. (New section) There is created a "Sharing Available
29 Resources Efficiently" account within the Property Tax Relief Fund
30 as a non-lapsing revolving account which shall receive monies as
31 may be credited to it from the Property Tax Relief Fund, the
32 repayments of loans made from the account, and any other funds as
33 may be appropriated to the account from time to time. Monies in
34 the account shall be appropriated for the purposes of Article 1 of
35 P.L. , c. (C.) (pending before the Legislature as this bill).
36

37 SUBARTICLE F. VOTER PARTICIPATION TO IDENTIFY
38 SHARED SERVICES AND OTHER COST-SAVING
39 OPPORTUNITIES
40

41 32. (New section) The governing body of a municipality may
42 adopt, at any regular meeting, a resolution requesting the clerk of
43 the county to print upon the official ballots to be used at the next
44 ensuing regular or general election, as appropriate, a certain
45 proposition to authorize the creation of a citizen's commission,
46 consisting of members of the governing body, appropriate
47 municipal officials such as the municipal purchasing agent, and at
48 least an equal number of residents of the municipality, and to

1 identify and implement shared service, joint meeting, or
2 consolidation opportunities for the municipality. The proposition
3 shall be formulated and expressed in the resolution in concise form
4 and filed with the clerk of the county not later than 74 days
5 previous to the election. If approved by a majority of those voting
6 at the election, the proposition shall be binding and shall constitute
7 the authority for the governing body to appoint members to the
8 citizen's commission and provide resources as it deems necessary.

9
10 SUBARTICLE G. MISCELLANEOUS

11
12 33. (New section) Any shared service agreement, joint contract
13 for a joint meeting, or agreement to regionalize or consolidate
14 services in existence at the time of enactment of Article 1 of P.L. ,
15 c. (C.) (pending before the Legislature as this bill) are
16 continued pursuant to the law in effect at the time that the
17 agreement or contract were executed; provided, however, that any
18 renewals shall be in accordance with the provisions of Article 1 of
19 P.L. , c. (C.) (pending before the Legislature as this bill).

20
21 34. (New section) a. Any shared service or joint meeting
22 agreement or municipal consolidation shall be deemed in
23 furtherance of the public good and presumed valid, subject to a
24 rebuttable presumption of good faith on the part of the governing
25 bodies entering into the agreement.

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

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

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

36 (3) Within 14 days of receiving a decision, a party aggrieved by
37 a decision of a mediator or arbitrator assigned by the commission
38 may file notice of an appeal of an award to the commission. In
39 deciding an appeal, the commission, pursuant to rule and regulation
40 and upon petition, may afford the parties the opportunity to present
41 oral arguments. The commission may affirm, modify, correct or
42 vacate the award or may, at its discretion, remand the award to the
43 same arbitrator or to another arbitrator, selected by lot, for
44 reconsideration. An aggrieved party may appeal a decision of the
45 commission to the Appellate Division of the Superior Court.

SUBARTICLE H. REPEALER

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35. (New section) The following sections of law are repealed:
N.J.S.11A:9-8;
N.J.S.18A:46-25 through 18A:46-28;
R.S.27:14-33 through 27:14-34;
Section 12 of P.L.1947, c.62 (C.27:15-1.11);
R.S.27:16-22;
R.S.27:16-24;
R.S.27:16-40;
R.S.27:16-69 and 27:16-70;
R.S.27:16-72 through 27:16-76;
R.S.27:19-8;
R.S.27:19-38;
R.S.27:20-2 through 27:20-4;
R.S.27:22-1 through 27:22-9;
R.S.27:22-11;
Section 1 of P.L.1952, c.120 (C.40:5-2.9);
Sections 1 through 9, 19, and 20 of P.L.1973, c.208 (C.40:8A-3
through 40:8A-11);
Section 2 of P.L.1992, c.145 (C.40:8A-6.1);
Sections 1 through 5 of P.L.1999, c.60 (C.40:8B-14 through
40:8B-18);
Sections 1 through 11 of P.L.1952, c.72 (C.40:48B-1 through
40:48B-11);
Sections 8 and 9 of P.L.1960, c.3 (C.40:48B-12 and 40:48B-13);
Sections 1 and 2 of P.L.1951, c.102 (C.40:54-29.1 and 40:54-
29.2);
Sections 1 through 4 of P.L.1958, c.147.(C.40:60-25.47 through
40:60-25.50);
Sections 1 through 4 of P.L.1964, c.185 (40:61-35.1 through
40:61-35.4);
R.S.40:67-24 and 40:67-25; and
R.S.40:67-36 through 40:67-46.

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

1. A board or the boards of two or more districts may, under
rules and regulations prescribed by the State board, appoint a school
business administrator by a majority vote of all the members of the
board, define his duties, which may include serving as secretary of
one of the boards, and fix his salary, whenever the necessity for
such appointment shall have been agreed to by the county
superintendent of schools or the county superintendents of schools
of the counties in which the districts are situate and approved by the
commissioner and the State board. [A school business
administrator shall be appointed in the manner provided in this
section, however when the boards of education of two or more

1 school districts determine to share a school business administrator,
2 the appointment shall comply with the provisions of section 4 of
3 P.L.1996, c.111 (C.18A:17-24.1).】

4 Nothing in P.L.1996, c.111 (C.18A:17-24.1 et al.) shall prohibit
5 a school district from subcontracting its school business
6 administrator to another school district pursuant to the provisions of
7 P.L.1973, c.208 (C.40:8A-1 et seq.) , in which case credit toward
8 tenure acquisition shall accrue only in the primary district of
9 employment. 【The provisions of P.L.1996, c.111 (C.18A:17-24.1
10 et al.) concerning the arrangement to share a school business
11 administrator by two or more school districts shall not apply when a
12 school district subcontracts its school business administrator to
13 another school district.】
14 (cf: P.L.1996, c.111, s.1)
15

16 37. Article 1, sections 1 through 36 of P.L. , c. (C.)
17 (pending before the Legislature as this bill) shall take effect
18 immediately, but section 35 shall remain inoperative until the first
19 day of the seventh month next following enactment.
20

21 ARTICLE 2. USER-FRIENDLY BUDGETS

22

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

24 40A:4-10. No budget or amendment thereof shall be adopted
25 unless the director shall have previously certified his approval
26 thereof. Final adoption shall be by resolution adopted by a majority
27 of the full membership of the governing body, and may be by title
28 where the procedures required by sections 40A:4-8 and 40A:4-9 or
29 section 12 of P.L.1995, c.259 (C.40A:4-6.1), as applicable, have
30 been followed.

31 The budget shall be adopted in the case of a county not later than
32 February 25, and in the case of a municipality not later than March
33 20 of the calendar fiscal year or September 20 of the State fiscal
34 year, except that the governing body may adopt the budget at any
35 time within 10 days after the director shall have certified his
36 approval thereof and returned the same, if such certification shall be
37 later than the date of the advertised hearing.

38 If, in the case of a municipality which operates on the State fiscal
39 year, the governing body fails to adopt the budget within the
40 permitted time, the chief financial officer of the local unit shall so
41 notify the director the next working day after the expiration of the
42 permitted time.

43 【Three certified copies】 Copies of the budget, as adopted, in
44 such form and in such quantity as determined by the Local Finance
45 Board, shall be transmitted to the director, and made available in
46 print for public inspection at the local library, within three days
47 after adoption.

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

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

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

12
13 39. (New section) a. The Local Finance Board shall promulgate
14 "user-friendly," plain language budget summary forms for the use
15 of counties, municipalities, local authorities, and fire districts. The
16 board shall also promulgate a procedure for the submission by each
17 of these local government units of the required budget summary
18 form to the Division of Local Government Services in the
19 Department of Community Affairs following the adoption of the
20 annual budget.

21 b. The plain language budget summary shall provide the public
22 with information in summary form about the budget of the local
23 unit and shall include, in addition to an abbreviated version of the
24 formal budget adopted by the local unit, such statistical information
25 as the board determines to be useful for the public's understanding
26 of the local unit's fiscal matters and condition, and shall also
27 include, but shall not be limited to the following information, for
28 both the local unit's current budget year and the previous budget
29 year, as the Local Finance Board determines appropriate to the local
30 unit: all line items of appropriation aggregated by service type; the
31 property tax rate; the property tax collection rate; the assessed value
32 and taxable value of all real property located in the local unit; the
33 amount of bonded indebtedness of the local unit; revenues by major
34 category; description of unusual revenues or appropriations, with a
35 description of the circumstances of the revenues or appropriations;
36 a list of shared service agreements in which the local unit is
37 participating; and the number and amount of outstanding long-term
38 tax exemptions and abatements, and the amount of revenue derived
39 there from.

40 c. The plain language budget summary shall be submitted to the
41 division in such form as determined by the Local Finance Board,
42 and, upon its receipt of the summary, the division shall make the
43 summary available to the public through an Internet website
44 maintained by the division. The information on the web site shall
45 be presented as data that can be downloaded by the public for
46 comparative purposes using commonly-used software.

1 40. (New section) Whenever the governing body of a local unit
2 proposes an ordinance, resolution, or other action that will establish
3 or modify the salaries, benefits, or other compensation of any
4 individual employee or group of its employees, that measure shall
5 only be taken after the local unit first holds a public meeting where
6 the proposed action shall be introduced and discussed by the
7 governing body. Notice of the date, time, place, and purpose of the
8 public meeting, and of the time and place at which a copy of the
9 proposed measure, together with the employee compensation
10 disclosure form required to be prepared pursuant to this section,
11 shall be available to each person requesting it, at no charge, during
12 the week preceding such public meeting. The public meeting shall
13 be advertised in a newspaper having substantial circulation in the
14 local unit at least 10 days prior to the meeting date.

15 Prior to the publication of the newspaper notice required by this
16 section, the chief financial officer or other appropriate officer of the
17 local unit shall prepare an employee compensation disclosure form
18 pursuant to the requirements of this section. The employee
19 compensation disclosure form shall be made part of any formal
20 action taken by the local unit, but shall not be considered part of
21 any contract or agreement.

22 The chief financial officer of the local unit shall file the
23 employee compensation disclosure form with the clerk or the
24 secretary to the governing body of the local unit prior to a public
25 meeting when such measure shall be introduced and discussed. Any
26 such proposed measure shall be announced publicly at the meeting,
27 along with a declaration that an employee compensation disclosure
28 form has been provided to the governing body of the local unit
29 pursuant to the requirements of Article 2 of P.L. , c. (C.)
30 (pending before the Legislature as this bill). Any formal action by a
31 governing body approving or disapproving a measure establishing
32 or modifying the salaries, benefits, or other compensation of its
33 employees shall occur no earlier than the tenth calendar day
34 immediately following the meeting at which the measure was
35 introduced and discussed.

36 The employee compensation disclosure form shall display the
37 estimated cost of salary, benefits or other compensation, for each
38 year of the contract for each individual employee or group of
39 employees, itemized by the specific form of compensation, the
40 estimated cost of the compensation at the time of the action, and the
41 incremental difference between each year.

42 Governing body actions taken without compliance with this
43 section shall be null and void.

44
45 41. (New section) Not later than the first day of the sixth month
46 next following the enactment of Article 2 of P.L. , c. (C.)
47 (pending before the Legislature as this bill), the Local Finance
48 Board shall promulgate rules and regulations pursuant to the

1 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
2 seq.), to implement the provisions of section 86 of P.L. , c.
3 (C.) (pending before the Legislature as this bill) concerning the
4 plain language budget summary, and it also shall promulgate the
5 forms and procedures necessary to effectuate the provisions of
6 section 40 of P.L. , c. (C.) (pending before the Legislature
7 as this bill) concerning the employee compensation disclosure form.
8

9 ARTICLE 3. FIRE DISTRICT ELECTIONS

10
11 42. R.S.19:14-4 is amended to read as follows:

12 19:14-4. In the center of the ballot immediately below the
13 perforated line shall be printed in bold-faced type the words
14 "Official general election ballot." Below these words and extending
15 across the ballot shall appear the words: "Name of (municipality),
16 ward, fire district (if applicable),
17 election district, date of election,
18 John Doe, county clerk." The blank spaces shall be
19 filled in with the name of the proper municipality, the ward and
20 district numbers and the date of the election. For school elections
21 the name of the school district and of the municipality or
22 municipalities comprising the district shall also be indicated
23 thereon. The name of the county clerk shall be a facsimile of his
24 signature. Below the last stated words extending across the ballot
25 and at the extreme left shall be printed the words "Instructions to
26 the voter," and immediately to the right there shall be a bracket
27 embracing the following instructions numbered consecutively:

28 (1) The only kind of a mark to be made on this ballot in voting
29 shall be a cross x, plus + or check .

30 (2) To mark a cross x , plus +, check or when writing a name
31 on this ballot use only ink or pencil.

32 (3) To vote for any candidates whose names are printed in any
33 column, mark a cross x , plus + or check in the square at the left of
34 the names of such candidates not in excess of the number to be
35 elected to the office.

36 (4) To vote for any person whose name is not printed on this
37 ballot, write or paste the name of such person under the proper title
38 of office in the column designated personal choice and mark a cross
39 x , plus + or check in the square to the left of the name so written
40 or pasted.

41 (5) To vote upon any public question printed on this ballot if in
42 favor thereof, mark a cross x , plus + or check in the square at the
43 left of the word "Yes," and if opposed thereto, mark a cross x , plus
44 + or check in the square at the left of the word "No."

45 (6) Do not mark this ballot in any other manner than above
46 provided for and make no erasures. Should this ballot be wrongly
47 marked, defaced, torn or any erasure made thereon or otherwise
48 rendered unfit for use return it and obtain another. In presidential

1 years, the following instructions shall be printed upon the general
2 election ballot:

3 (7) To vote for all the electors of any party, mark a cross x , plus
4 + or check in ink or pencil in the square at the left of the surnames
5 of the candidates for president and vice-president for whom you
6 desire to vote.

7 Below the above-stated instructions and information and, except
8 when compliance with section **[19:14-15]** R.S.19:14-13 of this
9 Title as to Statewide propositions otherwise requires, three inches
10 below the perforated line and parallel to it, there shall be printed a
11 six-point diagram rule extending across the ballot to within not less
12 than a half inch to the right and left edges of the paper.

13 (cf: P.L.1995, c.278, s.17)

14

15 43. R.S.19:14-8 is amended to read as follows:

16 19:14-8. The ballot shall be divided into a partisan section and a
17 nonpartisan section. In the partisan section, in the columns of each
18 of the political parties which made nominations at the next
19 preceding primary election to the general election and in the
20 personal choice column, within the space between the two-point
21 hair line rules, there shall be printed the title of each office to be
22 filled at such election, except as hereinafter provided.

23 **[Such]** Within each section of the ballot the titles of office shall
24 be arranged in the following order: member of the United States
25 Senate; Governor; member of the House of Representatives;
26 member of the State Senate; members of the General Assembly;
27 county executive, in counties that have adopted the county
28 executive plan of the "Optional County Charter Law," P.L.1972,
29 c.154 (C.40:41A-1 et seq.); sheriff; county clerk; surrogate; register
30 of deeds and mortgages; county supervisor; members of the board
31 of chosen freeholders; coroners; mayor and members of municipal
32 governing bodies~~[,]~~ ; members of the board of fire commissioners,
33 and any other titles of office. Candidates for board of fire
34 commissioners shall be listed in the nonpartisan section of the
35 ballot. Above each of such titles of office, except the one at the top,
36 shall be printed a two-point diagram rule in place of the two-point
37 hair line rule. Below the titles of such offices shall be printed the
38 names of the candidates for the offices.

39 In the columns of each of the political parties which made
40 nominations at the next preceding presidential primary election and
41 in the personal choice column, within the space between the two-
42 point hair line rules, there shall be printed the title of office for
43 electors of President and Vice President of the United States.

44 The arrangement of the names of candidates for any office for
45 which more than one are to be elected shall be determined in the
46 manner hereinafter provided, as in the case of candidates nominated
47 by petition.

48 When no nomination for an office has been made the words "No

1 Nomination Made" in type large enough to fill the entire space or
2 spaces below the title of office shall be printed upon the ballot.

3 Immediately to the left of the name of each candidate, at the
4 extreme left of each column, including the personal choice column,
5 shall be printed a square, one-quarter of an inch in size, formed by
6 two-point diagram rules. In the personal choice column no names
7 of candidates shall be printed.

8 To the right of the title of each office in the party columns and
9 the personal choice column shall be printed the words "Vote for,"
10 inserting in words the number of persons to be elected to such
11 office.

12 (cf: P.L.2005, c.136, s.23)

13

14 44. R.S.19:14-10 is amended to read as follows:

15 19:14-10. In the column or columns designated as nominations
16 by petition, within the space between the two-point hair line rules,
17 there shall be printed the title of each office for which nominations
18 by petition have been made.

19 Such titles of office shall be arranged in the following order:
20 electors of President and Vice-President of the United States;
21 member of the United States Senate; Governor; member of the
22 House of Representatives; member of the State Senate; members of
23 the General Assembly; county executive, in counties that have
24 adopted the county executive plan of the "Optional County Charter
25 Law," P.L.1972, c.154 (C.40:41A-1 et seq.); sheriff; county clerk;
26 surrogate; register of deeds and mortgages; county supervisor;
27 members of the board of chosen freeholders; coroners; mayor and
28 members of municipal governing bodies[.]; members of the board
29 of fire commissioners, and any other titles of office.

30 Above each of the titles of office, except the one on the top, shall
31 be printed a two-point diagram rule in place of the two-point hair
32 line rule. Below the titles of each of the offices shall be printed the
33 names of each of the candidates for each of such offices followed
34 by the designation or designations mentioned in the petitions filed.

35 Immediately to the left of the name of each candidate, at the
36 extreme left of the column, shall be printed a square, one-quarter of
37 an inch in size formed by two-point diagram rules.

38 The names of candidates for any office for which more than one
39 are to be elected shall be arranged in groups as presented in the
40 several certificates of nominations or petitions, which groups shall
41 be separated from other groups and candidates by two two-point
42 hair line rules.

43 To the right of the title of each office shall be printed the words
44 "Vote for " inserting in words the number of candidates to be
45 elected to such office.

46 (cf: P.L.1995, c.191, s.2)

47

48 45. R.S.19:14-16 is amended to read as follows:

1 19:14-16. The words to be printed on the perforated coupon
2 shall be printed in twelve-point bold-faced capital letters and the
3 figures in eighteen and twenty-two-point bold-faced type. At the
4 head of the ballot the words "Official General Election Ballot" shall
5 be printed in at least thirty-point bold-faced capital letters. The
6 name of municipality, ward, fire district, election district, and date,
7 as appropriate, shall be printed in twelve-point bold-faced capital
8 letters. The words "Instructions to the voter" shall be printed in
9 twelve-point bold-faced capitals and small letters, while the
10 instructions embraced within the brackets shall be printed in eight-
11 point bold-faced capital and small letters. The column designations
12 shall be printed in eighteen-point bold-faced capital letters and the
13 accompanying instructions shall be printed in eight-point capitals
14 and small letters. The titles of office and accompanying instructions
15 shall be printed in ten-point bold-faced capital and small letters.
16 When there is no nomination made at the primary for an office, the
17 title shall be printed in the space where such title should appear, and
18 the words "No Nomination Made" in type large enough to fill the
19 entire space or spaces shall be printed therein. The names of all
20 candidates shall be printed in ten-point capital letters. The
21 designations following the candidates' names in the nomination by
22 petition column or columns shall be printed in ten-point capitals and
23 small letters, except that where they overrun the space within the
24 column the designations may be abbreviated, and all spaces
25 between the two-point hair line rules not occupied by the titles of
26 office and names of candidates shall be printed in with scroll or
27 filling to guide the voter against wrongly marking the ballot. On
28 the foot of the ballot the words "Public Questions to be Voted
29 Upon" shall be printed in eighteen-point bold-faced capital letters.
30 The accompanying instructions shall be printed in eight-point
31 capital and small letters. The public questions to be voted upon
32 shall be printed in ten-point capital and small letters, and the words
33 "Yes" and "No" shall be printed in twelve-point bold-faced capital
34 letters.

35 (cf: R.S.19:14-16)

36

37 46. R.S.19:14-22 is amended to read as follows:

38 19:14-22. The official general election sample ballots shall be as
39 nearly as possible facsimiles of the official general election ballot to
40 be voted at such election and shall have printed thereon, after the
41 words which indicate the number of the election district for which
42 such sample ballots are printed, the name or number of the fire
43 district, when appropriate, the street address or location of the
44 polling place in the election district, the hours between which the
45 polls shall be open, and shall be printed on paper different in color
46 from the official general election ballot, and have the following
47 words printed in large type at the top:

48 "This ballot cannot be voted. It is a sample copy of the official

1 general election ballot used on election day."
2 (cf: P.L.1959, c.139, s.1)

3

4 47. N.J.S.40A:14-70 is amended to read as follows:

5 40A:14-70. In any municipality not having a paid or part-paid
6 fire department and force, the governing body, upon application of
7 at least 5% of the registered voters or 20 legal voters, whichever is
8 the greater, shall consider the designation of a fire district. Upon
9 receipt of the application, the governing body shall fix a time and
10 place for a hearing thereon. The municipal clerk shall advertise the
11 notice of the hearing in a newspaper circulating in the county
12 wherein the municipality is located at least once and not less than
13 10 days prior to the hearing. After the hearing the governing body
14 shall determine the question of designation of a fire district. If the
15 governing body decides that the designation of a fire district is
16 appropriate, it, by ordinance, shall designate a territorial location or
17 locations, that are coterminous with election districts, for use as a
18 fire district or fire districts and, by resolution, provide for the
19 election of a board of fire commissioners for the district or each
20 district, to consist of five persons, residents therein, and specify the
21 date[,] and time [and place] for the election of the first board.

22 The district or each district shall be assigned a number and the
23 commissioners thereof and their successors shall be a body
24 corporate, to be known as "the commissioners of fire district No. ..
25 in (name of municipality), county of
26 (name of county)." The said body corporate shall have the power to
27 acquire, hold, lease, sell or otherwise convey in its corporate name
28 such real and personal property as the purposes of the corporation
29 shall require. All sales and leases of real and personal property
30 shall be in accordance with the provisions of section 13 or 14, as
31 appropriate, of the "Local Lands and Buildings Law," P.L.1971,
32 c.199 (C.40A:12-13 or 40A:12-14). Said body corporate may adopt
33 and use a corporate seal, sue or be sued and shall have such powers,
34 duties and functions as are usual and necessary for said purposes.

35 **【On the date and at the time and place specified for the election**
36 **of the first board the clerk of the municipality shall conduct the**
37 **election and shall preside at the meeting until the board shall have**
38 **been elected.】**

39 At the first meeting of a newly elected board of fire
40 commissioners of a district the board shall choose a chairman **【and**
41 **fix the place for the annual election】**. The members of the board
42 shall divide themselves by lot into three classes: the first to consist
43 of two members whose terms shall expire at 12 o'clock noon on the
44 first Tuesday in **【March】** December of the year following the year
45 in which the first board is elected; the second, two members whose
46 terms shall expire at 12 o'clock noon on the first Tuesday in
47 **【March】** December of the second year following that year; and the

1 third, one member whose term shall expire at 12 o'clock noon on
2 the first Tuesday in **[March]** December of the third year following
3 that year. The terms of fire commissioners in each class, other than
4 members of the first board, shall expire at 12 o'clock noon on the
5 first Tuesday in **[March]** December of the third year following the
6 year in which they were elected.

7 Any vacancy in the membership shall be filled by the remaining
8 members until the next succeeding annual election, at which time a
9 resident of the district shall be elected for the unexpired term.

10 (cf: P.L.1991, c.223, s.1)

11
12 48. N.J.S.40A:14-71 is amended to read as follows:

13 40A:14-71. Candidates for membership on the board shall be
14 nominated by verified petitions and shall not be nominees of a
15 political party. Any such petition shall be in writing, addressed to
16 the municipal clerk **[or the clerk of the board, as the case may be]**,
17 stating that the signers thereof are qualified voters and residents in
18 the district and requesting that the name of the candidate be placed
19 on the official ballot. Each petition shall be arranged to contain
20 double spacing between the signature lines of the petition, so that
21 each signer thereof is afforded sufficient space to provide his or her
22 printed name, address and signature. The petition shall state the
23 residence of the candidate and certify his qualification for
24 membership. The candidate's consent to his nomination shall be
25 annexed to the petition and shall constitute his agreement to serve
26 in the event of his election. The petition shall contain the name of
27 only one candidate, but several petitions may nominate the same
28 person. Each petition shall be signed by not less than 10 qualified
29 voters and shall be filed at least **[28]** 99 days before the date of the
30 election.

31 Any form of a petition of nomination which is provided to
32 candidates by the Secretary of State, the county clerk, or the
33 municipal clerk shall contain the following notice: "Notice: All
34 candidates are required by law to comply with the provisions of **["]**
35 The New Jersey Campaign Contributions and Expenditures
36 Reporting Act,' P.L. 1973, c. 83 (C.19:44A-1 et seq.). For further
37 information please call (insert telephone number of the Election
38 Law Enforcement Commission)."

39 If a petition is found to be defective, either in form or substance,
40 the municipal clerk **[or the clerk of the board, as the case may be,]**
41 shall forthwith notify the candidate to cause it to be corrected
42 before the petition is given consideration.

43 (cf: P.L.1985, c.288, s.2)

44
45 49. N.J.S.40A:14-72 is amended to read as follows:

46 40A:14-72. An election shall be held annually on the **[third**
47 **Saturday in February]** Tuesday next after the first Monday in

1 November in each established fire district for the election of
2 members of the board according to the expiration of terms using the
3 same registration and on the same official ballot required by law for
4 the election of State and county officers. The initial election for a
5 newly created fire district **【may】 shall** take place on **【another】 that**
6 same date **【as a governing body may specify under N.J.S.40A:14-**
7 **70, but the annual election thereafter shall be held on the third**
8 **Saturday in February】**. The place of the election shall be
9 **【determined by the board】 at the place where the general election is**
10 held and a notice thereof, and of the closing date for the filing with
11 the clerk of the board of petitions of nomination for membership on
12 the board, shall be published by the municipal clerk at least once in
13 a newspaper circulating in the district, at least six weeks prior to the
14 date **【fixed for】 of** the election. **【Fire】** The municipal clerk may
15 combine the publication of notice of election for all fire districts
16 located in the same municipality **【may combine the publication of**
17 **their notices of election】**. For the purpose of this section, "notices
18 of election" shall include the notices required to be published under
19 section 7 of P.L.1953, c.211 (C.19:57-7).

20 **【The legal voters thereat shall determine the amount of money to**
21 **be raised for the ensuing year and determine such other matters as**
22 **may be required.】**

23 (cf: P.L.1994, c.181, s.1)

24

25 50. (New section) The transition of the annual fire district
26 commissioner election for the purposes of electing members of the
27 board of fire commissioners from the third Saturday in February to
28 the first Tuesday after the first Monday in November, pursuant to
29 section 49 of this Article (amending N.J.S.40A:14-72), shall be in
30 accordance with the following schedule:

1

COMMISSIONER TERM ENDING	OLD ELECTION DATE	NEW ELECTION DATE	LENGTH OF AFFECTED TERM
Feb. 2007	Feb. 2007	Feb. 2007	March 2007 – Dec. 2010 (extended transitional term)
Feb. 2008	Feb. 2008	Nov. 2008	March 2005 – December 2008 (extended transitional term)
Feb. 2009	Feb. 2009	Nov. 2009	March 2006 – December 2009 (extended transitional term)
Dec. 2010	N/A	Nov. 2010	Jan. 2011 – Dec. 2013 (normal 3-yr term)

2

3 51. Section 5 of P.L.1979, c.453 (C.40A:14-78.1) is amended to
4 read as follows:

5 5. The fire commissioners of any fire district shall introduce and
6 approve the annual budget not later than **【60 days prior to the**
7 **annual election held pursuant to N.J.S.40A:14-72】** February 10.
8 The budget shall be introduced in writing at a meeting of the fire
9 commissioners. Approval thereof shall constitute a first reading
10 which may be by title, and the fire commissioners shall at that time
11 fix the time and place for the holding of a public hearing upon the
12 budget. Notice of the date, time, place and purpose of such public
13 hearing, and of the time and place at which a copy of the approved
14 budget shall be available to each person requesting it during the
15 week preceding such public hearing, shall be advertised at least 10
16 business days prior to such hearing in a newspaper having
17 substantial circulation in the fire district.
18 (cf: P.L.1979, c.453, s.5)

19

20 52. Section 6 of P.L.1979, c.453 (C.40A:14-78.2) is amended to
21 read as follows:

22 6. No fire district budget shall be adopted until a public hearing
23 has been held thereon and taxpayers of the district and all persons

1 having an interest therein shall have been given an opportunity to
2 present objections. Such hearing shall be held not less than 28 days
3 after approval of the budget.

4 The public hearing shall be held at the time and place specified
5 in the notice, but may be adjourned from time to time until the
6 hearing is closed.

7 The budget shall be read at the public hearing in full, or it may
8 be read by its title, if:

9 a. At least **[1 week]** 10 business days prior to the date of the
10 hearing, a complete copy of the approved budget shall have been
11 **[posted in such public place as notices are usually posted in the**
12 **district,]** advertised in a newspaper having substantial circulation in
13 the fire district and is made available to each person requesting a
14 copy during said **[week]** time and during the public hearing; and,

15 b. The fire commissioners shall, by resolution passed by not less
16 than a majority of the full membership, determine that the budget
17 shall be read by its title and declare that the conditions set forth in
18 subsection a. of this section have been met.

19 After closing the hearing, the fire commissioners may, by a vote
20 of not less than a majority of the full membership, adopt the budget
21 by title without amendments, or may approve amendments as
22 provided in section 7**[.]** of this act.

23 (cf: P.L.1979, c.453, s.6)

24

25 53. Section 8 of P.L.1979, c.453 (C.40A:14-78.4) is amended to
26 read as follows:

27 8. The fire district budget shall be adopted**[,]** by a vote of a
28 majority of the full membership of the fire commissioners**[, not**
29 **later than 25 days prior to the annual election]**. If the budget is not
30 adopted in a timely manner, the Director of the Division of Local
31 Government Services in the Department of Community Affairs, in
32 determining that such appropriations are necessary, shall fix the
33 maximum amount of appropriations or shall set an amount to be
34 raised by taxation, and the fire commissioners shall adopt a budget
35 that shall not exceed that amount. **[The adopted budget shall be**
36 **advertised after adoption. The advertisement shall contain a copy**
37 **of the budget and shall be published at least once in a newspaper**
38 **circulating in the fire district at least 7 days prior to the annual**
39 **election.]**

40 (cf: P.L.1979, c.453, s.8)

41

42 54. Section 9 of P.L.1979, c.453 (C.40A:14-78.5) is amended to
43 read as follows:

44 9. a. **[If at the annual election held pursuant to N.J.S.40A:14-72**
45 **the question of finally adopting the budget is voted affirmatively**
46 **upon by a majority of the legal voters voting in the election, the**
47 **budget shall be considered finally adopted, and]** Upon adoption of

1 the budget the board of fire commissioners shall certify the amount
2 to be raised by taxation to support the district budget to the assessor
3 of the municipality, pursuant to N.J.S.40A:14-79.

4 b. **【**If at the annual election the question of finally adopting the
5 budget is voted negatively upon by a majority of the legal voters
6 voting in the election, the governing body of the municipality in
7 which the fire district is located shall, by resolution of a majority of
8 its full membership, within 30 days after the annual election and
9 after a public hearing for which the legal voters of the fire district
10 shall be given 5 days' advertised notice, and at which any interested
11 person shall be heard, fix an annual budget for the fire district. The
12 amount of each appropriation section of the budget so fixed shall
13 not exceed the amount for each as previously voted upon at the
14 annual election, except the appropriation for debt service which
15 shall be included in the amount that is required to be paid. The
16 governing body shall certify the amount to be raised by taxation to
17 support the district budget as set forth in the final budget, to the
18 assessor of the municipality, pursuant to N.J.S.40A:14-79.】 After
19 an adopted budget has been approved, the board of commissioners
20 may ask the director to approve an amendment to that budget in
21 order to provide for the anticipation of revenue from a public or
22 private funding source that was not known at the time of adoption
23 of the budget, and the appropriation thereof.

24 (cf: P.L.1982, c.174, s.1)

25

26 55. Section 13 of P.L.1985, c.288 (C.40A:14-78.17) is amended
27 to read as follows:

28 13. A fire district may and, if any contracts, commitments or
29 payments are to be made prior to the adoption of the budget, shall,
30 by resolution adopted **【**prior to**】** between January 1 and January 15,
31 adopt a temporary budget to make appropriations to provide for the
32 period between the beginning of the fiscal year and the adoption of
33 the budget.

34 The total of the appropriations so made shall not exceed **【14%】**
35 26.25% of the total of the appropriations made for all purposes in
36 the budget for the preceding fiscal year, excluding, in both
37 instances, appropriations made for interest and debt redemption
38 charges and capital improvements.

39 Nothing herein contained shall prevent or relieve the fire district
40 from making appropriations for all interest and debt redemption
41 charges maturing during the fiscal year, at any time prior to the date
42 of the adoption of the budget.

43 (cf: P.L.1985, c.288, s.13)

44

45 56. N.J.S.40A:14-80 is amended to read as follows:

46 40A:14-80. The commissioners of any fire district, by
47 resolution, may borrow after March 1 and before December 31

1 following, a sum not to exceed the amount appropriated **[at]** for the
2 preceding **[annual election held in the district,]** year for current
3 expenses and necessary repairs to fire apparatus and fire houses
4 within the district, less any sums received from the collector of
5 taxes or municipal treasurer on account of such appropriation. They
6 may execute evidences of such indebtedness and pay the amount so
7 borrowed**],** together with interest thereon, at a rate not exceeding
8 5% per annum**].**

9 (cf: N.J.S.40A:14-80)

10

11 57. N.J.S.40A:14-85 is amended to read as follows:

12 40A:14-85. The board of commissioners of a fire district may
13 purchase fire engines, apparatus or other appliances for the
14 extinguishment of fires and acquire lands or buildings or erect
15 buildings for the housing of such equipment, at a cost not
16 exceeding \$60,000.00 or 2% of the assessed valuation of the taxable
17 property in the district, whichever amount is larger, the money to be
18 raised by a bond issue. Any such bond issue shall be authorized by
19 a resolution of the commissioners specifying the amount and the
20 purpose thereof. The resolution shall be inoperative unless and
21 until it shall have been submitted to and approved by the legal
22 voters within said fire district at the annual election held for the
23 election of commissioners**]** and appropriation of money for fire
24 extinguishing purposes, or at a special election for such purpose**].**

25 The resolution shall be written or printed and the election shall
26 be upon notice stating the time and place. **[If said election is to be**
27 **the annual one, the]** The notices shall be posted by the clerk of the
28 board of fire commissioners in 10 public places, at least 10 days
29 prior to the date of the election. The board of commissioners and
30 the clerk, in their or his discretion, may advertise the election in a
31 newspaper, published in the fire district, if any, otherwise in a
32 newspaper published in the county of said district and circulating in
33 such district. **[When a special election is specified notices shall be**
34 **posted in 10 public places, at least 21 days prior to the date of**
35 **election, and the clerk of said board shall advertise said notice in**
36 **such a newspaper at least twice prior to the election date.]**

37 (cf: N.J.S.40A:14-85)

38

39 58. (New section) The board of fire commissioners, in
40 cooperation with the governing body of a municipality that has
41 established the fire district, the county board of elections, and the
42 Division of Elections in the Department of Law and Public Safety,
43 shall take whatever actions are necessary to assure that voters are
44 assigned to a polling station containing voting machines set up for
45 their appropriate fire district. These actions shall be completed not
46 later than 74 days previous to the date of the general election.

47 If the board of fire commissioners, the governing body of the

1 municipality, the county board of elections, and the Division of
2 Elections agree that the technological, economic, or logistical
3 barriers to assuring the proper assignation of votes would
4 compromise the election outcome, the Division of Election may
5 grant a waiver to individual fire districts, allowing for either a
6 longer phase in period or the continuation of February elections if
7 no viable alternative is identified. The Division of Election shall
8 report to the Governor, the President of the Senate, and the Speaker
9 of the General Assembly by December 31 of each year as to every
10 waiver granted pursuant to this section during that calendar year.

11

12 59. N.J.S.40A:14-73 through N.J.S.40A:14-78, inclusive, and
13 N.J.S.40A:14-82 are repealed.

14

15 60. Sections 42 through 56 and section 59 of Article 3 of P.L. ,
16 c. (C.) (pending before the Legislature as this bill) shall
17 take effect on January 1, 2008, except the term for the election
18 occurring in February 2007 shall be as provided in section 50, and
19 section 58 shall take effect immediately.

20

21 ARTICLE 4. SCHOOL BOARD ELECTIONS

22

23 61. Section 5 of P.L.1996, c.138 (C.18A:7F-5) is amended to
24 read as follows:

25 5. As used in this section, "cost of living" means the CPI as
26 defined in section 3 of P.L.1996, c.138 (C.18A:7F-3).

27 a. Biennially, within 30 days following the approval of the
28 Report on the Cost of Providing a Thorough and Efficient
29 Education, the commissioner shall notify each district of the T&E
30 amount, the T&E flexible amount, the T&E range, early childhood
31 program amount, demonstrably effective program amount,
32 instructional supplement amount, and categorical amounts per pupil
33 for the subsequent two fiscal years.

34 Annually, within two days following the transmittal of the State
35 budget message to the Legislature by the Governor pursuant to
36 section 11 of P.L.1944, c.112 (C.52:27B-20), the commissioner
37 shall notify each district of the maximum amount of aid payable to
38 the district in the succeeding school year pursuant to the provisions
39 of this act, and shall notify each district of the district's T&E
40 budget, maximum T&E budget, and minimum permissible T&E
41 budget for the succeeding school year.

42 Beginning in the 1998-99 school year, unless otherwise specified
43 within this act, aid amounts payable for the budget year shall be
44 based on budget year pupil counts, which shall be projected by the
45 commissioner using data from prior years. Adjustments for the
46 actual pupil counts of the budget year shall be made to State aid
47 amounts payable during the school year succeeding the budget year.

1 Additional amounts payable shall be reflected as revenue and an
2 account receivable for the budget year.

3 Notwithstanding any other provision of this act to the contrary,
4 each district's State aid payable for the 1997-98 school year, with
5 the exception of transportation and facilities aids pursuant to
6 sections 25, 26, and 27 of this act, shall be based on simulations
7 employing the various formulas and State aid amounts contained in
8 this act using projections based on the October 1995 pupil counts,
9 December 1995 special education census data and October 1995
10 equalized valuations. Transportation aid shall be calculated based
11 on the provisions of this act using pupil data used for the 1996-97
12 school year and adjusted to reflect the total amount of State aid
13 disbursed in the 1996-97 school year. The commissioner shall
14 prepare a report dated December 19, 1996 reflecting the State aid
15 amounts payable by category for each district and shall submit the
16 report to the Legislature prior to the adoption of this act. The
17 amounts contained in the commissioner's report shall be the final
18 amounts payable and shall not be subsequently adjusted because of
19 changes in pupil counts or equalized valuations. The projected
20 pupil counts and equalized valuations used for the calculation of
21 State aid shall also be used for the calculation of maximum T&E
22 budget, minimum T&E budget, local share, required local share,
23 and spending growth limitation. State aid notification of debt
24 service aid pursuant to section 27 of this act shall include a
25 statement that debt service aid shall be determined in the budget.

26 Any school district which enrolls students who reside on federal
27 property which were not included in the calculation of core
28 curriculum standards aid for 1997-98 shall have its core curriculum
29 standards aid recalculated for these additional enrollments through
30 the 1997-98 school year using the property value multiplier, income
31 value multiplier, equalized valuation, and district income which
32 were used in the original Statewide calculation of core curriculum
33 standards aid. The additional aid resulting from the recalculations
34 shall be divided by 20 and the product shall be added to each of the
35 remaining core curriculum standards aid payments for the 1997-98
36 school year. Additionally, the core curriculum standards aid
37 calculation and payment schedule for 1998-99 shall be adjusted for
38 such enrollments arriving after the last school day prior to October
39 16, 1997.

40 b. Each district shall have a required local share. For Abbott
41 districts, the required local share for the purpose of determining its
42 estimated minimum equalized tax rate and supplemental core
43 curriculum standards aid shall equal the district's local share
44 calculated at the middle of the T&E range (T&E amount x WENR,
45 where WENR is the district's weighted enrollment pursuant to
46 section 13 of this act).

47 Notwithstanding the above provision, no Abbott district shall
48 raise a general fund tax levy which is less than the prior year

1 general fund tax levy unless the sum of the levy and the other
2 components of the T&E program budget equals or exceeds its
3 maximum T&E budget calculated pursuant to section 13 of this act.

4 For district factor group A districts, the required local share shall
5 equal the district's local share calculated at its minimum T&E
6 budget pursuant to section 13 of this act.

7 For all other districts, the required local share shall equal the
8 lesser of the local share calculated at the district's minimum T&E
9 budget pursuant to section 13 of this act, or the district's budgeted
10 local share for the prebudget year.

11 In order to meet this requirement, each district shall raise a
12 general fund tax levy which, when added to the general fund
13 balance designated for the budget year, miscellaneous local general
14 fund revenues estimated consistent with GAAP to be realized
15 during the budget year, supplemental core curriculum standards aid
16 calculated pursuant to section 17 of this act and stabilization aid and
17 supplemental school tax reduction aid calculated pursuant to section
18 10 of this act, equals its required local share or, for Abbott districts,
19 the amount required when the calculation of required local share
20 would result in a general fund tax levy which is less than the
21 general fund tax levy of the prebudget year. For 1997-98, the
22 budgeted local share for the prebudget year shall be the district's
23 general fund tax levy.

24 For the 1997-98 school year, any tax increase which would be
25 required of an Abbott district or district factor group A district to
26 meet its required local share, after consideration of supplemental
27 core curriculum standards aid, stabilization aid, and supplemental
28 school tax reduction aid shall be fully funded by the State and
29 recorded as supplemental core curriculum standards aid. The
30 commissioner, in consultation with the Commissioner of the
31 Department of Community Affairs and the Director of the Division
32 of Local Government Services in the Department of Community
33 Affairs, shall examine the fiscal ability of the Abbott districts and
34 the district factor group A districts eligible for supplemental core
35 curriculum standards aid to absorb any reduction in such aid and
36 shall make recommendations to the Legislature and the Governor
37 regarding the continuation of supplemental core curriculum
38 standards aid to those districts. In making those recommendations,
39 the commissioner shall consider the ratable base of the municipality
40 or municipalities in which the district is located, the tax burden
41 placed upon the local community due to other required municipal
42 services, and the fiscal ability of the school district to raise its
43 required local share. The commissioner shall not implement any of
44 those recommendations until the recommendations are enacted into
45 law.

46 No municipal governing body or bodies or board of school
47 estimate, as appropriate, shall certify a general fund tax levy which
48 does not meet the required local share provisions of this section.

1 c. Annually, on or before March 4, each district board of
2 education shall adopt, and submit to the commissioner, through the
3 office of the county superintendent of schools, for approval,
4 together with such supporting documentation as the commissioner
5 may prescribe, a budget that provides no less than the minimum
6 permissible T&E budget, plus categorical amounts required for a
7 thorough and efficient education as established pursuant to the
8 report, special revenue funds and debt service funds.

9 Notwithstanding any provision of this section to the contrary, for
10 the 2005-2006 school year each district board of education shall
11 submit a proposed budget in which the advertised per pupil
12 administrative costs do not exceed the lower of the following:

13 (1) the district's advertised per pupil administrative costs for the
14 2004-2005 school year inflated by the cost of living or 2.5 percent,
15 whichever is greater; or

16 (2) the per pupil administrative cost limits for the district's
17 region as determined by the commissioner based on audited
18 expenditures for the 2003-2004 school year.

19 The county superintendent of schools may disapprove the school
20 district's **[2005-2006]** proposed budget if he determines that the
21 district has not implemented all potential efficiencies in the
22 administrative operations of the district or if he determines that the
23 budget includes excessive non-instructional expenses. The county
24 superintendent shall work with each school district in the county
25 **[during the 2004-2005 school year]** to identify administrative
26 inefficiencies in the operations of the district and excessive non-
27 instructional expenses that might cause the superintendent to reject
28 the district's proposed **[2005-2006 school year]** budget.

29 For the 2006-2007 school year and each school year thereafter,
30 each district board of education shall submit a proposed budget in
31 which the advertised per pupil administrative costs do not exceed
32 the lower of the following:

33 (1) the district's prior year per pupil administrative costs; except
34 that the district may submit a request to the commissioner for
35 approval to exceed the district's prior year per pupil administrative
36 costs due to increases in enrollment, administrative positions
37 necessary as a result of mandated programs, administrative
38 vacancies, nondiscretionary fixed costs, and such other items as
39 defined in accordance with regulations adopted pursuant to section
40 7 of P.L.2004, c.73. In the event that the commissioner approves a
41 district's request to exceed its prior year per pupil administrative
42 costs, the increase authorized by the commissioner shall not exceed
43 the cost of living or 2.5 percent, whichever is greater; or

44 (2) the prior year per pupil administrative cost limits for the
45 district's region inflated by the cost of living or 2.5 percent,
46 whichever is greater.

47 d. (1) **[A]** If a district [proposing] proposes a budget which
48 includes spending which exceeds the maximum T&E budget

1 established pursuant to section 13 of this act [shall submit, as
2 appropriate, to the board of school estimate or to the voters of the
3 district at the annual school budget election conducted pursuant to
4 the provisions of P.L.1995, c.278 (C.19:60-1 et seq.), a] the general
5 fund tax levy [which] when added to the other components of its
6 net budget [does] shall not exceed the prebudget year net budget by
7 more than the spending growth limitation calculated as follows: the
8 sum of the cost of living or 2.5 percent, whichever is greater,
9 multiplied by the prebudget year net budget, and adjustments for
10 changes in enrollment, certain capital outlay expenditures,
11 expenditures for pupil transportation services provided pursuant to
12 N.J.S.18A:39-1.1, expenditures incurred in connection with the
13 opening of a new school facility during the budget year, and special
14 education costs per pupil in excess of \$40,000. The adjustment for
15 special education costs shall equal any increase in the sum of per
16 pupil amounts in excess of \$40,000 for the budget year less the sum
17 of per pupil amounts in excess of \$40,000 for the prebudget year
18 indexed by the cost of living or 2.5 percent, whichever is greater.
19 The adjustment for enrollments shall equal the increase in
20 unweighted resident enrollments between the prebudget year and
21 budget year multiplied by the per pupil general fund tax levy
22 amount for the prebudget year indexed by the cost of living or 2.5
23 percent, whichever is greater. The adjustment for capital outlay
24 shall equal any increase between the capital outlay portion of the
25 general fund budget for the budget year less any withdrawals from
26 the capital reserve account and the capital outlay portion of the
27 general fund budget for the prebudget year indexed by the cost of
28 living or 2.5 percent, whichever is greater. Any district with a
29 capital outlay adjustment to its spending growth limitation shall be
30 restricted from transferring any funds from capital outlay accounts
31 to current expense accounts. The adjustment for capital outlay shall
32 not become part of the prebudget year net budget for purposes of
33 calculating the spending growth limitation of the subsequent year.
34 The adjustment for pupil transportation costs provided pursuant to
35 N.J.S.18A:39-1.1 shall equal any increase between the cost of
36 providing such pupil transportation services for the budget year and
37 the cost of providing such pupil transportation services for the
38 prebudget year indexed by the cost of living or 2.5 percent,
39 whichever is greater. The adjustment for the opening of a new
40 school facility shall include costs associated with the new facility
41 related to new teaching staff members, support staff, materials and
42 equipment, custodial and maintenance expenditures, and such other
43 required costs as determined by the commissioner.

44 (2) [A] If a district [proposing] proposes a budget set at or
45 below the minimum T&E budget established pursuant to section 13
46 of this act [shall submit, as appropriate, to the board of school
47 estimate or to the voters of the district at the annual school budget

1 election conducted pursuant to the provisions of P.L.1995, c.278
2 (C.19:60-1 et seq.), a] the general fund tax levy [which] when
3 added to the other components of the net T&E budget shall not
4 exceed the prebudget year net T&E budget or in 1997-98 the
5 prebudget year net budget by more than the spending growth
6 limitation calculated as follows: the sum of the cost of living or 2.5
7 percent, whichever is greater, multiplied by the prebudget year net
8 budget, and adjustments for changes in enrollment, certain capital
9 outlay expenditures, expenditures for pupil transportation services
10 provided pursuant to N.J.S.18A:39-1.1, expenditures incurred in
11 connection with the opening of a new school facility during the
12 budget year, and special education costs per pupil in excess of
13 \$40,000. The enrollment adjustment shall equal the increase in
14 weighted resident enrollment between the prebudget year and the
15 budget year multiplied by the T&E amount less the T&E flexible
16 amount. The adjustments for special education costs, pupil
17 transportation services, and capital outlay expenditures shall be
18 calculated pursuant to the provisions of paragraph (1) of this
19 subsection. The adjustment for the opening of a new school facility
20 shall include costs associated with the new facility related to new
21 teaching staff members, support staff, materials and equipment,
22 custodial and maintenance expenditures, and such other required
23 costs as determined by the commissioner.

24 Notwithstanding the provisions of this paragraph, no district
25 shall raise a net budget which is less than the local share required
26 under the required local share provisions of this act plus the other
27 components of its net budget.

28 (3) [A] If a district [proposing] proposes a budget set at or
29 below the maximum T&E budget, but including amounts in excess
30 of the minimum T&E budget established pursuant to section 13 of
31 this act, [shall submit, as appropriate, to the board of school
32 estimate or to the voters at the annual school budget election
33 conducted pursuant to the provisions of P.L.1995, c.278 (C.19:60-1
34 et seq.), a] the general fund tax levy [which] when added to the
35 other components of its net T&E budget [does] shall not exceed the
36 prebudget year net T&E budget or in 1997-98 the prebudget year
37 net budget by more than the spending growth limitation calculated
38 as follows: the sum of the cost of living or 2.5 percent, whichever
39 is greater, multiplied by the prebudget year net budget, and
40 adjustments for changes in enrollment, certain capital outlay
41 expenditures, expenditures for pupil transportation services
42 provided pursuant to N.J.S.18A:39-1.1, expenditures incurred in
43 connection with the opening of a new school facility during the
44 budget year, and special education costs per pupil in excess of
45 \$40,000 per pupil. The enrollment adjustment shall equal the
46 increase in the unweighted resident enrollment between the
47 prebudget year and the budget year multiplied by the prebudget year

1 T&E program budget per pupil indexed by the cost of living or 2.5
2 percent, whichever is greater. For the 1997-98 school year, the T&E
3 program budget for the prebudget year shall equal the sum of the
4 general fund tax levy, foundation aid, and transition aid. The
5 adjustment for special education costs, pupil transportation services,
6 and capital outlay expenditures shall be made pursuant to the
7 provisions of paragraph (1) of this subsection. The adjustment for
8 the opening of a new school facility shall include costs associated
9 with the new facility related to new teaching staff members, support
10 staff, materials and equipment, custodial and maintenance
11 expenditures, and such other required costs as determined by the
12 commissioner.

13 (4) Any debt service payment made by a school district during
14 the budget year shall not be included in the calculation of the
15 district's spending growth limitation.

16 (5) For the 1997-98 school year, a district's spending growth
17 limitation shall be increased by the excess of county special
18 services school district tuition over prebudget year county special
19 services school district tuition indexed by the CPI or three percent,
20 whichever is greater.

21 (6) For the purpose of determining a district's spending growth
22 limitation for the 1997-98 school year, a district may apply to the
23 commissioner to add all or a part of the district's original designated
24 general fund balance for 1996-97 to the spending growth limitation
25 if it can demonstrate through current accounting records and
26 historical trend data that the fund balance will actually be spent in
27 the budget year.

28 (7) (Deleted by amendment, P.L.2004, c.73).

29 (8) If an increase in tuition for the budget year charged to a
30 sending district by the receiving district pursuant to the provisions
31 of N.J.S.18A:38-19 would reduce the sending district's per pupil net
32 budget amount below the prior year's per pupil net budget amount
33 in order to comply with the district's spending growth limitation, the
34 district may apply to the commissioner for an adjustment to that
35 limitation.

36 (9) Any district may submit at the [annual] April school budget
37 election a [separate] proposal or proposals for additional funds,
38 including interpretive statements, specifically identifying the
39 program purposes for which the proposed funds shall be used, to the
40 voters, who may, by voter approval, authorize the raising of an
41 additional general fund tax levy for such purposes. In the case of a
42 district with a board of school estimate, one proposal for the
43 additional spending shall be submitted to the board of school
44 estimate. Any proposal or proposals submitted to the voters or the
45 board of school estimate shall not: include any programs and
46 services that were included in the district's prebudget year net
47 budget unless the proposal is approved by the commissioner upon
48 submission by the district of sufficient reason for an exemption to

1 this requirement; or include any new programs and services
2 necessary for students to achieve the thoroughness standards
3 established pursuant to subsection a. of section 4 of P.L.1996, c.138
4 (C.18A:7F-4).

5 The executive county superintendent of schools may prohibit the
6 submission of a **[separate]** proposal or proposals to the voters or
7 board of school estimate if he determines that the district has not
8 implemented all potential efficiencies in the administrative
9 operations of the district, which efficiencies would eliminate the
10 need for the raising of additional general fund tax levy, or if the
11 district fails to provide the executive county superintendent with:
12 written documentation that the district has made efforts to enter into
13 shared arrangements with other districts, municipalities, counties,
14 and other units of local government for the provision of
15 administrative, business, purchasing, public and nonpublic
16 transportation, and other required school district services; written
17 documentation and a certification that the district participates in on-
18 going shared arrangements; or written documentation that entering
19 such shared arrangements would not result in cost savings or would
20 result in additional expenses for the district.

21 **[Any proposal or proposals rejected by the voters shall be**
22 **submitted to the municipal governing body or bodies for a**
23 **determination as to the amount, if any, that should be expended**
24 **notwithstanding voter rejection. The decision of the municipal**
25 **governing body or bodies or board of school estimate, as**
26 **appropriate, shall be final and no appeals shall be made to the**
27 **commissioner.]**

28 (10) **[Notwithstanding any provision of law to the contrary, if a**
29 **district proposes a budget which exceeds the maximum T&E**
30 **budget, the following statement shall be published in the legal**
31 **notice of public hearing on the budget pursuant to N.J.S.18A:22-28,**
32 **posted at the public hearing held on the budget pursuant to**
33 **N.J.S.18A:22-29, and printed on the sample ballot required**
34 **pursuant to section 10 of P.L.1995, c.278 (C.19:60-10):**

35 "Your school district has proposed programs and services in
36 addition to the core curriculum content standards adopted by the
37 State Board of Education. Information on this budget and the
38 programs and services it provides is available from your local
39 school district."**]** (Deleted by amendment, P.L. , c. .) (pending
40 before the Legislature as this bill)

41 (11) Any reduction that may be required to be made to programs
42 and services included in a district's prebudget year net budget in
43 order for the district to limit the growth in its budget between the
44 prebudget and budget years by its spending growth limitation as
45 calculated pursuant to this subsection, shall only include reductions
46 to excessive administration or programs and services that are
47 inefficient or ineffective.

1 e. (1) **【Any general fund tax levy rejected by the voters for a**
2 **proposed budget in excess of the maximum T&E budget shall be**
3 **submitted to the governing body of each of the municipalities**
4 **included within the district for determination of the amount that**
5 **should be expended notwithstanding voter rejection. In】 For a**
6 **proposed budget in excess of the maximum T & E budget, in** the
7 case of a district having a board of school estimate, the general fund
8 tax levy shall be submitted to the board for determination of the
9 amount that should be expended. If the **【governing body or bodies**
10 **or】** board of school estimate**【, as appropriate, reduce】 reduces** the
11 district's proposed net budget, the district may appeal any of the
12 reductions to the commissioner on the grounds that the reductions
13 will negatively impact on the stability of the district given the need
14 for long term planning and budgeting. In considering the appeal,
15 the commissioner shall consider enrollment increases or decreases
16 within the district; **【the history of voter approval or rejection of**
17 **district budgets;】** the impact on the local levy; and whether the
18 reductions will impact on the ability of the district to fulfill its
19 contractual obligations. A district may not appeal any reductions
20 on the grounds that the amount is necessary for a thorough and
21 efficient education.

22 (2) **【Any general fund tax levy rejected by the voters for a**
23 **proposed budget at or below the maximum T&E budget shall be**
24 **submitted to the governing body of each of the municipalities**
25 **included within the district for determination of the amount that**
26 **should be expended notwithstanding voter rejection. In】 For a**
27 **proposed budget at or below the maximum T & E budget, in** the
28 case of a district having a board of school estimate, the general fund
29 tax levy shall be submitted to the board for determination. Any
30 reductions may be appealed to the commissioner on the grounds
31 that the amount is necessary for a thorough and efficient education
32 or that the reductions will negatively impact on the stability of the
33 district given the need for long term planning and budgeting. In
34 considering the appeal, the commissioner shall also consider the
35 factors outlined in paragraph (1) of this subsection.

36 In the case of a school district having a board of school estimate
37 in which the proposed budget is below, or after a reduction made by
38 the **【municipal governing body or】** board of school estimate is
39 below, the minimum T&E budget calculated pursuant to section 13
40 of this act, any reductions made by the **【municipal governing body**
41 **or】** board of school estimate shall be automatically reviewed by the
42 commissioner. In reviewing the budget, the commissioner shall
43 also consider the factors outlined in paragraph (1) of this
44 subsection. In addition, the **【municipal governing body or】** board
45 of school estimate shall be required to demonstrate clearly to the
46 commissioner that the proposed budget reductions shall not
47 adversely affect the ability of the school district to provide a

1 thorough and efficient education or the stability of the district given
2 the need for long term planning and budgeting.

3 (3) In lieu of any budget reduction appeal provided for pursuant
4 to paragraphs (1) and (2) of this subsection, the State board may
5 establish pursuant to the "Administrative Procedure Act," P.L.1968,
6 c.410 (C.52:14B-1 et seq.), an expedited budget review process
7 based on a district's application to the commissioner for an order to
8 restore a budget reduction.

9 (4) When the [voters, municipal governing body or bodies, or
10 the board of school estimate authorize the] general fund tax levy is
11 authorized by a board of education which has determined not to
12 submit a separate proposal or proposals for additional funds
13 pursuant to paragraph (9) of subsection d. of this section or a board
14 of school estimate, the district shall submit the resulting budget to
15 the commissioner within 15 days of the [action of the voters or
16 municipal governing body or bodies, whichever is later, or of the
17 board of school estimate as the case may be] authorization.

18 f. [Any district which is not an Abbott district but which was
19 classified as a special needs district under the "Quality Education
20 Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et al.), may appeal any
21 budget reduction made by the municipal governing body or board of
22 school estimate, as appropriate, to the commissioner.] (Deleted by
23 amendment, P.L. , c. .) (pending before the Legislature as this
24 bill)

25 g. [The commissioner shall annually review the budget of any
26 district which was classified as a special needs district under the
27 "Quality Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et
28 al.), to determine if any educationally meritorious program or
29 service established through State resources provided as a result of
30 that funding law is proposed to be reduced or eliminated. If the
31 commissioner determines that the program or service is in jeopardy
32 and that a reallocation of resources is possible without jeopardizing
33 other educationally meritorious programs or services, he may
34 require the school board to fund the program or service through a
35 reallocation of resources.] (Deleted by amendment, P.L. , c. .)
36 (pending before the Legislature as this bill)

37 (cf: P.L.2004, c.73, s.1)

38

39 62. N.J.S.18A:8-20 is amended to read as follows:

40 18A:8-20. The first board of education of the new district and
41 the first board of education of the remaining district shall each
42 prepare [and submit, to the voters of the district], as required by
43 law, the first budgets for said district and they shall make proper
44 provision for an election to be conducted, in accordance with the
45 provisions of P.L.1995, c.278 (C.19:60-1 et al.), for the members of
46 the board of education of the district to replace the appointed
47 members of the board, for such terms that three members of the

1 board of the district, as thereafter constituted, will be elected each
2 year, at an annual election to be held in the district at the same time
3 as that on which the next annual election for the original district
4 would have been held.

5 (cf: P.L.1995, c.278, s.26)

6

7 63. N.J.S.18A:8-36 is amended to read as follows:

8 18A:8-36. At **[all elections]** any election in which an
9 appropriation must be authorized **[by]** , a majority of the total votes
10 cast thereon in all of the territory of the consolidated school district
11 shall be necessary for the authorization.

12 (cf: P.L.1995, c.278, s.27)

13

14 64. N.J.S.18A:9-10 is amended to read as follows:

15 18A:9-10. If the membership of the board in any such district so
16 becoming a type II district is less than nine, it shall be increased to
17 nine by the election of added members at the next **[annual school]**
18 general election, unless the adopting election shall have been held
19 more than 130 days or less than 60 days before the date fixed for
20 such **[annual school]** general election, in which case they shall be
21 elected at a special school election which shall be called by the
22 members of the board so holding over **[**, if the adopting election
23 was held more than 130 days before the annual school election, then
24 not less than 60 or more than 70 days after the adopting election, or
25 if the adopting election was held less than 60 days before the annual
26 school election, then not less than 60 or more than 70 days after
27 such annual school election, excluding in each instance from the
28 calculation of the period which will elapse between such 60 and 70
29 days any period which would elapse between the twenty-first day
30 before and the twenty-first day after any day fixed according to law
31 for the holding of any primary election for the general election or
32 general election or municipal election held within the district**]**.

33 (cf: P.L.1995, c.278, s.28)

34

35 65. N.J.S.18A:10-3 is amended to read as follows:

36 18A:10-3. Each board of education shall organize annually at a
37 regular meeting held not later than at 8 p.m. at which time new
38 members shall take office **[**:

39 a. In type I districts on May 16, or on the following day if that
40 day be Sunday;

41 b. In all type II districts**]** on any day of the first **[or second]**
42 week **[following the annual school election]** in January.

43 If the organization meeting cannot take place on that day by
44 reason of lack of a quorum or for any other reason, said meeting
45 shall be held within three days thereafter.

46 (cf: P.L.1987, c.289, s.2)

1 66. N.J.S.18A:12-8 is amended to read as follows:

2 18A:12-8. In districts, other than those in cities of the first class,
3 the members of the board shall be appointed between **[April]**
4 December 1 and **[April]** December 15 and their terms of office
5 shall begin on **[May 16]** January 1, next succeeding, and in districts
6 in cities of the first class they shall be appointed during the month
7 of June and their terms of office shall begin on July 1, next
8 succeeding.

9 (cf: P.L.1979, c.284, s.1)

10

11 67. N.J.S.18A:12-17 is amended to read as follows:

12 18A:12-17. The mayor or other chief executive officer of the
13 municipality shall, between **[April]** December 1 and **[April]**
14 December 15 in each year, appoint one member of the board to
15 serve for a term of 5 years beginning on **[May 15]** January 1 next
16 succeeding his appointment, to take the place of the member whose
17 term shall expire in that year, and any vacancy occurring in the
18 membership of the board shall be reported forthwith by the
19 secretary of the board to the mayor or other chief executive officer
20 of the municipality, who shall within 30 days thereafter appoint a
21 qualified person to fill the vacancy for the unexpired term.

22 (cf: P.L.1979, c.284, s.2)

23

24 68. N.J.S.18A:13-8 is amended to read as follows:

25 18A:13-8. The board of education of a regional district shall
26 consist of nine members unless it consists of more than nine
27 constituent districts, in which case the membership shall be the
28 same as the number of constituent districts, plus one. If there are
29 nine or less constituent districts, the members of the board of
30 education of the regional district shall be apportioned by the county
31 superintendent or county superintendents of the county or counties
32 in which the constituent districts are situate, among said districts as
33 nearly as may be according to the number of their inhabitants
34 except that each constituent district shall have at least one member.

35 In making the apportionment of the membership of a regional
36 board of education among the several school districts uniting to
37 create a regional school district having nine or less constituent
38 districts, as required by section 18A:13-36, there shall be subtracted
39 from the number of inhabitants of a constituent school district, as
40 shown by the last federal census officially promulgated in this
41 State, the number of such inhabitants who according to the records
42 of the Federal Bureau of the Census were patients in, or inmates of,
43 any State or federal hospital or prison, or who are military
44 personnel stationed at, or civilians residing within the limits of, any
45 United States Army, Navy or Air Force installation, located in such
46 constituent school district.

47 If there are more than nine constituent districts, the members on
48 the board shall be apportioned among the constituent districts and

- 1 the weight of their votes in all proceedings of the board shall be
2 determined by the appropriate county superintendent or
3 superintendents through the following procedure:
- 4 a. The number of inhabitants of each constituent district shall be
5 determined as shown by the last federal census officially
6 promulgated in this State.
- 7 b. A representative ratio shall be calculated by adding the
8 number of inhabitants of all constituent districts and dividing the
9 sum by the board size.
- 10 c. All constituent districts shall be listed in ascending order of
11 their number of inhabitants. If the first constituent district in said
12 list has a number of inhabitants which is less than the representative
13 ratio, it shall be combined with the constituent district contiguous to
14 it having the smallest number of inhabitants. This process shall be
15 repeated for each successively larger constituent district or
16 combination of constituent districts until all remaining constituent
17 districts or combinations of constituent districts shall have a number
18 of inhabitants equal to, or exceeding the representative ratio. The
19 districts formed in this manner shall be known as representative
20 districts.
- 21 d. There shall be established a priority list according to the
22 method of equal proportions for the apportionment of the members
23 of the regional district board of education among the representative
24 districts.
- 25 e. The members of the regional district board of education shall
26 be apportioned among the representative districts according to the
27 method of equal proportions, and where a representative district is
28 composed of more than one constituent district, members shall be
29 elected at large from within the representative district.
- 30 f. The number of inhabitants of each representative district shall
31 be divided by the number of members assigned to that district to
32 find the number of inhabitants per members.
- 33 g. The vote to be cast by each member of the regional district
34 board of education in all proceedings of the board shall be
35 determined by dividing the number of inhabitants per member in the
36 representative district from which the member is elected by the
37 representative ratio for the regional district, and rounding off the
38 quotient to the nearest tenth of a full vote.
- 39 Wherever any statute or bylaw of the board requires decision in
40 any matter by vote of a majority of the board members, or of the
41 members present, this shall be interpreted as meaning a majority of
42 the weighted votes of all members, or of the members present, as
43 the case may be.
- 44 h. Whenever the above reapportionment procedure is used for a
45 regional district having more than nine constituent districts, the
46 terms of office of all incumbent board of education members shall
47 terminate on the day on which the annual organization meeting of
48 the board is held pursuant to N.J.S.18A:13-12 following

1 certification by the county superintendent of the representative
2 districts and the number of members to be elected from each;
3 provided, that if the reapportionment results in any representative
4 district retaining its former boundaries and the same number of
5 board members, that the members elected from such a district shall
6 serve the full term for which they were elected. All other board
7 members shall be elected in an election to be held on the **[third]**
8 first Tuesday following the first Monday in **[April]** November at
9 least 60 days following certification by the county superintendent
10 for initial terms of office to be designated in advance by the county
11 superintendent so that, as nearly as possible, one-third of the board
12 shall be elected in each future year, to serve for three-year terms,
13 and where a representative district has more than one member, their
14 terms of office shall terminate in different years.

15 If any constituent district is a consolidated district, or a district
16 composed of two or more municipalities, and

17 a. The original district is a limited purpose regional district and
18 such constituent district has such population that it is entitled to
19 have apportioned to it a number of members equal to or greater than
20 the number of districts making up such constituent district, or

21 b. The regional district is an all purpose district, the membership
22 of the regional board of education from such district shall be
23 apportioned, and from time to time reapportioned, and the members
24 from the district shall be elected, as their respective terms expire, in
25 the same manner as though each of the municipalities making up
26 such constituent district were constituent districts of the regional
27 district.

28 (cf: P.L.1992, c.159, s.9)

29

30 69. N.J.S.18A:13-10 is amended to read as follows:

31 18A:13-10. The board of education of each regional district
32 shall provide for the holding, in accordance with the provisions of
33 P.L.1995, c.278 (C.19:60-1 et al.), of an annual school election for
34 the regional district on the **[third]** first Tuesday following the first
35 Monday in **[April]** November.

36 At such election there shall be elected for terms of three years,
37 beginning on any day of the first **[or second]** week **[following such**
38 **election]** in January, the members of the regional boards of
39 education to succeed those members of the board whose terms shall
40 expire in that year, except as is in this chapter provided for the
41 election of the first elected members of the board.

42 (cf: P.L.1995, c.278, s.32)

43

44 70. N.J.S.18A:13-12 is amended to read as follows:

45 18A:13-12. The board shall hold a regular meeting forthwith
46 after its first appointment, and annually thereafter on any day of the
47 first **[or second]** week **[following the annual school election]** in

1 January, at which it shall organize by the election, from among its
2 members, of a president and vice president, who shall serve until
3 the organization meeting next succeeding the election of their
4 respective successors as members of the board. If any board shall
5 fail to organize within **[said two weeks]** that week, the county
6 superintendent of the county, or the county superintendents of the
7 counties, in which the constituent districts are situate, shall appoint,
8 from among the members of the board, a president and vice
9 president to serve until the organization meeting next succeeding
10 the next election.

11 (cf: P.L.1987, c.289, s.6)

12

13 71. N.J.S.18A:13-13 is amended to read as follows:

14 18A:13-13. The board shall appoint a secretary who may or may
15 not be a member of the board, for the term of one year beginning on
16 **[July 1]** January 15 following his appointment but he shall
17 continue to serve after the expiration of his term until his successor
18 is appointed and qualified.

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

20

21 72. N.J.S.18A:13-17 is amended to read as follows:

22 18A:13-17. The regional board of education shall **[, at each**
23 annual school election, submit to the voters of the regional district
24 the amount of money fixed and determined in its] fix and determine
25 the district's budget **[to be voted upon for the use of the regional**
26 schools of the district] for the ensuing school year and may submit
27 **[thereat]** at the annual school election any **[other]** question
28 authorized by this law to be submitted at such an election. **[The**
29 board may, in submitting to the voters the amount of money to be
30 voted upon for the use of the regional schools of the district,
31 identify the amount of money determined to be the constituent
32 municipality's share.] The board shall follow the procedures
33 established in section 5 of P.L.1996, c.138 (C.18A:7F-5) and
34 N.J.S.18A:22-33.

35 (cf: P.L.2001, c.26, s.1)

36

37 73. N.J.S.18A:13-40 is amended to read as follows:

38 18A:13-40. The board of education of a newly created regional
39 district may, prior to taking charge and control of the educational
40 facilities of the regional district, do all other acts and things which
41 may be necessary for the proper organization and functioning of the
42 public schools of the regional district during its first year, including
43 the making of contracts for the employment of necessary personnel
44 and for other proper purposes, the preparation **[and submission to**
45 the voters of the regional district for their approval or disapproval]
46 of the budget and the appropriations for the conduct of the public
47 schools of the regional district during its first school year, the

1 authorization of the purchase of real and personal property, and the
2 construction, enlargement and repair of buildings, for school
3 purposes, and the appropriations of the funds necessary to carry out
4 the same and the authorization of the issuance and sale of bonds in
5 order to provide for the payment therefor in whole or in part and the
6 calling and holding of special elections when necessary for any
7 such purposes and to carry out any or all of said purposes.

8 (cf: N.J.S.18A:13-40)

9

10 74. N.J.S.18A:13-46 is amended to read as follows:

11 18A:13-46. The county superintendent of the county in which
12 any new constituent district of an enlarged regional district shall be
13 situate shall, not later than 30 days after the election for the
14 enlargement thereof, appoint one member of the enlarged board of
15 education of the regional district from among the qualified citizens
16 of each such new constituent district and the members so appointed
17 shall serve until the first **[Monday]** week of January next
18 succeeding the first **[annual]** November school election of the
19 enlarged regional district and their successors shall be elected at
20 said election. If by reason of the enlargement of the district it
21 becomes necessary to reapportion the membership of the enlarged
22 board of education the county superintendent or superintendents of
23 the county or counties in which the constituent local districts of the
24 enlarged district are situate shall reapportion the membership of the
25 enlarged board of education in accordance with the provisions of
26 sections 18A:13-8 and 18A:13-36, and at the same time shall
27 designate the number of members to be elected from each
28 constituent school district at the succeeding **[annual]** November
29 school election to be held therein upon the expiration of the terms
30 of office of the members of the regional board then in office, in
31 such manner that the representation of the constituent districts shall
32 be established in accordance with such reapportionment at the
33 earliest possible time but the members then in office shall continue
34 in office for the terms for which they were elected or appointed
35 notwithstanding such reapportionment.

36 (cf: N.J.S.18A:13-46)

37

38 75. N.J.S.18A:17-5 is amended to read as follows:

39 18A:17-5. Each secretary shall be appointed by the board, by a
40 recorded roll call majority vote of its full membership, for a term to
41 expire not later than **[June 30]** January 15 of the calendar year next
42 succeeding that in which the board shall have been organized, but
43 he shall continue to serve after the expiration of his term until his
44 successor is appointed and qualified. The secretary may be
45 appointed from among the members of the board and, subject to the
46 provisions of this Title and any other law, the board shall fix his
47 compensation; provided, however, that the secretary shall not
48 receive compensation from the board for any period during which

1 he is an elected or appointed member of the board.

2 In case of a vacancy in the office of secretary, the vacancy shall
3 be filled by the board within 60 days after the vacancy occurs and if
4 the board does not make such appointment within such time the
5 county superintendent shall appoint a secretary who shall receive
6 the same compensation as his predecessor in office received and
7 shall serve until a secretary is appointed by the board.

8 (cf: P.L.1968, c.271, s.1)

9

10 76. N.J.S.18A:22-26 is amended to read as follows:

11 18A:22-26. At or after the public hearing but not later than April
12 8, the board of school estimate of a type II district having a board of
13 school estimate shall fix and determine by a recorded roll call
14 majority vote of its full membership the amount of money necessary
15 to be appropriated for the use of the public schools in the district for
16 the ensuing school year, exclusive of the amount which shall be
17 apportioned to it by the commissioner for the year pursuant to the
18 provisions of section 5 of P.L.1996, c.138 (C.18A:7F-5) and shall
19 make a certificate of the amount signed by at least a majority of all
20 members of the board, which shall be delivered to the board of
21 education and a copy thereof, certified under oath to be correct and
22 true by the secretary of the board of school estimate, shall be
23 delivered to the county board of taxation on or before April 15 in
24 each year and a duplicate of the certificate shall be delivered to the
25 board or governing body of each of the municipalities within the
26 territorial limits of the district having the power to make
27 appropriations of money raised by taxation in the municipalities or
28 political subdivisions and to the county superintendent of schools
29 and the amount shall be assessed, levied and raised under the
30 procedure and in the manner provided by law for the levying and
31 raising of special school taxes [voted to be raised at an annual or
32 special election of the legal voters] in type II districts without a
33 board of school estimate and shall be paid to the treasurer of school
34 moneys of the district for such purposes.

35 Within 15 days after receiving the certificate the board of
36 education shall notify the board of school estimate, the governing
37 body of each municipality within the territorial limits of the school
38 district, and the commissioner if it intends to appeal to the
39 commissioner the board of school estimate's determination as to the
40 amount of money requested pursuant to the provisions of section 5
41 of P.L.1996, c.138 (C.18A:7F-5), necessary to be appropriated for
42 the use of the public schools of the district for the ensuing school
43 year.

44 (cf: P.L.1996, c.138, s.56)

45

46 77. N.J.S.18A:22-32 is amended to read as follows:

47 18A:22-32. At or after the public hearing on the budget but not
48 later than 18 days prior to the [election] third Tuesday in April, the

1 board of education of each type II district having no board of school
2 estimate shall fix and determine by a recorded roll call majority
3 vote of its full membership the amount of money to be raised
4 pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5) and any
5 additional **【amounts】** funds to be voted upon by the legal voters of
6 the district at the annual April school election pursuant to paragraph
7 (9) of subsection d. of section 5 of that act, which **【sum or sums】**
8 additional funds shall be designated in the notice calling the
9 election as required by law.

10 (cf: P.L.1996, c.138, s.57)

11
12 78. N.J.S.18A:22-33 is amended to read as follows:

13 18A:22-33. **【The board of education of each type II district not**
14 **having a board of school estimate shall at each annual school**
15 **election, submit to the voters of the district, the amount of money**
16 **fixed and determined in its budget pursuant to section 5 of**
17 **P.L.1996, c.138 (C.18A:7F-5), excluding therefrom the sum or**
18 **sums stated therein to be used for interest and debt redemption**
19 **charges, in the manner provided by law, to be voted upon for the**
20 **use of the public schools of the district for the ensuing school year,**
21 **which amount shall be stated in the notice of the election, and the**
22 **legal voters of the district shall determine at the election, by a**
23 **majority vote of those voting upon the proposition, the sum or**
24 **sums, not exceeding those stated in the notice of the election, to be**
25 **raised by special district tax for said purposes, in the district during**
26 **the ensuing school year and】** Within two days following the date
27 specified for the certification of the April school election results,
28 the secretary of the board of education of a Type II district not
29 having a board of school estimate shall certify the amount **【so**
30 determined upon, if any,】 fixed and determined by the school board
31 pursuant to N.J.S.18A:22-32 and any additional funds approved by
32 the legal voters of the district and the sums so stated for interest and
33 debt redemption charges, to the county board of taxation of the
34 county **【within two days following the certification of the election**
35 results】 and the amount or amounts so certified shall be included in
36 the taxes assessed, levied and collected in the municipality or
37 municipalities comprising the district for such purposes; except
38 that, in the case of a district which **【, following the school election**
39 **and the approval by the voters of the sum to be raised by special**
40 **district tax for the schools of the district,】** determines that it has a
41 greater surplus account available for the school year than estimated
42 when the sum to be raised by special district tax was **【presented to**
43 **the voters】** certified to the county board of taxation of the county,
44 the secretary of the board of education, with the approval of the
45 commissioner, may between the **【date of the school election】** third
46 Tuesday in April and the delivery of tax bills pursuant to R.S.54:4-
47 64 re-certify to the county board of taxation the sum or sums to be

1 raised by special district tax in the district during the ensuing school
2 year, if the sum is lower than that [approved by the voters in the
3 school election] initially certified to the county board of taxation of
4 the county, and if the reduction is equivalent to the additional
5 amount available in the surplus account to be applied towards the
6 district's budget. The amount re-certified shall be included in the
7 taxes assessed, levied and collected in the municipality or
8 municipalities comprising the district.

9 (cf: P.L.1999, c.346)

10

11 79. N.J.S.18A:22-41 is amended to read as follows:

12 18A:22-41. In any Type II district [in which the amount, with
13 any interest to be paid thereon, to be raised, levied and collected by
14 taxes for school purposes is determined by the voters of the district]
15 not having a board of school estimate, the board of education shall
16 cause the question, whether or not the amount so estimated shall be
17 so raised, to be submitted to the legal voters of the district at a
18 special school election, to be held on such date as shall be
19 determined upon by the board, and if at said election the question
20 shall be adopted, the secretary shall certify that the amount so
21 determined upon has been authorized to be raised in said manner to
22 the county board of taxation within five days after the date of the
23 holding of such election.

24 (cf: P.L.1993, c.83, s.14)

25

26 80. R.S.19:15-2 is amended to read as follows:

27 19:15-2. The district boards shall open the polls for such
28 election at 6:00 A.M. and close them at 8:00 P.M., and shall keep
29 them open during the whole day of election between these hours;
30 except that for a school election held at a time other than at the time
31 of the general election the polls shall be open between the hours of
32 5:00 P.M. and 9:00 P.M. and during any additional time which the
33 school board may designate between the hours of 7:00 A.M. and
34 9:00 P.M.

35 The board may allow one member thereof at a time to be absent
36 from the polling place and room for a period not exceeding one
37 hour between the hours of 1:00 P.M. and 5:00 P.M. or for such
38 shorter time as it shall see fit.

39 At no time from the opening of the polls to the completion of the
40 canvass shall there be less than a majority of the board present in
41 the polling room or place, except that during a school election held
42 at a time other than at the time of the general election there shall
43 always be at least one member of each district election board
44 present or if more than two district board members are designated to
45 serve at the polling place, at least two members present.

46 (cf: P.L.2001, c.245, s.3)

47

48 81. R.S.19:45-6 is amended to read as follows:

1 19:45-6. The compensation of each member of the district
2 boards for all services performed by them under the provisions of
3 this Title shall be as follows:

4 In all counties, for all services rendered including the counting of
5 the votes, and in counties wherein voting machines are used, the
6 tabulation of the votes registered on the voting machines, and the
7 delivery of the returns, registry binders, ballot boxes and keys for
8 the voting machines to the proper election officials, \$200 each time
9 any primary election, the general election or any special election is
10 held under this Title; provided, however, that:

11 a. (1) The member of the board charged with the duty of
12 obtaining and signing for the signature copy registers shall receive
13 an additional \$12.50 per election, such remuneration being limited
14 to only one board member per election, or \$6.25 to each of two
15 board members if they share such responsibility for the signature
16 copy registers, and (2) the member of the board charged with the
17 duty of returning the signature copy registers shall receive an
18 additional \$12.50 per election, such remuneration being limited to
19 only one board member per election, or \$6.25 to each of two board
20 members if they share such responsibility for the signature copy
21 registers;

22 b. In the case of any member of the board who is required under
23 R.S.19:50-1 to attend in a given year a training program for district
24 board members, but who fails to attend such a training program in
25 that year, that compensation shall be \$50.00 for each of those
26 elections;

27 c. In counties wherein voting machines are used no
28 compensation shall be paid for any services rendered at any special
29 election held at the same time as any primary or general election.
30 Such compensation shall be in lieu of all other fees and payments;
31 and

32 d. Compensation for district board members serving at a school
33 election held at a time other than at the time of the general election
34 shall be paid by the board of education of the school district
35 conducting the election at an hourly rate of \$5.77, except that the
36 board of education may compensate such district board members at
37 a pro-rated hourly rate consistent with the daily rate up to a
38 maximum of \$14.29. The provisions of subsections a., b., and c. of
39 this section shall also apply to district board members serving at a
40 school election held at a time other than at the time of the general
41 election, except that in the case of subsection b., the compensation
42 shall be at an hourly rate of \$3.85.

43 Compensation due each member shall be paid within 30 days but
44 not within 20 days after each election; provided, however, that no
45 compensation shall be paid to any member of any such district
46 board who may have been removed from office or application for
47 the removal of whom is pending under the provisions of R.S.19:6-4.
48 (cf: P.L.2005, c.136, s.48)

1 82. Section 1 of P.L.1995, c.278 (C.19:60-1) is amended to read
2 as follows:

3 1. a. An annual school election shall be held in each type II
4 district on the third Tuesday in April for the purpose of submitting a
5 proposal to the voters to exceed the maximum permissible net
6 budget pursuant to paragraph (9) of subsection d. of section 5 of
7 P.L.1996, c.138 (C.18A:7F-5), and for other purposes authorized by
8 law. However, in any school year, the Commissioner of Education
9 shall make any adjustments to the school budget and election
10 calendar which may be necessary to change the annual school
11 election date or any other school budget and election calendar date
12 if that date coincides with a period of religious observance. The
13 commissioner shall inform local school boards, county clerks and
14 boards of elections of these adjustments no later than the first
15 working day in January of the year in which the adjustments are to
16 occur.

17 An annual school election for the purposes of electing members
18 of the board of education shall be held in each Type II district on
19 the first Tuesday after the first Monday in November.

20 b. All school elections shall be by ballot and, except as
21 otherwise provided by P.L.1995, c.278 (C.19:60-1 et al.), shall be
22 conducted in the manner provided for general elections pursuant to
23 Title 19 of the Revised Statutes. No grouping of candidates or
24 party designation shall appear on any ballot to be used in a school
25 election.

26 (cf: P.L.2003, c.20, s.1)

27

28 83. Section 3 of P.L.1995, c. 278 (C.19:60-3) is amended to read
29 as follows:

30 3. a. Notwithstanding the provisions of R.S.19:6-1, for school
31 elections held at times other than at the time of the general election
32 the county board of the county in which the election district is
33 located shall designate two members of the district board of election
34 to perform all the duties of the district board for that election,
35 except that where electronic voting systems are in use in any
36 election district in which there are more than 900 registered voters,
37 the county board shall designate four members of the district board
38 to perform all the duties of the district board for that election.
39 Notwithstanding the provisions of R.S.19:6-10, the county board
40 shall appoint one of the persons so designated to serve as judge and
41 the other or another, as the case may be, of those persons so
42 designated to serve as inspector for school elections.

43 b. Notwithstanding the provisions of subsection a. or any other
44 law to the contrary:

45 (1) Upon the request of a board of education or the clerk of a
46 municipality in the county or upon its own initiative, the county
47 board may designate the polling place and voting equipment of one
48 election district to serve as the polling place and voting equipment

1 for the voters of one or more other election districts for school
2 elections held at times other than at the time of the general election.
3 Such a designation shall be based on the casting of no more than
4 500 ballots during each of the two preceding annual school
5 elections by the voters of the election districts for which that polling
6 place is designated. If, at two consecutive annual school elections
7 thereafter, the number of ballots cast by the voters in those election
8 districts is more than 500, the county board shall effect an
9 appropriate revision of the election districts using that polling place.
10 If a request is from a municipal clerk, the request shall apply only
11 to the election districts in that municipality.

12 (2) If one polling place is designated for two or more election
13 districts, the county board shall designate at least two members
14 from among the members of the district boards of election of those
15 election districts to perform all the duties of the district board for
16 the school election held at a time other than at the time of the
17 general election. The county board shall also appoint one of the
18 persons so designated to serve as judge and another of those persons
19 to serve as inspector for school elections.

20 (cf: P.L.1996, c.3, s.1)

21

22 84. Section 4 of P.L.1995, c. 278 (C.19:60-4) is amended to read
23 as follows:

24 4. The secretary of each board of education, not later than 10
25 o'clock a.m. of the 17th day preceding the **[annual]** April school
26 election or a special school election, shall make and certify and
27 forward to the clerk of the county in which the school district is
28 located a statement designating any public question to be voted
29 upon by the voters of the district which may be required pursuant to
30 the provisions of P.L.1995, c.278 (C.19:60-1 et al.) or Title 18A of
31 the New Jersey Statutes.

32 The secretary of each board of education, not later than 10
33 o'clock a.m. of the 50th day preceding a November school election
34 shall make and certify and forward to the clerk of the county in
35 which the school district is located a statement designating any
36 public question to be voted upon by the voters of the district which
37 may be required pursuant to the provisions of P.L.1995, c.278
38 (C.19:60-1 et al.) or Title 18A of the New Jersey Statutes.

39 (cf: P.L.1995, c.278, s.4)

40

41 85. Section 7 of P.L.1995, c.278 (C.19:60-7) is amended to read
42 as follows:

43 7. Each candidate to be voted upon at a school election shall be
44 nominated directly by petition, and the procedures for such
45 nomination shall, to the extent not inconsistent with the provisions
46 of P.L.1995, c.278 (C.19:60-1 et al.), conform to the procedure for
47 nominating candidates by direct petition under chapter 13 of Title
48 19 of the Revised Statutes. Notwithstanding the provisions of

1 R.S.19:13-5, however, a petition of nomination for such office shall
2 be signed by at least 10 persons, one of whom may be the
3 candidate, and filed with the secretary of the board of education on
4 or before four p.m. of the **[50th]** 54th day preceding the date of the
5 school election. The signatures need not all appear upon a single
6 petition and any number of petitions may be filed on behalf of any
7 candidate but no petition shall contain the endorsement of more
8 than one candidate.

9 Any candidate may withdraw as a candidate in a school election
10 by filing a notice in writing, signed by the candidate, of such
11 withdrawal with the secretary of the board of education before the
12 **[44th]** 48th day before the date of the election, and thereupon the
13 name of that candidate shall be withdrawn by the secretary of the
14 board of education and shall not be printed on the ballot.

15 A vacancy created by a declination of nomination or withdrawal
16 by, or death of, a nominee, or in any other manner, shall be
17 ineligible to be filled under the provisions of R.S.19:13-19 or
18 otherwise.

19 Whenever written objection to a petition of nomination
20 hereunder shall have been made and timely filed with the secretary
21 of the board of education, the board of education shall file its
22 determination of the objection on or before the **[44th]** 48th day
23 preceding the school election. The last day upon which a candidate
24 may file with the Superior Court a verified complaint setting forth
25 any invasion or threatened invasion of the candidate's rights under
26 the candidate's petition of nomination shall be the **[46th]** 50th day
27 before the election. The last day upon which a candidate whose
28 petition of nomination or any affidavit thereto is defective may
29 amend such petition or affidavit shall be the **[44th]** 48th day before
30 the election.

31 (cf: P.L.2000, c.22, s.1)

32

33 86. Section 9 of P.L.1995, c.278 (C.19:60-9) is amended to read
34 as follows:

35 9. The ballot for a special school election or an April school
36 election shall be a single or blanket form of ballot, upon which shall
37 be printed in bold-faced type the words "OFFICIAL SCHOOL
38 ELECTION BALLOT" or "OFFICIAL SPECIAL SCHOOL
39 ELECTION BALLOT," as appropriate.

40 Any public question which is to be submitted to the voters at a
41 school election in November shall be printed in a separate space
42 below or to the right of, as the county clerk shall determine, the
43 listing of candidates in the election.

44 **[**In the columns in which are listed the titles of the offices to be
45 filled at a school election and the names of candidates for those
46 offices, the title of and the names of candidates for the office of
47 member of the regional board of education shall appear above the
48 title of and the names of candidates for the office of member of the

1 local board of education. With respect to either office, in the event
2 that one or more persons are to be elected to membership thereon
3 for a full term and one or more persons are to be elected to
4 membership thereon to fill an unexpired term, the ballots shall
5 designate which of the candidates to be voted for is to be elected for
6 a full term and which for an unexpired term. In all cases in which
7 one or more persons are to be elected for an unexpired term, the
8 ballots shall indicate the duration of that unexpired term.】

9 All public questions to be voted upon at a school election by the
10 voters of more than one municipality shall be placed first before
11 any question to be voted upon at that election by the voters of a
12 single municipality. 【When the public question to be voted upon
13 by the voters of a regional school district is the amount of money to
14 be raised for the use of the regional schools of the district, the
15 amount of money determined to be the constituent municipality's
16 share thereof may be identified on the ballot pursuant to
17 N.J.S.18A:13-17.】

18 Every county clerk shall have ready for the printer a copy of the
19 contents of official ballots required by law to be printed for use at a
20 school election, as follows: in the case of the annual April school
21 election, not later than the 17th day preceding that election; and in
22 the case of any special school election, not later than two business
23 days following receipt by the clerk of official notice of the complete
24 content of the ballot to be voted upon at that election.

25 The ballots for a school election to be held simultaneously with
26 the general election shall be in accordance with the provisions of
27 chapter 14 of Title 19 of the Revised Statutes.

28 The names of the candidates for the office of member of the local
29 board of education shall appear on the ballot separately from the
30 names of candidates for other offices.

31 (cf: P.L.2001, c.26, s.2)

32

33 87. Section 11 of P.L.1995, c.278 (C.19:60-11) is amended to
34 read as follows:

35 11. The district board of election shall, for any special school
36 election, utilize a poll list instead of the signature copy register.
37 The poll list shall be arranged in a column or columns appropriately
38 headed so as to indicate the election, the date thereof, and the
39 school district and election district in which the same is used, in
40 such a manner that each voter voting in the polling place at the
41 election may sign the voter's name and state the voter's address
42 therein and the number of the voter's official ballot may be
43 indicated opposite the signature. The district board shall compare
44 the signature in the poll lists with that in the signature copy
45 registers before accepting the ballot.

46 If one polling place is designated for two or more election
47 districts pursuant to subsection b. of section 3 of P.L.1995, c.278
48 (C.19:60-3), the provisions of this section shall apply to the

1 members of the district boards of election designated to serve as the
2 election officers at the polling place for those election districts. The
3 signature copy registers for those election districts shall be provided
4 to those election officers.

5 (cf: P.L.1996, c.3, s.2)

6

7 88. Section 12 of P.L.1995, c.278 (C.19:60-12) is amended to
8 read as follows:

9 12. All costs, charges and expenses, including the compensation
10 of the members of the district boards and the compensation and
11 expenses of the county board of elections, the county
12 superintendent of elections, the clerk of the county, and the
13 municipal clerks for any school election held at a time other than
14 the time of the general election shall be paid by the board of
15 education of the school district. All costs, charges and expenses
16 submitted to the board of education for payment shall be itemized
17 and shall include the separate identification of costs to prepare,
18 print and distribute sample ballots. Amounts expended by a county
19 or a municipality in the conduct of school elections for which the
20 board of education shall make payment shall be considered
21 mandated expenditures exempt from the limitations on the county
22 tax levy and from the limitations on final municipal appropriations
23 imposed pursuant to P.L.1976, c.68 (C.40A:4-45.1 et seq.), and any
24 costs to the board of education which exceed the amount of the
25 costs to that board for the annual school election immediately
26 preceding the enactment of P.L.1995, c.278 (C.19:60-1 et seq.) shall
27 not be included for the purpose of calculating a school district's
28 maximum permissible net budget pursuant to section 85 of
29 P.L.1990, c.52 (C.18A:7D-28).

30 (cf: P.L.1996, c.3, s.3)

31

32 89. Section 4 of P.L.1993, c.102 (C.34:1B-7.23) is amended to
33 read as follows:

34 4. a. The authority shall establish and maintain a special
35 nonlapsing revolving fund to be known as the "Public School
36 Facilities Code Compliance Loan Fund," hereinafter the
37 "compliance fund," which shall be credited with: (1) the \$25 million
38 allocated from the Economic Recovery Fund pursuant to paragraph
39 (1) of subsection d. of section 4 of P.L.1992, c.16 (C.34:1B-7:13);
40 (2) any moneys that shall be received by the authority from the
41 repayment of loans made from the compliance fund and interest
42 thereon; and (3) any other moneys which the authority determines
43 to deposit therein.

44 b. The authority may use the moneys in the compliance fund to
45 finance not less than 25%, and not more than 50%, of the total cost
46 of any project, in accordance with the criteria set forth in this
47 section, for the purpose of providing low-interest loans to school
48 districts, to finance the renovation, repair or other alteration of

1 existing school buildings, the construction of new school buildings
2 or the conversion of existing school buildings to other instructional
3 purposes, if such renovation, repair, alteration, construction or
4 conversion is required to bring buildings that, at the time of
5 application, do not meet State health and safety code requirements,
6 into compliance with those requirements.

7 c. Upon application by a school district for a low-interest loan,
8 the commissioner is authorized and empowered to determine
9 whether the renovations, repairs, alterations, conversion or
10 construction are necessary to meet State health and safety code
11 requirements. If the commissioner determines that such work is
12 necessary, the commissioner shall certify that the school district is
13 eligible for a low-interest loan pursuant to this section to finance the
14 renovation, repair, alteration, conversion or construction described
15 in the application.

16 d. (1) Upon certification, the commissioner shall waive the
17 holding of a referendum or the requirement for approval by a board
18 of school estimate pursuant to subsection (d) of N.J.S.18A:20-4.2 or
19 N.J.S.18A:24-5 et seq., as the case may be, or the requirement for
20 approval of the project by a capital projects control board pursuant
21 to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate, and the
22 school district may, upon receiving the certification and waiver,
23 apply to the authority for a loan pursuant to this section. The terms
24 of the loan and the repayment schedule shall be established by the
25 authority. The repayments to the authority by the school districts
26 shall be treated as net debt service by the school districts for school
27 aid purposes. [In addition to the amount of taxes determined by the
28 legal voters of the district at the annual school election, the] The
29 secretary of the board of education shall certify the amount required
30 for the repayment of the interest and principal of the loan in the
31 same manner required for interest and debt redemption charges
32 pursuant to N.J.S.18A:22-33, and the amount so certified shall be
33 included in the taxes assessed, levied and collected in the
34 municipality or municipalities comprising the school district for
35 such purposes.

36 (2) All repayments, and interest thereon, shall be deposited by
37 the authority in the compliance fund, for use in the manner provided
38 for in this section, except insofar as the authority may direct that
39 such amounts be deposited in the small projects fund established
40 pursuant to section 7 of P.L.1993, c.102 (C.34:1B-7.25).

41 (3) Notwithstanding any provision of this section to the
42 contrary, on and after the effective date of P.L.1996, c.48 (C.34:1B-
43 7.23a et al.), any loan repayments and interest thereon on deposit or
44 deposited into the compliance fund shall be paid by the authority to
45 the State Treasurer for deposit into the General Fund of the State,
46 provided that the payment does not violate any existing agreement
47 of the authority with bondholders.

48 e. The authority, in consultation with the commissioner shall, in

1 determining whether to grant approval of any loan application
2 pursuant to this section, take into consideration the severity of the
3 need for the particular project, the ability of the school district to
4 begin and complete the project in an expeditious manner, the ability
5 of the school district to proceed with the funding of the balance of
6 the funds for the project, and the extent to which the approval of the
7 project contributes to the equitable distribution of moneys in the
8 compliance fund.

9 f. The balance of the moneys needed for a project for which an
10 application for a loan is made pursuant to this section may be
11 funded by the school district by: (1) the issuance of bonds, or other
12 borrowing, excluding lease-purchase agreements, pursuant to the
13 provisions of subsection (d) of N.J.S.18A:20-4.2, N.J.S.18A:24-5 et
14 seq., or P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate;
15 except that the commissioner shall waive the holding of a
16 referendum or the requirement for approval by a board of school
17 estimate pursuant to subsection (d) of N.J.S.18A:20-4.2, or
18 N.J.S.18A:24-5 et seq., as the case may be, or the requirement for
19 approval of the project by a capital projects control board pursuant
20 to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate; (2)
21 borrowing from the "Public Schools Small Projects Loan Assistance
22 Fund" established pursuant to section 7 of P.L.1993, c.102
23 (C.34:1B-7.25), if the total cost of the project does not exceed
24 \$5,000,000, and in any such case the commissioner shall waive the
25 holding of a referendum or the requirement for approval by a board
26 of school estimate pursuant to subsection (d) of N.J.S.18A:20-4.2 or
27 N.J.S.18A:24-5 et seq., as the case may be, or approval of the
28 project by a capital projects control board pursuant to P.L.1991,
29 c.139 (C.18A:7A-46.1 et seq.), as appropriate; (3) moneys of the
30 school district not necessary for the completion of any other
31 specific projects; and (4) any other lawful source; except that no
32 project funded or approved to be funded by school district bonds
33 authorized, pursuant to law, prior to December 31, 1992 shall be
34 funded pursuant to P.L.1993, c.102 (C.34:1B-7.20 et al.).

35 g. Any school district shall be eligible to receive additional
36 loans pursuant to this section even if the district has received a
37 previous loan; provided that those additional loans are in
38 conformity with the selection criteria established pursuant to this
39 section.

40 h. Net earnings received from the investment or deposit of
41 moneys in the compliance fund by the authority shall be redeposited
42 in the fund for use for the purposes of this section.

43 (cf: P.L.1996, c.48, s.1)

44

45 90. Section 5 of P.L.1993, c.102 (C.34:1B-7.24) is amended to
46 read as follows:

47 5. a. The authority shall establish and maintain a special
48 nonlapsing revolving fund to be known as the "Public School

1 Facilities Loan Assistance Fund," hereinafter the "facilities fund,"
2 which shall be credited with: (1) not less than \$105,000,000 from
3 the amount of capital funding appropriated for school facilities
4 pursuant to the annual appropriations act for the State fiscal year
5 ending June 30, 1994, P.L.1993, c.155; (2) the \$20,000,000
6 allocated from the Economic Recovery Fund pursuant to paragraph
7 (2) of subsection d. of section 4 of P.L.1992, c.16 (C.34:1B-7.13);
8 (3) any moneys that shall be received by the authority from the
9 repayment of loans made from the facilities fund and interest
10 thereon; and (4) any other moneys which the authority determines
11 to deposit therein.

12 b. The authority may use the moneys in the facilities fund to
13 provide for low interest loans to finance not less than 25%, and not
14 more than 50%, of the total cost of any project, in accordance with
15 the criteria set forth in this section, for the purpose of renovation,
16 repair or other alteration of existing school buildings, for
17 construction of new school buildings or for the conversion of
18 existing school buildings to other instructional purposes, whether or
19 not that renovation, repair, alteration, construction or conversion is
20 required to bring buildings that, at the time of application do not
21 meet State health and safety code requirements, into compliance
22 with those requirements.

23 c. Upon application by any school district to the authority for a
24 loan to be made pursuant to subsection b. of this section, the
25 authority shall, in consultation with the commissioner, determine
26 whether to grant approval for the loan based upon the appropriate
27 authorization for the loan pursuant to subsection (d) of
28 N.J.S.18A:20-4.2, or the project pursuant to P.L.1991, c.139
29 (C.18A:7A-46.1 et seq.), as the case may be, the relationship of the
30 project to the enhancement of the school's academic programs, the
31 ability of the school district to begin and complete the project in an
32 expeditious manner, the ability of the school district to proceed with
33 the funding of the balance of the moneys needed for the project, and
34 the extent to which approval of the project would contribute to the
35 equitable distribution of moneys in the facilities fund.

36 d. The balance of the moneys needed for a project for which an
37 application for a loan is made pursuant to subsection b. of this
38 section may be funded by the school district by: (1) the issuance of
39 bonds, or other borrowing, excluding lease-purchase agreements,
40 pursuant to the provisions of subsection (d) of N.J.S.18A:20-4.2,
41 N.J.S.18A:24-5 et seq., or P.L.1991, c.139 (C.18A:7A-46.1 et seq.)
42 as appropriate; (2) if the borrowing of money or the issuance of
43 bonds is authorized pursuant to subsection (d) of N.J.S.18A:20-4.2
44 or N.J.S.18A:24-5 et seq., as the case may be, or if the project is
45 approved pursuant to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as
46 appropriate, borrowing from the "Public Schools Small Projects
47 Loan Assistance Fund" established pursuant to section 7 of
48 P.L.1993, c.102 (C. 34:1B-7.25), if the total cost of the project does

1 not exceed \$5,000,000; (3) moneys of the school district not
2 necessary for the completion of any other specific projects; and (4)
3 any other lawful source; except that no project funded or approved
4 to be funded by school district bonds authorized, pursuant to law,
5 prior to December 31, 1992 shall be funded pursuant to P.L.1993,
6 c.102 (C.34:1B-7.20 et al.).

7 e. (1) The authority shall establish the terms of the loan which
8 shall include, but not be limited to, the rate of interest, a schedule
9 for drawing down loan funds, and a repayment schedule. The
10 repayments shall be treated by the school district as net debt service
11 for school aid purposes. [In addition to the amount of taxes
12 determined by the legal voters of the district at the annual school
13 election, the] The secretary of the board of education shall certify
14 the amount required for the repayment of the interest and principal
15 of the loan in the same manner required for interest and debt
16 redemption charges pursuant to N.J.S.18A:22-33, and the amount so
17 certified shall be included in the taxes assessed, levied and collected
18 in the municipality or municipalities comprising the school district
19 for such purposes.

20 (2) All repayments, and interest thereon, shall be deposited by
21 the authority in the facilities fund for use in the manner provided
22 for in this section, except insofar as the authority may direct that
23 such amounts be deposited in the small projects fund established
24 pursuant to section 7 of P.L.1993, c.102 (C.34:1B-7.25).

25 (3) Notwithstanding any provision of this section to the
26 contrary, on and after the effective date of P.L.1996, c.48
27 (C.34:1B-7.23a et al.), any loan repayments and interest thereon on
28 deposit or deposited into the facilities fund shall be paid by the
29 authority to the State Treasurer for deposit into the General Fund of
30 the State, provided that the payment shall not violate any existing
31 agreement of the authority with bondholders.

32 f. Net earnings received from the investment or deposit of
33 moneys in the facilities fund by the authority shall be redeposited in
34 the fund for use for the purposes of this section.

35 (cf: P.L.1996, c.48, s.2)

36

37 91. Section 7 of P.L.1993, c.102 (C.34:1B-7.25) is amended to
38 read as follows:

39 7. a. The New Jersey Economic Development Authority is
40 authorized to issue bonds, in an aggregate amount not exceeding
41 \$100,000,000, the proceeds from which shall be used to provide
42 matching funds to assist in the financing of school district projects
43 in accordance with the provisions of this section. The bonds so
44 issued shall be secured by the repayment by school districts of loans
45 made pursuant to this 1993 amendatory and supplementary act, or,
46 in the case of default on any such loan repayment, by the school
47 facilities financing bond reserve established pursuant to section 6 of
48 this 1993 amendatory and supplementary act.

1 b. The authority shall establish and maintain a special
2 nonlapsing revolving fund to be known as the "Public Schools
3 Small Projects Loan Assistance Fund," hereinafter the "small
4 projects fund," which shall be credited with: (1) the proceeds of the
5 sale of bonds pursuant to subsection a. of this section; (2) any
6 moneys that shall be received by the authority from the repayment
7 of loans made from the small projects fund and interest thereon; and
8 (3) any other moneys which the authority determines to deposit
9 therein.

10 c. The authority shall use the monies in the small projects fund
11 exclusively for: (1) matching funds to provide market rate loans to
12 school districts to finance an amount up to the remaining balance of
13 the cost of a project approved for funding from the compliance fund
14 pursuant to section 4 of this 1993 amendatory and supplementary
15 act or from the facilities fund pursuant to section 5 of this 1993
16 amendatory and supplementary act, whether or not the project is
17 required to bring the buildings that, at the time of application do not
18 meet State health and safety code requirements, into compliance
19 with those requirements; provided that the total cost of the project,
20 including moneys received from the compliance fund or the
21 facilities fund, does not exceed \$5,000,000; and (2) payment of any
22 principal, interest, premium and expenses incurred in connection
23 with the bonds issued pursuant to subsection a. of this section.

24 d. (1) The authority shall establish the terms of the market rate
25 loans which shall include, but not be limited to, the actual rate of
26 interest, a schedule for drawing down loan funds, and the repayment
27 schedule for the loans. The repayments shall be treated by the
28 school district as net debt service for school aid purposes. [In
29 addition to the amount of taxes determined by the legal voters of the
30 district at the annual school election, the] The secretary of the
31 board of education shall certify the amount required for the
32 repayment of the interest and principal of the loan in the same
33 manner required for interest and debt redemption charges pursuant
34 to N.J.S.18A:22-33, and the amount so certified shall be included in
35 the taxes assessed, levied and collected in the municipality or
36 municipalities comprising the school district for such purposes.

37 (2) All repayments, and interest thereon, shall be deposited by
38 the authority in the small projects fund for use in the manner
39 provided for in this section.

40 e. Net earnings received from the investment or deposit of
41 monies in the small projects fund by the authority shall be
42 redeposited in the fund for use for the purposes of this section.

43 (cf: P.L.1993, c.102, s.7)

44

45 92. R.S.54:4-45 is amended to read as follows:

46 54:4-45. The clerk or other proper officer of each Type II school
47 district [in which the annual appropriations for school purposes to
48 be raised by taxation, are voted by the inhabitants of the school

1 district,] having no board of school estimate shall, on or before
2 May 19 in each year, transmit to the county board of taxation a
3 certified statement of the amount of moneys appropriated for school
4 purposes, which shall include interest to be paid, principal
5 payments of indebtedness, and sinking fund requirements for the
6 school year for which such appropriations are made, to be raised by
7 taxation in the school district.

8 (cf: P.L.1995, c.94, s.3)

9

10 93. (New section) An elected member of a board of education,
11 or a member of a board of education appointed to serve the
12 unexpired term of an elected member, or an appointed member of a
13 board of education other than a member in a district in a city of the
14 first class, who is holding office on the effective date of this act
15 shall continue in office until the day in January next following the
16 year in which his term was originally set to expire when his
17 successor takes office.

18

19 94. The following sections of law are repealed:

20 N.J.S.18A:13-19;

21 N.J.S.18A:22-37;

22 N.J.S.18A:22-38.

23

24 95. a. Sections 71 through 94 of P.L. , c. (pending before
25 the Legislature as this bill) shall take effect on January 1 next
26 following the date of enactment of P.L. , c. (pending before the
27 Legislature as this bill); provided, however that transition of the
28 annual school election for the purposes of electing members of the
29 board of education from the third Tuesday in April to the first
30 Tuesday after the first Monday in November pursuant to section 82
31 of this Article (amending section 1 of P.L.1995, c.278 (C.19:60-1)),
32 shall be in accordance with the following schedule:

1

SCHOOL BOARD MEMBER TERM ENDING	OLD ELECTION DATE	NEW ELECTION DATE	LENGTH OF AFFECTED TERM
April 2007	April 2007	April 2007	April 2007 – January 2011 (extended transitional term)
April 2008	April 2008	November 2008	April 2005 – January 2009 (extended transitional term)
April 2009	April 2009	November 2009	April 2006 – January 2010 (extended transitional term)
January 2011	N/A	November 2010	January 2011 – January 2014 (normal 3-year term)

2

3

ARTICLE 5. EXECUTIVE COUNTY SUPERINTENDENTS

4

5

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

6 18A:7-1. a. The **commissioner** Governor, upon the
7 recommendation of the commissioner and with the advice and
8 consent of the Senate, shall appoint for each county, **[with the**
9 **approval of the state board,]** a suitable person, who holds an
10 appropriate certificate issued pursuant to this title and who has been
11 a resident of the **[state]** State for at least three years immediately
12 preceding **[his]** the appointment, to be the executive county
13 superintendent of schools, who shall serve, unless sooner removed
14 pursuant to law, for a term of three years **[and thereafter until his**
15 **successor is appointed and shall qualify].** The superintendent may
16 be re-appointed by the Governor on the basis of a satisfactory
17 performance assessment required pursuant to subsection b. of this
18 section. A person who is serving as a county superintendent of
19 schools on the effective date of Article 5 of P.L. , c. (C.)
20 (pending before the Legislature as this bill), shall be eligible for
21 appointment as the executive county superintendent of schools. The
22 executive county superintendent of schools shall report to the
23 Commissioner of Education or to a person designated by the
24 commissioner.

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

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

19
20 97. N.J.S.18A:7-2 is amended to read as follows:

21 18A:7-2. The commissioner may designate any one of his
22 assistant commissioners or **[, with the approval of the State board,]**
23 another suitable person to exercise the powers and perform the
24 duties of the executive county superintendent without additional
25 compensation:

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

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

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

33
34 98. N.J.S.18A:7-3 is amended to read as follows:

35 18A:7-3. **[A]** An executive county superintendent of schools
36 shall receive such salary as shall be approved by the commissioner
37 and **[the president of the civil service commission subject to**
38 **availability of funds]** shall receive a salary which is not greater than
39 the salary of a cabinet-level official of the State.

40 Each executive county superintendent shall receive, in addition
41 to his salary, the traveling and other expenses incurred by him in
42 conducting his office and performing his official duties, which shall
43 be paid by the county treasurer on the orders of the commissioner,
44 upon his furnishing to the commissioner an itemized statement
45 thereof certified under his oath, together with proper vouchers, and

1 no such order shall be issued until such statement and vouchers are
2 so furnished.

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

4

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

6 18A:7-4. The commissioner shall, subject to appeal to the
7 **【state】** State board, cause to be withheld the orders for the payment
8 of the salary and expenses of any executive county superintendent,
9 who shall fail to perform faithfully all of the duties imposed upon
10 him by this chapter or by the rules of the **【state】** State board, until
11 he shall have performed all of such duties.

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

13

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

15 18A:7-5. Each executive county superintendent shall devote his
16 entire time to the duties of his office, and he shall have general
17 supervision of all of the public schools of the districts of the county
18 except those city school districts in which there shall have been
19 appointed superintendents of schools.

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

21

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

23 18A:7-6. The executive county superintendent shall maintain an
24 office at a suitable location within the county which shall be open to
25 the public as are other county offices and which shall be supplied
26 to him, and shall be suitably furnished and equipped, by the board
27 of chosen freeholders of the county, and the school records of the
28 county for the use of the county and State Departments of
29 Education, the United States Office of Education and the United
30 States Commissioner of Education shall be kept at such office.

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

32

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

34 18A:7-7. The executive county superintendent shall appoint
35 such clerical assistants for his office as he shall deem necessary and
36 fix their compensation within the limits of available appropriations
37 made thereof. In counties governed by Title **【11】** 11A, Civil
38 Service, of the **【Revised】** New Jersey Statutes, such appointments
39 shall be made and compensation shall be fixed pursuant to the
40 provisions thereof, and in all other counties the compensation of
41 such clerical assistants shall be fixed on a basis commensurate with
42 that of other county employees performing similar duties.

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

44

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

46 18A:7-8. Each executive county superintendent shall:

47 a. Visit and examine from time to time all of the schools under
48 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, recommend
18 to the commissioner, who is hereby granted the authority to
19 effectuate those recommendations, that certain school districts be
20 required to enter arrangements with one or more other school
21 districts or educational services commissions for the consolidation
22 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 county
28 that are not operating schools on the effective date of Article 5 of
29 P.L. , c. (C.) (pending before the Legislature as this bill), in
30 accordance with a plan submitted to the commissioner no later than
31 one year following the effective date of Article 5 of P.L. , c.
32 (C.) (pending before the Legislature as this bill);
- 33 h. No later than three years following the effective date of
34 Article 5 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 or
30 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

- 1 each district and the number of students enrolled in each program to
2 identify program availability and needs;
- 3 p. Coordinate with the Department of Education to maintain a
4 Statewide and district-wide list of all special education students
5 served in out-of-district programs and a list of all public and private
6 entities approved to receive special education students that includes
7 pertinent information such as audit results and tuition charges;
- 8 q. Serve as a referral source for districts that do not have
9 appropriate in-district programs for special education students and
10 provide those districts with information on placement options in
11 other school districts;
- 12 r. Conduct regional planning and identification of program
13 needs for the development of in-district special education programs;
- 14 s. Serve as a liaison to facilitate shared special education
15 services within the county including, but not limited to direct
16 services, personnel development, and technical assistance;
- 17 t. Work with districts to develop in-district special education
18 programs and services including providing training in inclusive
19 education, positive behavior supports, transition to adult life, and
20 parent-professional collaboration;
- 21 u. Provide assistance to districts in budgetary planning for
22 resource realignment and reallocation to direct special education
23 resources into the classroom;
- 24 v. Report on a regular basis to the commissioner on progress in
25 achieving the goal of increasing the number of special education
26 students educated in appropriate programs with non-disabled
27 students;
- 28 w. Render a report to the commissioner annually on or before
29 September 1, in the manner and form prescribed by him, of such
30 matters relating to the schools under his jurisdiction as the
31 commissioner shall require; and
- 32 [e.] x. Perform such other duties as shall be prescribed by law.
- 33 Nothing in this section shall be construed or interpreted to
34 contravene or modify the provisions of the “New Jersey Employer-
35 Employee Relations Act,” P.L.1941, c.100 (C.34:13A-1 et seq.), or
36 to limit or restrict the scope of negotiations as provided pursuant to
37 law, or to authorize an employer to enter into a subcontracting
38 agreement which affects the employment of any employee in a
39 collective bargaining unit represented by a majority representative
40 during the time that an existing collective bargaining agreement
41 with the majority representative is in effect.
- 42 Nothing in this section is intended to interfere with a school
43 district’s ability to provide a thorough and efficient education.
44 (cf: N.J.S.18A:7-8)
- 45
- 46 104. N.J.S.18A:7-9 is amended to read as follows:

1 18A:7-9. The executive county superintendent may, without
2 charge, administer oaths.

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

4
5 105. N.J.S.18A:7-10 is amended to read as follows:

6 18A:7-10. Each executive county superintendent shall, on or
7 before December 1 of each year, furnish to the board of chosen
8 freeholders of the county a statement of the amounts estimated to be
9 necessary to be appropriated for the ensuing year for:

10 a. the compensation of his clerical assistants;

11 b. the supplying of furniture, supplies and equipment for his
12 office;

13 c. printing; and

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

16 The board of chosen freeholders shall fix and determine the
17 amounts necessary to be appropriated for such purposes and shall
18 appropriate the same accordingly.

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

20
21 106. Section 2 of P.L.1975, c.360 (C.18A:13-52) is amended to
22 read as follows:

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

46 The executive county superintendent may require the constituent
47 municipalities and school districts and the regional district to
48 submit a feasibility study in order to determine the educational and

1 financial impact of the withdrawal from, or dissolution of, the
2 limited purpose regional district. In the event the executive county
3 superintendent requests a feasibility study to be conducted, the
4 executive county superintendent's report required pursuant to this
5 section shall be filed within 60 days following submission of the
6 feasibility study.

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

8

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

20

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

31

32 109. (New section) a. When the office of county superintendent
33 is vacated through the completion of a current term or for any other
34 reason, the Governor, upon the recommendation of the
35 Commissioner of Education, shall appoint an executive county
36 superintendent of schools pursuant to N.J.S.18A:7-1.

37 b. When the position of executive county business official is
38 vacated through the completion of a current term or for any other
39 reason, the commissioner shall appoint an executive county
40 business official pursuant to section 107 of P.L. , c. (C.)
41 (pending before the Legislature as this bill).

42

43 110. (New section) Whenever, in any law, rule, regulation,
44 order, contract, document, judicial or administrative proceeding or
45 otherwise, reference is made to the office of the county
46 superintendent of schools, the same shall mean and refer to the
47 office of the executive county superintendent of schools.

1 111. (New section) An executive county superintendent of
2 schools shall not accept employment in any school district which
3 was under his supervision in that position for a period of two years
4 commencing on the day his term as executive county superintendent
5 terminates.

6
7 112. (New section) The State Board of Education shall adopt
8 rules and regulations pursuant to the “Administrative Procedure
9 Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate the
10 provisions of Article 5 of P.L. , c. (C.) (pending before the
11 Legislature as this bill); except that notwithstanding any provision
12 of P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the
13 commissioner may adopt, immediately upon filing with the Office
14 of Administrative Law, such rules and regulations as the
15 commissioner deems necessary to implement the provisions of
16 Article 5 of P.L. , c. (C.) (pending before the Legislature as
17 this bill), which shall be effective for a period not to exceed 12
18 months.

19
20 113. Article 1 shall take effect as provided in section 41 of this
21 act; Article 2 shall take effect immediately; Article 3 shall take
22 effect as provided in section 60 of this act; Article 4 shall take
23 effect as provided in section 95 of this act; and Article 5 shall take
24 effect immediately.

25
26
27 STATEMENT

28
29 This bill groups together the individual components of the CORE
30 proposal that was considered by the Joint Legislative Committee on
31 Consolidation and Shared Services. Article 1 contains the
32 “Uniform Shared Services and Consolidation Act,” which is
33 subdivided into provisions designed to encourage savings among
34 local units of government through the use of shared services, joint
35 meetings, and municipal consolidation. The article codifies the
36 SHARE program that provides financial incentives for local units to
37 investigate shared services opportunities and also empowers
38 residents to promote shared service and consolidation opportunities.
39 The article provides methods for resolving Civil Service barriers to
40 shared services and consolidation in situations where some
41 participating local units have adopted Civil Service and some have
42 not.

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

1 school superintendents, assistant superintendents, and school
2 business administrators be clearly disclosed to the Commissioner of
3 Education.

4 After empowering taxpayers with all of this financial
5 information, it is important to give them a reasonable opportunity to
6 hold their local officials accountable for budget decisions at the
7 polls. Articles 3 and 4 do that by moving the fire district and school
8 board elections to the date of the November general election, when
9 the maximum number of people turn out to vote, beginning for the
10 2008 elections, and providing for a transition period during which
11 the terms of office for currently serving officials is extended.

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

41 In addition to the current duties, an executive county
42 superintendent of schools is charged with the duty to: promote
43 administrative and operational efficiencies and cost savings within
44 school districts while ensuring the provision of a thorough and
45 efficient system of education; recommend to the commissioner the
46 consolidation of certain districts' administrative services;
47 recommend to the commissioner the elimination of laws determined
48 to be unnecessary State education mandates, except mandates that

1 fall under certain categories of laws; have the authority to eliminate
2 non-operating districts located in the county; no later than three
3 years following the effective date of the bill, develop a plan to
4 consolidate school districts in the county and require the affected
5 districts to hold a referendum on the plan; promote the coordination
6 and regionalization of public and nonpublic pupil transportation
7 services in the county; request the commissioner to order forensic
8 audits of school districts upon a determination by the
9 superintendent that such an audit is warranted; promote cooperative
10 purchasing of textbooks and other instructional materials;
11 coordinate with the Department of Education to maintain a real time
12 Statewide and district-wide database that tracks the types and
13 capacity of special education programs being implemented by each
14 district and the number of students enrolled in each program to
15 identify program availability and needs; coordinate with the
16 Department of Education to maintain a Statewide and district-wide
17 list of all special education students served in out-of-district
18 programs and a list of all public and private entities approved to
19 receive special education students that includes pertinent
20 information such as audit results and tuition charges; serve as a
21 referral source for districts that do not have appropriate in-district
22 programs for special education students and provide those districts
23 with information on placement options in other school districts;
24 conduct regional planning and identification of program needs for
25 the development of in-district special education programs; serve as
26 a liaison to facilitate shared special education services within the
27 county; work with districts to develop in-district special education
28 programs and services and provide assistance to districts in
29 budgetary planning for resource realignment and reallocation to
30 direct special education resources into the classroom; and, report to
31 the commissioner on a regular basis on progress in achieving the
32 goals of increasing the number of special education students
33 educated in appropriate programs with non-disabled students.

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

45 Article 5 also provides for the appointment of an executive
46 county business official to serve in the office of the executive
47 county superintendent of schools for a term of three years. The
48 executive county business official would also be subject to re-

1 appointment based upon receiving a satisfactory performance
2 assessment using criteria developed by the commissioner.

3 Under the article, a local school district could apply to the
4 executive county superintendent of schools to have services
5 including, but not limited to, transportation, personnel, purchasing,
6 payroll, and accounting assumed by the office of the superintendent.
7 The executive county superintendent could assess a fee on the
8 school district for any service he determines to provide. The
9 executive county superintendent of schools could also utilize county
10 special services school districts, jointure commissions, and
11 educational services commissions to provide services to local
12 school districts.

13 Article 5 also amends an existing statute to require that the report
14 prepared by the executive county superintendent when a constituent
15 municipality seeks to withdraw from a limited purpose regional
16 school district or when the district seeks to dissolve must also
17 include information on the effects on the administrative and
18 operational efficiencies, and the resultant cost savings or cost
19 increases, in the withdrawing and the regional districts, or by each
20 constituent district in the event of a dissolution.

STATEMENT TO
ASSEMBLY, No. 4

with Senate Floor Amendments
(Proposed By Senator SMITH)

ADOPTED: FEBRUARY 5, 2007

These floor amendments to Assembly, No. 4 remove the Articles on fire district and school district elections from the bill, clarify language concerning collective bargaining agreements in joint meetings, and clarify that a school district may appeal a budgetary action taken by an executive county superintendent directly to the Commissioner of Education.

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 4 STATE OF NEW JERSEY 212th LEGISLATURE

DATED: FEBRUARY 28, 2007

SUMMARY

- Synopsis:** Implements CORE proposals, including "Uniform Shared Services and Consolidation Act"; user-friendly budgets; revision of county superintendent of schools title and duties.
- Type of Impact:** Potential local government cost reduction; potential State expenditure increase.
- Agencies Affected:** Department of Education; counties, municipalities, and agencies and instrumentalities thereof; local school districts.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
State Cost	Indeterminate Potential Expenditure Increase - See Comments Below		
Local Savings	Indeterminate Potential Local Cost Decrease - See Comments Below		

- The Office of Legislative Services (OLS) estimates that this bill may result in an indeterminate decrease in local costs, by increasing State oversight of local school district budgets, operational and administrative practices, and by reducing existing statutory obstacles to local undertaking of consolidations and joint and shared services.
- The OLS estimates that this bill may result in an indeterminate increase in State costs, by reconfiguring the current office of the county superintendent of schools and expanding the duties and responsibilities of that office.
- The OLS notes that indeterminate increases in State expenditures may result from provisions that require annual State funding of property tax credits to residential property owners and residential tenants in situations where municipal consolidations are voluntarily implemented.

BILL DESCRIPTION

Assembly Bill No. 4 (1R) of 2006 groups together certain components of the CORE proposal that was considered by the Joint Legislative Committee on Consolidation and Shared Services.

Article 1 contains the “Uniform Shared Services and Consolidation Act,” which includes provisions designed to encourage savings among local units of government through the use of shared services, joint meetings, and municipal consolidation; codifies the “Sharing Available Resources Efficiently” (SHARE) program of financial incentives for local units to investigate shared services opportunities and also empowers residents to promote shared service and consolidation opportunities; and provides methods for resolving Civil Service barriers to shared services and consolidation in situations where some participating local units have adopted Civil Service and some have not.

Article 2 of the bill requires preparation by municipalities and counties and other local units of government of “user-friendly” budgets in plain language summary format.

Article 3 reconfigures the office of the county superintendent of schools, by re-naming the position the executive county superintendent of schools, making the position a gubernatorial appointment, with Senate advice and consent, for an initial three-year term, with re-appointment contingent upon a satisfactory performance assessment, and revising the duties of the office. In addition to assuming the current duties of the county superintendent, the executive county superintendent of schools is assigned expanded duties, including: promoting administrative and operational efficiencies and cost savings within school districts; recommending the consolidation of certain districts’ administrative services; eliminating of districts not operating schools, if appropriate; developing a plan to consolidate school districts in the county and require the affected districts to hold a referendum on the plan; promoting the coordination and regionalization of public and nonpublic pupil transportation services, cooperative purchasing of textbooks and other instructional materials; and monitoring the need for and delivery of services to special education students. The article also provides that the executive county superintendent is required to review all school district budgets and may disapprove a portion of the school district’s proposed budget upon determining that the district has not implemented all potential efficiencies in the administrative operations of the district or that the budget includes excessive non-instructional expenses. Under the article, local school district may apply to the executive county superintendent of schools to have services including, but not limited to, transportation, personnel, purchasing, payroll, and accounting assumed by the office of the superintendent.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the potential impact of the provisions of Article 3 of the bill is to increase State expenditures by indeterminate amounts while decreasing local school district costs by indeterminate amounts. The provisions comprising Article 3, by revising the office of county superintendent of schools, re-naming the office the executive county superintendent of schools, and by significantly expanding the duties of the office, imply a level of staffing and operational costs above those currently provided through State appropriations. The OLS lacks sufficient information about current costs and operational practices of the several county superintendent offices with which to develop an estimate of a level of spending adequate to ensure performance of all current and expanded duties. The effective exercise of these expanded duties by the office of the executive county superintendent will potentially lead to reduced local school district costs, for example through consolidation of administrative services (subsection e. of section 49),

elimination of school districts that do not operate schools (subsection g. of section 49), oversight of school district budgets (subsection l. of section 49) and assumption of certain services on behalf of local school districts (section 54).

The OLS additionally estimates that the potential impact of the provisions of Article 1 is to decrease by an indeterminate amount local government costs, as well as to increase State expenditures by an indeterminate amount. Subarticles B and C, by clarifying and establishing procedures and conditions for entering into shared service agreements and joint meetings, respectively, are intended to remove obstacles to those undertakings, and would therefore facilitate future multi-government arrangements that in the past have resulted in cost savings. Subarticle D provides more flexible options to municipalities seeking to study or effect consolidation, and in doing so could lead to municipal consolidation more frequently than under current law. Also, subsection b. of section 28, contained within Subarticle D, provides property tax credits for owners of residential property and residential tenants to negate increases in school and municipal property taxes that result from municipal consolidation, a new and potentially decisive incentive to consolidation. In requiring full annual state reimbursement of the cost of this credit, which endures until the residential property is sold or the tenant moves, this provision could also result in increased annual State expenditures by an indeterminate amount.

Section: Legislative Budget and Finance Office

*Analyst: Frank Haines
Assistant Legislative Budget and Finance Officer*

*Approved: David J. Rosen
Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L. 1980, c.67.

[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.

Apr-03-07 Governor Signs Landmark Property Tax Reform

FOR IMMEDIATE RELEASE
April 3, 2007

Press Office
609-777-2600

GOVERNOR SIGNS LANDMARK PROPERTY TAX REFORM

Makes Broad, Sweeping Start to Rein in New Jersey's Highest in the Nation Property Taxes

TRENTON - Governor Jon S. Corzine today signed landmark property tax legislation that will lower property taxes in the short-term while instituting long-term reforms to help break the decades-long cycle of steep annual property tax increases.

"I am proud to sign into law a remarkable combination of relief and reform that seemed impossible just a few years or even a few months ago," said Governor Corzine. "Through letters and e-mails, and at town hall meetings and sporting events across our state, I have heard from overburdened homeowners about their sizable and always-increasing property tax bills. Today, we are taking significant steps to ease that burden."

"This year, hardworking homeowners will experience the largest level of relief in state history. The four percent tax levy cap will be instrumental in helping to sustain this relief over time," said Senate President Richard J. Codey, a prime sponsor of S-20. "Rest assured, the totality of our efforts will produce long-term reform and in the interim taxpayers will get much-needed relief now."

"This is the double-dose of property tax reform and relief taxpayers have asked for and so desperately need," said Assembly Speaker Joseph J. Roberts, Jr. (D-Camden). "This initiative provides historic levels of property tax savings, cutting property taxes for the overwhelming majority of New Jerseyans and creating a four-percent cap to sustain them."

Bill A-1/S-20 will provide homeowners with immediate and substantial property tax relief. Homeowners with incomes up to \$100,000 will receive a 20 percent reduction in their property taxes through either a credit or a rebate. Those with incomes between \$100,000 and \$150,000 will receive a 15 percent reduction,

and those with incomes between \$150,000 and \$250,000 will receive at 10 percent reduction.

The program will provide benefits to 1.9 million homeowners - about 95 percent of all homeowners in the state - and to 800,000 tenants.

The overall average benefit for all eligible homeowners will be nearly \$1,100.

The average for senior homeowners, who are guaranteed to receive a rebate at least equal to last year's amount, is nearly \$1,250. The average benefit for non-senior homeowners is nearly \$1,000 and will be more than triple the amount of last year's benefit. Funding for tenant rebates will be doubled, with low-income tenants receiving a dramatic increase.

The legislation also imposes a 4 percent property tax levy cap on school districts and all county and local governments. The cap provisions of the bill permit only a small number of adjustments. To address "extraordinary" increases in costs, the bill creates a limited waiver process for school districts that will require application to and approval by the Commissioner of Education. The school district waiver process will be initiated for the 2008-2009 school year budgets.

The Local Finance Board in the Department of Community Affairs will consider county and local government waiver requests. Governor Corzine has directed both agencies to put the interests of taxpayers first in reviewing any waiver requests.

Under the new law, school districts and county and local governments are permitted to seek voter approval to exceed the tax levy cap. Any proposal to exceed the cap must be passed by a supermajority of 60 percent of the voters, except for the upcoming school elections where a simple majority of 50 percent will be required to approve a cap override.

Bill A-4/S-19 implements several reform proposals that were originally contained in the "CORE reform" package of legislation put forth by Assembly Speaker Roberts last year. This bill includes the "Uniform Shared Services and Consolidation Act," which is designed to encourage savings among local units of government through the use of shared services, joint meetings, and municipal

consolidation. Financial incentives will be made available to municipalities that participate in shared services opportunities under the “Share Available Resources Efficiently” (SHARE) program.

The legislation also sets new rules to bring increased openness and transparency to the budgeting process for schools and municipalities. All municipal budgets and municipal employee salary changes are required to be posted online. Budgets posted online must be accompanied by a user friendly plain language guide. Additionally, all compensation, benefits, separation benefits, and contract terms for school superintendents, assistant superintendents, and school business administrators must be clearly disclosed to the Commissioner of Education and will be made available for public review.

Finally, the legislation greatly expands the authority and responsibility of county superintendents of schools, who will now be known as executive county superintendents. The executive superintendents will have the authority to disapprove portions of a school district’s budget if a district has not implemented all potential administrative efficiencies or if a budget includes excessive non-instructional expenses. The executive superintendents also will be responsible for developing a plan to eliminate all so-called “non-operating” school districts, which are school districts without schools. Additionally, they will develop a proposal for submission to the voters to create or enlarge regional school districts so that school districts smaller than K-12 would be eliminated.

The signing of these bills comes on the heels of other significant reforms recently signed into law by Governor Corzine to control additional drivers of property tax increases.

On March 15, the Governor signed the following bills:

- **A-2/S-15** – legislation to create an independent Office of the Comptroller to root out waste, inefficiency and mismanagement in state and local government. The comptroller will have the authority to perform financial audits and performance reviews of all government entities.
- **A-5/S-4** – a bill to increase the fiscal oversight and accountability of school districts

- **A-15/S-12** – a measure creating a commission to study and recommend municipal consolidations and other actions designed to improve efficiency and eliminate duplication
- **S-14/A-20** -- a bill to mandate pension forfeiture and prison sentences for public officials or employees convicted of corruption

The Governor also has secured commitments from legislative leaders that they will pass a bill to ban dual office holding before he signs the FY08 budget.

"When we began the Property Tax Special Session last summer, we knew that success would be measured on two things – how much direct relief we could immediately get to homeowners and how effectively we could control spending," said Senate Majority Leader Bernard F. Kenny, Jr., (D-Hudson). "Today, we are providing New Jersey residents with a staggering amount of property tax relief – not only in terms of dollars but also in terms of families reached."

"Property taxes are issue number one, two, and three for the residents of this state," said Assemblyman John F. McKeon (D-Essex). "After years of out-of-control property tax increases and fluctuating relief, this combination of tax cuts and caps is just what the doctor ordered to help homeowners, renters, and senior citizens."

"This historic infusion of property tax savings will benefit millions of homeowners and renters," said John J. Burzichelli (D-Gloucester). "These credits, rebates, and caps will put the brakes on runaway property taxes and give residents the real relief they deserve."

Assembly Bill No. 1 was sponsored by Speaker Joseph J. Roberts, Jr. (D-Camden, Gloucester) and Assemblypersons John F. McKeon (D-Essex) and John J. Burzichelli (D-Salem, Cumberland, Gloucester). It was sponsored in the Senate by Senate President Richard J. Codey (D-Essex) and Senator Bernard F. Kenny, Jr. (D-Hudson).

Assembly Bill No. 4 was sponsored by Speaker Joseph J. Roberts, Jr. (D-Camden, Gloucester) and Assemblypersons John S. Wisniewski (D-Middlesex), Jerry Green (D-Middlesex, Somerset, Union), Robert M. Gordon (D-Bergen), Louis D. Greenwald (D-Camden), Pamela R. Lampitt (D-Camden), Bonnie

Watson Coleman (D-Mercer), Douglas H. Fisher (D-Salem/ Cumberland/ Gloucester), and Nilsa Cruz-Perez (D-Camden/Gloucester). It was sponsored in the Senate by Senator Bob Smith (D-Middlesex, Somerset).

###

Delivering Results -- Property Tax Relief and Reform

The Special Session on Property Taxes that Governor Corzine opened last summer has produced the most comprehensive set of measures ever enacted in New Jersey to provide immediate relief from high property taxes and to create structural reforms that will help break the decades-long cycle of steep annual property tax increases in New Jersey.

Immediate Relief

- The new property tax credit/rebate program will mean a **20% reduction** in property taxes for the great majority of property taxpayers – an average benefit of more than **\$1,100** for the nearly **1.4 million** New Jersey homeowners with incomes of **\$100,000 or less**.
- Another 500,000 homeowners – those with incomes between \$100,000 and \$250,000 – will see benefits that are significantly higher than they have ever been before.
- Overall, benefits for non-senior homeowners will on average be **more than three times the amount** of last year's benefit.
- Seniors will continue to receive a high level of relief, guaranteed to be at least as much as last year's and averaging nearly **\$1,250 for senior homeowners**.
- Funding for relief for nearly **800,000 tenant households will double**.

Long-Term Reform

Promoting Consolidation and Shared Services

- The new Local Unit Alignment, Reorganization, and Consolidation Commission will allow thorough research, review, and development of proposals for shared service arrangements and consolidations that will reduce duplication and inefficiency.
- So-called “non-operating school districts,” which actually are school districts without schools, will be eliminated.
- The executive county superintendents will develop proposals to create or enlarge regional school districts so that school districts smaller than K-12 could be eliminated. These proposals will then be subject to voter approval.
- Civil service and other legal barriers that often make regional or consolidated approaches more difficult to design and implement will be eliminated.

Improving Ethics, Fiscal Oversight and Accountability

- The new State Comptroller will have unprecedented authority to root out waste, fraud, and abuse and to improve performance and internal controls at all levels of government through fiscal audits, performance reviews, and procurement monitoring.
- Pension abuses like padding and tacking will be eliminated through pending reforms that will remove service credit for professional service work by independent contractors and place a cap on the amount of salary that will count toward a defined benefit pension.
- Mandatory pension forfeiture and a prison sentence will apply to public employees or officials convicted of corruption.
- To enable voters to have a better understanding of how their property tax dollars are being spent, all school districts and local governments will be required to prepare “user-friendly” budgets that will be publicly available and posted on the Internet
- Compensation for school superintendents and other top-level school administrators will be subject to greater oversight and control, including a requirement that all employment contracts for these officials be pre-approved by executive county superintendents.

Controlling Spending

- The 4% cap on the local property tax levy will create a dynamic where school districts and local governments will have to prioritize spending decisions and aggressively search for structural changes to control long-term costs, especially compensation costs.
- School districts and local governments will now have the legal authority to achieve through negotiation greater employee contributions toward healthcare costs.
- School districts will be required to implement a variety of efficiency standards as a condition of State school aid.
- Executive county superintendents in each county will have the authority to disapprove portions of a school district's budget if a district has not implemented all potential administrative efficiencies or if a budget includes excessive non-instructional expenses.
- Municipalities will be graded against performance measures designed to promote cost savings in the delivery of services, and new Municipal Efficiency Promotion Aid will be available only to towns that meet those standards.

Reducing Reliance on Property Taxes

- The proposed FY08 State budget calls for a significant increase in School Aid, including funding that is targeted to at-risk children regardless of where they live. This principle of linking funding to the needs of children, rather than the accident of geography, will be at the core of a new school funding formula currently under development.
- The budget also calls for an increase in State Aid to municipalities so they can reduce their reliance on property taxes to fund needed local services.

NEW JERSEY LEGISLATURE NEWS RELEASE



FOR RELEASE:
June 6, 2006

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CODEY, ROBERTS ANNOUNCE PLANS FOR SPECIAL SESSION ON PROPERTY TAXES

*Legislature to Convene Bicameral, Bipartisan Joint Committees in July;
Final Action on Property Tax Relief Measures Expected by End of Year*

(TRENTON) – Senate President Richard J. Codey and Assembly Speaker Joseph J. Roberts, Jr., today announced plans for an unprecedented special legislative session that would work throughout the summer and fall with the goal of enacting property tax reforms by the end of this year.

The announcement lays out an unparalleled framework to bring about legislative measures and corresponding action aimed at reducing the property tax burdens of New Jersey residents. It would mark the first time in state history that the Legislature will create special bicameral committees tasked with looking at the property tax problem from all angles.

“For too long property owners have been getting blitzed with taxes advancing further and further. It’s time that we not only hold the line, but push them back,” said Codey (D- Essex). “Unless we attempt to create greater efficiency and reduce spending at the local levels, we will only be chasing our tails.”

“Since New Jersey’s homeowners don’t get a vacation from high property taxes, the Legislature shouldn’t get one either,” said Roberts (D-Camden). “Solving the problem of sky-high property taxes cannot be left to one person, one party, or one half of the Legislature. Today we are launching a full-court press to make major repairs to New Jersey’s broken property tax system.”

The special legislative session process would begin in July when Governor Corzine would frame out the goals and expectations in an address to a joint session of the Legislature.

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Following the Governor's address, the Senate and Assembly both would pass joint resolutions to create four bicameral, bipartisan joint committees:

- **Joint Committee on School Funding.** This panel would expand upon the Assembly task force that Speaker Roberts initially proposed in his recent CORE Reform Plan. This joint committee would seek to implement reforms to the current school funding formula to mitigate disparities and inequalities between urban and suburban/rural schools, among other changes;
- **Joint Committee on Benefits Reform.** The committee would use the recommendations from the Pension and Benefits Review Task Force, convened last year by Governor Codey, as the basis for legislative proposals to end abuses of the public benefit system and control benefits costs statewide;
- **Joint Committee on Government Consolidation and Shared Services.** This joint committee would serve as a launch pad for drafting measures to promote service sharing at all levels of government and examine potential consolidation of certain state government functions;
- **Joint Committee on a Citizens' Convention and Constitutional Reform.** The committee would address property tax issues that require constitutional remedies with the goal of laying the groundwork for a Citizen's Convention that would be put to the voters on the November 2007 ballot.

The joint committees would immediately begin work on developing legislative proposals, with a deadline for completing their work by September 30. The proposals would be forwarded to the Legislature's standing committees with the goal of achieving final legislative action by the end of the year.

Codey and Roberts said the plan was created in consultation with Governor Jon S. Corzine, who has called for both a special session and constitutional convention to tackle the state's decades-old problem of repressively high property taxes.

(MORE)

The leaders noted that the measures would be crafted jointly by both the Senate and Assembly, providing insurance against legislative gridlock and increasing the session's chances of success.

Unlike past special sessions – which historically have dissolved into political grandstanding – the Codey/Roberts plan's bicameral and bipartisan approach would ensure careful deliberation and discussion of all ideas.

“History has shown us that most partisan legislative initiatives are rarely successful,” said Codey. “Both houses working together, side by side, will be far more efficient and more meaningful.”

“In the end, taxpayers won't especially care whether this is called a ‘special session,’ ‘special committees,’ or ‘special process’ unless there are real results,” said Roberts. “This must be a process of meeting deadlines, not dead ends.”