[First Reprint]

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; revision of county superintendent of schools title and duties.

CURRENT VERSION OF TEXT

As amended by the Senate on February 5, 2007.

(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.
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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 ¹ [; and
27	WHEREAS, Increased accountability by the voters can better be
28	ensured if elections of local officials who spend significant
29	amounts of taxpayer money occur on days when a significant
30	percentage of the population is likely to vote]¹; now, therefore,
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32	BE IT ENACTED by the Senate and General Assembly of the State
33	of New Jersey:
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35	ARTICLE 1. SHARED SERVICES AND CONSOLIDATION
36	SUBARTICLE A. GENERAL PROVISIONS
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38	1. (New section) Sections 1 through 35 of
39	P.L., c. (C. through) (pending before the Legislature
40	as this bill) shall be known and may be referred to as the "Uniform
41	Shared Services and Consolidation Act."
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43	2. (New section) The Legislature finds and declares:
44	a. Historically, many specialized statutes have been enacted to
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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 permit shared services between local units for particular purposes.

- b. Other laws, permitting a variety of shared services, including interlocal services agreements, joint meetings, and consolidated and regional services, exist but have not been very effective in promoting the broad use of shared services as a technique to reduce local expenses funded by property taxpayers.
- c. It is appropriate for the Legislature to enact a new shared services statute that can be used to effectuate agreements between local units for any service or circumstance intended to reduce property taxes through the reduction of local expenses.

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- 12 3. (New section) As used in sections 1 through 35 of 13 P.L., c. (C. through) (pending before the Legislature as 14 this bill):
 - "Board" means the Local Finance Board in the Division of Local Government Services in the Department of Community Affairs.
 - "Construct" and "construction" connote and include acts of construction, reconstruction, replacement, extension, improvement and betterment of lands, public improvements, works, facilities, services or undertakings.
- "Contracting local units" means local units participating in a joint meeting.
 - "Director" means the Director of the Division of Local Government Services in the Department of Community Affairs.
 - "Division" means the Division of Local Government Services in the Department of Community Affairs.
 - "Governing body" means the board, commission, council, or other body having the control of the finances of a local unit; and in those local units in which an executive officer is authorized by law to participate in such control through powers of recommendation, approval, or veto, the term includes that executive officer, to the extent of the officer's statutory participation.
- 33 "Joint contract" means an agreement between two or more local 34 units to form a joint meeting.
- "Joint meeting" means the joint operation of any public services, public improvements, works, facilities, or other undertaking by contracting local units pursuant to a joint contract under section 14 of P.L., c. (C.) (pending before the Legislature as this bill).
- "Local unit" means a "contracting unit" pursuant to section 2 of 40 P.L.1971. c.198 (C.40A:11-2). a "district" pursuant to
- 40 P.L.1971, c.198 (C.40A:11-2), a "district" pursuant to N.J.S.18A:18A-2, a "county college" pursuant to N.J.S.18A:64A-1,
- The interest of the country contege pursuant to interest in
- 42 a joint meeting, or any authority or special district that is subject to
- 43 the "Local Authorities Fiscal Control Law," P.L.1983, c.313
- 44 (C.40A:5A-1 et seq.).
- 45 "Operate" and "operation" mean and include acquisition,
- 46 construction, maintenance, management, and administration of any
- 47 lands, public improvements, works, facilities, services, or
- 48 undertakings.

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

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

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

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

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

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SUBARTICLE B. SHARED SERVICES

- 4. (New section) a. (1) Any local unit may enter into an agreement with any other local unit or units to provide or receive any service that each local unit participating in the agreement is empowered to provide or receive within its own jurisdiction, including services incidental to the primary purposes of any of the participating local units.
- (2) Notwithstanding any law, rule or regulation to the contrary, any agreement between local units for the provision of shared services shall be entered into pursuant to Article 1 of P.L., c. (C.) (pending before the Legislature as this bill); provided, however, that agreements regarding shared services that are otherwise regulated by statute, rule, or regulation are specifically excluded from Article 1 of P.L., c. (C.) (pending before the Legislature as this bill).
- (3) The board is authorized to render a decision in the determination of the statutory basis under which a specific shared service is governed.
- b. Any agreement entered into pursuant to this section shall be filed, for informational purposes, with the Division of Local Government Services in the Department of Community Affairs, pursuant to rules and regulation promulgated by the director.

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

- b. A copy of the agreement shall be open to public inspection at the offices of the local unit immediately after passage of a resolution to become a party to the agreement.
- c. The agreement shall take effect upon the adoption of appropriate resolutions by all the parties thereto, and execution of agreements authorized thereunder as set forth in the agreement.

- 6. (New section) a. In the case of an agreement for the provision of services by an officer or employee of a local unit who is required to comply with a State license or certification requirement as a condition of employment, the agreement shall provide for the payment of a salary to the officer or employee and shall designate one of the local units as the primary employer of the officer or employee for the purpose of that person's tenure rights. If the agreement fails to designate one of the local units as the primary employer, then the local unit having the largest population, shall be deemed the primary employer for the purposes of that person's tenure rights.
- b. A State department or agency with oversight over specific activities that are the subject of a shared service agreement may promulgate whatever rules and regulations it deems necessary to ensure that the service continues to be provided in accordance with the requirements of that department or agency.

- 7. (New section) a. An agreement made pursuant to section 4 of P.L., c. (C.) (pending before the Legislature as this bill) shall specify:
- (1) the specific services to be performed by one or more of the parties as agent for any other party or parties;
- (2) standards of the level, quality, and scope of performance, with assignment and allocation of responsibility for meeting those standards between or among the parties;
- (3) the estimated cost of the services throughout the duration of the agreement, with allocation of those costs to the parties, in dollar amounts or by formula, including a time schedule for periodic payment of installments for those allocations. The specification may provide for the periodic modification of estimates or formulas contained therein in the light of actual experience and in accordance with procedures to be specified in the agreement;
- (4) the duration of the agreement, which shall be 10 years, unless otherwise agreed upon by the parties; and
 - (5) the procedure for payments to be made under the contract.
- b. In the case when all of the participating local units are municipalities, the agreement may provide that it shall not take effect until submitted to the voters of each municipality, and approved by a majority of the voters of each municipality voting at 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 8 P.L. , c. (C. through) (pending before the 9 Legislature as this bill), any party performing a service under a 10 shared service agreement is the general agent of any other party on 11 whose behalf that service is performed pursuant to the agreement, 12 and that agent-party has full powers of performance and 13 maintenance of the service contracted for, and full powers to undertake any ancillary operation reasonably necessary or 14 15 convenient to carry out its duties, obligations and responsibilities 16 under the agreement. These powers include all powers of 17 enforcement and administrative regulation which are, or may be, 18 exercised by the party on whose behalf the agent-party acts 19 pursuant to the agreement, except as the powers are limited by the 20 terms of the agreement itself, and except that no contracting party 21 shall be liable for any part or share of the cost of acquiring, 22 constructing, or maintaining any capital facility acquired or 23 constructed by an agent-party unless that part or share is provided 24 for in the agreement, or in an amendment thereto ratified by the 25 contracting parties in the manner provided in Article 1 of 26 P.L., c. (C.) (pending before the Legislature as this bill) 27 for entering into an agreement.

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

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- f. Payment for services performed pursuant to an agreement shall be made by and to the parties, and at such intervals, as shall be provided in the agreement.
- g. In the event of any dispute as to the amount to be paid, the full amount to be paid as provided in subsection a. of this section shall be paid; but if through subsequent negotiation, arbitration or litigation the amount due shall be determined, agreed or adjudicated to be less than was actually so paid, then the party having received the payment shall forthwith repay the excess.

- 8. (New section) a. Whenever two or more local units enter into an agreement, pursuant to section 4 of P.L., c. (C.) (pending before the Legislature as this bill), for the shared provision of law enforcement services within their respective jurisdictions, the agreement shall recognize and preserve the seniority, tenure, and pension rights of every full-time law enforcement officer who is employed by each of the participating local units and who is in good standing at the time the ordinance authorizing the agreement is adopted, and none of those law enforcement officers shall be terminated, except for cause; provided, however, this provision shall not be construed to prevent or prohibit a merged law enforcement entity from reducing force as provided by law for reasons of economy and efficiency.
- b. To provide for the efficient administration and operation of the shared law enforcement services within the participating local units, the agreement may provide for the appointment of a chief of police or other chief law enforcement officer. In that case, the agreement shall identify the appropriate authority to whom the chief of police or other chief law enforcement officer reports and also shall provide that any person who is serving as the chief of police or other chief law enforcement officer in one of the participating local units at the time the contract is adopted may elect either:
- (1) to accept a demotion of no more than one rank without any loss of seniority rights, impairment of tenure, or pension rights; or
 - (2) to retire from service.

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

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

9. (New section) If any local unit performs a service on behalf of one or more other local units that are parties to an agreement that utilizes a private contractor to perform all or most of that service, or all or most of a specific and separate segment of that service, then that local unit shall award the contract for the work to be performed 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 seq.).

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

- 11. (New section) a. When a local unit contracts, through a shared service or joint meeting, to have another local unit or a joint meeting provide a service it is currently providing using public employees and one or more of the local units have adopted Title 11A, Civil Service, then the agreement shall include an employment reconciliation plan in accordance with this section that and, if one or more of the local units have adopted Title 11A, Civil Service, shall specifically set forth the intended jurisdiction of the Department of Personnel. An employment reconciliation plan shall be subject to the following provisions:
- (1) a determination of those employees, if any, that shall be transferred to the providing local unit, retained by the recipient local unit, or terminated from employment for reasons of economy or efficiency¹, subject to the provisions of any existing collective bargaining agreements within the local units¹.
- (2) any employee terminated for reasons of economy or efficiency by the local unit providing the service under the shared service agreement shall be given a terminal leave payment of not less than a period of one month for each five-year period of past service as an employee with the local unit, or other enhanced benefits that may be provided or negotiated. For the purposes of this paragraph, "terminal leave payment" means a single, lump sum payment, paid at termination, calculated using the regular base salary at the time of termination. Unless otherwise negotiated or provided by the employer, a terminal leave benefit shall not include extended payment, or payment for retroactive salary increases, bonuses, overtime, longevity, sick leave, accrued vacation or other time benefit, or any other benefit.
- (3) the Department of Personnel shall place any employee that has permanent status pursuant to Title 11A, Civil Service, of the New Jersey Statutes that is terminated for reasons of economy or efficiency at any time by either local unit on a special

reemployment list for any civil service employer within the county of the agreement or any political subdivision therein.

- (4) when a proposed shared service agreement affects employees in local units subject to Title 11A, Civil Service, of the New Jersey Statutes, an employment reconciliation plan that shall be filed with the Department of Personnel prior to the approval of the shared service agreement. The department shall review it for consistency with this section within 45 days of receipt and shall be deemed approved, subject to approval of the shared service agreement by the end of that time, unless the department has responded with a denial or conditions that must be met in order for it to be approved.
- (5) when an action is required of the Department of Personnel by this section, parties to a planned shared service agreement may consult with that department in advance of the action and the department shall provide such technical support as may be necessary to assist in the preparation of an employment reconciliation plan or any other action required of the department by this section.
- b. If all the local units that are parties to the agreement are subject to the provisions of Title 11A, Civil Service, of the New Jersey Statutes, the Department of Personnel shall create an implementation plan for the agreement that will: (1) transfer employees with current status in current title unless reclassified, or (2) reclassify employees into job titles that best reflect the work to be performed. The Department of Personnel shall review whether any existing hiring or promotional lists should be merged, inactivated, or re-announced. Non-transferred employees shall be removed or suspended only for good cause and after the opportunity for a hearing before the Merit System Board; provided, however, that they may be laid-off in accordance with the provisions of N.J.S.11A:8-1 et seq., and the regulations promulgated thereunder. The final decision of which employees shall transfer to the new employer is vested solely with the local unit that will provide the service and subject to 'the provisions of' any 'Lagreement between the parties] existing collective bargaining agreements within the local units¹.
- c. If the local unit that will provide the service pursuant to a shared service agreement is subject to Title 11A, Civil Service, of the New Jersey Statutes, but the local unit to receive the service is not subject to that Title, and the contracting local units desire that some or all employees of the recipient local unit are to be transferred to the providing local unit, the Department of Personnel shall vest only those employees who have been employed for one year or more in permanent status pursuant to N.J.S.11A:9-9 in appropriate titles, seniority, and tenure with the providing local unit based on the duties of the position. The final decision of which employees shall transfer to the new employer is vested solely with the local unit that will provide the service and subject to 'the

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provisions of any agreement between the contracting existing collective bargaining agreements within the local units.

d. If the local unit that will provide the service is not subject to the provisions of Title 11A, Civil Service, of the New Jersey Statutes, but the local unit that will receive the service is subject to that Title and the parties desire that some or all employees of the recipient local unit are to be transferred to the providing local unit, the transferred employees shall be granted tenure in office and shall only be removed or suspended for good cause and after a hearing; provided, however, that they may be laid-off in accordance with the provisions of N.J.S.11A:8-1 et seq., and the regulations promulgated thereunder. The transferred employees shall be subject to layoff procedures prior to the transfer to the new entity. Once transferred, they will be subject to any employment contracts and provisions that exist for the new entity. The final decision of which employees shall transfer to the new employer is vested solely with the local unit that will provide the service and subject to ¹the provisions of any [agreement between the parties] existing collective bargaining agreements within the local units¹.

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

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

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SUBARTICLE C. JOINT MEETINGS

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- 14. (New section) a. The governing bodies of any two or more local units may enter into a joint contract, for a period not to exceed 40 years, to provide for the formation of a joint meeting for the joint operation of any public services, public improvements, works, facilities, or undertakings which the local units are empowered to operate. The contract shall be entered into in accordance with the procedures set forth in subsection b. of section 16 of this bill.
- b. A joint contract may provide for joint services for any services which any contracting local unit, on whose behalf those services are to be performed, is legally authorized to provide for itself. Those services include, but are not limited to, general

- government administration, health, police and fire protection, code enforcement, assessment and collection of taxes, financial administration, environmental protection, joint municipal courts, and youth, senior citizens and social welfare programs.
 - c. The joint contract shall set forth the public services, public improvements, works, facilities, or undertakings which the contracting local units desire to operate jointly, and shall provide in general terms the manner in which the public services, public improvements, works, facilities or undertakings shall be jointly operated, and the respective duties and responsibilities of the contracting local units.
 - d. No joint contract pursuant to this section shall authorize the operation of any property or service defined as a "public utility" by R.S.48:2-13, except as may otherwise be provided by law.

- 15. (New section) a. A joint meeting is a public body corporate and politic constituting a political subdivision of the State for the exercise of public and essential governmental functions to provide for the public health and welfare.
- b. A joint meeting has the following powers and authority, which may be exercised by its management committee to the extent provided for in the joint contract:
 - (1) to sue and be sued;
- (2) to acquire and hold real and personal property by deed, gift, grant, lease, purchase, condemnation or otherwise;
- (3) to enter into any and all contracts or agreements and to execute any and all instruments;
- (4) to do and perform any and all acts or things necessary, convenient or desirable for the purposes of the joint meeting or to carry out any powers expressly given in sections 1 through 35 of P.L., c. (C. through) (pending before the Legislature as this bill);
- 33 (5) to sell real and personal property owned by the joint meeting 34 at public sale;
 - (6) to operate all services, lands, public improvements, works, facilities or undertakings for the purposes and objects of the joint meeting;
 - (7) to enter into a contract or contracts providing for or relating to the use of its services, lands, public improvements, works, facilities or undertakings, or any part thereof, by local units who are not members of the joint meeting, and other persons, upon payment of charges therefore as fixed by the management committee;
 - (8) to receive whatever State or federal aid or grants that may be available for the purposes of the joint meeting and to make and perform any agreements and contracts that are necessary or convenient in connection with the application for, procurement, acceptance, or disposition of such State or federal aid or grants; and

- (9) to acquire, maintain, use, and operate lands, public improvements, works, or facilities in any municipality in the State, except where the governing body of the municipality, by resolution adopted within 60 days after receipt of written notice of intention to so acquire, maintain, use, or operate, shall find that the same would adversely affect the governmental operations and functions and the exercise of the police powers of that municipality.
- c. If the governing body of a municipality in which a joint meeting has applied for the location and erection of sewage treatment or solid waste disposal facilities refuses permission therefore, or fails to take final action upon the application within 60 days of its filing, the joint meeting may, at any time within 30 days following the date of such refusal or the date of expiration of the 60-day period, apply to the Department of Environmental Protection for relief. That department is authorized, after hearing the joint meeting and the interested municipality, to grant the application for the erection of the sewage treatment or disposal or solid waste treatment or disposal facilities, notwithstanding the refusal or failure to act of the municipal governing body, upon being satisfied that the topographical and other physical conditions existing in the local units comprising the joint meeting are such as to make the erection of such facilities within its boundaries impracticable as an improvement for the benefit of the whole applying joint meeting.

- 16. (New section) a. The joint contract shall provide for the operation of the public services, public improvements, works, facilities, or undertakings of the joint meeting, for the apportionment of the costs and expenses of operation required therefore among the contracting local units, for the addition of other local units as members of the joint meeting, for the terms and conditions of continued participation and discontinuance of participation in the joint meeting by the contracting local units, and for such other terms and conditions as may be necessary or convenient for the purposes of the joint meeting. The apportionment of costs and expenses may be based upon assessed valuations, population, and such other factor or factors, or any combination thereof, as may be provided in the joint contract.
- b. (1) Notwithstanding any law to the contrary concerning approval of contracts, the joint contract shall be subject to approval by resolution of the governing bodies of each of the local units prior to its execution by the official or officials who are authorized to execute a joint contract.
- (2) The joint contract shall specify the name by which the joint meeting shall be known.
- (3) The joint contract may be amended from time to time by agreement of the parties thereto, in the same manner as the original contract was authorized and approved.

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

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

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

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

- (b) to retire from service.
- (2) Any person who elects retirement shall not be demoted but shall retain the rank of chief of police or other chief law enforcement officer and shall be given terminal leave for a period of one month for each five-year period of past service as a law enforcement officer with the participating local unit. During the terminal leave, the person shall continue to receive full compensation and shall be entitled to all benefits, including any increases in compensation or benefits, that he may have been entitled to if he had remained on active duty.
- c. Whenever the participating local units have adopted or are deemed to have adopted Title 11A, Civil Service, of the New Jersey Statutes with regard to the provision of law enforcement services, and the contract provides for the appointment of a chief of police or other chief law enforcement officer, the position of chief law enforcement officer shall be in the career service.

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

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

- 19. (New section) a. When a local unit agrees to participate in a joint meeting that will provide a service that the local unit is currently providing itself through public employees, the agreement shall include an employment reconciliation plan in accordance with this section. An employment reconciliation plan shall be subject to the following provisions:
- (1) a determination of those employees, if any, that shall be transferred to the joint meeting, retained by the contracting local unit, or terminated from employment for reasons of economy or efficiency 'subject to the provisions of any collective bargaining agreements within the local units'.
- (2) any employee terminated for reasons of economy or efficiency by the contracting local unit providing the service or by the joint meeting shall be given a terminal leave payment of not less than a period of one month for each five-year period of past service as an employee with the local unit, or other enhanced benefits that may be provided or negotiated. Unless otherwise negotiated or provided by the employer, a terminal leave benefit shall not include extended payment, or payment for retroactive salary increases, bonuses, overtime, longevity, sick leave, accrued vacation or other time benefit, or any other benefit.
- (3) the Department of Personnel shall place any employee that has permanent status pursuant to Title 11A, Civil Service, of the New Jersey Statutes that is terminated for reasons of economy or efficiency at any time by either local unit on a special reemployment list for any civil service employer within the county of the agreement or any political subdivision therein.
- (4) when a proposed joint contract affects employees in local units that operate under the provisions of Title 11A, Civil Service, of the New Jersey Statutes, an employment reconciliation plan shall be filed with the Department of Personnel prior to the approval of the joint meeting agreement. That department shall review the plan for consistency with this section within 45 days of receipt and it shall be deemed approved, subject to approval of the joint meeting agreement by the end of that time, unless that department has

responded with a denial or conditions that must be met in order for it to be approved.

- (5) when an action is required of the Department of Personnel by this section, parties to a proposed joint contract may consult with the department in advance of the action and the department shall provide such technical support as may be necessary to assist in the preparation of an employment reconciliation plan or any other action required of the department by this section.
- b. If both the local unit and joint meeting operate under the provisions of Title 11A, Civil Service, of the New Jersey Statutes, the Department of Personnel shall create an implementation plan for employees to be hired by the joint meeting that will: (1) transfer employees with current status in current title unless reclassified or (2) reclassify employees, if necessary, into job titles that best reflect the work to be performed. The Department of Personnel shall review whether any existing hiring or promotional lists should be merged, inactivated, or re-announced. Non-transferred employees shall be removed or suspended only for good cause and after the opportunity for a hearing before the Merit System Board; provided, however, that they may be laid-off in accordance with the provisions of N.J.S.11A:8-1 et seq., and the regulations promulgated thereunder. The final decision of which employees shall transfer to the new employer is vested solely with the local unit that will provide the service and subject to ¹the provisions of ¹ any ¹ [agreement between the parties] existing collective bargaining agreements within the local units¹.
 - c. If the joint meeting operates under the provisions of Title 11A, Civil Service, of the New Jersey Statutes, and a local unit receiving the service is not subject to that Title, and the parties desire that some or all employees of the local unit be transferred to the joint meeting, the Department of Personnel shall vest only those employees who have been employed one year or more in permanent status pursuant to N.J.S.40A:9-9 in appropriate titles, seniority, and tenure with the providing local unit based on the duties of the position. The final decision of which employees shall transfer to the new employer is vested solely with 'the' joint meeting and subject to '[any agreement between] the agreements affecting' the parties', provided that those agreements do not conflict with the provisions of any existing collective bargaining agreements within the local units'.
 - d. (1) If the joint meeting does not operate under the provisions of Title 11A, Civil Service, of the New Jersey Statutes, and the local unit receiving the service is subject to that Title, and the parties desire that some or all employees of the recipient local unit are to be transferred to the joint meeting, then the transferred employees shall be granted tenure in office and shall be removed or suspended only for good cause and after a hearing. The transferred

employees shall be subject to layoff procedures prior to the transfer to the new entity. Once transferred, they will be subject to any employment contracts and provisions that exist for the new entity. The final decision of which employees shall transfer to the joint meeting is vested solely with the joint meeting and subject to ¹[any agreement between the parties] the provisions of any existing collective bargaining agreements within the local units ¹.

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

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

b. The management committee shall elect annually from among its members a chair to preside over its meetings. The management committee may appoint such other officers and employees, including counsel, who need not be members of the management committee or members of the governing bodies or employees or residents of the local units, as it may deem necessary. The employees appointed by the management committee shall hold office for such term not exceeding four years as may be provided by the joint contract. The management committee shall adopt rules and regulations to provide for the conduct of its meetings and the duties and powers of the chairman and such other officers and employees as may be appointed. All actions of the management

committee shall be by vote of the majority of the entire membership of the committee, except for those matters for which the contract requires a greater number, and shall be binding on all local units who have executed the joint contract. The management committee shall exercise all of the powers of the joint meeting subject to the provisions of the joint contract.

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

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

22. (New section) The management committee, not later than November 1 of each year, shall certify to the participating local units the total costs and expenses of operation, other than acquisition and construction costs, of the services, public improvements, works, facilities, or undertakings for the ensuing year, in accordance with the terms and provisions of the joint contract, together with an apportionment of the costs and expenses of operation among the participating local units in accordance with the method of apportionment provided in the joint contract. It shall be the duty of each participating local unit to include its apportioned share of such costs and expenses of operation in its annual budget, and to pay over to the management committee its apportioned share as provided in the joint contract. Operations under the budget and related matters shall be subject to and in accordance with rules of the Local Finance Board or the Commissioner of Education, as appropriate. The Local Finance Board shall be responsible for the determination of the appropriate rule-making authority with regard to each joint contract. For the first year of operation under the joint contract, a participating local unit may adopt a supplemental or emergency appropriation for the

purpose of paying its apportioned share of the costs and expenses of operation, if provision therefore has not been made in the annual budget.

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

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

SUBARTICLE D. LOCAL OPTION MUNICIPAL CONSOLIDATION

- 25. (New section) a. The Legislature finds and declares that in order to encourage municipalities to increase efficiency through municipal consolidation for the purpose of reducing expenses borne by their property taxpayers, more flexible options need to be available to the elected municipal officials and voters than are available through the "Municipal Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.).
- b. (1) In lieu of the procedures set forth in the "Municipal Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.), the governing bodies from two or more contiguous municipalities may apply to the board for either:
 - (a) approval of a plan to consolidate their municipalities; or
- (b) creation of a Municipal Consolidation Study Commission, as described in subsection c. of this section.
- (2) A representative committee of registered voters from two or more contiguous municipalities may petition the board for the creation of a Municipal Consolidation Study Commission, as described in subsection c. of this section. The petition, to be sufficient, shall be signed by the registered and qualified voters of the municipalities in a number at least equal to 10% of the total votes cast in those municipalities at the last preceding general election at which members of the General Assembly were elected.
- (3) The board shall provide application forms and technical assistance to any governing bodies or voters desiring to apply to the board for approval of a consolidation plan or the creation of a Municipal Consolidation Study Commission.

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

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- 8 c. An application to create a Municipal Consolidation Study
 9 Commission shall propose a process to study the feasibility of
 10 consolidating the participating municipalities into a single new
 11 municipality or merging one into the other. The application shall
 12 include provisions for:
- 13 (1) the means of selection and qualifications of study 14 commissioners;
 - (2) the time frame for the study, which shall be no more than three years, along with key events and deadlines, including time for review of the report by State agencies, which review shall be no less than three months;
 - (3) whether a preliminary report shall be issued in addition to the final report;
 - (4) whether the development of a consolidation implementation plan will be a part of the study;
 - (5) the means for any proposed consolidation plan to be approved; either by voter referendum, by the governing bodies, or both; and
 - (6) if proposed by a representative group of voters, justification of that group's standing to serve as the community advocate for the consolidation proposal.
 - d. (1) An application to the board for consideration of a consolidation plan or to create a Municipal Consolidation Study Commission shall be subject to a public hearing within each municipality to be studied, and a joint public hearing in a place that is easily accessible to the residents of both or all of the municipalities.
 - (2) The public hearings shall be facilitated by the board and conducted in accordance with the provisions of the "Senator Byron M. Baer Open Public Meetings Act," P.L.1975, c.231 (C.10:4-6 et seq.).
 - (3) After approval of a plan by the board, it may be amended upon petition to the board by the applicant. Based on the nature of the amendment, the board may decide to hold a public hearing in any of the municipalities affected by the plan, or at a regular meeting, or both.
- e. Every Municipal Consolidation Study Commission shall include a representative of the Department of Community Affairs as a non-voting representative on the commission. The representative shall not be a resident of a municipality participating in the study. The department shall prepare an objective fiscal study of the fiscal

aspects of a consolidation and shall provide it to the commission in a timely manner.

- f. If the consolidation would include the consolidation of boards of education, a person appointed by the Commissioner of Education shall serve as a non-voting member of that Municipal Consolidation Study Commission. The representative of the Commissioner of Education shall not be a resident of a community participating in the study. The county superintendent of schools shall conduct a study on the impact of consolidation on the educational system and its finances. The report shall be provided to the commission in a timely manner.
- 12 g. There shall be no more than one of either a consolidation plan 13 study, a Municipal Consolidation Study Commission, or a joint 14 municipal consolidation created under the "Municipal 15 Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.), active 16 in a single municipality at the same time. In the event that more 17 than one application is filed with the board or is being considered 18 by the governing bodies while another action affecting the same 19 municipality or municipalities is under consideration, the board 20 shall consider the applications and shall join any proposed creation 21 of a joint municipal consolidation together and approve only one 22 action as the board deems to be in the public interest. Prior to 23 approving a single action, the board shall hold a public hearing 24 permitting all parties to present testimony on the merits of their 25 action in relation to the other proposals. Once an action is approved 26 by the board, another action from the same combination of 27 municipalities shall not be approved for at least five years.
 - h. In considering its decisions under Article 1 of P.L., c. (C.) (pending before the Legislature as this bill), the Local Finance Board and any other State agency shall take into account local conditions, the reasonableness of proposed decisions, and the facilitation of the consolidation process in making decisions concerning consolidation.

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- 26. (New section) a. A consolidation plan or report of a Municipal Consolidation Study Commission shall include the provisions of sections 16 and 24 of P.L.1977, c.435 (C.40:43-66.50 and 40:43-66.58), insofar as they are consistent with the provisions of Article 1 of P.L. , c. (C.) (pending before the Legislature as this bill). In addition, a consolidation plan shall address the following implementation issues:
 - (1) a timetable for implementing the consolidation plan;
- (2) duplicate positions, including those held by tenured, certified officers, listing those positions proposed to be abolished for reasons of economy, efficiency or other good cause and listing those positions proposed to be merged; and

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

- b. The following policies may be considered and implemented under an application for approval of a consolidation plan, and may be included as part of a study under the "Municipal Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.), or as part of a study conducted by a Municipal Consolidation Study Commission pursuant to Article 1 of P.L. , c. (C.) (pending before the Legislature as this bill):
- (1) creation of a consolidation implementation plan to establish a timetable of significant events and goals to be achieved as part of a consolidation study;
- (2) a phase-in of a consolidation over a fixed period of time. Such a plan shall be subject to review and approval of the Local Finance Board prior to it being approved by the governing bodies or subject to voter referendum;
- (3) variations from existing State law or State department rules that may not have anticipated a phase-in or consolidation of services. When variations are proposed, they shall be submitted to the board which shall refer it to the agency with oversight responsibility. After due consideration, the referee agency is empowered to waive such law or rules if a waiver is found reasonable to further the process of consolidation. Where no such agency exists, the Commissioner of Community Affairs shall act on behalf of the State. These requests shall be acted on within 45 days of their receipt by an agency, and they shall be deemed approved, subject to approval of a consolidation proposal by the municipalities, by the end of that time unless the agency has responded with a denial, conditions that must be met in order for it to be approved, or an alternative approach to resolving the matter;
- (4) the use of advisory planning districts, comprised of residents living in the former territories of each former municipality, to provide advice to the planning board and the zoning board of adjustment on applications and master plan changes affecting those areas. A consolidation study plan shall specify that types and nature of the development and zoning applications that the advisory planning districts shall review and the official boards shall be required to respond, at a public meeting, to each suggestion made by an advisory planning district;
- (5) the establishment of service districts comprised of the boundaries of any or all of the former municipalities which may be used to allocate resources and used for official geographic references in the new municipality;
- (6) the continued use of boundary lines of any or all of the former municipalities to continue local ordinances that existed prior to consolidation that the governing body deems necessary and appropriate. The need for any such differentiation shall be

reviewed by the governing body at least every five years and shall only be continued upon the affirmative vote of the full membership of the governing body, and if such continuance fails, the governing body shall then adopt uniform policies for the entire area; and

- (7) the apportionment of existing debt between the taxpayers of the consolidating municipalities, including whether existing debt should be apportioned in the same manner as debt within special taxing districts so that the taxpayers of each consolidating municipality will continue to be responsible for their own preconsolidation debts.
- c. When one of the municipalities is subject to the provisions of Title 11A, Civil Service, of the New Jersey Statutes, the question of whether the new municipality shall be subject to the provisions of that Title shall be the subject of a public referendum before all of the voters of the consolidating municipalities. Upon the approval by a majority of those voting, regardless of their municipality of residence, the new municipality shall be subject to the provisions of that Title.

- 27. (New section) a. Once a consolidation has been approved by the affected municipal governing bodies or voters, the division shall create a task force of State departments, offices and agencies, as it deems appropriate, ¹and representatives of affected negotiations units, ¹ to facilitate the consolidation and provide technical assistance.
- b. When a consolidation plan provides that the consolidated municipality will be subject to the provisions of Title 11A, Civil Service, of the New Jersey Statutes the Department of Personnel is specifically authorized to create a consolidation implementation plan to vest non-civil service employees, based on the education and experience of the individuals, in appropriate titles and tenure.
- c. Whenever a referendum question to decide if a consolidated municipality shall be subject to the provisions of Title 11A, Civil Service, of the New Jersey Statutes fails, the employees of a municipality already subject to that Title shall be given non-civil service titles in the new entity and previously held tenure shall be vacated.
- d. The Public Employment Relations Commission is authorized to provide technical advice, pursuant to section 12 of P.L.1968, c.303 (C.34:13A-8.3), to assist a new municipality and existing labor unions to integrate separate labor agreements into consolidated agreements and to adjust the structure of collective negotiations units, as the commission determines appropriate for the consolidated municipality.

28. (New section) a. If a revaluation of property for the consolidated municipality is not implemented for the first local budget year of the consolidated municipality, then the assessments

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on the properties owned by the taxpayers of the former municipalities shall be equalized for the apportionment of taxes for the consolidated municipality, in the same manner as assessments are equalized for the apportionment of county taxes.

5 b. The owners of any residential property or residential tenants 6 municipality consolidated under Article 7 P.L., c. (C.) (pending before the Legislature as this bill), or 8 the "Municipal Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 9 et seq.), who experience a municipal or school district purposes real 10 property tax increase in the first tax year following the municipal 11 consolidation shall be entitled to annual property tax relief until 12 such time as they sell or transfer their home or no longer reside as 13 tenants in the rental unit they occupied just prior to the municipal 14 consolidation. In the case of the owner of residential property, the 15 property tax relief shall be reflected as a credit on the property tax 16 bill equal to the difference between the municipal and school 17 district purposes real property tax payable by the taxpayer for the 18 tax year, subject to any adjustment as determined necessary by the 19 Director of the Division of Local Government Services in the 20 Department of Community Affairs to reflect operating budgets for a 21 normal pre-consolidated fiscal year, and the municipal and school 22 district purposes real property tax billed to that taxpayer for the tax 23 year during which the consolidation is effectuated, as may be 24 adjusted by the Director of the Division of Local Government 25 Services in the Department of Community Affairs to reflect normal 26 post-consolidation operating budgets for the municipalities and 27 school districts. In the case of a residential tenant, the tax credit 28 applied to an apartment property shall be distributed to eligible 29 tenants pursuant to the provisions of the "Tenants' Property Tax 30 Rebate Act," P.L.1976, c.63 (C.54:4-6.2 et seq.) and this section. 31 The total of all such relief in the municipality shall be paid by the 32 State to the municipality on a schedule determined by the Local 33 Finance Board. For the purpose of this subsection, a "normal" 34 budget year shall be one that, in the determination of the director, 35 not reflect expenses made in anticipation 36 implementation expenses related to, a municipal consolidation.

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

SUBARTICLE E. SHARING AVAILABLE RESOURCES EFFICIENTLY PROGRAM

- 30. (New section) a. A local unit that plans to study the feasibility of a shared service agreement, joint meeting contract, or municipal consolidation may apply to the director for grants or loans to fund the study, including consultant costs, and to fund one-time start-up costs of a shared service agreement or joint meeting contract or municipal consolidation. The director, in consultation with the Commissioner of Education, shall establish a program to be known as the "Sharing Available Resources Efficiently" program, or "SHARE," to accomplish this purpose, and, in consultation with the commissioner, shall promulgate rules and regulations necessary to effectuate the purposes of the program.
- b. The director, in consultation with the commissioner, shall provide guidelines and procedures for the submission of SHARE grant and loan applications.
 - c. Applications for shared service study funds:
- (1) May require such local match of funds, as is determined by the director for the studies if the director finds that the local unit is financially capable of providing such matching funds.
- (2) Shall not require a local match of funds for consolidation studies under Article 1 of P.L. , c. (C.) (pending before the Legislature as this bill) or the "Municipal Consolidation Act," P.L.1977, c.435 (C.40:43-66.35 et seq.).
- (3) Grants for implementation of shared services may include financial assistance for terminal leave benefits, but not for early retirement incentives related to pension contributions.
 - d. Applications for one-time start-up costs shall provide that:
- (1) Local units may apply for financial assistance for the onetime start-up costs necessary to implement shared services. Costs that may be financed through the issuance of debt or capital lease agreements shall be excluded from this program.
- (2) The director may set limits on aid awards and negotiate the various provisions, costs, payment provisions, and amounts of grants or loans to ensure that the shared service is cost effective and in the public interest. Financial assistance for costs associated with terminal leave benefits shall be limited to the lesser of the officer or employee's regular base rate of compensation that is paid for the terminal leave benefit pursuant to an applicable employment contract, local practice, local ordinance, or State law.
- e. The director may provide technical support programs to assist local units in applying for grants or aid for studying shared services.

 31. (New section) There is created a "Sharing Available Resources Efficiently" account within the Property Tax Relief Fund as a non-lapsing revolving account which shall receive monies as may be credited to it from the Property Tax Relief Fund, the

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repayments of loans made from the account, and any other funds as may be appropriated to the account from time to time. Monies in the account shall be appropriated for the purposes of Article 1 of P.L., c. (C.) (pending before the Legislature as this bill).

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SUBARTICLE F. VOTER PARTICIPATION TO IDENTIFY SHARED SERVICES AND OTHER COST-SAVING OPPORTUNITIES

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

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SUBARTICLE G. MISCELLANEOUS

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

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

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

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(1) The commission may promulgate rules or regulations to
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     effectuate the purposes of Article 1 of P.L.
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     (pending before the Legislature as this bill).
        (2) The commission may establish a fee schedule to cover the
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     costs of effectuating its services; provided, however, that the fees so
     assessed shall not exceed the commission's actual cost of
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     effectuating those provisions.
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        (3) Within 14 days of receiving a decision, a party aggrieved by
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     a decision of a mediator or arbitrator assigned by the commission
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     may file notice of an appeal of an award to the commission. In
     deciding an appeal, the commission, pursuant to rule and regulation
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     and upon petition, may afford the parties the opportunity to present
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     oral arguments. The commission may affirm, modify, correct or
     vacate the award or may, at its discretion, remand the award to the
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     same arbitrator or to another arbitrator, selected by lot, for
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     reconsideration. An aggrieved party may appeal a decision of the
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     commission to the Appellate Division of the Superior Court.
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                       SUBARTICLE H. REPEALER
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        35. (New section) The following sections of law are repealed:
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        N.J.S.11A:9-8;
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        N.J.S.18A:46-25 through 18A:46-28;
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        R.S.27:14-33 through 27:14-34;
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        Section 12 of P.L.1947, c.62 (C.27:15-1.11);
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        R.S.27:16-22;
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        R.S.27:16-24;
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        R.S.27:16-40;
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        R.S.27:16-69 and 27:16-70;
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        R.S.27:16-72 through 27:16-76;
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        R.S.27:19-8;
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        R.S.27:19-38;
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        R.S.27:20-2 through 27:20-4;
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        R.S.27:22-1 through 27:22-9;
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        R.S.27:22-11;
        Section 1 of P.L.1952, c.120 (C.40:5-2.9);
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        Sections 1 through 9, 19, and 20 of P.L.1973, c.208 (C.40:8A-3
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     through 40:8A-11);
        Section 2 of P.L.1992, c.145 (C.40:8A-6.1);
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        Sections 1 through 5 of P.L.1999, c.60 (C.40:8B-14 through
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     40:8B-18);
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        Sections 1 through 11 of P.L.1952, c.72 (C.40:48B-1 through
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     40:48B-11);
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        Sections 8 and 9 of P.L.1960, c.3 (C.40:48B-12 and 40:48B-13);
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        Sections 1 and 2 of P.L.1951, c.102 (C.40:54-29.1 and 40:54-
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     29.2);
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        Sections 1 through 4 of P.L.1958, c.147.(C.40:60-25.47 through
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1 Sections 1 through 4 of P.L.1964, c.185 (40:61-35.1 through 2 40:61-35.4); 3 R.S.40:67-24 and 40:67-25; and 4 R.S.40:67-36 through 40:67-46. 5 6 36. Section 1 of P.L.1967, c.27 (C.18A:17-14.1) is amended to 7 read as follows: 1. A board or the boards of two or more districts may, under 8 9 rules and regulations prescribed by the State board, appoint a school 10 business administrator by a majority vote of all the members of the 11 board, define his duties, which may include serving as secretary of 12 one of the boards, and fix his salary, whenever the necessity for such appointment shall have been agreed to by the county 13 14 superintendent of schools or the county superintendents of schools 15 of the counties in which the districts are situate and approved by the commissioner and the State board. 16 [A school business 17 administrator shall be appointed in the manner provided in this 18 section, however when the boards of education of two or more 19 school districts determine to share a school business administrator, 20 the appointment shall comply with the provisions of section 4 of 21 P.L.1996, c.111 (C.18A:17-24.1). 22 Nothing in P.L.1996, c.111 (C.18A:17-24.1 et al.) shall prohibit 23 a school district from subcontracting its school business 24 administrator to another school district pursuant to the provisions of 25 P.L.1973, c.208 (C.40:8A-1 et seq.), in which case credit toward 26 tenure acquisition shall accrue only in the primary district of 27 employment. [The provisions of P.L.1996, c.111 (C.18A:17-24.1 28 et al.) concerning the arrangement to share a school business 29 administrator by two or more school districts shall not apply when a 30 school district subcontracts its school business administrator to 31 another school district. 32 (cf: P.L.1996, c.111, s.1) 33 34 37. Article 1, sections 1 through 36 of P.L. , c. (C. 35 (pending before the Legislature as this bill) shall take effect immediately, but section 35 shall remain inoperative until the first 36 day of the seventh month next following enactment. 37 38 39 ARTICLE 2. USER-FRIENDLY BUDGETS 40 38. N.J.S.40A:4-10 is amended to read as follows: 41 42 40A:4-10. No budget or amendment thereof shall be adopted 43 unless the director shall have previously certified his approval 44 thereof. Final adoption shall be by resolution adopted by a majority 45 of the full membership of the governing body, and may be by title 46 where the procedures required by sections 40A:4-8 and 40A:4-9 or 47 section 12 of P.L.1995, c.259 (C.40A:4-6.1), as applicable, have

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been followed.

The budget shall be adopted in the case of a county not later than
February 25, and in the case of a municipality not later than March
3 20 of the calendar fiscal year or September 20 of the State fiscal
4 year, except that the governing body may adopt the budget at any
5 time within 10 days after the director shall have certified his
6 approval thereof and returned the same, if such certification shall be
7 later than the date of the advertised hearing.

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

[Three certified copies] <u>Copies</u> of the budget, as adopted, <u>in such form and in such quantity as determined by the Local Finance Board, shall be transmitted to the director, and made available in <u>print for public inspection at the local library</u>, within three days after adoption.</u>

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

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

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

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

b. The plain language budget summary shall provide the public with information in summary form about the budget of the local unit and shall include, in addition to an abbreviated version of the formal budget adopted by the local unit, such statistical information as the board determines to be useful for the public's understanding of the local unit's fiscal matters and condition, and shall also include, but shall not be limited to the following information, for both the local unit's current budget year and the previous budget year, as the Local Finance Board determines appropriate to the local unit: all line items of appropriation aggregated by service type; the property tax rate; the property tax collection rate; the assessed value

and taxable value of all real property located in the local unit; the amount of bonded indebtedness of the local unit; revenues by major category; description of unusual revenues or appropriations, with a description of the circumstances of the revenues or appropriations; a list of shared service agreements in which the local unit is participating; and the number and amount of outstanding long-term tax exemptions and abatements, and the amount of revenue derived there from.

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

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

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

The chief financial officer of the local unit shall file the employee compensation disclosure form with the clerk or the secretary to the governing body of the local unit prior to a public meeting when such measure shall be introduced and discussed. Any such proposed measure shall be announced publicly at the meeting, along with a declaration that an employee compensation disclosure form has been provided to the governing body of the local unit

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pursuant to the requirements of Article 2 of P.L., c. (C.)

(pending before the Legislature as this bill). Any formal action by a

governing body approving or disapproving a measure establishing

or modifying the salaries, benefits, or other compensation of its

employees shall occur no earlier than the tenth calendar day

immediately following the meeting at which the measure was

introduced and discussed.

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

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

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

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ARTICLE 3. '[FIRE DISTRICT ELECTIONS] <u>EXECUTIVE</u> COUNTY SUPERINTENDENTS'

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

34 19:14-4. In the center of the ballot immediately below the 35 perforated line shall be printed in bold-faced type the words 36 "Official general election ballot." Below these words and extending 37 across the ballot shall appear the words: "Name of (municipality), 38 ward, <u>fire district (if applicable),</u> 39 election district, date of election, John Doe, county clerk." The blank spaces shall be 40 41 filled in with the name of the proper municipality, the ward and 42 district numbers and the date of the election. For school elections the name of the school district and of the municipality or 43 44 municipalities comprising the district shall also be indicated 45 thereon. The name of the county clerk shall be a facsimile of his 46 signature. Below the last stated words extending across the ballot 47 and at the extreme left shall be printed the words "Instructions to 48 the voter," and immediately to the right there shall be a bracket

embracing the following instructions numbered consecutively:

- (1) The only kind of a mark to be made on this ballot in voting shall be a cross x, plus + or check.
- (2) To mark a cross x, plus +, check or when writing a name on this ballot use only ink or pencil.
- (3) To vote for any candidates whose names are printed in any column, mark a cross x, plus + or check in the square at the left of the names of such candidates not in excess of the number to be elected to the office.
- (4) To vote for any person whose name is not printed on this ballot, write or paste the name of such person under the proper title of office in the column designated personal choice and mark a cross x, plus + or check in the square to the left of the name so written or pasted.
- (5) To vote upon any public question printed on this ballot if in favor thereof, mark a cross x, plus + or check in the square at the left of the word "Yes," and if opposed thereto, mark a cross x, plus + or check in the square at the left of the word "No."
- (6) Do not mark this ballot in any other manner than above provided for and make no erasures. Should this ballot be wrongly marked, defaced, torn or any erasure made thereon or otherwise rendered unfit for use return it and obtain another. In presidential years, the following instructions shall be printed upon the general election ballot:
- (7) To vote for all the electors of any party, mark a cross x, plus + or check in ink or pencil in the square at the left of the surnames of the candidates for president and vice-president for whom you desire to vote.
- Below the above-stated instructions and information and, except when compliance with section [19:14-15] R.S.19:14-13 of this Title as to Statewide propositions otherwise requires, three inches below the perforated line and parallel to it, there shall be printed a six-point diagram rule extending across the ballot to within not less than a half inch to the right and left edges of the paper.
- 35 (cf: P.L.1995, c.278, s.17)]¹

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

- 19:14-8. The ballot shall be divided into a partisan section and a nonpartisan section. In the partisan section, in the columns of each of the political parties which made nominations at the next preceding primary election to the general election and in the personal choice column, within the space between the two-point hair line rules, there shall be printed the title of each office to be filled at such election, except as hereinafter provided.
- [Such] Within each section of the ballot the titles of office shall be arranged in the following order: member of the United States Senate; Governor; member of the House of Representatives; member of the State Senate; members of the General Assembly;

1 county executive, in counties that have adopted the county 2 executive plan of the "Optional County Charter Law," P.L.1972, 3 c.154 (C.40:41A-1 et seq.); sheriff; county clerk; surrogate; register 4 of deeds and mortgages; county supervisor; members of the board 5 of chosen freeholders; coroners; mayor and members of municipal 6 governing bodies[,]; members of the board of fire commissioners, 7 and any other titles of office. Candidates for board of fire 8 commissioners shall be listed in the nonpartisan section of the 9 <u>ballot</u>. Above each of such titles of office, except the one at the top, 10 shall be printed a two-point diagram rule in place of the two-point hair line rule. Below the titles of such offices shall be printed the 11 12 names of the candidates for the offices.

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

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

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

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

To the right of the title of each office in the party columns and the personal choice column shall be printed the words "Vote for," inserting in words the number of persons to be elected to such office.

(cf: P.L.2005, c.136, s.23)]1

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

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

Such titles of office shall be arranged in the following order: electors of President and Vice-President of the United States; member of the United States Senate; Governor; member of the House of Representatives; member of the State Senate; members of the General Assembly; county executive, in counties that have adopted the county executive plan of the "Optional County Charter Law," P.L.1972, c.154 (C.40:41A-1 et seq.); sheriff; county clerk; surrogate; register of deeds and mortgages; county supervisor;

members of the board of chosen freeholders; coroners; mayor and members of municipal governing bodies [,]; members of the board of fire commissioners, and any other titles of office.

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

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

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

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

(cf: P.L.1995, c.191, s.2)]¹

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

19:14-16. The words to be printed on the perforated coupon shall be printed in twelve-point bold-faced capital letters and the figures in eighteen and twenty-two-point bold-faced type. At the head of the ballot the words "Official General Election Ballot" shall be printed in at least thirty-point bold-faced capital letters. The name of municipality, ward, fire district, election district, and date, as appropriate, shall be printed in twelve-point bold-faced capital letters. The words "Instructions to the voter" shall be printed in twelve-point bold-faced capitals and small letters, while the instructions embraced within the brackets shall be printed in eightpoint bold-faced capital and small letters. The column designations shall be printed in eighteen-point bold-faced capital letters and the accompanying instructions shall be printed in eight-point capitals and small letters. The titles of office and accompanying instructions shall be printed in ten-point bold-faced capital and small letters. When there is no nomination made at the primary for an office, the title shall be printed in the space where such title should appear, and the words "No Nomination Made" in type large enough to fill the entire space or spaces shall be printed therein. The names of all candidates shall be printed in ten-point capital letters. designations following the candidates' names in the nomination by petition column or columns shall be printed in ten-point capitals and small letters, except that where they overrun the space within the column the designations may be abbreviated, and all spaces between the two-point hair line rules not occupied by the titles of office and names of candidates shall be printed in with scroll or

- 1 filling to guide the voter against wrongly marking the ballot. On
- 2 the foot of the ballot the words "Public Questions to be Voted
- 3 Upon" shall be printed in eighteen-point bold-faced capital letters.
- 4 The accompanying instructions shall be printed in eight-point
- 5 capital and small letters. The public questions to be voted upon
- 6 shall be printed in ten-point capital and small letters, and the words
- 7 "Yes" and "No" shall be printed in twelve-point bold-faced capital
- 8 letters.
- 9 (cf: R.S.19:14-16)]¹

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

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

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

(cf: P.L.1959, c.139, s.1)]¹

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

40A:14-70. In any municipality not having a paid or part-paid fire department and force, the governing body, upon application of at least 5% of the registered voters or 20 legal voters, whichever is the greater, shall consider the designation of a fire district. Upon receipt of the application, the governing body shall fix a time and place for a hearing thereon. The municipal clerk shall advertise the notice of the hearing in a newspaper circulating in the county wherein the municipality is located at least once and not less than 10 days prior to the hearing. After the hearing the governing body shall determine the question of designation of a fire district. If the governing body decides that the designation of a fire district is appropriate, it, by ordinance, shall designate a territorial location or locations, that are coterminous with election districts, for use as a fire district or fire districts and, by resolution, provide for the election of a board of fire commissioners for the district or each district, to consist of five persons, residents therein, and specify the date[,] and time [and place] for the election of the first board.

acquire, hold, lease, sell or otherwise convey in its corporate name such real and personal property as the purposes of the corporation shall require. All sales and leases of real and personal property shall be in accordance with the provisions of section 13 or 14, as appropriate, of the "Local Lands and Buildings Law," P.L.1971, c.199 (C.40A:12-13 or 40A:12-14). Said body corporate may adopt and use a corporate seal, sue or be sued and shall have such powers, duties and functions as are usual and necessary for said purposes.

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

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

Any vacancy in the membership shall be filled by the remaining members until the next succeeding annual election, at which time a resident of the district shall be elected for the unexpired term.

(cf: P.L.1991, c.223, s.1)]¹

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

40A:14-71. Candidates for membership on the board shall be nominated by verified petitions and shall not be nominees of a political party. Any such petition shall be in writing, addressed to the municipal clerk [or the clerk of the board, as the case may be], stating that the signers thereof are qualified voters and residents in the district and requesting that the name of the candidate be placed on the official ballot. Each petition shall be arranged to contain double spacing between the signature lines of the petition, so that each signer thereof is afforded sufficient space to provide his or her printed name, address and signature. The petition shall state the residence of the candidate and certify his qualification for membership. The candidate's consent to his nomination shall be annexed to the petition and shall constitute his agreement to serve in the event of his election. The petition shall contain the name of

only one candidate, but several petitions may nominate the same person. Each petition shall be signed by not less than 10 qualified voters and shall be filed at least [28] 99 days before the date of the election.

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

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

17 (cf: P.L.1985, c.288, s.2)]¹

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

40A:14-72. An election shall be held annually on the [third Saturday in February Tuesday next after the first Monday in November in each established fire district for the election of members of the board according to the expiration of terms using the same registration and on the same official ballot required by law for the election of State and county officers. The initial election for a newly created fire district [may] shall take place on [another] that same date [as a governing body may specify under N.J.S.40A:14-70, but the annual election thereafter shall be held on the third The place of the election shall be Saturday in February 1. [determined by the board] at the place where the general election is held and a notice thereof, and of the closing date for the filing with the clerk of the board of petitions of nomination for membership on the board, shall be published by the municipal clerk at least once in a newspaper circulating in the district, at least six weeks prior to the date [fixed for] of the election. [Fire] The municipal clerk may combine the publication of notice of election for all fire districts located in the same municipality I may combine the publication of their notices of election. For the purpose of this section, "notices of election" shall include the notices required to be published under section 7 of P.L.1953, c.211 (C.19:57-7).

IThe legal voters thereat shall determine the amount of money to be raised for the ensuing year and determine such other matters as may be required.

44 (cf: P.L.1994, c.181, s.1)]¹

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

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

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

1 substantial circulation in the fire district.

2 (cf: P.L.1979, c.453, s.5)]¹

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- ¹[52. Section 6 of P.L.1979, c.453 (C.40A:14-78.2) is amended to read as follows:
- 6. No fire district budget shall be adopted until a public hearing has been held thereon and taxpayers of the district and all persons having an interest therein shall have been given an opportunity to present objections. Such hearing shall be held not less than 28 days after approval of the budget.

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

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

- a. At least [1 week] 10 business days prior to the date of the hearing, a complete copy of the approved budget shall have been [posted in such public place as notices are usually posted in the district,] advertised in a newspaper having substantial circulation in the fire district and is made available to each person requesting a copy during said [week] time and during the public hearing; and,
- b. The fire commissioners shall, by resolution passed by not less than a majority of the full membership, determine that the budget shall be read by its title and declare that the conditions set forth in subsection a. of this section have been met.

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

30 (cf: P.L.1979, c.453, s.6)]¹

- ¹[53. Section 8 of P.L.1979, c.453 (C.40A:14-78.4) is amended to read as follows:
- 34 8. The fire district budget shall be adopted [,] by a vote of a 35 majority of the full membership of the fire commissioners[, not 36 later than 25 days prior to the annual election. If the budget is not 37 adopted in a timely manner, the Director of the Division of Local Government Services in the Department of Community Affairs, in 38 39 determining that such appropriations are necessary, shall fix the 40 maximum amount of appropriations or shall set an amount to be 41 raised by taxation, and the fire commissioners shall adopt a budget 42 that shall not exceed that amount. [The adopted budget shall be 43 advertised after adoption. The advertisement shall contain a copy 44 of the budget and shall be published at least once in a newspaper

circulating in the fire district at least 7 days prior to the annual election.

3 (cf: P.L.1979, c.453, s.8)]¹

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- 5 ¹[54. Section 9 of P.L.1979, c.453 (C.40A:14-78.5) is amended to read as follows:
 - 9. a. [If at the annual election held pursuant to N.J.S.40A:14-72 the question of finally adopting the budget is voted affirmatively upon by a majority of the legal voters voting in the election, the budget shall be considered finally adopted, and] Upon adoption of the budget the board of fire commissioners shall certify the amount to be raised by taxation to support the district budget to the assessor of the municipality, pursuant to N.J.S.40A:14-79.
 - b. [If at the annual election the question of finally adopting the budget is voted negatively upon by a majority of the legal voters voting in the election, the governing body of the municipality in which the fire district is located shall, by resolution of a majority of its full membership, within 30 days after the annual election and after a public hearing for which the legal voters of the fire district shall be given 5 days' advertised notice, and at which any interested person shall be heard, fix an annual budget for the fire district. The amount of each appropriation section of the budget so fixed shall not exceed the amount for each as previously voted upon at the annual election, except the appropriation for debt service which shall be included in the amount that is required to be paid. The governing body shall certify the amount to be raised by taxation to support the district budget as set forth in the final budget, to the assessor of the municipality, pursuant to N.J.S.40A:14-79. After an adopted budget has been approved, the board of commissioners may ask the director to approve an amendment to that budget in order to provide for the anticipation of revenue from a public or private funding source that was not known at the time of adoption of the budget, and the appropriation thereof.

34 (cf: P.L.1982, c.174, s.1) $]^1$

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- 36 ¹[55. Section 13 of P.L.1985, c.288 (C.40A:14-78.17) is 37 amended to read as follows:
 - 13. A fire district may and, if any contracts, commitments or payments are to be made prior to the adoption of the budget, shall, by resolution adopted [prior to] between January 1 and January 15, adopt a temporary budget to make appropriations to provide for the period between the beginning of the fiscal year and the adoption of the budget.
- The total of the appropriations so made shall not exceed [14%] 45 26.25% of the total of the appropriations made for all purposes in the budget for the preceding fiscal year, excluding, in both

instances, appropriations made for interest and debt redemption charges and capital improvements.

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

(cf: P.L.1985, c.288, s.13)]¹

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

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

20 (cf: N.J.S.40A:14-80)]¹

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

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

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

such a newspaper at least twice prior to the election date.]

(cf: N.J.S.40A:14-85)]¹

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

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

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

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

¹[ARTICLE 4. SCHOOL BOARD ELECTIONS

- 35 61. Section 5 of P.L.1996, c.138 (C.18A:7F-5) is amended to read as follows:
 - 5. As used in this section, "cost of living" means the CPI as defined in section 3 of P.L.1996, c.138 (C.18A:7F-3).
 - a. Biennially, within 30 days following the approval of the Report on the Cost of Providing a Thorough and Efficient Education, the commissioner shall notify each district of the T&E amount, the T&E flexible amount, the T&E range, early childhood program amount, demonstrably effective program amount, instructional supplement amount, and categorical amounts per pupil for the subsequent two fiscal years.
- Annually, within two days following the transmittal of the State budget message to the Legislature by the Governor pursuant to

section 11 of P.L.1944, c.112 (C.52:27B-20), the commissioner shall notify each district of the maximum amount of aid payable to the district in the succeeding school year pursuant to the provisions of this act, and shall notify each district of the district's T&E budget, maximum T&E budget, and minimum permissible T&E budget for the succeeding school year.

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

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

Any school district which enrolls students who reside on federal property which were not included in the calculation of core curriculum standards aid for 1997-98 shall have its core curriculum standards aid recalculated for these additional enrollments through the 1997-98 school year using the property value multiplier, income value multiplier, equalized valuation, and district income which were used in the original Statewide calculation of core curriculum standards aid. The additional aid resulting from the recalculations shall be divided by 20 and the product shall be added to each of the remaining core curriculum standards aid payments for the 1997-98 school year. Additionally, the core curriculum standards aid

calculation and payment schedule for 1998-99 shall be adjusted for such enrollments arriving after the last school day prior to October 16, 1997.

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

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

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

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

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

For the 1997-98 school year, any tax increase which would be required of an Abbott district or district factor group A district to meet its required local share, after consideration of supplemental core curriculum standards aid, stabilization aid, and supplemental school tax reduction aid shall be fully funded by the State and recorded as supplemental core curriculum standards aid. The commissioner, in consultation with the Commissioner of the Department of Community Affairs and the Director of the Division of Local Government Services in the Department of Community Affairs, shall examine the fiscal ability of the Abbott districts and the district factor group A districts eligible for supplemental core curriculum standards aid to absorb any reduction in such aid and shall make recommendations to the Legislature and the Governor

regarding the continuation of supplemental core curriculum standards aid to those districts. In making those recommendations, the commissioner shall consider the ratable base of the municipality or municipalities in which the district is located, the tax burden placed upon the local community due to other required municipal services, and the fiscal ability of the school district to raise its required local share. The commissioner shall not implement any of those recommendations until the recommendations are enacted into law

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

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

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

- (1) the district's advertised per pupil administrative costs for the 2004-2005 school year inflated by the cost of living or 2.5 percent, whichever is greater; or
- (2) the per pupil administrative cost limits for the district's region as determined by the commissioner based on audited expenditures for the 2003-2004 school year.

The county superintendent of schools may disapprove the school district's [2005-2006] proposed budget if he determines that the district has not implemented all potential efficiencies in the administrative operations of the district or if he determines that the budget includes excessive non-instructional expenses. The county superintendent shall work with each school district in the county [during the 2004-2005 school year] to identify administrative inefficiencies in the operations of the district and excessive non-instructional expenses that might cause the superintendent to reject the district's proposed [2005-2006 school year] budget.

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

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

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

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10 11 d. (1) [A] If a district [proposing] proposes a budget which 12 includes spending which exceeds the maximum T&E budget 13 established pursuant to section 13 of this act [shall submit, as 14 appropriate, to the board of school estimate or to the voters of the 15 district at the annual school budget election conducted pursuant to 16 the provisions of P.L.1995, c.278 (C.19:60-1 et seq.), a the general 17 fund tax levy [which] when added to the other components of its 18 net budget [does] shall not exceed the prebudget year net budget by 19 more than the spending growth limitation calculated as follows: the 20 sum of the cost of living or 2.5 percent, whichever is greater, 21 multiplied by the prebudget year net budget, and adjustments for 22 changes in enrollment, certain capital outlay expenditures, 23 expenditures for pupil transportation services provided pursuant to 24 N.J.S.18A:39-1.1, expenditures incurred in connection with the 25 opening of a new school facility during the budget year, and special 26 education costs per pupil in excess of \$40,000. The adjustment for 27 special education costs shall equal any increase in the sum of per 28 pupil amounts in excess of \$40,000 for the budget year less the sum 29 of per pupil amounts in excess of \$40,000 for the prebudget year 30 indexed by the cost of living or 2.5 percent, whichever is greater. 31 The adjustment for enrollments shall equal the increase in 32 unweighted resident enrollments between the prebudget year and 33 budget year multiplied by the per pupil general fund tax levy 34 amount for the prebudget year indexed by the cost of living or 2.5 35 percent, whichever is greater. The adjustment for capital outlay 36 shall equal any increase between the capital outlay portion of the 37 general fund budget for the budget year less any withdrawals from 38 the capital reserve account and the capital outlay portion of the 39 general fund budget for the prebudget year indexed by the cost of 40 living or 2.5 percent, whichever is greater. Any district with a 41 capital outlay adjustment to its spending growth limitation shall be 42 restricted from transferring any funds from capital outlay accounts to current expense accounts. The adjustment for capital outlay shall 43 44 not become part of the prebudget year net budget for purposes of 45 calculating the spending growth limitation of the subsequent year. 46 The adjustment for pupil transportation costs provided pursuant to 47 N.J.S.18A:39-1.1 shall equal any increase between the cost of

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1 providing such pupil transportation services for the budget year and 2 the cost of providing such pupil transportation services for the 3 prebudget year indexed by the cost of living or 2.5 percent, 4 whichever is greater. The adjustment for the opening of a new 5 school facility shall include costs associated with the new facility 6 related to new teaching staff members, support staff, materials and 7 equipment, custodial and maintenance expenditures, and such other 8 required costs as determined by the commissioner.

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

Notwithstanding the provisions of this paragraph, no district shall raise a net budget which is less than the local share required under the required local share provisions of this act plus the other components of its net budget.

(3) [A] If a district [proposing] proposes a budget set at or below the maximum T&E budget, but including amounts in excess of the minimum T&E budget established pursuant to section 13 of this act, [shall submit, as appropriate, to the board of school estimate or to the voters at the annual school budget election conducted pursuant to the provisions of P.L.1995, c.278 (C.19:60-1 et seq.), a] the general fund tax levy [which] when added to the other components of its net T&E budget [does] shall not exceed the

1 prebudget year net T&E budget or in 1997-98 the prebudget year 2 net budget by more than the spending growth limitation calculated 3 as follows: the sum of the cost of living or 2.5 percent, whichever 4 is greater, multiplied by the prebudget year net budget, and 5 adjustments for changes in enrollment, certain capital outlay 6 expenditures, expenditures for pupil transportation services provided pursuant to N.J.S.18A:39-1.1, expenditures incurred in 7 8 connection with the opening of a new school facility during the 9 budget year, and special education costs per pupil in excess of 10 \$40,000 per pupil. The enrollment adjustment shall equal the 11 increase in the unweighted resident enrollment between the 12 prebudget year and the budget year multiplied by the prebudget year 13 T&E program budget per pupil indexed by the cost of living or 2.5 percent, whichever is greater. For the 1997-98 school year, the T&E 14 15 program budget for the prebudget year shall equal the sum of the 16 general fund tax levy, foundation aid, and transition aid. 17 adjustment for special education costs, pupil transportation services, 18 and capital outlay expenditures shall be made pursuant to the 19 provisions of paragraph (1) of this subsection. The adjustment for 20 the opening of a new school facility shall include costs associated 21 with the new facility related to new teaching staff members, support 22 staff, materials and equipment, custodial and maintenance 23 expenditures, and such other required costs as determined by the 24 commissioner.

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

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- (5) For the 1997-98 school year, a district's spending growth limitation shall be increased by the excess of county special services school district tuition over prebudget year county special services school district tuition indexed by the CPI or three percent, whichever is greater.
- (6) For the purpose of determining a district's spending growth limitation for the 1997-98 school year, a district may apply to the commissioner to add all or a part of the district's original designated general fund balance for 1996-97 to the spending growth limitation if it can demonstrate through current accounting records and historical trend data that the fund balance will actually be spent in the budget year.
 - (7) (Deleted by amendment, P.L.2004, c.73).
- (8) If an increase in tuition for the budget year charged to a sending district by the receiving district pursuant to the provisions of N.J.S.18A:38-19 would reduce the sending district's per pupil net budget amount below the prior year's per pupil net budget amount in order to comply with the district's spending growth limitation, the district may apply to the commissioner for an adjustment to that limitation.

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1 (9) Any district may submit at the [annual] April school budget 2 election a [separate] proposal or proposals for additional funds, 3 including interpretive statements, specifically identifying the 4 program purposes for which the proposed funds shall be used, to the 5 voters, who may, by voter approval, authorize the raising of an 6 additional general fund tax levy for such purposes. In the case of a 7 district with a board of school estimate, one proposal for the 8 additional spending shall be submitted to the board of school 9 estimate. Any proposal or proposals submitted to the voters or the 10 board of school estimate shall not: include any programs and 11 services that were included in the district's prebudget year net 12 budget unless the proposal is approved by the commissioner upon 13 submission by the district of sufficient reason for an exemption to 14 this requirement; or include any new programs and services 15 necessary for students to achieve the thoroughness standards 16 established pursuant to subsection a. of section 4 of P.L.1996, c.138 17 (C.18A:7F-4).

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The <u>executive</u> county superintendent of schools may prohibit the submission of a [separate] proposal or proposals to the voters or board of school estimate if he determines that the district has not implemented all potential efficiencies in the administrative operations of the district, which efficiencies would eliminate the need for the raising of additional general fund tax levy, or if the district fails to provide the executive county superintendent with: written documentation that the district has made efforts to enter into shared arrangements with other districts, municipalities, counties, and other units of local government for the provision of administrative, business, purchasing, public and nonpublic transportation, and other required school district services; written documentation and a certification that the district participates in ongoing shared arrangements; or written documentation that entering such shared arrangements would not result in cost savings or would result in additional expenses for the district.

[Any proposal or proposals rejected by the voters shall be submitted to the municipal governing body or bodies for a determination as to the amount, if any, that should be expended notwithstanding voter rejection. The decision of the municipal governing body or bodies or board of school estimate, as appropriate, shall be final and no appeals shall be made to the commissioner.]

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

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

- (11) Any reduction that may be required to be made to programs and services included in a district's prebudget year net budget in order for the district to limit the growth in its budget between the prebudget and budget years by its spending growth limitation as calculated pursuant to this subsection, shall only include reductions to excessive administration or programs and services that are inefficient or ineffective.
- e. (1) [Any general fund tax levy rejected by the voters for a proposed budget in excess of the maximum T&E budget shall be submitted to the governing body of each of the municipalities included within the district for determination of the amount that should be expended notwithstanding voter rejection. In For a proposed budget in excess of the maximum T & E budget, in the case of a district having a board of school estimate, the general fund tax levy shall be submitted to the board for determination of the amount that should be expended. If the **[**governing body or bodies or board of school estimate [, as appropriate, reduce] reduces the district's proposed net budget, the district may appeal any of the reductions to the commissioner on the grounds that the reductions will negatively impact on the stability of the district given the need for long term planning and budgeting. In considering the appeal, the commissioner shall consider enrollment increases or decreases within the district; [the history of voter approval or rejection of district budgets; I the impact on the local levy; and whether the reductions will impact on the ability of the district to fulfill its contractual obligations. A district may not appeal any reductions on the grounds that the amount is necessary for a thorough and efficient education.
- (2) [Any general fund tax levy rejected by the voters for a proposed budget at or below the maximum T&E budget shall be submitted to the governing body of each of the municipalities included within the district for determination of the amount that should be expended notwithstanding voter rejection. In] For a proposed budget at or below the maximum T & E budget, in the case of a district having a board of school estimate, the general fund tax levy shall be submitted to the board for determination. Any reductions may be appealed to the commissioner on the grounds that the amount is necessary for a thorough and efficient education or that the reductions will negatively impact on the stability of the district given the need for long term planning and budgeting. In

considering the appeal, the commissioner shall also consider the factors outlined in paragraph (1) of this subsection.

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

- (3) In lieu of any budget reduction appeal provided for pursuant to paragraphs (1) and (2) of this subsection, the State board may establish pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), an expedited budget review process based on a district's application to the commissioner for an order to restore a budget reduction.
- (4) When the [voters, municipal governing body or bodies, or the board of school estimate authorize the] general fund tax levy is authorized by a board of education which has determined not to submit a separate proposal or proposals for additional funds pursuant to paragraph (9) of subsection d. of this section or a board of school estimate, the district shall submit the resulting budget to the commissioner within 15 days of the [action of the voters or municipal governing body or bodies, whichever is later, or of the board of school estimate as the case may be] authorization.
- f. [Any district which is not an Abbott district but which was classified as a special needs district under the "Quality Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et al.), may appeal any budget reduction made by the municipal governing body or board of school estimate, as appropriate, to the commissioner.] (Deleted by amendment, P.L. , c. .) (pending before the Legislature as this bill)
- g. [The commissioner shall annually review the budget of any district which was classified as a special needs district under the "Quality Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et al.), to determine if any educationally meritorious program or service established through State resources provided as a result of that funding law is proposed to be reduced or eliminated. If the commissioner determines that the program or service is in jeopardy and that a reallocation of resources is possible without jeopardizing other educationally meritorious programs or services, he may

1 require the school board to fund the program or service through a 2 reallocation of resources. I (Deleted by amendment, P.L., c. .) 3 (pending before the Legislature as this bill) (cf: P.L.2004, c.73, s.1)]¹ 4 5 6 ¹[62. N.J.S.18A:8-20 is amended to read as follows: 7 18A:8-20. The first board of education of the new district and 8 the first board of education of the remaining district shall each 9 prepare [and submit, to the voters of the district], as required by 10 law, the first budgets for said district and they shall make proper 11 provision for an election to be conducted, in accordance with the

provisions of P.L.1995, c.278 (C.19:60-1 et al.), for the members of the board of education of the district to replace the appointed members of the board, for such terms that three members of the

board of the district, as thereafter constituted, will be elected each year, at an annual election to be held in the district at the same time

as that on which the next annual election for the original district

would have been held.

19 (cf: P.L.1995, c.278, s.26)]¹

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

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

(cf: P.L.1995, c.278, s.27)]¹

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

18A:9-10. If the membership of the board in any such district so becoming a type II district is less than nine, it shall be increased to nine by the election of added members at the next [annual school] general election, unless the adopting election shall have been held more than 130 days or less than 60 days before the date fixed for such [annual school] general election, in which case they shall be elected at a special school election which shall be called by the members of the board so holding over [, if the adopting election was held more than 130 days before the annual school election, then not less than 60 or more than 70 days after the adopting election, or if the adopting election was held less than 60 days before the annual school election, then not less than 60 or more than 70 days after such annual school election, excluding in each instance from the calculation of the period which will elapse between such 60 and 70 days any period which would elapse between the twenty-first day before and the twenty-first day after any day fixed according to law for the holding of any primary election for the general election or general election or municipal election held within the district.

47 (cf: P.L.1995, c.278, s.28)]¹

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

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

- 5 a. In type I districts on May 16, or on the following day if that 6 day be Sunday;
 - b. In all type II districts on any day of the first [or second] week [following the annual school election] in January.

9 If the organization meeting cannot take place on that day by 10 reason of lack of a quorum or for any other reason, said meeting 11 shall be held within three days thereafter.

12 (cf: P.L.1987, c.289, s.2)]¹

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

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

21 succeeding. 22 (cf: P.L.1979, c.284, s.1)]¹

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

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

35 (cf: P.L.1979, c.284, s.2)]¹

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

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

1 In making the apportionment of the membership of a regional 2 board of education among the several school districts uniting to 3 create a regional school district having nine or less constituent 4 districts, as required by section 18A:13-36, there shall be subtracted 5 from the number of inhabitants of a constituent school district, as shown by the last federal census officially promulgated in this 6 7 State, the number of such inhabitants who according to the records 8 of the Federal Bureau of the Census were patients in, or inmates of, 9 any State or federal hospital or prison, or who are military 10 personnel stationed at, or civilians residing within the limits of, any 11 United States Army, Navy or Air Force installation, located in such 12 constituent school district.

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

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- a. The number of inhabitants of each constituent district shall be determined as shown by the last federal census officially promulgated in this State.
- b. A representative ratio shall be calculated by adding the number of inhabitants of all constituent districts and dividing the sum by the board size.
- c. All constituent districts shall be listed in ascending order of their number of inhabitants. If the first constituent district in said list has a number of inhabitants which is less than the representative ratio, it shall be combined with the constituent district contiguous to it having the smallest number of inhabitants. This process shall be repeated for each successively larger constituent district or combination of constituent districts until all remaining constituent districts or combinations of constituent districts shall have a number of inhabitants equal to, or exceeding the representative ratio. The districts formed in this manner shall be known as representative districts.
- d. There shall be established a priority list according to the method of equal proportions for the apportionment of the members of the regional district board of education among the representative districts.
- e. The members of the regional district board of education shall be apportioned among the representative districts according to the method of equal proportions, and where a representative district is composed of more than one constituent district, members shall be elected at large from within the representative district.
- f. The number of inhabitants of each representative district shall be divided by the number of members assigned to that district to find the number of inhabitants per members.
- g. The vote to be cast by each member of the regional district board of education in all proceedings of the board shall be

determined by dividing the number of inhabitants per member in the representative district from which the member is elected by the representative ratio for the regional district, and rounding off the quotient to the nearest tenth of a full vote.

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

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

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

- a. The original district is a limited purpose regional district and such constituent district has such population that it is entitled to have apportioned to it a number of members equal to or greater than the number of districts making up such constituent district, or
- b. The regional district is an all purpose district, the membership of the regional board of education from such district shall be apportioned, and from time to time reapportioned, and the members from the district shall be elected, as their respective terms expire, in the same manner as though each of the municipalities making up such constituent district were constituent districts of the regional district.

(cf: P.L.1992, c.159, s.9) $]^1$

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

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

1 Monday in [April] November.

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

(cf: P.L.1995, c.278, s.32)]¹

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

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

(cf: P.L.1987, c.289, s.6)]¹

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

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

32 (cf: N.J.S.18A:13-13)]¹

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

18A:13-17. The regional board of education shall [, at each annual school election, submit to the voters of the regional district the amount of money fixed and determined in its] fix and determine the district's budget [to be voted upon for the use of the regional schools of the district] for the ensuing school year and may submit [thereat] at the annual school election any [other] question authorized by this law to be submitted at such an election. [The board may, in submitting to the voters the amount of money to be voted upon for the use of the regional schools of the district, identify the amount of money determined to be the constituent municipality's share.] The board shall follow the procedures

1 established in section 5 of P.L.1996, c.138 (C.18A:7F-5) and2 N.J.S.18A:22-33.

3 (cf: P.L.2001, c.26, s.1)]¹

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

18A:13-40. The board of education of a newly created regional district may, prior to taking charge and control of the educational facilities of the regional district, do all other acts and things which may be necessary for the proper organization and functioning of the public schools of the regional district during its first year, including the making of contracts for the employment of necessary personnel and for other proper purposes, the preparation [and submission to the voters of the regional district for their approval or disapproval of the budget and the appropriations for the conduct of the public schools of the regional district during its first school year, the authorization of the purchase of real and personal property, and the construction, enlargement and repair of buildings, for school purposes, and the appropriations of the funds necessary to carry out the same and the authorization of the issuance and sale of bonds in order to provide for the payment therefor in whole or in part and the calling and holding of special elections when necessary for any such purposes and to carry out any or all of said purposes.

(cf: N.J.S.18A:13-40)]¹

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

18A:13-46. The county superintendent of the county in which any new constituent district of an enlarged regional district shall be situate shall, not later than 30 days after the election for the enlargement thereof, appoint one member of the enlarged board of education of the regional district from among the qualified citizens of each such new constituent district and the members so appointed shall serve until the first [Monday] week of January next succeeding the first [annual] November school election of the enlarged regional district and their successors shall be elected at said election. If by reason of the enlargement of the district it becomes necessary to reapportion the membership of the enlarged board of education the county superintendent or superintendents of the county or counties in which the constituent local districts of the enlarged district are situate shall reapportion the membership of the enlarged board of education in accordance with the provisions of sections 18A:13-8 and 18A:13-36, and at the same time shall designate the number of members to be elected from each constituent school district at the succeeding [annual] November school election to be held therein upon the expiration of the terms of office of the members of the regional board then in office, in such manner that the representation of the constituent districts shall be established in accordance with such reapportionment at the

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earliest possible time but the members then in office shall continue in office for the terms for which they were elected or appointed notwithstanding such reapportionment.

4 (cf: N.J.S.18A:13-46)]¹

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

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

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

(cf: P.L.1968, c.271, s.1)]¹

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

18A:22-26. At or after the public hearing but not later than April 8, the board of school estimate of a type II district having a board of school estimate shall fix and determine by a recorded roll call majority vote of its full membership the amount of money necessary to be appropriated for the use of the public schools in the district for the ensuing school year, exclusive of the amount which shall be apportioned to it by the commissioner for the year pursuant to the provisions of section 5 of P.L.1996, c.138 (C.18A:7F-5) and shall make a certificate of the amount signed by at least a majority of all members of the board, which shall be delivered to the board of education and a copy thereof, certified under oath to be correct and true by the secretary of the board of school estimate, shall be delivered to the county board of taxation on or before April 15 in each year and a duplicate of the certificate shall be delivered to the board or governing body of each of the municipalities within the territorial limits of the district having the power to make appropriations of money raised by taxation in the municipalities or political subdivisions and to the county superintendent of schools and the amount shall be assessed, levied and raised under the procedure and in the manner provided by law for the levying and raising of special school taxes [voted to be raised at an annual or

special election of the legal voters in type II districts without a board of school estimate and shall be paid to the treasurer of school moneys of the district for such purposes.

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

13 (cf: P.L.1996, c.138, s.56)]¹

(cf: P.L.1996, c.138, s.57)]¹

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

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

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

18A:22-33. The board of education of each type II district not having a board of school estimate shall at each annual school election, submit to the voters of the district, the amount of money fixed and determined in its budget pursuant to section 5 of P.L.1996, c.138 (C.18A:7F-5), excluding therefrom the sum or sums stated therein to be used for interest and debt redemption charges, in the manner provided by law, to be voted upon for the use of the public schools of the district for the ensuing school year, which amount shall be stated in the notice of the election, and the legal voters of the district shall determine at the election, by a majority vote of those voting upon the proposition, the sum or sums, not exceeding those stated in the notice of the election, to be raised by special district tax for said purposes, in the district during the ensuing school year and Within two days following the date specified for the certification of the April school election results, the secretary of the board of education of a Type II district not having a board of school estimate shall certify the amount [so determined upon, if any, I fixed and determined by the school board

1 pursuant to N.J.S.18A:22-32 and any additional funds approved by 2 the legal voters of the district and the sums so stated for interest and 3 debt redemption charges, to the county board of taxation of the 4 county [within two days following the certification of the election 5 results and the amount or amounts so certified shall be included in 6 the taxes assessed, levied and collected in the municipality or 7 municipalities comprising the district for such purposes; except 8 that, in the case of a district which [, following the school election 9 and the approval by the voters of the sum to be raised by special 10 district tax for the schools of the district, determines that it has a 11 greater surplus account available for the school year than estimated 12 when the sum to be raised by special district tax was [presented to 13 the voters certified to the county board of taxation of the county, 14 the secretary of the board of education, with the approval of the 15 commissioner, may between the [date of the school election] third 16 Tuesday in April and the delivery of tax bills pursuant to R.S.54:4-17 64 re-certify to the county board of taxation the sum or sums to be 18 raised by special district tax in the district during the ensuing school 19 year, if the sum is lower than that I approved by the voters in the 20 school election initially certified to the county board of taxation of 21 the county, and if the reduction is equivalent to the additional 22 amount available in the surplus account to be applied towards the 23 district's budget. The amount re-certified shall be included in the 24 taxes assessed, levied and collected in the municipality or 25 municipalities comprising the district.

26 (cf: P.L.1999, c.346)]¹

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¹[79. N.J.S.18A:22-41 is amended to read as follows:

18A:22-41. In any Type II district [in which the amount, with any interest to be paid thereon, to be raised, levied and collected by taxes for school purposes is determined by the voters of the district] not having a board of school estimate, the board of education shall cause the question, whether or not the amount so estimated shall be so raised, to be submitted to the legal voters of the district at a special school election, to be held on such date as shall be determined upon by the board, and if at said election the question shall be adopted, the secretary shall certify that the amount so determined upon has been authorized to be raised in said manner to the county board of taxation within five days after the date of the holding of such election.

(cf: P.L.1993, c.83, s.14)]¹

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180. R.S.19:15-2 is amended to read as follows:

19:15-2. The district boards shall open the polls for such election at 6:00 A.M. and close them at 8:00 P.M., and shall keep them open during the whole day of election between these hours; except that for a school election held at a time other than at the time

of the general election the polls shall be open between the hours of 5:00 P.M. and 9:00 P.M. and during any additional time which the school board may designate between the hours of 7:00 A.M. and 9:00 P.M.

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

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

(cf: P.L.2001, c.245, s.3)]¹

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

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

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

- a. (1) The member of the board charged with the duty of obtaining and signing for the signature copy registers shall receive an additional \$12.50 per election, such remuneration being limited to only one board member per election, or \$6.25 to each of two board members if they share such responsibility for the signature copy registers, and (2) the member of the board charged with the duty of returning the signature copy registers shall receive an additional \$12.50 per election, such remuneration being limited to only one board member per election, or \$6.25 to each of two board members if they share such responsibility for the signature copy registers;
- b. In the case of any member of the board who is required under R.S.19:50-1 to attend in a given year a training program for district board members, but who fails to attend such a training program in that year, that compensation shall be \$50.00 for each of those elections;
- c. In counties wherein voting machines are used no compensation shall be paid for any services rendered at any special election held at the same time as any primary or general election.

Such compensation shall be in lieu of all other fees and payments; and

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

Compensation due each member shall be paid within 30 days but not within 20 days after each election; provided, however, that no compensation shall be paid to any member of any such district board who may have been removed from office or application for the removal of whom is pending under the provisions of R.S.19:6-4.

(cf: P.L.2005, c.136, s.48)]¹

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

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

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

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

46 (cf: P.L.2003, c.20, s.1)]¹

¹[83. Section 3 of P.L.1995, c. 278 (C.19:60-3) is amended to

read as follows:

- 3. a. Notwithstanding the provisions of R.S.19:6-1, for school elections held at times other than at the time of the general election the county board of the county in which the election district is located shall designate two members of the district board of election to perform all the duties of the district board for that election, except that where electronic voting systems are in use in any election district in which there are more than 900 registered voters, the county board shall designate four members of the district board to perform all the duties of the district board for that election. Notwithstanding the provisions of R.S.19:6-10, the county board shall appoint one of the persons so designated to serve as judge and the other or another, as the case may be, of those persons so designated to serve as inspector for school elections.
- b. Notwithstanding the provisions of subsection a. or any other law to the contrary:
- (1) Upon the request of a board of education or the clerk of a municipality in the county or upon its own initiative, the county board may designate the polling place and voting equipment of one election district to serve as the polling place and voting equipment for the voters of one or more other election districts for school elections held at times other than at the time of the general election. Such a designation shall be based on the casting of no more than 500 ballots during each of the two preceding annual school elections by the voters of the election districts for which that polling place is designated. If, at two consecutive annual school elections thereafter, the number of ballots cast by the voters in those election districts is more than 500, the county board shall effect an appropriate revision of the election districts using that polling place. If a request is from a municipal clerk, the request shall apply only to the election districts in that municipality.
- (2) If one polling place is designated for two or more election districts, the county board shall designate at least two members from among the members of the district boards of election of those election districts to perform all the duties of the district board for the school election <u>held at a time other than at the time of the general election</u>. The county board shall also appoint one of the persons so designated to serve as judge and another of those persons to serve as inspector for school elections.

(cf: P.L.1996, c.3, s.1)]¹

- 42 ¹[84. Section 4 of P.L.1995, c. 278 (C.19:60-4) is amended to 43 read as follows:
 - 4. The secretary of each board of education, not later than 10 o'clock a.m. of the 17th day preceding the [annual] April school election or a special school election, shall make and certify and forward to the clerk of the county in which the school district is located a statement designating any public question to be voted

upon by the voters of the district which may be required pursuant to the provisions of P.L.1995, c.278 (C.19:60-1 et al.) or Title 18A of the New Jersey Statutes.

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

(cf: P.L.1995, c.278, s.4)]¹

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

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

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

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

Whenever written objection to a petition of nomination hereunder shall have been made and timely filed with the secretary of the board of education, the board of education shall file its determination of the objection on or before the [44th] 48th day preceding the school election. The last day upon which a candidate may file with the Superior Court a verified complaint setting forth any invasion or threatened invasion of the candidate's rights under the candidate's petition of nomination shall be the [46th] 50th day before the election. The last day upon which a candidate whose petition of nomination or any affidavit thereto is defective may

amend such petition or affidavit shall be the **[**44th**]** 48th day before the election.

3 (cf: P.L.2000, c.22, s.1)]¹

- ¹[86. Section 9 of P.L.1995, c.278 (C.19:60-9) is amended to read as follows:
- 9. The ballot for a <u>special</u> school election <u>or an April school</u> <u>election</u> shall be a single or blanket form of ballot, upon which shall be printed in bold-faced type the words "OFFICIAL SCHOOL ELECTION BALLOT" or "OFFICIAL SPECIAL SCHOOL ELECTION BALLOT," as appropriate.

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

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

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

Every county clerk shall have ready for the printer a copy of the contents of official ballots required by law to be printed for use at a school election, as follows: in the case of the annual <u>April</u> school election, not later than the 17th day preceding that election; and in the case of any special school election, not later than two business days following receipt by the clerk of official notice of the complete content of the ballot to be voted upon at that election.

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

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

4 (cf: P.L.2001, c.26, s.2)]¹

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- ¹[87. Section 11 of P.L.1995, c.278 (C.19:60-11) is amended to read as follows:
- 8 11. The district board of election shall, for any special school 9 election, utilize a poll list instead of the signature copy register. 10 The poll list shall be arranged in a column or columns appropriately 11 headed so as to indicate the election, the date thereof, and the school district and election district in which the same is used, in 12 13 such a manner that each voter voting in the polling place at the 14 election may sign the voter's name and state the voter's address therein and the number of the voter's official ballot may be 15 16 indicated opposite the signature. The district board shall compare 17 the signature in the poll lists with that in the signature copy 18 registers before accepting the ballot.

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

(cf: P.L.1996, c.3, s.2) $]^1$

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- ¹[88. Section 12 of P.L.1995, c.278 (C.19:60-12) is amended to read as follows:
- 12. All costs, charges and expenses, including the compensation of the members of the district boards and the compensation and expenses of the county board of elections, the county superintendent of elections, the clerk of the county, and the municipal clerks for any school election held at a time other than the time of the general election shall be paid by the board of education of the school district. All costs, charges and expenses submitted to the board of education for payment shall be itemized and shall include the separate identification of costs to prepare, print and distribute sample ballots. Amounts expended by a county or a municipality in the conduct of school elections for which the board of education shall make payment shall be considered mandated expenditures exempt from the limitations on the county tax levy and from the limitations on final municipal appropriations imposed pursuant to P.L.1976, c.68 (C.40A:4-45.1 et seq.), and any costs to the board of education which exceed the amount of the costs to that board for the annual school election immediately preceding the enactment of P.L.1995, c.278 (C.19:60-1 et seq.) shall not be included for the purpose of calculating a school district's

1 maximum permissible net budget pursuant to section 85 of P.L.1990, c.52 (C.18A:7D-28).

3 (cf: P.L.1996, c.3, s.3)]¹

- 5 ¹[89. Section 4 of P.L.1993, c.102 (C.34:1B-7.23) is amended to read as follows:
 - 4. a. The authority shall establish and maintain a special nonlapsing revolving fund to be known as the "Public School Facilities Code Compliance Loan Fund," hereinafter the "compliance fund," which shall be credited with: (1) the \$25 million allocated from the Economic Recovery Fund pursuant to paragraph (1) of subsection d. of section 4 of P.L.1992, c.16 (C.34:1B-7:13); (2) any moneys that shall be received by the authority from the repayment of loans made from the compliance fund and interest thereon; and (3) any other moneys which the authority determines to deposit therein.
 - b. The authority may use the moneys in the compliance fund to finance not less than 25%, and not more than 50%, of the total cost of any project, in accordance with the criteria set forth in this section, for the purpose of providing low-interest loans to school districts, to finance the renovation, repair or other alteration of existing school buildings, the construction of new school buildings or the conversion of existing school buildings to other instructional purposes, if such renovation, repair, alteration, construction or conversion is required to bring buildings that, at the time of application, do not meet State health and safety code requirements, into compliance with those requirements.
 - c. Upon application by a school district for a low-interest loan, the commissioner is authorized and empowered to determine whether the renovations, repairs, alterations, conversion or construction are necessary to meet State health and safety code requirements. If the commissioner determines that such work is necessary, the commissioner shall certify that the school district is eligible for a low-interest loan pursuant to this section to finance the renovation, repair, alteration, conversion or construction described in the application.
- d. (1) Upon certification, the commissioner shall waive the holding of a referendum or the requirement for approval by a board of school estimate pursuant to subsection (d) of N.J.S.18A:20-4.2 or N.J.S.18A:24-5 et seq., as the case may be, or the requirement for approval of the project by a capital projects control board pursuant to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate, and the school district may, upon receiving the certification and waiver, apply to the authority for a loan pursuant to this section. The terms of the loan and the repayment schedule shall be established by the authority. The repayments to the authority by the school districts shall be treated as net debt service by the school districts for school aid purposes. [In addition to the amount of taxes determined by the

legal voters of the district at the annual school election, the 1 The secretary of the board of education shall certify the amount required for the repayment of the interest and principal of the loan in the same manner required for interest and debt redemption charges pursuant to N.J.S.18A:22-33, and the amount so certified shall be included in the taxes assessed, levied and collected in the municipality or municipalities comprising the school district for such purposes.

- (2) All repayments, and interest thereon, shall be deposited by the authority in the compliance fund, for use in the manner provided for in this section, except insofar as the authority may direct that such amounts be deposited in the small projects fund established pursuant to section 7 of P.L.1993, c.102 (C.34:1B-7.25).
- (3) Notwithstanding any provision of this section to the contrary, on and after the effective date of P.L.1996, c.48 (C.34:1B-7.23a et al.), any loan repayments and interest thereon on deposit or deposited into the compliance fund shall be paid by the authority to the State Treasurer for deposit into the General Fund of the State, provided that the payment does not violate any existing agreement of the authority with bondholders.
- e. The authority, in consultation with the commissioner shall, in determining whether to grant approval of any loan application pursuant to this section, take into consideration the severity of the need for the particular project, the ability of the school district to begin and complete the project in an expeditious manner, the ability of the school district to proceed with the funding of the balance of the funds for the project, and the extent to which the approval of the project contributes to the equable distribution of moneys in the compliance fund.
- f. The balance of the moneys needed for a project for which an application for a loan is made pursuant to this section may be funded by the school district by: (1) the issuance of bonds, or other borrowing, excluding lease-purchase agreements, pursuant to the provisions of subsection (d) of N.J.S.18A:20-4.2, N.J.S.18A:24-5 et seq., or P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate; except that the commissioner shall waive the holding of a referendum or the requirement for approval by a board of school estimate pursuant to subsection (d) of N.J.S.18A:20-4.2, or N.J.S.18A:24-5 et seq., as the case may be, or the requirement for approval of the project by a capital projects control board pursuant to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate; (2) borrowing from the "Public Schools Small Projects Loan Assistance Fund" established pursuant to section 7 of P.L.1993, c.102 (C.34:1B-7.25), if the total cost of the project does not exceed \$5,000,000, and in any such case the commissioner shall waive the holding of a referendum or the requirement for approval by a board of school estimate pursuant to subsection (d) of N.J.S.18A:20-4.2 or N.J.S.18A:24-5 et seq., as the case may be, or approval of the

project by a capital projects control board pursuant to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as appropriate; (3) moneys of the school district not necessary for the completion of any other specific projects; and (4) any other lawful source; except that no project funded or approved to be funded by school district bonds authorized, pursuant to law, prior to December 31, 1992 shall be funded pursuant to P.L.1993, c.102 (C.34:1B-7.20 et al.).

- g. Any school district shall be eligible to receive additional loans pursuant to this section even if the district has received a previous loan; provided that those additional loans are in conformity with the selection criteria established pursuant to this section.
- h. Net earnings received from the investment or deposit of moneys in the compliance fund by the authority shall be redeposited in the fund for use for the purposes of this section.

(cf: P.L.1996, c.48, s.1)]¹

- ¹[90. Section 5 of P.L.1993, c.102 (C.34:1B-7.24) is amended to read as follows:
- 5. a. The authority shall establish and maintain a special nonlapsing revolving fund to be known as the "Public School Facilities Loan Assistance Fund," hereinafter the "facilities fund," which shall be credited with: (1) not less than \$105,000,000 from the amount of capital funding appropriated for school facilities pursuant to the annual appropriations act for the State fiscal year ending June 30, 1994, P.L.1993, c.155; (2) the \$20,000,000 allocated from the Economic Recovery Fund pursuant to paragraph (2) of subsection d. of section 4 of P.L.1992, c.16 (C.34:1B-7.13); (3) any moneys that shall be received by the authority from the repayment of loans made from the facilities fund and interest thereon; and (4) any other moneys which the authority determines to deposit therein.
- b. The authority may use the moneys in the facilities fund to provide for low interest loans to finance not less than 25%, and not more than 50%, of the total cost of any project, in accordance with the criteria set forth in this section, for the purpose of renovation, repair or other alteration of existing school buildings, for construction of new school buildings or for the conversion of existing school buildings to other instructional purposes, whether or not that renovation, repair, alteration, construction or conversion is required to bring buildings that, at the time of application do not meet State health and safety code requirements, into compliance with those requirements.
- c. Upon application by any school district to the authority for a loan to be made pursuant to subsection b. of this section, the authority shall, in consultation with the commissioner, determine whether to grant approval for the loan based upon the appropriate authorization for the loan pursuant to subsection (d) of

- N.J.S.18A:20-4.2, or the project pursuant to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as the case may be, the relationship of the project to the enhancement of the school's academic programs, the ability of the school district to begin and complete the project in an expeditious manner, the ability of the school district to proceed with
- the funding of the balance of the moneys needed for the project, and the extent to which approval of the project would contribute to the equable distribution of moneys in the facilities fund.
- 9 d. The balance of the moneys needed for a project for which an 10 application for a loan is made pursuant to subsection b. of this 11 section may be funded by the school district by: (1) the issuance of 12 bonds, or other borrowing, excluding lease-purchase agreements, 13 pursuant to the provisions of subsection (d) of N.J.S.18A:20-4.2, 14 N.J.S.18A:24-5 et seq., or P.L.1991, c.139 (C.18A:7A-46.1 et seq.) 15 as appropriate; (2) if the borrowing of money or the issuance of 16 bonds is authorized pursuant to subsection (d) of N.J.S.18A:20-4.2 17 or N.J.S.18A:24-5 et seq., as the case may be, or if the project is 18 approved pursuant to P.L.1991, c.139 (C.18A:7A-46.1 et seq.), as 19 appropriate, borrowing from the "Public Schools Small Projects 20 Loan Assistance Fund" established pursuant to section 7 of 21 P.L.1993, c.102 (C. 34:1B-7.25), if the total cost of the project does 22 not exceed \$5,000,000; (3) moneys of the school district not 23 necessary for the completion of any other specific projects; and (4) 24 any other lawful source; except that no project funded or approved

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c.102 (C.34:1B-7.20 et al.).

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

to be funded by school district bonds authorized, pursuant to law,

prior to December 31, 1992 shall be funded pursuant to P.L.1993,

- (2) All repayments, and interest thereon, shall be deposited by the authority in the facilities fund for use in the manner provided for in this section, except insofar as the authority may direct that such amounts be deposited in the small projects fund established pursuant to section 7 of P.L.1993, c.102 (C.34:1B-7.25).
- (3) Notwithstanding any provision of this section to the contrary, on and after the effective date of P.L.1996, c.48 (C.34:1B-7.23a et al.), any loan repayments and interest thereon on

deposit or deposited into the facilities fund shall be paid by the authority to the State Treasurer for deposit into the General Fund of the State, provided that the payment shall not violate any existing agreement of the authority with bondholders.

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

(cf: P.L.1996, c.48, s.2) \mathbf{I}^1

- ¹[91. Section 7 of P.L.1993, c.102 (C.34:1B-7.25) is amended to read as follows:
- 7. a. The New Jersey Economic Development Authority is authorized to issue bonds, in an aggregate amount not exceeding \$100,000,000, the proceeds from which shall be used to provide matching funds to assist in the financing of school district projects in accordance with the provisions of this section. The bonds so issued shall be secured by the repayment by school districts of loans made pursuant to this 1993 amendatory and supplementary act, or, in the case of default on any such loan repayment, by the school facilities financing bond reserve established pursuant to section 6 of this 1993 amendatory and supplementary act.
- b. The authority shall establish and maintain a special nonlapsing revolving fund to be known as the "Public Schools Small Projects Loan Assistance Fund," hereinafter the "small projects fund," which shall be credited with: (1) the proceeds of the sale of bonds pursuant to subsection a. of this section; (2) any moneys that shall be received by the authority from the repayment of loans made from the small projects fund and interest thereon; and (3) any other moneys which the authority determines to deposit therein.
- c. The authority shall use the monies in the small projects fund exclusively for: (1) matching funds to provide market rate loans to school districts to finance an amount up to the remaining balance of the cost of a project approved for funding from the compliance fund pursuant to section 4 of this 1993 amendatory and supplementary act or from the facilities fund pursuant to section 5 of this 1993 amendatory and supplementary act, whether or not the project is required to bring the buildings that, at the time of application do not meet State health and safety code requirements, into compliance with those requirements; provided that the total cost of the project, including moneys received from the compliance fund or the facilities fund, does not exceed \$5,000,000; and (2) payment of any principal, interest, premium and expenses incurred in connection with the bonds issued pursuant to subsection a. of this section.
- d. (1) The authority shall establish the terms of the market rate loans which shall include, but not be limited to, the actual rate of interest, a schedule for drawing down loan funds, and the repayment schedule for the loans. The repayments shall be treated by the

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school district as net debt service for school aid purposes. 1 2 addition to the amount of taxes determined by the legal voters of the district at the annual school election, the The secretary of the 3 board of education shall certify the amount required for the 4 5 repayment of the interest and principal of the loan in the same 6 manner required for interest and debt redemption charges pursuant 7 to N.J.S.18A:22-33, and the amount so certified shall be included in 8 the taxes assessed, levied and collected in the municipality or 9 municipalities comprising the school district for such purposes.

- (2) All repayments, and interest thereon, shall be deposited by the authority in the small projects fund for use in the manner provided for in this section.
- e. Net earnings received from the investment or deposit of monies in the small projects fund by the authority shall be redeposited in the fund for use for the purposes of this section.

16 (cf: P.L.1993, c.102, s.7)]¹

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

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

29 (cf: P.L.1995, c.94, s.3)]¹

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

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- ¹[94. The following sections of law are repealed:
- 41 N.J.S.18A:13-19;
- 42 N.J.S.18A:22-37;
- 43 N.J.S.18A:22-38.]¹

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the Legislature as this bill) shall take effect on January 1 next following the date of enactment of P.L., c. (pending before the

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Legislature as this bill); provided, however that transition of the annual school election for the purposes of electing members of the board of education from the third Tuesday in April to the first Tuesday after the first Monday in November pursuant to section 82 of this Article (amending section 1 of P.L.1995, c.278 (C.19:60-1)), shall be in accordance with the following schedule:

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

¹[ARTICLE 5. EXECUTIVE COUNTY SUPERINTENDENTS

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

18A:7-1. <u>a.</u> The [commissioner] <u>Governor, upon the recommendation of the commissioner and with the advice and consent of the Senate, shall appoint for each county, [with the approval of the state board,] a suitable person, who holds an appropriate certificate issued pursuant to this title and who has been a resident of the [state] <u>State</u> for at least three years immediately preceding [his] <u>the</u> appointment, to be the <u>executive</u> county superintendent <u>of schools</u>, who shall serve, unless sooner removed pursuant to law, for a term of three years [and thereafter until his successor is appointed and shall qualify]. <u>The superintendent may be re-appointed by the Governor on the basis of a satisfactory performance assessment required pursuant to subsection b. of this section. A person who is serving as a county superintendent of</u></u>

- schools on the effective date of Article 5 of P.L., c. (C.)

 (pending before the Legislature as this bill), shall be eligible for appointment as the executive county superintendent of schools. The executive county superintendent of schools shall report to the Commissioner of Education or to a person designated by the commissioner.
- 7 b. An executive county superintendent shall be subject to at least 8 one performance assessment during the three-year term. The 9 performance of the superintendent shall be assessed by the 10 Commissioner of Education based on the ability of the 11 superintendent to monitor and promote administrative and 12 operational efficiencies and cost savings within the school districts located in the county, while enhancing the effectiveness of the 13 14 districts in providing a thorough and efficient system of education, 15 and on their monitoring of the school districts in the five key 16 components of school district effectiveness under the New Jersey 17 Quality Single Accountability Continuum: instruction and program; 18 personnel; fiscal management; operations; and governance. In 19 establishing the standards for assessing the performance of the 20 superintendent in facilitating administrative efficiencies, the 21 commissioner shall include such factors as administrator-to-teacher 22 ratios, administrator-to-student ratios, per-pupil administrative 23 expenditures, and improved student educational outcomes.

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¹[97.] <u>43.</u> N.J.S.18A:7-2 is amended to read as follows:

- 18A:7-2. The commissioner may designate any one of his assistant commissioners or [, with the approval of the State board,] another suitable person to exercise the powers and perform the duties of the <u>executive</u> county superintendent without additional compensation:
- a. During any period when [a] an executive county superintendent shall be unable to perform his duties by reason of illness, physical disability or for any other cause; and
 - b. During any period when the office of <u>executive</u> county superintendent shall be vacant in any county by reason of the death or resignation of the incumbent or for any other cause.

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

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

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¹[98.] <u>44.</u> N.J.S.18A:7-3 is amended to read as follows:

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

Each <u>executive</u> county superintendent shall receive, in addition to his salary, the traveling and other expenses incurred by him in

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1 conducting his office and performing his official duties, which shall 2 be paid by the county treasurer on the orders of the commissioner, 3 upon his furnishing to the commissioner an itemized statement 4 thereof certified under his oath, together with proper vouchers, and 5 no such order shall be issued until such statement and vouchers are 6 so furnished. 7 (cf: N.J.S.18A:7-3) 8 9 ¹[99.] <u>45.</u> N.J.S. 18A:7-4 is amended to read as follows: 10 18A:7-4. The commissioner shall, subject to appeal to the 11 [state] State board, cause to be withheld the orders for the payment of the salary and expenses of any executive county superintendent, 12 13 who shall fail to perform faithfully all of the duties imposed upon 14 him by this chapter or by the rules of the [state] State board, until 15 he shall have performed all of such duties. (cf: N.J.S.18A:7-4) 16 17 ¹[100.] <u>46.</u> N.J.S.18A:7-5 is amended to read as follows: 18 19 18A:7-5. Each executive county superintendent shall devote his entire time to the duties of his office, and he shall have general 20 21 supervision of all of the public schools of the districts of the county 22 except those city school districts in which there shall have been 23 appointed superintendents of schools. 24 (cf: N.J.S.18A:7-5) 25 ¹[101.] <u>47.</u> N.J.S.18A:7-6 is amended to read as follows: 26 27 18A:7-6. The executive county superintendent shall maintain an 28 office at a suitable location within the county which shall be open to 29 the public as are other county offices and which shall be supplied 30 to him, and shall be suitably furnished and equipped, by the board 31 of chosen freeholders of the county, and the school records of the 32 county for the use of the county and State Departments of Education, the United States Office of Education and the United 33 34 States Commissioner of Education shall be kept at such office. 35 (cf: P.L.1968, c.470, s.1) 36 37 ¹[102.] 48. N.J.S.18A:7-7 is amended to read as follows: 18A:7-7. The executive county superintendent shall appoint 38 such clerical assistants for his office as he shall deem necessary and 39 40 fix their compensation within the limits of available appropriations 41 made thereof. In counties governed by Title [11] 11A, Civil 42 Service, of the [Revised] New Jersey Statutes, such appointments 43 shall be made and compensation shall be fixed pursuant to the provisions thereof, and in all other counties the compensation of 44

such clerical assistants shall be fixed on a basis commensurate with

that of other county employees performing similar duties.

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

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- ¹[103.] <u>49.</u> N.J.S.18A:7-8 is amended to read as follows: 1
- 2 18A:7-8. Each executive county superintendent shall:

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

- 1 question whether or not the executive county superintendent's
- 2 proposal for the regionalization of the school district shall be
- 3 adopted. The question shall be deemed adopted if it receives a vote
- 4 in accordance with the provisions of N.J.S.18A:13-5. If the
- 5 question is adopted by the voters, then the regional district shall be
- 6 established or enlarged in accordance with chapter 13 of Title 18A
- 7 of the New Jersey Statutes;
- 8 i. Promote coordination and regionalization of pupil 9 transportation services through means such as reviewing bus routes
- 10 and schedules of school districts and nonpublic schools within the
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- 12 j. Review and approve, according to standards adopted by the
- 13 commissioner, all employment contracts for superintendents of
- 14 schools, assistant superintendents of schools, and school business
- 15 administrators in school districts within the county, prior to the
- 16 execution of those contracts;
- 17 k. Request the commissioner to order a forensic audit and to 18 select an auditor for any school district in the county upon the
- 19 determination by the executive county superintendent, according to
- 20 standards adopted by the commissioner, that the accounting
- 21 practices in the district necessitate such an audit;
- 22 1. Review all school budgets of the school districts within the
- 23 county, and may, pursuant to section 5 of P.L.1996, c.138
- 24 (C.18A:7F-5), disapprove a portion of a school district's proposed
- 25 budget if he determines that the district has not implemented all
- 26 potential efficiencies in the administrative operations of the district
- 27 or if he determines that the budget includes excessive non-
- 28 instructional expenses. If the executive county superintendent
- 29 disapproves a portion of the school district's budget pursuant to this
- 30 paragraph, the school district shall deduct the disapproved amounts
- 31 from the budget prior to publication of the budget, and during the
- budget year the school district shall not transfer funds back into 32
- 33 those accounts;
- 34 m. Permit a district to submit to the voters a separate proposal or
- 35 proposals for additional funds pursuant to paragraph (9) of
- 36 subsection d. of section 5 of P.L.1996, c.138 (C.18A:7F-5), only if:
- 37 (1) the district provides the executive county superintendent with
- 38 written documentation that the district has made efforts to enter into
- 39 shared arrangements with other districts, municipalities, counties, 40
- and other units of local government for the provision of 41 administrative, business, purchasing, public and nonpublic
- 42 transportation, and other required school district services; (2) the
- 43 district certifies and provides written documentation that the district
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- participates in on-going shared arrangements; or (3) the district 45 certifies and provides written documentation that entering such
- 46 shared arrangements would not result in cost savings or would
- result in additional expenses for the district; 47

- n. Promote cooperative purchasing within the county of textbooks and other instructional materials;
- o. Coordinate with the Department of Education to maintain a
 real time Statewide and district-wide database that tracks the types
 and capacity of special education programs being implemented by
 each district and the number of students enrolled in each program to
 identify program availability and needs;

- p. Coordinate with the Department of Education to maintain a Statewide and district-wide list of all special education students served in out-of-district programs and a list of all public and private entities approved to receive special education students that includes pertinent information such as audit results and tuition charges;
- q. Serve as a referral source for districts that do not have appropriate in-district programs for special education students and provide those districts with information on placement options in other school districts;
- r. Conduct regional planning and identification of program needs for the development of in-district special education programs;
- s. Serve as a liaison to facilitate shared special education services within the county including, but not limited to direct services, personnel development, and technical assistance;
- t. Work with districts to develop in-district special education programs and services including providing training in inclusive education, positive behavior supports, transition to adult life, and parent-professional collaboration;
- u. Provide assistance to districts in budgetary planning for resource realignment and reallocation to direct special education resources into the classroom;
- v. Report on a regular basis to the commissioner on progress in achieving the goal of increasing the number of special education students educated in appropriate programs with non-disabled students;
- <u>w.</u> Render a report to the commissioner annually on or before September 1, in the manner and form prescribed by him, of such matters relating to the schools under his jurisdiction as the commissioner shall require; and
- [e.] \underline{x} . Perform such other duties as shall be prescribed by law.
- ¹Any budgetary action of the executive county superintendent under this section may be appealed directly to the commissioner, who shall render a decision within 15 days of the receipt of the appeal. If the commissioner fails to issue a decision within 15 days of the filing of an appeal, the budgetary action of the executive county superintendent shall be deemed approved. The commissioner shall by regulation establish a procedure for such appeals.¹
- Nothing in this section shall be construed or interpreted to contravene or modify the provisions of the "New Jersey Employer-
- 48 Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.), or

- 1 to limit or restrict the scope of negotiations as provided pursuant to
- 2 law, or to '[authorize] require' an employer to enter into a
- 3 subcontracting agreement which affects the employment of any
- 4 employee in a collective bargaining unit represented by a majority
- 5 representative during the time that an existing collective bargaining 6
 - agreement with the majority representative is in effect.
 - Nothing in this section is intended to interfere with a school district's ability to provide a thorough and efficient education.
- 9 (cf: N.J.S.18A:7-8)

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- ¹[104.] 50. N.J.S.18A:7-9 is amended to read as follows:
- 18A:7-9. The executive county superintendent may, without 12 13 charge, administer oaths.
- 14 (cf: N.J.S.18A:7-9)

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- ¹[105.] <u>51.</u> N.J.S.18A:7-10 is amended to read as follows:
- 18A:7-10. Each executive county superintendent shall, on or before December 1 of each year, furnish to the board of chosen freeholders of the county a statement of the amounts estimated to be necessary to be appropriated for the ensuing year for:
 - a. the compensation of his clerical assistants;
- b. the supplying of furniture, supplies and equipment for his office;
 - c. printing; and
- d. traveling and other expenses incident to the conduct and the performance of his official duties of his office incurred by him.
- The board of chosen freeholders shall fix and determine the amounts necessary to be appropriated for such purposes and shall appropriate the same accordingly.
- (cf: N.J.S.18A:7-10)

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- 32 ¹[106.] <u>52.</u> Section 2 of P.L.1975, c.360 (C.18A:13-52) is 33 amended to read as follows:
 - 2. The executive county superintendent shall, within 60 days after such request, file with the governing bodies of the municipalities constituting the regional district and the boards of education of all of the constituent school districts and the board of education of the regional school district a report containing a statement of the current assets and operating expenses of the regional district for the then current year and such financial, educational and other information as he may deem necessary to enable said governing bodies and local boards of education and regional board of education to form an intelligent judgment as to the advisability of the proposed withdrawal or dissolution and the effect thereof upon the educational and financial condition of the withdrawing district and the regional district, or upon each of the constituent districts in the event of a dissolution and setting forth the amount of indebtedness, if any, to be assumed by the

withdrawing and the regional districts, or by each constituent district in the event of a dissolution, calculated as hereinafter provided. The report, in discussing the educational and financial effect of the withdrawal or dissolution, shall include the effect thereof upon the administrative and operational efficiencies, and the resultant cost savings or cost increases, in the withdrawing and the regional districts, or by each constituent district in the event of a dissolution.

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

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

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

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

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

1 b. When the position of executive county business official is 2 vacated through the completion of a current term or for any other 3 reason, the commissioner shall appoint an executive county 4 business official pursuant to section 107 of P.L. 5 (pending before the Legislature as this bill). 6 ¹[110.] 56.¹ (New section) Whenever, in any law, rule, 7 regulation, order, contract, document, judicial or administrative 8 proceeding or otherwise, reference is made to the office of the 9 county superintendent of schools, the same shall mean and refer to 10 the office of the executive county superintendent of schools. 11 12 13 ¹[111.] <u>57.</u> (New section) An executive county superintendent of schools shall not accept employment in any school district which 14 15 was under his supervision in that position for a period of two years commencing on the day his term as executive county superintendent 16 17 terminates. 18 19 ¹[112.] <u>58.</u> (New section) The State Board of Education shall adopt rules and regulations pursuant to the "Administrative 20 21 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to effectuate 22 the provisions of Article ${}^{1}[5]\underline{3}{}^{1}$ of P.L., c. (C. 23 before the Legislature as this bill); except that notwithstanding any 24 provision of P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, 25 the commissioner may adopt, immediately upon filing with the 26 Office of Administrative Law, such rules and regulations as the 27 commissioner deems necessary to implement the provisions of 28 Article ¹[5] 3¹ of P.L. , c. (C.) (pending before the Legislature as this bill), which shall be effective for a period not to 29 30 exceed 12 months. ¹[113.] <u>59.</u> Article 1 shall take effect as provided in section 32 33

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¹[41] <u>37</u>¹ of this act; Article 2 shall take effect immediately; Article 3 shall take effect ¹[as provided in section 60 of this act; Article 4 shall take effect as provided in section 95 of this act; and Article 5 shall take effect 1 immediately.