

ASSEMBLY, No. 427

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman GREGORY P. MCGUCKIN

District 10 (Ocean)

Assemblyman JOHN CATALANO

District 10 (Ocean)

SYNOPSIS

Limits certain unused sick leave pay and vacation leave carry-forward for public officers and employees.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/3/2020)

1 **AN ACT** concerning the accumulation of sick leave and vacation
2 leave by public officers and employees, and amending various
3 parts of the statutory law.

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

7
8 1. Section 1 of P.L.2010, c.3 (C.11A:6-19.2) is amended to
9 read as follows:

10 1. Notwithstanding any law, rule or regulation to the contrary,
11 a political subdivision of the State, or an agency, authority or
12 instrumentality thereof, that has adopted the provisions of Title 11A
13 of the New Jersey Statutes, shall not pay supplemental
14 compensation to any officer or employee for accumulated unused
15 sick leave in an amount in excess of **[\$15,000]** \$10,000.
16 Supplemental compensation shall be payable only at the time of
17 retirement from a State-administered or locally-administered
18 retirement system based on the leave credited on the date of
19 retirement. **【This provision shall apply only to officers and**
20 **employees who commence service with the political subdivision of**
21 **the State, or the agency, authority or instrumentality thereof, on or**
22 **after the effective date of P.L.2010, c.3. This section shall not be**
23 **construed to affect the terms in any collective negotiations**
24 **agreement with a relevant provision in force on that effective date.】**

25 An officer or employee who on the effective date of P.L. __, c.
26 (pending before the Legislature as this bill), or upon the expiration
27 of a collective negotiations agreement or contract of employment
28 applicable to that officer or employee in effect on that date, has
29 accrued supplemental compensation based upon accumulated
30 unused sick leave shall, upon retirement, be eligible to receive for
31 any unused leave not more than the amount so accumulated or not
32 more than \$10,000, whichever is greater.

33 (cf: P.L.2010, c.3, s.1)

34
35 2. Section 2 of P.L.2010, c.3 (C.40A:9-10.4) is amended to
36 read as follows:

37 2. Notwithstanding any law, rule or regulation to the contrary,
38 a political subdivision of the State, or an agency, authority or
39 instrumentality thereof, that has not adopted the provisions of Title
40 11A of the New Jersey Statutes, shall not pay supplemental
41 compensation to any officer or employee for accumulated unused
42 sick leave in an amount in excess of **[\$15,000]** \$10,000.
43 Supplemental compensation shall be payable only at the time of
44 retirement from a State-administered or locally-administered
45 retirement system based on the leave credited on the date of
46 retirement. **【This provision shall apply only to officers and**

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

Matter underlined thus is new matter.

1 employees who commence service with the political subdivision of
2 the State, or the agency, authority or instrumentality thereof, on or
3 after the effective date of P.L.2010, c.3. This section shall not be
4 construed to affect the terms in any collective negotiations
5 agreement with a relevant provision in force on that effective date.】

6 An officer or employee who on the effective date of P.L. , c.
7 (pending before the Legislature as this bill), or upon the expiration
8 of a collective negotiations agreement or contract of employment
9 applicable to that officer or employee in effect on that date, has
10 accrued supplemental compensation based upon accumulated
11 unused sick leave shall, upon retirement, be eligible to receive for
12 any unused leave not more than the amount so accumulated or not
13 more than \$10,000, whichever is greater.

14 (cf: P.L.2010, c.3, s.2)

15
16 3. Section 3 of P.L.2010, c.2 (C.18A:30-3.6) is amended to
17 read as follows:

18 3. Notwithstanding any law, rule or regulation to the contrary,
19 a board of education, or an agency or instrumentality thereof, shall
20 not pay supplemental compensation to any officer or employee for
21 accumulated unused sick leave in an amount in excess of **【\$15,000】**
22 \$10,000. Supplemental compensation shall be payable only at the
23 time of retirement from a State-administered or locally-
24 administered retirement system based on the leave credited on the
25 date of retirement. **【This provision shall apply only to officers and**
26 **employees who commence service with the board of education, or**
27 **the agency or instrumentality thereof, on or after the effective date**
28 **of P.L.2010, c.3. This section shall not be construed to affect the**
29 **terms in any collective negotiations agreement with a relevant**
30 **provision in force on that effective date.】**

31 An officer or employee who on the effective date of
32 P.L. , c. (pending before the Legislature as this bill), or upon the
33 expiration of a collective negotiations agreement or contract of
34 employment applicable to that officer or employee in effect on that
35 date, has accrued supplemental compensation based upon
36 accumulated unused sick leave shall, upon retirement, be eligible to
37 receive for any unused leave not more than the amount so
38 accumulated or not more than \$10,000, whichever is greater.

39 (cf: P.L.2010, c.3, s.3)

40
41 4. Section 4 of P.L.2010, c.3 (C.40A:9-10.5) is amended to
42 read as follows:

43 4. Notwithstanding any law, rule or regulation to the contrary,
44 an officer or employee of a political subdivision of the State, or an
45 agency, authority, or instrumentality thereof, that has not adopted
46 the provisions of Title 11A of the New Jersey Statutes, who does
47 not take vacation leave that accrues in a given year because of
48 business demands shall be granted that accrued leave only during

1 the next succeeding year. However, vacation leave not taken in a
2 given year because of duties directly related to a state of emergency
3 declared by the Governor may accumulate at the discretion of the
4 appointing authority until, pursuant to a plan established by the
5 officer or employee's appointing authority, the leave is used or the
6 employee or officer is compensated for that leave, which shall not
7 be subject to collective negotiation or collective bargaining. **【This**
8 **provision shall apply only to officers and employees who**
9 **commence service with the political subdivision of the State, or the**
10 **agency, authority or instrumentality thereof, on or after the effective**
11 **date of P.L.2010, c.3. This section shall not be construed to affect**
12 **the terms in any collective negotiations agreement with a relevant**
13 **provision in force on that effective date.】**

14 A person who is an officer or employee on the effective date of
15 P.L. , c. (pending before the Legislature as this bill) and has
16 previously accrued vacation leave shall be eligible and shall be
17 permitted to retain and use that accrued vacation leave.
18 (cf: P.L.2010, c.3, s.4)

19
20 5. Section 5 of P.L.2010, c.3 (C.18A:30-9.1) is amended to
21 read as follows:

22 5. Notwithstanding any law, rule or regulation to the contrary,
23 an officer or employee of a board of education, or an agency or
24 instrumentality thereof, who does not take vacation leave that
25 accrues in a given year because of business demands shall be
26 granted that accrued leave only during the next succeeding year.
27 However, vacation leave not taken in a given year because of duties
28 directly related to a state of emergency declared by the Governor
29 may accumulate at the discretion of the appointing authority until,
30 pursuant to a plan established by the officer or employee's
31 appointing authority, the leave is used or the employee or officer is
32 compensated for that leave, which shall not be subject to collective
33 negotiation or collective bargaining. **【This provision shall apply**
34 **only to officers and employees who commence service with the**
35 **board of education, or the agency or instrumentality thereof, on or**
36 **after the effective date of P.L.2010, c.3. This section shall not be**
37 **construed to affect the terms in any collective negotiations**
38 **agreement with a relevant provision in force on that effective date.】**

39 A person who is an officer or employee on the effective date of
40 P.L. , c. (pending before the Legislature as this bill) and has
41 previously accrued vacation leave shall be eligible and shall be
42 permitted to retain and use that accrued vacation leave.
43 (cf: P.L.2010, c.3, s.5)

44
45 6. N.J.S.11A:6-19 is amended to read as follows:

46 11A:6-19. Supplemental compensation; computation; limitation.
47 Supplemental compensation shall be computed at the rate of one-
48 half of the eligible employee's daily rate of pay for each day of

1 accumulated sick leave based upon the compensation received
2 during the last year of employment prior to the effective date of
3 retirement, but supplemental compensation shall not exceed
4 **[\$15,000.00] \$10,000**. If an employee dies after the effective date
5 of retirement but before payment is made, payment shall be made to
6 the employee's estate.

7 An officer or employee who on the effective date of P.L. , c.
8 (pending before the Legislature as this bill), or upon the expiration
9 of a collective negotiations agreement or contract of employment
10 applicable to that officer or employee in effect on that date, has
11 accrued supplemental compensation based upon accumulated
12 unused sick leave shall, upon retirement, be eligible to receive for
13 any unused leave not more than the amount so accumulated or not
14 more than \$10,000, whichever is greater.

15 (cf: N.J.S.11A:6-19)

16
17 7. Section 42 of P.L.2007, c.92 (C.11A:6-19.1) is amended to
18 read as follows:

19 42. Notwithstanding any law, rule or regulation to the contrary,
20 a political subdivision of the State, or an agency, authority or
21 instrumentality thereof, that has adopted the provisions of Title 11A
22 of the New Jersey Statutes, shall not pay supplemental
23 compensation to any officer or employee for accumulated unused
24 sick leave in an amount in excess of **[\$15,000] \$10,000**, except that
25 an officer or employee who:

26 (1) on the effective date of **[P.L.2007, c.92 (C.43:15C-1 et al.)]**
27 P.L. , c. (pending before the Legislature as this bill), or upon the
28 expiration of a collective negotiations agreement or contract of
29 employment applicable to that officer or employee in effect on that
30 date has accrued supplemental compensation based upon
31 accumulated unused sick leave shall, upon retirement, be eligible to
32 receive for any unused leave not more than the amount so
33 accumulated or not more than **[\$15,000] \$10,000**, whichever is
34 greater; or

35 (2) becomes an officer or employee after the effective date of
36 **[P.L.2007, c.92 (C.43:15C-1 et al.)]** P.L. , c. (pending before
37 the Legislature as this bill) and has previously accrued
38 supplemental compensation based upon accumulated unused sick
39 leave shall, upon retirement, be eligible to receive for any unused
40 leave not more than the amount so previously accumulated or not
41 more than **[\$15,000] \$10,000**, whichever is greater.

42 Supplemental compensation shall be payable only at the time of
43 retirement from a State-administered or locally-administered
44 retirement system based on the leave credited on the date of
45 retirement.

46 As used in this section, "officer or employee" means an elected
47 official; or a person appointed by the Governor with the advice and

1 consent of the Senate, or appointed by the Governor to serve at the
2 pleasure of the Governor only during his or her term of office; or a
3 person appointed by an elected public official or elected governing
4 body of a political subdivision of the State, with the specific
5 consent or approval of the elected governing body of the political
6 subdivision that is substantially similar in nature to the advice and
7 consent of the Senate for appointments by the Governor of the State
8 as that similarity is determined by the elected governing body and
9 set forth in an adopted ordinance or resolution, pursuant to
10 guidelines or policy that shall be established by the Local Finance
11 Board in the Department of Community Affairs, but not including a
12 person who is employed or appointed in the regular or normal
13 course of employment or appointment procedures and consented to
14 or approved in a general or routine manner appropriate for and
15 followed by the political subdivision, or the agency, authority or
16 instrumentality of a subdivision, or a person who holds a
17 professional license or certificate to perform and is performing as a
18 certified health officer, tax assessor, tax collector, municipal
19 planner, chief financial officer, registered municipal clerk,
20 construction code official, licensed uniform subcode inspector,
21 qualified purchasing agent, or certified public works manager.

22 (cf: P.L.2007, c.92, s.42)

23
24 8. Section 44 of P.L.2007, c.92 (C.18A:30-3.5) is amended to
25 read as follows:

26 44. Notwithstanding any law, rule or regulation to the contrary,
27 a board of education, or an agency or instrumentality thereof, shall
28 not pay supplemental compensation to any officer or employee for
29 accumulated unused sick leave in an amount in excess of **[\$15,000]**
30 \$10,000, except that an officer or employee who:

31 (1) on the effective date of **[P.L.2007, c.92 (C.43:15C-1 et al.)]**
32 P.L. , c. (pending before the Legislature as this bill), or upon the
33 expiration of a collective negotiations agreement or contract of
34 employment applicable to that officer or employee in effect on that
35 date has accrued supplemental compensation based upon
36 accumulated unused sick leave shall, upon retirement, be eligible to
37 receive for any unused leave not more than the amount so
38 accumulated or not more than **[\$15,000]** \$10,000, whichever is
39 greater; or

40 (2) becomes an officer or employee after the effective date of
41 **[P.L.2007, c.92 (C.43:15C-1 et al.)]** P.L. , c. (pending before
42 the Legislature as this bill) and has previously accrued
43 supplemental compensation based upon accumulated unused sick
44 leave shall, upon retirement, be eligible to receive for any unused
45 leave not more than the amount so previously accumulated or not
46 more than **[\$15,000]** \$10,000, whichever is greater.

1 Supplemental compensation shall be payable only at the time of
2 retirement from a State-administered or locally-administered
3 retirement system based on the leave credited on the date of
4 retirement.

5 As used in this section, "officer or employee" means an elected
6 official; or a person appointed by the Governor with the advice and
7 consent of the Senate, or appointed by the Governor to serve at the
8 pleasure of the Governor only during his or her term of office; or a
9 person appointed by an elected public official or elected governing
10 body of the political subdivision, with the specific consent or
11 approval of the elected governing body of the political subdivision
12 that is substantially similar in nature to the advice and consent of
13 the Senate for appointments by the Governor of the State as that
14 similarity is determined by the elected governing body and set forth
15 in an adopted resolution, pursuant to guidelines or policy that shall
16 be established by the Department of Education, but not including a
17 person who is employed or appointed in the regular or normal
18 course of employment or appointment procedures and consented to
19 or approved in a general or routine manner appropriate for and
20 followed by the political subdivision, or the agency or
21 instrumentality thereof.

22 (cf: P.L.2007, c.92, 44)

23

24 9. Section 43 of P.L.2007, c. 92 (C.40A:9-10.2) is amended to
25 read as follows:

26 43. Notwithstanding any law, rule or regulation to the contrary,
27 a political subdivision of the State, or an agency, authority or
28 instrumentality thereof, that has not adopted the provisions of Title
29 11A of the New Jersey Statutes, shall not pay supplemental
30 compensation to any officer or employee for accumulated unused
31 sick leave in an amount in excess of **[\$15,000]** \$10,000, except that
32 an officer or employee who:

33 (1) on the effective date of **[P.L.2007, c.92 (C.43:15C-1 et al.)]**
34 P.L. , c. (pending before the Legislature as this bill), or upon the
35 expiration of a collective negotiations agreement or contract of
36 employment applicable to that officer or employee in effect on that
37 date has accrued supplemental compensation based upon
38 accumulated unused sick leave shall, upon retirement, be eligible to
39 receive for any unused leave not more than the amount so
40 accumulated or not more than **[\$15,000]** \$10,000, whichever is
41 greater; or

42 (2) becomes an officer or employee after the effective date of
43 **[P.L.2007, c.92 (C.43:15C-1 et al.)]** P.L. , c. (pending before
44 the Legislature as this bill) and has previously accrued
45 supplemental compensation based upon accumulated unused sick
46 leave shall, upon retirement, be eligible to receive for any unused

1 leave not more than the amount so previously accumulated or not
2 more than **【\$15,000】** \$10,000, whichever is greater.

3 Supplemental compensation shall be payable only at the time of
4 retirement from a State-administered or locally-administered
5 retirement system based on the leave credited on the date of
6 retirement.

7 As used in this section, "officer or employee" means an elected
8 official; or a person appointed by the Governor with the advice and
9 consent of the Senate, or appointed by the Governor to serve at the
10 pleasure of the Governor only during his or her term of office; or a
11 person appointed by an elected public official or elected governing
12 body of a political subdivision of the State, with the specific
13 consent or approval of the elected governing body of the political
14 subdivision that is substantially similar in nature to the advice and
15 consent of the Senate for appointments by the Governor of the State
16 as that similarity is determined by the elected governing body and
17 set forth in an adopted ordinance or resolution, pursuant to
18 guidelines or policy that shall be established by the Local Finance
19 Board in the Department of Community Affairs, but not including a
20 person who is employed or appointed in the regular or normal
21 course of employment or appointment procedures and consented to
22 or approved in a general or routine manner appropriate for and
23 followed by the political subdivision, or the agency, authority or
24 instrumentality of a subdivision, or a person who holds a
25 professional license or certificate to perform and is performing as a
26 certified health officer, tax assessor, tax collector, municipal
27 planner, chief financial officer, registered municipal clerk,
28 construction code official, licensed uniform subcode inspector,
29 qualified purchasing agent, or certified public works manager.

30 (cf: P.L.2007, c.92, s.43)

31

32 10. This act shall take effect immediately.

33

34

35

STATEMENT

36

37 This bill amends current law to make applicable for all public
38 officers and employees the limit of \$10,000 for the payment of
39 supplemental compensation at retirement for accumulated unused
40 sick leave and the limit on the carrying forward of vacation leave
41 for one year only. Current officers and employees will be permitted
42 to retain any supplemental compensation for unused sick leave
43 already accrued and carry forward any vacation leave already
44 accrued as of the bill's effective date.

45 The bill would not be construed to impair the obligation of a
46 collective negotiations agreement or individual contract of
47 employment with relevant provisions in effect on the bill's effective
48 date.